ING Bank Śląski S.A. Group

Qualitative and quantitative disclosures relating to capital adequacy for the 1st quarter of 2023

Contents

Capital adequacy

Introduction

Pursuant to the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 as amended (Regulation CRR) and the Banking Law Act of 29 August 1997 (Journal of Laws of 2022, item 2324), hereinafter referred to as the "Banking Law Act", ING Bank Śląski S.A., hereinafter referred to as the Bank, is obliged to make qualitative and quantitative disclosures relating to the capital adequacy, excluding information immaterial, proprietary or confidential.

Pursuant to the "Policy of disclosing qualitative and quantitative information on capital adequacy and variable components of remuneration of ING Bank Śląski S.A.", disclosures relating to the ING Bank Śląski S.A. Group, hereinafter referred to as the Group, are published.

Disclosures in this document are based on the data from the quarterly consolidated report of the ING Bank Śląski S.A. Group for the 1st quarter of 2023. The presented values have been prepared in Polish zlotys (PLN). Unless provided for otherwise, all values were given rounded up to PLN million. Therefore, there may be cases of mathematical inconsistency in the summaries or between individual tables.

For the disclosure of information, templates of forms included in the Commission Implementing Regulation (EU) 2021/637 were used, hence the letter markings of the table columns and the numbering of lines.

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1. Regulatory capital requirements calculation

The Group is required to maintain T1 and TCR ratios at least at the level of 9.51% and 11.51% respectively.

The requirement arises from the provisions of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (Regulation CRR) i.e.:

- for Common Equity Tier 1 ratio - CET1 – 4.5%,
- for Tier 1 ratio - T1 - 6.0%, and,
- for Total capital ratio (TCR) - 8.0%,

and the capital buffers determined in accordance with the Act on macroprudential supervision over the financial system and crisis management in the financial system of 05 August 2015 in the total amount of 3.01% and increased by the capital add-on recommended under Pillar II (the so-called P2G) in the amount of 0.50%.

The capital requirement for credit risk represents approx. 87% of the Group's overall capital requirement and has the greatest impact on capital adequacy calculation.

Risk-weighted exposure and capital requirements for particular risks required by Article 438 of Regulatory 2019/876 are presented in the table below (in accordance with the EU OV1: Regulatory Capital Requirements template shown in the Commission Implementing Regulation (UE) 2021/637). The table lines that don't relate to the Group's own fund have been omitted.

Template EU OV1 – Overview of risk weighted exposure amounts

		a	b	c
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		as at 31 Mar 2023	as at 31 Dec 2022	as at 31 Mar 2023
1	**Credit risk (excluding CCR)**	**93,408.9**	**94,513.7**	**7,472.7**
2	Of which the standardised approach	50,229.7	51,106.7	4,018.4
3	Of which the Foundation IRB (F-IRB) approach	0.0	0.0	0.0
4	Of which slotting approach	0.0	0.0	0.0
EU-4a	Of which equities under the simple risk weighted approach	896.8	875.8	71.7
5	Of which the Advanced IRB (A-IRB) approach	42,282.4	42,531.2	3,382.6
6	**Counterparty credit risk - CCR**	**1,135.2**	**1,157.1**	**90.8**
7	Of which the standardised approach	718.6	677.3	57.5
8	Of which internal model method (IMM)	0.0	0.0	0.0
EU-8a	Of which exposures to a CCP	261.6	365.4	20.9
EU-8b	Of which credit valuation adjustment - CVA	121.4	92.8	9.7
9	Of which other CCR	33.6	21.6	2.7
15	**Settlement risk**	**0.0**	**0.0**	**0.0**
16	**Securitisation exposures in the non-trading book (after the cap)**	**145.0**	**89.1**	**11.6**
17	Of which SEC-IRBA approach	0.0	0.0	0.0
18	Of which SEC-ERBA (including IAA)	55.9	0.0	4.5
19	Of which SEC-SA approach	89.1	89.1	7.1
EU-19a	Of which 1250%	0.0	0.0	0.0
20	**Position, foreign exchange and commodities risks (Market risk)**	**1,114.0**	**1,413.0**	**89.1**
21	Of which the standardised approach	1,114.0	1,413.0	89.1
22	Of which IMA	0.0	0.0	0.0
EU-22a	**Large exposures**	**0.0**	**0.0**	**0.0**
23	**Operational risk**	**12,566.4**	**12,566.4**	**1,005.3**
EU-23a	Of which basic indicator approach	0.0	0.0	0.0
EU-23b	Of which standardised approach	12,566.4	12,566.4	1,005.3
EU-23c	Of which advanced measurement approach	0.0	0.0	0.0
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	2,035.1	2,290.9	162.8
29	**Total**	**108,369.5**	**109,739.3**	**8,669.5**

