

Summary of operations

of the Supervisory Board

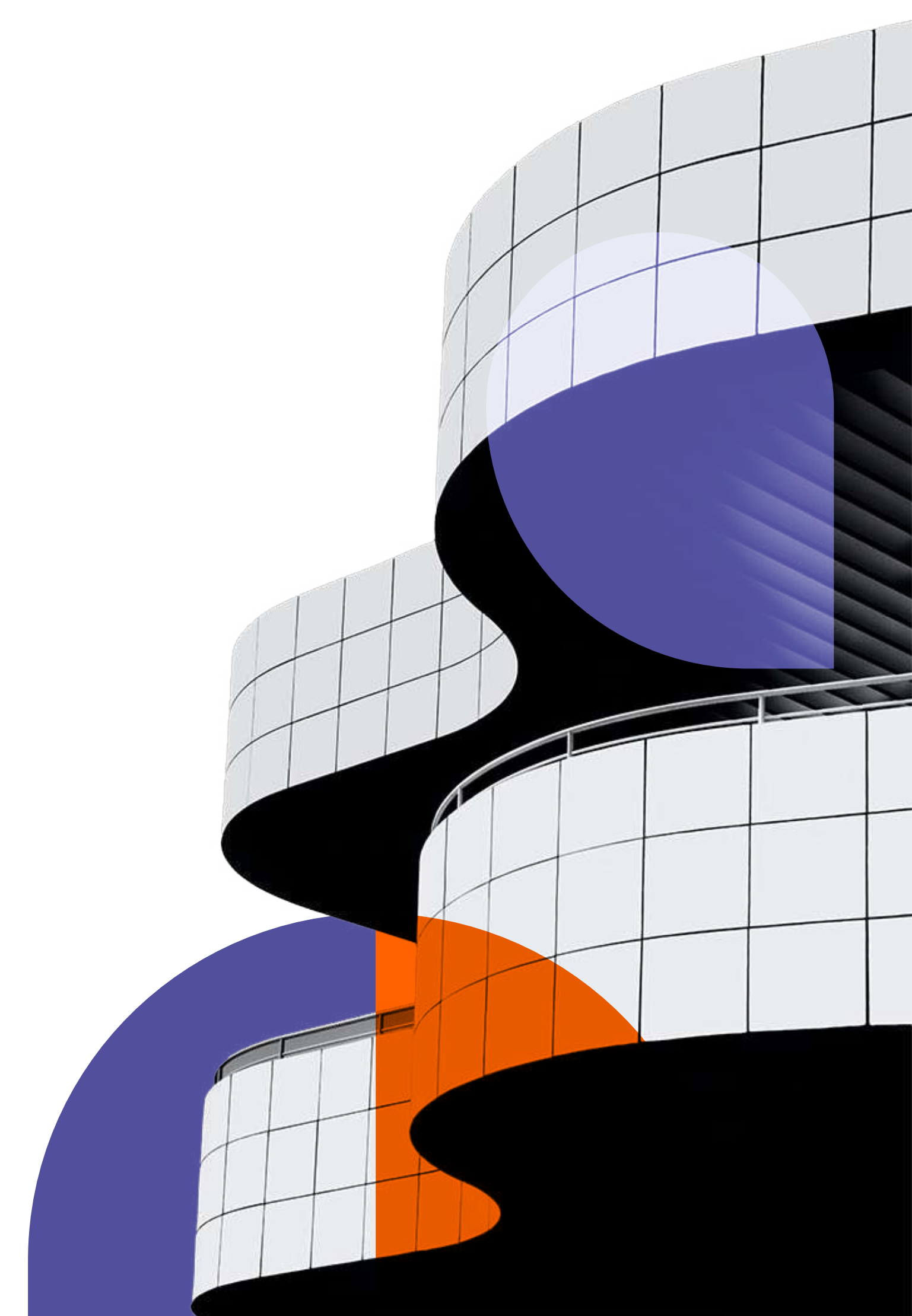
for 2022





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Operations of the Supervisory Board and its committees

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Assessment of the charity and sponsorship initiatives expenditure

Implementation of the diversity policy

Summary

of operations of the Supervisory Board and its committees in 2022 along with information on the composition of the Board and its committees



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

Acting pursuant to Article 382 §3.3) of the Commercial Companies and Partnerships Code (CCPC) and the provisions of the Best Practice for GPW Listed Companies, the ING Bank Śląski S.A. Supervisory Board herewith submit to the Ordinary General Meeting the Report of the ING Bank Śląski S.A. Supervisory Board for 2022.

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



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

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

2022 saw the following changes on the Supervisory Board:

On 10 February 2022, the Bank received a representation from Mr Remco Nieland stating his resignation from the capacity as Member of the Bank Supervisory Board effective as at the date of the subsequent Ordinary General Meeting of the Bank. The reason for the resignation was the planned retirement. The resignation of Mr Remco Nieland entailed a change to the composition of the Audit Committee which he was the member of.

Following the notice received, the agenda of the Ordinary General Meeting read an item on changes to the Supervisory Board. Pursuant to the Policy of Appointing and Recalling Members of the Supervisory Board of ING Bank Śląski S.A. and the Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and key function holders at ING Bank Śląski S.A., the Remuneration and Nomination Committee made an individual assessment of the candidate for the Supervisory Board, i.e.: Mr Aris Bogdaneris and a collective assessment of the Supervisory Board stating that the competences of the individual members of the Supervisory Board are complementary and allow for ensuring adequate level of collective performance of supervision duties in respect of all the business areas of the Bank. The relevant recommendation of the Remuneration and Nomination Committee was published

on the Bank's website before the date of the Ordinary General Meeting.

On 7 April 2022, the General Meeting appointed Mr Aris Bogdaneris as Member of the Supervisory Board. Mr Aris Bogdaneris is related to ING Group.

Furthermore, due to amendments to para. 21 and para. 24.1 of the *Bank Charter*, made by way of Bank Ordinary General Meeting Resolution No. 26 of 7 April 2022, entailing inter alia liquidation of the role of the Secretary to the Supervisory Board and considering previous suitability assessments, on 7 April the Supervisory Board elected Mr Michał Szczurek Deputy Chair of the ING Bank Śląski S.A. Supervisory Board. At the same time, the Supervisory Board entrusted the role of Deputy Chair I of the ING Bank Śląski S.A. Supervisory Board to Ms Małgorzata Kołakowska. The relevant resolution of the Supervisory Board provided for the reservation that it should take effect as of the registration date of the amendments to para. 21 and para. 24.1 of the Bank Charter, made by way of Bank Ordinary General Meeting Resolution No. 26 of 7 April 2022, in the Register of Entrepreneurs with the National Court Register (on 16 May 2022). At the same time, the Supervisory Board suggested changing the composition of the Risk Committee and of the Audit Committee: appointment of Ms Małgorzata

Kołakowska (incumbent Audit Committee Member) as the Risk Committee Member and Mr Michał Szczurek (incumbent Risk Committee Member) and Mr Stephen Creese as Audit Committee Members. Therefore, Mr Stephen Creese is both Member of the Risk Committee and Member of the Audit Committee.

Pursuant to the Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and key function holders at ING Bank Śląski S.A. and in keeping with the Suitability Assessment Procedure for Members of the Supervisory Board, Members of the Management Board and Audit Committee at ING Bank Śląski S.A., the Remuneration and Nomination Committee made an individual assessment of the candidates for the Audit Committee, i.e.: Mr Stephen Creese and Mr Michał Szczurek and concluded that both aforesaid candidates have the knowledge, skills and experience required to hold the function of a member of the ING Bank Śląski S.A. Supervisory Board Audit Committee, provide assurance of proper performance of duties relating to that function and fulfil other requirements as set out in Article 22aa of the Polish Banking Law Act. At the same time, Committee stated that the individual competences of the incumbent Members of the Audit Committee; i.e. Ms Monika Marcinkowska, Ms Dorota Dobija and Mr Aleksander Galos and the aforesaid candidates for Members of the Audit Committee were complementary and allowed for ensuring adequate level of



collective performance of supervision duties for all the areas falling within the capacity of the Audit Committee. It was further attested that the new Audit Committee would satisfy both the criterion of the collective suitability covering a sufficient number of members having the knowledge of and skills in accounting, as to the audit of the financial statements and as to banking and the criterion of a sufficient number of members being independent, including an independent Chair of the ING Bank Śląski S.A. Supervisory Board Audit Committee.

Taking account of the above changes and existing suitability assessments of individual Supervisory Board Members, on 10 June 2022, the Supervisory Board changed the compositions of the Audit Committee and of the Risk Committee. The Supervisory Board appointed Ms Małgorzata Kołakowska (incumbent Audit Committee Member) as the Risk Committee Member and Mr Michał Szczurek (incumbent Risk Committee Member) and Mr Stephen Creese as Audit Committee Members.

Following the changes made on 10 June 2022, the ING Bank Śląski S.A Supervisory Board Audit Committee operate in the following composition:

Ms Monika Marcinkowska
Committee Chair (independent member)

Mr Stephen Creese
Committee Member

Ms Dorota Dobija
Committee Member (independent member)

Mr Aleksander Galos
Committee Member (independent member)

Mr Michał Szczurek
Committee Member

Following the changes made on 10 June 2022, the ING Bank Śląski S.A Supervisory Board Risk Committee operates in the following composition:

Ms Dorota Dobija
Committee Chair (independent member)

Mr Stephen Creese
Committee Member

Mr Aleksander Galos
Committee Member (independent member)

Ms Małgorzata Kołakowska
Committee Member

Ms Monika Marcinkowska
Committee Member (independent member)



The composition of the Remuneration and Nomination Committee did not change. The Committee operates in the following composition:

Mr Aleksander Galos

Chair (independent member)

Ms Dorota Dobija

Committee Member (independent member)

Ms Małgorzata Kołakowska

Committee Member

Following the by-election to the Supervisory Board in 2022, as at 31 December 2021, the Supervisory Board Members were:

Mr Aleksander Galos

Chair (independent member)

Ms Małgorzata Kołakowska

Deputy Chair I

Mr Michał Szczurek

Deputy Chair

Mr Aris Bogdaneris

Member

Mr Stephen Creese

Member

Ms Dorota Dobija

Member (independent member)

Ms Monika Marcinkowska

Member (independent member)





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

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

As per the *Best Practice for GPW Listed Companies*, the criteria of independence are satisfied by the requisite number of Board Members. According to the representations filed by the Members of the Supervisory Board, three (3) out of seven (7) Members of the Supervisory Board meet the independence criteria set out in the *Bank Charter*. Those are: Supervisory Board Chair – Mr Aleksander Galos and Board Members – Ms Dorota Dobija and Ms Monika Marcinkowska. The other Members, namely: Ms Małgorzata Kołakowska (Board Deputy Chair I), Mr Michał Szczurek (Board Deputy Chair), Mr Aris Bogdaneris and Mr Stephen Creese (Board Members) have ties with ING Bank N.V., the strategic shareholder of the Bank.

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

Professional resumes of all the Supervisory Board Members, including their functions on the Supervisory Board Committees, have been published on the Bank's website: <https://en.ing.pl/company-profile/authorities>. Short personal bios of Board Members with their individual competencies have been given below. Furthermore, on the Bank's website, there are annotations on filing independence statements or statements on ties with ING Bank N.V. There is also the information on

compliance with the requirements under Article 22aa of the *Polish Banking Law Act*. In keeping with the *Best Practice for GPW Listed Companies*, the share of men and women in the Management Board and Supervisory Board of ING Bank Śląski S.A. has been published on the Bank's website. The data are further presented hereinbelow.





Competency Profiles of Supervisory Board Members

Supervisory Board Members have high qualifications. All Members have the relevant experience and knowledge that enable them to exercise oversight of the Bank. Five out of seven Board Members are Polish and they speak Polish fluently.

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





Mr Aleksander Galos

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

Holds a Law degree. In 1984, he graduated from the School of Law and Administration of the Jagiellonian University in Kraków. Legal Counsel since 1994. In 2009, he completed with diploma post-graduate studies in Management at the Warsaw School of Economics. In 2009–2010, he studied at the Warsaw School of Economics – post-graduate studies in Accounting (without diploma). He was member of the Supervisory Board of Bank PKO BP S.A. and Bank Zachodni WBK S.A. for example. Since 2017, he has been engaged by the law firm Kocharński Zięba i Partnerzy Sp. k. Since April 2014, he has been Member the ING Bank Śląski S.A. Supervisory Board. Secretary to the Board until November 2021. On 29 November 2021, he was elected Chair of the Supervisory Board.

Ms Małgorzata Kołakowska

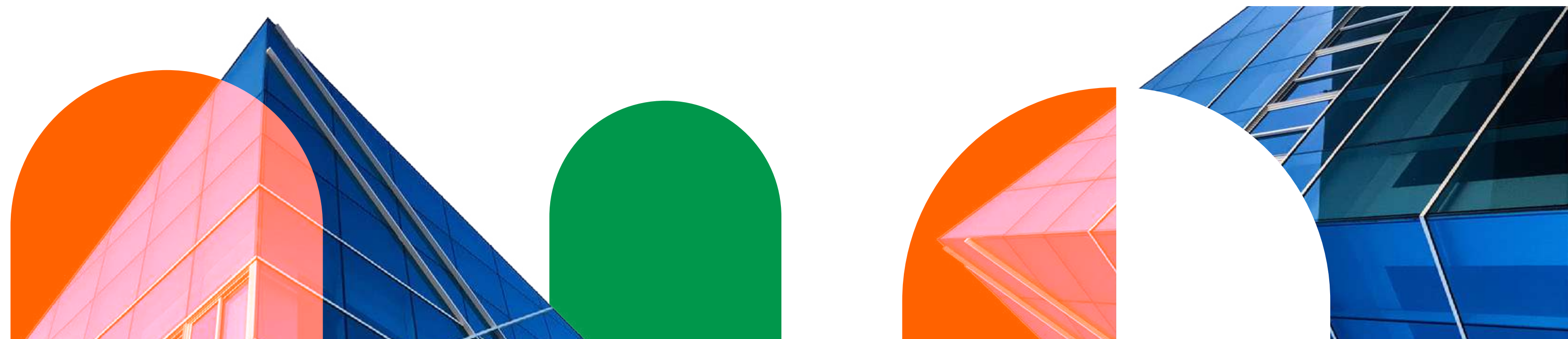
*Deputy Chair I of the Supervisory Board
Remuneration and Nomination Committee Member
Risk Committee Member*

Graduated from the Faculty of International Trade Economics and Organisation at the Main School of Planning and Statistics (at present Warsaw School of Economics). In 2014, she completed the Advanced Management Program (AMP) at the Harvard Business School. From February 2010 to March 2016, she was the President of the Management Board of ING Bank Śląski S.A. Since 2018, she has been the CEO of ING Bank N.V., London Branch (the United Kingdom, Middle East). Before joining ING, she was the Director at the European Bank of Reconstruction and Development and McDonalds's Poland.

Mr Michał Szczurek

*Deputy Chair of the Supervisory Board
Audit Committee Member*

Master of Science, Economic Sciences, after completing a joint programme of Warsaw University and Columbia University. Also studied at the Faculty of Law and Administration, Warsaw University and a Master's degree, Department of Computer Sciences, Faculty of Electronics, University of Warsaw. He has been working at ING Group since the formative years of his career. He was the Vice-President of the Management Board in charge of finance and investment policy of the pension fund Nationale-Nederlanden Polska PTE S.A. and the Vice-President of the Management Board of ING Bank Śląski supervising the Retail Banking Division and the CEO of ING Bank, Romania, for example. In 2019-2022, he was Head of Challengers & Growth Markets (C&G), ING Asia. Since 2023, Country Manager for ING Bank Italia.





Mr Aris Bogdaneris

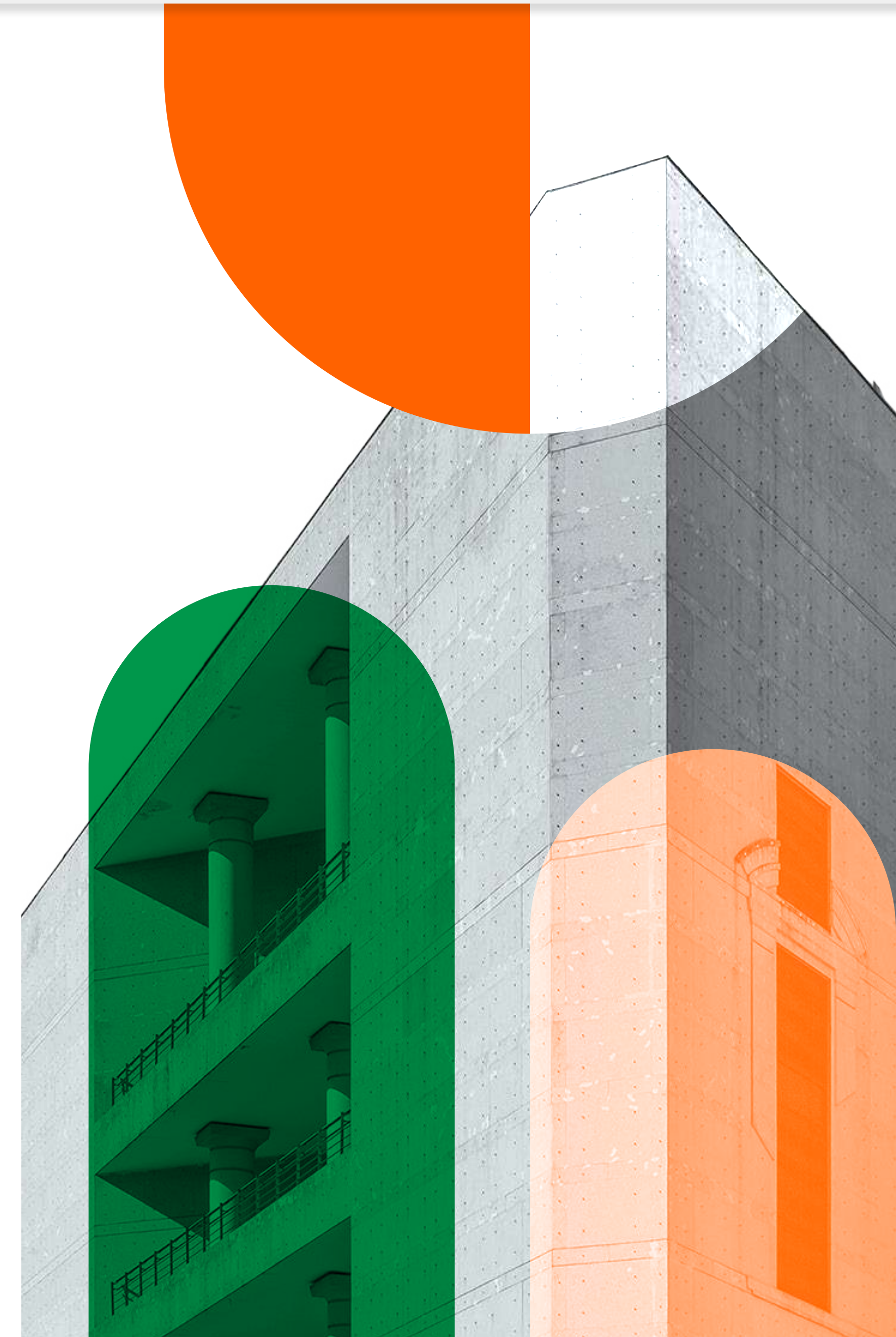
Supervisory Board Member

He has a degree of Master of Arts from the faculty of International Economics and International Relations, Paul Nitze School of Advanced International Studies (SAIS), Johns Hopkins University, Baltimore. Also Bachelor of Arts – Graduation With Distinction from the faculty of Political Science – University Of South Florida, Tampa. Since 2015 working for ING Group, where today he is Member of the Management Board, CEO of Retail Banking and Challengers and Growth Markets. Furthermore, since 2015 Member of the ING DIBA Supervisory Board and Executive Director on the Board of Directors for ING Australia, Sydney. In 2004–2015, Member of Management Board for Retail Banking and Head and Chief Operating Officer at Raiffeisen Bank International, Vienna. In 1998–2004, Chief Executive Officer (AI), Retail Banking Head and Chief Operating Officer, Six Sigma Leader at Budapest Bank (GE Money). Earlier worked as Corporate Auditor at General Electric, Fairfield and as Investment Banking Associate at ABN AMRO Bank, Budapest and Warsaw.

Mr Stephen Creese

*Supervisory Board Member
Risk Committee Member
Audit Committee Member*

He has a Bachelor's degree (BA), received after graduating from the University of Manchester, Economics and Economic History, faculty of Arts. He is also a Certified Information Systems Security Professional (CISSP). From 1998 to May 2021 he has been working for Citigroup Inc., where he was responsible for Forex & Local markets, Regional Head of Operational Risk and Managing Director – EMEA countries. Since June 2021, he has been Global Head of Non-Financial Risk (NFR) within ING Group.





Ms Dorota Dobija

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

Researcher. Since 2015 Full Professor in economic science. Since 2009 Certified Accountant. Since 2005 Habilitation degree in economic science – Management Science. He is a full-time employee at Kozminski University – since August 2015 as a Professor in social science, disciplines: Management and Quality, Finance and Economics, and formerly as Associate Professor in economic science, disciplines: Management Science, specialty: Accounting. She owns her supervisory experience to engagement in XIII National Investment Fund “Fortuna” and PEKAO Investment Banking. Since May 2017 she has been Vice-President of European Management Academy EURAM (responsible for governance and finance), and since September 2016 Ph.D. Programme Director, Kozminski University. She has a vast international teaching experience and impressive research achievements. In 2018, she has been awarded with the Silver Cross of Merit. Non-financial reporting expert. Coordinator of the post-gradual programme for and lecturer on environmental aspects and green finance. Member of Chapter Zero Poland, the Climate Governance Initiative – gathering members of supervisory boards and CEOs of top companies. Researcher in the corporate governance and ESG areas. Results of her research were published in such papers as Corporate Social Responsibility and Environmental Management or Organization and Environment, for example.

Ms Monika Marcinkowska

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

Researcher. Since 2014 Full Professor in economic science. Since 2004 Habilitation degree in economic science. She is a full-time employee of the University of Lodz; since 2006 she has been Head of the Department of Banking and in 2010-2022 Head of the Institute of Finance. She was formerly working in the Faculty of Management, Accounting Department. She owns her supervisory experience to engagement as Member of the European Banking Authority’s Banking Stakeholder Group since 2016, and since March 2020 coordinator of the Sustainable finance Working Group. She has experience in sitting on supervisory boards of financial institutions (DI Xelion, Polski Gaz TUW, Pocztylion-Arka PTE) and non-governmental organisations (Bruegel, University of Lodz Foundation). She has a vast teaching experience and impressive scientific achievements. In 2016, she was awarded the Silver Nicolaus Copernicus Medal of the Polish Bank Association for outstanding achievements for the development and safe functioning of Polish banking. Corporate Governance Person of the Year 2021 – honorary title awarded for contribution to the construction and development of corporate governance in Poland. Member of Chapter Zero Poland, the Climate Governance Initiative – gathering members of supervisory boards and CEOs of top companies. Coordinator of Sustainable Finance Working Group with the European Banking

Authority’s Banking Stakeholder Group. Involved in numerous consultations of EU regulations from the sustainable finance area; author of numerous sustainability-related publications, including those assessing results and non-financial reporting. Speaker and moderator at local and international ESG events.





