
ING Group
Annual Report 2024
do your thing

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About this report

ING's purpose is empowering people to stay a step ahead in life and in business. In this Integrated Annual Report we disclose our results, strategy and management approach in the context of external developments, as well as emerging and existing impacts, risks and opportunities.

This Integrated Annual Report is intended to inform stakeholder groups that have an impact on, or are affected by, our business. These include our employees, customers, investors, society (e.g. non-governmental organisations and supervisors) and suppliers & partners.

In this Integrated Annual Report, unless otherwise stated or implied by context, references to 'ING Groep' and 'ING Group' refer to ING Groep N.V. and references to 'ING', the 'Company', the 'Group', 'we' and 'us' refer to ING Groep N.V. and its consolidated subsidiaries. ING Groep N.V.'s primary banking subsidiary is ING Bank N.V. (together with its consolidated subsidiaries, 'ING Bank'). References to 'Executive Board' or 'EB', and 'Supervisory Board' or 'SB', refer to the Executive Board or Supervisory Board of ING Groep N.V., respectively. References to 'Management Board Banking' or 'MBB' refer to the Management Board of ING Bank N.V.

This report covers the period of 1 January to 31 December 2024 and was published on 6 March 2025. We published our previous annual report on 7 March 2024, which covered the year 2023. This integrated report consists of:

- Report of the Executive Board, which includes the section 'ING at a glance', and the sections 'Strategy, business model and value creation', 'Our financial performance', 'Our leadership and corporate governance', 'Sustainability Statement', 'Capital management' and 'Risk management';
- Consolidated financial statements;
- Parent company financial statements; and
- Other information and appendices.

The Annual Report is prepared in accordance with Dutch law as well as, on a voluntary basis, the disclosure requirements as set out in the European Sustainability Reporting Standards (ESRS) as the Corporate Sustainability Reporting Directive (CSRD) has not been transposed into Dutch law at the date of the publication of this report.

To avoid duplication of information and maintain the readability of the report, sustainability information is not limited to our Sustainability Statement. See our 'Reference index' for the mapping of all ESRS disclosure requirements to the annual report.

The consolidated financial statements included in this report have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and the relevant articles of Part 9 of Book 2 of the Dutch Civil Code. The company financial statements of ING Groep N.V. are prepared in accordance with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. Reasonable assurance for the consolidated financial statements and the company financial statements is provided by KPMG Accountants N.V. (KPMG).

The Sustainability Statement, including the 'Appendix to the Executive Board report - Sustainability information', is subject to limited assurance. The non-financial information is also subject to limited assurance, the scope of the assurance is presented in the 'Appendix to the Executive Board report - Definitions and context on the non-financial indicators'.

This document is the PDF version of the 2024 Annual Report of ING made available on ing.com. Another version of this document has been prepared in the European single electronic reporting format (ESEF). This ESEF reporting package is also available on ing.com. In the event of any discrepancies between this PDF version and the ESEF reporting package, the ESEF reporting package takes precedence.

The publications can be downloaded on ing.com. We welcome reactions and views, which can be emailed to ING.Corporate.Communications@ing.com.

Written and produced by ING Groep N.V.

ING Groep N.V.

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Commercial Register of Amsterdam, no. 33231073

ING in 2024

Financials

Total income
€22.6 bln
2023: €22.6 bln

Fee income
€4.0 bln
2023: €3.6 bln

Return on equity
13.0%
2023: 14.8%

Net result[2]
€6.4 bln
2023: €7.3 bln

CET1 ratio
13.6%
2023: 14.7%

Shareholder return[1]
€7.4 bln
2023: €6.4 bln

Cost/income ratio
53.6%
2023: 51.2%



Customers

Mobile primary customers
+1.1 mln
Compared to 2023

Customer volume growth[3]

Net core lending
€27.7 bln
2023: €8.6 bln

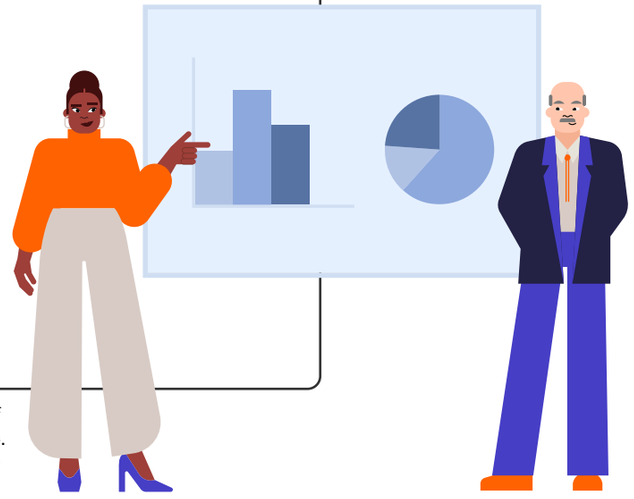
Net core deposits
€47.4 bln
2023: €10.6 bln

NPS

Retail Banking
#1 in 5 out of 10 retail markets

Wholesale Banking
74
2023: 72

[3] Growth in customer lending and deposits, excluding FX impacts, Treasury and run-off portfolios, for further details see the appendix 'Alternative performance measures'.



