2021-07-01 report no. 14/2021: Polish Financial Supervision Authority information on the individual add-on ST used in the dividend policy.

The Management Board of ING Bank Śląski S.A ("Bank") communicate that on 30 June 2021 the Bank received a letter from the Polish Financial Supervision Authority ("PFSA") regarding the dividend policy of commercial banks for H2 2021, providing for the conditions to be satisfied by banks for dividend payout in the amount of up to 50%, 75% and 100% of net profit respectively. In their letter, the PFSA also communicated the individual add-on ST for the Bank.

The add-on ST measures the Bank's sensitivity to an adverse macroeconomic scenario. It is defined as the difference between the total capital ratio (TCR) in the baseline scenario and the TCR in the stress scenario as at the end of the forecast period (2021), considering the supervisory adjustments.

As a result of analyses made during the stress tests conducted by the PFSA Office, the individual add-on ST for ING Bank Śląski S.A. was set, considering the supervisory adjustments, at 0.00%. The PFSA stated that the Bank's sensitivity is identical for both the payout from up to 75% and 100% of net profit.

Furthermore, the PFSA stated that their stance on the dividend policy applied only to the payout from the 2020 profit and that they would present an additional stance on the retained earnings (including the 2019 profit) at the 2021 yearend along with the 2022 dividend policy. The PFSA communicated that the Bank would receive individual recommendations concerning both dividend payout and other measures which could entail capital base reduction.

Legal grounds:	Article 17 (1) of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR).