

**Management Board Report on Operations
of ING Bank Hipoteczny S.A.**

**for the period from 1 January 2025 to 31 December
2025**

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1. Letter from the Supervisory Board Chair

Dear Sirs/Madams

The past year was a period of recovery of the Polish economy, a relatively low level of inflation, which was kept below the target, as well as a period of interest rate cuts by the National Bank of Poland. In 2025, Poland's GDP growth rate was one of the highest among EU economies. In annual terms, Poland recorded GDP growth of 3.6%. Private consumption was a factor supporting economic growth, while the investment area was characterised by periodic volatility. In particular, public investments increased, including those related to the purchase of weapons systems, while the investment outlays of large enterprises were still characterised by low dynamics.

For the Polish banking sector, it was also a period of intensive legal, tax and market changes. Changes were made to CIT, implementation of EU regulations in the area of operational security, ESG reporting, anti-money laundering or the use of artificial intelligence. Work was also carried out on the benchmark reform and the replacement of WIBOR with POLSTR as a target.

During the reporting period, the Bank consistently pursued its business strategy by acquiring high-quality mortgage debt claims from ING Bank Śląski as collateral for issued covered bonds. In 2025, the Bank successfully placed the third series of covered bonds on the Polish market with a volume of PLN 1 billion, which was one of the largest covered bond issues listed on the Polish market. The covered bonds issued by the Bank are characterised by a high level of security, reflected in a rating of Aa1 by Moody's rating agency.

The Bank shows a very good liquidity and capital position, exceeding the required regulatory levels by far. At the end of 2025, the total capital ratio stood at more than 29%. The Bank's business activities translated into a good net financial result, which stood at PLN 46.1 million.

Last year, the Supervisory Board exercised constant supervision over the Bank's activities, monitoring both the financial situation and the activities carried out by the Management Board. The Audit and Risk Committee, composed of the members of the Supervisory Board, provided support in the aforementioned activities.

During the period from 1 January 2025 to 31 December 2025, 5 meetings of the Supervisory Board and 5 meetings of the Audit and Risk Committee took place. In addition, both the Bank's Supervisory Board and the Audit and Risk Committee passed resolutions by circulation (the Supervisory Board 4 times and the Audit and Risk Committee 1 time). The Bank Supervisory Board, fulfilling its statutory duties and those arising from the law, resolutions and recommendations of the financial supervisory authority, conducted ongoing monitoring of the Bank's risk management areas, including compliance risk,

market risk, liquidity risk, capital adequacy risk, as well as supervised the performance of internal audit tasks.

On behalf of the Supervisory Board, I would like to thank all Employees and Management Board Members for another challenging year, for their commitment to building the value of ING Bank Śląski Group, and investors and Customers for their trust.

Your faithfully,

Bożena Graczyk

Chair of the Supervisory Board

2. Letter from the President of the Management Board

Dear Sirs/Madams

On behalf of myself and the Management Board of ING Bank Hipoteczny S.A., I am handing you the Bank's Annual Report for the financial year 2025.

It is with great satisfaction that I present the Bank's results, which rank among the strongest in our history. At the end of the reporting year, ING Bank Hipoteczny achieved a net result of PLN 46.1 million.

During the reporting period, the Bank pursued its strategy by continuing, among other things, the process of transferring high-quality mortgage-backed receivables from ING Bank Śląski as a collateral for covered bond issues. In 2025, under the Debt Transfer Agreement the Bank acquired from ING Bank Śląski S.A. a total portfolio of housing loans of approximately PLN 1.1 billion, thereby increasing the issuance potential of covered bonds.

In 2025, the Bank simultaneously carried out another covered bond issue. This was one of the highest volume issues carried out in the local market. As at 31 December 2025, the total nominal value of covered bonds issued by the Bank and in trading amounted to PLN 1.5 billion.

The Bank's covered bonds are listed on both the Luxembourg Stock Exchange and the parallel market of the Warsaw Stock Exchange.

According to the rating agency Moody's, the rating for the Bank's covered bonds issued by the Bank remains at the highest achievable level for an issuer from Poland, that is 'Aa1', which confirms the high quality of the portfolio of mortgages used as collateral for the covered bonds issued. The Bank's loan portfolio has one of the best NPL levels in the entire banking sector (0.1%).

In 2025, the Bank continued to operate on the basis of the strategic cooperation model with ING Bank Śląski, maintaining consistent solutions for our customers across the ING Bank Śląski Group.

Work continued on further automation of the internal processes in place to support the Bank's day-to-day operations. Management also kept an eye on the ability of suppliers to perform services entrusted to them.

Within the pillars of its strategy, the Bank maintains a safe level of risk, which is reflected in the reported ratios of both liquidity and capital adequacy well above the required regulatory thresholds.

Operating as part of the ING Bank Śląski S.A. Group (ING BSK), we also fall into the energy transition and climate change challenges. ESG risks are included in the Bank's business strategy based on the ING BSK Group's ESG strategy. In supporting sustainability, we are continuously moving towards building the future potential of issuing "green" covered bonds.

One of the Bank's valuable assets is its people, their expertise and knowledge embedded in many years of work and the standards of operation developed within the ING BSK Group. I would like to sincerely thank all the Bank's employees for their commitment and professionalism, our shareholder for their cooperation and our investors for their trust.

I would like to encourage you to read the annual report.

Yours faithfully,

Jacek Frejlich

President of the Management Board

3. Introduction

ING Bank Hipoteczny S.A. is a subsidiary of ING Bank Śląski S.A., which held 100% of the share capital of ING Bank Hipoteczny S.A. (the Bank) as at 31 December 2024.

As at 31 December 2025, the share capital of the Bank amounted to PLN 380,000,000 and was fully taken up by ING Bank Śląski S.A. (ING BSK). ING Bank Hipoteczny S.A.'s shares were paid in cash.

The strategic objective of the Bank is to issue covered bonds, secured by high-grade mortgage debt claims purchased from ING Bank Śląski, supporting the strategic intentions of ING Bank Śląski Group in acquiring long-term funding.

4. Business landscape

4.1 Macroeconomic environment

Gross Domestic Product

According to a preliminary estimate by the Central Statistical Office (CSO), the Gross Domestic Product (GDP) growth rate in 2025 accelerated to 3.6%, compared with a growth rate of 3.0% in 2024. The acceleration in household consumption growth (3.7%) was accompanied by a rebound in investment (4.2%), following a decline in 2024, a small positive contribution from inventory change (0.1 p.p.) and a negative contribution from net exports (-0.3 p.p.), with imports growing faster than exports. Domestic demand grew faster than foreign demand.

Private consumption was a factor supporting economic growth, accelerating despite a less dynamic increase in real disposable income than in 2024. It was, however, still relatively high due to the rapid decline in inflation. Investment activity, on the other hand, was characterised by elevated volatility. After an increase in the first quarter, the second quarter brought a decline. The second half of the year was marked by a rebound in investment. The low dynamics were characterised by the investment outlays of large enterprises. In contrast, public investments, including those related to the purchase of weapons systems, grew. The economic situation in the main export markets remained poor, which translated into relatively low dynamics of exports, whose share in GDP declined for the third consecutive year. Growth in consumption and investment, on the other hand, drove import growth.

According to estimates by economists at ING Bank Śląski Group (ING BSK Group), GDP growth in the last quarter of 2025 was around 4.0% y/y. Household consumption increased by around 4.0% y/y and gross fixed capital formation increased by approximately 4.2% y/y (compared with 7.1% y/y in the previous quarter). GDP growth was dragged down by the change in inventories, with a slightly positive contribution from net exports.

According to ING BSK Group economists, 2026 should see consumption growth maintained above 3% and investment revival linked to, among other things, the implementation of projects financed by funds from the National Reconstruction Plan (NRP) and European funds under the 2021-2027 financial perspective.

Monetary policy easing in the wake of falling current inflation

At the beginning of 2025, inflation was still elevated and close to 5% y/y, but the consecutive months saw a clear decline in the consumer prices growth rate. A clear reduction in inflation took place in April, when the pro-inflationary effect of the reintroduction of VAT on food a year earlier expired. A further market decline in the annual rate of price growth occurred in July, when inflation was no longer being pushed up by the

partial unfreezing of energy prices introduced in mid-2024. In the second half of the year, services inflation and core inflation (the headline index excluding food and energy prices) began to decline more noticeably, driven by weakening wage pressures and the gradual normalisation of wage growth. At the end of 2025, consumer CPI inflation fell to 2.4% y/y, i.e. below the National Bank of Poland's (NBP) target of 2.5% (with an acceptable range of accepted deviations of +/-1 p.p.).

Falling inflation prompted the Monetary Policy Council (MPC) to cut interest rates. After cutting the cost of money by 50 bps in May, in the period between July and December the MPC cut rates in increments of 25 bps at each decision-making meeting. At the same time, for most of the year the Council's communication focused on highlighting a number of upside risks to inflation and the need for a cautious approach in monetary policy. However, the restrictive rhetoric was accompanied by a significant easing of monetary conditions.

At its last meeting of 2025, in December, the MPC changed its stance and communicated that it was moving into *wait-and-see* mode. The pause in interest rate cuts was intended to allow the Council to assess the macroeconomic effects of the monetary easing carried out earlier by reducing the central bank's reference rate by a total of 175 bps. In January 2026, interest rates remained unchanged, while at the March meeting, the MPC decided on another interest rate cut of 0.25%, bringing the reference rate down to 3.75%. An update to the Energy Regulatory Office's (ERO) energy tariffs resulted in electricity bills rising only marginally at the start of 2026, which had previously been seen by the MPC as a leading risk to push up inflation. By the end of 2026, the NBP's main rate may be reduced to 3.25%. However, the above is also influenced by destabilising factors in the international economy such as developments in the Middle East affecting fuel levels, among others.

Monetary policy

ING BSK Group economists expect the Monetary Policy Council to cut the cost of money further in 2026. The argument for monetary easing will be a further improvement in the inflation outlook unless the conflict in the Middle East escalates into a longer one materially affecting fuel price levels. The growing share of low-cost imports from China remains an important disinflationary factor, and the expected continued slowdown in wage growth should support a further easing of services inflation and, consequently, a decline in core inflation.

At the end of 2025, NBP interest rates were:

- deposit interest rate - 3.50%,
- benchmark - 4.00%,
- bill discount rate - 4.10%,
- bill rediscount rate - 4.05%,
- lombard rate - 4.50%.

According to forecasts by ING BSK Group economists, inflation dynamics will continue to decline in the coming months, and in the summer it is likely to reach this year's minimum, moving significantly away from the NBP's inflation target. As a result, the Monetary Policy Council will return to interest rate cuts, although uncertainty surrounds the scale of cuts in the cost of money in 2026.

Macroeconomic projections

	2023	2024	2025P	2026P	2027P
GDP growth (%)	0.2	3.0	3.6	3.7	3.2
General government debt as per the EU methodology (% of GDP)	49.5	55.1	60.8	66.8	70.8
Average annual inflation (CPI) (%)	11.4	3.6	3.6	2.2	2.2
Registered unemployment rate (%; Central Statistical Office)	5.1	5.1	5.7	5.7	5.8
USD/PLN exchange rate (yearend)	3.94	4.10	3.60	3.46	3.48
EUR/PLN exchange rate (yearend)	4.35	4.27	4.23	4.22	4.25
3M WIBOR (yearend)	5.9	5.8	4.0	3.3	3.3

Risk factors related to the Iran conflict

On 4 March, tensions in the Middle East escalated, increasing uncertainty around the short-term economic outlook. The main near-term economic risk is a further escalation of the conflict in the region. At present, the primary consequence has been an increase in oil and gas prices, which constitutes an external supply-side shock. If this increase proves persistent, it will push prices higher while also adversely affecting economic activity.

In the view of the National Bank of Poland (NBP), it is still too early to assess the impact of the war in Iran on the outlook for prices and economic growth, as well as all of its broader consequences.

4.2 Residential estate market

In 2025, the Polish residential market has entered a phase of marked price stabilisation. In the residential markets of 16 provincial cities, declines in quarterly price growth dynamics were observed, which, according to NBP data, did not exceed 2% in both the secondary and primary markets.

A key factor shaping the housing market in 2025 was the monetary policy easing cycle. A series of decisions by the Monetary Policy Council to cut interest rates led to a total reduction of 175 basis points, from 5.75% to 4.00%.

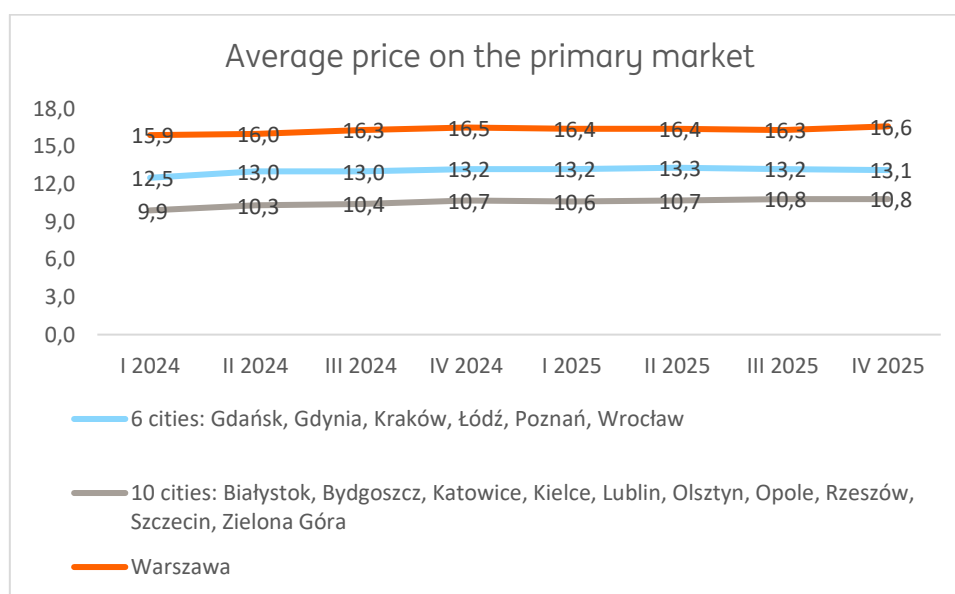
Primary market

According to data from the National Bank of Poland, prices on the primary market remained stable in 2025.

The average transaction price in the fourth quarter of 2025 in the market of 10 provincial cities (Białystok, Bydgoszcz, Katowice, Kielce, Lublin, Olsztyn, Opole, Rzeszów, Szczecin, Zielona Góra) amounted to PLN 10,824, an increase of approximately 2% compared to the fourth quarter of 2024.

In 2025 in the market of the 6 largest cities (Gdańsk, Gdynia, Kraków, Łódź, Poznań, Wrocław), prices also remained stable. In the first quarter of 2025, the average transaction price for this group of cities amounted to PLN 13,151, and in the fourth quarter it was PLN 13,131. The situation was analogous in Warsaw, where the average transaction price in the first quarter stood at PLN 16,437 and increased slightly in the fourth quarter to PLN 16,583.

The largest price increases in the smaller markets in 2025 were recorded in Bydgoszcz and Olsztyn, where prices rose by 9% y/y. A decrease in prices was observed in Rzeszów (approx. 7% y/y). Among the largest urban centres, the highest increase was recorded in Gdańsk and Gdynia (9% and 12% respectively).



source: own elaboration based on NBP data

Secondary market

The growth rate of transaction prices in the secondary market in 2025 for the largest residential markets has slowed down. According to data from the NBP, the average price

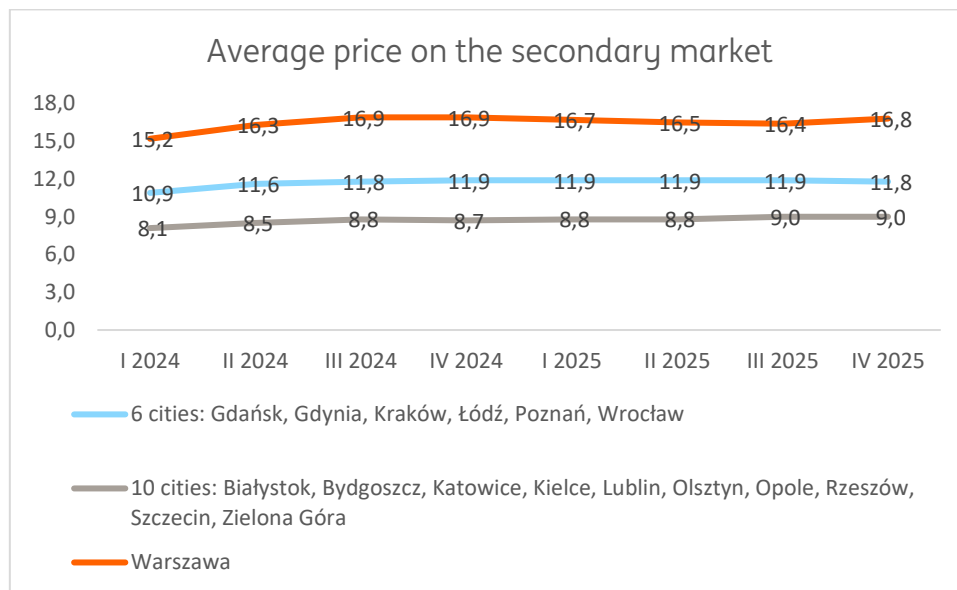
growth for the 7 largest cities and 10 provincial cities in all four quarters in 2025 did not exceed 2% on a quarterly basis.

According to NBP data, the change in the transaction prices of flats in the 6 largest markets in 4Q2025 was approximately -0.7% relative to 4Q2024, for Warsaw it was 1.2% y/y, and for the 10 provincial cities it was 2.7% y/y.

The largest increase among the provincial cities was in the Bydgoszcz flat market, where in 4Q2025 the price increased by approximately 11% y/y. Also on a quarterly basis, this market was characterised by the largest price increase (by approximately 5 %) compared to the third quarter 2025. At the end of 4Q2025, the average transaction price in Bydgoszcz stood at PLN 7,957, which is the lowest average price among provincial cities.

In the remaining provincial cities, on a quarterly basis, prices remained at a similar level to those in the third quarter or showed a slight decrease not exceeding 3%.

The highest prices in the fourth quarter of 2025 on the secondary market were in Warsaw (PLN 16,750), Kraków (PLN 14,898) and Gdańsk (PLN 13,392).



source: own elaboration based on NBP data

Supply and demand in the residential property market

According to preliminary data from the Central Statistical Office (GUS), 208,800 dwellings were completed in 2025, i.e. by 4.3% more than in 2024. In six provinces, more dwellings were completed in 2025 than in the previous year. The highest increase occurred in the

Mazowieckie Province (by 17.4% to 45,200), the Dolnośląskie Province (by 15.1% to 19,100) and the Wielkopolskie Province (by 13.4% to 21,900).

In 2025, permits were issued or notifications with a construction project were made for the construction of 265,600 dwellings, i.e. by 8.8% less than in 2024, and the construction of 212,400 dwellings was started, i.e. by 9.2% less than in the previous year.

The demand to supply is a fundamental factor influencing changes in property prices over time. The cited data on price dynamics in the primary and secondary markets indicate a stabilisation of prices, with a slight correction in the largest cities and the functioning of the market in conditions close to equilibrium.

Forecasts for the housing market

In 2026, the key drivers of increased demand in the housing market may include higher mortgage availability resulting from the easing of monetary policy.

