

## **Draft resolutions of General Meeting**

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

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

### **on appointing the Chairman of the General Meeting.**

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

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

### **on reviewing and approving the annual financial statements of ING Bank Śląski S.A. for the period started 1 January 2020 and ended 31 December 2020.**

Under Article 395 §2 item 1 of the Commercial Companies and Partnerships Code Act of 15 September 2000 and Article 53 section 1 of the Accounting Act of 29 September 1994, the General Meeting of ING Bank Śląski S.A. hereby approve the annual financial statements of ING Bank Śląski S.A. for the period started 1 January 2020 and ended 31 December 2020 including:

1. the income statement for the period started 1 January 2020 and ended 31 December 2020, with net profit of PLN 1,337.6 million,
2. the statement on total income for the period started 1 January 2020 and ended 31 December 2020,
3. the statement of financial position as at 31 December 2020, with total assets and liabilities and equity of PLN 181,116.9 million,
4. the statement of changes in equity for the period started 1 January 2020 and ended 31 December 2020,
5. the cash flow statement for the period started 1 January 2020 and ended 31 December 2020, and
6. accounting policies and additional notes.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**



**on reviewing and approving the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2020 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 reviewing and approving the Report on non-financial information of ING Bank Śląski S.A. Group for 2020, including non-financial information of ING Bank Śląski S.A.**

Under Articles 395 §2 item 1 and 395 §5 of the Commercial Companies and Partnerships Code Act of 15 September 2000 in conjunction with Article 49b section 9 and Article 55 section 2c of the Accounting Act of 29 September 1994, the General Meeting of ING Bank Śląski S.A. hereby approve:

1. the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2020, covering the Report on Operations of ING Bank Śląski S.A.,
2. the Report on non-financial information of ING Bank Śląski S.A. Group for 2020, including non-financial information of ING Bank Śląski S.A.

At the same time, acting under §18 item 3) of the Bank Charter, the General Meeting hereby approve the content of the ING Bank Śląski S.A. Management Board statement on the application of corporate governance rules in 2020, which was developed in keeping with the requirements set out in §70 section 6 item 5) of the Minister for Finance Ordinance of 29 March 2018 on current and interim disclosures made by issuers of securities and the conditions for regarding information required by the law of a non-member state as equivalent. The abovementioned statement is a separate part of the Management Board report on the Bank's operations in 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on reviewing and approving the annual consolidated financial statements of ING Bank Śląski S.A. Group for the period started 1 January 2020 and ended 31 December 2020.**

Under Article 395 §5 of the Commercial Companies and Partnerships Code Act of 15 September 2000 and Article 63c section 4 of the Accounting Act of 29 September 1994, the General Meeting of ING Bank Śląski S.A. hereby approve the annual consolidated financial statements of ING Bank Śląski S.A. Group for the period started 1 January 2020 and ended 31 December 2020 including:

1. the consolidated income statement for the period started 1 January 2020 and ended 31 December 2020, with net profit attributable to the shareholders of the parent entity of PLN 1,337.6 million,
2. the consolidated statement of comprehensive income for the period started 1 January 2020 and ended 31 December 2020,
3. the consolidated statement of financial position as at 31 December 2020, with total assets and liabilities and equity of PLN 186,595.7 million,
4. the consolidated statement of changes in equity for the period started 1 January 2020 and ended 31 December 2020,



5. the consolidated cash flow statement for the period started 1 January 2020 and ended 31 December 2020, and
6. accounting policies and additional notes.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging 2020 reports of ING Bank Śląski S.A. Supervisory Board.**

Under Article 382 §3 and Article 395 §5 of the Commercial Companies and Partnerships Code Act of 15 September 2000 and §18 item 3) of the Charter of ING Bank Śląski S.A., the General Meeting of ING Bank Śląski S.A. hereby:

1. approve the reports of the Supervisory Board on the results of assessment of:
  - 1) the annual financial statements of ING Bank Śląski S.A. for 2020,
  - 2) the annual consolidated financial statements of the ING Bank Śląski S.A. Group for 2020,
  - 3) the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2020 covering the Report on Operations of ING Bank Śląski S.A.,
  - 4) the Report on non-financial information of ING Bank Śląski S.A. Group for 2020, including non-financial information of ING Bank Śląski S.A.,
  - 5) the Management Board motion regarding distribution of the profit earned by the Bank in 2020 and past-year undivided profit distribution,
2. acknowledge the reports and assessments of the Supervisory Board of ING Bank Śląski S.A. for 2020 as set out in the “Principles of Corporate Governance for Supervised Institutions” and “the 2016 Code of Best Practice for WSE Listed Companies” as adopted by the Bank:
  - 1) the assessment of the Bank’s standing in 2020 including the internal control system, risk management, compliance and internal audit function,
  - 2) the reports on the operations of the Supervisory Board and their Committees in 2020 along with the assessment of the Supervisory Board’s work during that period,
  - 3) the assessment of Bank’s compliance in 2020 with disclosure duties as to application of the principles of corporate governance laid down in the WSE Rules and regulations on current and interim disclosures made by securities issuers,
  - 4) the assessment of Bank’s application in 2020 of the “Principles of Corporate Governance for Supervised Institutions”,
  - 5) rationality assessment for the Bank’s policy concerning charitable, sponsorship and similar activities in 2020.

Draft

**Resolution No. ...**



**of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on the opinion on the Supervisory Board's report on the ING Bank Śląski S.A. Supervisory Board and Management Board Members remuneration in 2019 and 2020 and on the assessment of Bank's remuneration policy.**

Under Article 395 § 2<sup>1</sup> of the Commercial Companies and Partnerships Code Act of 15 September 2000 and Article 90g section 6 of the Act on Public Offering and Terms and Conditions of Introduction of Financial Instruments into the Organised Trading and on Public Companies of 29 July 2005, the General Meeting hereby endorse the Supervisory Board's report on the ING Bank Śląski S.A. Supervisory Board and Management Board Members remuneration in 2019 and 2020.

At the same time, under §28 section 4 of the "Principles of Corporate Governance for Supervised Institutions" and on the basis of information included in the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2020 covering the Report on Operations of ING Bank Śląski S.A. and the Supervisory Board Report on the evaluation of the remuneration policy at the Bank in 2020, the General Meeting hereby state that the remuneration policy applied by the Bank fosters Bank development and the safety of its operations.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Brunon Bartkiewicz – President of the Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by



Mr Michał Bolesławski – Vice-President of the Bank Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Ms Joanna Erdman – Vice-President of the Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Marcin Giżycki – Vice-President of the Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by



Ms Bożena Graczyk – Vice-President of the Bank Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Michał H. Mrozek – Vice-President of the Bank Management Board

between 1 July 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Patrick Roesink – Vice-President of the Management Board

between 1 January 2020 and 31 March 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by



Mr Sławomir Soszyński – Vice-President of the Bank Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Vice-President of the Bank Management Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Lorenzo Tassan-Bassut – Vice-President of the Bank Management Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Chairman of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Antoni F. Reczek – Chairman of the Supervisory Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Deputy Chairperson of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Ms Małgorzata Kołakowska – Deputy Chairperson of the Supervisory Board



between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Secretary to the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Aleksander Galos – Secretary to the Supervisory Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Member of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Ad Kas – Member of the Supervisory Board

between 1 January 2020 and 2 April 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Member of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Aleksander Kutela – Member of the Supervisory Board

between 1 January 2020 and 31 December 2020.





Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Member of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Remco Nieland – Member Supervisory Board

between 1 May 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Member of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Ms Susan Poot – Member Supervisory Board

between 1 May 2020 and 31 December 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Member of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Michał Szczurek – Member of the Supervisory Board

between 1 January 2020 and 31 December 2020.

Draft

**Resolution No. ...**



**of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on acknowledging fulfilment of duties by the Member of the Supervisory Board in 2020.**

Under Article 395 §2 item 3 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby acknowledge the fulfilment of duties by

Mr Norman Tambach – Member of the Supervisory Board

between 1 January 2020 and 2 April 2020.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on distribution of 2020 profit and past-year undivided profit.**

Under Article 395 §2 item 2 of the Commercial Companies and Partnerships Code Act of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby distribute the 2020 net profit of ING Bank Śląski S.A. together with the past-year undivided profit per the following specification:

(PLN)

1. net profit	1,337,561,648.08
2. past-year undivided profit, including:	495,708,010.14
- 2019 retained earnings	494,380,000.00
- remaining portion of the past-year undivided profit	1,328,010.14
3. total amount (1+2) out of which the amount of:	1,833,269,658.22
- to be earmarked for reserve capital	675,379,658.22
- to be retained as undivided net profit	1,157,890,000.00

**Rationale  
for the draft resolution of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021  
on distribution of 2020 profit and past-year undivided profit.**



The Bank Management Board submitted to the General Meeting a recommendation on the distribution of 2020 profit and past-year undivided profit proposal as per the abovementioned specification on the following grounds.

As at 31 December 2020 the capital ratios were respectively:

- Tier (T1) capital ratio for the Bank 17.17% and for the Bank Capital Group 16.09%,
- total capital ratio for the Bank 20.00% and for the Bank Capital Group 18.72%.

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 Covid-19 pandemic, the Polish Financial Supervision Authority have considered it necessary to withhold the dividend payout in H1 2021. On 15 January 2021, the Bank Management Board passed a resolution in which they declared taking measures to comply with the individual recommendation of the Polish Financial Supervision Authority on the dividend policy of the Bank in H1 2021. The above-referred Management Board resolution was positively advised on by the Bank Supervisory Board. This resolution was adopted in connection with the recommendations of the PFSA, which were formulated in the letter received by the Bank on 14 January 2021. In this letter, the PFSA recommend that:

- the Bank should withhold dividend payout in H1 2021 (the undivided profit from previous years 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 PFSA.

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.

Taking into account the recommendation and expectation of PFSA, the Management Board recommend to retain all of the profit earned from 1 January to 31 December 2020 through:

- 1) earmarking the amount of PLN 674,051,648.08 for reserve capital, and
- 2) retaining as undivided profit the amount of PLN 663,510,000.00 with a view to maintain the possibility of its distribution in the future including the dividend payout.

Furthermore, the Bank Management Board recommend keeping the 2019 profit undivided in the amount of PLN 494,380,000.00 and earmarking the remaining portion of past-year undivided profit in the amount of PLN 1,328,010.14 for reserve capital.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on amending the *Charter of ING Bank Śląski S.A.***

§ 1



Under Article 430 §1 of the Commercial Companies and Partnerships Code of 15 September 2000, the General Meeting of ING Bank Śląski S.A. hereby resolve on the following amendments to the *Bank Charter*:

1. in § 8.3.3a), after the words “National Road Fund”, a new fragment is added as follows “bonds, referred to in Article 67.3 and Article 71.1 of the Act of 31 March 2020 amending the Act on Special Solutions Related to Preventing, Counteracting, and Combating COVID-19, other infectious diseases and crisis situations caused by them and certain other acts, as well as the bonds referred to in Article 34ga.1 of the Act on Sureties and Guarantees Granted by the State Treasury and Certain Legal Persons” of 8 May 1997”, as a result of which § 8.3.3a) shall read as follows:

“3a) performing activities other than brokerage activity, such as:

- a) accepting and transmitting orders to purchase or sell financial instruments,
- b) acquiring or selling financial instruments on own account,
- c) investment advising,
- d) offering financial instruments,
- e) providing services in performance of previously concluded issue underwriting agreements or in conclusion and performance of other agreements of similar nature concerning financial instrument,

provided that the subject of the activities referred to in point a)-d) may be securities issued by the State Treasury or the National Bank of Poland or other financial instruments or bonds not admitted to organised trading, referred to in Article 39p.1 of the Act on Toll Motorways and on the National Road Fund of 27 October 1994, the bonds referred to in Article 67.3 and Article 71.1 of the Act of 31 March 2020 amending the Act on Special Solutions Related to Preventing, Counteracting, and Combating COVID-19, other infectious diseases and crisis situations caused by them and certain other acts, as well as the bonds referred to in Article 34ga.1 of the Act on Sureties and Guarantees Granted by the State Treasury and Certain Legal Persons of 8 May 1997, except that in the scope of activities specified in letter b), its subject may also be bonds, mortgage bonds and other transferable securities incorporating property rights corresponding to the rights resulting from the contracted debt or derivative instruments whose underlying instruments are bonds, mortgage bonds, other transferable securities incorporating property rights corresponding to the rights resulting from the debt incurred, interest rate or currency”.

