<u>2020-03-06 Report No. 9/2020: Dividend policy update.</u>

Further to current report no. 8/2019 of 1 March 2019, the Management Board of ING Bank Śląski S.A. ("Bank") hereby communicate that on 6 March 2020 the Supervisory Board approved the updated ING Bank Śląski S.A. Dividend Policy ("Policy").

The Policy has been updated following the published stance of the Polish Financial Supervision Authority ("PFSA") on the dividend policy at banks in the following manner:

1. the Policy has been tailored to the stance of the PFSA in that the specification of additional buffer 1,5 p.p. in the capital criteria was waived,
2. the provision that the Bank Management Board consider the PFSA's stance on the dividend policy when deciding on the amount of dividend payout has been added.

ING Bank Śląski S.A. Dividend Policy:

ING Bank Śląski S.A. endorses a long-term stable process of dividend payout in adherence to the rules of prudent management and any and all regulatory requirements which the Bank shall comply with. The Dividend Policy endorses the option to pay dividend from the capital surplus over the minimum capital adequacy ratios and over the minimum capital ratios set for the Bank by the PFSA for dividend payout purposes:

a. minimum common equity Tier 1 (CET1) at the level of 4,5% + combined buffer requirement[1,]
b. minimum Tier 1 (T1) at the level of 6% + combined buffer requirement[1,]
c. minimum total capital ratio (TCR) at the level of 8% + combined buffer requirement[1].

[1] Combined buffer requirement binding in the year of dividend payout from the profit of the previous year.

When deciding on the amount of dividend payout, the Bank Management Board consider the regulatory requirements communicated in the official PFSA announcement on the dividend policy at banks.

When determining the recommended dividend payout amount to the General Meeting, the Bank Management Board review in particular the following terms and conditions:

a. the current financial standing of the Bank and the Bank Group, including limitations in the case of sustaining financial loss or low profitability (low ROA/ROE),
b. Bank's and Bank Group's assumptions of the management strategy and risk management strategy,
c. limitations under Article 56 of the Act on *macroprudential supervision over the financial system and crisis management in the financial system* of 05 August 2015,
d. the need to adjust profits of the present period or unapproved annual profits recognised as own funds with foreseeable dividends, according to art 26 of the Regulation EU 575/2013.

Legal grounds: Article 17.1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR).