

## Green Statement 2021

### of the ING Bank Śląski S.A. Group



Our common responsibility is to combat the climate crisis

#### **We do not wait, we act**

Environmental degradation has a measurable adverse impact on our lives. If we do nothing about it now, the increasingly more serious climate crisis will have to be faced by future generations.

Being a large financial institution we have a material impact on economic activities in Poland and, by supporting our clients in their decision-making, on quality of their lives. Thus it is our responsibility to actively counteract the climate change. At ING we promote sustainable development solutions. We create and offer products that support go-green activities and responsibly manage environmental risk.



## We stick to our climate protection mission

In 2017, we announced our first ING Bank Śląski Green Statement. As we stated there, we did a lot to take care of the environment. **We confirm that:**

do by the end of 2025, we will steadily downsize (until total repayment) the current credit exposures extended to individual coal power plants

after 2025, we will not provide funding to clients running business directly based on thermal coal in more than **5%**

2017

2025



In line with our exclusion policy, for the sake of the environment **we also do not fund:**

- activities leaving a negative footprint on protected areas,
- activities leaving a negative footprint on animal welfare,
- activities related to growing and manufacture of tobacco products, oil palm, production of and trade in palm oil,
- activities leaving a negative footprint on forestry (e.g. illegal logging or clearing of high conservation value forests).

## We can and we want to do more

We know that changes are not easy, but they are inevitable now. We want to support our customers and partners in these changes. Our responsibility is not only to stop financing certain industries or sectors, but also to help them go green and do business in a sustainable way.

### Our business resolutions:

- Financing of Renewable Energy Sources (**RES**) and green projects - by the end of **2023** we will have allocated for that purpose **PLN 4.5 billion** in the corporate area.
- Providing support to **local government units** in their investments in green projects („Green Municipality/ Local Government” project) - by the end of **2023** we will have allocated for that purpose **PLN 500 million**.
- Further support and promotion of **electromobility**, cooperation with partners in the construction of charging stations and promotion of using electric vehicles included. By the end of **2023**, ING Lease Polska will provide **PLN 300 million** of financing for electric/hybrid vehicles. In the individual clients segment, we will implement an offer for financing prosumer energy projects.
- We will set up a grant fund of **PLN 2 million** annually for start-ups and young Polish scientists to implement sustainable development projects.
- We are developing our brand strategy as regards sponsoring. We will support companies, organisations and initiatives that boost green changes and progress, namely we will sponsor **eco-innovators**. By supporting and promoting their attitude we want to inspire both companies as well as individual customers to think out-of-the-box and become more involved in the area that directly affects us all.
- We will include ING Bank Śląski’s **housing loans** in TERRA - ING Group’s global initiative aimed at, among other things, adopting long-term goals for lowering the greenhouse gas emission for its loans following the Paris Agreement.
- By 2040, we **will have reduced** the share of our funding provided to **the fossil fuel industry** (coal excluded as we do not fund it) by **19%** as compared to 2019. The use of fossil fuels is harmful to the environment. Fossil fuels include also gas. It is a transitional fuel for the Polish economy, thanks to which the energy transition of local businesses to renewable energy sources can take place in an adaptive and well-planned manner. We want to help our customers to effectively implement transformational changes without sacrificing environmental goals.



### At the same time, we continue our previous activities:

- As regards retail loans we strongly support our customers in being eco-friendly. As regards cash loans, our customers can avail themselves of **green loans**. Such loans offer better prices than other financial products offered by the bank - e.g. in the case of the EKO loan, we return the commission to customers who have substantiated that they have used the money for any green purpose.
- In the new mortgage portfolio, we are increasing the share of „**green**” houses - the EKO offer is better in terms of prices than the regular one. This way, we want to support the construction of single-family houses with low energy demand for heating and ventilation (up to 40kWh/m<sup>2</sup>/a year).
- Environmental protection and responsible use of natural resources are becoming increasingly important for investors.
- We already offer products that are based on these criteria, such as **the NN (L) Global Responsible Investing fund, in which up to 25% of investments are made in „green” industries** - e.g. water management, energy transformation, circular economy. Together with our partners, we will develop green products offer.
- We are effectively developing customer service and sales in electronic banking. By doing it, **we reduce emissions** related to means of communication and use of consumables.

### We are tough to ourselves

We know that to demand from others, we must first be tough to ourselves. Thus, in the bank's operations, for many years we have been taking initiatives aimed at reducing our negative environmental footprint and setting an example of positive change. In the coming years we want to do more.

## We are committed to achieving climate neutrality by 2030

(we will not emit more greenhouse gases than gases which - thanks to our projects - are removed from the atmosphere by natural or technological processes).

To this end:



we audit the energy efficiency and greenhouse gas emissions of all our **own buildings**,



all our cars will be exclusively hybrid or plug-in by 2023. We will also gradually increase the fleet of electrically powered cars in order to achieve in 2030 a minimum **36%** reduction in CO<sub>2</sub> resulting from car use (compared to 2019),



we will implement green technical and investment solutions, including, among others, exploring the possibility of installing heat pumps around our own buildings to support the heating system,



we will use innovative window glazing that can:

- generate electricity,
- regulate the room climate by saving thermal energy and reducing light and solar heat going inside,
- heat the room - the glazing emits solar heat, which can replace central heating,








we will apply the state-of-the-art air conditioning and ventilation technologies. We will replace the air handling units in our buildings in Katowice (Sokolska 34 and Chorzowska 50) with heat recovery units of the capacity of **65%**,



we will reduce business trips by **30%** (compared to 2019) by switching to on-line meetings.