2. In § 8.3.13), the words “share books” shall be replaced with the words “shareholder registers”, as a result of which § 8.3.13) shall read as follows:

“13) keeping shareholder registers”

3. § 14a.3 shall read as follows:

“3. The Bank provides real-time broadcast of the General Meeting on the Internet. Moreover, the Bank may organise General Meetings in a manner enabling participation in the General Meeting using means of electronic communication, including in particular:

- 1) two-way real-time communication of all persons attending the General Meeting which enables them to speak during the debates of the General Meeting from a site other than the site of the General Meeting,
- 2) exercising the voting right in person or through a proxy before or during the General Meeting.

4. In § 14a.4, the following sentence is added to the current content: “Detailed rules for participation in the General Meeting with the use of electronic communication means are specified by the Supervisory Board in the form of Bylaw”.

## § 2

The amendments to the Charter as set out in Article 1 require approval of the Polish Financial Supervision Authority.

### **Rationale for the draft resolution of the Ordinary General Meeting of ING Bank Śląski Spółka Akcyjna of 15 April 2021 on amending the *Charter of ING Bank Śląski S.A.***

The amendments suggested to the Bank Charter arise from the need to adapt its provisions to the binding laws and are the following:

1. Adaptation of the wording of § 8.3.3a) of the Charter to the amendment made to the Act on Trading in Financial Instruments, whereby the Bank may perform – without the brokerage licence – the activities referred to in Article 69 section 2 items 1-6 of the said Act, provided these activities cover the bonds issued by Bank Gospodarstwa Krajowego to the COVID-19 Counteracting Fund or to the Liquidity Guarantee Funds, formed under the Act of 31 March 2020 amending the Act on Special Solutions Related to Preventing, Counteracting, and Combating COVID-19, other infectious diseases and crisis situations caused by them and certain other acts, as well as the bonds issued by Bank Gospodarstwa Krajowego to the Polish Guarantee Fund under Article 34ga.1 of the Act on Sureties and Guarantees Granted by the State Treasury and Certain Legal Persons of 8 May 1997.
2. Adaptation of the existing wording of § 8.3.13) to the amendment made to the Commercial Companies and Partnerships Code pertaining to the maintenance of the shareholder register.

With the PFSA permission to maintain securities accounts and being a custodian bank, the Bank may run shareholder registers under Article 119 section 1 of the Act on Trading in Financial Instruments of 29 July 2005.



At the same time, since the provisions of the Commercial Companies and Partnerships Code of 15 September 2020 pertaining to share registers became null and void on 1 March 2021, the activity of maintenance of share registers has to be removed from the catalogue of activities being the objects of the Bank's business.

3. Adaptation of the wording of §14a.3 and §14a.4 of the Charter to the amendments to Article 406<sup>5</sup> of the Commercial Companies and Partnerships Code.

In line with §4 of that provision, a public company ensures real-time transmission of the debates of the general meeting. This follows the Bank's practice to date. Article 406<sup>5</sup> §3 of the Commercial Companies and Partnerships Code reads that the Supervisory Board defines the detailed rules for participation in the general meeting with the use of means of electronic communication. The Bank Supervisory Board applied that provision by passing the *Bylaw of participation in the ING Bank Śląski S.A. General Meeting with the use of means of electronic communication*. The Bylaw is available for shareholders on the Bank's website: <http://www.ingbank.pl> in the section "English Info": "Investor Relations/ General Meetings/ General Meeting 2021".

The amendment to the Charter is of editorial nature only. Further the scope of two-way real-time communication was specified in more detail.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

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

§ 1

Under §18 item 3) of the Charter of ING Bank Śląski S.A., the 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 §1 section 4 item 2, letter h) shall be added in the following wording:  
"h) the right of the shareholder to ask questions on the matters listed in the General Meeting agenda".
2. § 1 section 5 shall be worded:  
  
"5. The Bank provides real-time broadcast of the General Meeting on the Internet. Furthermore, the Bank may organise the General Meeting in a manner enabling the shareholders to participate in the General Meeting with the use of means of electronic communication, covering in particular:  
  - a) two-way real-time communication of all persons attending the General Meeting which enables them to speak during the debates of the General Meeting from a site other than the site of the General Meeting,



- b) exercise of the right to vote in person or by a proxy.”
3. In §1, section 6) shall be added in the following wording:
- “6. Detailed rules for participation in the General Meeting with the use of means of electronic communication are specified by the Supervisory Board in the form of Bylaw.”.
4. In § 1a:
- a) in section 1, the address of the website shall be replaced “[www.ingbank.pl](http://www.ingbank.pl)” with the address „[www.ing.pl](http://www.ing.pl)”, and thus §1a section 1 shall be worded:
- “1. From the GM convention date, the Bank shall post on its website at: [www.ing.pl](http://www.ing.pl) the information required under the Commercial Companies Code.
- b) section 3 shall be worded:
- “3. A person who exercises the right to use the electronic communication with the Bank should demonstrate their status as a shareholder or their right to participate in the Bank’s GM. For that purpose, the person shall send the following documents together with the demand, request, draft resolution, inquiry or notice to the address referred to in para. 2:
- 1) Depository receipt or the certificate of right to participate in the Bank’s GM,  
as well as:
  - 2) A scanned image of personal identity card or passport (with details enabling identification of its holder) – in case of a natural person,
  - 3) A scanned image of the extract of entry in the register relevant for that entity/ unit – in case of a legal entity or an organisational unit other than legal entity.”
- c) in §3, section 3a shall be added in the following wording:
- “3a. The documents listed under para. 3.1) are not required, provided the Bank may establish the status of the shareholder and his/her right to participate in the Bank’s GM with the use of the list made by the entity maintaining the securities depository under §2 para. 2.”
- d) in §4, section 4a shall be added in the following wording:
- “4a. The documents referred to in in para. 4.2) and 4.3) can be presented by the proxy also directly before the GM at the shareholders’ registration point.”.
5. In §2:
- a) in section 3 of the Polish version only, the word “formie” shall be replaced with “postaci”, and thus §2 section 3 shall be worded:
- “3. The shareholders mentioned in section 1 above may participate in the General Meeting and exercise their voting rights, either personally or through their proxies. A proxy should be made in writing or in the electronic form, in accordance with the rules set out in §1a.” The change does not affect the English version.