Sustainability

Sustainable volume mobilised[4]
€130 bln
2023: €115 bln

Renewable power generation financing[4]
€7.0 bln
2023: €4.2 bln



[1] Based on payment date. Including €756 mln of the share buyback announced in October 2024.
[2] Net result reflects the net result attributable to the shareholders of the parent.
[4] For more information see 'Definitions of our environment, social and governance metrics'.



Letter to stakeholders

Dear shareholders and other stakeholders,

First and foremost, allow us to thank you for your continued support during the course of the year. It is your support that underpins our success in navigating the challenges we face and delivering on our commitments.

We have had a solid year on all counts in 2024; we were able to deliver on our promises on the basis of a very strong financial performance. This would not have been possible without the dedication of our more than 60,000 colleagues in 36 countries serving our customers worldwide, and we thank them for their hard work and collaboration.

As we look back, 2024 was on the surface a relatively benign year for our businesses. However, when one considers the underlying elements, it would be fair to conclude that we have witnessed the embedding of longer-term economic and political trends.

In a short time, we have gone from an era of free trade to one of increasing protectionism, from a world at peace to one with several geopolitical flashpoints with the potential of dragging the rest of the world into chaos, and we have witnessed the weaponisation of climate politics despite the urgency of climate change becoming ever more evident. The global election super cycle of 2024 has only reinforced these trends.

There are challenges ahead of us, both political and economic. However, as a European house, we take great comfort in the consensus that Europe must forge its own path based on its own values and growth, in particular inclusive growth. Our individual and collective prosperity depends on being able to work together and move beyond our myopia.

From our perspective, growth in Europe rests on several core elements: a capital markets union to allow our savings to fund European growth, simplification of regulations, energy security and cheap energy with a focus on renewable sources, investments in technology, investments in our own defence and a level playing field. We would like to emphasise the paramount importance of a level-playing field for all participants – it is an essential ingredient for growth. The current anomaly that exists in and/or different interpretations of European rules (e.g. on capital, liquidity and compensation) are a significant barrier to growth. While the common-sense rationale is clear and self-evident, it will take sustained effort and pressure to achieve these goals.

We believe that ING is well positioned to navigate these existing and emerging challenges and, indeed, to continue to prosper and play our role in the consolidating banking landscape in Europe. Our confidence in our ability to deliver rests on five distinct pillars.

First, ING's universal banking model with a well-diversified portfolio of businesses solidly anchored in Europe is an advantage, particularly when combined with our ability to deliver our services and products at scale, digitally.

Second, our focus on retail and SME, which gives us a strong customer base, and a wholesale business focused on facilitating trade and the transition to a low-carbon economy. Furthermore, we believe that given our franchise in retail and SME, we are uniquely positioned to accelerate growth in wealth management services.

Third, our focus on technology and our ability to deliver services digitally to our customers, albeit with a human touch, and to scale these capabilities across markets. The culture of solving challenges by using technology is well-embedded at ING.

Fourth, we have the necessary human capital to deliver on our promises. Needless to say, the development of our people has been an area of singular focus at ING for many years; the benefits of these investments are there for all to experience and see. It is important that we ensure a level playing field in terms of compensation to attract and retain the best talent.

Fifth, we have the means to pursue our strategy in terms of capital generation, asset quality and the robustness of our balance sheet.

On a separate but no less important note, we are and will remain committed to our sustainability and diversity goals. At ING, we are driven by our sincere conviction that climate change is real, and we need to play our role in the transition to a low-carbon economy. The same applies to diversity. We have always believed in and genuinely subscribe to the notion that diversity of opinion enriches the decision-making process.

In summary, we will stay true to our values and we are confident in our ability to navigate through these challenges and deliver on our promises.

Thank you for your continued support.

Karl Guha
Chairman

Steven van Rijswijk
Chief executive officer



ING

at a glance

Who we are

ING is a leading European universal bank with global activities. Our more than 60,000 colleagues offer retail and wholesale banking services to customers in over 100 countries.

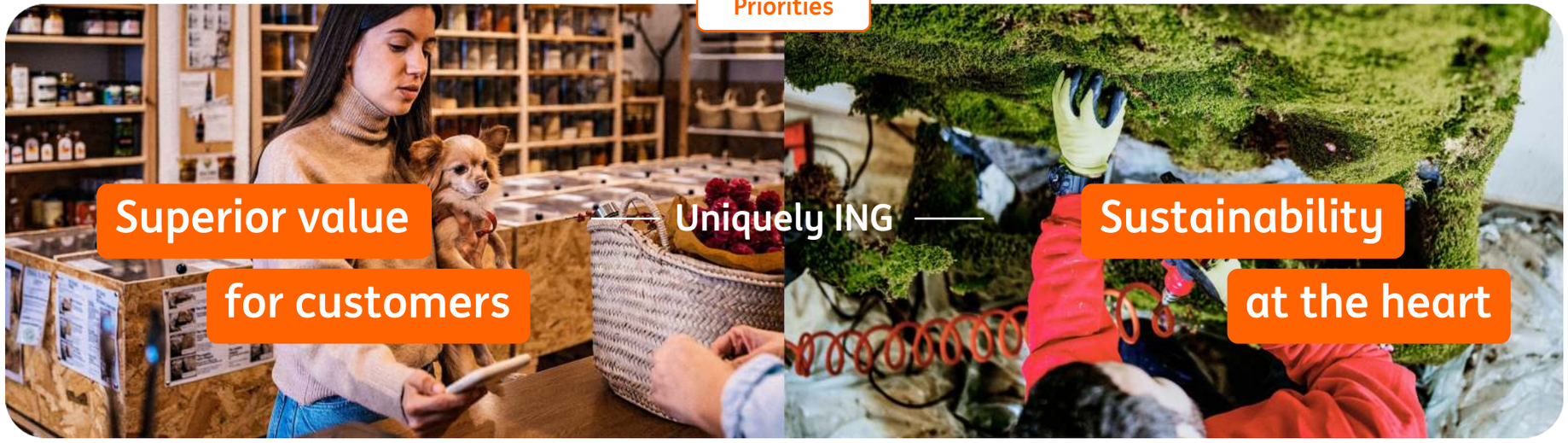
Our purpose

Empowering people to stay a step ahead in life and business

Our strategy

Growing the difference

Priorities



Retail Banking strategy

be first

Wholesale Banking strategy

the ING difference

Our enablers:

- Providing seamless digital services
- Using our scalable tech & operations
- Staying safe & secure
- Unlocking our people's full potential

Our business

Our services include savings, payments, investments, loans and mortgages in most of our retail markets. For our Wholesale Banking clients, we provide specialised lending, tailored corporate finance, debt and equity market solutions, sustainable finance solutions, payments & cash management and trade & treasury services.

Retail Banking

Private Individuals and Private Banking

- Savings
- Payments
- Investments
- Mortgages
- Credit cards
- Consumer loans
- Insurance

Business Banking

- Lending
- Real estate
- Working capital
- Trade finance
- Leasing & ComFin
- Savings and term deposits
- Payments & cash management
- Financial market solutions[1]
- Insurance
- Merchant & accounting solutions