The above details have been summarised in the table below.

Independence criterion and competencies	Satisfies the criterion of independence as per the Act on Statutory Auditors, Auditing Firms and Public Oversight	Knowledge of and competency in accounting or financial statements auditing, confirmed with the qualifications of the chartered auditor (including confirmation with the qualifications of the chartered auditor)		Has knowledge of and competency in the banking area
		satisfies the criterion	qualifications	
		Aleksander Galos	yes	
Małgorzata Kołakowska	no	yes	competence acquired through professional career and in executive positions in Bank authorities	yes
Michał Szczurek	no	no	n/a	yes
Aris Bogdaneris	no	yes	competence acquired through professional career	yes
Stephen Creese	no	no	n/a	yes
Dorota Dobija	yes	yes	Certified Accountant Professor in economic science university degree – specialty: data processing and accounting	yes
Monika Marcinkowska	yes	yes	Professor in economic science university degree – specialty: accounting	yes

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

Number of Board Members from legal sector	Number of Board Members from banking sector	Number of Board Members from higher education sector
1	4	2



Competency Profiles of Management Board Members

Professional resumes of all the Management Board Members have been published on the Bank's website:

<https://en.ing.pl/company-profile/authorities> Education, core competences and specialist knowledge demonstrated by individual Management Board Members have been outlined below.

Management Board Member

Education, competences and specialist knowledge

Brunon Bartkiewicz

President of the Management Board, CEO Division

Graduate School of Business Stanford University, Standard Executive Program
Szkoła Główna Planowania i Statystyki w Warszawie (obecnie Szkoła Główna Handlowa), Wydział Handlu Zagranicznego Magister ekonomii

Joanna Erdman

Vice-President of the Management Board, CRO Division

London Business School, Senior Executive Programme
Warsaw School of Economics, Finance & Statistics

Marcin Giżycki

Vice-President of the Management Board, Retail Clients Division

The University of Economics in Katowice, Banking and Finance Faculty – Master's Degree
The Poznań School of Banking, Banking and Finance Faculty – Bachelor's Degree

Bożena Graczyk

Vice-President of the Bank Management Board, CFO Division

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

Ewa Łuniewska

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

Warsaw School of Economics
Foreign Trade Faculty

Michał H. Mrozek

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

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

Sławomir Soszyński

Vice-President of the Bank Management Board, CIO Division

Kozminski University, Warsaw, MBA
Nicolaus Copernicus University, Toruń, Master of Science, theoretical physics and information technology

Alicja Żyła

Vice-President of the Bank Management Board, COO Division

Marketing Training for ING Staff, ING Group Amsterdam
Tilburg University of Business Studies
Students internships/trainings: Ministry of Finance Foreign Trade Institute Stalexport S.A. University in Trier, Germany
University of Economics, Katowice
Master degree in Economics, International Economic Relationships/ European Integration





Form and manner of oversight

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

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

In 2022, meeting agendas included ongoing business matters, submissions made by the Bank Management Board as well as any other material issues that required attention of the Supervisory Board. Updates on the impact of the coronavirus pandemic and the war in Ukraine on the Bank's business also were among the regular agenda items. The Supervisory Board exercised oversight of the Bank's operations primarily during the meetings and took the required decisions in the form of resolutions. During the meetings, the Members of the Supervisory Board are joined by Members of the Management Board as well as the Heads of the Internal Audit Department and the Centre of Expertise – Compliance, and other invited guests who give presentations on specific topics within their competence.

The Supervisory Board attaches particular significance to the Bank having an adequate and effective risk management system and an adequate and effective internal control system. In the course of works, the Supervisory Board monitors performance of both systems across the organisation on an ongoing basis. The Supervisory Board further makes periodic assessments of their functioning. In 2022, considering the requirements of the *Regulation of the Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management system and internal control system and remuneration policy in banks*, the Supervisory Board approved the *Report on the operation of the risk management system in 2021*. Furthermore, considering the information from the report and periodic reports of the CRO Division, the findings made by the external auditor, the findings from regulatory activities of the Polish Financial Supervision Authority and the SREP results, the Supervisory Board made a positive assessment of the adequacy and effectiveness of the risk management system at the Bank in 2021.

As far as performance of the internal control system is concerned, in 2021, the Supervisory Board approved the *Report on fulfilment of the internal control system tasks for 2021 along with the List of critical and high recommendations*. Furthermore, as required by the aforesaid Regulation and considering the following operational aspects for the internal control system:

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





The Supervisory Board assessed with a positive result the adequacy and effectiveness of the internal control system at the Bank in 2021, including a positive assessment of the adequacy and effectiveness of control functions, the Centre of Expertise – Compliance and the Internal Audit Department. The information on the evaluation of the Bank's standing in 2022, including the assessment of the internal control system, risk management system, compliance and the internal audit function has been presented below – [Assessment of Bank's situation](#).

In 2022, Supervisory Board Members devoted sufficient time to performance of their duties. Between 1 January and 31 December 2022, the Supervisory Board held seven meetings. The Board also passed resolution by way of circulation (12 cases). The meetings were held at the following dates: 28 January, 11 March, 7 April, 10 June, 27 July, 23 September and 18 November; by way of circulation on: 15 February, 28 February, 3 March, 29 March, 20 April, 12 May, 3 August, 23 November, 8 December, 9 December, 14 December and 29 December. Meetings were held on site and in hybrid mode. In total, the Supervisory Board adopted 118 resolutions, including 19 passed by way of circulation. All the meetings were quorate and held in line with the procedures so that binding resolutions could be taken; the attendance rate during the meetings was very high.

Attendance of the Supervisory Board Members in 2022 has been shown in the table below.

Attendance in 2022

Aleksander Galos	18/19
Małgorzata Kołakowska	19/19
Michał Szczurek	18/19
Aris Bogdaneris (Member since the appointment date by the OGM, i.e. 07.04.2022)	13/13*
Stephen Creese	19/19
Dorota Dobija	19/19
Monika Marcinkowska	19/19
Board Members holding functions in the reporting period	
Remco Nieland (Board Member until the OGM date, i.e. 07.04.2022)	6/6**

* New Supervisory Board Member attended all the Supervisory Board meetings which were held from the date of his appointment to the Supervisory Board.

** Meeting attendance / Number of meetings during the term of office.

In addition to regular meetings, the Members of the Supervisory Board stayed in regular and direct contact with the Bank Management Board and took an active part in all the material matters concerning the Company business. The Chair of the Audit Committee regularly meets with the Bank CFO to discuss the Bank's financial statements prior to their publication as well as with the Chief Audit Executive and Centre of Expertise Lead II – Compliance, to discuss the aspects typical for the internal audit and compliance risk management functions. In consequence of the outbreak of the war in Ukraine, Board Members, and Risk Committee Members in particular, held separate meetings with the Bank Management Board Members to discuss the war and its implications for the Bank, the banking sector and the Polish economy.

The minutes from the Supervisory Board and Committees meetings offer a detailed recount of activity of the Supervisory Board and Board Committees in 2022; the minutes and the resolutions passed by the Supervisory Board as well as the recommendations, opinions and decisions made by Committees are kept at the Company's registered office.

Additionally, Members of the Supervisory Board attended internal training sessions held by the Bank. Those were: model risk and model risk management workshops, cloud computing workshops and workshops on trends in the anti-fraud area. Members of the Supervisory Board also attended a training session on the AML area and ESG workshops. Selected Members of the Audit Committee and the Board held a meeting with the Polish Financial Supervision Authority inspectors during the inspection at the Bank.



Agenda of the Supervisory Board Meetings

In 2022, the Supervisory Board exercised ongoing oversight over the Company operations and kept watch over the Company adherence to the relevant regulations, including: in the area of accounting, finance and reporting of public companies. The works of the Supervisory Board proceeded smoothly, with all Members taking an active part in them.

During the meetings, the Supervisory Board reviewed the matters required under the *Commercial Companies and Partnerships Code* as well as the matters relating to the day-to-day operations of the Company.

In the course of works in Q1 last year, the Supervisory Board developed and submitted to the Ordinary General Meeting *inter alia*: the requisite report on the evaluation of the Bank's standing, including the assessment of the internal control system, risk management, compliance and the internal audit function, and also the Supervisory Board's report on their operations. Furthermore, the Supervisory Board submitted to the Ordinary General Meeting the assessment on satisfaction of corporate governance-related disclosure duties by the Bank and assessment of the rationality of the Bank's policy concerning sponsorship and charity initiatives. In 2022, the Supervisory Board reviewed and made a positive opinion on the draft resolutions of the Ordinary General Meeting convened on 7 April 2022.

The topics discussed by the Supervisory Board in 2022 have been detailed below. Those topics were also discussed by the Supervisory Board Committees (within their remit) who gave their recommendations and opinions for the Supervisory Board.

1. Finance, including:

- approval of the Bank Strategy for 2022–2024 and continuous oversight of the implementation of the approved financial plan,
- approval of the report on the results of review of the Annual Financial Statements of ING Bank Śląski S.A. for 2021 (separate and consolidated), Management Board Report on Operations of ING Bank Śląski S.A. Group in 2021 covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules, Report on non-financial information of ING Bank Śląski S.A. Group for 2021, including non-financial information of ING Bank Śląski S.A.,
- assessment of the Bank Management Board motion regarding distribution of profit earned by the Bank in 2021 and past-year undivided profit,
- approval of amendments to the Capital Management Policy at ING Bank Śląski S.A.,

- approval of the 2021 ING Bank Śląski S.A. ICAAP Report,
- opinion on the Bank Management Board's declaration on the application by the Bank of the Polish Financial Supervision Authority's recommendation on not taking, without prior consultation with the supervision authority, actions other than payment of a dividend from the 2021 profit which may result in a reduction of own funds,
- approval of the updated Recovery Plan for ING Bank Śląski S.A.,
- regular update of the Bank Management Board on related-party agreements,
- regular update of the Bank Management Board on the operations of the ING Bank Śląski S.A. Brokerage Office,
- regular update on capital investments as required by the ING Bank Śląski S.A. Equity Investment and Corporate Governance Policy,





- annual report on the supervision system in custody operations, and
- annual report on fulfilment by the Bank of the obligations regarding: issuing or sharing financial instruments as well as recommending, offering or otherwise enabling the purchase or subscription of financial instruments and structured deposits by clients of the Retail Customers Division, Wholesale Banking Division and Business Clients Division.

2. Internal audit at the Bank, including:

- noting the reports on the status of the 2021 audit plan delivery and the status and changes in due dates of audit issue closure,
- approval of the Annual Report on delivery of the objectives, mission and strategy including internal control system and risk management system assessment for 2021,
- noting the Report on the results of quality assurance and improvement process within Internal Audit Department (IAD) function for 2021,
- approval of the Report on the audit of the principles of remunerating the persons holding managerial positions having material impact on the risk profile of ("Identified Staff") at ING Bank Śląski S.A.,

- noting the reports on the status of the 2022 audit plan delivery and the status and changes in due dates of audit issue closure,
- approval of the update of the Audit Strategy Memorandum (ASM) including long-term planning for the years 2022–2024 and the 2022 Audit Plan,
- approval of the Report on the review of the headcount level and structure, job description and remuneration for the Internal Audit Department, and
- approval of the update of the Audit Strategy Memorandum (ASM) including long-term planning for the years 2023–2027 and the 2023 Audit Plan.

3. Compliance at the Bank, including:

- approval of the Annual Plan of Tasks of the Centre of Expertise – Compliance for 2022,
- assessment of the adequacy and effectiveness of the system for anonymous reporting of violations of law, internal regulations and ethical standards in ING Bank Śląski S.A. in 2022,
- assessment of adequacy and effectiveness of corporate governance at ING Bank Śląski S.A. for 2021,

- approval of updated internal compliance regulations,
- approval of the Report on the review of the headcount level and structure, job description and remuneration for the Centre of Expertise – Compliance,
- update on the implementation of the Annual Compliance Plan,
- regular updates from the compliance risk area at the Bank, including from the personal management, anti-money laundering and terrorism financing and sanction violation areas,
- update on financial instruments and structured deposits offered by the Bank, and
- update on observance of ethical standards.





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

- approval of the high-level RAS parameters for 2022,
- approval of the Non-financial Risk Appetite Statement of the Bank for 2022, and oversight of its implementation,
- approval of the Principles and criteria for assessing the adequacy and effectiveness of the Risk Management System,
- approval of the ING Bank Śląski S.A. ILAAP Review Report for 2021,
- approval of amendments to the Policy – Internal Control System at ING Bank Śląski S.A.,
- approval of Report on the operation of the risk management system in 2021 as well as final assessment of the risk management system adequacy and effectiveness in 2021,
- approval of amendments to the General Principles of Credit, Market, Liquidity and Funding and Operational Risk Management and Mitigation in ING Bank Śląski S.A.,
- consent to conclusion of significant agreements by the Bank,
- approval of amendments to the ING Bank Śląski S.A. Operational Risk Management Policy,

- periodic report on credit, market and non-financial risk management at the Bank,
- periodic update on Bank's activities for FX-indexed mortgage loans,
- periodic update on the status of open recommendations at the Bank, and
- periodic update on the risk situation due to the war in Ukraine.

5. Participation in the new external auditor selection process.

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

- periodic suitability assessment for the ING Bank Śląski S.A. Management Board,
- suitability assessment of individual Bank Management Board Members due to change to the scope of responsibilities,
- approval of amendments to the Policy of Disclosing Qualitative and Quantitative Information on Capital Adequacy and Variable Components of Remuneration of ING Bank Śląski S.A.,
- assessment of the 2021 performance of the Members of the Bank Management Board and setting KPIs for 2022,

- approval of amendments to the ING Bank Śląski S.A. Group Remuneration Policy,
- approval of amendments to the Variable Remuneration Policy of Identified Staff of ING Bank Śląski S.A.,
- approval of amendments to the Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.,
- update of the List of qualitative and quantitative criteria and the additional criteria for qualifying Staff Members to be included in the ING Bank Śląski S.A. List of Identified Staff for 2022,
- advice on draft amendments to the ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy,
- approval of the Internal Audit Department's Report on the audit of the process of remunerating the persons holding managerial positions having material impact on the risk profile of ("Identified Staff") at the Bank,





- approval of the Report regarding the implementation of the pay policy in relation to the internal audit employees and the Chief Audit Executive,
- approval of the Report regarding the implementation of the pay policy in relation to the employees and Lead II of the Centre of Expertise – Compliance,
- approval of the remuneration packages of people holding control functions at the Bank,
- consent to holding functions at external institutions by Bank Management Board Members,
- update regarding pay policy at the Bank, and
- approval of Succession plans for the Management Board and key function holders at ING Bank Śląski S.A.

7. Implementation of the recommendations issued by the regulators

8. Bank governance area:

- approval of amendments to the Bylaws of the Supervisory Board and Board Committees,
- approval of amendments to the ING Bank Śląski S.A. Management Board Bylaw,
- approval of the amendments to the ING Bank Śląski

S.A. Organisational Bylaw and periodic amendments to Enclosure No. 2 therewith – Segregation of responsibilities of ING Bank Śląski S.A. Management Board Members,

- approval of the 2023 Outline Work Plan of the Supervisory Board,
- annual Management Board's update on the main changes within the Bank's organisational framework, and
- periodic update – list of Bank Management Board Resolutions.



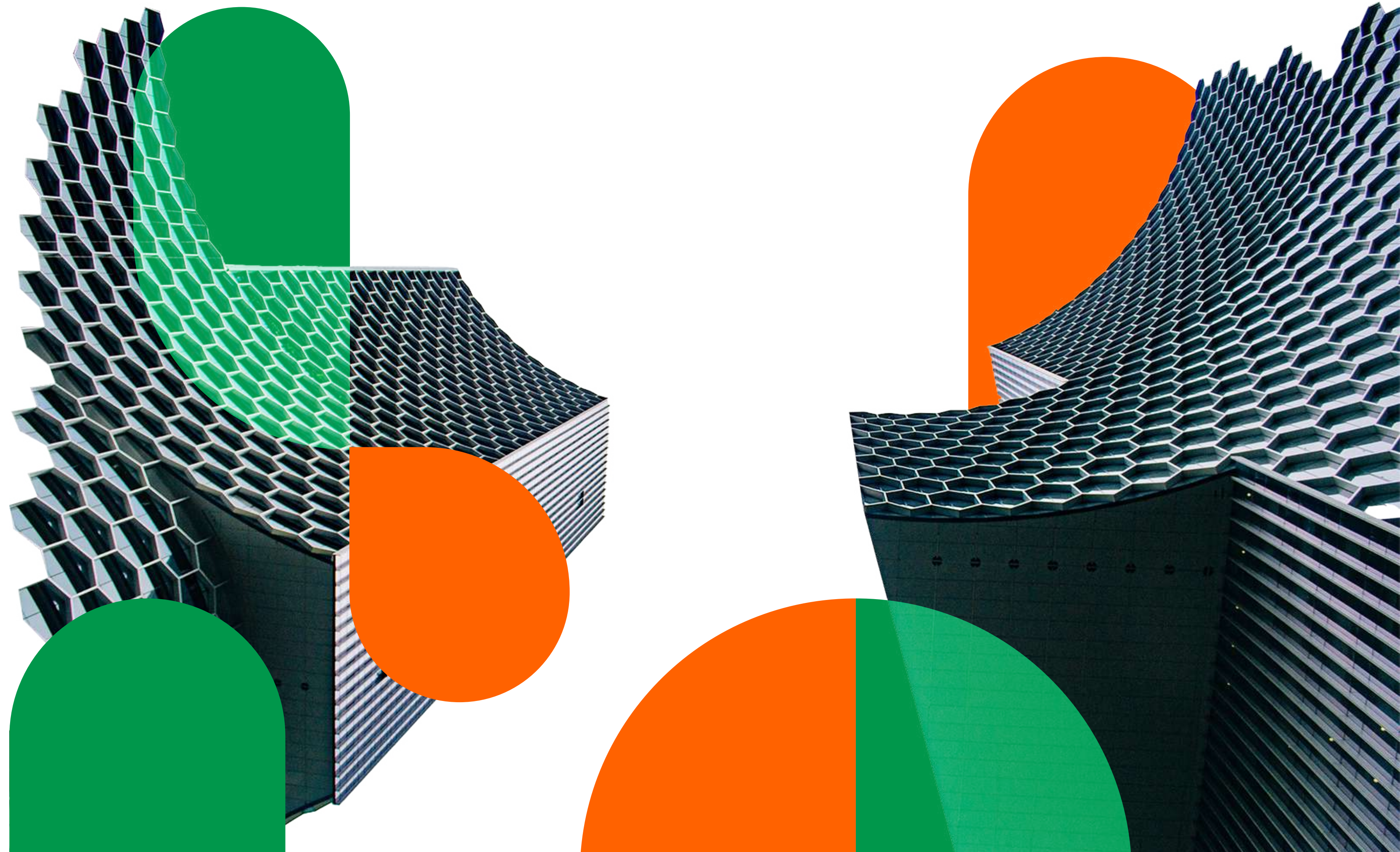


Assessment of performance of disclosure duties by the Management Board towards the Supervisory Board

The Supervisory Board received extensive reports from the Bank Management Board regarding the current standing of the Bank (economic and financial standing included), its functioning, action plans and progress in the development of business as well as any material developments and circumstances that may have an impact on its functioning and material situation. The information also covered that held by the Management Board on subsidiaries and related companies. Following the entry into force (on 13 October 2022) of the new 380¹ of the CCPC, the scope of information was modified accordingly. At the same time, approving the relevant provisions of the *ING Bank Śląski S.A. Management Board Bylaw*, the Supervisory Board resolved that the periodic information under the said provision would be relayed thereto at least once a quarter.

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

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





Total fee due from the company for all the examinations commissioned by the Supervisory Board in the course of the accounting year under Article 382¹ of the CCPC

In 2022, the Supervisory Board did not use the right to have a certain case connected with company business or property examined or to have certain analyses or opinions developed by a selected advisor (advisor to the supervisory board) at the cost of the company, under Article 382¹ of the CCPC (the provision in force since 13 October 2022).



Self-assessment of the Supervisory Board's Work in 2022

In 2022, the Supervisory Board assisted and advised the Management Board on all the matters pertaining to the Bank and its business. The Supervisory Board monitored the implementation of the Bank's strategy on an ongoing basis.

The Supervisory Board confirm that they have exercised regular and ongoing supervision over the Bank's business throughout 2022 in accordance with their powers and the legal requirements concerning joint-stock companies. The Supervisory Board are well prepared to exercise all the statutory and Charter-defined rights and duties and perform their tasks properly, ensuring adequate supervision over the Bank in all material aspects of its operations. All Members of the Supervisory Board exercised their duties with due care, while taking advantage of their knowledge and experience in terms of supervising a joint-stock company. Considering the array of areas covered by the Supervisory Board and all the activities performed, the Supervisory Board is convinced that their operations in 2022 can be deemed efficient, effective and in keeping with the best market standards.

Members of the Supervisory Board performed their responsibilities in an honest and reliable manner. All meetings were held with a very high attendance rate. Supervisory Board Members were able to devote sufficient time to performing their duties. Acting in the company's interest, Supervisory Board Members applied their independent opinions and judgements in their actions. In that manner, the Supervisory

Board was able to assess and verify the way of taking and implementing decisions connected with day-to-day management of the Bank in an effective manner.

The cooperation with the Bank Management Board was very good; the Bank Management Board provided the required information in a clear, reliable and exhaustive manner. The Supervisory Board would like to thank the Bank Management Board for developing and delivering thereto the information, documents and reports in the manner ensuring efficient performance of tasks by the Supervisory Board. The Board would like to thank the Management Board in particular for the effective delivery of the Strategy in 2022, despite unfavourable, volatile and often unpredictable market and economic conditions.

Bearing in mind the foregoing, the Supervisory Board would like to express deep appreciation for the actions taken by the Bank Management Board not only to ensure further development of the Bank, but also for the society and local communities. Especially, the Supervisory Board would like to thank the Management Board and all Bank employees, and employees of the ING for Children Foundation in particular, for the proactive approach and innumerable aid activities taken and pursued in connection with the outbreak of the war in Ukraine.

Further, the Supervisory Board would like to thank the Management Board and Bank employees for the appropriate approach to client experience and for the invaluable care and

concern about other colleagues, and those affected by the war and the continued pandemic in particular.

Keeping in mind the Bank's results and overall performance, the Supervisory Board request that the General Meeting acknowledge the fulfilment of duties by the Members of the Bank's bodies in 2022.





Report of the Supervisory Board Committees on Their Operations in 2022

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

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

The composition of individual Committees as at 2022 yearend has been given below.

