

Draft Resolutions of the Extraordinary General Meeting

The Management Board hereby give notice of the draft resolutions including enclosures therewith to be discussed by the Extraordinary General Meeting.

Draft

**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on appointing the Chairperson of the Extraordinary General Meeting.

Under Article 409 §1 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the Extraordinary General Meeting of ING Bank Śląski S.A. hereby appoint Ms/ Mr as the Chairperson of the Extraordinary General Meeting.

Draft

**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on distribution of a portion of 2020 profit retained as undivided profit.

Pursuant to §18 item 3) of the Charter of ING Bank Śląski S.A., the Extraordinary General Meeting of ING Bank Śląski S.A. hereby distribute a portion of the 2020 net profit of ING Bank Śląski S.A. in the amount of PLN 663,510,000.00, retained as undivided profit, pursuant to Resolution No. 25 of the Ordinary General Meeting of 15 April 2021, earmarking it in total for the dividend payout.

Draft

**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on 2020 dividend payout.

In conjunction with Resolution No. ... of the Extraordinary General Meeting of ING Bank Śląski S.A. of 29 November 2021 on distribution of a portion of the 2020 profit retained as undivided profit and pursuant to Articles 347 and 348 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the Extraordinary General Meeting of ING Bank Śląski S.A. hereby resolve as follows:

Article 1



1. ING Bank Śląski S.A. shall pay the dividend for 2020 totalling PLN 663,510,000.00; that is PLN 5.10 per share in gross terms, on the following terms and conditions:
 - 1) the date, as per which the list of shareholders of record who are entitled to the dividend payment (record date) is determined, falls 5 days from the adoption date hereof, i.e. 4 December 2021,
 - 2) the dividend shall be paid out on 10 December 2021 (payment date),
 - 3) the dividend shall be paid out on terms and conditions set out in the *Dividend Payout Procedure* as adopted by way of Resolution No. 24 of the General Meeting of ING Bank Śląski S.A. on 5 April 2018.
2. All shares issued by the Bank, i.e. 130,100,000 shares, shall be covered by the dividend payout.

Article 2

The General Meeting obliges the Management Board of the Company to execute this resolution.

**Rationale
for the draft resolutions of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021
on distribution of a portion of 2020 profit retained as undivided profit and on 2020 dividend
payout.**

The Bank Management Board submitted to the Extraordinary General Meeting a recommendation on the proposed distribution of a portion of 2020 profit retained as undivided profit as per the abovementioned specification on the following grounds.

On 16 December 2020, the Polish Financial Supervision Authority (PFSA) adopted a stance on the banks dividend policy in 2021 (dividend for 2020). Taking into account the significant uncertainty regarding the further development of the Covid-19 pandemic, the PFSA have considered it necessary to withhold the dividend payout in H1 2021. In the letter received by the Bank on 14 January 2021, the PFSA recommended:

- the Bank should withhold dividend payout in H1 2021 (the past-year undivided profit included), and
- the Bank should not take any action being beyond the ordinary business and operational activity which could result in lowering of the capital base, including equity buyback, in H1 2021, without consulting them a priori with the regulator.

In this letter, the PFSA also communicated that they would present their position on the dividend policy of commercial banks in H2 2021 separately, upon analysing the situation of the banking sector in H1 2021.

Having regard to the PFSA recommendation and expectation, pursuant to Resolution No. 25 of 15 April 2021, the General Meeting distributed the 2020 profit (PLN 1,337,561,648.08) and past-year



undivided profit (PLN 495,708,010.14) earmarking the amount of PLN 675,379,658.22 for the reserve capital and PLN 1,157,890,000.00 as the undivided profit.

At the same time, in line with the rationale for the abovementioned draft resolution, in the portion earmarked as the undivided profit, the amount of PLN 663,510,000.00 came from the net profit generated by the Bank in 2020. This amount was retained as undivided profit with a view to maintaining the possibility of its distribution in the future including the dividend payout.