- b) in section 7, second and third sentences shall be deleted.
6. In §8 section 1 of the Polish version only, the word “formie” shall be replaced with “postaci”, and thus §8 section 1 shall be worded:
- “1. Subject to the stipulations of §7, each participant of the General Meeting should speak only on matters, which are currently considered, notably by asking Bank representatives questions, and included in the accepted agenda. The motions on draft resolutions or their alterations shall be submitted along with rationale, in writing or if GM is organised in the manner mentioned under §1 para. 5 in the electronic form, to the GM Secretariat. Upon speaking or submitting a motion, a GM Participant should state his/her full name and in case when he /she is not speaking on his/her behalf, also the data pertaining to the represented shareholder.”. The change does not affect the English version.
7. In §14:
- a) section 4 shall be worded:
- “4. The Bank shall disclose on its website the results of votes as specified under para. 2. as required by the law.”
- b) section 6 shall be added in the following wording:
- “6 The terms and conditions of personal data processing by the Bank for GM purposes have been laid down in the *Notice on personal data processing by ING Bank Śląski S.A for shareholders, persons attending the General Meeting or exercising their share rights*, available on the Bank’s website <https://www.ing.pl/indywidualni/tabele-i-regulaminy/regulacje/ochrona-danych-osobowych>.”

## § 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 Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021  
on amending the *Bylaw of the General Meeting of ING Bank Śląski S.A.***

The amendments suggested to the Bylaw of the General Meeting arise from the need to adapt its provisions to the amendments to the binding laws and they are of editorial nature.

The amendments are as follows:

1. Update of the link to the Bank’s website.





2. Adaptation of the provision indicating the content of the notice of the general meeting to amendments to Article 402<sup>2</sup> of the Commercial Companies and Partnerships Code coming into force on 1 March 2021.
3. Adaptation of the provisions on the participation in the General Meeting with the use of means of electronic communication to an amendment to Article 406<sup>5</sup> of the Commercial Companies and Partnerships Code.

In line with §4 of that provision, a public company ensures real-time transmission of the debates of the general meeting. This follows the Bank's practice to date. Article 406<sup>5</sup> §3 of the Commercial Companies and Partnerships Code reads that the Supervisory Board defines the detailed rules for participation in the general meeting with the use of means of electronic communication. The Bank Supervisory Board applied that provision by passing the *Bylaw of participation in the ING Bank Śląski S.A. General Meeting with the use of means of electronic communication*. The Bylaw is available for shareholders on the Bank's website: <http://www.ingbank.pl> in the section "English Info": "Investor Relations/ General Meetings/ General Meeting 2021".

4. Specification of the scope and form of documents required from the shareholders and their proxies in more detail.
5. Inclusion of reference to applicable regulations in the provision on disclosure of voting results by the Bank. The current rules in that regard have been laid down in the *Minister for Finance Regulation of 29 March 2018 on current and interim information provided by securities issuers and conditions for recognising as equivalent the information required by law of a non-member state*.
6. Indication of the place of publication of the terms and conditions of personal data processing for General Meeting purposes.

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on approving the *Policy of appointing and recalling Members of the Supervisory Board of ING Bank Śląski S.A.***

§ 1

Under §18 item 3) of the Charter of ING Bank Śląski S.A. in conjunction with Recommendation 5 of Recommendation Z of the Polish Financial Supervision Authority on internal governance principles at banks, the General Meeting of ING Bank Śląski S.A. hereby approve the *Policy of appointing and recalling Members of the Supervisory Board of ING Bank Śląski S.A.* in the wording as enclosed herewith.

§ 2

The Policy referred to in Article 1 shall take effect as of the adoption date hereof.



**Policy of appointing and recalling  
Members of the Supervisory Board of ING Bank Śląski S.A.**

**CHAPTER 1. GENERAL PROVISIONS**

§ 1

1. This ING Bank Śląski S.A. Supervisory Board Members Appointing and Recalling Policy (hereinafter referred to as the "Policy") has been developed, upon taking account of the provisions of the Banking Law Act and of Recommendation Z concerning corporate governance rules at banks.
2. Thanks to the principles defined in the Policy, it contributes to the effective supervision and management of the Bank.

**CHAPTER 2. APPOINTMENT OF THE SUPERVISORY BOARD MEMBERS AND SUITABILITY ASSESSMENT**

§ 2

General principles regarding appointment

1. A Supervisory Board Member shall be appointed when:
  - a) the mandate of an existing Supervisory Board Member expires,
  - b) the number of the Supervisory Board Members is increased within the limits set out in the *ING Bank Śląski S.A. Charter*, particularly when the result of the collective suitability assessment of the Supervisory Board shows that the Supervisory Board should be expanded.
2. 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, 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.
3. The number of the Supervisory Board Members is determined by the General Meeting; it may not be higher than 11 Members and it may not be lower than five Members.
4. Subject to Section 6, there should be at least two Supervisory Board Members who are free from any ties with the Bank, its shareholders or employees, where ties are understood as ties that may have a material impact on the ability of such a Member to take impartial decisions (Independent Members).
5. The independence criteria of the Independent Members arise from the legal provisions and the *Best Practice of GPW Listed Companies* adopted by the Bank; they are defined in detail in the *Bylaws of the ING Bank Śląski S.A. Supervisory Board*.
6. The independence criteria should be met by:
  - a) the majority of the Audit Committee Members, including its chairperson; at least one of the Independent Members on the Audit Committee should also have qualifications in accounting or financial auditing,



- b) the majority of the Remuneration and Nomination Committee and of the Risk Committee Members, including their respective chairpersons.
7. The Members of the Supervisory Board shall be appointed for a joint term of office which shall begin on the appointment date and shall last for the next four full financial years.
8. At least a half of the Supervisory Board Members, including its Chairperson, should be the citizens of the Republic of Poland.