Audit Committee

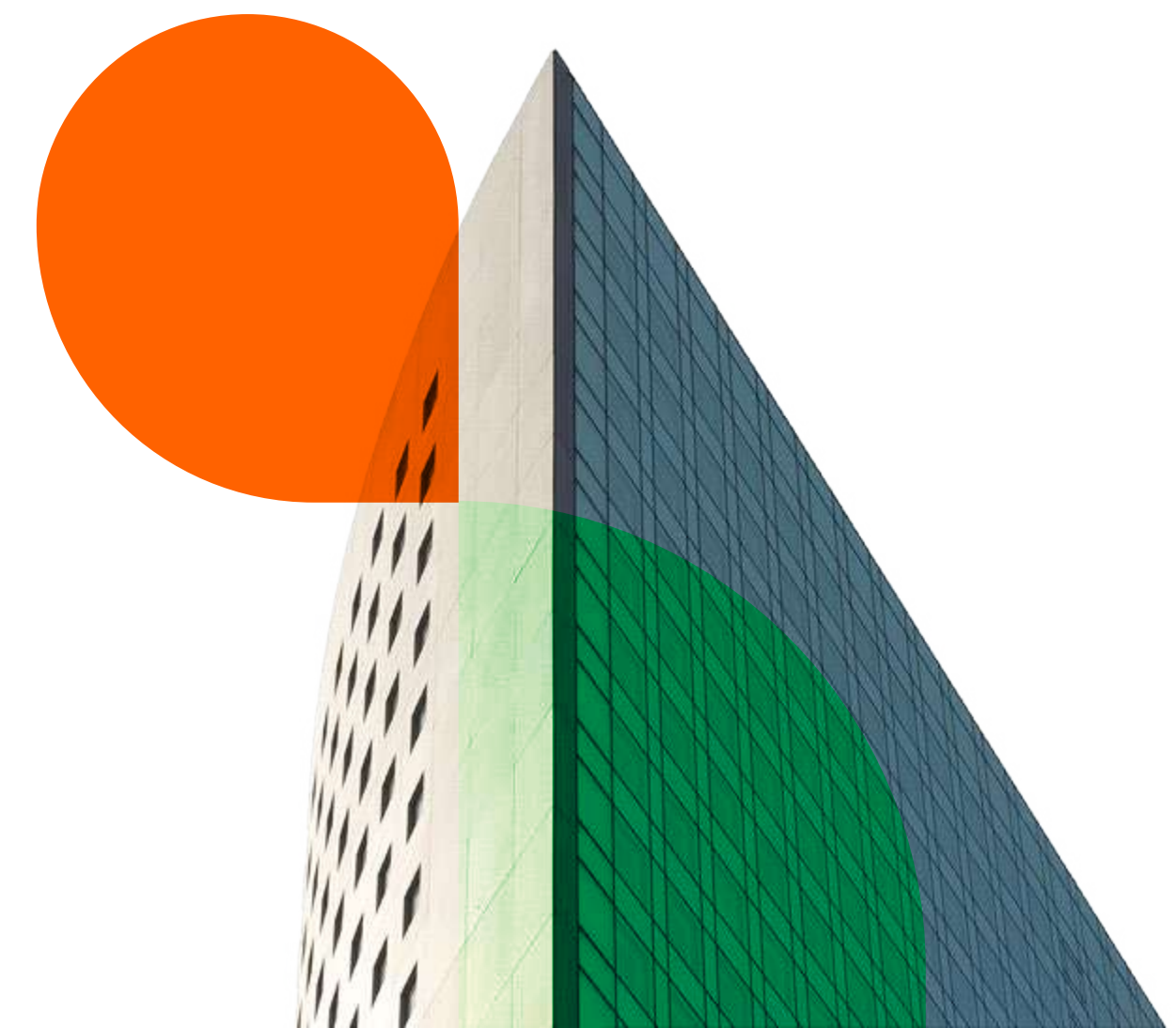
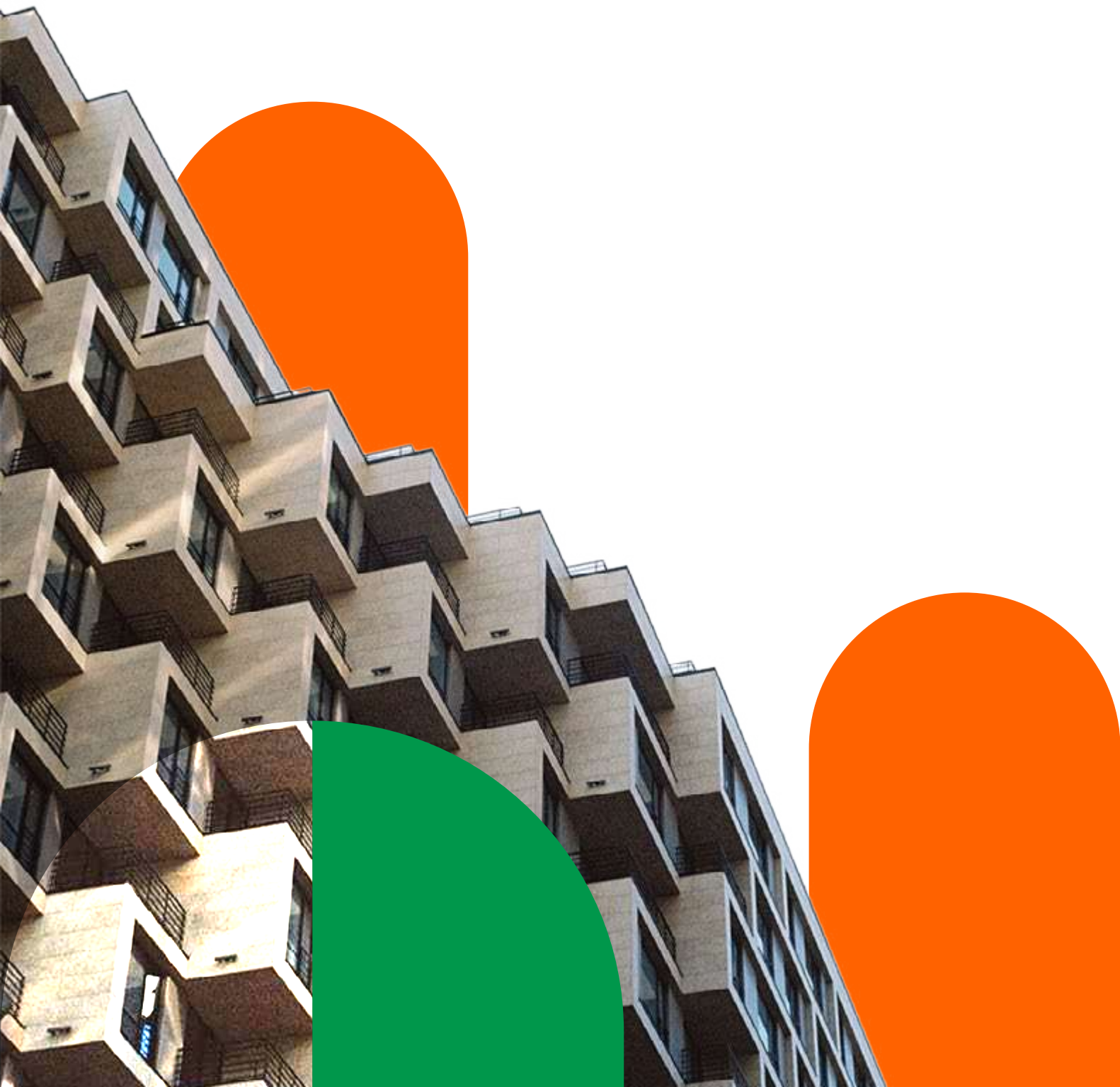
Monika Marcinkowska – Chair
Stephen Creese
Dorota Dobija
Aleksander Galos
Michał Szczurek

Remuneration and Nomination Committee

Aleksander Galos – Chair
Dorota Dobija
Małgorzata Kołakowska

Risk Committee

Dorota Dobija – Chair
Stephen Creese
Aleksander Galos
Małgorzata Kołakowska
Monika Marcinkowska





Audit Committee

The Audit Committee of the Supervisory Board of ING Bank Śląski S.A. performs consultation and advisory functions for the Supervisory Board, and also delivers on other tasks under the law, instructions and recommendations of the regulator. The Audit Committee supports the Supervisory Board with regard to monitoring the financial reporting, monitoring and supervising the internal – and external audit and the management system at the Bank and its subsidiaries.

Composition of the ING Bank Śląski S.A. Audit Committee and changes on the Committee during the financial year

2022 saw the following changes on the Audit Committee:

On 10 February 2022, the Bank received a representation from Mr Remco Nieland stating his resignation from the capacity as Member of the Bank Supervisory Board effective as at the date of the subsequent Ordinary General Meeting of the Bank. The reason for the resignation was the planned retirement. The resignation of Mr Remco Nieland entailed a change to the composition of the Audit Committee which he was the member of.

Having received the recommendation of the Remuneration and Nomination Committee concerning assessment of candidates for the Members of the Audit Committee, issued under the process discussed hereinabove, on 10 June 2022 the Supervisory Board appointed Ms Stephen Creese and Mr Michał Szczurek as Committee Members.

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

Therefore, as at 31 December 2022, the Audit Committee worked in the following composition:

Ms Monika Marcinkowska

Chair (independent member)

Mr Stephen Creese

Member

Ms Dorota Dobija

Member (independent member)

Mr Aleksander Galos

Member (independent member)

Mr Michał Szczurek

Member

As required under the Statutory Auditors Act of 11 May 2017, the majority of the Committee members, the Committee Chair included, satisfy the independence criteria. Ms Monika Marcinkowska and Ms Dorota Dobija demonstrate know-how and expertise in accounting or financial auditing, as further substantiated with the professor title.



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

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

Between 1 January and 31 December 2022, the Audit Committee held eight meetings. The Committee also issued

recommendations by way of circulation (3 cases). The meetings were held at the following dates: 28 January, 11 March, 9 June, 15 September, 22 September, 7 October, 17 November and 8 December; by way of circulation on: 15 February, 28 February and 27 April.

In line with the requirements of the *Good practices for public interest entities concerning the rules of establishment, composition and functioning of the Audit Committee* issued by the Polish Financial Supervision Authority Office dated 24 December 2019 and the *Audit Committee Bylaw*, on 11 March 2022 and 17 November 2022 the Audit Committee also held separate closed meetings with: the CFO and the representatives of the internal auditor and external auditor.

The Audit Committee issued 20 recommendations for the Supervisory Board in total (including 3 by way of circulation) as well as 3 decisions (including 1 by way of circulation) and 1 opinion.

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

Attendance of the Audit Committee Members in 2022 has been shown in the table below.

Attendance in 2022

Monika Marcinkowska 11/11

Stephen Creese (Committee Member since 10.06.2022) 8/8*

Dorota Dobija 11/11

Aleksander Galos 10/11

Michał Szczurek (Committee Member since 10.06.2022) 8/8*

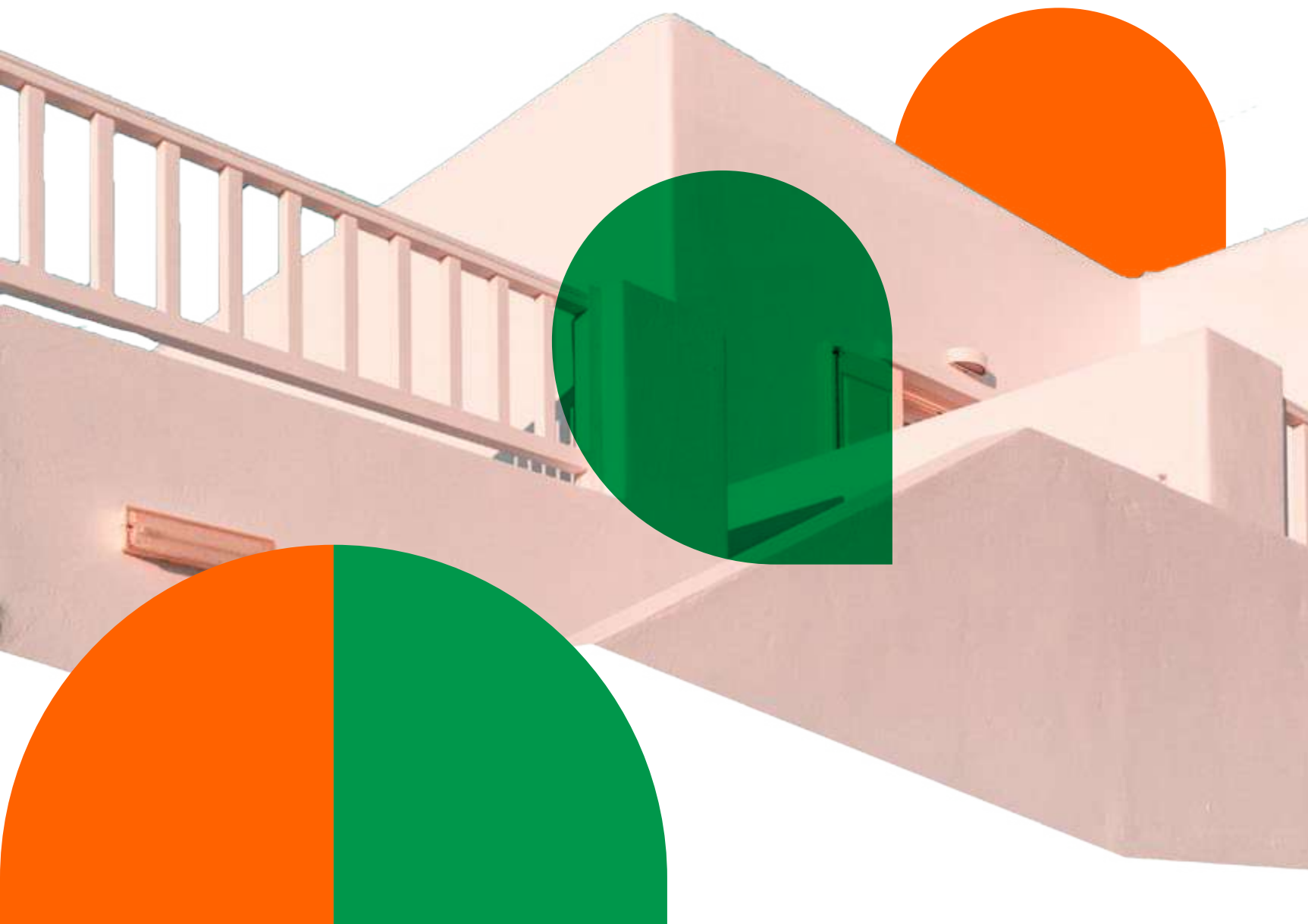
Committee Members holding functions in the reporting period

Małgorzata Kołakowska (Committee Member until 10.06.2022.) 6/6**

Remco Nieland (Committee Member until the OGM date, i.e. 07.04.2022) 4/4*

* New Audit Committee Members attended all Committee meetings which were held from the date of their appointment.

** Meeting attendance / Number of meetings during the term of office.





Agenda of the Audit Committee Meetings

In 2022, the Committee focused on the following areas in particular:

- monitoring of the adequacy and effectiveness of the internal control system and risk management system, including compliance risk,
- process of selection of a new entity authorised to audit financial statements of the Bank and determination of the scope of services to be provided by the new auditor to the Bank, along with the fee,
- supervision of the Bank's relationship with the entity auditing the financial statements of the Bank, including analysis of the work performed by the entity authorised to audit the financial statements and audit results as well as Management Letter assumptions,
- assessment of the annual financial statements of ING Bank Śląski S.A. and the ING Bank Śląski S.A. Group,
- analysis of the information and materials provided from time to time by the external auditor and presentations of the external auditor delivered for the Audit Committee Members directly at Committee meetings,

- regular analysis of periodical reports from the Chief Audit Executive on the status of the annual audit plan 2022 delivery and the status and changes in due dates of audit issue closure, and
- monitoring compliance area works.

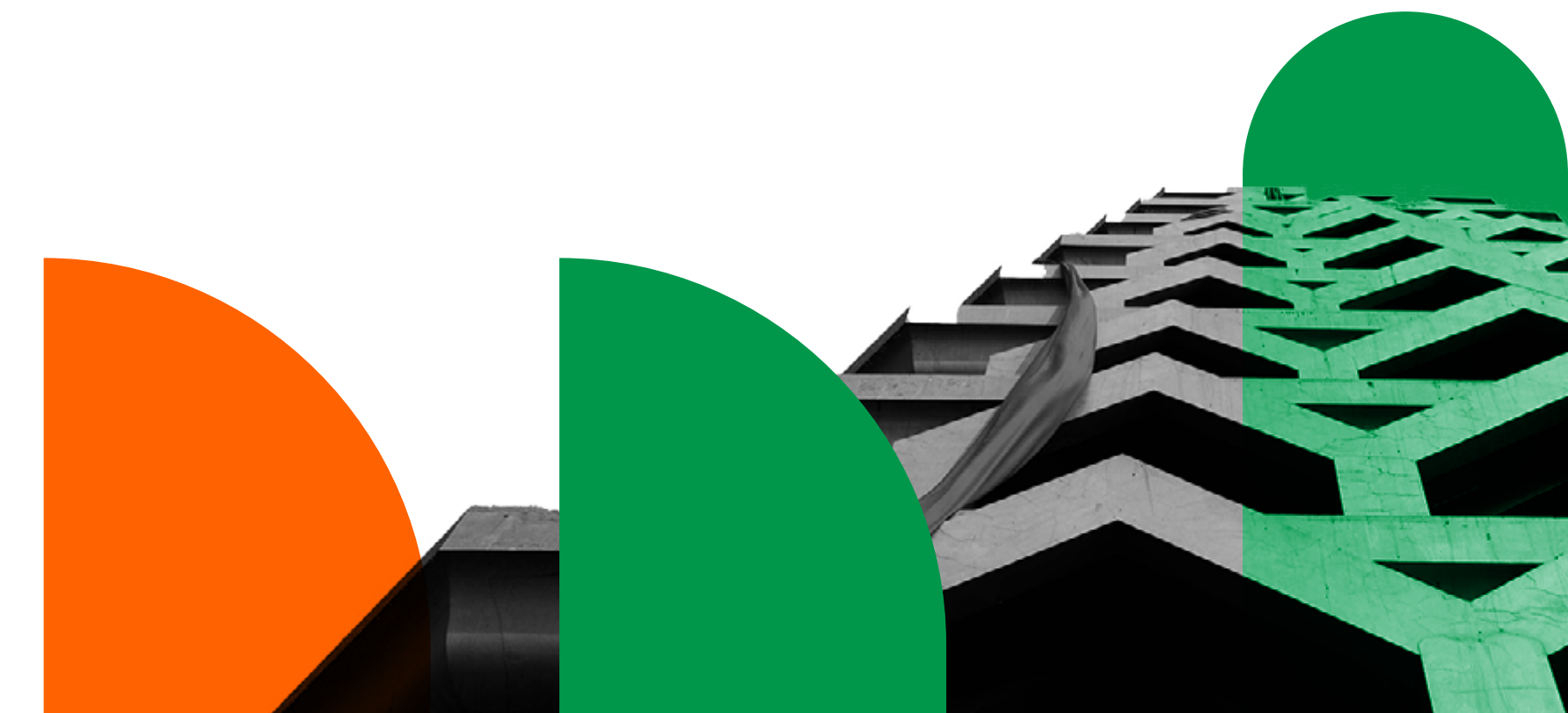
In 2022, Audit Committee Members were active in the process of selection of the entity authorised to audit financial statements of the Bank for 2023-2025. They analysed the course of the tender procedure organised by the Bank as well as the documents received by the Bank from bidders. They reviewed the deliverables of the tender procedure, held meetings with the bidder and issued a recommendation on auditor selection for the Supervisory Board.

Further, selected Members of the Audit Committee held a meeting with the Polish Financial Supervision Authority inspectors during the inspection at the Bank.

As part of their work, the Committee concluded that both the Internal Audit Department and the external auditor were able to perform their tasks in an independent and impartial manner. Therefore, the Audit Committee confirm that they do not have any reservations about the independent audit process at the Bank.

Other areas of the Audit Committee works in 2022 included but were not limited to:

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





Furthermore, throughout 2022, the Committee regularly focused on the topics enlisted in the Good practices for public interest entities concerning the rules of establishment, composition and functioning of the audit committee, published on 24 December 2019 by the Polish Financial Supervision Authority Office. Taking into account the provisions of the Practices concerning the activities in the areas of:

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

Further, Committee Members regularly received reports from audits carried out by the Internal Audit Department.

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





Remuneration and Nomination Committee

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

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

Composition of the ING Bank Śląski S.A. Remuneration and Nomination Committee and changes on the Committee during the financial year

The composition of the Remuneration and Nomination Committee did not change between 1 January 2022 and 31 December 2022. The Committee composition is the following:

Mr Aleksander Galos
Chair (independent member)

Ms Dorota Dobija
Member (independent member)

Ms Małgorzata Kołakowska
Member

Executive Director for HR and the Area Lead II – Performance & Reward attend the Committee meetings on a regular basis.

Between 1 January to 31 December 2022, the Remuneration and Nomination Committee held seven meetings. The Committee also issued recommendations by way of circulation (2 cases). The meetings of the Remuneration and Nomination Committee were held at the following dates: 28 January, 8 March, 28 March, 7 April, 9 June, 22 September and 18 November, by way of circulation on: 3 August and 23 November.

The Committee issued 58 recommendations in total (including 5 by way of circulation), 4 opinions and 1 decision.

Attendance of the Remuneration and Nomination Committee Members in 2022 has been shown in the table below.

Attendance in 2022

Aleksander Galos	8/9
Dorota Dobija	9/9
Małgorzata Kołakowska	9/9

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

The Remuneration and Nomination Committee supported the Supervisory Board in their tasks primarily during meetings by passing the relevant recommendations and issuing relevant opinions. The CEO, the Centre of Expertise Lead III – Bank





Agenda of the Remuneration and Nomination Committee Meetings

In 2022, the Committee focused on the following areas in particular:

- active supervision of the process of suitability assessment for the Members of the Supervisory Board, Management Board and key function holders at the Bank,
 - » periodic annual suitability assessment of the Bank Supervisory Board and Management Board,
 - » suitability assessment of a candidate for a Member of the Supervisory Board,
 - » suitability assessment of the Audit Committee, and
 - » secondary individual suitability assessments of particular Bank Management Board Members due to change to the scope of responsibilities along with respective assessments of the Management Board – on an as needed basis,
- monitoring of adequacy and effectiveness of the Bank's policy in the HR area, including development and submission to the Supervisory Board of recommendations on to the *List of qualitative and quantitative criteria and the additional criteria for qualifying Staff Members to be included in the ING Bank Śląski S.A. List of Identified Staff for 2022*,
- succession review for the positions of the Management Board Members,
- monitoring of adequacy and effectiveness of the Bank's

policy in the payroll area, including development and submission to the Supervisory Board of recommendations on the following documents:

- » Variable Remuneration Policy of Identified Staff of ING Bank Śląski S.A.,
- » ING Bank Śląski S.A. Group Remuneration Policy, and
- » Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.,
- analysis of the pay policy/practice assumptions in 2022 and 2023, including determination of the level of the adjusting multiplier applicable to the 2021 and 2022 annual bonus for Bank employees,
- assessment of the 2021 performance of the Members of the Bank Management Board and setting KPIs for 2022,
- development and submission to the Supervisory Board of recommendations on the Report regarding the implementation of the pay policy in relation to the internal audit employees and the Chief Audit Executive,
- development and submission to the Supervisory Board of recommendations on the Report regarding the implementation of the pay policy in relation to the employees and Lead II of the Centre of Expertise – Compliance, and
- analysis of proposals of remuneration packages of people holding control functions at the Bank, submitted by the Management Board.

Other areas of the Remuneration and Nomination Committee works in 2022 included but were not limited to:

- analysis of the implementation of the diversity policy for the Management Board and Supervisory Board by the Bank in 2021,
- submission to the Supervisory Board of a recommendation on amendments to the Diversity Policy for ING Bank Śląski S.A. Management Board and Supervisory Board Members,
- Remuneration report for the ING Bank Śląski S.A. Supervisory Board and Management Board Members for 2021,
- analysis of the results of the organisation health survey (OHI Pulse survey), made among the ING Bank Śląski S.A. staff as well as post-OHI survey priorities and measures,
- report from the audit of the remuneration process for Identified Staff in ING Bank Śląski S.A., and
- update on the incentive programme for Identified Staff of ING Bank Śląski S.A.



Risk Committee

The Risk Committee is to support the Supervisory Board in the oversight of the business risk management strategy implementation by the senior management staff.

Composition of the Risk Committee at ING Bank Śląski S.A. and changes on the Committee during the financial year

2022 saw the following changes on the Risk Committee:

As stated above, on 10 June 2022, the Supervisory Board appointed Ms Małgorzata Kołakowska as the Risk Committee Member. Therefore, as at 31 December 2022, the Risk Committee worked in the following composition:

Ms Dorota Dobija
Chair (independent member)

Mr Stephen Creese
Member

Mr Aleksander Galos
Member (independent member)

Ms Małgorzata Kołakowska
Member

Ms Monika Marcinkowska
Member (independent member)

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

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

Between 1 January and 31 December 2022, the Risk Committee held five meetings. The Committee also issued recommendations by way of circulation (10 cases). The meetings of the Committee were held at the following dates: 28 January, 8 March, 9 June, 22 September and 17 November, by way of circulation on: 15 February, 28 February, 29 March, 20 March, 4 May, 3 August, 2 November, 23 December, 8 December and 29 December.

The Committee issued 26 recommendations in total (including 7 by way of circulation) as well as 3 decisions (all by way of circulation). All the meetings were quorate and held in line with the procedures so that binding recommendations could be issued; the attendance rate during the meetings was very high.



Attendance of the Risk Committee Members in 2022 has been shown in the table below.

Attendance in 2022

Dorota Dobija	15/15
Stephen Creese	15/15
Aleksander Galos	14/15
Małgorzata Kołakowska (Committee Member since 10.06.2022)	7/7*
Monika Marcinkowska	15/15
Committee Members holding functions in the reporting period	
Michał Szczurek (Committee Member until 10.06.2022.)	7/8**

* New Risk Committee Member attended all the Committee meetings which were held from the date of his appointment to the Committee.

** Meeting attendance / Number of meetings during the term of office.

Agenda of the Risk Committee Meetings

As part of the risk monitoring process at the Bank, the Risk Report was a regular item on the Risk Committee agenda in 2022. The Report is structured into the reports from the credit risk, market risk, operational (non-financial) risk and model risk areas. The update on the coronavirus pandemic-related risk and the risk implications connected with the war in Ukraine as well as from the area of credit holiday instruments and FX-indexed mortgage loans formed a material element of the discussed report.

In 2022, the Committee also focused inter alia on the following areas:

- development and submission to the Supervisory Board of recommendations on the following documents:
 - » Risk Management Strategy for the years 2022–2024,
 - » Capital Management Policy at ING Bank Śląski S.A.,
 - » Policy of Disclosing Qualitative and Quantitative Information on Capital Adequacy and Variable Components of Remuneration of ING Bank Śląski S.A., and
 - » ING Bank Śląski S.A. Operational Risk Management Policy,
- development and submission to the Supervisory Board of recommendations on High Level Risk Appetite Statement Limits for the retail and corporate credit risk areas and the Non-Financial Risk Appetite Statement,
- development and submission to the Supervisory Board of

recommendations regarding the types of agreements made by the Bank that, in the Committee's view, should be classified as having a material impact on the financial – and legal standing of the Bank,

- analysis of the 2021 ING Bank Śląski S.A. ICAAP Report, and
- analysis of the ING Bank Śląski S.A. ILAAP Review Report for 2021.





To fulfil the requirement arising from *Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms amending Regulation (EU) No. 648/2012 as amended as well as from Recommendation M concerning operational risk management at banks and Recommendation Z concerning internal governance principles at banks*, in 2022 the Risk Committee also focused on the process of development and quarterly disclosure by the Bank of interim qualitative and quantitative information on capital adequacy for the Bank Group.

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

The Chair of the Supervisory Board would like to thank the Board Members for their engagement and availability during the year, and also for their unwavering readiness to review urgent matters by way of circulation between standard sessions.





Operations of the Supervisory Board and its committees

Assessment of financial statements and profit distribution

Assessment of Bank's situation

Assessment of application of Principles of Corporate Governance

Assessment of the charity and sponsorship initiatives expenditure

Implementation of the diversity policy

Results

of assessment of the annual financial statements of ING Bank Śląski S.A. for 2022 and of the Management Board motion regarding distribution of profit earned by the Bank in 2022



Assessment of the annual financial statements of ING Bank Śląski S.A. for 2022

Pursuant to Article 382 §3.1) and §31.1) of the Commercial Companies and Partnerships Code of 15 September 2000 and having reviewed the annual 2022 financial statements of ING Bank Śląski S.A. and also the report of the independent statutory auditor from the audit of the separate financial statements for the financial year ended 31 December 2022, drawn up by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k., the ING Bank Śląski S.A. Supervisory Board:

1. state that the 2022 financial statements of ING Bank Śląski SA. as presented by the Bank Management Board were developed correctly in all material aspects and present fairly and clearly the property and financial standing of the Company as at 31 December 2022 as well as the financial result and cash flows for the accounting period from 1 January to 31 December 2022, in line with relevant and applicable regulations on financial statements, and comply with the ledgers, documents and the state of affairs, and

2. having regard to the above, resolve to recommend that the General Meeting approve the 2022 annual financial statements of ING Bank Śląski S.A.



Assessment of:

- **the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group for 2022,**
- **the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2022 covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules,**
- **the Report on non-financial information of ING Bank Śląski S.A. Group for 2022, including non-financial information of ING Bank Śląski S.A.**

Pursuant to Article 382 §3.1) and §31.1) of the Commercial Companies and Partnerships Code of 15 September 2000 and in conjunction with Article 63c. of the Accounting Act of 29 September 1994, and having reviewed the 2022 annual consolidated financial statements of ING Bank Śląski S.A. Group and the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2022 covering the Report on Operations of ING Bank Śląski S.A. including the Management Board statement on the application of corporate governance rules, as well as the Report on non-financial information of ING Bank Śląski S.A. Group for 2022, including non-financial information of ING Bank Śląski S.A., and also the report of the

independent statutory auditor from the audit of the consolidated financial statements for the financial year ended 31 December 2022, drawn up by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k., the ING Bank Śląski S.A. Supervisory Board:

1. state that the 2022 consolidated financial statements of ING Bank Śląski SA. Group were developed correctly in all material aspects and present fairly and clearly the property and financial standing of the Group as at 31 December 2022 as well as the financial result and cash flows for the accounting period from 1 January to 31 December 2022, in line with relevant and applicable regulations on financial statements and comply with the ledgers, documents and the state of affairs,
2. state that the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2022 covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules, provides for significant information about the property and financial standing of ING Bank Śląski S.A. and its Group as at 31 December 2022, including the assessment of performance, indication of risk factors and description of threats, and that it was developed

in line with effective regulations on reports on operations and that it complies with the ledgers, documents and the state of affairs,

3. state that the Report on non-financial information of ING Bank Śląski S.A. Group for 2022, including non-financial information of ING Bank Śląski S.A., satisfies the disclosure requirements for non-financial information as per the applicable law, and
4. having regard to the above, resolve to recommend that the General Meeting approve the annual consolidated financial statements of ING Bank Śląski S.A. Group and the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2022, covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules, as well as the Report on non-financial information of ING Bank Śląski S.A. Group for 2022, including non-financial information of ING Bank Śląski S.A.





Assessment of the Management Board motion regarding distribution of profit earned by the Bank in 2022

Pursuant to Article 382 §3.2) and §31.1) of the Commercial Companies and Partnerships Code of 15 September 2000, having reviewed the Management Board motion regarding distribution of profit earned by the Bank in 2022, the ING Bank Śląski S.A. Supervisory Board do not raise any objections thereto and resolve to recommend that the General Meeting pass a resolution as per the Management Board motion.





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Assessment of Bank's situation

Assessment of application of Principles of Corporate Governance

Assessment of the charity and sponsorship initiatives expenditure

Implementation of the diversity policy

Assessment

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



Poland's economic growth was 4.9 per cent in 2022, helped by a rebound in demand, subdued during the COVID-19 pandemic, and refugee purchases from Ukraine. On the supply side, a positive support for growth has been the streamlining of global supply chains. Household consumption grew by 3.0 per cent last year, with the annual growth rate slowing markedly in the second half of the year. This was due to high inflation, which eroded real wages and reduced household purchasing power. Investment growth also slowed down in the second half of 2022, with a 4.6% increase for the year as a whole. Instead, companies were rebuilding their stocks of working capital after supply channels were unblocked and freight prices from China to Europe fell to pre-pandemic levels. As a result, in 2022, the change in stocks accounted for more than half of GDP growth (contribution of 2.9 percentage points to GDP growth of 4.9%).

The weakening economy in 2022 was accompanied by dynamic price increases. The energy shock amplified by Russian aggression against Ukraine and sanctions on energy commodities from Russia not only drove up energy and other commodity prices, but also generated secondary effects. Companies raised prices of finished goods in response to rising costs. Consumer inflation rose to the highest levels in a quarter of a century and stood at 16.6% in December 2022. The average annual increase in consumer prices in 2022 was 14.4%.


In response to rapidly rising inflation, the National Bank of Poland (NBP) continued the interest rate hike cycle that began in autumn 2021. Consequently, we have seen a large scale of rapid monetary tightening. The reference rate increased from

1.75% at the end of 2021 to 6.75% as at 2022 yearend. At the same time, the central bank did not adjust its balance sheet by buying or selling assets and did not carry out currency interventions. The tightening of monetary policy in 2022 has been accompanied by a loosening of fiscal policy. Reductions in direct taxes (higher tax-free amount and reduction of the first PIT rate from 17% to 12%) were accompanied by reductions in indirect tax rates (VAT, excise duty) as part of the so-called "anti-inflation shield". This took place against the backdrop of the positive impact of high inflation on budget revenues.

In 2022, the banking sector's performance was influenced by additional regulatory burdens: credit holidays (in Q3 2022 alone, their estimated negative impact on revenues was PLN 12.8 billion, with an average 66% client participation), contributions to the Commercial Bank Protection Scheme, or SOBK for short (PLN 3.5 billion), or the Borrower Support Fund (PLN 1.4 billion). The regulatory burden was to some extent absorbed by rising interest rates and the consequent increase in banks' interest earnings. As a result of rising interest rates, banks made their deposit offerings more attractive, prompting clients to place funds on term deposits. The structure of deposits held at banks has also changed, with a decline in current deposits in favour of time deposits. On the other hand, the rise in interest rates has caused a collapse in the mortgage market. Mortgage sales recorded a 44% y/y decline. However, the activity of economic operators was improving. The need to replenish day-to-day liquidity, finance supplies and replenish inventories, with high double-digit inflation, has contributed to an increasing demand for working capital credit.

In 2022, banks have stepped up their work to enable their clients, holders of foreign currency mortgages, to enter into bank settlements, whether in line with the PFSA Chairman's proposal or based on their own mediation models. Nevertheless, 2022 was another year with a record balance of provisions for legal risk associated with this loan portfolio.





As a result of factors affecting the Polish economy and the banking sector in 2022, the ING Bank Śląski S.A. Group achieved a net profit of PLN 1,714.4 million, a marked 26% deterioration 2021. The lower net profit in the ING Bank Śląski Group was mainly a consequence of the additional regulatory burden in 2022 related to the credit holiday (PLN -1,644.9 million) and the contribution to the Commercial Bank Protection Scheme (PLN -470.7 million). Despite the credit moratorium, which took a toll on the bank's interest income, the bank's total income increased by PLN 825 million y/y (+12%). However, the bank's total costs, charged to SOBK, increased y/y by PLN 678 million (+23%) and bank levy by a further PLN 102 million y/y (+19%), with total assets up 8% y/y. Consequently, this resulted in a 4.6 pp y/y increase in the bank's overheads plus bank levy to income ratio, to 55.5%. The bank's cost of risk including the legal risk cost of foreign currency mortgages increased y/y by PLN 658 million (+177%), which was mainly related to changes in the macroeconomic assumptions in the bank's risk calculation models. Legal risk costs alone increased by PLN 238 million y/y. Following the increase in the cost of risk, the cumulative cost of risk margin changed to 0.68% at the end of 2022 vs 0.27% as at 2021 yearend, while the provisioning coverage ratio of Stage 3 loans and other receivables and POCI deteriorated y/y by 6.6 p.p. to 58.6%. In contrast, the level of coverage of the active portfolio of foreign currency mortgages by provisions for legal risk is one of the highest in the banking sector and stood at 88% as at 2022 yearend.

The Supervisory Board oversees the activities of the Company, ensuring compliance with the relevant laws and regulations relating to accounting, finance and reporting by public companies. The Supervisory Board is also responsible for overseeing processes related to the management of individual risks in ING Bank Śląski S.A. with the support of the Risk Committee and the Audit Committee. On the basis of the recommendations of these Committees, the Supervisory Board accepts and approves the risk management strategy for the Bank's activities, the main principles of the policy in the risk management, as well as the level of risk appetite. In addition, the Supervisory Board monitors the level of utilisation of internal limits from the perspective of the Bank's current strategy.

The Risk Committee provides support to the Supervisory Board in monitoring the risk management process, including operational (non-financial) risk, liquidity risk, credit risk and market risk. The Committee also oversees the risk management process, as well as: internal capital estimation, capital adequacy and the risk of capital and other models. The Committee expresses its opinion on the Bank's overall risk appetite in the current and long term. In addition, the Committee periodically approves the interim qualitative and quantitative information on capital adequacy disclosed by the Bank to the Bank Group on a quarterly basis.



Monitoring the financial reporting process is the responsibility of the Audit Committee. In this context, the Audit Committee periodically reviews the Bank's financial statements and the results of the audit of these statements, whereby the Chairperson of the Audit Committee – who is also an independent member of the Board – holds regular meetings with the Vice-President of the Management Board supervising the CFO Division, during which she reviews the Bank's interim financial results prior to their publication. The Audit Committee takes an active part in the process of selecting the company's auditor and analyses the results of the auditor's work, overseeing its independence and effectiveness. In addition, the Audit Committee monitors the adequacy and effectiveness of the internal control system and internal audit, and assesses the effectiveness of measures used to mitigate risks, including compliance risk, and the quality of the management of these risks.

The Supervisory Board also has a Remuneration and Nomination Committee, which monitors, among other things, the labour market situation in terms of remuneration, employee turnover processes, succession plans and the results of employee satisfaction surveys. The Committee regularly monitors the remuneration system in place at the Bank, including the remuneration and bonus policy. Following the resignation of Mr Remco Nieland as a member of the Bank's Supervisory Board, the Committee carried out an individual assessment process of the Supervisory Board candidate Mr Aris Bogdaneris and a collective assessment of the Supervisory Board in 2022. In addition, the Committee conducted, with the involvement of an external company, a process of collective assessment of the suitability of the Audit Committee, including a process of individual

assessment of Audit Committee candidates, making appropriate recommendations to the Supervisory Board.

The Committee also carried out an assessment of the suitability of the Bank's Management Board and periodic assessments of the suitability of individual Board members, together with a collective assessment of the suitability of this body in connection with changes in the responsibilities of individual members of the Bank's Management Board.

The Supervisory Board assesses that the risk management system in ING Bank Śląski S.A Group is adequate and effective. It covers all relevant risks and the processes for identifying, measuring, managing and reporting them use risk-specific instruments and techniques. The main objectives of the risk management system were achieved in 2022 and the independence of the organisational units for risk management was ensured as well as adequate human resources necessary for the effective performance of these units. In 2022, ING Bank Śląski S.A. complied with all safe harbour and capital adequacy requirements, in particular:

- pursued a prudent lending policy. Lending processes and procedures were in line with supervisory requirements and best practices in the market. In 2022, the Bank took into account in its lending policy the situation prevailing in the economy and applied stricter procedures with regard to industries generating an increased level of risk. The Bank had a diversified loan portfolio with a significant proportion of high quality loans to businesses. At the Bank Group level, Stage 3 loan receivables represented 2.3%

of total gross exposure (measured at amortised cost), which is significantly less than the average for the banking sector as a whole (5.0%);

- had procedures and systems in place to meet the highest market standards in the area of market risk management (including interest rate and currency risk). During 2022, the various categories of market risk were actively managed so that their level remained within the Bank's limits. The Bank has a currency-balanced balance sheet structure, inter alia characterised by a low share of foreign currency receivables in total mortgage receivables;
- maintained an adequate level of liquidity. In 2022, the regulatory liquidity limits were not exceeded and the bank's secure liquidity position is due to one of the largest stable household deposit bases among Polish banks;





- effectively managed operational risk, including model risk, meeting market standards in this regard;
- had an adequate level of own funds to meet supervisory requirements. In December 2022, the total capital ratio of the ING Bank Śląski S.A. Group was 15.23% and the Tier 1 capital ratio was 13.70%;
- had clearly defined duties and responsibilities within its organisational structure for the development and implementation of ESG risk management mechanisms, and developed and introduced new methods and tools in this regard. The Bank had mechanisms in place to mitigate ESG risk as part of the KYC process and mechanisms to manage ESG risk as part of its standard corporate client lending processes, as well as in its operational risk management including reputation risk.

In 2022, ING Bank Śląski S.A. also improved its credit risk management process:

- on the calculation of individual provisions, taking into account the principles set out in Recommendation R, by introducing a monthly calculation cycle,
- in the calculation of collective provisions by, inter alia, making changes to the methodology for classifying exposures into stages.

In addition, the Bank's internal control system sufficiently adequately and effectively protects the Bank against unexpected events in terms of granted financing, non-financial risk, market risk, liquidity or capital adequacy. This system covers all the Bank's business units and all three lines of defence. For the purpose of compliance with legislation, supervisory requirements, internal regulations and market standards for the identified weaknesses, decisive corrective actions were planned and taken. The Bank has a formalised path for reporting the scale and nature of identified irregularities and the status of corrective actions and disciplinary measures taken. Corrective and disciplinary actions are implemented in a timely and effective manner. The independence of the Internal Audit Department System and also the Centre of Expertise – is ensured, as well as the adequate human resources necessary for the effective performance of these units.

In the face of the economic downturn and geo-political and regulatory uncertainty, the Supervisory Board believes that the Bank's attention should continue to be focused on measures that enhance capital security and ensure accessibility and competitiveness in terms of products and client service quality, such as:

- adequate capital management to ensure secure credit growth as well as to meet all current and future regulatory requirements;

- further development of the product range, including sustainable products and electronic service channels;
- increasing lending, while maintaining a prudent assessment of client risk, which will contribute to maintaining a high quality portfolio and increasing interest income;
- maintaining an adequate level of stable deposits to provide the necessary liquidity for credit expansion;
- improving cost efficiency while maintaining high process quality through optimal use of existing resources and the benefits of increased scale of operations.

In the opinion of the Supervisory Board, the existing strategy of increasing the scale of operations pursued by the Bank in recent years has proved successful, as evidenced by the financial and commercial results achieved. The success of the strategy so far justifies the Bank's intention to continue it in the next year while maintaining an adequate level of capital.

Certainly, 2023, in light of the ongoing Ukrainian-Russian conflict, will be marked by further uncertainty, and a return to robust economic growth will still have to wait. In this situation, the role of banks, including ING Bank Śląski, as stabilisers of the Polish economy is all the more important.



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



Assessment of Bank's compliance

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

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

The Best Practice 2021 was adopted by the ING Bank Śląski S.A. Management Board on 20 July 2021 and by the Supervisory Board on 22 July 2021 in the scope as defined in current report no. 1/2021 (EIB) published by the Bank on 30 July 2021, and also by the Extraordinary General Meeting of the Bank on 29 November 2021 insofar as it refers to the General Meeting and the shareholders. Since 29 November 2021, following the change in the composition of the Supervisory Board and its Committees, the Bank has been also fully applying Principle 2.9; with the development of the rules for reporting on the gender pay gap ratio, the Bank has been applying Principle 1.4.2 since 11 March 2022. Following the publication of the information on management of sustainability aspects, including the roles and competences of the ESG Council and ESG Risk Committee, in the ESG tab on the Bank's website on 6 March 2023, the Bank also

applies Rule 1.4.1. The Bank published the updates on the status of Best Practice 2021 application as part of the relevant EIB reports.

In 2023, the Bank reviewed how the corporate governance principles arising from Best Practice 2021 were applied in 2022; it was concluded that they had been applied within the above scope.

As far as the principles of corporate governance arising from the Best Practice 2021 are concerned, and in addition to the current report of 30 July 2021 filed in accordance with the comply or explain principle, the Bank also makes representations, in the form and within the timeframes required by law, on the application of the principles adopted and on the scope of their applicability and relevant procedure. By analogy to previous years, a corresponding representation is an element of the Report on the Bank Operations in 2022.

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

application. The information on the application of the Principles of Corporate Governance for Supervised Institutions is also an element of the Report on the Bank Operations in 2022, and is subject to an assessment by the Supervisory Board which is presented to the General Meeting hereinafter in this annual report of the Supervisory Board.

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











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

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

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

Furthermore, the Bank publishes the information required by the principles of corporate governance adopted by it on the website: www.ing.pl.

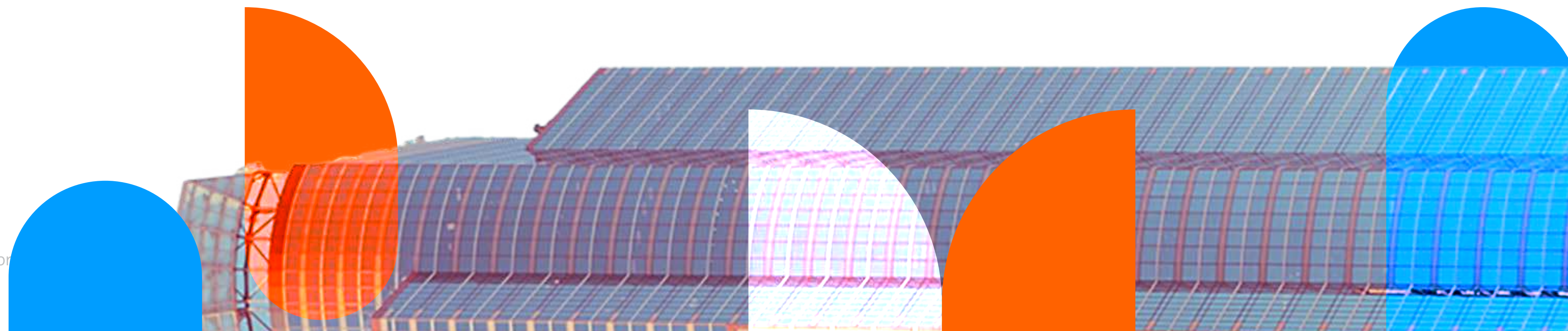
The Bank also uses the following channels to communicate with the stakeholders:

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

Thanks to being digitally advanced, the Bank could communicate with stakeholders in a smooth and safe manner. In 2022, ING Bank Śląski S.A. communicated with stakeholders via remote tools, enabling them to participate in all major events and developments.