On 24 June 2021, the PFSA adopted a stance on the dividend policy of commercial banks in H2 2021 wherein the dividend payout criteria from the 2020 profit were set out. In their individual letter of 15 July 2021 to the Bank, the PFSA recommend that the Bank mitigate the inherent risk of operations by not taking, without prior consultation with the regulator, actions other than a dividend payout from the 2020 profit. In the letter, the PFSA further communicated that as at 31 March 2021 and 31 May 2021 the Bank fulfilled (in terms of the basic criteria of the Dividend Policy) the requirements for the payment of up to 100% of dividend from the Bank's 2020 profit. On 19 July 2021, the Bank Supervisory Board issued a positive opinion on the statement of the Bank Management Board concerning implementation of the individual recommendation of the PFSA regarding the dividend policy of commercial banks in H2 2021. The statement of the Bank Management Board was expressed in the Resolution of 16 July 2021 following the recommendation of the PFSA formulated in their letter of 15 July 2021.

At present, the Bank also fulfils the requirements for the dividend payout in the abovementioned amount. As at 30 June 2021, the capital ratios were respectively:

- Tier I (T1) capital ratio for the Bank 16.84% and for the Bank Capital Group 15.74%,
- total capital ratio for the Bank 19.36% and for the Bank Capital Group 18.08%.

Given the above, the Bank Management Board recommend earmarking the 2020 undivided profit in the amount of PLN 663,510,000.00 for the dividend payout.

Draft

**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on the change on the Supervisory Board.*

Under Article 22.2 of the Banking Law Act of 29 August 1997 and §19.1 of the Bank Charter, the Extraordinary General Meeting of ING Bank Śląski S.A., considering the recommendation of the ING Bank Śląski S.A. Supervisory Board Remuneration and Nomination Committee, declare that Ms/Mr satisfies the requirements applicable to the Supervisory Board Member as laid down in Article 22aa of the Banking Law Act.

Considering the above assessment, the Extraordinary General Meeting of ING Bank Śląski S.A. hereby appoint Ms/Mr as a Member of the Supervisory Board of ING Bank Śląski S.A.



**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on assessing satisfaction by the members of the Supervisory Board of the requirements referred to in Article 22aa of the Banking Law Act (suitability assessment).*

Under §18 item 3) of the Charter of ING Bank Śląski S.A. in conjunction with Article 22a §2 of the Banking Law Act of 29 August 1997 and considering the recommendation of the ING Bank Śląski S.A. Supervisory Board Remuneration and Nomination Committee, the Extraordinary General Meeting of ING Bank Śląski S.A. hereby ascertain that each and every member of the ING Bank Śląski S.A. Supervisory Board, i.e.:

.....

has the knowledge, skills and experience required to hold the function of a member of the ING Bank Śląski S.A. Supervisory Board, provides assurance of proper performance of duties relating to that function and fulfils other requirements as set out in Article 22aa of the Polish Banking Law Act.

At the same time, based on the Remuneration and Nomination Committee recommendation, the Extraordinary General Meeting state that the individual competences of the individual members of the Supervisory Board, enlisted herein, as well as appointed by way of Resolutions Nos. of the Extraordinary General Meeting of ING Bank Śląski S.A. of 29 November 2021 are complementary and allow for ensuring adequate level of collective performance of supervision duties in respect of all the business areas of the Bank and the Supervisory Board as a whole holds the adequate knowledge, skills and experience enabling them to understand the actions of the Bank, the main risks included.

** The drafts may change, should shareholders propose changes on the Supervisory Board.*

**Rationale
for the draft resolutions of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021
on the change on the Supervisory Board and assessing satisfaction by the members of the
Supervisory Board of the requirements referred to in Article 22aa of the Banking Law Act
(suitability assessment).**

Following the resignation of Ms Susan Poot from her function in the Supervisory Board effective as of 30 September 2021, suitability of the Supervisory Board was assessed based on the decision of the Remuneration and Nomination Committee. The assessment also accounted for long term absence of Mr Antoni F. Reczek, who holds a function of the Chairperson of the Supervisory Board and Chairperson of the Audit Committee, preventing him from active participation in the works of the Board.