Wholesale Banking

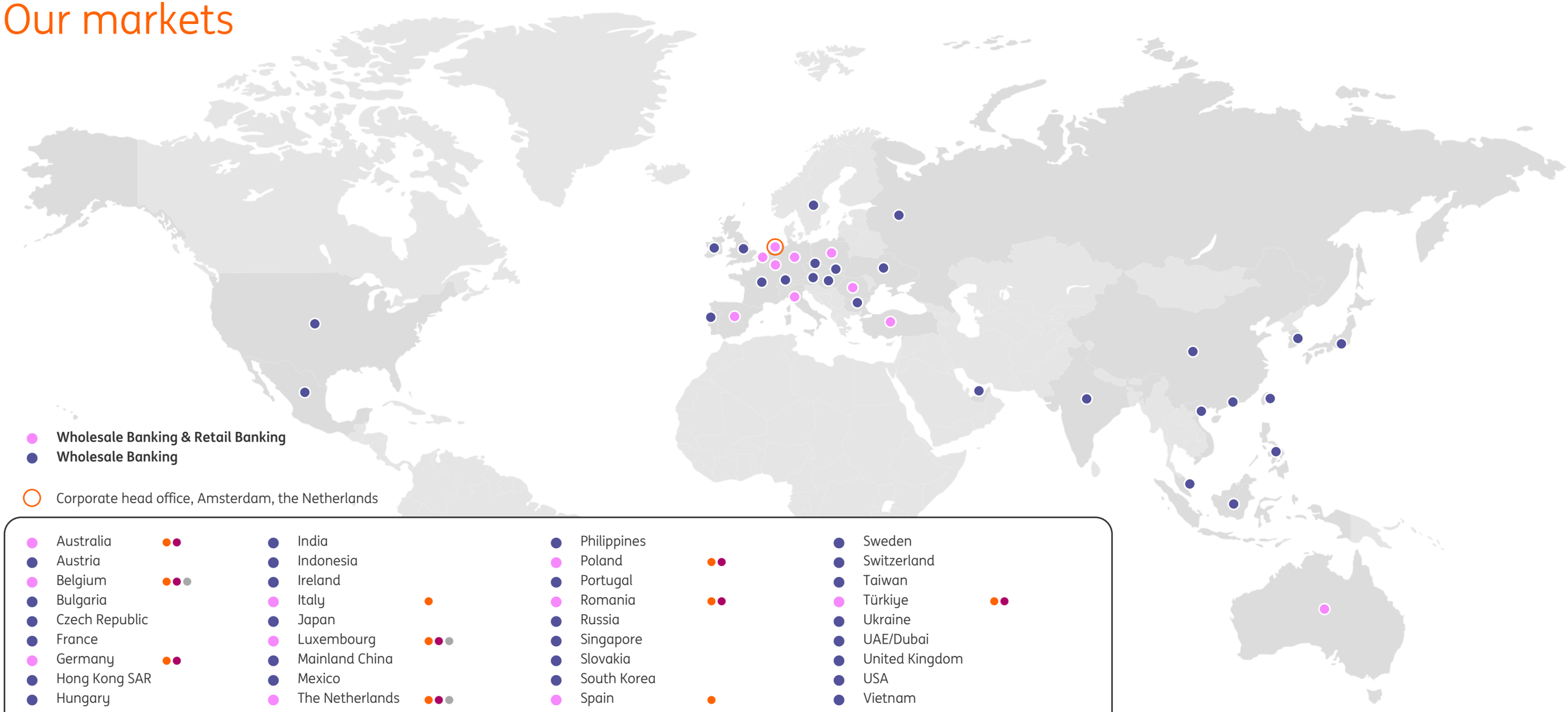
- Lending
- Debt & equity market solutions
- Sustainable finance
- Mergers & acquisitions
- Trade finance
- Payments & cash management
- Corporate investments
- Financial market solutions[1]
- Debt & capital advisory





[1] Including foreign exchange & hedging solutions

Our markets



- **Wholesale Banking & Retail Banking**
- **Wholesale Banking**
- Corporate head office, Amsterdam, the Netherlands

Australia ●●	India	Philippines	Sweden
Austria	Indonesia	Poland ●●	Switzerland
Belgium ●●●	Ireland	Portugal	Taiwan
Bulgaria	Italy ●	Romania ●●	Türkiye ●●
Czech Republic	Japan	Russia	Ukraine
France	Luxembourg ●●●	Singapore	UAE/Dubai
Germany ●●	Mainland China	Slovakia	United Kingdom
Hong Kong SAR	Mexico	South Korea	USA
Hungary	The Netherlands ●●●	Spain ●	Vietnam

Retail Banking ● Private Individuals ● Business Banking ● Private Banking

Our shares

ING's ordinary shares are listed on the stock exchanges of Euronext Amsterdam and Brussels. American depositary receipts (ADRs) are listed on the New York Stock Exchange (NYSE). Options on ordinary shares or in the form of ADRs are traded on the Euronext Amsterdam Derivative Markets and the Chicago Board Options Exchange.

Share information

The authorised share capital of ING Groep N.V. consists of ordinary shares and cumulative preference shares. Currently, only ordinary shares are issued, while a right to acquire cumulative preference shares has been granted to the ING Continuity Foundation. More information on the ING Continuity Foundation can be found on our corporate website, ing.com. Each share in the capital of ING Groep N.V. gives entitlement to cast one vote.