### § 3

#### Process of nominating candidates

1. Each shareholder shall have the right to nominate a candidate for the Supervisory Board Member. The nominees shall be proposed with justification and a brief CV covering in particular their education and professional history.
2. A nominee shall give consent to being a candidate for the Supervisory Board and shall declare whether or not s/he meets the criteria adopted by the Bank so that s/he can be considered an independent member of the Supervisory Board. S/he shall also submit other statements as required under the generally applicable laws, including information and statements required to assess suitability in accordance with this Policy. The candidate should provide information and statements as required for the purpose of suitability assessment as soon as s/he has been nominated; the information and statements shall be provided in the form compliant with the *Methodology of the suitability assessment of members of governing bodies at entities supervised by the Polish Financial Supervision Authority* (hereinafter: "PFSA Methodology").
3. The detailed procedure for the appointment of Supervisory Board Members has been described in the *Bylaws of the ING Bank Śląski S.A. General Meeting*.

### § 4

#### Candidate screening process and suitability assessment

1. When assessing suitability and appointing members of the Supervisory Board, one should consider the need to fulfil legal and statutory requirements concerning the composition of the Supervisory Board, including in particular those described in § 2 Sections 2-8, and the ability for the Supervisory Board to appoint statutory committees from among the Supervisory Board Members.
2. The Bank put in place processes to ensure a composition of the Supervisory 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.
3. In order to ensure high quality of task performance by the Supervisory Board by selecting competent people, one shall apply, first and foremost, objective fact-based criteria and account for benefits deriving from diversity.
4. 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.
5. Subject to Section 14, the suitability assessment of the Supervisory Board Members is performed by the General Meeting. The Remuneration and Nomination Committee shall provide support



during the suitability assessment process; the Committee shall prepare the relevant recommendations for the General Meeting based on this Policy and the regulations adopted by the Management Board and by the Supervisory Board concerning the internal suitability assessment process at the Bank.

6. The suitability assessment shall include the individual (primary and secondary) assessment and the collective assessment of the Supervisory Board Members as a whole. The individual suitability assessment shall include the following criteria:
  - 1) knowledge, professional experience, skills and competence,
  - 2) guarantee of due performance of duties entrusted, i.e. criminal record, reputation, integrity and ethics, financial situation, independent judgement, including conflict of interest.
  - 3) devoting the time required to perform the tasks at the position,
  - 4) combining functions.
7. The collective suitability assessment should ensure that the Supervisory Board are able to understand the Bank's business activity and the risks relating thereto.
8. The suitability assessment shall account for competences required to perform tasks of the individual Supervisory Board committees.
9. When performing a detailed assessment of the above criteria, the Bank shall consider the PFSA Methodology.
10. The individual assessment is performed at least:
  - 1) when there are material changes on the Supervisory Board, including:
    - a) when appointing new Members of the Supervisory Board,
    - b) when re-appointing Members of the Supervisory Board (for a new term of office),
  - 2) on a periodic basis – at least once a year,
  - 3) in other cases that have a material impact on the suitability of a Supervisory Board Member, or of the Supervisory Board as a whole.
11. If there are more than one premise for the assessment existing at the same time, the assessment may be performed once.
12. The collective assessment of the Supervisory Board shall be performed whenever there are reasons for performing an individual assessment, when there are material changes on the Supervisory Board and in any other case that has a significant impact on the collective suitability of the Supervisory Board.
13. If the collective suitability assessment of the Bank Management Board, performed in accordance with the Bank's internal regulations in that area, is negative, the General Meeting should consider re-assessment of the Supervisory Board's individual and collective suitability for the performance of duties related to ensuring an adequate composition of the Bank Management Board. The Management Board shall provide information on the outcome of such an assessment to the General Meeting.
14. In the event of changes to the responsibilities of a Supervisory Board Member, particularly due to a change in the composition of the Supervisory Board committees, the suitability assessment shall be performed by the Supervisory Board as an authority that has competence to establish committees. If, as a result of such an assessment, the Supervisory Board finds it necessary to change its composition, §5 Section 3 shall apply as appropriate.



15. If re-assessment is triggered by specific circumstances, the re-assessment may be limited to examining whether or not the assessed person still fulfils the suitability criterion in view of a given situation.
16. The individual assessment of a candidate for the Supervisory Board Member and the re-assessment of a Supervisory Board Member shall be performed at the following stages:
  - 1) giving an instruction to commence an assessment,
  - 2) determining the scope of the assessment (in the case of a re-assessment),
  - 3) preparing the documents and providing them to the candidate,
  - 4) completing the documents by the candidate/ Supervisory Board member,
  - 5) verifying the documents and performing a preliminary assessment,
  - 6) preparation of the recommendations by the Remuneration and Nomination Committee,
  - 7) an assessment of the candidate by the General Meeting and a decision on his/ her appointment or recall, if any, in the event of a re-assessment.

An external entity is engaged for the purpose of a suitability assessment of Members of, or candidates for Members, of the Supervisory Board as support for the Remuneration and Nomination Committee during the preliminary assessment process.

17. If the assessment result is positive, the Remuneration and Nomination Committee shall recommend the appointment of the candidate to the Supervisory Board. The General Meeting shall assess the candidate, by way of a resolution, and depending on the assessment result, the General Meeting shall take a decision on the candidate's appointment to the Supervisory Board.
18. Where it is identified that a candidate for the Supervisory Board lacks some specialist knowledge or there are other reservations that may be overcome within a short period of time, the Remuneration and Nomination Committee may recommend that a candidate be appointed to the Supervisory Board on the condition that the person supplements that knowledge within designated time, not longer than 3 months, or that the reservations are eliminated within time designated by the General Meeting. If the General Meeting decides to appoint a candidate for a position on the Supervisory Board provided that remedial measures are taken, the General Meeting shall approve the manner and the deadline for the completion of remedial measures. Upon completion of remedial measures, the candidate shall present a document to prove that the reservations have been eliminated.
19. If the result of the assessment made by the Remuneration and Nomination Committee is negative and the conditions referred to in Section 18 have not materialised, the Committee shall issue negative recommendation regarding the appointment of the candidate for a position on the Supervisory Board.
20. Where the General Meeting decides not to appoint a candidate for the position on the Supervisory Board, then, depending on the results of the Supervisory Board's collective assessment, the General Meeting shall analyse the measures required to ensure continuity of the Supervisory Board's operations and take adequate actions to implement them, such as resolving to take a break in the General Meeting's debates in order to report on and assess the suitability of new candidates, or recommend that the Management Board convene another General Meeting.
21. In the case of candidates for Supervisory Board Members, the suitability assessment shall be performed before their appointment. Should it be impossible, in exceptional cases, the suitability assessment should be performed without undue delay, not later than within 4 weeks from the moment the person assumes the position.
22. In the case of a re-assessment of a Supervisory Board Member, Sections 17 to 19 shall apply accordingly; however:
  - a) the recommendation of the Remuneration and Nomination Committee may cover:



- i. keeping the Supervisory Board member on his/ her position,
    - ii. keeping the Supervisory Board member on his/ her position provided he/ she completes remedial measures within the designated deadline,
    - iii. recalling a Supervisory Board member.
  - b) if such a need arises from the suitability assessment, the General Meeting shall make a decision on recalling a Supervisory Board Member, or the General Meeting shall approve the manner of and the deadline for the implementation of remedial measures. Where a Supervisory Board member is recalled, Section 20 is applied accordingly.
23. As part of the collective suitability assessment of the Supervisory Board where:
- a) the assessment result is positive, the Remuneration and Nomination Committee shall recommend a positive result of the collective suitability assessment of the Supervisory Board and that the Supervisory Board be kept as it is,
  - b) the assessment result is negative, the Remuneration and Nomination Committee shall recommend that remedial measures be taken and set the deadline for their implementation.
24. The General Meeting shall perform an assessment of the collective suitability of the Supervisory Board in the form of a resolution; depending on the results of that assessment, the General Meeting shall decide on the implementation of remedial measures. If the General Meeting decides that remedial measures should be implemented, the General Meeting shall approve the manner and the deadline for the completion of remedial measures.
25. Detailed principles concerning the internal process of the suitability assessment are set out in the regulations of the Bank Management Board and Supervisory Board.

### **CHAPTER 3. RECALLING SUPERVISORY BOARD MEMBERS, LIMITING THE RISK OF VACANCIES AND FILLING VACANCIES ON THE SUPERVISORY BOARD**

#### **§ 5**

##### **General principles concerning the recall of a Supervisory Board Member and the procedure for filling vacancies on the Supervisory Board**

1. A Supervisory Board Member shall in particular be recalled if the outcome of the re-assessment of the Supervisory Board Member's individual suitability is negative.
2. Where the Supervisory Board Member is recalled, the shareholders should promptly put forward a new candidate to hold a function on the Supervisory Board, unless the collective suitability assessment of the Supervisory Board shows that the Supervisory Board may operate with a lower number of members, provided that the minimum number of the Supervisory Board members as indicated in §2 Section 3 is met.
3. If there is a sudden vacancy on the Supervisory Board, the Remuneration and Nomination Committee shall conduct a collective suitability assessment of the Supervisory Board. Upon reviewing the assessment results, the Chairperson of the Supervisory Board may decide to notify the Management Board of the need to convene an Extraordinary General Meeting in order to fill the vacancy on the Supervisory Board, or to fill the vacancy on the Supervisory Board during the nearest General Meeting.
4. Notwithstanding the provisions of Section 3, if – as a result of the expiry of a Supervisory Board Member's mandate – the number of the Supervisory Board Members is lower than five, the Chairperson of the Supervisory Board shall notify the Bank Management Board of the need to



convene the Extraordinary General Meeting immediately to fill the vacancies on the Supervisory Board so that it meets at least the statutory minimum.

5. A Supervisory Board Member should not resign from that function during the term of office if such resignation could have a negative impact on the Supervisory Board's ability to operate, and in particular on the Board's ability to pass resolutions.

## CHAPTER 4. FINAL PROVISIONS

### § 6

#### Establishment of and amendments to the Policy

1. The draft Policy has been adopted by Management Board and approved by the Supervisory Board following recommendation of the Remuneration and Nomination Committee.
2. The Policy shall be approved by way of a General Meeting resolution.
3. The Policy shall be amended according to the same procedure that was followed when the Policy was first adopted.
4. As for any matters not regulated herein, the applicable commonly binding laws and internal regulations of the Bank shall apply, including but not limited to: the *ING Bank Śląski S.A. Charter*, the *Bylaws of the ING Bank Śląski S.A. General Meeting* and the *Bylaws of the ING Bank Śląski S.A. Supervisory Board*.

#### Rationale

#### **for the draft resolution of the Ordinary General Meeting of ING Bank Śląski Spółka Akcyjna of 15 April 2021 on approving the *Policy of appointing and recalling Members of the Supervisory Board of ING Bank Śląski S.A.***

In October 2020, the Polish Financial Supervision Authority issued for banks Recommendation Z on the internal governance principles at banks. The PFSA expects that banks will implement Recommendation Z by 1 January 2022 at the latest.

In line with Recommendation 5, the bank should ensure proper supervisory board and management board compositions and have an internal regulation for appointing and recalling members of those bodies approved by the general meeting (meeting of representatives) or supervisory board, respectively. Further, in line with Recommendation 7.3, the bank bodies competent to take decisions on filling in vacancies for certain functions and positions are responsible for ensuring proper selection and suitability assessment of members of the supervisory board, of the management board and key function holders at the bank.

Since the General Meeting is the body appointing Supervisory Board Members, it justified that the General Meeting will approve the relevant policy of appointing and recalling Board Members.

Draft

Resolution No. ...



**of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 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 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.:

1. Mr Antoni F. Reczek,
2. Ms Małgorzata Kołakowska,
3. Mr Aleksander Galos,
4. Mr Aleksander Kutela,
5. Mr Remco Nieland,
6. Ms Susan Poot, and
7. Mr Michał Szczurek

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 General Meeting state that the individual competences of the individual members of the Supervisory Board, enlisted herein, 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, abilities and experience enabling them to understand the actions of the Bank, the main risks included.