We **will offset CO<sub>2</sub> emissions** resulting from our operations by, among other things:

-  purchase of **100%** energy from renewable sources exclusively,
-  taking care of (new or existing) tree stand per **100 ha** of area nationwide by 2030,
-  signing an agreement with electricity suppliers to guarantee employees discounts on purchase of energy from renewable sources,
-  sowing wildflower meadows in towns where we have our bank outlets,
-  making CO<sub>2</sub> -absorbing murals on the buildings of the Katowice Head Office.

We will continue to **manage our environmental footprint** and reduce adverse impact in line with the ING Environmental Programme.

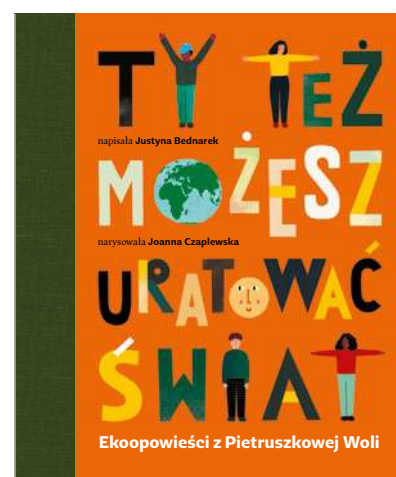
We are also taking actions related to **circular economy, reducing hardcopy documentation** and **eliminating plastic**:

- we donate office furniture and other office equipment to foundations and schools as in-kind donations,
- office furniture (which is no longer used) is **100%** recycled by companies with which the bank has signed contracts,
- when modernising our branches we use **100%** recycled materials (carpets, lamps, plasterwork, upholstery), e.g. material recycled from PET bottles, fishing nets, Greenguard certified with Gold and above,
- we phased out plastic bottles from our head offices and all meeting venues in 2019 and plastic packaging in restaurants at our Katowice headquarters,
- we have optimised cash processes requiring the printing of paper documents. With the introduction of signature pads, we have reduced paper and toner consumption,
- we aim to fully digitise our processes, thus reducing the need to provide documents in paper form. We are reducing the paper documents in favour of electronic versions.

## We educate all generations

educating and explaining the situation facilitate better understand of the goal and need for action. Thus we are changing our own attitudes and contribute to the change in attitude of other members of the society. Our current experience shows that best results may be achieved when actions are addressed to children and adults at the same time.

- Together with the ING for Children Foundation **we have published a book entitled „You Too Can Save The World. Green Tales from Pietruszkowa Wola.”** It deals with many important topics related to the environment, including smog, global warming, the problem of plastic or consumerism. It is intended for children, because we believe that they can already make environmentally conscious decisions, and that good habits which they learn now will stay with them forever. Our book is printed on paper made from cellulose that comes from trees grown in sustainable forestry areas. The ink used for printing contains no harmful substances and comes from renewable raw materials. **To reach as many children as possible, we will donate 25,000 books free of charge by 2023.** They will be distributed to all primary schools and public libraries together with lesson plans. The book will also go to children in our ING Orange Community. We will also give it to children participating in Smile Camps in Wisła organised by our ING for Children Foundation.
- We will work together in community partnerships for green education. **In the years 2021-2023, together with our partners, we will implement a climate change education programme involving several hundred primary schools.**
- In our marketing communication we will continue to inspire and encourage Poles to behave pro-environmentally and to change their habits.
- We will continue to actively participate in the public debate on sustainable development (for instance, we issue GreenING Monitor and other industry reports on a cyclical basis in cooperation with our partners).



## We, the employees, are involved

We, the employees, get involved. A lot of activities, including bottom-up ones, show that we are not indifferent to taking care of the environment and that we want to change the world. Thus, we extend our support for such activities to have an even greater impact on the environment. At ING we take matters into our own hands.

- At the ING for Children Foundation, in addition to the existing Good Idea volunteering programme, we will set up a special „**My Environment**” eco-fund worth **PLN 300,000** a year for voluntary eco-initiatives. This will make it possible for us to implement eco-projects in favour of local communities. The fund will be replenished, among other things, with funds from furniture bought by our employees.
- We are active. We promote pro-environmental behaviour and healthy lifestyle among our employees (we organise webinars, competitions, awareness -raising actions).
- We will maintain a dialogue with external and internal stakeholders on various aspects of the environment and the fight against the climate crisis in order to best respond to their needs and proposed actions (among others, in the form of a „round table” that we started in 2019).

## We monitor our activities on a current basis and make plans for the future

It is important to monitor our activities all the time and to create a long-term strategy. Thus, we are establishing the **ING Sustainability Council**, where we will periodically discuss and sum up not only the tasks related to this Green Statement, but also other activities within the ING Bank Śląski Sustainability Strategy.

We want to keep our operations transparent. Therefore, for many years environmental topics have had an important place in our reporting process. We are committed to continue monitoring of our environmental footprint indicators and to **report them on a regular basis to internal and external stakeholders in line with best practice.**

## Together we can do more

This Statement results from our Sustainable Development Strategy, which is a part of ING Bank Śląski’s Business Strategy. Through our activity we support the United Nations Sustainable Development Goals.

We want to ensure that the inevitable changes will give hope for a better life in a sustainable world. The time ahead of us is full of challenges, but also full of opportunities that we want to seize. At ING we want not only to be a part of positive changes, but to actively participate in them. With small and big actions we will change habits, business approach, and we will develop technology and innovations for the environment. We believe that the quality of life and natural environment can only be improved significantly if we work together. We will have to go long way to protect the climate, but it will be worth the effort and involvement. We are doing it for ourselves and for future generations.

Bank Management Board, Management Boards of subsidiaries and ING employees

 # ING for climate