Authorised and issued capital

Authorised
€91 mln
2023: €91 mln

Issued
€31 mln
2023: €35 mln

Cumulative preference shares

Authorised
€46 mln
2023: €46 mln

Issued
€- mln
2023: -

Number of shares in issue and shares outstanding in the market

Ordinary shares
3,147.4 mln
2023: 3,498.2 mln

Own ordinary shares held by ING Group and its subsidiaries
51.1 mln
2023: 154.6 mln

Ordinary shares outstanding in the market
3,096.3 mln
2023: 3,343.6 mln

Prices of ordinary shares

Euronext Amsterdam by NYSE Euronext

Price high
€17.09
2023: €13.74

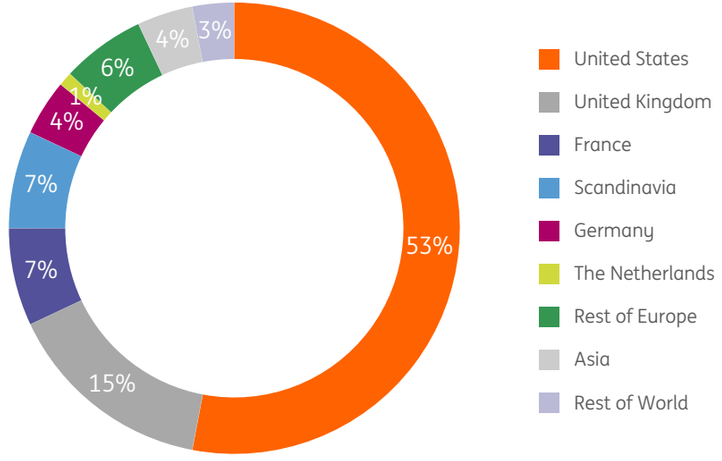
Price low
€11.92
2023: €10.38

Price year end
€15.13
2023: €13.53

Price/earnings ratio
7.7x
2023: 6.6x

Price/book ratio[2]
0.93x
2023: 0.88x

Geographical distribution of ING ordinary shares owned by institutional investors (in %)[1]



[1] Distribution based on December 2024 estimates of institutional share ownership provided by S&P Global and includes ordinary shares represented by American depositary receipts. Percentages presented have not been calculated in accordance with SEC rules with respect to beneficial ownership of securities by US residents.
[2] Calculated as the closing price per share at reporting date divided by the shareholders' equity (parent) per share.

Our operating environment

It's essential that our business is resilient, adapting to and navigating the changing environment we operate in, including new consumer and banking sector trends, economic shifts and geopolitical volatility.

We continuously adapt the implementation of our strategy, taking into account changes affecting the banking sector, including technological advancements, competition and disruption, sustainability developments, regulatory demands and the battle for talent. While the trends outlined below are certainly not new, some intensified in 2024. By proactively addressing developments around us, we can mitigate risks while increasing impact and value for our customers.

Technology drives evolving consumer demands

Technology is transforming consumer expectations in banking by emphasising seamless, personalised and on-demand services. With increased reliance on mobile apps, AI-powered customer service and data-driven insights, consumers expect banks to offer an excellent customer experience. ING's digital-first approach (predominantly in Retail) provides customers with easy, instant, personal and relevant interactions. We'll continue to build on our position of strength and invest in digital infrastructure to make sure our services are simple and accessible. Generative artificial intelligence (GenAI) has the potential to revolutionise banking and unlock significant value. We recognise GenAI's potential and are taking a prudent and responsible approach to using it in a safe and secure way. But the new technology comes with challenges and risks. We recognise that the increased digitalisation of banking requires us to strengthen our measures to protect consumers, invest in cybersecurity capabilities and continue to focus on operational resilience.

Competition from banks and non-banks is intensifying

We face increasing competition from traditional and non-banking entities, including fintechs and digital-only banks. Competitors are capitalising on advanced technologies, low operating costs and flexible regulatory environments, enabling disruption in areas such as payments, lending and investment services. This competition pushes us to innovate, as new entrants challenge traditional banking models. We'll continue to focus on brand loyalty, enhancing digital services and customer experience and build on our strong customer base as we aim to become the best European bank for all our stakeholders.

Sustainability is moving to the core of society

The need to build a more sustainable, climate-resilient future is a mission facing the whole of society. As the challenges increase, governments and businesses should step in and help tackle them. ING aims to play a leading role in accelerating the transition to a low-carbon economy. We want to build a sustainable future for our company, our customers, society and the environment. That's why we're striving to put sustainability at the heart of what we do; it is a pillar of our strategy and central to our long-term success.

Regulatory demands are growing and fragmented

The complex and fragmented regulatory landscape we operate in requires us to be highly adaptable, ensuring robust controls and investing in compliance technology. We must also stay ahead of emerging regulations in data privacy & ethics, cybersecurity and ESG. We adapt to these evolving regulatory requirements to manage risk and stay competitive.

The battle for talent is globalising

Our sector faces significant talent shortages, particularly in technology and specialised areas such as cybersecurity, AI and sustainability. To stay competitive, we invest in a range of global recruitment and internal development programmes to develop our people's capabilities and skills and build a diverse and capable workforce. We have to use talent pools more globally to make sure the best people are considered for the job.

Dynamic geopolitical environment

The past year was a 'super election year', as nearly half of the global population went to the polls. In Europe, there was a broad political shift that could alter future EU policies. Following the US elections in November, we have seen significant shifts in foreign policy and economic policy from the new administration. This includes policy changes that have heightened concerns about long-term support for Ukraine. In 2024, the war there led to continued energy market and supply chain disruption. Tensions in the Middle East escalated, intensifying the suffering endured by civilians in Gaza and neighbouring areas and leading to military engagements between Israel and Iran. A six-week ceasefire agreed in early 2025 between Israel and militant group Hamas has provided temporary relief and helped stabilise oil prices, while efforts continue toward a permanent truce. However, the situation remains fragile, increasing uncertainty and risk of renewed hostilities, possibly affecting regional stability and consequently global trade.



Strategy, business model and value creation

Our strategy

Our strategy is focused on Growing the difference by providing superior value for our customers and putting sustainability at the heart of what we do.

This evolved strategy is a result of ING's entrepreneurial spirit, collaborative attitude and customer focus, built on the strong foundation we laid with the previous phase of our strategy, called 'Making the difference'. These key ingredients make us uniquely ING and ready to grow.

Growing the difference is about building scale and impact in more market segments and the economies we operate in. We want to become more relevant to our customers, so we'll invest to expand our services, grow our customer base and deepen our customer relationships. We also continue to strive to make banking as easy and frictionless as possible.

Our goal is to accelerate growth, increase impact and deliver value to become the best European bank for all our stakeholders. This is how we want to be valued by investors and analysts compared to our banking peers. Our businesses in Asia Pacific and the Americas are instrumental to our strategy.

Growing the difference is translated into business-specific strategies. In Retail, being the best European bank is to 'Be First', becoming the most loved, most impactful and most valued retail bank. For Wholesale Banking, it's about continuing to leverage the ING difference, building on our network strength, sector expertise and sustainability leadership.

Our strategy is guided by our purpose – empowering people to stay a step ahead in life and business. This represents our belief in people's potential. However big or small, modest or grand, we empower people and businesses to realise their own vision for a better future.

Our two overarching priorities are providing superior value for customers and aiming to put sustainability at the heart of what we do. These priorities are supported by our four 'enablers'.

Providing superior value for customers

Banking is a relationship just like any other, and the best relationships are those in which people feel valued, confident, empowered and in control. That's how we want customers to feel at every step with us. Growing the difference means focusing more specifically on growing customer value, moving from more one-size-fits-all services to a more tailored approach for different customer segments. In Retail Banking, that means giving our customers the right services, at the right time, in the right way. In Wholesale Banking, we aim to provide ever more value to our clients by growing as their strategic partner and core bank.

Putting sustainability at the heart of what we do

We have a role in society to define new ways of doing business that align with economic growth and social impact. Climate change is one of the world's biggest challenges, threatening life on our planet, including its people, many of whom also struggle with inequality, poor financial health and a lack of basic human rights. ING wants to build a sustainable future for our company, our customers, society and the environment. We aim to lead by example by striving for net zero in our own operations. And we play our part in the low-carbon transformation that's necessary to achieve a sustainable future, aiming to steer financing towards meeting global climate goals and working with clients to achieve their own sustainability goals.

Four enabling priorities

Providing seamless digital services

We can serve our customers better if we use 'always-on' channels, providing data-enabled personalised experiences and end-to-end digital processes, with human intervention only where needed or desired.

Using scalable technology and operations

A technology and operations foundation that is modular and scalable brings many benefits, including superior customer experience and safety.

Staying safe and secure

Trust is the starting point, the most basic requirement, for all stakeholders. That's especially true for a digital-first bank like ING. People trust us with their money and with their data. Keeping it safe and maintaining this trust are crucial.

Unlocking our people's full potential

We want to attract, develop and retain the right fit-for-future talents and skills. We believe our people can thrive in a diverse, inclusive environment, where a superior employee experience can help unlock their time and energy to grow the difference.

How we create value

Our biggest contribution to our stakeholders and how we create value is made by fulfilling our function as a bank. We process payments, accept and safeguard deposits, extend loans, enable investments and provide other financial services to customers. We play an important role in promoting and supporting economic, social and environmental progress.