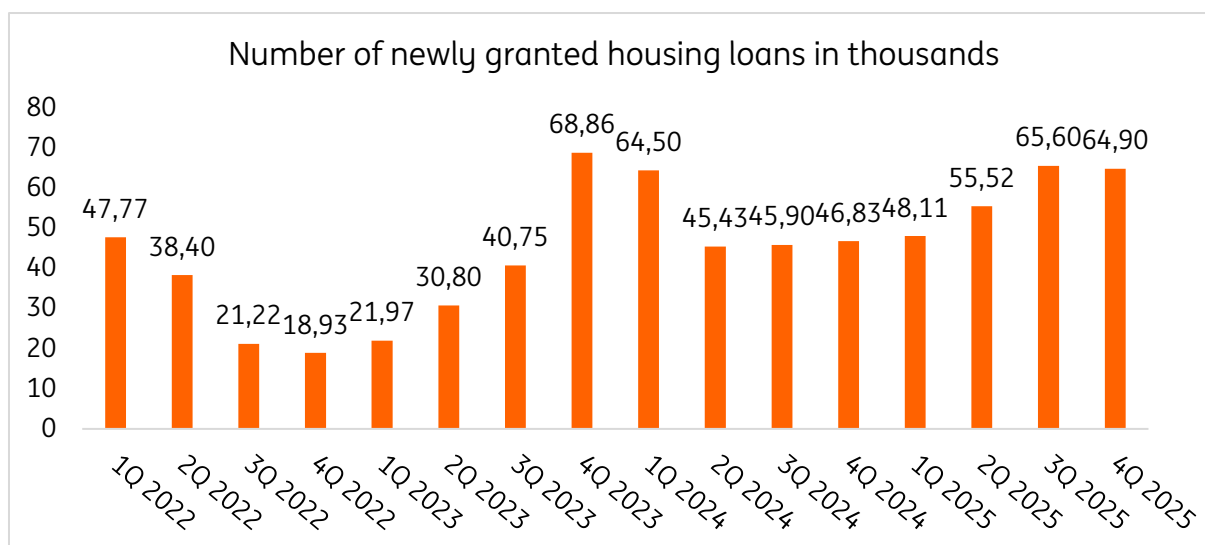
The growing importance of sustainable construction and, in particular, the regulatory aspects regarding the obligation to retrofit properties indicated in the Energy Performance of Buildings Directive (EPBD) will have an increasingly important impact on the property market. In the longer term, we can expect property prices in high carbon buildings to fall and, on the other hand, prices in buildings designed in accordance with the new ESG standards to rise.

4.3 Mortgage lending market

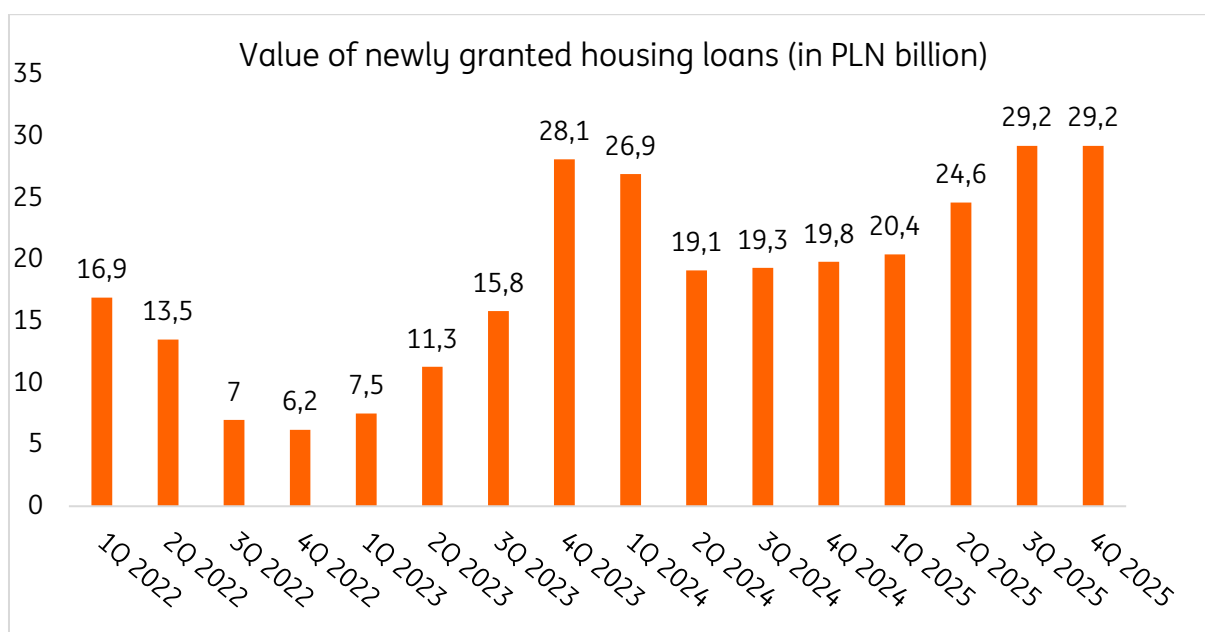
As at 31 December 2025, banks' housing loan receivables from households in Poland amounted to PLN 495.51 billion and increased by 5.71 per cent y/y, according to data published by the National Bank of Poland. The balance of loans granted in PLN increased by 7.5% y/y to PLN 477.62 billion, confirming the recovery in the mortgage market.

Number and value of loans granted.

According to the Amron Sarfin report, in 2025 banks in Poland concluded 232,700 loan agreements for a total amount of PLN 103.4 million. Compared to 2024, this represents a 14.8% increase in the number of loans granted and a 21.4% increase in their value.



Source: AMRON-SARFIN reports (Nationwide report on housing loans and real estate transaction prices)



Source: AMRON-SARFIN reports (Nationwide report on housing loans and real estate transaction prices)

Increase in average loan value

In line with the increase in the number of loans granted, the average value of a requested home loan has also increased from 424,000 in January 2025 to 455,000 in December 2025. This increase is a result of rising property prices and higher borrowers' creditworthiness, and is correlated with the start of the interest rate reduction cycle and expectations of a further decrease in the cost of money.

ING Bank Hipoteczny S.A. acquires mortgage-backed debt claims from ING Bank Śląski S.A., which ranked second in terms of market share in new mortgage sales throughout 2025, as well as second in terms of the size of its PLN mortgage portfolio.



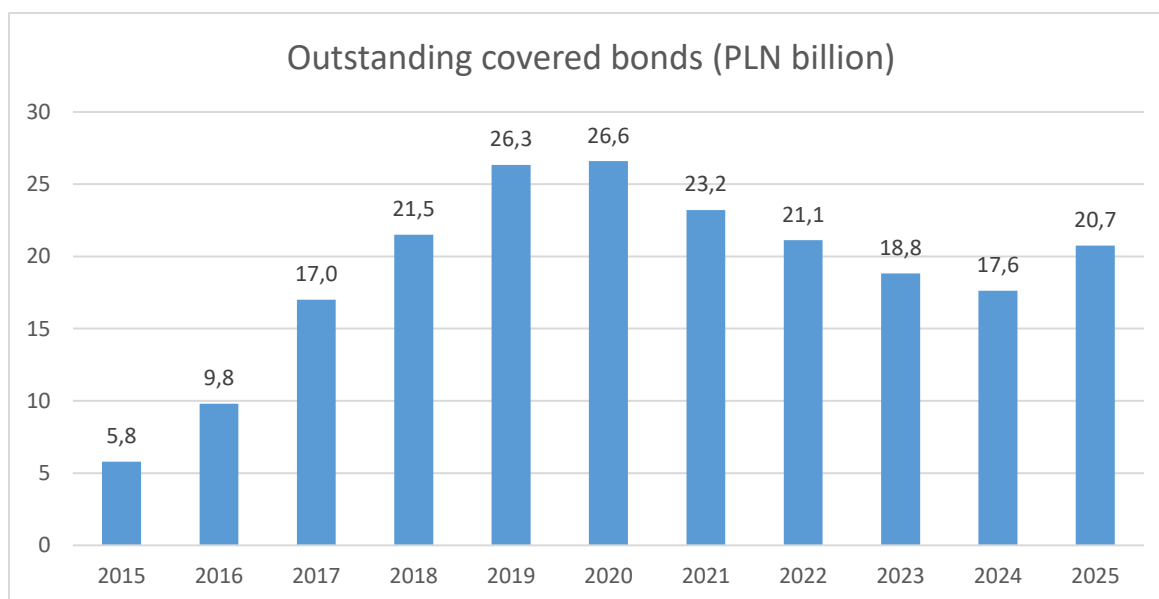
4.4 Covered bonds market

As at the end of December 2025, there were five mortgage banks in Poland: In addition to ING Bank Hipoteczny S.A., these are:

- PKO Bank Hipoteczny S.A.,
- mBank Hipoteczny S.A.,
- Pekao Bank Hipoteczny S.A.,
- Millennium Bank Hipoteczny S.A.

The Polish market of covered bonds is still small when compared with developed EU economies where covered bonds are an important source of mortgage lending funding. In 2025, more than a dozen covered bond issues were conducted in the domestic market with a total amount of PLN 7.8 billion, more than PLN 1 billion more than in the previous year. The most active issuer in 2025 was PKO Bank Hipoteczny S.A. ING carried out a PLN 1 000 million covered bond issue in 2025. This was the Bank's third issue.

At the end of the fourth quarter of 2025, the total value of covered bonds in trading in Poland was approximately PLN 20.7 billion, or were up by PLN 3.1 billion compared to December 2024. For the time being, PKO Bank Hipoteczny is the largest issuer of covered bonds in Poland. The ratio of mortgage loans funding with covered bonds still remains low. One of the factors limiting the scale of covered bond issuance is the high overliquidity recorded in the banking sector. The requirement introduced by the PFSA for banks in Poland to meet the supervisor's expected long-term funding ratio (LTF), which is correlated with the level of the mortgage loan portfolio held in the balance sheet structure of banks, may have a significant impact on the further development of covered bonds.



Nominal value of covered bonds in trading; own compilation based on PFSA reports (list of covered bonds)

4.5 Regulatory and legal landscape

Significant changes in the legal and regulatory landscape in 2025, which affected the Bank's operations, refer in particular to:

1. The entry into force of the regulation on the operational digital resilience of the financial sector (DORA Regulation),
2. Amendment of the CRR.
3. The repeal of Recommendation D of the PFSC and the Cloud Communication,
4. Postponement of the obligations under the CSRD with regard to sustainability reporting by 2 years for entities
5. Confirmation of the representativeness of the WIBOR indicator by the PFSA,
6. Reform of benchmarks,
7. Increase in CIT and so-called bank tax for domestic banks,
8. New regulation governing the preparation of bank recovery plans,
9. The European Banking Authority has published guidelines on the management of environmental, social and corporate governance (ESG) risks, which include minimum standards and reference methods to identify, measure, manage and monitor ESG risks, qualitative and quantitative criteria for assessing the impact of ESG risks on an institution's risk and solvency profile. The guidelines also set out the content of transformation plans.
10. Act on ensuring that economic operators meet the accessibility requirements of certain products and services,
11. Regulation of the European Parliament and of the Council (EU) on artificial intelligence.

1. DORA Regulation

On 17 January 2025, Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on the operational digital resilience of the financial sector (DORA) entered into force. The DORA Regulation sets requirements for financial entities such as banks, aimed at ensuring comprehensive and holistic operational digital resilience of financial entities in the area of Information and Communication Technology (ICT). Operational digital resilience refers to the ability of a financial entity to build, guarantee and verify its operational integrity and reliability by providing, either directly or indirectly - using third-party ICT service providers (ICT services stand for digital and data services provided continuously over ICT systems) - the full range of ICT capabilities necessary to ensure the security of the networks and information systems used by the financial entity and which support the continuous provision and quality of financial services, including during disruptions.

The DORA Regulation sets out:

- requirements applicable to financial entities (Banks) in relation to the management of risks associated with the use of information and communication technologies (ICT) and measures for sound risk management by external ICT service providers;
- requirements in relation to contractual arrangements between external ICT service providers and financial entities;
- principles regarding the establishment and operation of a supervisory framework for key external ICT service providers providing services to financial entities;
- principles for cooperation between competent authorities and principles for supervision and enforcement by competent authorities in relation to all matters covered by the Regulation;
- notification of major ICT incidents to competent authorities and voluntary reporting of significant cyber threats;
- notification to competent authorities of major operational incidents or major security incidents related to payments;
- testing of operational digital resilience;
- sharing information and analysis in relation to cyber threats and vulnerabilities in this area.

Under the Regulation, financial entities are required to have an internal governance and control framework that ensures the effective and prudent management of all ICT risks, in accordance with the relevant provisions of the Regulation, in order to achieve a high level of operational digital resilience. In addition, these entities shall have, as part of their overall risk management system, a robust, comprehensive and well-documented ICT risk management framework that enables them to respond to ICT risks quickly, effectively and comprehensively and to ensure a high level of operational digital resilience. The ICT risk management framework shall include, at a minimum, the ICT strategies, policies, procedures, protocols and tools necessary to adequately and appropriately protect all relevant information and ICT assets.

For the adequate protection of ICT systems and to organise response measures, financial entities shall continuously monitor and control the security and functioning of ICT systems and tools and minimise the impact of ICT risks on ICT systems by implementing appropriate ICT security tools, policies and procedures, the scope of which is set out in the Regulation. For the adequate protection of ICT systems and to organise response measures, financial entities shall continuously monitor and control the security and functioning of ICT systems and tools and minimise the impact of ICT risks on ICT systems by implementing appropriate ICT security tools, policies and procedures, the scope of which is set out in the Regulation.

The regulation also introduced the obligation to have and implement a comprehensive strategy for ICT continuity, including the requirement for enterprises to maintain ICT response and recovery plans, which are subject to independent internal audit reviews. Financial entities shall put in place, maintain and periodically test appropriate ICT business continuity plans, in particular for critical or essential functions outsourced to external ICT service providers.

The Regulation also refers to obligations to have:

- backup policies and procedures, and methods and procedures for restoring and recovering data,
- capabilities and personnel to collect information on vulnerabilities and cyber threats, ICT-related incidents, in particular cyber attacks, and to analyse their likely impact on the operational digital resilience of financial entities. The Regulation also indicates the need for post-incident reviews of ICT incidents,
- emergency information plans to enable responsible disclosure, at a minimum, of major ICT incidents or vulnerabilities to customers and counterparties and, where appropriate, to the public.

As required by the DORA Regulation, financial entities shall define, establish and implement an ICT incident management process to detect, manage and report ICT incidents. The Regulation also indicates criteria for the classification of incidents and cyber threats, which will be further clarified in regulatory technical standards. Financial entities shall report serious ICT incidents to the relevant competent authority (PFSA). Where a major ICT incident occurs that has a significant impact on the financial interests of customers, financial entities shall, without undue delay, as soon as they become aware of it, inform their customers of the major ICT incident and of the measures that have been taken to mitigate the negative effects of such incident. For the purposes of assessing readiness to handle ICT-related incidents, identifying weaknesses, inadequacies and gaps in operational digital resilience and promptly implementing corrective measures, financial entities shall establish and maintain a sound and comprehensive operational digital resilience testing programme. Specifically, the testing programme shall provide for appropriate testing, such as vulnerability assessments and scanning for vulnerabilities, open source analyses, network security assessments, deficiency analyses, physical security controls, questionnaires and scanning software solutions, source code reviews. Notwithstanding this, the Regulation provides for advanced testing by means of TLPT (Threat-Led Penetration Testing) at least every three years.

In addition, financial entities shall adopt a risk strategy from external ICT service providers and review it regularly. The Regulation provides for the maintenance and updating at entity level of a register of information in relation to all contractual arrangements for the use of ICT services provided by external ICT service providers (contract register). At the same time, financial entities may only enter into contractual arrangements with external ICT service providers that comply with relevant information security standards.

DORA also indicates the most important contractual provisions that should be included in contracts with ICT service providers. The scope of these provisions is further extended in the case of ICT services supporting critical or essential functions. In the above regard, in January 2025 - prior to the effective date of the aforementioned Regulation - the Bank completed the process of adapting the contracts concluded with external ICT service providers to the requirements of the DORA Regulation.

2. Amendment of the CRR.

On 1 January 2025, Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 *amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the minimum capital threshold (CRR3 Regulation)*, amending EU Regulation No 575/2013 (CRR), entered into force.

The most important changes introduced by the CRR3 Regulation concern:

- methods and scope of prudential consolidation,
- detailed rules on deductions from own funds items and the calculation of consolidated own funds,
- calculation of the total risk exposure amount (TREA) - amendments to Article 92 and transitional arrangements set out in Article 465,
- requirements for the establishment of the trading book,
- how currency risk hedging is recognised in relation to capital ratios,
- methods for the estimation of credit risk, including principles for determining exposure values, types of exposure, risk weights and other details of the application of the different methods related to credit risk requirements,
- own funds requirement for operational risk - the regulation introduces new content for Title III in Part Three of the CRR,
- detailed methodologies for calculating own funds requirements for market risk, including the simplified standardised approach, the alternative standardised approach, the alternative internal models approach,
- own funds requirements for risks related to credit valuation adjustments, including detailed methods for calculating those requirements
- provisions on large exposures, including information provided by institutions to competent supervisory authorities,
- detailed reporting requirements on stable funding, as well as the leverage ratio,
- reporting requirements (Article 430 et seq.). Among others, elements related to exposures to ESG risks have been added. The amendments also include detailed aggregated data on the domestic real estate market, as well as reporting requirements for market risk,

- the scope of disclosure by institutions (Articles 449a and 449b on ESG risks and aggregate exposure to shadow banking entities were added).

The CRR3 Regulation is directly applicable in all Member States.

3. Repeal of Recommendation D and the Cloud Communication on national standards for digital resilience in the banking sector

In connection with the entry into force of the DORA Regulation on 10 January 2025, the Polish Financial Supervision Commission adopted Resolution No. 6/2025 repealing Resolution No. 7/2013 of the Polish Financial Supervision Commission of 8 January 2013 on the issuance of Recommendation D concerning management of information technology and ICT security at banks. The Resolution came into force on 17 January 2025 (meaning that the above-mentioned recommendations/guidelines were repealed as of that date). At the same time, on 17 January 2025, the PFSA Office revoked the communication of 23 January 2020 regarding the processing of information by supervised entities in public or hybrid cloud computing (the "Cloud Communication").

As of that date, the issues covered by the revoked documents are governed by the DORA Regulation.

4. A two-year postponement of sustainability reporting obligations

On 1 January 2025, the Act of 6 December 2024 amending the Accounting Act, the Act on Certified Auditors, Audit Companies and Public Supervision and certain other acts entered into force (Journal of Laws, item 1863). The purpose of the Act is to implement Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting (the so-called CSRD) into the national legal order. The main objective of the Act is to introduce sustainability reporting obligations and to ensure that a larger group of companies reports relevant, comparable and reliable sustainability information.

Among other things, a new chapter 6c Sustainability Reporting was introduced into the Accounting Act, which is an essential part of the implementation of the CSRD. According to the new provisions, a small and medium-sized entity that is an issuer of securities admitted to trading on one of the regulated markets of the European Economic Area as well as a large entity are required to present in a separate section of the management report the information necessary to understand the entity's impact on sustainability issues and to understand how sustainability issues affect the entity's development, performance and position (sustainability reporting). Sustainability reporting will be subject to sustainability reporting attestation by an auditor qualified to attest sustainability reporting. The sustainability reporting attestation report should be made available to shareholders at least 15 days prior to the general meeting (analogous to the financial audit report).

On 12 July 2025, an amendment to the aforementioned Act came into force, postponing the application of the aforementioned Chapter 6c Sustainability Reporting from the Accounting Act as follows:

1. for large entities, the new obligations will be implemented - after 31 December 2026,
2. for small and medium-sized entities that are issuers of securities admitted to trading on one of the regulated markets of the European Economic Area and small and non-complex institutions - after 31 December 2027.

5. Confirmation of the representativeness of the WIBOR benchmark by the PFSA

On 29 May 2025, the Polish Financial Supervision Authority (PFSA) published an assessment - carried out between 1 December 2022 and 31 December 2024 - of the ability of the key interest rate benchmark WIBOR to measure market and economic realities. On the basis of its qualitative analysis of the source materials and its quantitative analysis of the data, the PFSC concluded that the WIBOR benchmark maintains the ability to measure the market and economic realities for which it was established. According to the PFSA's assessment, the WIBOR benchmark responds appropriately to changes in liquidity conditions, changes in central bank rates and economic realities. The positive assessment applies to the most important Fixing Dates of the WIBOR benchmark for the domestic financial market, i.e. ON, 1M, 3M and 6M.

6. Impact of benchmark reform

In its interim financial report for the period from January 1, 2025, to June 30, 2025, the Bank presented disclosures on the impact of the benchmark rate reform. Work is currently continuing on the reform of the WIBOR benchmark rate, to which the Bank has exposures as of December 31, 2025. In January 2025, the Steering Committee of the National Working Group (KS NGR) for benchmark reform in Poland published its decision selecting the name POLSTR (Polish Short Term Rate) for the new benchmark, which was selected through public consultations conducted last year. In April 2025, KS NGR published an updated roadmap for the WIBOR replacement process, and in June announced the commencement of development of the POLSTR index. Later in the year, KS NGR adopted a number of product recommendations based on the POLSTR index. It was also announced that on September 1, 2025, the new index was first used on the domestic financial market, thus granting POLSTR the status of a reference rate in accordance with the requirements of the BMR Regulation. The first issue of treasury bonds based on the POLSTR index also took place in 2025. Further work is planned for the coming years, including, in particular, building a market for financial products based on the new reference rate and achieving regulatory and operational readiness of all market participants to offer and service these financial products. The publication of the WIBOR rate and its replacement by the new POLSTR reference rate are scheduled for December 31, 2027. The changes resulting from the reform impact the Bank, ING Group, our clients, and the entire financial sector, exposing market participants to risks. A detailed description of the reference rate reform is included in section 3.2 of the Financial Statements.

7. Increase in CIT and so-called bank tax for domestic banks,

The Act of 6 November 2025 amending the Corporate Income Tax Act and the Act on the Tax on Certain Financial Institutions (Journal of Laws 2025, item 1658) increases, among other things, the CIT rate for domestic banks. In principle, the Act brings the corporate income tax rate to 23 per cent of the tax base. The Act also contains episodic provisions according to which, for taxpayers that are a domestic bank, the tax rate will be:

1) 30% in the tax year beginning in:

- a) 2026,
- b) 2027 - where the tax year of a taxpayer established before 1 January 2026 did not begin in 2026 or began in 2026 and the cumulative period to date of taxation at the 30% rate lasted for less than twelve consecutive calendar months,
- c) 2028 - where the tax year of a taxpayer established before 1 January 2026 did not begin in 2026 but did begin in 2027 and the cumulative previous period of taxation at the 30% rate lasted for less than twelve consecutive calendar months;

2) 26% in the tax year:

- a) beginning in 2027 - in the case of a taxpayer formed after 31 December 2026,
- b) immediately following the year in which the tax rate of 30% was applied in accordance with point 1 - in the case of a taxpayer established before 1 January 2026,
- c) consecutively following the year referred to in point b) - where the total previous period of taxation at the 26% rate lasted for less than twelve consecutive calendar months.

The amendments in the above regard entered into force on 1 January 2026.

The Act also amended the provisions of the Act on Tax on Certain Financial Institutions (the so-called Bank Tax), as a result of which the (bank) tax will be:

- 1) 0.0366 % of the tax base per month;
- 2) 0.0293 % of the tax base per month - for taxpayers that are domestic banks, branches of foreign banks, branches of credit institutions and cooperative savings and credit unions.

However, for taxpayers that are domestic banks, branches of foreign banks, branches of credit institutions and cooperative savings and credit unions, the tax rate will be 0.0329 % in 2027.

Amendments to the Act on Tax on Certain Financial Institutions will enter into force on 1 January 2027.

8. New regulation governing the preparation of bank recovery plans,

On 19 December 2025, the Ordinance of the Minister of Finance and Economy of 28 November 2025 on the information necessary for the development, review and update of forced resolution plans and group forced resolution plans and the criteria for assessing the feasibility of these plans entered into force (Journal of Laws item 1702).

The new regulation replaces the previous one of 25 May 2025. The regulation sets out the detailed scope, manner, procedure and deadlines for obliged entities (including banks) to provide the Bank Guarantee Fund with information necessary to develop, review and update compulsory resolution plans and group compulsory resolution plans, as well as detailed criteria for the Fund to assess the feasibility of these plans.

The provisions of the Regulation to a large extent repeat the substantive regulations contained in the Regulation in force to date, with some provisions redrafted in order to tidy them up or make them more precise on the basis of the Regulation (including on the manner of providing certain information).

The amendments include, inter alia, alignment with EU legislation, including Regulation 2022/2554 (DORA), as well as the Annex to the BRR Directive.

9. Preparation for the implementation of the European Banking Authority (EBA) guidelines on environmental, social and corporate governance (ESG) risk management

The European Banking Authority (EBA) published the final guidelines on environmental, social and corporate governance (ESG) risk management on 8 January 2025.

In the second half of 2025, the Bank started the process of aligning the Bank's operations with the above-mentioned guidelines. The guidelines set out requirements for institutions to identify, measure, manage and monitor ESG risks, including through plans to ensure their resilience in the short, medium and long term. The Guidelines set out requirements for internal processes and arrangements for managing ESG risks that institutions should implement in accordance with the Capital Requirements Directive (CRD6). They will contribute to ensuring the safety and soundness of institutions as ESG risks intensify and the EU moves towards a more sustainable economy. The guidelines set out the content of plans to be prepared by institutions to monitor and address financial risks arising from ESG factors, including those arising from the adaptation process towards achieving climate neutrality in the EU by 2050.

10. Act on ensuring that economic operators meet the accessibility requirements of certain products and services.

On 28 June 2025, the Act of 26 April 2024 on ensuring compliance with the requirements of accessibility of certain products and services by economic operators entered into force. The Act - which is the Polish transposition of EU Directive 2019/882 (European Accessibility Act) - introduces an obligation for the banking sector to ensure that all key products and services are accessible to the widest possible audience, including people with disabilities and the

elderly or those with functional limitations. From the perspective of mortgage banks, it is particularly important that all digital channels of service - websites, mobile applications, electronic interfaces and information systems - through which loans are serviced are covered by the Act; at the same time, the Act requires that information about services (including contracts, communications and materials relating to mortgages, i.e. bank contracts, terms and conditions, risk communications or information materials or instructions relating to financial products), be designed and made available in a manner consistent with accessibility requirements in forms that are readable, perceptible and compatible with assistive technologies. The Act sets out broad requirements for the accessibility of information:

1. instructions, messages, warnings and function descriptions must be accessible through more than one sensory channel,
2. content must be prepared with appropriate contrast, size and form,
3. information must be available in formats that allow the use of assistive technologies,
4. mandatory alternative presentations of non-textual content (e.g. graphic descriptions).

The regulation also gives consumers the right to complain about the non-availability of products or services, and the bank - as service provider - must respond to such a complaint within 30 days, or in complex cases within 60 days at the latest; failure to meet the deadline means that the complaint is automatically acknowledged as requested by the customer. The transitional periods established by the law allow banks to use existing contracts and unadapted products until 28 June 2030.

11. Regulation of the European Parliament and of the Council (EU) on artificial intelligence.

In 2025, Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 on artificial intelligence and amending certain legislative acts of the European Union (Artificial Intelligence Act) entered the phase of gradual implementation. The regulation is a comprehensive piece of legislation that establishes a single regulatory framework for the development, marketing and use of artificial intelligence systems within the European Union, covering entities providing, importing, distributing or using AI systems - including financial institutions and banks operating in the European Economic Area. Under the regulation, many of the bank solutions used - including credit scoring systems, customer profiling, transaction monitoring, AML/CFT, decision-making systems in credit processes and HR tools used in employee recruitment and assessment - can be classified as high-risk AI systems, subject to stringent requirements in terms of quality of data sets, risk management, technical documentation, recordability, human oversight and transparency towards users.

The key provisions came into effect in phases: a ban on the most dangerous AI practices and requirements regarding AI education and awareness (AI literacy) came into effect on 2 February 2025, whereas in August 2025, the General Purpose Application (GPAI) Model Regulations and the new Artificial Intelligence Surveillance Framework - at EU level - came into force, imposing transparency, data management, risk assessment and information reporting obligations on AI systems on providers. The main part - which includes strict requirements for high-risk systems in terms of data quality, human oversight, documentation, compliance checks or incident reporting, among others - will take effect on 2 August 2026.

5. Financial results, capital adequacy and financial instruments

The year 2025 was the seventh year of operations for ING Bank Hipoteczny S.A. As part of its strategy, in 2025 the Bank acquired a mortgage portfolio from ING Bank Śląski in the amount of PLN 1.1 billion, thanks to which at the end of the reporting period it had a portfolio of mortgage loans worth PLN 4.6 billion, constituting the bulk of the potential collateral for future covered bond issues. In 2025, the Bank carried out another issue of covered bonds worth PLN 1.0 billion. The above events were the primary drivers of the financial results of the Bank.

Below, the key financial data of the Bank for the period from 1 January 2025 to 31 December 2025 are presented.

5.1 Core financial ratios

	as at 31.12.2025	as at 31.12.2024
ROA - return on assets	1.02%	0.82%
ROE - return on equity	10.22%	7.26%
DR - total debt ratio	90.36%	89.95%
TCR - total capital ratio*	29.19%	20.95%
LR - leverage ratio*	8.73%	9.69%
LCR - liquidity coverage ratio	216.56%	2391.90%

ROA - return on assets - the ratio of net profit from 4 consecutive quarters to average assets from 5 consecutive quarters.

ROE - return on equity - the ratio of net profit for 4 consecutive quarters to the average shareholders' equity for 5 consecutive quarters.

DR - total debt ratio - liabilities of ING Bank Hipoteczny S.A. to assets as at 31 December 2025.

TCR – total capital ratio – own funds of ING Bank Hipoteczny S.A. to risk-weighted assets as at 31 December 2025.

LR – leverage ratio – Tier 1 capital to leverage ratio exposure as at 31 December 2025.

LCR - liquidity coverage ratio – liquid assets to net outflows as at 31 December 2025.

* In accordance with supervisory recommendations, the ratios as at 31 December 2024 are recalculated after the profit distribution is approved by the General Meeting of ING Bank Hipoteczny S.A., and then they are reported to the supervisor. Prior to the approval of the 2024 profit distribution, the ratios published in the financial statements for the period from 1 January 2024 to 31 December 2024 stood at: TCR 20.28%; LR 9.33%

5.2 Statement of financial position

	Note	as at 31.12.2025	as at 31.12.2024
Amounts due from banks	6.8	9,509.7	14,267.9
Debt securities measured at fair value through other comprehensive income	6.9	98,685.4	99,664.8
Debt securities measured at amortized cost	6.9	99,955.0	0.0
Loans and other receivables to customers.	6.10	4,657,829.2	4,269,917.2
Property, plant and equipment	6.11	1,349.8	1,370.4
Current income tax assets		0.0	771.6
Deferred tax assets		8,590.7	0.0
Other assets	6.13	522.4	1,399.1
Total assets		4,876,442.1	4,387,391.0
Liabilities to banks	6.14	2,877,326.1	3,428,726.5
Liabilities under issue of covered bonds	6.16	1,518,818.2	508,565.9
Provisions	6.17	835.8	673.0
Current income tax liabilities		678.8	0.0
Deferred income tax provision		0.0	133.9
Other liabilities	6.18	7,721.4	8,430.5
Total liabilities		4,405,380.3	3,946,529.8
Share capital		380,000.0	380,000.0
Supplementary capital - share premium		15,997.4	15,997.4
Accumulated other income	6.21	-404.5	-212.7
Retained earnings		75,468.8	45,076.5
Total equity		471,061.8	440,861.2
Total equity and liabilities		4,876,442.1	4,387,391.0

Carrying amount	471,061.8	440,861.2
Number of shares	380,000	380,000
Carrying amount per share (in PLN)	1,239.64	1,160.16

The Statement of Financial Position should be read in conjunction with the notes to the financial statements being the integral part thereof. All values are rounded to the nearest thousand PLN with one decimal place.

For details of the statement of Bank's financial position, refer to notes 6.8 through 6.21 of the Financial Statements.

5.3 Income Statement

	Note	period from 01.01.2025 to 31.12.2025	period from 01.01.2024 to 31.12.2024
Interest income, including:	6.1.	307,202.6	277,236.3
<i>calculated using the effective interest method</i>	6.1.	307,202.6	277,236.3
Interest costs	6.1.	-227,273.4	-211,945.8
Net interest income	6.1.	79,929.1	65,290.5
Fee and commission income	6.2.	5.0	1.6
Commission expenses	6.2.	-1,335.2	-1,481.1
Net commission income	6.2.	-1,330.2	-1,479.5
FX result		-15.6	1.6
Net income on sale of securities at fair value through other comprehensive income		397.3	357.5
Net income on other basic activities	6.3.	-341.4	-690.4
Net income on basic activities		78,639.3	63,479.7
General and administrative expenses, including:	6.4.	-25,609.4	-25,389.0
<i>personnel and other expenses</i>	6.4.	-23,247.5	-23,561.6
<i>regulatory costs</i>	6.4.	-2,361.8	-1,827.4
Loss allowance	6.5.	83.2	1,172.3
Tax on certain financial institutions	6.5.	-266.4	0.0
Gross profit (loss)		52,846.7	39,263.0
Income tax	6.6.	-6,703.3	-7,756.6
Net profit (loss)		46,143.4	31,506.4
Number of shares		380,000	380,000
Profit(+)/loss(-) per ordinary share - basic (in PLN)		121.43	82.91

The Income Statement should be read in conjunction with the notes to the financial statements being the integral part thereof. All values are rounded to the nearest thousand PLN with one decimal place.

For detailed notes to the Income Statement items, refer to the Financial Statements – notes 6.1 through 6.6.

5.4 Own funds requirements – Pillar 1

In keeping with the CRR, the Bank computes own funds requirements for the following risks:

- for credit risk – using the standardised approach,
- for operational risk – using the standardised approach,
- for the CVA risk – using the standardised approach,
- for delivery and settlement risk – using the standardised approach,
- for market risk (FX risk) – using the standardised approach.

As at 31 December 2025, the Bank reports zero values for the own funds requirements for the CVA risk, delivery and settlement risk, and market risk. Having regard to the above, as at the report date, the total requirement for own funds consisted of the credit risk and operational risk requirements.

Own funds requirements	31.12.2025	31.12.2024
<i>Credit risk (PLN million)</i>	108.77	151.23
<i>Operational risk (PLN million)</i>	7.66	10.55
Total requirement for own funds (PLN million)	116.43	161.78
<i>Common Equity Tier 1 ratio (CET1)</i>	29.19%	20.95%
<i>Tier 1 ratio (T1)</i>	29.19%	20.95%
Total capital ratio (TCR)	29.19%	20.95%

Pillar 1 has been discussed in detail under item 6.31 of the Financial Statements of ING Bank Hipoteczny S.A. concerning capital adequacy disclosures.

The Bank maintains own funds at the level not lower than the higher of the below values:

- a. capital requirement,
- b. internal capital

The Bank has a stable and secure capital base well in excess of the regulatory requirements needed to cover risks.

Capital management

The process of capital management is carried out in the Bank based on the implemented Capital Management Policy at ING Bank Hipoteczny S.A. that was developed on the basis of applicable regulations.

Capital management at ING Bank Hipoteczny S.A. is to make possible and facilitate development of the Bank in accordance with the accepted strategy and business model, while keeping, on an ongoing basis, its own funds on the level adequate to the scale and profile of risk inherent in the Bank's operations, taking into account supervisory requirements. Furthermore, it makes it possible to manage the capital actively, keeping in mind volume and dynamics of current and future changes.

The main objective of this process is to have sufficient and effective capitalisation of the Bank to effect its business strategy and development plans specified in the financial plans, while meeting at the same time all internal and external capital requirements. It stands for financial flexibility in the present and future landscape in order to adjust to the changing market and regulatory conditions. To this end, the capital management activities apply any available capital instruments and transactions both in the baseline scenario as well as in the adverse scenario.

External regulations regulate keeping a proper level of capital adequacy. The main capital constraints result from internal resistance to risk that is assessed, among others, in stress tests, in Supervisory Review and Evaluation Process (SREP), regulatory minimum levels of capital and leverage ratios and internal risk appetite.

This management includes:

- Pillar 1: minimum capital requirements provided for in the regulations,
- Pillar 2: internal capital, determined with the Bank's own models, for the risks deemed to be material and permanently material,
- Pillar III: disclosures on risk profile and capitalisation level in the financial statements.

Under capital management, the Bank:

- a. identifies and assesses materiality of the risk types inherent to its operations;
- b. takes actions in order to assess and monitor internal capital, capital requirement and own funds;
- c. monitors potential threats to capital adequacy;
- d. allocates internal capital;
- e. sets internal limits in order to curtail the generated capital requirements and internal capital;
- f. pursues dividend policy resulting from a long-term capital objective and preferred capital structure;
- g. plans internal capital and capital requirement as well as own funds;

- h. develops capital contingency plans which define the procedure for the risk of capital adequacy deterioration below the “inadmissible” levels;
- i. analyses the impact of the macroeconomic factors on capital adequacy in line with the “Stress Testing Policy at ING Bank Hipoteczny S.A.”

As at 31 December 2025, the total capital ratio of the Bank was 29.19%.

5.5 Internal capital – Pillar 2

In keeping with the binding laws, internal capital is defined as the amount estimated by the bank which is indispensable for covering all identified material risks occurring in the Bank’s business and changes in the business environment, considering the envisaged risk level.

The Bank estimates internal capital. The internal capital estimation process is an integral element of the capital management and Bank governance system. It warrants proper identification, measurement, monitoring and aggregation of the risk taken. At the same time, it enables the Bank to maintain the requisite own funds and manage risk and capital in an effective but cautious manner.

The above process covers:

- a. Identification and assessment of materiality of the risks impacting the Bank’s operations,
- b. risk measurement and control,
- c. internal capital estimation and aggregation with the use of the tools and methodologies approved by the Management Board or competent committees,
- d. internal capital monitoring,
- e. internal capital allocation, planning and reporting.

For the Bank, internal capital is estimated for material and permanently material risks in the following categories:

- credit risk,
- market risk,
- business risk,
- funding and liquidity risk,
- operational risk

The total internal capital is the total of internal capital indispensable for covering all material and permanently material risks of the Bank. The Bank applies a prudent approach to estimating the internal capital and does not use the diversification effect.

For credit risk	32.0%	42.5%
For market risk	57.8%	43.5%
For business risk	0%	0%
For funding and liquidity risk	0%	0%
For operational risk	10.2%	14.0%
Total	100.0%	100.0%

A review of the internal capital adequacy assessment process (ICAAP) is carried out once a year and a report on the review is submitted to the Bank Management Board and Supervisory Board. In addition, the Internal Audit Position periodically conducts an independent audit of the ICAAP process.

5.6 Financial instruments

Between 1 January and 31 December 2025, the Bank placed its temporary surplus funds on short-term deposit accounts at ING Bank Śląski S.A. For details, refer to note 6.8. of the Financial Statements of ING Bank Hipoteczny S.A. During the reporting period, the Bank also entered into securities transactions. For details, refer to note 6.9. of the Financial Statements of ING Bank Hipoteczny S.A. The Bank did not apply hedge accounting in 2025.

As a target, credit debt acquisition from ING Bank Śląski S.A. will be funded from the issue of covered bonds. The Bank adhered to the norms defined in the *Act on covered bonds and mortgage banks* concerning the admissible amount of liabilities due to loans and credit facilities (including the liabilities due to acquired debt) and issued bonds to own funds of the Bank. In 2025, the Bank issued series 3 covered bonds. The average interest rate for the Bank's mortgage loans at the end of 2025 was 6.28% (including an average margin of 1.84%).