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RWEA flow statements of credit risk exposures under the IRB approach is presented below, according to the templates EU CR8 included in the Commission Implementing Regulation (UE) 2021/637).

Template EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

		a
		Risk weighted exposure amount
1	**Risk weighted exposure amount as at the end of the previous reporting period**	**46,781.6**
2	Asset size (+/-)	1,616.5
3	Asset quality (+/-)	-564.3
4	Model updates (+/-)	0.0
5	Methodology and policy (+/-)	604.4
6	Acquisitions and disposals (+/-)	0.0
7	Foreign exchange movements (+/-)	-34.1
8	Other (+/-)	-1,182.0
9	**Risk weighted exposure amount as at the end of the reporting period**	**47,222.1**

The amount of risk-weighted exposures resulting from the use of internal models increased in the first quarter of 2023 by PLN 440 million compared to the fourth quarter of 2022. The increase in the amount of risk-weighted exposures is a consequence of the increase in risk-weighted assets resulting from credit acquisition (+1,617 million), changes in policies and methodologies (+604 million) partially offset by improvements in the quality of the loan portfolio (-564 million) and changes in exchange rates (-34 million). The increase in risk-weighted assets resulting from credit acquisition is a consequence of the sale of new loans or new loan disbursements within the limits granted, with credit quality as at the reporting date. The increase in risk-weighted assets due to the policy and methodology results from the update of the capital charge mainly for the group model used for CRE financing exposures. The improvement in the quality of the loan portfolio results from the increase in the value of accepted collateral. The decrease in risk-weighted assets due to changes in exchange rates results from exposures held in foreign currencies, which are subject to revaluation due to changes in exchange rates between reporting dates.

2. Information on liquidity

ING Bank Śląski S.A. recognises the process of stable management of liquidity and funding risk as a major process at the Bank.

Liquidity and funding risk is understood by the Bank as the risk of the lack of ability to perform financial liabilities under on- and off-balance sheet items at reasonable prices. The Bank maintains liquidity so that the Bank's financial liabilities can always be repaid with the available funds, inflows from maturing transactions, available funding sources at market prices and/or liquidation of negotiable assets.

<u>Explanations on the main drivers of LCR results and the evolution of the contribution of inputs to the LCR's calculation over time and explanations on the changes in the LCR over time</u>

In compliance with the duties and principles set out in Regulation (EU) No 575/2013 of the European Parliament and of the Council and Commission Delegated Regulation's (EU) No 2015/61 and 2018/1620, the Bank calculates the following regulatory liquidity measures - short-term liquidity measures (LCR – Liquidity Covered Ratio) – this is to ensure that the Bank holds an adequate level of high quality liquid assets to cover its liquidity needs within 30 calendar days under stressed conditions. In the first quarter of 2023 a regulatory limit of 100% applied. The Bank is obliged to report the liquidity measures to the regulator on a monthly basis. As at 31 March 2023 Liquidity Covered Ratio for the Group was 221%.

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In compliance with the Guidelines on the disclosure of the net outflow coverage ratio, in addition to the disclosure of information on liquidity risk management issued by EBA, the Bank is obliged to disclose components of the LCR in the form as specified in the table LIQ1 (net outflow coverage ratio – total). It contains the following information:

- high quality liquid assets – a "weighted" amount subject to value reduction,
- cash outflows – weighted and unweighted outflows,
- cash inflows – weighted and unweighted inflows.

Such weighted inflows and outflows are calculated as values after application of inflow and outflow ratios. The presented numbers cover the values for each of the four calendar quarters preceding the report date. Those are average observed values at the end of each month in the 12-month period preceding the end of each quarter.