As part of its assessment, the Supervisory Board have concluded that the documents and information regarding the application of the corporate governance principles which are published by the Bank and posted, among other things, on a separate section of the website, are true, correct and consistent. Furthermore, the Supervisory Board have evaluated the explanations published by the company in regard to the application of the corporate governance principles, and confirmed that the comments regarding the scope of the principles application are exhaustive, and contain sufficient subject-related information concerning the application of the corporate governance principles.

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





Assessment of application by ING Bank Śląski S.A. of Principles of Corporate Governance for Supervised Institutions in 2022

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

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

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

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

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

Concurrently, with its Resolution No. 25 of 31 March 2015, the Ordinary General Meeting accepted the Bank Management Board Report of 30 December 2014 and declared readiness to apply the CG Principles in the part regarding shareholders and relations of the Bank as a supervised institution with its shareholders, on the terms and conditions set out in that Resolution. The Resolution is available on the Bank's website at: <https://en.ing.pl/company-profile/corporate-governance#governance=0>

The Supervisory Board have assessed that the actions taken resulted in adherence to the CG Principles being assured both in terms of compliance of in-house regulations therewith and their application by the Bank in the daily routine. Further, at the beginning of 2023, the Bank verified compliance with the CG Principles. During the verification exercise, validity of application of CG Principles as far as adopted by the Bank was confirmed with no instances of breach thereof in 2022 found.

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

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

Hence, the Supervisory Board have assessed that in 2022 the Bank was applying the Principles of Corporate Governance for Supervised Institutions in a proper manner.





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of the rationality of ING Bank Śląski S.A.'s expenditure borne in connection with the policy concerning charitable and sponsorship initiatives in 2022



Charity and community activities

Based on the information provided by the Bank Management Board, the Supervisory Board conclude that in 2022 ING Bank Śląski S.A. was involved in the following charitable and social activities:

1. Assistance to Ukraine,
2. Climate education, financial education, business development, modern technology, sustainable development,
3. Support and education for children and teenagers,
4. Promotion of and education in Polish modern art.

The Bank carried out those actions on its own, in cooperation with social partners and courtesy of two corporate foundations: ING for Children Foundation and ING Polish Art Foundation. The activities were implemented as part of ING Bank Śląski S.A.'s ESG Strategy for 2022-2024. In 2022, due to the invasion of Ukraine and the huge need for providing immediate assistance to refugees, ING Bank Śląski S.A. undertook additional activities for refugees and the affected, with special support for children from Ukraine.





#Assistance to Ukraine

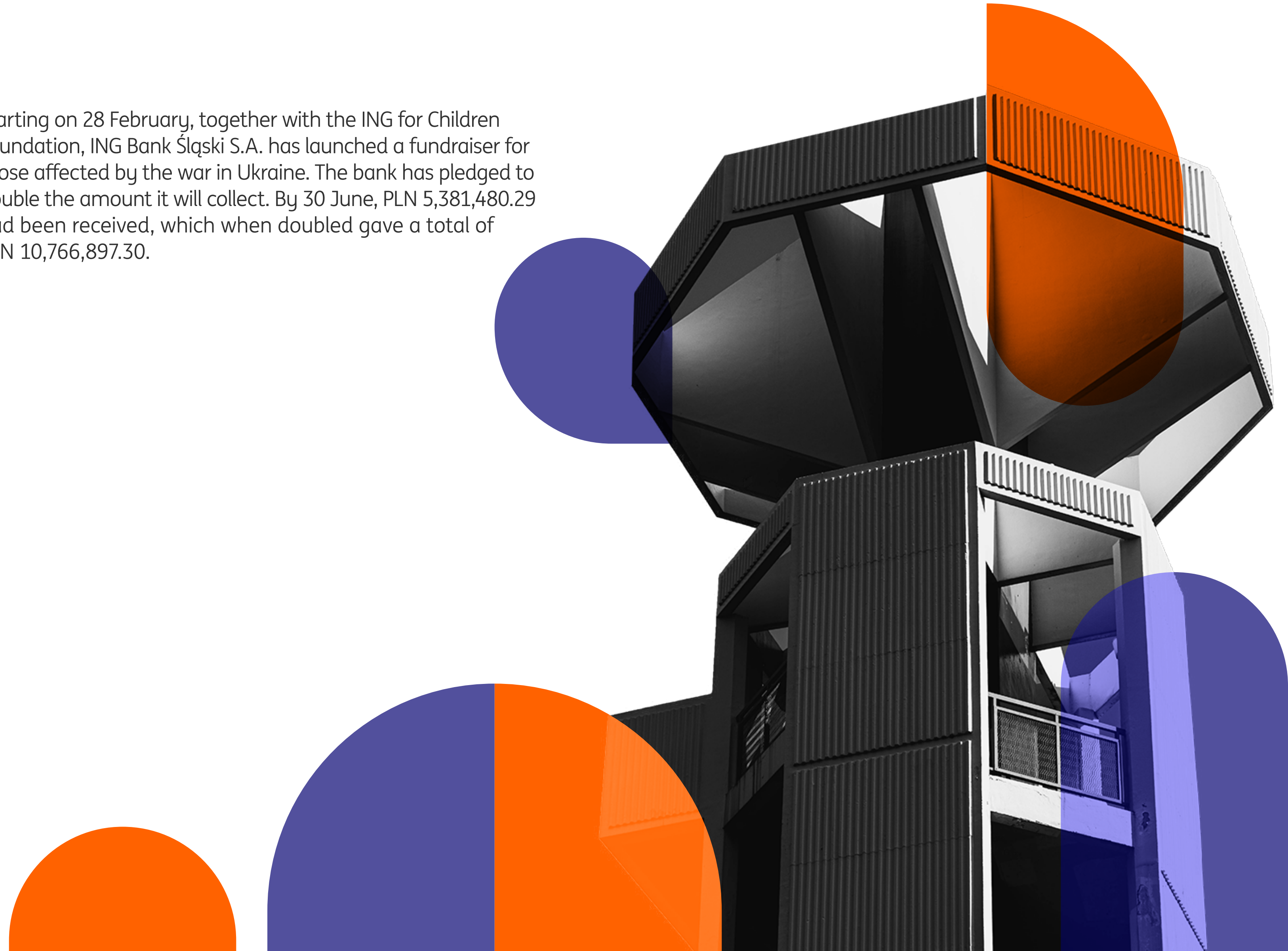
Action for war victims

Since the first days of the war, ING Bank Śląski S.A. and the ING for Children Foundation have been involved in various activities for Ukraine. They support charitable organisations and provide support to refugees in Poland.

ING Bank Śląski S.A. has implemented products and services for refugees from Ukraine and is also implementing the economic sanctions imposed on Russia. In response to the situation caused by the war in Ukraine, ING Bank Śląski S.A. has introduced an aid account that gives access to basic payment services. **Account for Refugees at ING.** Ukrainian customers can use a helpline operated in Ukrainian, both at meeting points and ING Express. The Bank has prepared comprehensive materials in Ukrainian available at www.ing.pl and has introduced simplified account opening procedures.

In the first days of the war, ING Bank Śląski S.A. donated PLN 1 million to organisations providing support and care for refugees in Poland. Donations were received by four organisations: The Foundation of the Institute of Mother and Child, the Polish Medical Mission, SOS Children's Villages, and the Association of Ukrainians in Poland. In addition, the Bank donated PLN 500,000 for structural solutions to support refugees in the first wave. The money was used to buy the necessities for the reception points where volunteers from the Bank often helped.

Starting on 28 February, together with the ING for Children Foundation, ING Bank Śląski S.A. has launched a fundraiser for those affected by the war in Ukraine. The bank has pledged to double the amount it will collect. By 30 June, PLN 5,381,480.29 had been received, which when doubled gave a total of PLN 10,766,897.30.





The money raised was given to organisations that help refugees, especially children. Support was given to:



UNICEF Polska humanitarian aid – PLN 3 million.



Polish Humanitarian Action (PAH) to support refugees – PLN 3 million.



Teach for Poland for long-term support for the education and integration of Ukrainian children in Poland – PLN 500,000.



Stowarzyszenie Cyfrowy Dialog [Digital Dialogue Association] for long-term support for education and integration of Ukrainian children in Poland – PLN 500,000.



Polish Migration Forum for psychological, legal, educational assistance and organisation of leisure activities – PLN 500,000.



Fundacja Ocalenie [Rescue Foundation] for psychological, legal, educational assistance and organisation of leisure activities – PLN 500,000.



The Sława and Izek Wołosiański Humanosh Foundation to help Ukrainian hospitals – PLN 1.5 million.



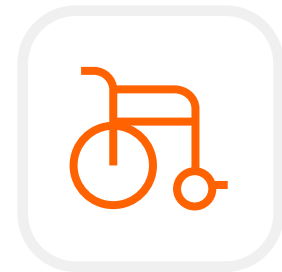
Bytel Foundation, Myslowice – helping to buy an ambulance for the hospital in Tłumacz – PLN 150,000.



Nienieodpowiedzialni [Not Irresponsible] Foundation to buy ambulance for medical services – PLN 150,000.



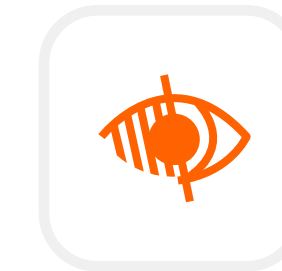
Avalon Foundation na wsparcie dzieci to support children with disabilities as part of its Centre for Refugees with Disabilities (CPUzN) – PLN 200,000.



The Doctor Piotr Janaszek PAY IT FORWARD Foundation for children with disabilities and their families affected by war – PLN 200,000.



DOZ Foundation dbam o zdrowie [I care about health] for the purchase of medicines and other products available in Polish pharmacies for children from Ukraine – PLN 400,000.



Special Purpose School and Education Centre for Disabled Children and Teenagers in Dąbrowa Górnicza to support blind children from Ukraine – PLN 20,000.



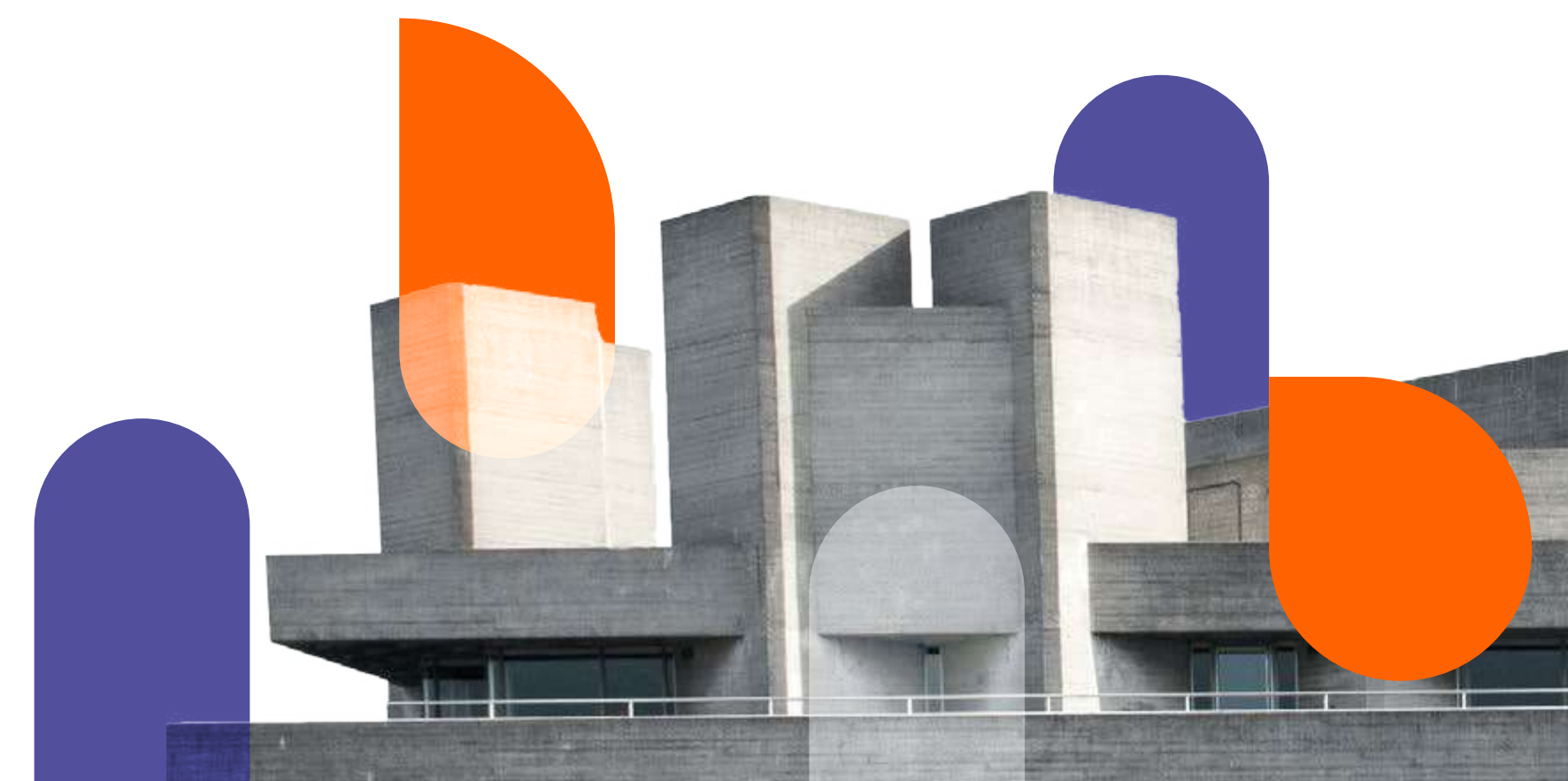
Paediatrics Department of the Municipal Hospital in Ruda Śląska for the purchase of hygiene and care products for young Ukrainian patients – PLN 20,000.



Purchase of hygiene products for children – for the reception desk in Warsaw – PLN 16,067.89



Happy Kids Foundation to organise professional care for children from Ukrainian orphanages in Poland – PLN 110,000.





The remaining amount was donated to the ongoing needs of Ukrainian children staying at the Foundation's Centre in Wisła.

ING Bank Śląski S.A. provided assistance to ING employees of Ukrainian origin through a financial benefit of PLN 1,000 / per person (family member) to bring the family from the war zones and to finance the purchase of necessary items (clothing, hygiene products, food). The bank also provided assistance in transporting the family member from the reception point to the place of residence in Poland, support in finding and renting a flat and covering the rental costs, as well as providing medical and legal care.

ING Bank Śląski S.A. employees who hosted refugees received, among other things, a benefit in the form of gift vouchers worth PLN 300 for each person hosted and PLN 500 for each school-age child, psychological support, extra days off to volunteer – to run official errands for guests.

In order to help better and more efficiently, our employees formed the 'I support guests from Ukraine' community for sharing information, exchanging best practices and proven ways to solve problems, as well as a platform for aid – shopping for Ukraine.

On 6 March, the ING for Children Foundation welcomed 22 children from the Children's Home in Zaporozhye to the foundation centre in Wisła and published a bibliotherapeutic book in Ukrainian entitled "Lucjan, the Lion One of Its Kind". (more in the ING for Children Foundation section).





Working with partners

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

Save the World Eco-programme for primary school pupils

Save the World is an educational programme addressed to pupils at all levels of primary school, which combines broadening the ecological knowledge of children and young people with shaping their character and pro-social attitudes, as well as improving digital competence. The Save the World Programme organiser is the “ABCXXI – All of Poland Reads to Kids” Foundation, and the content partner is the WWF Poland Foundation. ING Bank Śląski S.A., together with Visa, participates in the Save the World Programme as a Strategic Partner. The programme is under the honorary patronage of the Ministry of Climate and Environment and the National Library.

The inauguration of the Save the World Programme took place in September 2021, and immediately afterwards a pilot of the Programme began in 60 schools and libraries. After its evaluation and the introduction of recommended changes, the first edition of the Save the World Programme was launched in October 2022 and joined by 363 establishments – primary schools, special centres and libraries from all over Poland. More than 30,000 pupils have participated in the activities conducted by approximately 600 Educators of the first edition of the Programme.

28 short stories for children and teenagers were written by Polish authors for the Save the World Programme. The stories have been published in three age-appropriate volumes for young readers: “Dragon's Breath” (for ages 7+), “Flying Saucer” (for ages 10+) and “Nets Phantom” (for ages 13+). In addition to the three-volume story series 'Save the World', the package of project materials for participating establishments included the book “You Too Can Save The World. Green Tales from Pietruszkowa Wola” by Justyna Bednarek, published by ING Bank Śląski S.A. and the ING for Children Foundation.

Online meetings with organisers and experts as well as lesson plans and tutorials on digital tools available at www.ocalimyswiat.pl also help to prepare, conduct and promote student projects. Activities within the framework of the Save the World Programme were complemented in autumn by a series of online lectures and presentations, including the lecture “With the Child into the World of Values” by Irena Koźmińska, President of the “ABCXXI – All of Poland Reads to Kids” Foundation (live FB), the presentation “Education for the Protection of Biodiversity and Climate” by dr inż. Julia Dobrzańska and Klara Rościszewska, Education Specialists from the WWF Poland Foundation (live FB), the webinar “Digital tools in creative teamwork” by Sylwia Żółkiewska, designer and educator (live Zoom). A Forum for the Save the World

Educators in the form of a closed group on Facebook has also been launched, and the Forum participants also receive regular news mailings.

In addition, students and Educators (teachers, librarians, instructors, etc.) have been provided with an attractive new online tool – a computer game called “EKOHAKATON – Flying Soucer”, which allows them to understand the ethical and ecological message of the Save the World Programme in a simple and fun form. The task of the game's protagonists is to take part in an ecohakathon, a competition to create a prototype of an environmental game, and the young players – the students – are there to help them by making strategic decisions on their behalf concerning pro-social and pro-environmental choices, while learning the basics of programming.





Warsaw Institute of Banking Bakcyl Programme Cybersecurity

As part of the industry's financial education Bakcyl programme and the Cybersecurity programme for primary and secondary school students, lessons on finance and cybersecurity were taught by volunteer bank employees participating in the programme. For the new volunteers from ING, training sessions were conducted by WIB in October 2022 in which 9 employees participated. 2 volunteers of this group conducted a total of 5 lessons.

As part of the cooperation, a lesson for students was provided by a banking expert from ING Bank Śląski S.A. During a webinar entitled "What do I know about inflation and stability of the financial system?" addressed to the participants in the "Everyday Economics" programme, he introduced young people to such issues as: whether inflation is bad, what interest rates mean for us, how inflation affects Poles' savings and what the Monetary Policy Council does. The lesson will also serve as a tool for teachers.

The "Everyday Economics" programme is created by the Junior Achievement Foundation, the National Bank of Poland and the Warsaw Institute of Banking Foundation. It is addressed to vocational counsellors and school teachers who are required to implement an intracurricular system of vocational counselling, as well as to conduct financial education during weekly class meetings.



ING Group's global grant fund

ING Community Investment Global Fund

Zwolnieni z Teorii [Exempt from Theory] Generation Lockdown II programme

The Zwolnieni z Teorii Foundation implemented the 'Lockdown Generation II' project in the first half of 2022 (school year 2021/2022) from the ING Group Community Investment grant. This was a continuation of the first edition of this programme which was launched in the 2020/2021 school year, with the aim of supporting young people (15-24 years old) to acquire competences facilitating their entry into the labour market, through a community project.

For the majority of young people leaving secondary school, this is an opportunity to gain experience of group work and the competences of the future at the last compulsory stage of education. The aim of the Generation Lockdown programme is to support young people and teachers in organising a social project, integrating them into the labour market and involving as many schools as possible in bringing about educational change. The tool in these activities is the organisation and implementation of a social project by a team of young people. Participants develop the competences of the future, i.e. the ability to cooperate, creativity, critical thinking and communication. An important part of the programme

is learning how to write a CV and include so-called soft competences in it, describe experiences from a social project, as well as self-presentation thanks to e-learning training on the Zwolnieni z Teorii project platform.

The programme, which lasted nine months, involved 602 secondary schools and 750 teachers, and 5,096 young people completed their own social projects. As part of the programme, 2,508 students met potential employers including ING Bank Śląski S.A., 3,185 students confirmed that they felt better prepared to look for work, and at least 38 teenagers found a job or an internship after completing the programme. The participant survey found that 74% of participants felt better prepared to work together as a group, students who completed the community project enter the labour market 12 months earlier than their peers and 83% of students who completed the project were working at the age of 21 (compared to 65% of their peers who did not complete the social project).





Fundacja Rozwoju Społeczeństwa Wiedzy Think! [Think! Foundation] Financial Health Programme

The Financial Health Project is being implemented between February 2022 and January 2023, by the Think! Foundation in partnership with ING Bank Śląski S.A. It is a continuation of the project initiated in February 2021. The aim of the "Financial Health" project is to build knowledge and good habits related to taking care of personal finances and discovering one's potential related to personal development. The project is addressed to adults (18+), working or at risk of losing their job, of declining income, not working, who find themselves in a vulnerable situation in the face of a pandemic crisis. As part of the project, the educational portal ZdrowieFinansowe.pl was created, which is a repository of materials on finance, i.e. articles, guides, films, animations and infographics. The recipients of the programme were primarily people who were looking for information and ready-to-use tools to better manage their financial challenges.

In 2022, the Think! Foundation carried out activities aimed to increase knowledge and skills and promote best practices as regards managing a household budget, coping with situations of income fluctuation and taking conscious care of finances. And also the skills to talk to their partner and children about household finances. Communication activities took place through social channels (FB and Instagram). In 2022, the Foundation published a report based on the research "Economic education of girls and boys in Polish homes – do mothers and fathers educate in the same way?" – The project included a qualitative and quantitative study on children's economic education, analysed by gender. Four webinars were held as part of the project: With a plan at hand, How to feel safe with so much going on around you (40 participants), A good start to well-being, How to take care of yourself on your own terms (56 participants), Creatively about strengths (32 participants). "Take care of your finances" series video materials were produced. The series were hosted by journalist Iwona Kutyna and tackled with the topics of financial well-being, how to effectively reduce expenses, what to do in the case of a sudden decrease in income, how not to get carried away by panic and growing fears about the future, do you need an extra job, 10 ways to build financial security, discussions about finances and how to build good financial habits.



Climate education

You Too Can Save The World Green Tales from Pietruszkowa Wola

The book, written by Justyna Bednarek and illustrated by Joanna Czaplewska and published jointly by the Bank and the ING for Children Foundation, is distributed free of charge to schools, libraries and community organisations throughout Poland. The 9 stories deal with topics such as plastics, consumerism and the treatment of animals. Each chapter ends with best practices for ecologists: how to give a second life to objects, the power of helping and sharing, and that the best gifts cannot be bought. For printing the book, we used paper made from cellulose that comes from trees grown in sustainable forestry areas. The ink used for printing contains no harmful substances and comes from renewable raw materials. The publication is accompanied by free lesson plans available on the foundation's website.