The Bank Management Board is of the opinion that as at 31 December 2025 there were no conditions which could indicate presence of default risk for the liabilities assumed by the Bank.

6. Development lines and operations of ING Bank Hipoteczny S.A.

6.1 Development lines

The strategic objective of the Bank is to issue covered bonds, secured by high-grade mortgage debt claims purchased from ING Bank Śląski, supporting the strategic intentions of ING Bank Śląski Group in acquiring long-term funding.

The objective will be delivered by:

- strengthening the funding stability within the ING Bank Śląski S.A. Group,
- diversification of funding sources for the current portfolio of retail mortgage loans,
- matching the maturities of assets and liabilities in the balance sheet of the ING Bank Śląski S.A. Group.

6.2 Acquisition of mortgage-backed debt and lending portfolio structure

The main element of the business pursued by ING Bank Hipoteczny S.A. is acquisition of portfolios of debt claims attributable to mortgage-backed residential loan contracts with a view to issuing covered bonds. The Bank acquires debt only from ING Bank Śląski S.A. This is done on the basis of the Framework agreement for the transfer of debt claims for the purpose of issuing covered bonds concluded in 2019, which includes the transfer of debt claims of a total nominal value of PLN 12,000,000,000.

In 2025 the Bank purchased from ING Bank Śląski S.A. three mortgage-backed housing loans debt claims portfolios under the Debt Transfer Contract to effect the issue of covered bonds Nos. 17, 18 and 19 for the total amount of PLN 1,063,203,900. In the debt acquisition process, ING Bank Hipoteczny S.A. satisfies the criteria of the *Act on covered bonds and mortgage banks*, and also sets additional conditions to be met by the debt acquired. The main criteria were presented in the table below:

Criterion	Value
Amount of debt purchased/ mortgage lending value of the real estate	Max. 100%
Credit collateral	Established first ranking mortgage
Loan currency	PLN
Loan purpose	Residential goals
Title to real estate	Ownership or perpetual usufruct
Repayment arrears or impairment conditions	None

LtV-based lending portfolio structure – 31.12.2025:



LTV (as per mortgage lending value of the real estate)	Structure %
(0-50>	51.0%
(50-60>	19.5%
(60-70>	14.5%
(70-75>	5.1%
(75-80>	3.6%
(80-100>	6.3%
Total	100.0%

LTV based on current mark-to-market valuation by ING BH	Structure %
(0-50>	91.5%
(50-60>	6.0%
(60-70>	2.0%
(70-75>	0.3%
(75-80>	0.1%
(80-100>	0.1%
Total	100.0%

The average LTV for the capital-weighted mortgage lending value of the real estate was 50.22%, while the average mark-to-market LTV was 31.35%.

As at 31 December 2025, the carrying value of the portfolio of debt under the mortgage-backed loan agreements was PLN 4,660.3 million. Debt claims under the acquired loan agreements are mostly based on the variable interest rate WIBOR 6M. From 30 June 2021, in accordance with the requirements of Recommendation S of the PFSA, the Bank made it possible for the borrowers to change the interest rate formula from a variable rate to a fixed rate one for a period of time. As at 31 December 2025, the value of the portfolio based on a periodically fixed interest rate was PLN 39.96 million, representing 0.86% of the total portfolio.

6.3 Covered bonds

In 2025, the Bank issued four-year covered bonds (Series 3) with a total nominal value of PLN 1 billion, which was one of the largest issues on the Polish market in 2025. As at 31 December 2025, the nominal value of the covered bonds in trading that were issued by the Bank increased from the end of 2024 and totalled PLN 1,5 billion.

The covered bonds of the Bank are quoted on the Stock Exchange in Luxemburg and placed in the parallel market of the Warsaw Stock Exchange.

According to the rating agency Moody's, the rating for the Bank's covered bonds issued by the Bank remains at the highest achievable level for an issuer from Poland, 'Aa1', which confirms the high quality of the portfolio of mortgages used as collateral for the covered bonds issued.

6.4 Rating of the Bank and covered bonds

The updated rating of ING Bank Hipoteczny S.A. and its covered bonds is as follows:

Moody's Investor Services	
Rating of covered bonds	Aa1
LT Issuer Rating	A3
ST Issuer Rating	P-2
LT Counterparty Risk	A1
ST Counterparty Risk	P-1
Outlook	Stable
CR Assessment	A1 (cr) / P-1 (cr)

In its last communication, the Moody's Agency emphasised there that the rating of the Bank reflected:

- the fact that the Bank was owned in 100% by ING Bank Śląski S.A. and that it had a stable growth outlook,
- the Bank's significant strategic importance and its operational integration within the ING Bank Śląski S.A. Group structures,
- ING Bank Śląski S.A.'s commitment to support the capital and liability position of ING Bank Hipoteczny S.A. to satisfy the regulatory requirements.

7. Internal business conditions

7.1 Employee competences

The headcount in the Bank was matched with the scale of business pursued. The Bank enables all employees to upgrade their qualifications on an ongoing basis, supports employees in actively planning their professional development, and provides them with the time needed to enhance their competencies.

7.2 Cooperation with ING Bank Śląski S.A.

ING Bank Hipoteczny's business formula is based on strategic cooperation with ING Bank Śląski and exploiting synergies between the Bank and its main outsourcing partner, in particular through:

- outsourcing of activities admitted by law to ING Bank Śląski S.A. as far as justified from the viewpoint of the Bank's business effectiveness, based on the existing solutions hammered out by the ING Bank Śląski S.A. Group,
- sharing of IT infrastructure and systems used by the ING Bank Śląski S.A. Group,
- shaping of the organisational framework of ING Bank Hipoteczny in the manner ensuring effective control of the services entrusted to ING Bank Śląski S.A. and performance by the Bank of activities required by law, like taking risk management-related decisions or performing risk management processes,
- mirroring current loan service processes of ING Bank Śląski S.A., considering the indispensable modifications, including those resulting from the legal order.

Therefore, the outsourcing agreement is the key vehicle governing the cooperation of the two entities. Its key elements are:

- ensuring that ING Bank Hipoteczny S.A. performs the activities required by law; they include but are not limited to: decisions or risk management processes, and for automated or partly automated processes – their set-up using the terms and conditions defined by the Bank,
- entrusting ING Bank Śląski S.A. with: (i) intermediation in some banking activities offered by the Bank, in particular as regards administration and post-sale service of mortgage-backed loan debt acquired by the Bank and (ii) factual activities connected with the bank business of the Bank,
- ensuring that any further commissioning of activities by ING Bank Śląski S.A. to third parties satisfies the requirements of Articles 6a(7) and 7a of the Banking Law Act,
- development and update – both by ING Bank Śląski S.A. and the Bank – of business plans ensuring continuous and uninterrupted conduct of business covered by the outsourcing agreement,
- ensuring for the Bank the tools to effectively monitor and control performance of the agreement by ING Bank Śląski S.A.

The bank continuously monitors opportunities to leverage synergies within the Group in accordance with applicable outsourcing legislation.

For the client whose mortgage loan will be transferred as part of transfers of receivables to ING Bank Hipoteczny, both the loan service process and the credit and credit-related costs will remain the same.

The terms and scope of cooperation of ING Bank Hipoteczny with ING Bank Śląski S.A. have been detailed in the Cooperation Agreement.

7.3 Internal control system

Internal control system is among the Bank governance elements. Its fundamentals, principles and objectives stem in particular from the Banking Law and the Regulation by the Minister for Development and Finance on managing risk and internal control system and remuneration policy in banks.

I. Internal control system objectives

The internal audit system serves to ensure:

- 1) operational efficiency and effectiveness of the Bank;
- 2) reliable financial reporting;
- 3) compliance with the risk management principles at the Bank;
- 4) compliance of the Bank with the law, regulatory requirements, internal regulations and market standards.

As part of general objective accomplishment process, the internal control system further ensures:

- 1) examination of compliance of the Bank's business and business activities performed by related persons with the regulations of the markets the Bank is active in, the regulations of the Central Securities Depository of Poland, clearing and settlement chambers referred to in Article 68a of the Act on Trading in Financial Instruments and stock exchange clearing chambers referred to in Article 2.4 of the Act on Commodity Exchanges which the Bank is the member of,
- 2) proper organisation and safe business pursuit,
- 3) functioning of appropriate administrative and booking procedures,
- 4) effectiveness of internal acts concerning circulation of confidential and privileged information and such information access protection,

- 5) reliability of non-financial reports,
- 6) effectiveness of internal acts concerning review of client complaints and requests and maintenance of complaint records,
- 7) effectiveness of internal acts concerning counteracting money laundering and terrorist financing,
- 8) investing by the Bank in compliance with the requirements and standards and in the manner adequate to the risk of such investments.

II. Roles of Bank bodies

1. Supervisory Board

As part of their functions connected with monitoring of and supervision over the internal control system, as laid down in the Bank Charter and the *ING Bank Hipoteczny S.A. Supervisory Board Bylaw*, following the recommendation of the Audit and Risk Committee, the Supervisory Board:

- 1) approve the *Policy – ING Bank Hipoteczny S.A. Internal Control System*,
- 2) approve the criteria for assessment of adequacy and effectiveness of the internal control system, as proposed by the Management Board,
- 3) supervise introduction and functioning of adequate and effective internal control system,
- 4) monitor effectiveness of the internal control system, based on the information provided by the Management Board, the Audit and Risk Committee, the Compliance Cell and the Internal Audit Position,
- 5) annually assess the adequacy and effectiveness of the internal control system, including the adequacy and assessment of the control function performed by the first and second lines of defence, the Compliance Cell and the Internal Audit Position, as well as the compliance of the Bank Management Board with the obligations referred to in part B of Recommendation H,
- 6) approve the categorisation principles for the irregularities detected by the internal control system, covering at least high and critical irregularities,
- 7) as part of ensuring that the internal control system complies with laws, internal regulations and market standards, the Supervisory Board:
 - oversee the performance of the Management Board's duties concerning compliance risk management,
 - approve the *ING Bank Hipoteczny S.A. Compliance Policy*,
 - assess, at least once a year, the effectiveness of the compliance risk management by the Bank.

2. Audit and Risk Committee

The Audit and Risk Committee consult and advise the Supervisory Board on the internal control system-related tasks. The Committee is composed of two independent members,



including a Certified Auditor with knowledge and skills in accounting and auditing the financial statements.

3. Bank Management Board

As part of the Bank governance process, the Bank Management Board:

- 1) design, introduce and ensure functioning of adequate and effective internal control system,
- 2) take action to ensure internal control system continuity,
- 3) set the criteria for assessment of adequacy and effectiveness of the internal control system,
- 4) define the actions to be taken to eliminate irregularities detected by the internal control system, including remedies and disciplinary measures,
- 5) accept the categorisation principles for the irregularities detected by the internal control system, covering at least high and critical irregularities,
- 6) approve the criteria for selection of material processes and their list along with their correlation with general and specific goals,
- 7) ensure regular review of all Bank processes for materiality,
- 8) accept the *Policy – ING Bank Hipoteczny S.A. Internal Control System*, ensure its periodical review and update and present the review deliverables to the Audit and Risk Committee and the Supervisory Board,
- 9) ensure that the Compliance Officer, the Internal Audit function and the Operational Risk function, as well as the other units coordinating the achievement of the general objectives, have access to the necessary source documents, those containing legally protected information included, in connection with the performance of their duties,
- 10) set the principles of control design, approval and implementation in all Bank processes and define the role of organisational units responsible for control design, approval and implementation,
- 11) are responsible for ensuring adequacy and effectiveness of controls in Bank processes,
- 12) as part of ensuring that the internal control system complies with laws, internal regulations and market standards, the Bank Management Board are responsible for developing the compliance policy, ensuring compliance and reporting to the Audit and Risk Committee and to the Supervisory Board on compliance risk management,
- 13) set the adequate scope of and criteria for independent monitoring of observance of controls, covering ongoing verification and testing,
- 14) ensure functioning of the control function matrix along with allocation of tasks connected with ensuring its functioning,
- 15) set the reporting rules, at least for the effectiveness of key controls and vertical testing deliverables,
- 16) advise the Supervisory Board, at least once year, on the manner of performance of internal control system tasks, considering in particular:

- a) the adequacy and effectiveness of the internal control system in ensuring accomplishment of all the internal control system goals,
- b) the scale and nature of significant and critical irregularities as well as most important actions taken to eliminate the same, including remedies and disciplinary measures,
- c) the need to ensure the independence of the Compliance Cell and the Internal Audit Position,
- d) the need to ensure adequate staffing as indispensable for effective task performance and the funds necessary for regular upgrade of qualifications, experience gathering and skills learning by the employees of the Compliance Cell and the Internal Audit Position.

III. Three-lines-of-defence model within the Bank's organisational framework

The internal control system covers the entire universe of the Bank and structured into three lines of defence.

The first line of defence	The second line of defence	The third line of defence
Business and organisational units of the Bank which provide operational and technological support to the Business area, including: IT, Operations, HR, Legal Counsel, Finance, Procurement	All teams and units in the Risk Area (reporting to the CRO) Compliance risk	Internal Audit position

1. The first line of defence

It is an element of the control function.

This line of defence is in charge of:

- developing, implementing and performing controls designed to ensure that general and specific goals of internal control system are achieved,
- acting in compliance with the principles resulting from the approved policies, regulations, manuals and procedures,

- analysis, control and management of the risks in the processes, including in relation to outsourced activities,
- independent monitoring of compliance with controls by ongoing verification and/or horizontal testing,
- ensuring that action is taken on audit and non-audit recommendations.

The tasks of the first line of defence are performed by senior management and by the organisational units overseen by it which deliver business objectives and which provide direct support thereto. The first line of defence consists of Bank organisational units not specified in the second and third lines of defence.

As part of their testing tasks (in the 1LoD area), these units have the right of access to the information covered by the testing.

2. The second line of defence

The second line of defence performs the tasks stemming from its function and supports the first line of defence in order to achieve the goals of the internal control system.

It is responsible for:

- issuing regulations (including analysis of compliance with external regulations) and providing methods and tools within the internal control system,
- approving the decisions made by the first line of defence as to implementation, modification or removal of controls,
- verifying the application of internal control system regulations by the first line of defence,
- monitoring horizontally the compliance with controls by the second line of defence,
- monitoring vertically the first line of defence as to compliance with controls.

Under control activities, the units from the second line of defence perform their own independent assessment of the effectiveness of operations of the first line of defence; they do it using tests, reviews and other forms of control. Thus, they shall have access to all indispensable data, information and source documents, including those containing confidential information, where this results from their functions and the scope of their assigned tasks.

The second line of defence units have the power to escalate problems to a higher level of management (to the Bank Management Board and Supervisory Board), presenting their opinions on business decisions bearing unacceptable risks.

The units reporting to the Vice President responsible for the Risk Area and the Compliance Unit, in the areas monitored by them and in a manner that does not violate the independence of certain units in the Bank (e.g. Internal Audit Position) provided for by legal regulations, are authorised to recommend recovery actions concerning controls and risk control mechanisms to all Bank units.

3. The third line of defence

The Internal Audit position (IA) forms the third line of defence. It provides management with an independent and unbiased assurance as to the adequacy and effectiveness of the risk management system and internal control system within the first and second lines of defence.

The roles, powers, scope and nature of work plus the accountability of IA position and the terms of cooperation of Bank organisational units with the IA position are laid down in the *Policy – Internal Audit Charter of ING Bank Hipoteczny S.A. (Audit Charter)*.

IV. Control function

Control function is an element of the internal control system which comprises all controls implemented in bank processes, independent monitoring of their observance and control function reporting. It covers positions, groups of people or organisational units responsible for performance of function tasks.

Within the control function, the processes which are material to the Bank were isolated and key control function controls were assigned thereto.

V. Principles of assessment of adequacy and effectiveness of the internal control system

The Internal Audit annually assesses the adequacy and effectiveness of the internal control system and risk management system, in split into the first and second lines of defence, based on:

- The results of the audits from the completed annual audit plan, including the proportion of positive opinions in the population, together with the critical and high risks identified during the year, in particular those open at the date of the assessment of the internal control system and their concentration;
- Recommendations of supervisors and the external auditor, open at the date of issuing the assessment of the internal control system taking into account their concentration; Timely implementation and progress in the implementation of risk mitigants.

The final assessment of the internal control system is made by the Supervisory Board, considering the recommendation of the Audit and Risk Committee which factors in particular:

- assessment of the Internal Audit position,
- information from the Management Board on the manner of performance of internal control system tasks,
- periodical reports of the Compliance Cell,
- information material to the adequacy and effectiveness of the internal control system, information from the parent entity;

- findings of the statutory auditor or external auditor,
- findings from supervisory activities performed by authorised institutions (like the Polish Financial Supervision Authority or the Office of Competition and Consumer Protection),
- assessments and opinions material to the adequacy and effectiveness of the internal control system, provided by third parties, if made.

On 14 March 2025, the Supervisory Board approved the effectiveness and adequacy of the Bank's internal control system in 2024.

7.4 Risk management

Risk management at ING Bank Hipoteczny S.A. serves to ensure effective risk control and limitation within the risk appetite accepted by the Bank in volatile legal and macroeconomic conditions and considering the pre-set business targets. The assumed risk level is an important factor of the planning process.

Risk management at ING Bank Hipoteczny S.A. is based in particular on the following rules:

- risk management process, including the lending process is defined and governed by strategies, policies and procedures adopted by the Management Board and/or Supervisory Board of ING Bank Hipoteczny S.A. respectively,
- The Bank manages all identified bank risks and carries out the ICAAP (the Internal Capital Adequacy Assessment Process), where:
 - risk management matches the scale of business and the materiality, scale and complexity of a given risk and where it is tailored to new risk factors and drivers on an ongoing basis,
 - risk management methods, risk measurement models and systems and their assumptions match the scale and complexity of risk and are periodically verified and validated,
- the organisational structure of risk management guarantees independence of the risk area, including independence of real estate appraisal and credit decisions taken from business activity,
- the risk management process is integrated into the planning and controlling processes and it supports delivery of the Bank's strategy, while staying compliant with the risk management strategy, especially as far as the risk appetite is concerned,
- the risk management process is consistent with the risk management principles of the ING Bank Śląski S.A. Group, tailored to the specific operations of ING Bank Hipoteczny S.A. and approved by the competent authorities of ING Bank Hipoteczny S.A.,

- reporting of risk sources and factors as well as reporting of risk level measurement and its costs make it possible to take appropriate preventive and remedy measures.

The risk management process is supervised by the Bank Supervisory Board which regularly receive information about the risk profile at ING Bank Hipoteczny S.A. and key actions taken to manage risk.

The Bank Management Board are responsible for risk management, including but not limited to, overseeing and monitoring of actions undertaken by the Bank in this respect. The Bank Management Board take the most important decisions affecting risk level of the Bank and resolve on internal regulations concerning risk management.

Risk is managed through three independent lines of defence.

The objectives, principles and organisation of risk management, as well as the specific management of individual risk categories are described in the financial statements of ING Bank Hipoteczny S.A.

7.5 Valuation of mortgage loan collateral

ING Bank Hipoteczny S.A. performs the credit collateralization tasks based on the following external and internal regulations:

- the Act on Covered Bonds and Mortgage Banks,
- the Act on Land and Mortgage Registers and on Mortgage,
- the Banking Law Act,
- Instructions and recommendations of the Polish Financial Supervision Authority, including in particular Recommendations F, S and J,
- Provisions of internal banking regulations, and notably the General Terms and Conditions of Determination of the Mortgage Lending Value of Real Estate.

The Bank has in place and applies the General Terms and Conditions of Determination of the Mortgage Lending Value of Real Estate, approved on 4 January 2019 by the Polish Financial Supervision Authority. The General Terms and Conditions provide for the guidelines listed in Recommendation F and concerning the basic criteria applied by the Polish Financial Supervision Authority to approve the general terms and conditions of determination of the mortgage lending value of real estate made by mortgage banks.

The mortgage lending value of the real estate is the value set using an expert method, in line with the Act on covered bonds and mortgage banks, which in the opinion of the Bank mirrors the risk of the real estate forming the collateral for the loans acquired by the Bank.

The mortgage lending value of the real estate is set using an expert method in order to enable the Bank to take a decision whether or not to acquire the given debt. The mortgage lending value of the real estate is set in a prudent manner, considering long-term parameters.

ING Bank Hipoteczny S.A. sets the mortgage lending value of the real estate based on the real estate value expertise. The mortgage lending value expertise is made with due diligence and prudence. It factors in only those real estate parameters which are of long-term nature and which can be obtained by any real estate owner, when the estate is rationally used. It factors in all risks which because of the experience held and analyses made can adversely impact on the mortgage lending value of the real estate. The expertise which is developed at a certain date, evidences the assumptions and parameters used in the analysis, the process of the mortgage lending value of the real estate determination and the resultant mortgage lending value of the real estate proposal.

The expertise factors in the analyses and projections of the typical real estate parameters which considerably impact the assessment of the credit risk of real estate acceptance as collateral. It also takes into account general factors, including, economic cycles, changes to the purchasing power of money, demography, unemployment rate or local zoning plans.

At the Bank, the mortgage lending value of the real estate determination process is performed by a dedicated team from the Risk Management Area which is independent from the business functions of the Bank.

For the debt acquisition operation, the mortgage lending value of the real estate determination process is constructed into four stages:

Verification of the legal status of the real estate	ING Bank Śląski S.A. under the Outsourcing Agreement
Carrying out an inspection, on-site property inspection and local market research included.	Estate Appraiser who holds adequate experience and ability to estimate banking risk for residential loan collateralization
Mortgage lending value of the real estate expertise compilation	Dedicated organisational cell of the Bank – Valuation and Credit Decisions Team
Verification of mortgage lending value of the real estate expertise and determination of the mortgage lending value of the real estate	Dedicated organisational cell of the Bank – Valuation and Credit Decisions Team

The processes of the mortgage lending value of the real estate expertise compilation and mortgage lending value of the real estate determination as described above are performed by two different persons.

The Bank's monitoring process of the mortgage lending value of the real estate complies with the requirements of Regulation (EU) No 648/2012 (CRR) (annual frequency), and this compliance allows for preferential treatment of covered bonds issued by the Bank (in accordance with Article 129 of the CRR).

7.6 Cover register

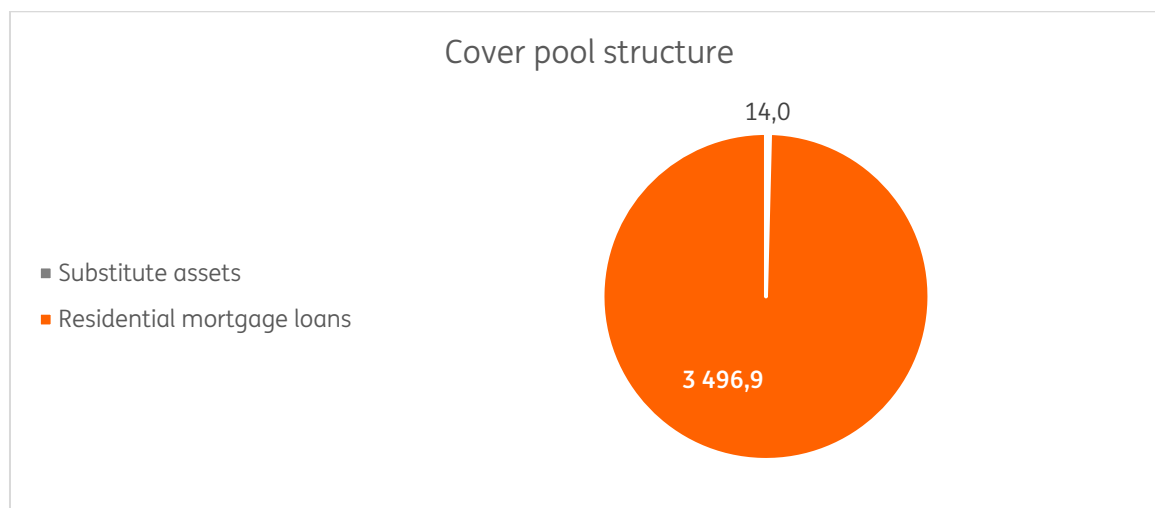
ING Bank Hipoteczny S.A. keeps and maintains the cover register (the Register). The Register is maintained in compliance with the requirements set out in the following documents:

- The Act of 29 August 1997 on covered bonds and mortgage banks (Journal of Laws of 2023, item 110),
- Minister for Finance Regulation of 21 June 2022 on the mortgage cover calculation and the coverage balance testing and the liquidity test (Journal of Laws 2022, item 1412),
- Recommendation K of the Polish Financial Supervision Authority of 9 February 2016 on the terms of maintenance of the cover register by mortgage banks.

The Bank shall enter in the Register the acquired receivables from mortgage-backed housing loan contracts and the rights and funds that may be the basis for the issue of covered bonds (pursuant to Article 18(3) and (4)), as well as the funds constituting the surplus, in an amount not lower than the maximum cumulative net liquidity outflow over the next 180 days (pursuant to Article 18(3a)). Covered bonds are secured with Bank debt secured with the first ranking mortgage.

As at 31 December 2025, the mortgage-backed debt and other funds referred to in the Act on covered bonds and mortgage banks closed with PLN 3,510,928,700 (core assets including substitute assets).

As at the date, the structure of the Register was as follows (data in PLN mio):



The State Treasury Bonds registered in the Register provide security for the payment of interest on the issued covered bonds over a period of 180 days. The total value of the mortgage-backed claims and substitute collateral was reflected in the overall level of collateralisation of covered bonds, which was 234.06%.

Since mortgage-backed debt and issued covered bonds match in terms of currency and interest rate, there were no hedging transactions in the Register as at 2025 yearned.

Pursuant to the 2022 amendment to the Act on Covered Bonds and Mortgage Banks, the Bank shall, no later than the end of each quarter, as at the last day of the preceding quarter, make available on its website information on the security of covered bonds.

Register maintenance is overseen by the Cover Pool Monitor on an ongoing basis.

For the key register data as at 31 December 2025, refer to the table below:

	31.12.2025
Cover register	
Mortgage-backed debt (PLN million)	3,496.9
T-bonds (PLN million)	14
Amount of surplus in accordance with Article 18(3a) of the Act (PLN thousand)	40,651.8
Number of (active) loans	19,032
Average loan amount (PLN thousand)	184
Average maturity (in months)	215
Average LtV (loan value to the mortgage lending value of the real estate)	52.05%
Average LtV (according to the Bank's current mark-to-market valuation)	30, 70%

7.7 Cover Pool Monitor

In keeping with the *Act on covered bonds and mortgage banks (Act)*, for each mortgage bank a Cover Pool Monitor and at least one Deputy Cover Pool Monitor are appointed. The Cover Pool Monitor shall be responsible for verifying whether:

- the liabilities attributable to the covered bonds in trading are secured by the mortgage bank in compliance with the Act,
- the mortgage lending value of the real estate taken by the Bank was set in compliance with the bylaw,
- the mortgage bank complies with the requirements of Article 18 of the Act,
- the coverage balance test and liquidity test confirm that the mortgage bank's debt as well as the rights and funds entered into the cover register suffice to fully satisfy the holders of covered bonds.
- the manner of the cover register maintenance by the mortgage bank satisfies the terms and conditions of the Act,
- the mortgage bank ensures – under the Act – the collateral for the planned issue of covered bonds and control of whether adequate provisions were entered into the cover register.

In addition, in accordance with the amendment to the Act, the Cover Pool Monitor shall annually, no later than 31 March, submit to the Polish Financial Supervision Authority a report for the previous year on the mortgage bank's activities with respect to the Cover Pool Monitor's tasks.

The Bank shall keep and maintain a cover register, in which the Bank's claims and the rights and funds underlying the issue of the covered bonds are entered under separate headings, as well as funds in surplus in an amount not lower than the maximum cumulative net liquidity outflow over a consecutive period of 180 days.

The Bank has a Cover Pool Monitor and a Deputy Cover Pool Monitor who exercise ongoing oversight of the maintenance of the register.

7.8 Statutory limits

Acting in accordance with the Act on covered bonds and mortgage banks, ING Bank Hipoteczny S.A monitors the applicable business limits.

As at 31 December 2025, the statutory limits and their utilisation were the following:

No.	Statutory limit	Statutory value	limit	Limit utilisation	Legal grounds
1.	% of debt for which the ratio of a single mortgage-backed loan to the mortgage lending value of the real estate is over 100% at the acquisition date	0%		Fulfilled	Article 13.2 of the Act on covered bonds and mortgage banks
2.	Coverage of covered bonds with assets up to 80% of the mortgage lending value (maximum ratio of refinancing of the acquired debt (in part up to 80% of the mortgage lending value) with funds obtained from the issue of covered bonds)	100% of the Bank's total debt claims up to 80% of the mortgage lending value (calculated in relation to each debt claim)		32.61%	Article 14 of the Act on covered bonds and mortgage banks
3.	Maximum volume of acquired and taken-up shares or holdings in other entities vis-à-vis own funds of the mortgage bank	10% of own funds of the mortgage bank		0%	Article 15.1.5 of the Act on covered bonds and mortgage banks
4.	Maximum multiple of the total of drawn loans and credit facilities, issued with bonds vis-à-vis own funds of the mortgage bank	ten times own funds of the Bank;		6.78	Article 15.2.1 of the Act on covered bonds and mortgage banks
5.	Maximum multiple of the total amount of nominal amounts of covered bonds traded by the mortgage bank to own funds of the mortgage bank	40 times		3.53	Article 17.1 of the Act on covered bonds and mortgage banks
6.	Minimum overcollateralisation of the issue of covered bonds with mortgage-backed debt and other funds	105%		234.06%	Article 18.1 of the Act on covered

	(bonds, cash, cash with the National Bank of Poland, hedging instruments)			bonds and mortgage banks
7.	Minimum overcollateralisation of the issue of covered bonds with mortgage-backed debt	85%	233.13%	Article 18.1 of the Act on covered bonds and mortgage banks
8.	Minimum ratio of income of the mortgage bank under the mortgage-backed claims and other funds (bonds, cash, cash with the National Bank of Poland, financial hedging instruments) vis-à-vis costs of interest on the traded covered bonds	100%	276.58%	Article 18.2 of the Act on covered bonds and mortgage banks
9.	Coverage of the maximum cumulative net liquidity outflow with the funds specified in paragraph 3 c of Article 18 of the Act on Covered Bonds and Mortgage Banks over the next 180 days		fulfilled	Article 18.3a of the Act on covered bonds and mortgage banks
10.	Maximum ratio of debt backed with mortgages established during the construction investment project to the total amount of the mortgage-backed debt used to issue covered bonds.	10%	0%	Article 23.1 of the Act on covered bonds and mortgage banks
11.	Maximum ratio of debt backed with mortgages on real estates earmarked for development as per the zoning plan to the total amount of the mortgage-backed debt used to issue covered bonds.	1%	0%	Article 23.2 of the Act on covered bonds and mortgage banks

Additionally to monitoring of the statutory limits, the Bank - in accordance with the Act on Covered Bonds and Mortgage Banks - makes a mortgage cover calculation for each business day. The coverage balance test is performed at least every 6 months and the liquidity test at least every 3 months.

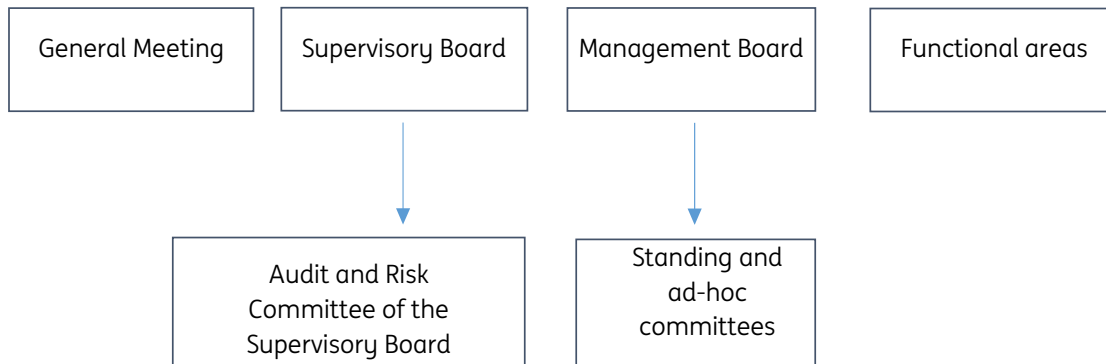
Keeping in mind the prudential approach to management, the Bank carries out coverage and liquidity balance tests, if possible for each business day.

Throughout the reporting period, ING Bank Hipoteczny S.A. did not exceed any of the limits indicated in the table and the outcome of the mortgage cover calculation and coverage balance and liquidity tests was positive.

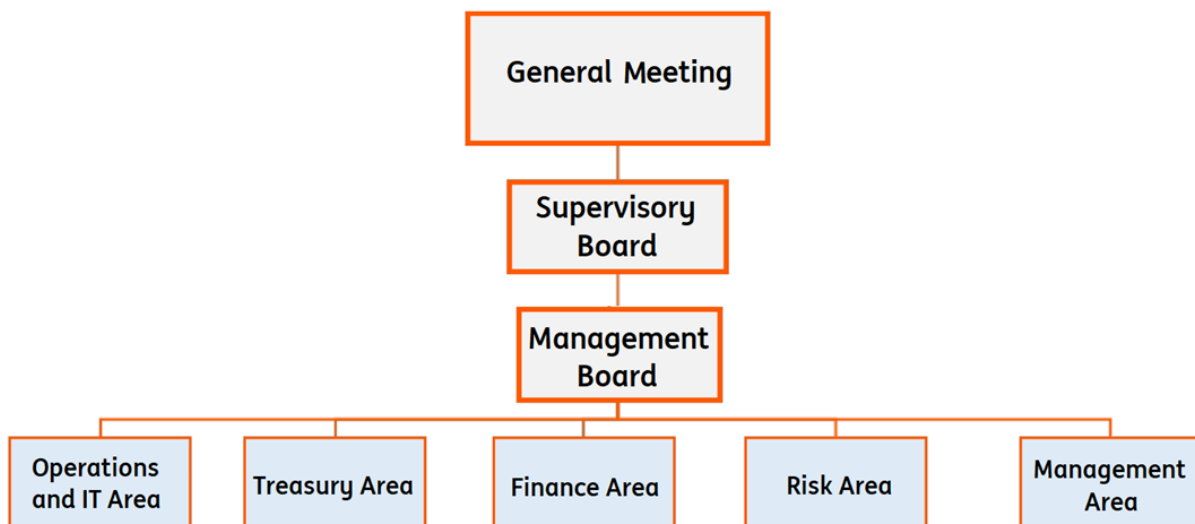
8. Organisational framework and authorities of ING Bank Hipoteczny S.A.

8.1. Organizational framework

ING Bank Hipoteczny S.A. governance is underpinned by the organisational framework presented on the diagram below and the segregation of duties among the Bank bodies discussed further on.



Organisational framework of ING Bank Hipoteczny S.A. in functional areas



8.2 Authority of bodies and committees of ING Bank Hipoteczny S.A.

The authority of individual Bank bodies has been laid down in the Banking Law, the Commercial Companies and Partnerships Code and other laws and provisions of the Bank Charter as well as in their individual bylaws.

The authority of the Bank General Meeting is the following:



- review and approval of the Management Bank Report on Bank Operations and the financial statements for the past financial year and acknowledgment of fulfilment of duties by the members of the Bank bodies,
- appointment and recall of Supervisory Board members,
- passing resolutions on the determination of principles of remuneration of the Supervisory Board members and other matters foreseen by the law, Charter or those submitted by the Supervisory Board, Management Board or eligible shareholders,
- passing resolutions on damage claims, for the damages caused upon Bank establishment or exercise of management or supervision,
- determination of the mode of shares redemption and of the fee for the shares redeemed as well as consent to the acquisition of Bank's shares for redemption purposes,
- passing resolutions on liquidation, disposal or lease of the Bank enterprise or its organised part and establishing limited right in property thereon.

The authority of the Bank Supervisory Board is the following in particular:

- assessment of the Management Board Report and financial statements for the past financial year as to their compliance with the ledgers, documents and the actual state of affairs,
- assessment of Management Board motions regarding profit distribution or loss coverage,
- submission of an annual written report to the General Meeting on the results of these evaluations, and a written report on the Supervisory Board Operations for the previous financial year (Supervisory Board Report),
- revision of the Bank's property and financial control,
- approval of the rules of prudent and stable Bank management and the Bank strategy developed by the Management Board as well as periodical review and verification of its delivery, and also approval of many-year development plans of the Bank and annual budgets of the Bank as developed by the Management Board,
- approval of accepted risk levels in the Bank's business areas,
- approval of Management Board motions regarding formation or liquidation of Bank's organisational units abroad,
- consent to acquisition or disposal by the Bank of shares and share rights or holdings of other legal persons, provided the amount of assets covered by one such operation exceeds the PLN equivalent of EUR 1,000,000 or the said operation concerns the assets accounting for at least 50% of the share capital of another legal person; the Supervisory Board's consent is not required for the Bank's exposure under debt conversion, liquidation of the collateral accepted by the Bank,
- appointing and recalling Members of the Management Board, subject to Article 28 of the Charter,

- conclusion of agreements with Management Board Members on performance of their duties and determination of remuneration thereunder, as well as consent to receive other considerations by Management Board Members from the Bank or related entities,
- approval of the Management Board Bylaw, Organisational Bylaw and internal control system of the Bank,
- selection, on the basis of recommendations from the Audit and Risk Committee, of the firm authorised to audit the Bank's financial statements, as well as the firm authorised to certify the sustainability reporting, and expressing an opinion on the termination of contracts with these firms,
- consent to conclusion of transactions by the Bank with its shareholders or related entities or members of Bank authorities, provided the amount of the transaction exceeds EUR 1,000,000, save for typical and routine transactions made on an arm's length basis whose nature and terms arise from the daily business of the Bank or transactions foreseen in the annual budget of the Bank as approved by the Supervisory Board,
- consent to assuming a liability by the Bank or making an administrative decision whose amount in such one-off operation or on an aggregate basis for one entity or a few entities related to the entity exceeds 10% of own funds of the Bank, save for provisions of Article 26 section 1 items 4) and 11) of the Bank Charter; the consent is not required for the entities referred to in Article 26 section 1 item 9) of the Bank Charter,
- consent to acquisition, disposal or encumbering by the Bank of property, plant and equipment item whose amount exceeds the PLN equivalent of EUR 1,000,000; save for provisions of Article 26 section 1 item 10) of the Bank Charter, the consent of the Board is not required when the property, plant and equipment item is acquired through transfer of such item by the Bank as the creditor due to the Bank's debt recovery procedure,
- consent to acquisition, disposal or encumbrance by the Bank of real estate or an interest in real estate or the right of perpetual usufruct whose value exceeds the Polish zloty equivalent of EUR 1,000,000,
- submission to the Ordinary General Meeting of reports and assessments laid down in the regulations, recommendations of the regulator and other laws of the Bank,
- suspension – for important reasons – of the Bank Management Board Members in their capacity and delegation – for the period of up to 3 months – of Supervisory Board Members to temporarily act in the capacity of the Management Board Members incapable of discharging their duties,
- approval of the Bank's compliance risk policy,
- approval of the rules for the processes of internal capital estimation, capital management and capital planning,
- approval of the bylaw used to determine the mortgage lending value of the real estate; the bylaw takes effect upon approval by the Polish Financial Supervision Authority,

- approval of cooperation agreements with ING Bank Śląski S.A.,
- submission of a request to the Polish Financial Supervision Authority for appointment of the Cover Pool Monitor and his/her deputy,
- approval of model risk management rules,
- approval of the code of ethics and conflict of interest management rules.
- The Supervisory Board's approval is not required to conclude a transaction with the parent company, the value of which, when aggregated with the value of transactions concluded with that company during the financial year, exceeds 10% of the Bank's total assets within the meaning of the accounting regulations, as determined on the basis of the company's last approved financial statements.

Resolutions of the Supervisory Board may concern in particular:

- formulation of conclusions and recommendations under the supervision and control activities conducted,
- granting consents and permissions,
- approving strategies, policies and other documents if it is provided for in the Bank Charter or specific regulations,
- rendering advice,
- reports and assessments submitted by the Board to the General Meeting and in particular:
 - the annual report of the Supervisory Board for the previous financial year, including at least:
 - the results of assessment of the financial statements and Management Board reports on Bank operations in the financial year, and also the Management Board motion on the distribution of the profit or coverage of loss of the Bank,
 - assessment of the Bank's situation, including an assessment of the adequacy and effectiveness of the internal control, risk management, compliance and internal audit,
 - assessment of the implementation by the Management Board of their information obligations towards the Supervisory Board,
 - information on the total remuneration payable by the Bank for all audits commissioned by the Supervisory Board during the financial year pursuant to §37,
 - a summary of the activities of the Supervisory Board and its committees during the financial year, together with information on the composition of the Supervisory Board and its committees,

including an assessment of the adequacy of the internal regulations governing the functioning of the Supervisory Board.

- evaluation reports on the functioning of the Bank's remuneration policy, drawn up in the course of the ongoing supervision, monitoring and evaluation of the Bank's remuneration policy in force,
- assessment of application by the Bank of the principles of corporate governance for supervised institutions,
- assessment of the adequacy and effectiveness of internal governance principles adopted by the Bank,
- other matters within the Supervisory Board's powers.

The authority of the Supervisory Board Audit and Risk Committee is the following in particular:

- supporting the Supervisory Board in monitoring and supervising the financial reporting, the internal and external audit and the governance system of the Bank, and in particular as to adequacy and effectiveness of the internal control system and risk management system and the relation between the Bank and the firm auditing the financial statements of the Bank.
- supporting the Supervisory Board in monitoring and supervising the risk management process, including the operational risk, credit risk, market risk and compliance risk, and also the internal capital estimation process, capital planning and management as well as the model risk and capital adequacy.

The authority of the Bank Management Board is the following in particular:

- representing the Bank before the authorities and third parties as well as administration and management of the property and interests of the Bank. The Management Board take action for all the matters not resting with other Bank bodies,
- issue of resolutions which under the universally effective laws and provisions of the Bank Charter require decisions by other statutory Bank bodies,
- formulation of Bank's policies, including but not limited to the lending policy, risk management policy and remuneration policy,
- determination of acquisition principles for funds from other financial institutions and the principles of their utilisation as well as determination of principles for investing funds with banks,
- formulation of principles for setting interest for the products offered by the Bank, including but not limited to the interest for loans and credit facilities or penalty interest,
- reviewing motions regarding recognition of extraordinary losses and establishment of provisions beyond the amounts otherwise set by the Management Board,
- passing investment plans and setting investing principles,

- resolving on the matters pertaining to the acquisition, encumbering, disposal of lease of real estates and other property rights – for operations going beyond the amounts otherwise set by the Management Board,
- resolving on acquisition and disposal by the Bank of shares and holdings of other legal persons – for operations going beyond the amounts otherwise set by the Management Board,
- determination of principles of granting and revoking powers of attorney to perform certain acts or take certain actions,
- the matters going beyond the ordinary course of business, including but not limited to the matters going beyond the powers of individual Management Board members or Committees established by the Management Board,
- other matters for which decisions rest with the Management Board under other resolutions adopted by the Management Board and other matters submitted by the President of the Management Board or another Management Board Member.

The Bank Management Board established the following standing committees: the list of standing committees forms Enclosure No. 4 with the Organisational Bylaw of ING Bank Hipoteczny S.A.:

- Assets and Liabilities Committee (ALCO),
- Credit Policy Committee (CPC),
- Non-financial Risk Committee,
- Green Covered Bonds Committee.

The Assets and Liabilities Committee supervise and take decisions on:

- market risk management at ING Bank Hipoteczny,
- funding and liquidity risk management at ING Bank Hipoteczny,
- management of the Bank's balance sheet (assets and liabilities), including the transfer pricing system methods,
- structure of ING Bank Hipoteczny's ledgers,
- capital and capital adequacy management,
- valuation of financial instruments and calculation of valuation adjustments, considering the factors not accounted for in the valuation in the Bank's systems.

The Committee monitor the model risk level. They approve the validation reports and the results of monitoring of the market risk, liquidity and funding risk and valuation models.

Credit Policy Committee

The scope of activities covers the following areas:

- Credit risk appetite as to specific risk appetite limits and concentration limits, within which:
 - Define limit types,

- Sets and changes limit levels.
- Credit Policy under which:
 - the Credit Policy Committee take decisions on the regulations concerning the implementation of the ING Bank Hipoteczny S.A. Credit Risk Management Policy,
 - the Credit Policy Committee define and modify the principles of risk, identification, assessment and control, including:
 - credit risk assessment principles,
 - credit analysis standards,
 - credit competence,
 - rating process flow,
 - principles of client and credit exposure monitoring,
 - principles for restructuring and recovery,
 - collateral establishment and monitoring principles,
 - impairment and provisioning principles,
 - principles of concentration risk management, including limits on exposure concentrations,
 - counterparty risk assessment principles.
- Credit risk models under which:
 - the Credit Policy Committee approve regulations on development, maintenance and use of risk models, including, but not limited to:
 - principles of the credit risk models management,
 - methodology for building and monitoring models,
 - definitions of the credit risk models,
 - the scope of use of the credit risk models,
 - evaluation of the correctness of the process of examining the quality of functioning of the models,
 - the bank's approach to the extent of use of external models,
 - introduction and withdrawal of models as well as changes to models,
 - the manner in which appropriate remedial or corrective action is implemented, its monitoring, and the amount of capital add-ons to be introduced for it.
 - The CPC monitors the status of the remodelling and monitoring plan for credit risk models,
 - The CPC approves the principles and standards for the validation of credit risk models and reports on the results of the validation of credit risk models,
 - The CPC approves the reports with the results of the credit risk model monitoring.
- The Credit Policy Committee monitors credit risk, ensures compliance with laws, supervisory regulations and ING Group's standards as well as discusses and approves any other credit- and settlement risk-related matters.

- CPC do not make decisions on:
 - individual client transactions,
 - ratings for individual clients or exposures,
 - provisioning at client or individual exposure level.

Non-financial Risk Committee

The Committee is responsible for overseeing the management of non-financial risks (identification, measurement, mitigation and monitoring of risks) in a manner appropriate to the scale, type and complexity of the Bank's business and ensuring that appropriate actions are taken to mitigate non-financial risks. These responsibilities include:

- a) Creating and embedding a strong non-financial risk management culture, supported by appropriate standards and incentives for professional and responsible behaviour;
- b) Ensuring that an appropriate non-financial risk management framework is embedded and effective, taking into account a range of factors including the nature of the Bank's business, size, complexity and risk profile;
- c) Taking actions with senior management to ensure that non-financial risk regulations, processes and associated controls are embedded at all levels of decision-making;
- d) Approve instruments supporting the Bank-wide Risk Appetite (RAS) in the area of non-financial risk (excluding strategic limits), together with the required policies and instructions in this regard;
- e) Monitoring and tracking the risks and recommendations presented in the cyclical non-financial risk reports, as well as deciding on changes to the Critical and High Risk recommendations in accordance with the applicable regulations;
- f) Monitoring and discussing internal non-financial risk events (and actions arising from them) affecting reputation, which may end in significant losses for the Bank or in which a new modus operandi has emerged;
- g) Issuing opinions on high-level regulations in the area of non-financial risk (e.g. policies, rules and regulations, strategies) before sending them for final approval to the competent authorities, if the applicant considers it necessary, and approving lower-level regulations in the area of non-financial risk, such as procedures or instructions, in accordance with the legislative solutions in force in this area;
- h) Performing tasks arising from the Risk Management Policy by third-party and intra-group entities in the area of outsourcing and procurement agreements (including ICT services), the Instruction on Outsourcing Procedures of ING Bank Hipoteczny S.A., and the Instruction – TIPM Risk and Control Standard of ING Bank Hipoteczny S.A.
- i) Performing management and decision-making tasks for models for non-financial risks.

At the beginning of 2026, as part of the Committees supporting the Bank's risk management process, an additional Committee for Model Risk and AI Risk Management was established. The Committee oversees the management of model and AI risk in the

Bank: it defines the strategy and limits, approves 2nd Line of Defence regulations, approves models and remediation actions, and monitors the risk level and reports. In the area of AI, it decides on GenAI implementations and approves regulations related to AI risk, ensuring compliance with assessment processes, controls, and ethical considerations.

The Green Covered Bonds Committee is responsible for all green aspects of covered bonds.

Responsibilities:

- Initiation and recommendation of changes and new solutions for green covered bonds.
- Approval of:
 - amendments to *the ING Bank Hipoteczny S.A. Green Covered Bond Framework*,
 - changes to technical conditions enabling qualification of a credit debt to the portfolio of green assets,
 - allocation reporting and impact reporting,
 - periodical reports delivered to the *Climate Bonds Initiative*.
- Supervision of:
 - processes relating to operational implementation of changes arising from the *ING Bank Hipoteczny S.A. Green Covered Bond Framework*,
 - processes relating to operational implementation of changes to technical conditions enabling qualification of a credit debt to the portfolio of green assets,
 - the process of utilisation of funds acquired from the issue of green covered bonds, considering the potential alternative investment projects laid down in the *ING Bank Hipoteczny S.A. Green Covered Bond Framework*,
 - the process of green assets portfolio building,
 - collaboration with third parties involved in the green covered bonds-related processes,
 - quality assurance for the green covered bonds-related processes,
 - reporting process to ING Group.

8.3 Management Board of ING Bank Hipoteczny S.A.

In the period from 1 January 2025 to 31 December 2025, the Management Board of ING Bank Hipoteczny S.A. worked in the following composition:

	Position in the Management Board	Term of office in connection with the end of the previous term of office	Date of appointment for the current term of office
Jacek Frejlich	President of the Management Board	since 28.10.2022	09.05.2024
Marek Byczek	Vice-President of the Management Board	since 01.10.2022	09.05.2024



Katarzyna Majchrzak	Vice-President of the Management Board	since 01.09.2023	09.05.2024

Segregation of key authorities within the Bank Management Board:

Jacek Frejlich	(since 28.10.2022)	President of the Management Board responsible for the Management Area
Marek Byczek	(since 01.10.2022)	Vice-President of the Management Board responsible for the Finance, Treasury, Operations and IT Areas
Katarzyna Majchrzak	(since 01.09.2023)	Chief Risk Officer

Other management functions of Management Board members:

	Function	Function Holding Time
Jacek Frejlich	Did not hold any additional functions of the Management Board or Supervisory Board member.	Throughout the reporting period.
Marek Byczek	Did not hold any additional functions of the Management Board or Supervisory Board member.	Throughout the reporting period.
Katarzyna Majchrzak	Did not hold any additional functions of the Management Board or Supervisory Board member.	Throughout the reporting period.

The composition, responsibilities of and segregation of duties among the Management Board Members did not change.

Recruitment policy – selection and evaluation of Management Board Members

All the appointed members of the ING Bank Hipoteczny S.A. Management Board satisfy the requirements of Article 22aa of the Banking Law Act and underwent a suitability assessment before appointment as per EBA guidelines.

Management Board Members are appointed and recalled, considering the requirements of the Banking Law Act.

The Supervisory Board appoints the members of the Management Board from among candidates selected on the basis of succession plans and, if necessary, from among external candidates who have passed the suitability assessment procedure and received a positive recommendation.

The President of the Management Board and the Vice-President supervising the management of the risk material to the Bank’s business are appointed upon the approval of the Polish Financial Supervision Authority. The earlier appointed Management Board

Member may be entrusted with the capacity of the Vice-President referred to hereinabove only upon approval of the Polish Financial Supervision Authority.

The process of selecting and assessing candidates for Members of the ING Bank Hipoteczny S.A. Management Board is based on the principles set out in the *ING Bank Hipoteczny S.A. Management Board Members Appointing, Onboarding and Recalling Policy and the Policy for the Assessment of the Suitability of Supervisory Board Members, Management Board Members and Key Function Holders*.

If a search for candidates for a position on the Management Board needs to be triggered, the Supervisory Board prepares a list of candidates based on the Succession Database. In the absence of internal candidates satisfying the requisite criteria, external recruitment process is initiated. The Supervisory Board select one candidate from the list and commission a suitability assessment process in accordance with the applicable *Suitability Assessment Policy for Supervisory Board Members, Management Board Members and Key Function Holders at ING Bank Hipoteczny S.A.* In exceptional cases (e.g. an urgent need to replace a member of the Management Board), the suitability assessment of candidates may be carried out up to 4 weeks after the position is taken up.

The following terms of selection, nomination and succession planning apply to Management Board members:

- management Board Members are appointed and recalled in the secret ballot, considering the requirements of the Banking Law Act.
- The Bank Management Board consists of at least three members, inclusive of the President and Vice-Presidents. Upon the request of the President of the Management Board, the Supervisory Board may entrust the role of I Vice-President to one of the Vice-Presidents.
- The number of the Management Board Members is determined by the Supervisory Board. At least half of the Members of the Management Board are the citizens of the Republic of Poland.
- the Management Board Members are appointed for a common term of office that starts from the date of appointment and runs for three full consecutive financial years.
- The President of the Management Board and the Vice-President supervising the management of the risk material to the Bank's business are appointed by the Supervisory Board upon the approval of the Polish Financial Supervision Authority. The earlier appointed Management Board Member may be entrusted with the capacity of the Vice-President referred to hereinabove only upon approval of the Polish Financial Supervision Authority.

Diversity Policy

The ING Bank Hipoteczny S.A. has the *Diversity Policy for ING Bank Hipoteczny S.A. Management Board and Supervisory Board Members*.



The Policy seeks to achieve a broad scope of competence upon appointment of the Supervisory Board and Management Board members so as to acquire various opinions and experience and enable individual bodies to issue independent opinions and reasonable decisions as well as to ensure top quality of duties performance by the managing bodies.

The Bank perceives diversity as one of the attributes of the corporate culture. As regards business-related criteria, the strategy of diversity ensures selection of persons with diverse knowledge, skills and experience, suitable for positions held by them and duties entrusted to them, who complement each other at the level of all the Management Board and Supervisory Board Members.

The criteria are verified in the suitability assessment process described in the *Suitability assessment policy for Supervisory Board and Management Board Members and the persons holding key functions at ING Bank Hipoteczny S.A.* Further, the Diversity Policy covers and employs the differences which besides knowledge and professional experience are driven by sex and age to accomplish top results.

Principles of remuneration of Bank Management Board Members

In December 2025, the Supervisory Board – by way of Resolution No. 58/8/2025 – approved the update of the *Remuneration Bylaw for Members of the ING Bank Hipoteczny S.A. Management Board*. The Bylaw provides for the primary terms and conditions of remuneration for members of the ING Bank Hipoteczny S.A. Management Board. The Bylaw remains in concordance with the values and long-term interests of ING Bank Śląski S.A. Group, whereby it fosters effective risk management by the Group. The principles of remuneration of Bank Management Board Members are set using the market data. They factor in the knowledge and skills as well as the accountability of and the risk taken by a given function. Each Bank Management Board member made an employment contract with the Bank. The contract reads *inter alia* the terms and conditions of remuneration and the competition ban.

The By-law:

1. is in line with the Bank's strategy, values and risk appetite and therefore also supports the Bank's short-, medium- and long-term interests,
2. promotes and supports an effective risk management process to maintain and protect the Bank's secure capital base,
3. does not encourage taking excessive risk beyond the risk appetite accepted by the Bank Supervisory Board,
4. is based on performance management, which is a key business process that links individual objectives with long-term business strategy and ensures stable growth,

5. is gender neutral, which means that it does not create conditions for any gender to be favoured in an unjustified manner with regard to employment, career development, promotions, as well as awarding and paying remuneration.
6. The average annual gross total remuneration of individual Management Board Members shall not exceed 40 times the average annual gross total remuneration of other employees. The ratio shall be reviewed annually as part of the review of the remuneration policy.

Remuneration of Management Board Members

Remuneration due and paid in 2025

Below are the values of the remuneration due and paid by the Bank to Management Board Members in 2025.

Management Board					
2025					
Emoluments due to ING Bank Hipoteczny S.A. Management Board Members in 2025					
		remuneration	awards*	other benefits**	Total
TOTAL	01.01.2025-31.12.2025	1,708,500.00	0.00	116,381.14	1,824,881.14

*Emoluments of the ING Bank Hipoteczny S.A. Management Board Members for 2025 under the Variable Remuneration Programme have not yet been awarded. In line with the remuneration system of the Bank, Bank Management Board Members may be eligible for a 2025 bonus. The bonus will be paid out in 2026-2032. For that purpose, provisions were formed for the 2025 bonus for Management Board Members. As at 31 December 2025, they totalled PLN **683,400.04** (excluding surcharges). The Bank Supervisory Board will take the final decision on the bonus amount.

**other benefits include: Employee Pension Scheme, healthcare and a company car

Management Board					
2025					
Emoluments paid out to ING Bank Hipoteczny S.A. Management Board Members in 2025					
		remuneration	awards*	other benefits**	Total
TOTAL	01.01.2025-31.12.2025	1,708,500.00	421,903.85	116,381.14	2,246,784.99

*Bonus under the Variable Remuneration Programme: for 2024 non-deferred cash, for 2023 the first tranche of deferred cash, for 2022 the second tranche of deferred cash, for 2021 and 2020 the third tranche of deferred cash, and financial instruments: for 2023 nondeferred instruments, for 2022 the first tranche of deferred instruments, for 2021 and 2020 the second tranche of deferred instruments, for 2019 the third tranche of deferred instruments.

** Other benefits include, amongst others: life insurance, an Employee Pension Scheme, healthcare, a company car, an allowance for remote or office-based work, a long-service cash bonus, and a guaranteed variable remuneration (known as a sign-on award or buy-out).

8.4 Supervisory Board of ING Bank Hipoteczny S.A.

In the period from 1 January 2025 to 31 December 2025, the Supervisory Board of ING Bank Hipoteczny S.A. worked in the following composition:

	Function on the Bank Supervisory Board	Appointment date	Appointment date for the new term of office	Independent Member*	Audit and Risk Committee
Bożena Graczyk	Member Chair	26.02.2018 15.06.2021	 09.05.2024		M
Brunon Bartkiewicz	Member Chair	26.02.2018 26.02.2018**	 09.05.2024		
Joanna Erdman	Member	26.02.2018	09.05.2024		
Marcin Giżycki	Deputy Chair	26.02.2018	09.05.2024		
Krzysztof Gmur	Member	26.02.2018	09.05.2024	✓	Ch
Jacek Michalski	Secretary	11.09.2018	09.05.2024	✓	M

Ch – Committee Chairman, M – Committee Member

*/ as defined in the Act on Statutory Auditors, Auditing Firms and Public Oversight of 11 May 2017.

**/ On 14 June 2021, Mr Brunon Bartkiewicz resigned from his position as Chairman of the Supervisory Board, remaining a Member of the Supervisory Board.

In 2025, there were no changes in the composition of the Supervisory Board of ING Bank Hipoteczny S.A.

In the reporting period, the Supervisory Board had 5 onsite meetings and the Audit and Risk Committee had 5 such meetings. The meetings of the Bank bodies are held by means of distance communication.

As per Article 395.2.3 of the Commercial Companies and Partnerships Code, once a year, the general meeting acknowledge fulfilment of duties by each Supervisory Board member. Acknowledgement is the assessment of the Supervisory Board members, regardless of the review of the Supervisory Board report on operations made by the general meeting.

On 9 April 2025, the Ordinary General Meeting of ING Bank Hipoteczny S.A. was held concerning the period from 1 January 2024 to 31 December 2024, at which the Annual General Meeting of ING Bank Hipoteczny S.A. passed resolutions on:

- Consideration and approval of the financial statements of ING Bank Hipoteczny S.A. for 2024;
- Review and approval of the Management Board Report on Operations of ING Bank Hipoteczny S.A. for 2024 including the Management Board Report on observance of the Principles of corporate governance;
- Acceptance of the report of the Supervisory Board of ING Bank Hipoteczny S.A. for 2024, assessment of the functioning of the Remuneration Policy of ING Bank Hipoteczny S.A. in 2024, and assessment of the adequacy of the internal regulations concerning the functioning of the Supervisory Board of ING Bank Hipoteczny S.A. and its effectiveness;
- Acknowledgement of the fulfilment of duties by the members of the Supervisory Board of ING Bank Hipoteczny S.A. in 2024;
- Acknowledgement of the fulfilment of duties by the members of the Management Board of ING Bank Hipoteczny S.A. in 2024;
- Method of profit distribution for 2024;
- 2024 dividend payout;
- Amendments to the Charter of ING Bank Hipoteczny S.A.,
- Amendments to the ING Bank Hipoteczny S.A. Supervisory Board and Management Board Members Remuneration Policy;
- Acceptance of the information regarding the adopted amendment to the Bylaw of the Supervisory Board of ING Bank Hipoteczny S.A.

Remuneration of Supervisory Board Members

In 2025, total remuneration (defined as for the Management Board Members) due and paid out by the Bank to the Supervisory Board Members reached PLN 144,200.

Supervisory Board				
2025				
Emoluments due and paid out to ING Bank Hipoteczny S.A. Supervisory Board members in 2025				
	remuneration	Awards	other benefits	Total
TOTAL	144,180.00	0.00	0.00	144,180.00

8.5 Remuneration and human resources management policy

Headcount



As at 31 December 2025, ING Bank Hipoteczny S.A. had 32 employees (32 FTEs).

Remuneration policy

The ING Bank Hipoteczny S.A. Remuneration Policy takes into account the ING Bank Śląski S.A. Group Remuneration Policy and defines the key assumptions for the remuneration policy used to attract and retain employees by ensuring a market competitive remuneration and defines the component parts of the remuneration.

The Policy includes stipulations concerning:

- gender neutrality - which means that it does not create conditions for any gender to be favoured in an unjustified manner with regard to employment, career development, promotions, as well as awarding and paying remuneration.
- the relation of the remuneration of the members of the Management Board to the remuneration of the employees - the average annual gross total remuneration of individual Management Board Members shall not exceed 40 times the average annual gross total remuneration of other employees. The ratio shall be reviewed annually as part of the review of the remuneration policy,
- monitoring of the gender pay ratio - as part of its annual remuneration review, the Bank monitors the gender pay ratio and takes appropriate action to address any gender imbalance in this respect.

The Bank identifies social and environmental risks diagnosed as part of its sustainability strategy.

The Remuneration Policy is consistent with the introduction of ESG risks into the Bank's operations, understood as environmental, social or governance events and conditions that could have a material negative financial impact on the Bank or its customers. In particular, the Remuneration Policy:

- 1) *ensures transparent remuneration principles and their link to the Bank's risk management strategy and corporate social responsibility, as reflected in the objectives set for employees for the year;*
- 2) *creates conditions so that the remuneration of the Bank's executive staff, in particular Identified Staff, is linked to the material ESG risks identified in the Bank's risk management strategy in all key management processes, including risk management, strategic planning, innovation, capital investment and employee management,*
- 3) *implies differentiating staff remuneration on the basis of quantitative and qualitative criteria, taking into account the actual contribution of the work to maintaining customer satisfaction, not encouraging excessive risks, including ESG risks, ensuring that the activities carried out comply with regulatory requirements and internal regulations.*

At the same time, the Policy does not promote actions that are against sustainable growth.

The remuneration policy is designed to ensure that remuneration-related conflicts of interest are identified and adequately limited. Adequate risk mitigation measures, that is, a layered approval process, clear and transparent performance appraisal principles which are communicated to all employees, are part of the variable remuneration process.

ING Bank Hipoteczny S.A. does not provide for any form of remuneration that might encourage employees to favour their own interests or those of the Bank while acting to the detriment of clients.

The Bank communicates the Remuneration Policy to the competent authorities and to the public in accordance with generally applicable legislation.

The principles of remunerating persons acting on behalf of the Bank do not constitute an incentive to take excessive risk of misselling.

The primary internal regulation governing the remuneration policy is the *Employee Remuneration Bylaw of ING Bank Hipoteczny S.A.* The Bylaw is revised on an ongoing basis, in response to the changing conditions and regulations of the ING Bank Śląski S.A. Group. Amendments to the Bylaw are introduced by a resolution of the Bank Management Board.

As per the bylaw, the total remuneration of Bank employees comprises of the fixed and variable remuneration.

Fixed remuneration covers:

- a. base salary;
- b. benefits awarded under the universally applicable laws and internal remunerations of the Bank, and in particular additional remuneration for overtime work, cash equivalent for holidays, reimbursement of the costs of the employee's private car use for business purposes;
- c. fringe benefits that form part of the Bank's overall policy under the four pillars of Health, Energy, Activity and Finance, i.e.:
 - a) Health - the employer cares about the health of its employees, in particular by providing access to medical care, including the family and dental packages, and by offering access to programmes promoting preventive health checks, cancer prevention and seasonal health promotion campaigns;
 - b) Energy - the employer offers a range of dedicated initiatives to support mental health and provides employees with a mental health platform;
 - c) Activity - the employer keeps employees active and provides a dedicated platform to promote a healthy lifestyle and organises sports challenges and tournaments;
 - d) Finance - the employer cares about the financial education of employees, secures the financial future of employees and offers additional benefits including:
 - employee pension programme - organised on the basis of the Employee Pension Programmes Act, through which the employer

enables employees to voluntarily accumulate additional funds for retirement,

- life insurance - the Bank provides a sponsored package of insurance which covers: death of the employee, death of the employee due to an accident and serious illness,
- benefits granted under the Regulations of the Cafeteria Plan General Terms and Conditions;
- remote work / office allowance in accordance with the Employee Remuneration Bylaw of ING Bank Hipoteczny S.A. and Regulations in force in ING Bank Śląski S.A. Group companies;
- company car - allocated on the basis of position in the organisational structure, in accordance with ING Bank Hipoteczny S.A.'s Company Car Policy.

d. fixed severance payments, that is:

- severance pay for the employees dismissed for other than employee-related reasons;
- cash payment due to employee becoming a pensioner or retiree;
- death gratuity.

Variable remuneration covers:

- annual bonus on the terms laid down in the *ING Bank Hipoteczny S.A. Employee Evaluation Bylaw*
- or the bonus set on the terms laid down in the *ING Bank Hipoteczny S.A. Identified Staff Evaluation Bylaw*.

The variable remuneration is in proper relation to fixed remuneration. The level of fixed remuneration in relation to variable remuneration should constitute a sufficiently large proportion to encourage the long-term and stable development of the Bank. The ratio of fixed to variable remuneration is set at 1 to a maximum of 1.

Base salary

The primary assumption of the base salary system is to ensure consistent and fair remuneration at ING. This can be done through a regular analysis of many aspects, financial and economic ones included. We ensure that the remuneration offered is in line with the market through its revaluation made using detailed market information. By ensuring fair and competitive remuneration, the remuneration policy seeks to win over and keep the employees contributing to the development of our company.

The Bank uses pay grades resulting from a job evaluation process carried out on the basis of an independent objective point-based job valuation method. Each position from the ING Group Global Tariff is assigned to: job family group, job family, job profile and global career

path level. The Bank verifies the adequacy of base salaries through an annual comparison with regular benchmarks performed by an external entity.

Variable remuneration

The main element of variable remuneration is the bonus. It is an extra remuneration which an employee can obtain by performing his or her STEP UP tasks stemming from the business strategy and ING values.

Tasks are set and evaluated in line with:

- the *ING Bank Hipoteczny S.A. Employee Evaluation Bylaw*, and
- the *ING Bank Hipoteczny S.A. Identified Staff Evaluation Bylaw*.

The primary goal of the Step Up evaluation is to ensure that employees have adequate competences. This is achieved by providing employees with motivating feedback, setting adequate goals for them, checking their performance in a reliable manner and building their engagement to deliver business goals and keep the competitive position of ING Bank Hipoteczny S.A.

For persons having a material impact on risk profile of ING Bank Hipoteczny S.A., the Bank regulates the process of awarding variable remuneration in the *ING Bank Hipoteczny S.A. Identified Staff Evaluation Bylaw*. In case of Management Board members the bonus rules are provided for in the *Remuneration Bylaw for Members of the ING Bank Hipoteczny S.A. Management Board*.

In accordance with the *ING Bank Hipoteczny S.A. Capital Management Policy*, the Bank tests capital to ensure that the total remuneration pool of all employees does not limit its capacity to maintain adequate capital base. Should a limitation occur, a decision can be taken to freeze the variable remuneration pool.

For the Management Board Members and the Chief Accountant, the variable remuneration rules for Identified Staff apply in full, namely

- cash payment (not more than 50%),
- financial instruments (minimum 50%).

The above division applies to both the remuneration paid out directly after the end of the evaluation period and the deferred one.

The deferral period is five years from the variable remuneration determination by the Management Board or Supervisory Board.

For other Identified Staff, a limited variable remuneration policy applies, namely:

- the variable remuneration is payable entirely in cash.

- the deferral rule does not apply to variable remuneration.

Besides the bonus award system, the Bank has an employee rewarding system, formed of a reward fund. The fund is used to reward individual employees on a discretionary basis for their outstanding performance or accomplishments translating into important deliverables for the Bank.

Principles of remuneration of Bank Management Board Members

On 28 November 2025, the Bank Supervisory Board – by way of Resolution No. 58/8/2025 – approved amendments to the *Remuneration Bylaw for Members of the ING Bank Hipoteczny S.A. Management Board*. The Bylaw contains the primary terms and conditions of remuneration for members of the ING Bank Hipoteczny S.A. Management Board. The Bylaw remains in concordance with the values and long-term interests of ING Bank Śląski S.A. Group, whereby it fosters effective risk management by the Group. It is also in line with the Bank's strategy, values and risk appetite and therefore also supports the Bank's short-, medium- and long-term interests, The By-law promotes and supports an effective risk management process to maintain and protect the Bank's secure capital base.

Its stipulations do not encourage taking excessive risk beyond the risk appetite accepted by the Bank Supervisory Board.

The By-law is based on performance management, which is a key business process that links individual objectives with long-term business strategy and ensures stable growth,

The principles of remuneration of Bank Management Board Members are set using the market data. They factor in the knowledge and skills as well as the accountability of and the risk taken by a given function.

The remuneration package of the Management Board Member covers:

- a. fixed remuneration, composed of the base salary and the following additional benefits: Life insurance, Employee Pension Programme (hereinafter referred to as EPP), medical care, company car, allowance for remote work/office work granted in accordance with the Labour Bylaw of ING Bank Hipoteczny S.A., benefits related to the termination of the contract of employment, other benefits granted on the basis of a decision of the Supervisory Board.
- b. variable remuneration which covers the annual bonus in line with the ING Bank Hipoteczny S.A. Variable Remuneration Policy for Identified Staff including Management Board Members.

The elements of remuneration and other benefits for Bank Management Board Members in the reporting period were described in the financial statements of ING Bank Hipoteczny S.A. for the period from 1 January 2025 to 31 December 2025.

Variable elements of remuneration of Management Board members and Identified Staff

As required by:

- a. The Banking Law Act of 29 August 1997 (Journal of Laws 2023 item 2488),
- b. Regulation of the Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management system and internal control system and remuneration policy in banks, hereinafter referred to as the Regulation of Finance, Funds and Regional Policy,
- c. The guidelines of the European Banking Authority of 2 July 2021 on sound remuneration policies,
- d. Commission Delegated Regulation (EU) 2021/923 of 25 March 2021 supplementing Directive 2013/36/EU of the European Parliament and of the Council with regard to regulatory technical standards setting out the criteria to define managerial responsibility, control functions, material business units and a significant impact on a material business unit's risk profile, and setting out criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile that is comparably as material as that of staff members or categories of staff referred to in Article 92(3) of that Directive.

The Bank applies the following variable regulation determination-oriented regulations:

- a. *Variable Remuneration Policy for Identified Staff*,
- b. List of Identified Staff,
- c. ING Bank Hipoteczny S.A. Identified Staff Evaluation Bylaw.

As at 31 December 2025, the Variable Remuneration Policy for Identified Staff applied to 6 Supervisory Board Members, 3 Management Board Members and 7 jobs included in the List of Identified Staff.

The List of Identified Staff – the list of Bank employees identified as persons having a material impact on the risk profile of ING Bank Hipoteczny S.A. based on the quantitative and qualitative criteria listed in Enclosure No. 1 with the Variable Remuneration Policy for Identified Staff, as per the effective provisions of the Regulation of the Minister for Development and Finance and RTS Regulation.

The List of Identified Staff is updated on an ongoing basis by the President of the Management Board of ING Bank Hipoteczny S.A.

Based on the criteria, the following persons fall into the Identified Staff category:

- Supervisory Board and Management Board members,
- senior management staff,
- staff members accountable to the management body for the control function activities,
- employees who have managerial responsibilities with respect to:
 - a. legal issues;

- b. security of accounting rules and procedures;
 - c. finance, including taxation and budgeting; carrying out economic analysis;
 - d. prevention of money laundering and terrorist financing;
 - e. human resources;
 - f. development or implementation of the remuneration policy;
 - g. information technology;
 - h. information security;
 - i. the management of arrangements for the outsourcing of critical or important functions as referred to in Article 30(1) of Commission Delegated Regulation (EU) 2017/565.
- the staff members who have managerial responsibilities for any of the risk categories set out in Articles 79 to 87 of Directive 2013/36/EU or members with voting rights in the management committee of any of the risk categories set out in those Articles,
 - the remuneration of the employee is at least EUR 500,000 and at least the average remuneration granted to members of the management body and senior management of the institution,
 - the staff member who is within the 0.3 % of the number of staff, rounded up to the next integer, who have been awarded the highest total remuneration in the preceding financial year.

Moreover, the following criteria are taken into account to determine whether a given job/person has a material impact on the Bank's risk profile and whether s/he should be included in the List of Identified Staff:

- a. a person in a given job holds the powers, whereby s/he can take decisions or make binding opinions of material impact on the Bank's risk profile,
- b. a person in a given job is responsible for control functions at the Bank, including the responsibility for or participation in development of risk management systems and creation or implementation of significant risk mitigation procedures at the Bank.

Another element of the analysis of impact on the Bank's risk profile is specification of key Bank committees whose decisions impact the Bank's risk profile and inclusion in the List of Identified Staff their members with voting rights holding the right of veto or the casting vote.

The Supervisory Board approve the *Variable Remuneration Policy* and oversee compliance therewith.

The variable remuneration is in proper relation to fixed remuneration. The ratio of fixed remuneration to variable remuneration is 1 to max. 1.

Variable remuneration is set based on the performance assessment. The variable remuneration consists of:

- cash payment (not more than 50%),
- financial instruments (minimum 50%).

The above division applies to both the remuneration paid out directly after the end of the evaluation period and the deferred one.

The Bank applies the variable remuneration deferral rule with the reservation that in line with the proportionality principle given in the Regulation of the Minister of Finance, Funds and Regional Policy, a certain amount of variable remuneration is set which is not subject to deferral, up to PLN 40,000, not exceeding 10% of the total annual remuneration of an employee who is Identified Staff.

The variable remuneration awarded in financial instruments is subject to a retention period. The period is one year from the award date.

The financial instruments awarded as variable remuneration are an instrument within the meaning of the Act on Trading in Financial Instruments. Their underlying instrument is the amount of net assets of ING Bank Hipoteczny S.A.

Deferred variable remuneration can be decreased or not paid out based on:

- verification of performance assessment or
- ex post risk adjustment and capital test.

By verifying performance assessment, one may determine whether there occurred some conditions necessitating performance re- assessment, considering the results of given Identified Staff – and, accordingly, the conditions providing for variable remuneration decrease or freeze. This applies in particular to the situation where employee behaviour results in a considerable adjustment of annual financial statements of the Bank or reputation loss by the Bank.

Based on risk adjustment ex post, the Bank has the right to reduce or not pay out the variable remuneration under the following circumstances:

- a. the occurrence of events that result in the Bank's breach, or threaten the Bank's breach, of the standards set out in Article 142 Section 1 of the Banking Law so that it is necessary to implement the Recovery Plan,
- b. payout of variable remuneration on the basis of untrue data,
- c. failure to satisfy by Identified Staff of applicable competition- and reputation-related standards,
- d. occurrence of a conflict of interest due to payout of variable remuneration in financial instruments, because of non-compliance with the confidential data usage rules and other actions which may impact the amount of assets of ING Bank Hipoteczny S.A. in the short term.

An employee does not acquire the right to an annual bonus (including the unpaid deferred portion) in the event of employment contract termination:

- a. under Article 52 of the Labour Code,
- b. upon the employer's initiative due to the termination reasons attributable to an employee.

Identified Staff are required not to apply their own hedging strategies or insurance for remuneration or responsibility, save for the mandatory insurance as required under special regulations, which would neutralise the measures taken in respect of them as part of Policy implementation. Identified Staff are required to submit to the employer – by 31 January of each function holding year – their statement on non-application of any hedging strategies or insurance.

The Bank does not award individual pension benefits understood as a portion of the variable remuneration package.

The Bank does not apply any variable remuneration award or payout solutions which would entail non-compliance with the Policy.

Once a year, by 31 January, ING Bank Hipoteczny S.A submits to the Polish Financial Supervision Authority the data on the number of Bank employees wherefor the total remuneration of each of them individually in the previous year went over EUR 1 million (one million) at the average rate of the National Bank of Poland from the last business day of the year for which data are submitted, along with the information on the job of the employee and the amount of the main remuneration elements, awarded bonuses and long-term rewards plus withheld pension contributions. In the settlement period, no employee of ING Bank Hipoteczny S.A. earned the remuneration of at least EUR 1 million.

ING Bank Hipoteczny S.A renders into the public domain the information on the Policy as far as required by the Polish Financial Supervision Authority for the disclosure of qualitative and quantitative information about the capital adequacy and other information to be disclosed.

The primary condition of annual bonus payout to Management Board members is delivery by the Bank of at least 80% of the budget, incrementally during the year, in the year for which variable remuneration is computed.

In accordance with the ING Bank Hipoteczny S.A. Capital Management Policy, ING Bank Hipoteczny S.A tests capital to ensure that the total variable remuneration pool of all employees does not limit the Group's capacity to maintain adequate capital base. Should a limitation occur, a decision can be taken to freeze the variable remuneration pool.

The amount of variable remuneration elements can be decreased and their payout can be frozen when the Bank sustains a balance sheet loss.

In the event of employment contract termination by the Bank, the Management Board member is eligible for a severance pay in the amount of a three-month base salary for the last three months preceding employment relationship termination.