The information presented in the table covers all positions irrespective of the denomination currency and are presented in PLN. The net outflow coverage ratio contains all important elements for the Bank's liquidity profile.

Apart from the presented values of the net outflow coverage ratio calculated for all currencies, the Bank also monitors ratios calculated for major currencies – PLN and EUR.

The LCR ratio as at 31 March 2023 increased by 69 percentage points compared to 31 December 2022. This is mainly the effect of a decrease in outflows and an increase in inflows, partly offset by a decrease in liquid assets. The decrease in liquid assets resulted mainly from a decrease in the volume of unencumbered government bonds and a decrease in the volume of NBP bills. The increase in inflows was mainly determined by higher inflows from reverse-repo transactions secured with securities not classified as HQLA and an increase in inflows from principal and interest instalments. These increases were partly offset by a decrease in other inflows. The decrease in outflows resulted mainly from a decrease in outflows from deposits and a decrease in other outflows.

	as at 31 Mar 2023		as at 31 Dec 2022		31 Mar 2023 vs 31 Dec 2022	
LCR	**221%**		**152%**		**+69 p.p.**	
	Value	Weighted value	Value	Weighted value	Value	Weighted value
Liquid assets	35,987	35,987	43,078	43,078	-7,091	-7,091
Outflows	255,550	29,862	248,450	37,377	7,100	-7,515
Inflows	15,879	13,602	10,844	9,046	5,035	4,556

The LCR ratio as at 31 March 2023 increased by 96 percentage points compared to 31 March 2022, which is mainly the effect of an increase in the value of liquid assets and inflows and decrease in outflows. The higher level of liquid assets resulted mainly from an increase in the volume of unencumbered government bonds and NBP bills, partly offset by a decrease in cash. The increase in inflows was mainly determined by higher inflows from reverse-repo transactions secured with securities not classified as HQLA and an increase in inflows from principal and interest instalments. These increases were partly offset by a decrease in other inflows. The decrease in outflows resulted mainly from a decrease in outflows from deposits and lower other outflows.

	as at 31 Mar 2023		as at 31 Mar 2022		31 Mar 2023 vs 31 Mar 2022	
LCR	**221%**		**126%**		**+96p.p.**	
	Value	Weighted value	Value	Weighted value	Value	Weighted value
Liquid assets	35,987	35,987	29,745	29,745	6,242	6,242
Outflows	255,550	29,862	246,525	33,288	9,025	-3,426
Inflows	15,879	13,602	11,935	9,589	3,944	4,013

Explanations on the actual concentration of funding sources

Minimum once a year, the Bank determines the Bank's overall business strategy and the resulting medium-term (3 years) financial plan with a general risk strategy. Financial plan is an indispensable element of the strategy which provides for an effective diversification of funding sources and tenors.

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ALCO committee actively manages the funding base. Additionally, it monitors funding sources in order to:

- verify compliance with the strategy and financial plan,
- identify potential risks related to funding.

Customers' deposits (retail and corporate) are the core funding source for ING Bank Śląski S.A. The Bank monitors the funding structure and thus verifies concentration risk by analysing its deposit base split into:

- type of financing,
- customer segment,
- product type,
- currencies,
- geographical region, and
- concentration of large deposits.

Periodical analyses also monitor the risk generated by related customers (within Groups).

In accordance with the Commission Implementing Regulation (EU) 2021/451, the Bank reports a set of additional monitoring indicators for the purposes of reporting on liquidity.

The reports include, inter alia, reports on the concentration of funding sources:

- concentration of financing by counterparty,
- concentration of funding by product type.

As at 31 March 2023, in accordance with the principles set out in the Commission Implementing Regulation (EU) 2021/451, the following were reported:

- concentration of financing by counterparty, includes information on the funds of the three largest client. The funds raised exceed the threshold of 1% of total liabilities.
- concentration of financing by product type, confirms that the main source of financing at ING Bank Śląski S.A. there are customer deposits. The most important are current and savings accounts of retail clients. Unsecured wholesale financing is only 16% of the financing indicated in reporting in accordance with the EU Commission Regulation. The information includes the total amount of funding received for each product category for which the threshold of 1% of total commitments is exceeded.