Read more about book-related activities in the ING for Children Foundation chapter.





Support and education of children and teenagers

Zwolnieni z Teorii [Exempt from Theory] Social Projects Olympics

In 2022, ING Bank Śląski S.A. continued, together with the ING for Children Foundation, the implementation of the ING Challenge – A Step Ahead, in cooperation with the Zwolnieni z Teorii Foundation. Once again, as part of the largest Social Projects Olympiad in Poland, secondary school students organised their own social projects – responding to the needs of e.g. the community, cultural, technological and environmental projects.

During the 2021/2022 school year, teams of young people undertook 48 projects as part of the ING Challenge – A Step Ahead. These were aimed at children or young people. By participating in the projects, young recipients were able to develop their passions, gain new knowledge or learn about their capabilities – in short, they were able to take a Step Ahead. ING Bank Śląski S.A. provided expert materials in the form of videos (on such topics as teamwork and communication) and, together with Zwolnieni z Teorii, conducted two webinars for participants in the A Step Ahead programme – a webinar opening the programme with information on its progress and a short business communication savoir-vivre training, and a webinar with an expert from the ING for Children Foundation, on conducting voluntary activities for children and young people.

In implementing their projects, the 33 youth teams also

benefited from the support of 30 expert mentors from the Bank and the Foundation. The mentors, employees from different areas of the Bank's business, shared their knowledge and experience with young people and supported the participants in their community projects throughout the programme through discussions at online meetings and ongoing contact.

A total of 235 people took part in our challenge, reaching almost 950,000 beneficiaries with their projects as part of A Step Ahead. Additionally, as part of the competition, the three winning teams were given the opportunity to consult their projects with representatives of the Management Board and Managing Directors.

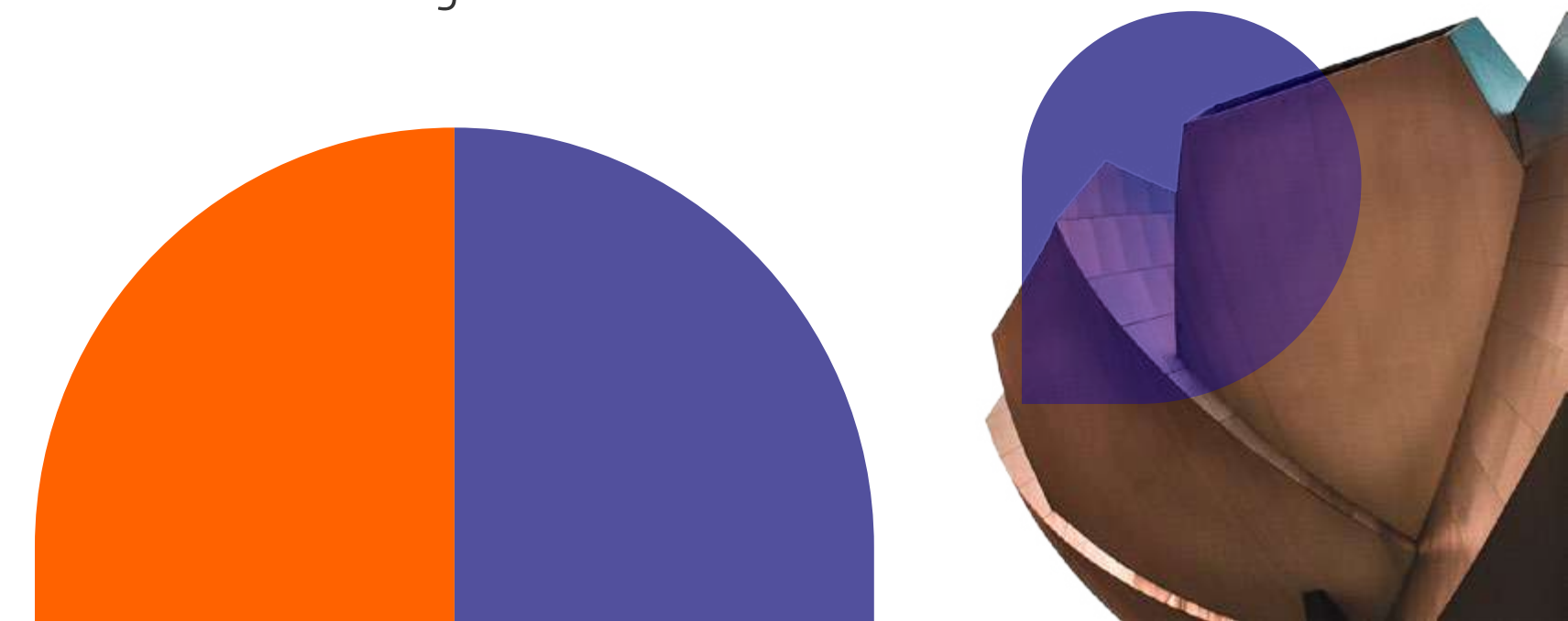
The final gala was also attended by representatives of both the Bank and the Foundation. There were as many as 14 finalists among the completed projects in the challenge A Step Ahead – Silver Wolf (2 projects) and Bronze Wolf (12 projects) awards. The BO Warto team, in cooperation with the ING Mentors, came to the final of the Pitch Contest and presented themselves on stage during the official part of the Final.

ING CoderDojo

In 2022, ING CoderDojo continued online classes for children (for children of both ING employees and non ING employees) in two groups: robotics and Minecraft. ING mentors led classes for children and young people in advanced groups, which focused on

programming puzzle and arcade games on the Arcade platform. The Ninjas programmed “older” games such as Snake (a snake that eats fruit and grows – making it difficult to move on the board so that it does not bite itself), Jumping Jack (a character that jumps through holes in the ceiling, who additionally has to watch out for moving holes in the floor – so that he does not fall to a lower floor), Sokoban (placing boxes in a warehouse on selected fields in the fewest number of moves), and, in recent months, card games – the classic 'war' and 'UNO' – which took participants a long time to play, but were ultimately very rewarding.

A group of young Python developers, continued to implement the 'Dice' application for Android and Windows, based on the Kivy framework. The application, with the initial functionality of a simple board game cube, was enriched by further elements over a series of activities to eventually offer three graphic variants of the basic cube, a variant with two cubes, cubes for Super Farmer, for storytelling "Story Cubes", for the game "Treasure Hunt" or "Monopoly Empire". All in a nice animated graphic design, with sound effects in several variants, a speech synthesiser that reads the results, personalised transition effects, convenient controls and a menu that saves the settings In April, the group celebrated its 100th class anniversary.





Lesław Paga Foundation Academy for Capital Market Leaders/Business Women Leaders Academy

In 2022, ING Bank Śląski S.A. was a partner of the 17th edition of the Capital Market Leaders Academy. It is an extensive training programme on financial market knowledge for university students and graduates up to the age of 27 interested in the financial market. A lecture on how banks operate in an inflationary environment from a capital markets perspective was given by bank representatives from the Retail Clients Division. The aim of the 17th edition was for the participants of the programme to develop ideas for educational activities for their younger colleagues on safe and informed management of personal finances. The programme ran from January to December.

The Bank was also a strategic partner of the 5th edition of the Business Women Leaders Academy. This is a programme for building the personal maturity of young women by combining marketing, communication and image-building activities with personal and professional development. Its objective is to educate young women up to the age of 27, develop their professional and social competencies, develop their potential stemming from their gender, knowledge and attitudes that will guide them in their adult life. Activities carried out over a period of 12 months included development and content workshops, as well as the preparation of a diversity & inclusion report created by the participants, alumnae and programme partners. A part of the programme was also a meeting of the participants with Joanna

Erdman, the Bank's CRO, and the Bank's ESG experts from the Centre of Expertise ESG Innovation; 16 participants took part in a workshop on, among other things, the principles of planning and implementing project processes, transforming leadership models, involving different stakeholders and supporting the diverse competencies of project teams.

Not Irresponsible Solidarity with Ukraine

In 2022, ING Bank Śląski S.A. joined the humanitarian action organised by the Not Irresponsible Foundation "Solidarity with Ukraine". As part of this cooperation, ING Bank Śląski S.A. subsidised the purchase of two ambulances with equipment and medical supplies in the amount of PLN 150,000. The funds came from a collection, organised jointly with the ING for Children Foundation #Pomoc Ukrainie. In addition, the Bank made a donation to support the organisation of a charity concert in December - "With Hope For Peace", the total proceeds of which were donated to equip two ambulances belonging to the Foundation with the necessary medical equipment to rescue injured victims of the war in Ukraine.

Responsible Business Forum

ING Bank Śląski S.A. continued its partnership in the Responsible Business Forum as an institution that is committed to social responsibility and sustainable development as well as diversity and inclusion initiatives as a signatory of the Diversity Charter. The annual report of the Responsible Business Forum featured 10 best

practices in the area of sustainable development from ING Bank Śląski S.A. The annually published report "Responsible Business in Poland. Best practices" is the largest review of CSR and sustainable development initiatives in Poland. Practices of ING Bank Śląski S.A. highlighted in the report: Human Rights - #Diverse Community, Labour Practices - Hybrid Work Model Programme - Replenish Your Powers, Wellbeing, Active Break, Environment - Film Series #ING for Climate - Ecologically and Economically at ING, Green Statement 2021, Mr. and Mrs. Drops and Mr. Confused, Consumer Issues - Campaign - What's Economic is Ecological, Community Involvement and Development - Project #Financial Health / Lockdown Generations, Book "You Too Can Save The World. Green Tales from Pietruszkowa Wola". The 20th edition presented 1,677 actions taken by 283 companies. The report was announced on 25 May, during the 9th CSR Fair in Warsaw, in which the Bank and its two corporate foundations participated. Meetings organised at the Bank's and Foundation's stand included experts from Centre of Expertise ESG Innovation with the topic of the ING grant fund, from the ING Polish Art Foundation, from HR on the Diversity at ING, and from the ING for Children Foundation on bibliotherapy, climate education and children's financial education.





Ethics Standard in Poland – Equal Opportunities in Business

United Nations Global Compact Network Poland (UNGCP) Climate Positive

As part of the continued cooperation with the UN Global Compact in 2022, ING Bank Śląski S.A. was a partner of the “Ethics Standard in Poland – Equal Business Opportunities” programme and the Climate Positive programme, which included, among others, initiatives related to the European Green Deal, green finance, promotion of clean energy technologies (e.g. hydrogen), energy efficiency and electrification of transport. Representatives of ING Bank Śląski S.A. regularly and actively participated in the work of the Steering Committee of the programme. In 2022, ING economists – wrote the article “The role of ESG factors in the supply chains of Polish companies” in the collective publication coordinated by the GCNP – Green Finance in Poland 2022, while an expert from the Centre of Expertise ESG Innovation was the author of the article “Sustainable finance and reduction of transport emissions. Best practices” as part of the publication “Sustainable transport – the road to climate neutrality”.





Other initiatives

ING Charity Football Tournament

On 17 September 2022, the ING Charity Football Tournament took place on the playing fields of Chorzow's MORIS. It was attended by 26 ING teams and 240 footballers – both boys and girls. Teams composed of employees of the Bank and ING BSK companies from all over the country took part in the competition. In the sporting rivalry, 253 goals were scored.

The aim of the tournament – in addition to integration and the promotion of self-organised teams – is to support charities that are dedicated to sporting activation of people with disabilities.

In 2022, donations (PLN 10,000 each) for activities to activate children and adults with disabilities were granted to: Avalon Foundation, Dr. P. Janaszek's Pass It On Foundation, Stowarzyszenie Amp Futbol Polska [Amp Football Poland Association].

Charitable donations

In 2022, ING Bank Śląski S.A. made charitable donations of a financial and in-kind nature. The Bank made 26 financial charitable donations. The donations were made on the basis of *ING Bank Śląski S.A.'s Donations Policy*, dated 1 June 2021. The Policy defines, among other things, the areas of the bank's involvement in charitable activities.

The Bank's chosen areas for community investment are:

1. activities for children and young people, including holidays for children and young people,
2. science, education and upbringing – especially in the area of financial and climate education,
3. health protection and prevention,
4. environmental protection, combating climate change,
5. financial assistance in special circumstances, where an employee or his/her family member (members) suffered damage.

The Policy defines the roles of the Donations Committee, the Management Board Bureau, the Management Board – in the donation 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), and depending on the amount, two members of the Management Board or the Bank Management Board are involved.

Objectives supported by the Bank through donations, in selected areas of community investment in 2022:

1. support and assistance to Ukraine – 6 donations worth PLN 1,017,000,
2. activities for children and young people, including holidays for children and young people – the Bank made 6 donations worth PLN 65,000,
3. science, education and upbringing – especially in the area of financial and climate education – the Bank made 4 donations totalling PLN 724,101.25 (of which PLN 667,601.25 came from the ING Group Grant),
4. health care and prevention – the Bank made 8 donations totalling PLN 183,200,
5. financial assistance in special circumstances, where an employee or his/her family member (members) suffered damage – the Bank made 2 donations totalling PLN 200,000.





In connection with the war in Ukraine, ING Bank Śląski S.A. made donations to the Foundation of the Mother and Child Institute, the Polish Medical Mission, SOS Children's Villages, the Association of Ukrainians in Poland, Polish Humanitarian Action and the Not Irresponsible Foundation in the amount of PLN 1 million.

Among activities supporting science, education and upbringing, especially in the area of financial and climate education, there were donations to the Zwolnieni z Teorii Foundation, the "THINK"! Foundation and the Warsaw Banking Institute for the Bakcyl and Cybersecurity programmes. In the area of health care, donations were awarded to foundations which for years have been engaged in socially valuable activity to improve health, e.g. to the Professor Zbigniew Religa Foundation for the Development of Cardiac Surgery in Zabrze and the Polish Foundation of Gastroenterology.

ING Bank Śląski S.A. continued to support regional and local charities, including but not limited to, the Dr Piotr Janaszek PAY IT FORWARD Foundation, Zachodniopomorskie Hospicjum dla Dzieci i Dorosłych [the Western Pomeranian Hospice for Children and Adults] Foundation in Szczecin and Domowe Hospicjum dla Dzieci [Home Hospice for Children] in Opole.

In total, ING Bank Śląski S.A. made charitable donations in 2022 for a total value of PLN 2,189,301.25.

The Bank also made donations to the activities of two its own foundations:

1. for the ING for Children Foundation in the amount of PLN 9,678,073.74 (including the amount of PLN 5,381,480.29, which results from the doubling of the #Assistance to Ukraine collection),
2. for the ING Polish Art Foundation in the amount of PLN 1,250,000.

In 2022, the bank also made in-kind donations of decommissioned IT equipment (in good state of repair) and office furniture, mostly to schools, welfare institutions and charity organisations. The IT equipment donated to foundations, associations and care institutions was worth PLN 174,865.99. The Bank donated 160 PCs, 230 monitors, 260 laptops and 40 printers. In-kind donations were made following the *Procedure for the sale/ donation/ reprocessing of assets at ING Bank Śląski S.A.*



Fundacja ING Dzieciom

ING for Children Foundation is one of the oldest corporate foundations in Poland. It carries out its mission – We help children to be a step ahead – in three areas: supporting development, caring for health and levelling opportunities. Each of these includes a number of original programmes (e.g. Smile Camps, Bibliotherapy, Orange Power, Good Idea or My Environment) and those implemented in partnership with local and national organisations (e.g. Zwolnieni z Teorii [Theory-Free]). The Foundation develops the ING Volunteer Programme, engages ING employees in various environmental and educational projects for the benefit of local communities. It helps children affected by social and economic problems and supports physical activity for children with disabilities. It helps young people to discover the world and their own capabilities, and in 2022 it actively joined in helping children harmed by the war in Ukraine.

In 2022, the Foundation conducted its activities in accordance with the *ING for Children Foundation Strategy for 2022-2024*, adopted and approved by the Management Board and the ING for Children Foundation Board. As a public benefit organisation,

the Foundation carries out its tasks in accordance with the *Act on Public Benefit and Voluntary Activities* and within the scope defined in the *Charter of the ING for Children Foundation*.

In 2022, funds for the implementation of the Foundation's activities came from:

- donations from the founder (ING Bank Śląski S.A.) in the amount of PLN 9,678,073.74 (including the amount of PLN 5,381,480.29, which results from the doubling of the #Assistance to Ukraine collection),
- from donations by ING employees and customers and contributions to the charity collection #Assistance to Ukraine – aid efforts for refugee children from Ukraine in the amount of PLN 5,398,295.38,
- donations from subsidiaries (ING Lease Polska and ING Commercial Finance) totalling PLN 65,587.00,
- receipts of PLN 30,884.40 from 1% of income tax,
- Payroll programme (monthly donation from ING employees deducted from salary) of PLN 11,102.00,
- from donations made by ING employees and customers for aid activities for Polish children in the amount of PLN 114,669.18,
- from the support of the Starosty of Cieszyn – remuneration for the stay of children from Ukraine in our centre in the amount of PLN 348,950.00.

The ING for Children Foundation's total cash income for 2022 was PLN 15,647,561.70.

#Assistance to Ukraine

In solidarity with Ukraine and moved by the fate of its people, the ING for Children Foundation, together with ING Bank Śląski S.A., launched the #Assistance to Ukraine collection in February, which raised PLN 5,381,480.29. As a result of the doubling of contributions by the Bank, the total amount of the collection was PLN 10,766,897.30. The money raised was given to organisations that help refugees, especially children. For more on the #Assistance to Ukraine collection, see Assistance to Ukraine.

At the beginning of March 2022, a group of 22 children from an orphanage in Zaporozhye were relocated to the Foundation's centre in Wisła. 2 in-kind collections for the children were organised among ING employees, mainly clothing, hygiene products and school supplies. From mid-March 2022, the children were provided with school and pre-school education in Wisła, support from a psychologist and translator, legal and medical assistance and support from ING volunteers. Among other things, the children have been to a summer camp in Międzyzdroje, to the Królowa Luiza mine in Zabrze, and have taken part in many meetings and workshops, e.g. at the Centre for Ecological Education in Wisła or in a bibliotherapy workshop with an employee of the Honorary Consulate of Ukraine in Katowice. The children remain under the care of the ING for Children Foundation all the time.





In addition, in order to support refugee children from Ukraine, the Foundation prepared a Ukrainian edition of the book “Lucjan, the Lion One of Its Kind”. The book was donated to organisations supporting children including the Rescue Foundation, the Copernicus Science Centre, the Zustricz Foundation, the Happy Kids Foundation, the Ukraine Foundation and the Universal Reading Foundation [Fundacji Powszechnego Czytania]. More than 2,600 copies were distributed to libraries, hospitals and social welfare centres across Poland, as well as to children who took part in workshops organised by the organisations that received donations.

Actions around the book “You Too Can Save The World. Green Tales from Pietruszkowa Wola”.

In 2022, the ING for Children Foundation continued to donate the book “You Too Can Save The World. Green Tales from Pietruszkowa Wola” (by Justyna Bednarek, illustrated by Joanna Czaplewska) to public libraries and primary schools in Poland. Almost 7,500 copies were successfully sent out. Distribution will be continued in 2023. The book has also been published as an audiobook. It is available on the ING for Children Foundation website and on Spotify – on the ING Bank Śląski Podcasts channel.

The Foundation promoted reading and its book at several events in 2022. It joined the Megabit Bomb Festival in Krakow, which featured a workshop on making paper from scraps – attended by more than 80 children from Krakow's primary schools. There was also a family workshop, where children, together with their parents and carers, learnt how to upcycle paper at home. The workshop was organised at Studio Litograf in Krakow.

On the occasion of the UN World Urban Forum, a unique place was created in Katowice – Kato Urban Corner, where from June to October animators explained and showed visitors the ideas of the 17 Sustainable Development Goals. Over four months, 58 events took place and more than 2,000 visitors were welcomed. The Kato Urban Corner hosted several author meetings with writers describing the climate crisis, including Justyna Bednarek, author of the book “You Too Can Save The World. Green Tales from Pietruszkowa Wola”. Younger and older visitors could also avail themselves of the eco-library sponsored by the ING for Children Foundation. Additionally, the Foundation supported the “You Don't Use? Exchange!” action [Nie używasz? Wymień się!]. As part of the action 10 kindergartens in Katowice were equipped with exchanger racks built by children during workshops at the Kato Urban Corner.

The ING for Children Foundation was a partner of the Intergenerational Children's Literature Festival Fathers and Children in Katowice [Międzypokoleniowy Festiwal Literatury Dziecięcej Ojciec i Dzieci w Katowicach], where ecology was the main theme. On the first day of the festival, a conference was held with representatives of non-governmental organisations that make a significant contribution to the development of climate education. The Foundation was represented by its CEO, Joanna Dymna-Oszek. More than 70 educators from Silesia took part in the event. For three days, children and their caregivers participated in numerous attractions, workshops and meetings with authors, including a field game led by Justyna Bednarek and an open-air art workshop with Joanna Czaplewska, author of “Green Tales”.

Voluntary service

Until the end of March 2022, for the sake of the health of both ING volunteers and children, all projects were implemented in an e-volunteering formula. From April 2022, the ING volunteers and the youngest children could meet face-to-face again. Nevertheless, e-volunteering is still often chosen by them.

Since 2006, the employees of ING Bank Śląski S.A. have participated in the Good Idea volunteering competition. In 2022, 143 ING volunteers carried out 28 projects for a total of PLN 161,895.00. The projects, whose beneficiaries were local communities, schools and NGOs, involved 1,015 children. The activities carried out by volunteers were a response to actual needs of a given group of children. The projects included sports, art, renovation and construction or educational projects. Almost half of them included elements of financial education. In 2022, the next edition of the 'Good Idea' competition was announced and decided. Funding was awarded to 32 projects for a total of PLN 186,759.00. In addition, the Management Board of the Foundation decided to provide support of PLN 1,000 to projects that did not win the competition. This support is to keep the relationship and good rapport with the beneficiaries and the kids under their care. The funds are to be used for the meetings with the youngest children.

In 2022, the first edition of the “My Environment” programme, created by the Foundation and the Bank, was resolved, in which ING volunteers could win a grant for environmental activities with a social partner of their choice. Funding and substantive support were awarded to 33 projects that were



implemented across Poland. ING volunteers together with their beneficiaries (local schools, kindergartens and NGOs) engaged the youngest children in landscaping or conducted environmental education classes. Projects totalling PLN 392,287.00 involved 285 volunteers who reached 4,784 children with their activities. The call for applications for the second edition of the "My Environment" programme was announced in December 2022. The competition winner will be chosen in the first quarter of 2023.

In addition to the "Good Idea" and "My Environment" competitions, ING volunteers were involved in many other meetings with children. In spring 2022, 7 ING volunteers were involved in regular e-tutoring at an orphanage in Katowice. There were also one-off meetings of ING e-volunteers with children and young people from all over Poland, during which they talked mainly about their passions and travels. Cooperation with the Polish Migration Forum Foundation also continued. 8 ING volunteers (both in the form of e-volunteering and face-to-face meetings) supported foreign children and other carers in learning the Polish language, finding their way in a new reality – learning about Polish culture.