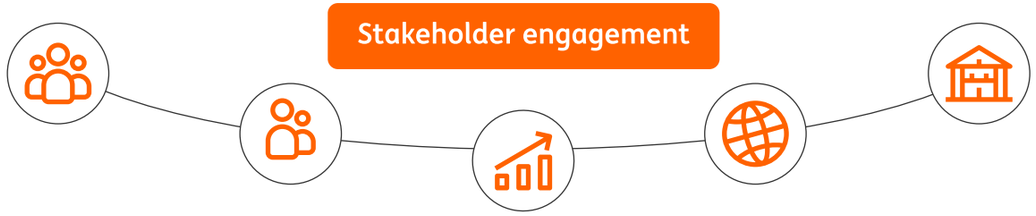
Understanding what matters most

To help us understand the material impacts, risks and opportunities (IROs) on the economy, environment and people, including impacts on human rights, we have conducted a double materiality assessment (DMA), in accordance with the European Sustainability Reporting Standards (ESRS). Previously, our materiality assessment process was based on Global Reporting Initiative (GRI) guidance. A sustainability matter is deemed material when it meets the criteria for impact materiality (inside-out perspective), financial materiality (outside-in perspective), or both. For further information about the DMA outcome and the approach, see our 'Sustainability Statement'. Material sustainability matters, along with their associated IROs, are addressed in the Sustainability Statement, under 'Environment', 'Social' and 'Governance'.

A sustainability matter which is not deemed material following the DMA can still be relevant or important to ING. You can read about ING's stance on sustainability on ing.com. For further detailed information on these sustainability matters, see our separate publications, including the 2024 Climate Progress Update, the 2023 Nature publication and the 2022/2023 Human Rights report.

Stakeholder engagement

In the context of value creation, ING recognises the importance of regular and meaningful engagement and dialogue with its many and diverse stakeholders. ING considers its stakeholders to be groups and individuals who, directly or indirectly, influence – or are, or may be, influenced by – the attainment of ING's business or operations. Rather than having one-off consultations around specific topics, we have an ongoing dialogue about our role in society, our products and services, our business performance and other matters.



Our people

- Full-time and part-time employees
- Social partners

Engagement

- Organisational Health Index (OHI) survey
- Team and manager meetings
- Employee Experience Index
- Targeted townhalls and trainings
- Other (structured) dialogues with colleagues

Topics discussed

- Understanding of ING's direction and strategy
- Diversity, inclusion and belonging topics
- Wellbeing, facilities and resources
- Collective labour agreements, pay and benefits
- Skills, training and development

Our customers

- Private Individuals
- Business Banking clients
- Wholesale Banking clients

Engagement

- Customer surveys – net promoter score (NPS)
- Climate transition plan

Topics discussed

- Engagement with clients to steer and support their progress on their climate transition plan
- Expanded engagement with corporate lending clients on human rights
- Engagement with clients in sectors with impacts and dependencies on nature
- Engagement on customer services

Investors

- (Potential) Shareholders
- Fixed Income investors

Engagement

- Annual General Meeting
- Meetings and roadshows
- Industry conferences
- Quarterly results updates
- Capital Markets Day

Topics discussed

- Financial performance and strategy execution
- Business and market development
- ESG topics

Society

- Civil Society organisations (CSOs), including NGOs
- Academics & experts
- Governments & policymakers
- Supervisors

Engagement

- Ongoing dialogue
- Targeted engagement on issues
- Structured (joint) engagement via associations
- Surveys
- Public consultations
- Public position papers

Topics discussed

- ING's sustainability approach, including climate, nature, human rights and financial health
- Our climate strategy
- Proactive engagement on human rights
- Regulations affecting banking sector
- Sustainability norms & standard setting

Suppliers & partners

- Suppliers
- Partner network

Engagement

- Due diligence
- Sourcing activities

Topics discussed

- Business, Commercial & Risk

How we create value for our stakeholders

Inputs

We build on and develop inputs to create value

Social	▪ Private Individual customers ▪ Business Banking clients ▪ Wholesale clients ▪ Licences to operate ▪ Coalitions and business partnerships
Financial	▪ €51 bln equity ▪ €708 bln deposits ▪ €160 bln issued debt
Human	▪ Time, skills and expertise of over 60,000 employees
Intellectual	▪ Proprietary knowledge, processes and models ▪ Tech and operations services
Manufactured	▪ Branches, offices, property and equipment
Natural	▪ Energy consumed by our branches and offices and for transport

Differentiators

We cultivate a **unique** combination of differentiators...