Following the assessment, the Remuneration and Nomination Committee concluded that the Supervisory Board satisfied the criteria of collective suitability provided that the composition of the Supervisory Board needed to be modified to ensure active participation of an independent Board Member having knowledge of and skills in accounting or financial review within the Audit Committee. Having regard to the Committee recommendation, the Supervisory Board recommended that the Management Board convene the Extraordinary General Meeting to change the composition of the Supervisory Board.

Draft resolutions concerning the changes on the Supervisory Board and suitability assessment may change should shareholders propose changes on the Supervisory Board and following Bank's performance of the suitability assessment of candidates in line with effective regulations.

Draft

**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on implementation of the *Best Practice for WSE Listed Companies 2021*.

Pursuant to §18 item 3) of the Charter of ING Bank Śląski S.A., the Extraordinary General Meeting of ING Bank Śląski S.A. hereby resolve on the implementation of the *Best Practice for WSE Listed Companies 2021* in the wording adopted by Resolution of the Warsaw Stock Exchange Supervisory Board No. 13/1834/2021 of 29 March 2021 in the scope referring to the General Meeting and shareholders and considering universally applicable laws and the Charter of ING Bank Śląski S.A.

**Rationale
for the draft resolution of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021
on implementation of the *Best Practice for WSE Listed Companies 2021*.**

With Resolution No. 13/1834/2021 of 29 March 2021, the Supervisory Board of the Warsaw Stock Exchange adopted new principles of corporate governance for the companies listed on the WSE Main Market: "Best Practice for WSE Listed Companies 2021" ("Best Practice 2021"). This is another version of the collection of corporate governance practices which since 2002 have been applicable to the stock-listed companies.

The purpose of the corporate governance is to create tools supporting efficient management, effective supervision, respect of shareholder rights and transparent company communication with the market. As a collection of corporate governance practices and rules of conduct shaping the relations of stock-listed companies with their market landscape, Best Practice 2021 are an important element of building the competitive edge of those companies and are crucial to consolidating the position of the Polish capital market.



All companies are required to publish up-to-date information regarding application of individual principles in the manner prescribed by the WSE Board. If one of the principles is not complied with by the company, its disclosure should specify the circumstances of and the reasons behind the given status quo.

The introduction to the Best Practice 2021 reads that some principles shall also apply to the General Meeting or company shareholders (besides the Management Board, the Supervisory Board and members of those bodies). Therefore, the competent bodies, the General Meeting (company shareholders) included, ought to take measures to enable application of Best Practice 2021 as far as possible, including the proportionality and adequacy principles.

With Resolution of 20 July 2021, the Bank Management Board implemented the Best Practice 2021, save for principles nos. 1.4.1, 1.4.2, and 2.9, until a separate decision is made by the Supervisory Board in this respect. With Resolution of 22 July 2021, the Supervisory Board endorsed the said decision of the Bank Management Board and implemented the principles of Best Practice 2021 referring to the Supervisory Board, save for principle 2.9, until a separate decision is made by the Supervisory Board in this respect. The first report on the scope of application of Best Practice 2021 (1/2021 (EBI)) and the commentary on non-application or the manner of application of specific principles were published on 30 July 2021 and are available on the Bank's website in the section "Investor Relations/ Current reports". The enclosure with Best Practice 2021 and the scope implemented by the Bank will also be available in the list of documents concerning the Extraordinary General Meeting in the section "Investor Relations/ General Meetings/ Extraordinary General Meeting 2021".

Some of the principles in Best Practice 2021, in particular the principles set out in Chapter 4: General Meeting and relations with Shareholders (items 4.6, 4.8, 4.9, 4.10, 4.12-4.14) are addressed to the General Meeting and Bank shareholders. Actions taken by the shareholders and General Meeting may also be significant from the perspective of the Bank's application of principles set out in items 5.3 and 5.4 of Best Practice 2021. Having regard to the above, the Extraordinary General Meeting shall pass the resolution as per the wording proposal.