ING volunteers in 2022 were also actively involved in organising free time for the children from Zaporozhye who were under the care of the Foundation. 50 ING volunteers visited the children at the Foundation's centre in Wisla. Each visit was a unique meeting, full of attractions and sports activities.

ING employees interested in future competences had the opportunity to get involved in the "Kindergartens of Tomorrow –

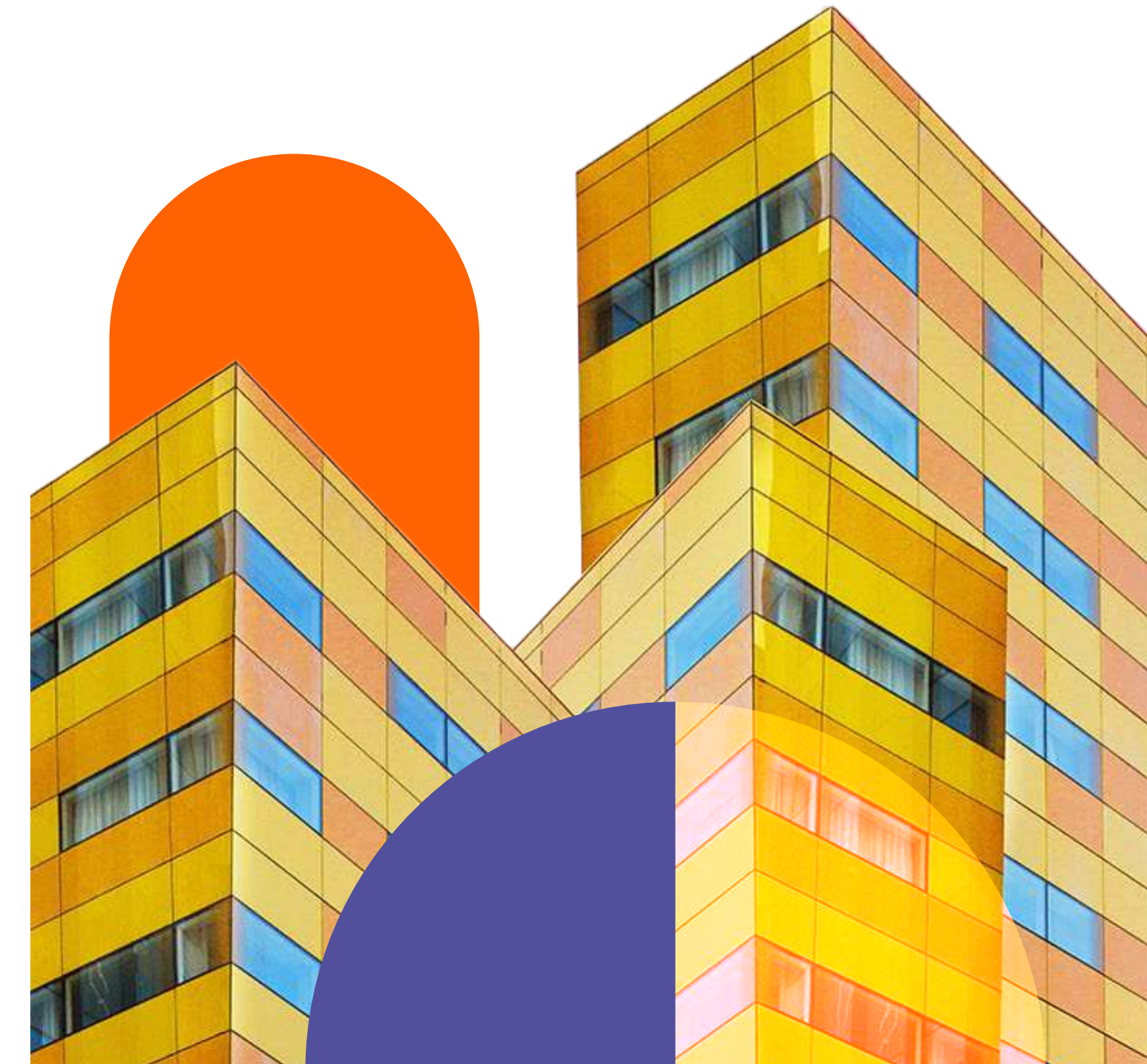
Equal Opportunities" Programme. Materials were prepared for ING volunteers to help them learn more about the STEAM method and lesson plans for the youngest children. 9 ING volunteers implemented activities for 164 children in 5 institutions.

ING volunteers were also present at the Orange Power events, which were implemented in 6 facilities in Poland. 39 ING volunteers helped to organise the sporting events, but above all they accompanied children and young people in their sporting struggles. Almost 600 children took part in the Orange Power events.

In 2022, the volunteers of ING Bank Śląski S.A. were also involved in a new series of 'Pianissimo' concerts organised by the Polish National Radio Symphony Orchestra in Katowice. These were sensory concerts with a unique idea – to enable people with high sensory sensitivity to participate in musical events. The task of the volunteers was to support the listeners if needed. Also volunteers had the opportunity to listen to a concert and have a look into every recess of the unique building that is the NOSPR in Katowice. The "Pianissimo" concerts were supported by 33 ING volunteers. The concerts were attended by 733 listeners of all ages. ING volunteers were also invited by the Katowice NOSPR to help organise the Accessibility Day. 3 ING volunteers assisted with the concert organised that day.

In 2022, ING Bank Śląski S.A. volunteers actively supported the ING for Children Foundation with events and activities. They were involved in: Children's Day at the headquarters in Katowice and Warsaw, the Fathers and Kids Festival in Katowice, Kato Urban Corner and the Megabit Bomb in Krakow. A total of 37 volunteers made the implementation of activities for the youngest more efficient.

In 2022, the ING for Children Foundation organised 10 training sessions for volunteers in which 414 ING employees participated. The trainings focused on financial education, environmental education and effective community project writing. The trainings were organised before the announcement of the "Good Idea" and "My Environment" competitions and after the final decision thereon was taken, in order to better prepare those willing to submit an application and then to implement the activities. In addition to substantive training, we also organised a meeting during which volunteer leaders shared their experiences from their voluntary activities.





On the International Volunteers' Day, celebrated on 5 December, a message with good wishes was sent to employees from Joanna Erdman, Vice-President of the Management Board of ING Bank Śląski S.A., patron of the ING Volunteering programme. The ING for Children Foundation appreciated the commitment of ING volunteers and prepared for them invitations to Christmas and New Year concerts at the Polish National Radio Symphony Orchestra in Katowice.

“Kindergartens of Tomorrow – Equal Opportunities” Programme

A programme of practical knowledge on the best educational techniques, based on the competences of the future and the fun of learning, carried out in collaboration with the Digital Dialogue Association and KidsView. The keyword of the programme is STEAM, an educational method that engages children and allows for their multidirectional development. An important element of the programme was the ING volunteering. Almost 164 children participated in workshops delivered by volunteers who used STEAM materials specially developed for them. More than 300 kindergartens from all over Poland participated in the programme.

Orange Power

Orange Power is a programme that the Foundation implements thanks to the funds gained for every kilometre run or marched by ING employees in the Run Warsaw mass run and the accompanying event I march, I support. In 2021, ING employees gained in the programme the amount of PLN 63,900, which in 2022 was used to finance sports activities for children with

disabilities. This year's edition brought together almost 600 children from 6 institutions around sporting events. These were: General Secondary School Complex with Integration and Special Needs Classes No. 5 in Sosnowiec, Complex of Special Schools in Bielsk Podlaski, Fundacja Dzieciom "Zdążyć z Pomocą" (Klub Myszeki Norki w Warszawie) / Foundation for Children "In Time to Help" (Norka Mouse Club in Warsaw), Stowarzyszenie na Rzecz Dzieci z Porażeniem Mózgowym „Blżej nas" (Association for Children with Cerebral Palsy, "Closer to Us") in Tychy, the HUman Rights Ambassadors Complex of Special Schools No. 14 in Gorzów Wielkopolski and Active Rehabilitation Foundation – Silesia Region. The programme's ambassador is the Paralympic sprint champion Alicja Jeromin, whose attitude shows that sport is not exclusive and is for everyone.

Run Warsaw and I march, I support

In October 2022, the Orange Team ran and marched again for the ING for Children Foundation. In doing so, it will support the next edition of the Orange Force programme in 2023 with PLN 104,600.

Oncology collections for children

In 2022, the Foundation continued its programme of oncology collections for children among ING employees. 15 collections were published in which PLN 32,242.88 was collected among ING employees. The Foundation contributed PLN 10,000 to each collection, which gave the total of PLN 150,000 in 2022.





Participation in conferences

The Foundation actively participates in conferences and external events where it shares its best practices and actions for children. In May, it was present at the 9th CSR Fair in Warsaw, where, at a joint stand with ING Bank Śląski S.A. and the ING Polish Art Foundation, it addressed topics including climate and financial education and bibliotherapy. During the fair, the "Responsible Business in Poland. Best practices" Report was announced. It honoured 10 ING practices, including the book "You Too Can Save The World. Green Tales from Pietruszkowa Wola". In addition, the Foundation participated in the Conference City-Water-Quality of Life – Wrocław (panel "Environmental education – how do we do it at ING"), the Open Eyes Economy Summit Congress – Kraków (panel "Business for education or education for business? The (un)discovered potential to counteract social exclusion"), Coalition of Pro Bono Leaders – Warsaw (panel: Employee voluntary activity – cooperation for Ukraine) and at the Corporate Foundations Forum (Donors Forum) – Warsaw.

Other internal initiatives involving ING employees

For the second time, ING employees took part in their deceased colleague memorial and took the opportunity to contribute to a charity event at the launch of ING Today. Funds from these actions, amounting to PLN 39,875, were donated to the GAJUSZ Foundation in Łódź for the OKNO [WINDOW] programme, which supports therapy for children after cancer treatment.

As part of the Orange Schoolbag campaign, ING employees helped to complete almost 100 school kits for Ukrainian

children who went to Polish schools from September. In addition, a collection was launched to purchase additional school supplies. All the school kits went to organisations and institutions supporting refugee children from Ukraine. These were: In Corpore Foundation in Katowice, Siemianowice Association for Ukraine and the Association of Ukrainians in Poland (Warsaw and branches).

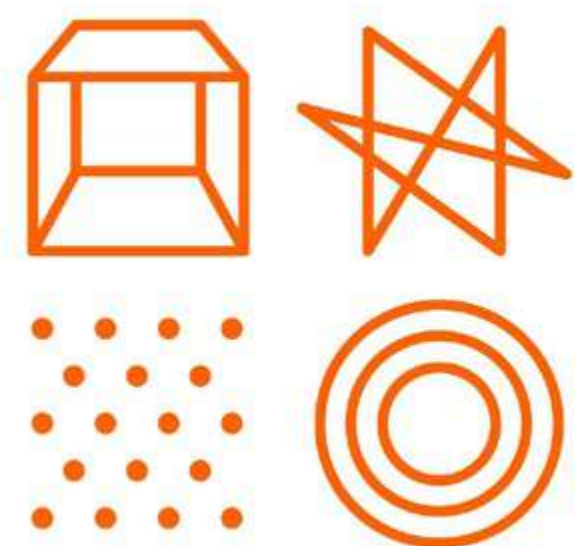
In September and October 2022, an internal Action-Auction for Ukrainian children was held at ING. Over the course of 6 weeks, PLN 13,377 was raised from 95 auctions. The funds were earmarked for an intercultural programme called "Together for a Better Future", implemented by the Copernicus Science Centre (CSC). In total, the ING for Children Foundation donated PLN 30,000 to the CSC – the remaining funds came from ongoing donations made to help Ukraine.

At the end of November, the Foundation together with the Bank organised an internal Christmas campaign among ING employees – Letter to Santa Claus. It was possible to fulfil the dreams of 268 children from 9 institutions and homes in Poland. These were: children from the Children's Home in Zaporozhye (staying under the care of the ING for Children Foundation in Wisła), children from Ukraine staying with families of ING employees, a family from Ukraine in Oleśnica, Charity Orphanage in Piekary Śląskie, OASIS Day Care Centre in Radzionków, Educational Care Facility No. 9 in Sosnowiec, and three Family Children's Homes in Warsaw – A House at Koszykowa Street, A Fairy-Tale Manor House and A Happy House. In addition, employees could pay money to the Foundation's account to purchase additional parcels – the amount of PLN 8,264.70 was collected. The funds

were used to purchase missing gifts and support the organisation of Christmas for children from the Foundation for Children "In Time to Help" – Norka Mouse Club in Warsaw and from the "Safe Haven" Specialist Support Centre for Victims of Family Violence in Świętochłowice.

Friend of the Blind

In December 2022, the ING for Children Foundation received the Badge of the Polish Association of the Blind awarded by the Special School and Educational Centre for Children and Young People with Disabilities in Dąbrowa Górnicza.



Fundacja Sztuki Polskiej ING

The ING Polish Art Foundation was established to support Polish artists and showcase current phenomena in art. The foundation builds a collection of contemporary art and carries out artistic and educational projects. Last year, the Foundation continued its educational project The Artist – The Professional, cooperated in the creation of an exhibition presenting the youngest generation of artists at Zachęta Gallery in Warsaw – "Anxiety comes at dusk", and inaugurated the Podgląd / Preview gallery – the smallest gallery in Warsaw. At the same time, the statutory activities related to developing the collection and promoting the artists associated with it were continued. Last year, 14 new works of art by 5 artists (of which 3 female and 2 male) were added to the art collection. In 2022, the Foundation implemented its projects in accordance with the action plan adopted and approved by the Management Board and the Foundation Board. The founders of the Foundation's activities in

2022 were ING Bank Śląski S.A. and ING Hubs, fitting in with the ING Group's global programme of patronage of the arts, which plays an important role in creating the organisation's culture.

Collection

The Foundation's collection includes works created after 1990 by Polish living artists. Now, the collection comprises over 260 works, of which 89 paintings, 71 photographs, 42 works on paper, 37 objects (sculptures, ceramics, textiles, etc.), 8 videos and 16 installations – both by recognised artists as well as artists of the younger generation, born in the 1980s and 1990s. The collection includes works by 43 female and 73 male artists. In recent years, the foundation was actively working to have a more equal gender representation in its collection. The foundation's collection remains one of few corporate collections in Poland. In 2022, the collection included photographs by Maria Loboda, paintings by Karol Radziszewski and Cyryl Polaczek, sculptures by Zuza Golińska and an object (flag) and photograph by Yulia Krivich. The Foundation's collection shows, among other things, the involvement of contemporary art in current global issues such as climate or human rights. Zuza Golińska addresses issues of climate crisis and catastrophe; the sculptures purchased to the collection were made from steel recovered from the Gdansk shipyard. Yulia Krivich is an artist from Ukraine, but has lived in Poland for many years. Her campaigns join art with activism and are aimed at supporting her country and its people, including those who have come to Poland.

Works from the collection can be found every day in the Founders' offices mainly in the bank's headquarters in Warsaw and Katowice, as well as the offices of ING Lease, ING Commercial Finance, ING Wealth Management and ING Hubs.

The Foundation's collection can be also viewed online. You can see images of works from the collection on the foundation's [website](#) under a Creative Commons 3.0 licence (Attribution, Non-commercial Use, No Derivative Works). The images can be download in high resolution.

Exhibitions

In 2022, the Foundation co-organised the exhibition "Anxiety Comes at Dusk" (16 July – 16 October) curated by Magdalena Komornicka at Zachęta – National Gallery of Art in Warsaw. This was the first generational review in a long time, presenting the work of nearly 90 artists born in the 1980s and 1990s, allowing many young artists to show their work to a wider audience in such an important cultural venue. The exhibition also included 12 works from the Foundation's collection – by Agata Ingarden, Stach Szumski, Hanna Krzysztofiak, Mikołaj Sobczak, Martyna Czech, Zuzanna Bartoszek, Tomasz Kręcicki, Karolina Jabłońska and Ali Savashevich.



The Foundation has also launched its own unusual exhibition space – a gallery of one work – Preview, located in the shop window of the bank's headquarters at Puławska 2. Thanks to its location, access to the work on display is available to all passers-by, 24 hours a day. The following works were presented in 2022: *Untitled* by Janek Simon and *Noblesse Oblige* by Slavs and Tatars.

In addition, as part of a programme of lending works from the collection, works were exhibited at the following events:

1. Bielsko BWA Gallery, "POTENCY – Humoral theory: quattrostagioni", 4.03-9.05.2022
2. Art Transformation in Szczecin, "First place in the table?", 25.03-29.07.2022
3. MCSW Power Plant, Radom, "WomanArt. Power", 10.05 – 25.09.2022
4. ZAK Zentrum für Aktuelle Kunst at Spandau Citadel, Ausnahmezustand, 25.08-1.01.2023
5. Zachęta – National Gallery of Art in Warsaw, Mariola Przyjemka, "Construction, Consumption and Melancholy", 23.08.2022 – 08.01.2023

Foundation Award

Since 2017, works by artists of both genders or an artistic group presented during Warsaw Gallery Weekend have been

added to the foundation's collection by way of a competition. From 29 September to 30 September 2022, the jury (consisting of: Fanny Hauser – art curator, Ludwig Forum in Aachen, Osman Djajadisastra – collector of contemporary art, Hanna Wróblewska – president of the Zachęta Society for the Encouragement of Fine Arts, Anna Golka, Kamila Bondar – members of the Management Board of the ING Polish Art Foundation) visited 30 exhibitions by artists of both genders exhibiting as part of Warsaw Gallery Weekend. Detailed rules of the competition are set out in the regulations available on the website, and jury deliberations are minuted.

The ING Polish Art Foundation's Grand Prize was awarded to Karol Radziszewski

The jury decided to purchase the painting "Harnasie". A Special Prize was also awarded to Karolina Grzywnowicz for her exhibition at the Jednostka gallery.

Artist: The Professional

In 2022, the Artist: The Professional project, addressed to students and novice artists, took place for the sixth time. The aim of the project is to prepare for the difficult moment of graduation and the professionalisation of artistic activity, to level the playing field and support in professional development. Being in the professional art world requires not only talent and hard work, but also knowledge about how it operates. During the classes, you can learn about the tools and practices which can help you to be a professional artist. Lectures, workshops and portfolio consultations will be conducted by people working as curators, artists and activists, exhibition producers

and art market specialists. They will talk about, among other things, how to introduce yourself properly to art curators and gallerists, how and where to organise your first exhibitions, where to get insurance and how to take care of your rights.

In 2020, the project was moved online due to pandemic constraints and it was also continued in the same formula in 2022.

The 2022 edition includes: 9 lectures in Polish, a special lecture for people from Ukraine (in Ukrainian and Russian), 205 portfolio consultations, Summer School on the Vistula River as part of the FLOW project, stays in W788 residence (3 winners). All lectures were translated into Polish sign language and were recorded with translation. The recordings from this edition, as from the previous ones, together with additional supplementary materials, have found their way to a new location on the Foundation's [website \(https://ingart.pl/en/main\)](https://ingart.pl/en/main) – KNOWLEDGE HUB.





The 2022 edition in figures:

917
women

193
men

33
non-binary persons
(in total: 1143)

16
provinces

11
teenagers

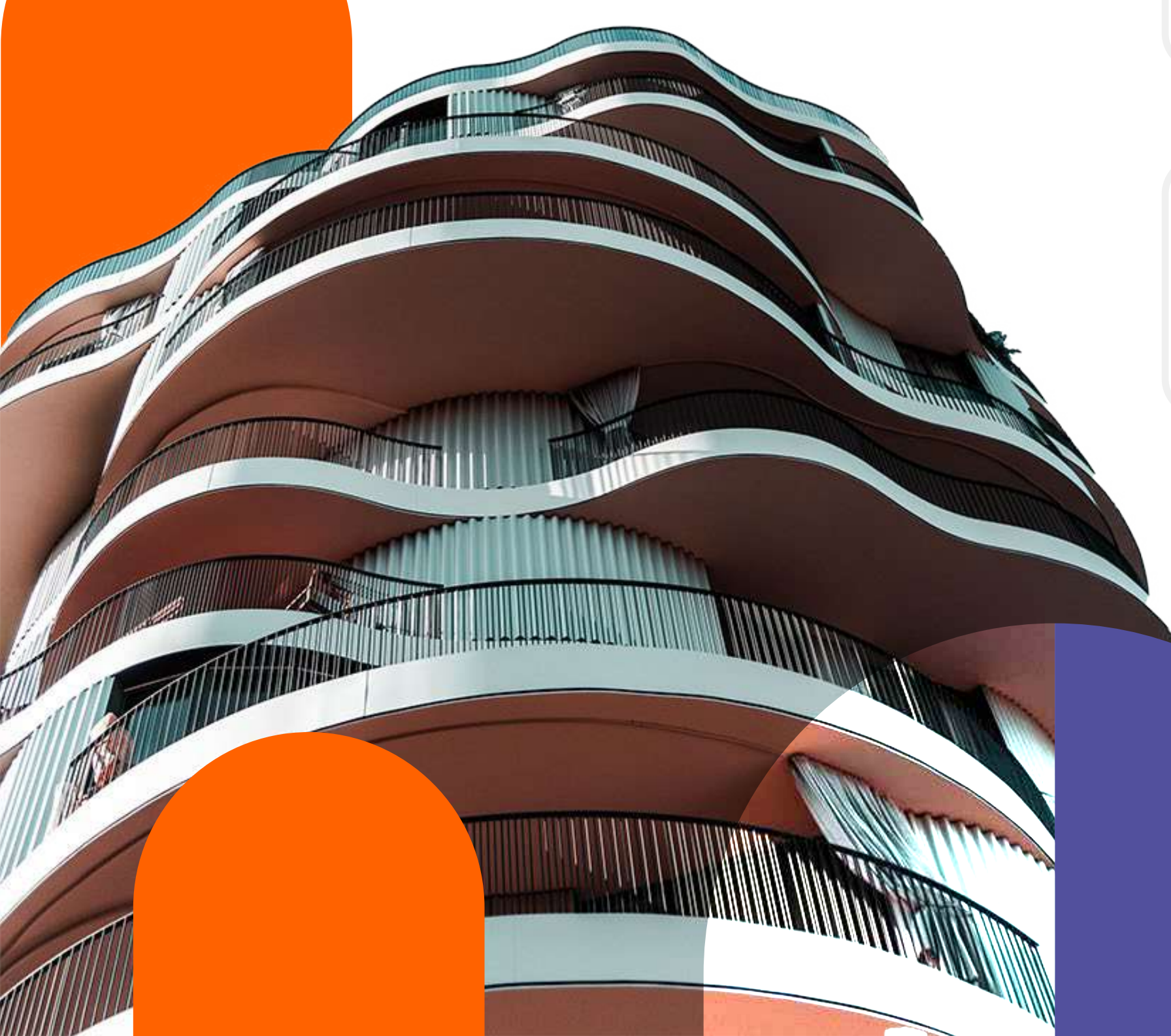
42
people over the
age of 50

92%
rated good
and very good

98%
would
recommend the
lectures to other
interested parties

85%
think that the
knowledge
transferred
should be in
the university
curriculum

Information about the operations of the ING for Children Foundation and ING Polish Art Foundation is available in the *Management Board Report on Operations of ING Bank Śląski S.A. Group for 2021*, including the *Report on Operations of ING Bank Śląski S.A.* Additionally, the ING for Children Foundation and ING Polish Art Foundation publish all information on their websites. Information about current events is published on Facebook profiles of both Foundations which are open to the public, on the intranet and in *Baśka* magazine. It is also published as press releases.