The existing funding structure is well diversified. The funding structure as at 31 March 2023 split into direct and mutual funding is presented below. Direct funding is provided mainly by retail and corporate customers while mutual funding comprised primarily funds acquired from other banks.

Direct funding:

	as at 31 Mar 2023	
Core customer segments	**direct funding**	**% share**
Retail customers	122,218	57.8%
Corporate customers.	68,154	32.2%
Equity	18,151	8.6%
Own issues	2,852	1.3%
Banks	138	0.1%

Mutual funding:

	as at 31 Mar 2023	
Core customer segments	**mutual funding**	**% share**
Banks	24,901	69.9%
Corporate customers.	10,717	30.1%
Retail customers	0	0.0%

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High-level description of the composition of the institution`s liquidity buffer

Maintenance of an adequate liquidity buffer is a major element in managing the Bank's liquidity. The liquidity buffer presents the available liquidity, required to cover the gap between cumulated outflows and inflows within a relatively short time. It covers assets that are "unencumbered" and easily available to acquire liquidity. Unencumbered assets are understood as assets that are free of any legal, regulatory, contractual restrictions to have them disposed of by the Bank. The liquidity buffer is crucial in the times of a crisis when the Bank has to obtain liquidity in a short time when the standard funding sources are unavailable or insufficient.

The liquidity buffer is maintained as a safeguard against materialisation of various extraordinary scenarios, providing for needs of additional liquidity which may arise at any time in extraordinary circumstances and in normal conditions.

The table below presents the structure of the liquid asset buffer as at 31 March 2023:

Structure of the liquidity buffer	**% share**
Treasury bonds or bonds issued by the central bank (PLN)	61.9%
Treasury bonds or bonds issued by the central bank (EUR)	13.5%
bonds of BGK , PFR and EIB	24.6%

The Bank provides for realistic reductions due to impairment of securities with the level thereof being regularly reviewed and approved by ALCO. The reductions are assessed inter alia on the basis of market liquidity and depth, volatility of market prices, requirements of the central bank.

The Bank also observes asset concentrations ensuring their safe diversification in terms of issuer, maturity and currency.

Here below there is a breakdown of level 1 liquid assets used by the Group to calculate the LCR ratio (as defined in the Commission Delegated Regulation (EU) No 2015/61 and 2018/1620) as at 31 March 2023. Level 1 liquid assets cover assets characterised with very high liquidity and credit quality.

	as at 31 Mar 2023
Level 1 liquid assets	
Cash	877.3
Cash in nostro accounts with the Central Bank net of the required reserve	39.9
Other exposures to the Central Bank (O/N deposit, cash bills)	309.6
Unencumbered Treasury bonds	26,333.3
Unencumbered BGK bonds	1,607.5
Unencumbered bonds of the European Investment Bank	6,819.5
Total	**35,987.0**

In level 1 liquid assets, securities are presented by their market value. The Group's liquidity position is reduced by encumbered securities (constituting collateral, blocked) and increased by securities received as collateral in reverse-repo transactions.

Derivative exposures and potential collateral calls

Financial Institutions (FI) with which the Bank concludes derivative transactions have signed collateral agreements (VMCSA - Variation Margin Credit Support Annex) which are an annex to the ISDA agreement. Some counterparties outside the FI may have regular CSA contracts, but as a rule they are not required to have them. In this case, the decision regarding the CSA is each time an element of the credit decision.
They regulate the issues of securing the portfolio of derivative transactions. They give the right to demand a security deposit to the party whose portfolio valuation for a given day is positive (the

party's portfolio is in-the-money) and the right to demand the release of the collateral in the event of a change in this valuation.
As part of the collateral strategy for each CSA counterparty, a portfolio of transactions is valued daily against the maturity of the collateral.

Currency mismatch in the LCR

The Bank runs an active liquidity management policy with regard to the main currencies in which the bank settles most of the number (value) of transactions. From the point of view of liquidity management, the Bank considers the main (significant) currencies PLN, EUR, USD and CHF.

The table below presents detailed quantitative information on liquidity required by Article 451a of Regulation 2019/876 and in accordance with template EU LIQ 1 shown in the Commission Implementing Regulation (UE) 2021/637).