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

Draft

**Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

**on amending the ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy.**

§ 1

Under Article 90d of the Act on Public Offering and Terms and Conditions of Introduction of Financial Instruments into the Organised Trading and on Public Companies of 29 July 2005, the General Meeting





of ING Bank Śląski S.A. hereby pass the following amendments to the *ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy* :

1. In §7 section 1b) in the first sentence, the words “and is conditional on the Bank’s achieving at least 80% of the profit before tax in a given financial year subject to the assessment, as assumed in the plan for that year” shall be replaced with the words “The criteria of awarding the variable remuneration are consistent with the long-term business strategy, values and risk appetite, promote and support effective risk management process as well as support the Bank and its clients’ long-term interests”

In §7 section 1b) in the second sentence, the words “four years” shall be replaced with the words “five years”

In §7 section 1b), the third sentence shall be added in the following wording:

“In the case of awarding a Member of the Management Board the variable remuneration below the amount specified by the Supervisory Board in Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A., the deferral does not apply. In the case of awarding a member of the Management Board particularly high amount of variable remuneration specified in the above-mentioned regulation for deferral shall be subject to not less than 60% of the awarded variable remuneration.”

As a result of which §7 section 1.b) shall read as follows:

- b) variable remuneration which represents the annual bonus. The criteria of awarding the variable remuneration are consistent with the long-term business strategy, values and risk appetite, promote and support effective risk management process as well as support the Bank and its clients’ long-term interests. The bonus shall be deferred for five years from the date on which the Supervisory Board determined the variable remuneration (in case of the President of the Management Board, the deferral period is six years). In the case of awarding a Member of the Management Board the variable remuneration below the amount specified by the Supervisory Board in Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A., the deferral does not apply. In the case of awarding a member of the Management Board particularly high amount of variable remuneration specified in the above-mentioned regulation for deferral shall be subject to not less than 60% of the awarded variable remuneration.
2. In §7 section 2a), the words “phantom equity” shall be replaced with the words “financial instruments”, as a result of which §7 section 2a) shall read as follows:
    - a) at least 50% in financial instruments which entitles the holder to receive funds in an amount conditional on the value of the ING Bank Śląski S.A. shares,



As a result of amendments mentioned in §1, the Policy shall have the wording as enclosed herewith.

Enclosure with Resolution No. ...  
of the Ordinary General Meeting  
of ING Bank Śląski S.A.  
of 15 April 2021

**ING Bank Śląski S.A.**  
**Supervisory Board and Management Board Members Remuneration Policy**

**CHAPTER 1. GENERAL PROVISIONS**

§ 1

1. This ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy (hereinafter referred to as the "Policy") has been developed, upon taking account of:
  - a) the Banking Law Act of 29 August 1997,
  - b) *Principles of Corporate Governance for Supervised Institutions*, as introduced by way of the Polish Financial Supervision Authority Resolution of 22 July 2014, and
  - c) the Act of 29 July 2005 on Public Offering and on the Terms of Introducing Financial Instruments into Organized Trading and on Public Companies.
2. The Policy is aligned with the values and long-term interests of ING Bank Śląski S.A. (hereinafter: the Bank), and – as such – it is conducive to the effective management of the Bank's risks and to the company's stability. Furthermore, the Policy supports sustainable growth of the bank, which is understood as actions taken in areas that are meaningful for the society and for the economy, as well as responsibility for and care of the results of those actions, and which is part and parcel of the business strategy. The means to achieve those goals include the following in particular:
  - a) introducing variable remuneration components for the Management Board members the final amount of which is conditional on the Bank's performance,
  - b) tying the remuneration of the Management Board- and Supervisory Board members with the average remuneration of other Bank employees,
  - c) making the payment of the variable remuneration components to the Management Board members dependent on the Bank's fulfillment of certain capital requirements, and
  - d) inclusion of criteria arising from the adopted Sustainable Growth Strategy in the non-financial targets which are set by the Supervisory Board for the Management Board members each year.
3. The purpose of this Remuneration Policy is to ensure that the conflicts of interest relating to remuneration are identified and mitigated properly. The process for awarding variable remuneration involves adequate risk-mitigating actions, that is a multi-level decision-making process as well as clear and transparent rules of performance assessment.



**CHAPTER 2. TERMS AND CONDITIONS OF THE SUPERVISORY BOARD MEMBERS' REMUNERATION**

## § 2

## Basis of holding the Supervisory Board Member's function

1. Each member of the Supervisory Board shall fulfil his/ her function upon his/ her appointment pursuant to a General Meeting resolution.
2. The members of the Supervisory Board shall be appointed for a joint term of office which shall begin on the appointment date and shall last for the next four full financial years.
3. The Bank shall not enter into any employment contracts, work order agreements, contracts for a specific work or any other similar contracts or agreements on account of a person's membership of the Supervisory Board.
4. A Supervisory Board member may be recalled from his/ her function at any time by way of a General Meeting resolution.
5. Furthermore, the Supervisory Board member mandate shall expire in other cases set out in the Commercial Companies and Partnerships Code and in the Bank's Charter.

## § 3

## Criteria of setting the remuneration of the Supervisory Board members

1. The level of the Supervisory Board members' remuneration and allowances for holding additional functions on the Supervisory Board shall be set upon accounting for the market medians for those positions in the banking sector, as well as the scale of the Bank's operations and its financial situation.
2. The monthly fixed remuneration of the individual Supervisory Board members shall represent no more than 10-fold average base remuneration of an employee of ING Bank Śląski S.A.

## § 4

## Remuneration of the Supervisory Board members

1. Fixed remuneration of the Supervisory Board members shall be composed of:
  - a) base remuneration, and
  - b) an allowance for additional functions held on the Supervisory Board or its committees, as referred to in item 3 below.
2. The base salary on account of membership on the Supervisory Board shall be PLN 12,100 (in words: twelve thousand and one hundred zlotys <sup>00/100</sup>) per month in gross terms.
3. The monthly allowance for each additional function held by the Supervisory Board members on the Supervisory Board or its committees shall be set as a percentage of the base salary and shall be as follows:
  - a) Chairperson of the Supervisory Board – 100%,
  - b) Deputy Chairperson of and Secretary to the Supervisory Board and Members who are Chairpersons of the Supervisory Board Committees – 25%,
  - c) Members other than Chairpersons of the Supervisory Board Committees – 15%.