Sponsorship activities

In 2022, ING Bank Śląski S.A. continued to be involved in sponsorship activities targeted at entrepreneurs and young people, green activities as well as the activities for SME and mid-corporate owners and managers.

ING Bank Śląski S.A. pursues its business strategy in a responsible and sustainable manner. The bank is aware that the decisions and actions we take today shape the world we will leave for our next generations. It wants to have a positive impact on it and use its capabilities for a good cause. People have always been at the heart of the bank's activities. Now it includes also the challenges of the climate crisis. The bank's strategy is supported by its Green Statement.

The most important sponsored events were:

-  **Forbes Diamonds,**
-  **European Economic Congress in Katowice,**
-  **Open Eyes Economy in Cracow,**
-  **Run Warsaw event,**
-  **Fest Festival,**
-  **Festival of the Future.**



This year, for the first time, ING Bank Śląski S.A. became a Strategic Partner of the **'Forbes Diamonds'** ranking. Forbes Diamonds is a list of companies whose value increased most rapidly in the last three years. As many as 6,636 companies with a positive credibility rating, high current liquidity and no arrears in payments to their counterparties qualified for this year's ranking. The list included companies with 15 per cent or more growth in value. The awarded companies were divided into three categories according to sales revenue: small companies with revenue from PLN 5 million to PLN 50 million, mid-sized companies with revenue from PLN 50 million to PLN 250 million and big corporates with sales revenue above PLN 250 million.



ING Bank Śląski S.A. is always close to its customers, and many of them were included in the Forbes Diamonds ranking. For nearly six months, together with Forbes, we communicated the lessons learnt from the ranking and congratulated the winners. Between April and July, 10 regional galas were held in the largest cities in Poland, in which we took an active part. ING Bank Śląski S.A. as the bank for the enterprising has been supporting the **European Economic Congress** in Katowice for many years – this time as the Main Sponsor and the Main Sponsor of the Online Broadcast. This year's 14th edition of the congress took place on 25 April 2022 at the International Congress Centre in Katowice. ING experts

participated in discussions about the global geopolitics, including the framework for the social and economic development of Poland, Europe and the world, as well as green megatrends, advanced technologies and new competences.



ING Bank Śląski S.A. has supported the **Open Eyes Economy Summit** from the very beginning. The congress took place on 22 and 23 November 2022, at the ICE Congress Centre in Krakow and on a special streaming platform live.oees.pl. The hybrid form of this congress has probably already stayed with us for good and all. During the 7th edition of the international congress on the economics of value, experts from various backgrounds, industries and companies, including ING Bank Śląski S.A., shared their knowledge and experience.

Participants discussed the economic credibility of the state and companies and their impact on the economy. There was no shortage of topics in areas such as human rights, employee experience or climate challenges. In addition to economic issues, the congress was also devoted to aspects related to the conflict in Ukraine.

The OEEES stands for two days of intensive sessions and discussions on social value-based economics. The congress brings together representatives from politics, business, public administration, NGOs, science, media and culture.



ING Bank Śląski S.A. became a partner of this year's edition of **FEST Festival**, which took place from 10 August 2022 to 13 August 2022 in the Silesian Park in Chorzów. The Fest Festival is not only a celebration of music, but also of ecology. In a dedicated zone, ING Bank Śląski S.A. inspired young people to zero waste solutions and talk about ecology.

Thanks to the initiatives taken by the bank and the organiser, this year the event was not only musical and magical, but also ecological:

- Reusable mugs to reduce litter at the festival – 13 mug designs, inspired by festival stages – 180,000 mugs with the ING logo were produced.
- Eco-friendly seating mats – sewn from ING advertising materials and distributed to festival participants – 1,000 mats were distributed.
- Fest limited edition of 7 card designs for convenient cashless payment and as a festival souvenir – 1,868 cards were ordered.
- A competition for creative green initiatives with up to 100 festival passes to be won – over 8,000 entries in My ING and 250 on Facebook.
- FEST TALK Zone – in a place for workshops and panel discussions, ING hosted a series of inspiring meetings about ecology.

- ING Zone – while relaxing, festival-goers could participate in upcycling workshops and increase their knowledge of zero waste. More than 230 people took part in upcycling workshops, during which more than 240 gadgets (shopping bags, spectacle cases or phone covers) were sewn.

ING Bank Śląski S.A. is true to its green statement and wants to support initiatives that care for the environment. The bank wants to inspire the implementation of zero waste solutions and conversations about ecology.

ING Bank Śląski S.A. became the General Partner of the **Run Warsaw** and Marching and Cheering events, which took place on 2 October 2022 in Warsaw. The Orange Team ran for the 10th time for the ING for Children Foundation. Run Warsaw is an event that has been on the running calendar of most Poles for years. It has become a running tradition and a proof that people in the cities still do sport. The eleventh edition of the iconic Run Warsaw event is a project that shows running as part of city life, a tool for promoting social actions and a way to spend free time together.

After a two-year break, the Orange Team once again showed its strength with nearly 4,000 people. The ten-kilometre distance was covered by 529 people, and more than 3,000 people marched and cheered together with their families.





Festival of the Future

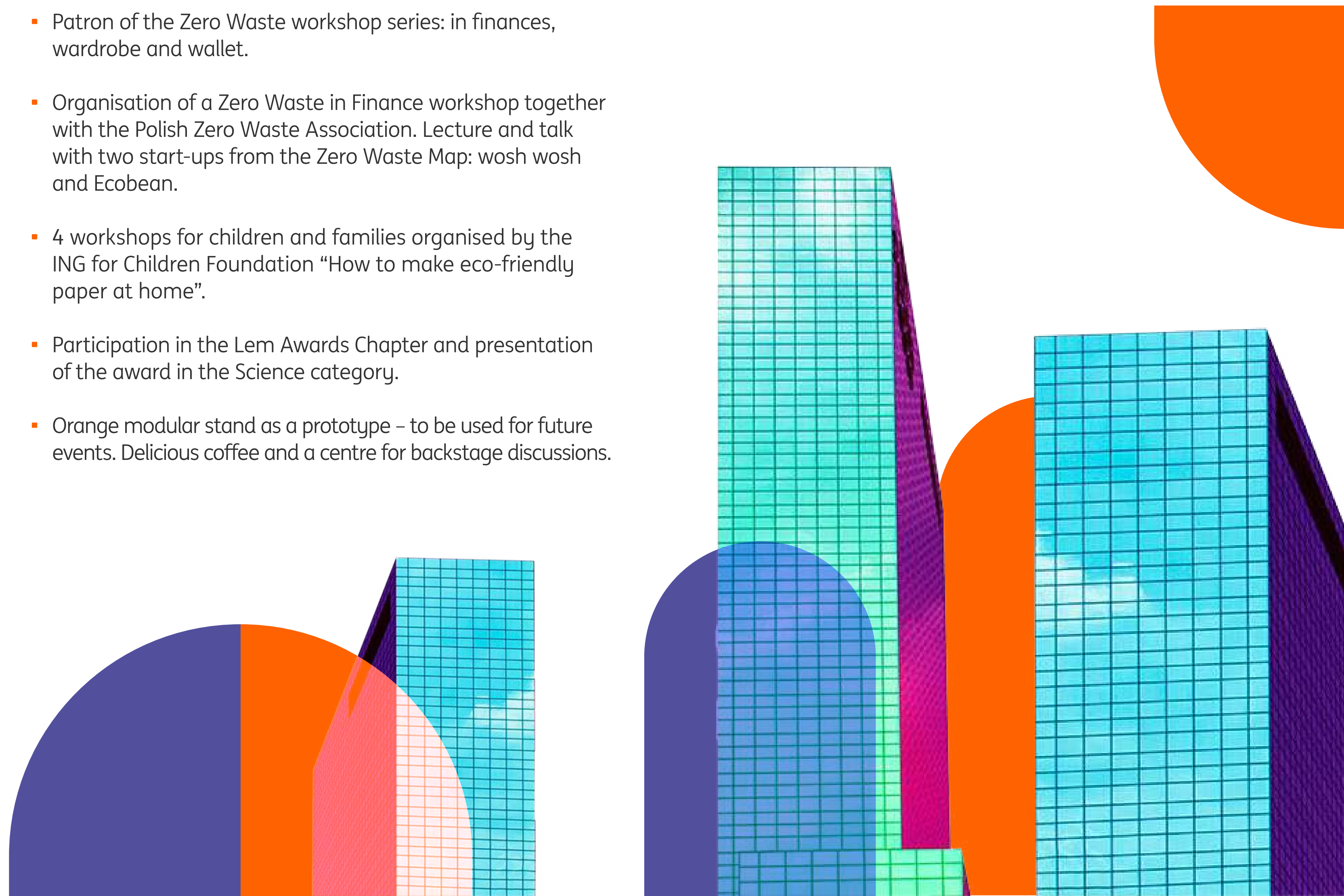
ING Bank Śląski S.A. became a partner of the second edition of the Festival of the Future, which took place from 5 September to 12 September 2022 in Krakow. This event was organised by the City of Kraków, KBF and Instytut Polska Przyszłości im. Stanisława Lema [the Stanisław Lem Institute for the Poland of the Future]. Its tagline was: “climate and the role of technology, science and culture in carrying out climate change”. Festiwal Przyszłości Bomba Megabitowa [the Megabit Bomb Festival of the Future] is an event combining culture, technology and science.

An important element of this year's Megabit Bomb Festival of the Future was the Climate Roundtables with government and business representatives, as well as activists involved in pro-social and pro-environmental activities. ING was an active participant in the Roundtables, working out recommendations together with the guests in two areas: energy and CSR.

ING Bank Śląski S.A.'s involvement in the Festival of the Future included active participation in the main and accompanying events:

- Moderation and presentation of the recommendations of the Business and Responsibility Roundtable
- Panel discussion “Eco-innovations that change the world”, promotion of winning solutions of the ING Grant Programme, announcement of the second edition

- Patron of the Zero Waste workshop series: in finances, wardrobe and wallet.
- Organisation of a Zero Waste in Finance workshop together with the Polish Zero Waste Association. Lecture and talk with two start-ups from the Zero Waste Map: wosh wosh and Ecobean.
- 4 workshops for children and families organised by the ING for Children Foundation “How to make eco-friendly paper at home”.
- Participation in the Lem Awards Chapter and presentation of the award in the Science category.
- Orange modular stand as a prototype – to be used for future events. Delicious coffee and a centre for backstage discussions.





The Bank has an ING Bank Śląski S.A. Sponsorship Policy that defines conduct, rules and procedures that clearly define how each sponsorship activity in the bank should be handled and reported. This policy applies to all sponsorship activities regardless of their size.

ING Bank Śląski S.A. conducted community service, charitable and sponsoring activities in the top priority areas, as per the ESG Strategy of ING Bank Śląski S.A. for 2022-2024.

The Bank clearly communicated all sponsorship activities in the media thus building a positive image of the ING brand. Through sponsorship activities, the bank built its eco-brand. Moreover, it established and maintained good relations with business customers by which the bank fulfilled the strategic objectives of sponsorship. In 2022, ING Bank Śląski S.A. spent approximately PLN 2,300,000 gross on all sponsorship activities.

Keeping in mind the above information we may conclude that the 2022 ING Bank Śląski S.A.'s sponsorship policy was conducted in a well-thought-out and rational manner, and that the expenses incurred by the Bank for this purpose are fully justified.

The Bank also communicated its charitable actions in a transparent manner by publishing information on the current events and annual summaries in the annual report and the Integrated Report of ING Bank Śląski S.A. Multiple communication tools were used to provide internal and external stakeholders with information in an accessible form.

The bank has *ING Bank Śląski S.A. Donations Policy* which applies to all charitable financial donations. The Centre of Expertise – Compliance and the Donations Committee are involved in the donation process. Whereas *the Procedure for the sale/ donation/ reprocessing of assets of ING Bank Śląski S.A.* regulates the in-kind donations. These regulations ensure a process-oriented approach to donations and their effective use within charitable and social activities.

In 2022, ING Bank Śląski S.A. took the first place in the general classification of the Ranking of Responsible Companies. Thus, it is the leader of the companies that are most advanced in applying CSR best practices. ING Bank Śląski S.A. was awarded the Gold Leaf for the third time for its sustainable development activities. 10 CSR best practices of the Bank were included in the Responsible Business Forum report. The "Responsible Business in Poland 2021. Best practices" is the largest CSR review in Poland.

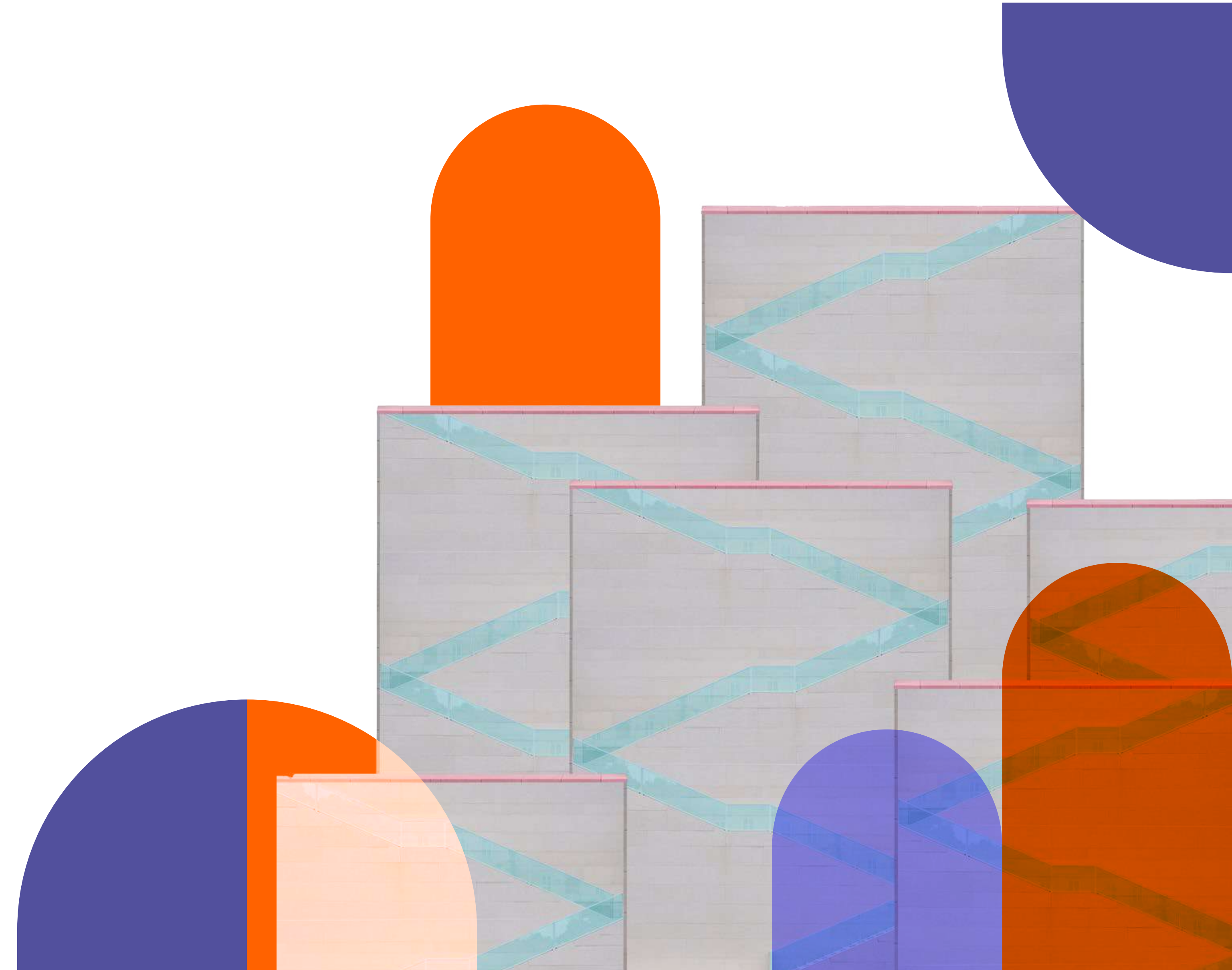


Assessment summary

The above information allows us to conclude that ING Bank Śląski S.A.'s charitable and social activities policy was conducted in a rational manner keeping in mind social needs, and that the expenses incurred by the Bank for this purpose are assessed by the Board as reasonable and rational.

The Bank operates a transparent and effective information policy; details of social, charitable and sponsorship activities launched by the Bank are published in the Management Board's annual report. Thus, the Bank satisfies recommendation 1.5. of the Code of Best Practice for WSE Listed Companies.

The Supervisory Board of ING Bank Śląski S.A. would like to express its appreciation to the Management Board of ING Bank Śląski S.A. and ING Employees and thank them for all their help and support for the victims, refugees and especially children from Ukraine. The Board appreciates not only the significant financial assistance and various support activities, but above all the personal commitment of ING Employees.





Operations of the Supervisory Board and its committees

Assessment of financial statements and profit distribution

Assessment of Bank's situation

Assessment of application of Principles of Corporate Governance

Assessment of the charity and sponsorship initiatives expenditure

Implementation of the diversity policy

Update

on the implementation status of the diversity policy for the ING Bank Śląski S.A. Management Board and Supervisory Board in 2022



The basis for presenting information on the implementation of the diversity policy with regard to the Management Board and Supervisory Board of ING Bank Śląski S.A. in 2022 is Guideline 2.11.6 of the 2021 Best Practice for GPW Listed Companies.

Since September 2018, ING Bank Śląski S.A. has had a *Diversity Policy for ING Bank Śląski S.A. Management Board and Supervisory Board Members in place* ("Policy"). Following the positive recommendation of the Remuneration and Nomination Committee of the Supervisory Board of ING Bank Śląski S.A., the *Policy* was implemented by Resolution of the Supervisory Board of the Bank No. 60/X/2018 of 20 September 2018. The *Policy* was updated by Resolution of the Supervisory Board of ING Bank Śląski S.A. No. 57/VIII/2019 of 6 June 2019.

Objective of diversity policy

1. The *Policy* seeks to:

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

2. As regards business-related criteria, the strategy of diversity ensures selection of persons with diverse knowledge, skills and experience, suitable for positions held by them and duties entrusted to them, who complement each other at the level of all the Management Board and Supervisory Board Members. The criteria are verified in the suitability assessment process described in the *Policy for the assessment of the suitability of the members of the Supervisory Board, Management Board and key function holders at ING Bank Śląski S.A.* Moreover, apart from knowledge, competences and professional experience, the *Policy* covers gender – and age-related differences, and applies them to arrive at the best outcome.
3. When taking a decision to appoint members of the managing bodies, the Bank takes into consideration the fact that more diverse governing bodies are conducive to constructive challenge and discussion based on various viewpoints. The *Policy* assumes aiming at ensuring representation of both genders in the processes of selection and succession plans. At the same time, the *Policy* stipulates that the Bank will not appoint members to bodies for the sole purpose of increasing the diversity to the detriment of the functioning and suitability of the body as a whole or the suitability of individual members.





How to achieve the Diversity Policy objective

1. In order to implement the *Policy*, the Remuneration and Nomination Committee of the Supervisory Board sets a target value for the representation of the underrepresented gender in the Bank Management Board and Supervisory Board and adopts a plan to achieve the target value.
2. This value shall be determined in accordance with the duration of the term of office of the Bank Supervisory Board and the Management Board, i.e. once every four consecutive full financial years counted from the beginning of the term of office of the given body. It shall be verified annually on the basis of reports developed by the HR units and presented to the Committee no later than by 30 June of each calendar year. Should the target value not be reached, the Bank shall document the reasons for this, the measures to be taken and the timing of such measures to ensure that the target value is reached.
3. In 2020, the target value for the diversity ratio in the Bank's bodies has been set at 30% women to 70% men (with a deviation of +/- 2%). This value is tested separately for the Bank Management Board and Supervisory Board. Verification of talent and updating of the successor base, while keeping in mind the objectives of the *Policy*, were the measures identified by the Committee in order to achieve the target.

Information on the implementation of the Diversity Policy in 2022

1. In accordance with the provisions of the *Policy*, the HR units presented information to the Remuneration and Nomination Committee at their meeting on 9 June 2022 on the determination of the status of gender representation in the Management Board and Supervisory Board of ING Bank Śląski S.A. According to the data presented, the diversity indicator understood as the number and percentage of women on the body was:

Composition of the Management Board

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

Composition of the Supervisory Board

Number of members	Number of women	% share of women
7	3	43%

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





2. Policy implementation in the Bank Management Board:

- There were no changes in the composition of the Bank Management Board during 2022 that would affect the diversity indicator.

Matrix by gender as at 31 December 2022

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

Matrix by age at 31 December 2022

Number of Members	Age		
	below 30 years	from 30 to 50	over 50
8	0 (0%)	3 (37.5%)	5 (62.5%)

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

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

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

of the suitability of the members of the Supervisory Board, Management Board and key function holders at ING Bank Śląski S.A. The adequacy of persons occupying positions in the Bank Management Board is reviewed periodically as part of the assessment of the primary and secondary individual adequacy and the collective adequacy of the Bank Management Board as a body.

Highly qualified individuals are appointed to the Bank Management Board. All members demonstrate adequate experience and knowledge to manage the bank in the areas reporting to them.

Matrix by education as of 31 December 2022

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

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



3. Implementation of the Policy in the Supervisory Board:

- During 2022, there were changes in the composition of the Supervisory Board which did not affect the diversity indicator.

Matrix by gender as at 31 December 2022

Number of Members	Number of women	% share of women
7	3	43%

Matrix by age at 31 December 2022

Number of Members	Age		
	30 or younger	from 30 to 50	over 50
7	0 (0%)	2 (28.6%)	5 (71.4%)

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

- Job profiles have been developed for the functions in the Bank Supervisory Board, specifying the responsibilities as well as the requirements in terms of knowledge and competence and the expected involvement in terms of time commitment required to perform the function. The current composition of the Bank Supervisory Board represents a wide range of knowledge, competencies and experience verified in accordance with the Policy for the assessment of the suitability of the members of the Supervisory Board, Management Board and key function holders at ING Bank Śląski S.A. The adequacy of persons performing functions on the Supervisory Board is reviewed periodically as part of the assessment of the primary and secondary individual adequacy and the collective adequacy of the Supervisory Board as a body.

Highly qualified individuals are appointed to the Bank Supervisory Board. All members have appropriate experience and knowledge to properly supervise the Bank.

Matrix by education as of 31 December 2022

Education		
economics	banking and finance	legal
5	1	1

- The education of the Supervisory Board Members is supplemented by additional qualifications and certificates obtained through additional courses of study, post-graduate studies and specialised training, mainly in management, accounting, law, information technology, but also qualifications and licences of, for instance, an attorney-at-law, certified accountant or certified auditor. Each Member of the Supervisory Board has extensive professional experience.
- An additional criterion differentiating the composition of the Supervisory Board is the nationality of the Board members. In the composition of the Supervisory Board, 2 persons have a nationality other than Polish.

Matrix by nationality as at 31 December 2022

Polish	Other
5	2

The Supervisory Board assess that in 2022 the Bank has properly implemented the assumptions of the adopted diversity policy.