Management Board members and Identified Staff are covered with non-competition agreements which provide for damages payment for refraining from employment at a competition after employment with the Bank.

Agreements between the Bank and managers

In accordance with Article 2.1.30a. of the Minister of Finance Regulation of 29 February 2018 on current and interim information published by issuers of securities and the conditions for recognizing as equivalent information required by the law of a non-member state, Management Board members are Bank managers.

Each Bank Management Board member made an employment contract with the Bank. The contract reads *inter alia* the terms and conditions of remuneration and the competition ban.

9. Corporate governance and information for investors

9.1 Corporate governance principles and applicability

With Resolution No. 218/2014 of 22 July 2014 (Official Journal of PFSA, item 17), the Polish Financial Supervision Authority adopted the Principles of Corporate Governance for Supervised Institutions ("The Principles").

The Principles were adopted by ING Bank Hipoteczny S.A. ("the Bank") to the extent specified in the Representation of the Bank's Management Board dated 13 May 2024, published on the Bank's website.

The draft Representation of the Management Board was endorsed by the Supervisory Board on 19 April 2024. On the same day, the Supervisory Board adopted the Principles concerning operation of the Supervisory Board and its members. ING Bank Hipoteczny S.A. resolved not to apply the following Principles:

- The Principles introduced under Article 8.4 and Article 9.6 do not apply since 100% of ING Bank Hipoteczny S.A.'s shares were taken up by one Shareholder – ING Bank Śląski S.A. The number of shareholders does not justify the application of the said principles;
- The principles introduced under Article 32.1 through Article 34 do not apply since the business model adopted by ING Bank Hipoteczny S.A. does not provide for client acquisition (including via advertising), but only for the purchase of existing mortgage-backed debt from ING Bank Śląski S.A.;
- The principles introduced under Article 49.4 and Article 52.2 do not apply since ING Bank Hipoteczny S.A. has an internal audit and compliance cells;

- The principles listed in Chapter 9 of the “Principles” – *Execution of Rights Resulting from Assets Acquired at Client's Risk* – the principles are not applied by ING Bank Hipoteczny S.A., because the Bank cannot pursue the business discussed in that chapter.

ING Bank Hipoteczny S.A. limited application of the following Principles:

- The principles introduced under Article 9.1 – the principles are used to a limited degree only, because the Bank has one shareholder whose representatives are members of the supervisory body of the Bank;
- The principles introduced under Article 29.1 through 29.2 – the principles are used to a limited degree only, as they apply to independent members of the supervision body only;
- The principles introduced under Articles 35, 37 and 38.1 through 38.2 – the principles are used to a limited degree only, in respect of post-sale service of mortgage-backed debt, due to the business model adopted by ING Bank Hipoteczny S.A.

In 2Q2025, the Supervisory Board assessed the application of the Principles by the Bank – as required under Article 27 of the Principles.

The corporate governance assessment for 2024 did not bring significant changes compared to the 2023 assessment. It only identified two follow-up actions to be implemented in 2025:

- Agree a solution with BSK to meet the AMLRO function requirement to ensure that a deputy is available to take over in the event of AMLRO absence or questioning of their integrity;
- Review the IBH succession plan, taking into account the current single-person positions in Compliance and Internal Audit, and approve it by the Management Board and Supervisory Board, as required by the Policy on Identification of Key Functions at ING Bank Hipoteczny S.A.

The assessment result is available on the Bank’s website.

The corporate governance assessment for 2025 was conducted in March 2026. The assessment did not identify any gaps or follow-up actions. All outstanding tasks from the previous year were completed.

ING Bank Hipoteczny S.A. Employee Business Ethics Standards

The Bank implemented the ING Bank Hipoteczny S.A. Employee Business Ethics Standards that provide an overview of key principles of conduct for Bank employees. They promote corporate culture which is based on knowledge and observance of the law, internal regulations and market standards. The rules stipulated therein apply to any and all



employee activities related to performance of their professional duties. Some of the said rules may apply to the private activities of employees which may negatively affect Bank's reputation or give rise to a conflict of interest. In connection with the implementation of Recommendation Z of the Polish Financial Supervision Authority in the Bank, the Regulations were updated by including the principles of risk culture, as well as the annual assessment of employees' compliance with the business ethics standards. The assessment of compliance with the Code of Ethics for 2025 will be carried out in the first quarter of 2026. The previous assessment of the Principles of Ethics was conducted in February 2025 also achieving a very high score. The Regulations were also subject to review and update in September 2025. The next review of the Regulations is scheduled for 2Q2026.

Orange Code

The principles defined in the so-called Orange Code are the key element shaping the corporate culture of the Bank which is based on the values promoted by the ING Group. Orange Code is a set of norms applicable to all Bank employees. Their observance is factored in during the annual employee appraisal process. The Orange Code is composed of two parts:

ING Values being the promise made to our external stakeholders:

- We are honest,
- We are prudent,
- We are responsible.

ING Behaviours which define employees' conduct. These are the commitments the employees make towards one another and standards enabling assessment of their actions:

- You take it on and make it happen,
- You help others to be successful,
- You are always a step ahead.

Based on the values and behaviours, a code of conduct for employees has also been developed, the details of which are described in the above-mentioned *Regulations - ING Bank Hipoteczny S.A. Employee Business Ethics Standards*.

ING Bank Hipoteczny S.A. Disclosure Policy

Being a public trust organisation, the Bank pursues disclosure policy which consists in keeping an open and transparent line of communication with its shareholders, investors, clients, the media and all stakeholders. In implementing its disclosure policy, the Bank is guided by the principles of corporate governance, in compliance with applicable laws, including the requirements of the Banking Law, the Commercial Companies and Partnerships Code, the Act on Public Offering and the Act on Trading in Financial Instruments as well as their implementing acts, the MAR Regulation, and the Act on the

National Cybersecurity System. Most notably, the Bank adheres to the principles of bank secrecy and the principles of preventing the use and disclosure of confidential information, as well as complying with legal requirements concerning the confidentiality and security of information, the issuer's disclosure obligations, in particular:

- the relevant Luxembourg law applicable to the issuer,
- the regulations of the companies operating the regulated market applicable to the Bank.

In implementing its disclosure policy, ING Bank Hipoteczny S.A. ensures that shareholders, investors, rating agencies, the media and all stakeholders have adequate access to the Bank's information. The full text of the Disclosure Policy is available on the Bank website.

Risk control and management system in the financial reporting process

The process of preparing financial statements is among the key elements ensuring compliance with the norms and standards. The primary element enabling process performance is the Accounting Policy adopted by the Bank Management Board. The Policy provides for the main principles of recording business events at the Bank. Events recorded are reflected in the Bank ledgers which are later used to draw up the financial statements.

The Bank identified the following key risks in the financial statements development process:

- risk of regulatory fines, litigation losses, reputational damage due to incomplete, inaccurate and/or delayed reporting caused by *non-compliance with regulatory reporting requirements and IFRS accounting principles to present a fair picture, including appropriate disclosure*;
- Risk of financial loss, regulatory fines, reputational damage as a result of false reporting due to failure to implement controls to prevent deliberate misstatement in regulatory and financial reporting;
- the risk of financial loss, regulatory sanctions and/or reputation loss due to: (1) non-compliance of internal fiscal laws and regulations, including the regulations on transfer prices, with the universally effective law; (2) non-observance of principles of the ING Group guidelines on tax issues and (3) material errors in the financial statements and/or tax returns, caused by: being unaware of changes to fiscal laws and regulations or incorrect interpretation of fiscal laws and regulations or failure to report transactions in dedicated financial systems of ING BH S.A. (incorrect application of transfer pricing regulations, for example).

Risk mitigating controls were set for all the risks identified.

The controls mitigating the processing risk include but are not limited to verification that the data generated by applications are correct and four-eye control of tax reports/returns sent by the Bank. Financial statements are accepted by the Bank Management Board, endorsed by the Audit and Risk Committee and assessed by the Bank Supervisory Board.

To limit the IT risk, the Bank implemented data access management controls. They are the mechanisms limiting unauthorised access or application role matrixes which are based on the principle of least privilege and absence of toxic combinations, and the tool to grant access and role in which the requirement of request acceptance by the superior was embedded, for example.

The compliance risk mitigating controls encompass inter alia: annual participation of the accounting and tax area employees in training and external meetings concerning fiscal, accounting and reporting regulations as well as verification of the annual and semi-annual financial statements by an independent external auditor.

The Chief Accountant of the Bank – is responsible for ensuring the application of financial reporting controls. The Internal Auditor verifies from time to time and independently assesses inter alia the adequacy and effectiveness of controls in the process of financial statements development as well as assesses risk management in that process (as part of the approved audit plans).

Shareholders directly or indirectly holding substantial stakes and the number of resultant shares and votes.

The share capital of ING Bank Hipoteczny S.A. amounts to PLN 380,000,000 and is divided into 380,000 ordinary registered shares of nominal value of PLN 1,000.00 each. The share capital has been fully covered with pecuniary contributions. Each ordinary share entitles its holder to dividend and one vote during the general meeting.

Structure of the share capital

Series	Type of share	Number of shares	Nominal value of one share (in PLN)	Series nominal value (in PLN)	Date on which a resolution was passed by AGM	Issue date	Date of registration in the National Court Register (KRS)
A	ordinary	120,000	1,000.00	120,000,000	not applicable*	26.02.2018	20.03.2018
B	ordinary	90,000	1,000.00	90,000,000	03.01.2019	03.01.2019	06.02.2019
C	ordinary	170,000	1,000.00	170,000,000	11.12.2019	11.12.2019	09.01.2020

* Issue of shares of series A stems from the Deed of Incorporation of 26 February 2018.

There are no restrictions on the transferability of the Bank's securities mentioned above. The Bank's shares do not confer special control rights on their holder, nor do they impose restrictions on the exercise of voting rights.

9.2 Auditing firm – audit of the financial statements

Selection of the auditing firm

The Bank has the Policy for selection of the auditing firm, assessment of its independence and provision of other permitted services to ING Bank Hipoteczny S.A. The Policy covers the policy for the selection of the auditing firm and the policy for provision of additional non-audit services, including the services provisionally exempted from the ban on their provision by the auditing firm, to the Bank by the auditing firm or its related entity, or a member of its network.

The independent chartered auditor of financial statements is selected by the Bank Supervisory Board on the basis of the recommendation provided by the Audit and Risk Committee.

The main assumptions of the developed Policy on selection of the auditing firm to audit the financial statements, assessment of its independence and provision of other permitted services at ING Bank Hipoteczny S.A.:

- The Audit and Risk Committee take a decision as regards granting consent to hire a statutory auditor (auditing firm carrying out the audit, an entity related thereto and by a member of the auditing firm network) to provide the permitted services, other than the audit, by them,
- the permitted services may be provided only within the scope other than the tax policy of the bank, after the Audit and Risk Committee assess the threats to and safeguards for independence of the statutory auditor and auditing firm,
- independence of the statutory auditor or of the auditing firm is verified and monitored throughout the process of selection of the auditing firm to carry out the audit of the financial statements,

Making the final decision on selection of the auditing firm, or preparing the recommendations, the Supervisory Board or the Audit and Risk Committee, respectively, bear in mind the following transparent and non-discriminating selection criteria that are applied by the bank to appraise the tenders submitted by the auditing firms:

- assessment of independence of the auditing firm to carry out the audit already at the selection stage,
- potential to provide all the services specified by the bank (audit of the separate financial statements, reviews, etc.),
- track record of the auditing firm as regards audit of financial statements of the entities of the business profile similar to the bank's,
- track record of the auditing firm as regards audit of financial statements of the public interest entities from the banking sector,

- professional qualifications, experience adequate for performance of auditing activities, and the number of persons directly involved in the audit carried out at the bank,
- audit pricing conditions offered by the auditing firm,
- commitment to ensuring the quality of the audit as required by the relevant professional standards.

On 11 January 2024, the Bank Supervisory Board selected Mazars Audyt Spółka z ograniczoną odpowiedzialnością, based in Warsaw, as the entity authorised to audit the Bank's financial statements for the years 2023 -2025 and to review the Bank's financial statements for the years 2024-2025.

The contract for the audit of the financial statements for 2023-2025 and the review of the Bank's financial statements for 2024-2025, between the bank and Mazars Audyt Spółka z ograniczoną odpowiedzialnością (currently Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością), was signed on 15 January 2024.

According to the statement provided, the auditing firm Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością and members of the auditing team met the prerequisites to issue an impartial and independent audit report from the audit of the annual financial statements in line with the applicable regulations as well as professional and business ethics standards.

The auditor of the consolidated financial statements for the years 2023-2025 of the parent company ING Bank Śląski S.A. is Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością, while that of the ultimate parent company (ING Groep N.V.) is KPMG Accountants N.V.

The Bank complies with the laws on the rotation of the auditing firm and the lead statutory auditor as well as the mandatory grace periods. Under current law, the maximum continuous period of employment of the same auditing firm may not exceed 10 years.

Remuneration of the auditing firm (gross)

	data in PLN thousand	
	period from 01.01.2025 to 31.12.2025	period from 01.01.2024 to 31.12.2024
Audit of annual financial statements	224.3	216.5
Review of interim financial statements	81.6	87.7
TOTAL	305.9	304.2

In 2024, the auditing firm Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością, which audits the Bank's financial statements, did not provide non-audit services.

9.3 Other information

Bank Charter Amendment Procedure

The current Charter of ING Bank Hipoteczny S.A. can be found on the Bank's website.

https://www.inghipoteczny.pl/_files/asset_manager/item/yirjic2

An amendment to the Bank Charter requires resolution of the General Meeting as well as registration in the entrepreneurs register of the National Court Register (KRS). Further, an amendment to the Charter has to be always approved by the Polish Financial Supervision Authority.

In 2025, amendments were made to the Bank's Charter with regard to:

1. Granting the Bank the right to execute monetary obligations to shareholders arising from share rights (payment of dividends) directly by the Bank, i.e. bypassing the entity maintaining the Bank's shareholder register.
2. Alignment with and attestation of sustainability reporting requirements.

Factors to impact the financial statements in the period of at least one quarter

The following factors will affect the financial statements within at least one quarter:

- Transfers of credit debt from the strategic partner – ING Bank Śląski S.A.,
- Development of the local and foreign markets of covered bonds in terms of demand and returns expected by investors,
- Development of the residential market in Poland,
- Development of the mortgage lending market in Poland,
- Regulatory landscape development,
- Development of the macroeconomic environment.

Changes to ING Bank Hipoteczny S.A. shareholding and shareholding rights on the part of managing and supervising persons

In the period between 1 January 2025 and 31 December 2025, there occurred no changes to ING Bank Hipoteczny S.A. shareholding and shareholding rights on the part of managing and supervising persons.

Significant agreements with the Central Bank or regulators

In the reporting period, the Bank did not enter into agreements with the Central Bank or regulators.

Granted financial commitments and guarantees



In the reporting period, the Bank did not grant any guarantees and had no financial liabilities under the loans awarded but not disbursed.

Financial liabilities granted to related entities

In the reporting period, the Bank did not grant any off-balance sheet liabilities to related entities.

Loans, credit facilities, guarantees or sureties not related to the Bank's business.

In the reporting period, the Bank did not make use of any loans, credit facilities, guarantees or sureties not related to the Bank's business.

Underwriting agreements and guarantees granted to subsidiaries

The Bank neither entered into underwriting agreements nor granted guarantees to its subsidiary.

Proceedings pending in court, before arbitration bodies or public administration bodies

The value of proceedings relating to liabilities or receivables pending in 2025 did not exceed 10% of the Bank's equity. The Bank is of the opinion that neither the proceedings pending in 2025 or in 2024 — whether before a court, an authority competent for arbitration proceedings, or a public administration authority — nor all proceedings taken together pose a threat to the Bank's financial liquidity. There were also no significant cases both brought by and against the Bank. The Bank made no provisions for pending litigation.

As at 31 December 2025, a total of 22 proceedings were pending against the Bank, 8 of which were initiated in 2025. In 20 cases, customers are challenging the construction of variable interest rates in mortgage loan agreements and the rules for determining the WIBOR reference rate; in two proceedings, the lawsuits involve both a challenge to the WIBOR rate and a claim for the sanction of a free loan. The Bank disputes the validity of the claims raised, pointing out that the use of the WIBOR rate is in accordance with the law and that the rate is set by an independent administrator and supervised by the Polish Financial Supervision Authority.

As at 31 December 2025, three cases involving the WIBOR index and the free credit sanction, in which ING Bank Hipoteczny S.A. was the defendant, had resulted in final judgments in favour of the Bank (one relating to the free credit sanction and two to the WIBOR issue).

Loan and credit facility agreements made and terminated in the financial year

On 9 December 2025, the Bank signed with ING Bank Śląski another amendment to Loan Agreement 3 dated 14 December 2020. The amendment concerned the fixing of the Availability Period to 14 December 2026.

On 9 December 2025, the Bank terminated the Framework Agreement (Guarantee) dated 14 December 2020 with ING Bank Śląski S.A.

The Bank used the amount of PLN 2.488 billion under the limits awarded.

Conclusion by the issuer or its subsidiary of one or more transactions with related entities, if they are material and were concluded otherwise than on an arm's length basis

ING Bank Hipoteczny S.A did not enter into any material transactions with related entities other than on an arm's length basis.

Changes to the fundamental principles of Bank enterprise management

In the reporting period, there were not changes to the fundamental principles of Bank enterprise management.

Financial support agreements

ING Bank Hipoteczny S.A did not enter into any financial support agreements with other consolidated entities operating within the same holding or closely related entities.

Deposits and guarantees and sureties extended

ING Bank Hipoteczny S.A neither accepts deposits nor extends guarantees or sureties.

Significant events after the reporting period

Individual recommendation of the Polish Financial Supervision Authority on meeting the criteria for dividend payout from net profit for 2025

On 27 February 2026, the Bank received a letter from the Polish Financial Supervision Authority (PFSA), in which the PFSA indicated that the Bank meets the requirements to pay dividends at a level of up to 75% of the net profit for 2025, with the maximum payment amount not exceeding the amount of the annual profit less the profit earned in 2025 already included into own funds. The Bank did not count profits during 2025 as own funds, and therefore the maximum dividend amount from 2025 profit for the Bank is 75%. At the same time, the PFSA recommended mitigating the inherent risk of the Bank by not taking, without prior consultation with the supervisory authority, other actions, in particular those outside the scope of current business and operational activities, which could lead to lowering the Bank's own funds, including possible dividend payout from undivided profit from previous years and repurchase or buy-back of own shares.

10. ING Bank Hipoteczny S.A. Management Board statement

The Management Board of ING Bank Hipoteczny S.A. represent that to their best knowledge:



- the financial statements of ING Bank Hipoteczny S.A. for the period from 1 January 2025 to 31 December 2025, taking into account the comparable data, were developed in accordance with applicable accounting principles, and give a true and fair view of the assets and the financial standing of ING Bank Hipoteczny S.A. and the financial result of the Bank,
- the Management Board Report on Operations of ING Bank Hipoteczny S.A. for the period from 1 January 2025 to 31 December 2025 included herein is the true presentation of the development, achievements and situation of ING Bank Hipoteczny S.A. (including the description of the key risks and threats).

The Management Board of ING Bank Hipoteczny S.A. represent that the auditing firm auditing the financial statements of ING Bank Hipoteczny S.A. for the period from 1 January 2025 to 31 December 2025 was selected in compliance with the law and that the entity and the statutory auditor performing the audit satisfied the terms and conditions to issue an unbiased and independent report from the audit of the financial statements, in adherence to the applicable laws and professional standards.

Signatures of all Management Board members

18.03.2026	Jacek Frejlich	President of the Management Board	signed with qualified electronic signature
18.03.2026	Marek Byczek	Vice-President of the Management Board	signed with qualified electronic signature
18.03.2026	Katarzyna Majchrzak	Vice-President of the Management Board	signed with qualified electronic signature