4. The remuneration shall be due and payable regardless of the frequency of the Supervisory Board meetings.
5. Members of the Supervisory Board who also hold other functions in ING Bank N.V. shall perform their tasks on the Supervisory Board without payment. Members of the Supervisory Board shall waive their right to remuneration in writing.
6. Members of the Supervisory Board shall not be awarded any variable remuneration.

#### § 5

##### Principles of remuneration payment to the Supervisory Board members

1. The remuneration of a Supervisory Board Member for a given month shall be paid on the last business day of the month.
2. Where the functions of a Supervisory Board Member or additional functions on the Supervisory Board are performed for a period shorter than a full calendar month, the Supervisory Board Member shall be entitled to remuneration on a pro rata basis.
3. The Bank shall withhold the mandatory taxes and contributions from the remuneration on terms and conditions set out in separate regulations.

### **CHAPTER 3. TERMS AND CONDITIONS OF THE MANAGEMENT BOARD MEMBERS' EMPLOYMENT AND REMUNERATION**

#### § 6

##### Employment

1. Employment is based on an employment contract for a specified period of time which shall cover a joint term of office, beginning on the appointment date and lasting for the next four full financial years.
2. The employment contract may be terminated:
  - a) at any time upon consent of the parties thereto;
  - b) by the Management Board member, upon giving a three-month notice and resigning from the function held;
  - c) as a result of the Management Board member's being recalled from his/ her function by the Supervisory Board in which case such a recall shall be treated as contract termination on a three-month notice period;
  - d) without notice pursuant to the procedure set out in Articles 52 and 53 of the Labour Code.

#### § 7

##### Remuneration of the Management Board members

1. The total remuneration of a Management Board member shall be composed of:
  - a) fixed remuneration which includes base remuneration and fringe benefits as set out in the *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.*;



- b) variable remuneration which represents the annual bonus. The criteria of awarding the variable remuneration are consistent with the long – term business strategy, values and risk appetite, promote and support effective risk management process as well as support the Bank and its clients' long-term interests. The bonus shall be deferred for five years from the date on which the Supervisory Board determined the variable remuneration (in case of the President of the Management Board, the deferral period is six years). In the case of awarding a Member of the Management Board the variable remuneration below the amount specified by the Supervisory Board in Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A., the deferral does not apply. In the case of awarding a member of the Management Board particularly high amount of variable remuneration specified in the above-mentioned regulation for deferral shall be subject to not less than 60% of the awarded variable remuneration.

The fixed remuneration to variable remuneration ratio shall be 1 to 1.

2. The annual non-deferred and deferred annual bonus is sub-divided into two parts (rounded up to the total number of financial instruments):
  - a) at least 50% in financial instruments which entitles the holder to receive funds in an amount conditional on the value of the ING Bank Śląski S.A. shares, and
  - b) the remaining portion shall be paid out in cash.
3. The base remuneration of a Management Board member shall be determined in conjunction with a benchmark according to a selected job valuation methodology, based on a role description in reference to the knowledge, challenges, issues and responsibilities in a given position, as well as the professional experience.
4. When determining the terms of remuneration of the Management Board members, the Supervisory Board shall take into account the market data, including the median for comparable positions at comparable organisations, upon accounting for the Bank's operations and its financial situation.
5. The monthly fixed remuneration for the individual Management Board members shall represent no more than 40-fold average base remuneration of an employee of ING Bank Śląski S.A.

#### CHAPTER 4. FINAL PROVISIONS

##### § 8

###### Policy establishment

1. The draft Policy has been adopted by Management Board and approved by the Supervisory Board following recommendation of the Remuneration and Nomination Committee.
2. The Policy shall be adopted by way of a General Meeting resolution.

##### § 9

###### Policy implementation

The General Meeting shall authorise the Supervisory Board to elaborate further on certain elements of the Policy, within the limits set out by the General Meeting herein, and the applicable laws, notably:



- a) the description of fixed- and variable remuneration components, including bonuses and other financial- and non-financial benefits that may be awarded to the members of the Management Board,
- b) financial- and non-financial criteria concerning the award of variable remuneration components, upon considering the provisions of §1 section 2,
- c) information concerning the payment deferral periods and the bank's ability to demand the return of variable remuneration components;
- d) determination of the vesting periods in case of remuneration in the form of financial instruments, the rules of disposal of those financial instruments, and explanation as to how the award of remuneration in the form of financial instruments helps to implement the business strategy, the long-term interests and the stability of the bank.

#### § 10

##### Policy Review

1. This Policy shall be subject to an annual review by the Centre of Expertise HR which shall also comprise an analysis of market data on salaries.
2. The results of the review along with recommended adequate actions in the remuneration area shall be presented to the Supervisory Board.
3. Any material amendment to the remuneration policy must be adopted by the General Meeting by way of a resolution.
4. Each year, the Supervisory Board shall draw up an report on the implementation of the remuneration policy. The General Meeting shall assess, based on the report, whether or not the Policy is conducive to the development and safety of the Bank's operations.

#### § 11

##### Effective date and publication of the Policy

1. The Policy shall come into force as of the day specified in the resolution of the General Meeting. The resolution concerning the Policy shall be taken not less frequently than every four years.
2. The Bank shall publish, on its website, the Policy and the resolution on its approval, along with the date of resolution adoption and voting results.

#### Rationale

##### **for the draft resolution of the Ordinary General Meeting of ING Bank Śląski Spółka Akcyjna of 15 April 2021**

##### **on amending the *ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy.***

The amendments are related amongst others to *Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and*



*powers and capital conservation measures* whose implementation into Polish law is pending. In particular, it applies to the change of approach towards the extension of the variable remuneration deferral period.

The other amendments aim at making more flexible the Policy provisions applicable to the Bank Management Board Members. The clarification of the provisions applies to the other internal regulations of the Bank, which in line with the competence defined in Article 9ca of the Banking Law are being approved by the Supervisory Board. In particular, it includes the description aspects of the awarding the variable remuneration criteria and the replacement of the term “phantom equity” used in the description of the remuneration to the more universal and at the same time formally and legally proper definition “financial instrument”.