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Template EU LIQ1 - Quantitative information of LCR

		Total unweighted value (average)				Total weighted value (average)			
EU 1a		as at 31 Mar 2023	as at 31 Dec 2022	as at 30 Sep 2022	as at 30 Jun 2022	as at 31 Mar 2023	as at 31 Dec 2022	as at 30 Sep 2022	as at 30 Jun 2022
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	**Total high-quality liquid assets (HQLA)**					34,388.0	33,751.0	34,487.0	38,304.0
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	154,270.0	150,604.0	148,832.0	147,559.0	12,323.0	11,980.0	11,810.0	11,679.0
3	*Stable deposits*	*96,721.0*	*95,208.0*	*94,550.0*	*94,056.0*	*4,836.0*	*4,760.0*	*4,728.0*	*4,703.0*
4	*Less stable deposits*	*57,549.0*	*55,396.0*	*54,282.0*	*53,503.0*	*7,487.0*	*7,220.0*	*7,082.0*	*6,976.0*
5	Unsecured wholesale funding	28,369.0	28,173.0	26,190.0	23,613.0	11,195.0	11,724.0	11,563.0	11,406.0
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	*13,940.0*	*12,555.0*	*9,911.0*	*6,031.0*	*3,480.0*	*3,134.0*	*2,474.0*	*1,505.0*
7	*Non-operational deposits (all counterparties)*	*14,422.0*	*15,569.0*	*16,218.0*	*17,521.0*	*7,708.0*	*8,541.0*	*9,028.0*	*9,840.0*
8	*Unsecured debt*	*7.0*	*49.0*	*61.0*	*61.0*	*7.0*	*49.0*	*61.0*	*61.0*
9	Secured wholesale funding					0.0	0.0	0.0	0.0
10	Additional requirements	18,903.0	17,783.0	17,153.0	17,240.0	3,137.0	2,974.0	2,787.0	2,671.0
11	*Outflows related to derivative exposures and other collateral requirements*	*1,416.0*	*1,359.0*	*1,318.0*	*1,263.0*	*1,416.0*	*1,359.0*	*1,318.0*	*1,263.0*
12	*Outflows related to loss of funding on debt products*	*2.0*	*1.0*	*1.0*	*0.0*	*2.0*	*1.0*	*1.0*	*0.0*
13	*Credit and liquidity facilities*	*17,485.0*	*16,423.0*	*15,834.0*	*15,977.0*	*1,719.0*	*1,614.0*	*1,468.0*	*1,408.0*
14	Other contractual funding obligations	9,272.0	9,127.0	8,373.0	6,816.0	8,809.0	8,687.0	7,972.0	6,437.0
15	Other contingent funding obligations	30,945.0	31,582.0	32,022.0	31,398.0	17.0	18.0	20.0	21.0
16	**TOTAL CASH OUTFLOWS**					**35,481.0**	**35,384.0**	**34,152.0**	**32,214.0**
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	3,584.0	1,926.0	935.0	338.0	3,288.0	1,618.0	609.0	0.0
18	Inflows from fully performing exposures	4,920.0	4,780.0	4,521.0	4,289.0	2,953.0	2,838.0	2,663.0	2,550.0
19	Other cash inflows	5,936.0	6,122.0	6,260.0	5,457.0	5,936.0	6,122.0	6,260.0	5,457.0
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies))					0.0	0.0	0.0	0.0
EU-19b	(Excess inflows from a related specialised credit institution))					0.0	0.0	0.0	0.0
20	**TOTAL CASH INFLOWS**	**14,440.0**	**12,828.0**	**11,716.0**	**10,084.0**	**12,177.0**	**10,577.0**	**9,533.0**	**8,007.0**
EU-20a	Fully exempt inflows	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EU-20b	Inflows subject to 90% cap	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EU-20c	Inflows subject to 75% cap	14,440.0	12,828.0	11,716.0	10,084.0	12,177.0	10,577.0	9,533.0	8,007.0
TOTAL ADJUSTED VALUE									
21	LIQUIDITY BUFFER					34,388.0	33,751.0	34,487.0	38,304.0
22	TOTAL NET CASH OUTFLOWS					23,304.0	24,807.0	24,619.0	24,207.0
23	**LIQUIDITY COVERAGE RATIO**					**1.50**	**1.36**	**1.40**	**1.58**

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3. Impact of the implementation of IFRS 9 on capital adequacy

In calculating the capital ratios, the Group used the transitional provisions to mitigate the impact of the implementation of IFRS 9 on the level of own funds. As at 31 March 2023 the total capital ratio and Tier 1 ratio would be 16.28% and 14.70%, respectively, if the Group did not apply a transition period for the implementation of IFRS 9. In the comparative periods, the Group additionally applied the temporary treatment of unrealized gains and losses measured at fair value through other comprehensive income in accordance with Art. 468 of the Regulation CRR.