Draft

**Resolution No. ...
of the Extraordinary General Meeting
of ING Bank Śląski Spółka Akcyjna of 29 November 2021**

on amending the *Bylaw of the General Meeting of ING Bank Śląski S.A.*

Article 1

Pursuant to §18 item 3) of the Charter of ING Bank Śląski S.A., the Extraordinary General Meeting of ING Bank Śląski S.A. hereby resolve on the following amendments to the Bylaw of the General Meeting of General Meeting of ING Bank Śląski Spółka Akcyjna:

1. In §1a after section 2, section 2a shall be added in the following wording:



“2a. Draft resolutions of the General Meeting on matters put on the agenda of the General Meeting should be tabled by shareholders no later than three days before the General Meeting.”

2. In §10.3, the following sentence is added to the content:

“Candidates for members of the Supervisory Board should be nominated with a notice necessary for shareholders present at the General Meeting to make an informed decision, having considered the need to make a suitability assessment of the candidate by the Bank in line with effective regulations.”

3. §10.4 shall read:

“4. A candidate presented shall make the declaration that s/he accepts the candidature and declaration on fulfilment of the requirements for members of the audit committee referred to in the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision and other criteria adopted by the Bank as indispensable for recognition as the independent member of the Supervisory Board as well as any other declarations required by the universally applicable laws and regulations adopted at the Bank concerning suitability assessment of the candidates.”

4. Current wording of §10 sections 5 and 6 shall be repealed and current numbering of sections 7 and 8 shall be changed to 5 and 6 respectively.

Article 2

The amendments to the Bylaw as referred to in Article 1 shall come into force at the date of the next General Meeting.

Rationale for the draft resolution of the Extraordinary General Meeting of ING Bank Śląski Spółka Akcyjna of 29 November 2021 on amending the *Bylaw of the General Meeting of ING Bank Śląski S.A.*

The amendments proposed to the Bylaw of the General Meeting result from adapting to the Best Practice for WSE Listed Companies 2021 (“Best Practice 2021”) adopted by the Bank as well as organise the issues concerning nomination of candidates to the Supervisory Board.

The new provision added as section 2a in §1a of the Bylaw reflects principle 4.8 of Best Practice 2021. The Bank declared application of this principle provided that in the opinion of the Bank it may only refer to shareholders entitled to propose draft resolutions before the date of the general meeting, pursuant to Article 401 §4 of the Commercial Companies and Partnerships Code. Moreover, it does not exclude the right of any shareholder to propose draft resolutions regarding issues put on the agenda during a general meeting, pursuant to Article 401 §5 of the Commercial Companies and Partnerships Code.

The amendment in §10.3 of the Bylaw accounts for the principle set out in 4.9.1 of Best Practice 2021 and at the same time accounts for the Bank’s obligation to make a suitability assessment of candidates, pursuant to Article 22.2 in conjunction with Article 22aa of the Banking Law Act as well as



regulatory recommendations and guidelines issued in this respect. In line with these regulations, *Policy of appointing and recalling Members of the Supervisory Board of ING Bank Śląski S.A.* adopted by the General Meeting (Resolution No. 28 of the Ordinary General Meeting of ING Bank Śląski S.A. of 15 April 2021) sets out that the primary suitability assessment is made by the Remuneration and Nomination Committee in cooperation with a third party. Next, the Committee recommendation is submitted to the General Meeting. To make a suitability assessment process feasible before the date of the General Meeting, candidates should be nominated with a proper notice.

Other amendments in §10 relate to item 4.9.2 of Best Practice 2021 as well as organise the process of nominating candidates and submitting relevant declarations by them.

Principle 4.9.2 of Best Practice 2021 indicates that a candidate for a member of the supervisory board makes declarations on fulfilment of the requirements for members of the audit committee as referred to in the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision and on having actual and material relations with any shareholder who holds at least 5% of the total vote in the company. The amendment proposed to the Bylaw emphasises clearly the requirement concerning the first element set out in the said item of Best Practice 2021, i.e. declaration on fulfilment of the requirements for members of the audit committee. The second element, i.e. declaration on relations with shareholders, has already been accommodated for in the criteria of independence for members of the Supervisory Board adopted by the Bank (as per §19.4 of the Bank Charter and §3.4.11 of the Supervisory Board Bylaw). The amendment also accounts for the need of making other declarations necessary for the suitability assessment, which is consistent with the aforementioned *Policy* adopted by the General Meeting.

