

Supervisory Board's assessment of ING Bank Śląski S.A. policy concerning charitable and sponsorship initiatives in 2018.

Basing on the information received from the Bank's Management Board, the Supervisory Board states that ING Bank Śląski S.A. was involved in the following charitable and social activities in 2018:

1. support for actions intended to educate on the economy and entrepreneurship,
2. education and support for children and teenagers, and
3. promotion of Polish modern art and education in that regard.

The Bank carried out those actions on its own, in cooperation with social partners, and courtesy of two corporate foundations: ING for Children Foundation and ING Polish Art Foundation.

1. SUPPORT FOR ACTIONS INTENDED TO EDUCATE ON THE ECONOMY AND ENTREPRENEURSHIP

Centre for Citizenship Education – Entrepreneurial Youth Programme

In 2017, the Bank partnered in the Entrepreneurial Youth programme. The programme is about practical and innovative education which enables its participants to put economic issues into practice. As part of the project, students solve economy and entrepreneurship tasks on a dedicated online platform. Next, they carry out their own projects with the assistance of teachers and mentors. The programme helps them to understand, for example, how to manage their own funds; it teaches them how to save and shows them selected banking services, etc. The programme has been run by the Centre for Citizenship Education for 10 years; ING has been engaged in it since mid-November 2017. Additionally, ING for Children Foundation is, as part of a trilateral cooperation, inter alia, the author of the new programme concept. ING Bank Śląski S.A. provides, among others, specialist knowledge and funding. In 2018, 120 teams from 58 schools, that is 610 students in total, enrolled for the programme. Marcin Giżycki, Vice-President of the Management Board of ING Bank Śląski S.A., has become the patron of the programme. The finals of the 10th Edition of the programme were held on 15 June 2018 as the Young Entrepreneurs Conference at the Bank's head office in Katowice. The Conference was attended by 12 teams that had distinguished themselves by an unorthodox approach to the course topics, attractiveness, creativity, and innovation of the described activities. The Conference was accompanied by actions run in social media.

Warsaw Institute of Banking – BAKCYL Programme

The Bank continues its commitment to BAKCYL– a joint project of the banking sector organised by the Warsaw Institute of Banking to support finance education of teenagers from junior high schools.

In the project, Bank employees volunteer to teach finance at schools (junior high schools) within a cycle of 4 themes: Your money, Put your mind into borrowing, Wise investment, Lifelong finances. In grades from 6 to 8 (primary school) – a cycle of 3 themes includes: Your money, From saving to investing, and Rules of safe borrowing. Among the most active ING volunteers who conducted over 20 lessons in the

school year 2017/2018 were: Jarosław Głogowski, Beata Goliasz, Andrzej Kania, Violetta Król, Jacek Morawski, Andrzej Żbikowski. In total, the ING volunteers conducted 210 lessons. Lessons are held in schools across Poland.

CoderDojo Foundation

CoderDojo is a nation-wide community network of new technology geeks. The first Polish dojo (club) was established in 2013. CoderDojo is a place for development of technology talents (programming, modelling, graphics, and 3D print) for children and teenagers. Classes are held outside school, frequently in rooms made available by businesses. Attendance is free, and the community may be joined by anyone who wishes to become a CoderDojo student or mentor.

ING CoderDojo is a new initiative run in co-operation with the CoderDojo Foundation. Modern technology clubs, so-called dojos are run in Katowice and Siedlce. Bank employees, who are volunteers (23 mentors) conduct classes for children in programming, robotics, or 3D design on Saturdays during the school year. Under ING CoderDojo a CodeWeek was held at the Bank under jointly organised with the CoderDojo Foundation. Some 90 persons met to jointly design a virtual playground; we also organised a competition on the occasion of the Child's Day for employees' children.

Road to Harvard

In 2018 ING Bank Śląski established co-operation with the Harvard Club of Poland under a contest for students from junior high schools, senior high schools, and university students interested in studying abroad called the Road to Harvard.

Lesław Paga Foundation

CEE Capital Market Leaders Forum 2018 (December) FINTECH EDITION – within a co-operation Framework ING Bank Śląski was involved in workshops for 40 students attended by ING experts – Daniel Szewieczek, Seweryn Papierz, Cezary Żmuda. The event ended with a paper called *Regulated Capital Market in Poland. The Origins*.

Boston Consulting Group

Under the EmpowerPL100 programme, mentors of outstanding students, learning in Poland and abroad, are Brunon Bartkiewicz (President of the Management Board) and Joanna Erdman (Vice-President of the Management Board). In 2018 the programme was an occasion to celebrate the 100th Anniversary of Poland's Independence. The organisers aimed at assembling 100 mentors from among top managers and 100 students, or mentees, who would be together collaborating in 2019.

2. EDUCATION AND SUPPORT FOR CHILDREN AND TEENAGERS

ING Voluntary Services Programme

As part of our ING Voluntary Services Programme, the Bank encourages employees to show activity in the fields of financial education, entrepreneurship, and a local community. The formula of the voluntary services programme is open and everyone may become involved the way they like. Our Bank ensures for every employee an option of devoting 8 hours of work per year of voluntary activities. The ING volunteers closely cooperate with ING for Children Foundation. In 2018, more 92 people, new volunteers and experienced ING Voluntary Services Programme leaders, took part in the training courses of ING for Children Foundation. The purpose of the training courses was to provide volunteers with substantive and organisational support. The training courses covered, inter alia, cooperation with a social partner, social project management, and diverse forms of both entrepreneurship and financial education.

Good Idea

Since 2006, employees have been taking part in the Good Idea voluntary competition run jointly with ING for Children Foundation. Under the competition they can win subsidies for a voluntary project from ING for Children Foundation. In 2018 under the Good Idea and ad hoc initiatives ING employees managed to complete 85 social projects primarily related to financial education and entrepreneurship.

Charity collections

Following the long-standing tradition of social initiatives, employees engaged in charity collections for children. An Orange Schoolbag collection of school supplies was organised in September, while in December the employees prepared Christmas gifts under the Santa's Helpers initiative.

Team of ING runners

A team of Bank employees participated in the *Run Warsaw* event – a 10km run in Warsaw. In 2018, the event gathered 708 runners and 585 walkers who were ING Bank employees. For each of those persons ING for Children Foundation received a donation from the Bank amounting to a total of PLN 100,050.

The money, by way of the *Orange Power* competition and voting, was transferred to the social organisations recommended by ING employees; the organisations arranged sports-and-educational projects for children. In the previous edition of the *Orange Power* competition 1,137 employees selected 9 sports projects which received a total of PLN 93,600 from the Foundation. From March to August 2018 children learnt new sports and a healthy way of living.

ING for Children Foundation

ING for Children Foundation pursues the social mission of ING by supporting development, education, and self-reliance of children and youth. As part of supporting the development and education of young people, the Foundation continued cooperation with the Centre for Citizenship Education within the *Entrepreneurial Youth* programme. At its centre in Wisła, the Foundation has been welcoming children from all over Poland to the *Smile Camps* for 14 years now. In 2018, 22 Smile Camps were organised, including an innovative camp TBRI®, or relational intervention based on trust. All together, the camps were attended by 1,085 persons. In 2018, via the Foundation's website, interested centres and institutions could enrol for the Smile Camps competition.

The Foundation runs the *ING Internet Clubs* programme. There are 30 internet clubs with free internet access operate all over Poland. Social objectives pursued by the internet clubs primarily include development of young information society, teaching assistance in the performance of school and

extracurricular tasks. In September 2018, the Foundation hosted representatives of 8 ING Internet Clubs in its centre in Wisła organising a workshop called *New Technologies for Social Change*. Next, activity organisers from the Association of Creative Initiatives ę visited 3 ING Internet Clubs and worked with the youth on their projects on site.

In 2018, together with the e-Commerce Innovation Lab the Foundation launched a new possibility of supporting the Foundation's activities. imoje, the first banking payment gateway in Poland assists in transferring a donation in a simple way to support the Foundation's activities.

ING for Children Foundation is a public benefit organisation. In 2018 the Foundation became a member of the Donors Forum in Poland. The Forum is a union of foundations and associations supporting other entities and individual persons.

In keeping with its Charter effective in 2018, ING for Children Foundation's operations centre on children and teenagers and embrace science, education, leisure time, health promotion, social assistance, and volunteering. ING Bank Śląski S.A. made a donation to ING for Children Foundation for its statutory activities on the basis of the Management Board decision and upon approval of the Foundation's annual action plan. Moreover, the Foundation receives funds from donations made by employees of ING Bank Śląski S.A. as part of an internal campaign and under the "1% of the tax" programme, funds donated and transferred by imoje. As a public benefit organisation, ING for Children Foundation compiles the annual financial statements and the report on its operations which are available at www.ingdzieciom.pl and www.pozYTEK.gov.pl.

3. PROMOTION OF POLISH MODERN ART AND EDUCATION IN THAT REGARD.

ING Polish Art Foundation

ING Polish Art Foundation has been building a collation of modern art and promoting young artists. In 2018 the collection was expanded to include 3 new items. The first is a spatial form called *SKU* by Iza Tarasewicz, another two items are the works by Agnieszka Brzeżańska.

Presented daily in ING office space, works from the collection were on loan to few exhibitions in Poland and abroad.

In 2018, in cooperation with Zachęta National Gallery of Art, ING Polish Art Foundation prepared an exhibition entitled *Wild At Heart*. The exhibition's starting point was the collection of ING Polish Art Foundation that for years has been collecting works by Polish artists created after 1990.

Education and promotional activities were pursued using an art book for children entitled *Snowman in the Fridge* which was published towards the end of 2017. The book tells stories about subjects of contemporary artists and why they pursue them. The book encourages discovering artistic potential in everyday activities and is a perfect starting point for talks about art with audience of any age.

The book was used for writing scenarios of classes for children aged 6-12. The scenarios refer to the individual chapters and works of artists that are described in the book. Together with ING for Children

Foundation, ING Polish Art Foundation started distributing free copies of the book together with the scenarios in schools, libraries, and clubs. The was also used to organise a number of workshops and meetings, among others, winter holidays with *Snowman in the Fridge* held at the National Museum in Warsaw. *Snowman in the Fridge* was nominated for a reward in the competition of the Most Beautiful Books of the Year during the 9th Warsaw Book Fair. In 2018 the Foundation also continued a number of educational activities addressed to our Bank employees. These were weekly collection tours as well as meetings with artists whose works are displayed in the Bank's offices plus common visits to exhibitions and activities for children.

Award of ING Polish Art Foundation

As part of the 8th edition of the Warsaw Gallery Weekend, the biggest cyclical review of modern art in Poland organised by private galleries, the Foundation granted two awards. The award was presented to Agnieszka Brzeżańska represented by BWA Warsaw Gallery and a special recognition in the form of a financial prize was presented to Dominika Olszowa.

In 2018, ING Polish Art Foundation organised the second edition of the educational programme Professional Artist held at 8 artistic universities in Poland: in Gdańsk, Katowice, Kraków, Poznań, Szczecin, Toruń, Warsaw and Wrocław. Professional Artist is a project addressed to students in artistic faculties who after graduation want to be artists in the art market to familiarise them with how the art market actually operates. The second edition of the project was attended by 879 participants. As part of the project sociological research was conducted on who the students of artistic universities are today, what their aspirations, impressions about the artistic profession are, and real preparation to pursue such profession. The research results were published in the form of a report that was presented in the September edition of *Magazyn Szum* journal that is devoted to art and art reviews. The announcement of the research results was also accompanied by a debate organised at the Academy of Fine Arts in Warsaw in November 2018.

After reviewing the annual action plan of the Foundation, the Management Board of ING Bank Śląski S.A. decided to transfer funds for the statutory activities of ING Polish Art Foundation.

Information about the operations of ING for Children Foundation and ING Polish Art Foundation is available in the *Management Board Report on Operations of ING Bank Śląski S.A. Group for 2018, including the Report on Operations of ING Bank Śląski S.A.* Additionally, ING for Children Foundation and ING Polish Art Foundation publish all information on their websites. Information about current events is published on Facebook profiles of both Foundations which are open to the public, on the intranet and in *Baska* magazine. It is also published as press releases.

Charitable and social activities are an essential element of the operations pursued by ING Bank Śląski S.A. The Bank encourages its employees to engage in the employee voluntary activities. *The Labour By-Laws of ING Bank Śląski S.A.* guarantee that a Bank employee may spend 8 hours per year for volunteering activities.

Charitable donations

In 2018, ING Bank Śląski S.A. made financial and in-kind donations. The Bank made 25 financial donations.

The donations were made pursuant to the *Donation Policy of ING Bank Śląski S.A.*; the Policy sets out the purposes to be supported by the Bank's donations, in the selected community investment areas:

- operations centred around children and youth, including holidays for children and youth,
- science, higher education, school system, education and schooling (including in particular financial education),
- health protection and disease prevention.

Among the donations made by the Bank were the donations in the financial education area: for the Centre for Citizenship Education to support the development of the Entrepreneurial Youth programme, for the Warsaw Institute of Banking to develop the BAKCYL programme, for CoderDojo Foundation for the development of ING CoderDojo. In the tertiary education area, among others, for the Silesian University of Technology to develop the *My Idea for Business* initiative, and in the healthcare area for the Professor Zbigniew Religa Foundation of Cardiac Surgery Development in Zabrze and the Polish Gastroenterology Foundation.

In line with the approach adopted in 2016, the Bank continued to support local charity organisations in the pre-Christmas season by reallocating for that purpose the funds earmarked for buying souvenirs for corporate and strategic clients. The funds were donated to 9 local organisations, such as Fundacja Zachodniopomorskie Hospicjum dla Dzieci i Dorosłych (Foundation of the Western Pomerania Hospice for Children and Adults), Stowarzyszenie Dzieci i Młodzieży Niepełnosprawnej "Razem" w Drzazgowie (Association of the Children and Youth *Together* of Drzazgów), Stowarzyszenie Osób Niepełnosprawnych Promyk z Zielonej Góry (Association for the Disabled Sunbeam, Zielona Góra), Fundacja "Dziecięce Marzenia" z Bielska- Białej (Children's Dreams Foundation of Bielsko-Biała)

In 2018, the Bank also transferred in-kind donations such as phased-out IT equipment (in a good technical condition) and office furniture. In-kind donations were made pursuant to the *Procedure for the sale/donation/reprocessing of assets at ING Bank Śląski S.A.* In-kind donations were given mainly to kindergartens, schools, hospitals, and charities.

Sponsorship

In 2018, ING Bank Śląski S.A. was involved in sponsorship activities targeted at entrepreneurs, young people, activities related to ecology, electromobility, as well as SME owners and management. They were designed to empower and motivate people to stay a step ahead in life and in business.

The most important sponsored events included:

- European Economic Congress in Katowice,
- European Start-up Days in Katowice,
- Run Warsaw,
- Open Eyes Economy in Cracow,
- Impact Fintech in Łódź,
- Smogathon in Cracow,
- Impact Mobility Revolution in Katowice,
- EEC Green, an event accompanying COP24 in Katowice,

- European Week of Sustainable Transport in Katowice.

The Smog Free Tower in Kraków, an outdoor display by Dutch designer and visionary Daan Roosegaarde, was one of the most important events sponsored by the Bank. ING Bank Śląski initiated construction of the tower to draw attention to a necessity of undertaking actions in caring for clean air. The Smog Free Tower is the largest smog cleaner in the world and the first such project in Poland.

ING Bank Śląski as a Main Sponsor of the European Economic Congress in Katowice and the European Startup Days. These were the largest business meetings in Central Europe, which all together were attended by nearly 14,000 persons. ING experts shared their knowledge and experience in 17 discussion panels. To emphasise its image as a bank for entrepreneurial people, ING Bank Śląski broadcast online two session days of the European Startup Days.

EKG Green, where ING Bank Śląski acted as a main sponsor, was the event accompanying the 24th Conference of the United Nations Framework Convention on Climate Change in Katowice. ING representatives attended convention debates, and a film with their participation shot during the event by videoblogger Kasia Gandor had over 50,000 visits on YouTube.

ING Bank Śląski S.A. once again cooperated with the organisers of Run Warsaw as the General Partner to the event in 2018. Through its involvement and the event's slogan *We transfer heaven to the streets of Warsaw* ING Bank Śląski continued its actions as part of #mojepowietrze (my air) in which it supported pro-active attitudes focused on clean air.

Additionally, ING Bank Śląski S.A. was involved in sponsoring TEDx Katowice Salon – a series of local events assembling and engaging the local community that teach, inspire with their innovation and engage to undertake dialogue and actions. It is a series of events promoting valuable ideas in Poland and encouraging putting them into practice.

Summary of the assessment

ING Bank Śląski S.A. was involved in charitable and social activities in the specific areas and addressed most of its actions to children, teenagers, and local communities. The Bank ran the programmes on its own, in cooperation with social partners, and with its corporate foundations.

The Bank supported employee initiatives (volunteering, charity collections) and was engaged a social partner in all-Poland and local projects.

The Bank was a donor, especially in educational projects addressed to children and teenagers. The Bank implemented the *Donation Policy of ING Bank Śląski S.A.* which is applicable to all financial donations and the *Procedure for the sale donation/reprocessing of assets at ING Bank Śląski S.A.* which governs in-kind donations. These regulations ensure a process-based approach to donations and their effective application in charitable and social activities.

The Bank communicated its charitable actions in a transparent manner by publishing information on the current events and annual summaries in the annual report and the Integrated Report of

ING Bank Śląski S.A. Multiple communication tools were used to provide internal and external stakeholders with information in an accessible form.

Based on the foregoing, it may be concluded that the policy of ING Bank Śląski S.A. on the charitable and social activities was rational and took account of social needs.

In 2018, for the 12th time, the Bank was listed in RESPECT Index – an index of socially responsible companies, kept by the Warsaw Stock Exchange. It is evidence of the highest standards of the Bank's corporate social responsibility. Once again ING Bank Śląski S.A. was listed among Responsible Businesses. The Bank was ranked second in the category of banking, the financial and insurance sector and came 5th in the general rating list. Thus, the Bank ranks among Polish companies that are most advanced in the application of best CRS practices. The Bank was also awarded the CRS Silver Leaf of the *POLITYKA* weekly as an organisation that is distinguished in its actions related to sustainable development and was presented with the title of the Ethical Business in the competition organised by the editorial board of the *Puls Biznesu* daily.

The Bank operates a transparent and effective information policy; details of social, charitable, and sponsorship activities launched by the Bank are published in the Management Board's annual report. Thus, the Bank satisfies recommendation I.R.2 of the Code of Best Practice for WSE Listed Companies in 2016.