IFRS 9/Article 468-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs, and with and without the application of the temporary treatment in accordance with Article 468 of the CRR

		as at 31 Mar 2023	as at 31 Dec 2022	as at 30 Sep 2022	as at 30 Jun 2022
	Available capital (amounts)				
1	CET1 capital	16,101.3	16,154.8	14,414.7	14,196.7
2	CET1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15,918.1	15,788.7	14,123.2	14,045.8
2a	CET1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI (other comprehensive income) in accordance with Article 468 of the CRR had not been applied*	16,101.3	15,926.3	14,156.0	13,953.4
3	Tier 1 capital	16,101.3	16,154.8	14,414.7	14,196.7
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15,918.1	15,788.7	14,123.2	14,045.8
4a	Tier 1 capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied*	16,101.3	15,926.3	14,156.0	13,953.4
5	Total capital	17,737.7	17,796.2	16,120.0	15,878.4
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17,635.4	17,536.2	15,931.7	15,727.6
6a	Total capital as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied*	17,737.7	17,567.7	15,861.3	15,635.2
	Risk-weighted assets (amounts)				
7	Total risk-weighted assets	108,369.5	109,739.3	111,715.7	107,905.2
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	108,312.9	109,624.5	111,541.7	107,772.6
	Capital ratios				
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	14.86%	14.72%	12.90%	13.16%
10	CET1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.70%	14.40%	12.66%	13.03%
10a	CET1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied*	14.86%	14.53%	12.69%	12.95%
11	Tier 1 (as a percentage of risk exposure amount)	14.86%	14.72%	12.90%	13.16%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.70%	14.40%	12.66%	13.03%
12a	Tier 1 (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied*	14.86%	14.53%	12.69%	12.95%
13	Total capital (as a percentage of risk exposure amount)	16.37%	16.22%	14.43%	14.72%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.28%	16.00%	14.28%	14.59%
14a	Total capital (as a percentage of risk exposure amount) as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied*	16.37%	16.03%	14.22%	14.51%
	Leverage ratio				
15	Leverage ratio total exposure measure	241,819.4	231,599.0	226,086.0	224,015.3
16	Leverage ratio	6.66%	6.98%	6.38%	6.34%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	6.59%	6.83%	6.25%	6.27%
17a	Leverage ratio as if the temporary treatment of unrealised gains and losses measured at fair value through OCI in accordance with Article 468 of the CRR had not been applied*	6.66%	6.88%	6.27%	6.24%

* In the comparative periods (as at 31.12.2022, 30.09.2022, 30.06.2022) the Group applied a temporary treatment of unrealized gains and losses measured at fair value through other comprehensive income in accordance with Art. 468 of the Regulation CRR .

Statement

Based on Article 431 (3) of Regulation (EU) 575/2013 (Regulation CRR) Lead of Centre of Expertise Accounting Policy and Financial Reporting of ING Bank Śląski S.A. declares that:

- information contained in the disclosure document is adequate to the facts,
- information required by the provisions of part eight of the Regulation CRR was disclosed in accordance with the *"Policy of disclosing qualitative and quantitative information on capital adequacy and variable components of remuneration of ING Bank Śląski S.A."* and internal procedures, systems and controls described in the above-mentioned Policy and the *"Instruction of verification of the Policy of disclosing qualitative and quantitative information on capital adequacy and variable components of remuneration of ING Bank Śląski S.A."*, which has been included in annex to this Policy.

2023-05-10 **Jolanta Alvarado Rodriguez**
Lead of Centre of Expertise
Accounting Policy and Financial Reporting

The original Polish document is signed with
a qualified electronic signature