Scale	▪ €686 bln customer loans
Stable funding base	▪ Customer deposits fund 68% of our balance sheet
Prudent risk management	▪ Historical through-the-cycle cost of risk of 20 bps

Retail Banking

Loved brand	▪ Net Promoter Score: No. 1 in 5 markets
Leading digital capabilities	▪ Digi index score of 77.2%

Wholesale Banking

Sector expertise	▪ Net Promoter Score: 74
Global network	▪ 36 countries, global network tailored to our clients' needs
Sustainability pioneers	▪ €130 bln sustainable volume mobilised ▪ €7.0 bln of renewable power generation financing (committed)

Outputs

... to make **banking** frictionless

- Process payments and transactions
- Accept and safeguard deposits
- Underwrite, service and syndicate loans
- Enable access to investment products and capital raising
- Provide insurance and risk management solutions
- Offer financial advice

Outcomes

Our purpose is to **empower** people to stay ahead in life and in business

	Retail Banking	Wholesale Banking
Provide superior value for **customers**	▪ Add one million mobile primary customers annually by 2027 ▪ Introduce business banking in Germany, Australia and Italy ▪ Become private banking leader in business-oriented wealth	▪ Maintain high Net Promoter Score ▪ Increase customer deposits ▪ Shift growth to Transaction Services, Financial Markets and Capital Markets & Advisory
Unlock our **people's** full potential	▪ Grow employer brand and talent attraction capability ▪ >30% women in leadership pipeline by 2025 ▪ >35% women in senior leadership by 2028	
Leverage potential of **suppliers & partners**	▪ >85% digi index score by 2027 ▪ Increase number of shared tech solutions used within ING ▪ Increase number of engineers on shared engineering platform	▪ Expand loan and risk distribution
Continue attractive **investor** returns	▪ Structurally improve profitability: 14% ROE by 2027 ▪ CET1 ratio of ~ 12.5% by the end of 2025	
Build a sustainable future for **society**	▪ We aim to contribute to the reduction of CO_2e intensity of our portfolio by incentivising new customers to choose higher efficiency homes, and by enabling existing customers to renovate their homes	▪ We aim to steer the most carbon-intensive parts of our portfolio towards net zero by 2050 ▪ Phase out upstream oil & gas financing by 2040 ▪ Mobilise €150 bln sustainable volumes annually by 2027

Impacted SDGs



Strategy

We are **growing** the difference to be the best European bank

Strategic priorities

- Superior value for customers
- Sustainability at the heart

Enablers

- Providing seamless digital services
- Using our scalable tech & ops
- Staying safe & secure
- Unlocking our people's full potential

Superior customer value

Providing superior value for customers is one of our two overarching priorities. For Retail Banking, delivering superior customer value means making banking simple and expertise accessible, offering the right products, at the right time, in the right way. For Wholesale Banking, delivering superior customer value means building on our network strength, sector expertise and sustainability leadership.

Retail Banking

In Retail Banking, we service customers across three pillars: Private Individuals, Business Banking and Private Banking. Equipped with leading digital capabilities, we aim to provide a digital-first, frictionless and relevant banking experience, shaped to specific client needs for all of these pillars.

Private Individuals

ING offers retail banking products and services to cover the needs of individual retail banking customers. We serve nearly 40 million customers in 10 countries: the Netherlands, Belgium, Luxembourg, Germany, Spain, Italy, Türkiye, Poland, Romania and Australia.

Growing the difference means focusing more specifically on growing customer value. As part of our strategy, we aim to expand our offering with a more tailored approach and develop relevant propositions for our customers. Priority areas include making ourselves the bank of choice for Gen Z and affluent customers, growing our subscription business through products and services that provide superior value for customers, diversifying our Private Individuals lending portfolio, and partnering to create full-service retrofitting offers to support homeowners in making their homes more sustainable.

ING aims to build ‘primary relationships’ with customers, earning their loyalty to the extent that they consider us as the first bank for their financial business. In Retail Banking, we define a primary relationship as one where customers hold an active payment account with recurrent income and at least one other active product with us.

Earning ‘primary relationships’ with customers is an important driver for profitable growth. It leads to deeper relationships, greater customer satisfaction and ultimately customers choosing us for more of their banking needs. In 2024, the number of primary customers increased by 0.8 million to 16.2 million.

Through our products and services, we aim to provide a seamless digital, mobile-led experience. We want to engage with our customers on mobile at every stage of their journey and give them personalised products and services based on relevant, data-driven insights. Mobile adoption is growing and customers are expecting more from digital services. In 2024, over 84 percent of customers used mobile as their preferred channel (mobile device login through the app or website), compared to 79 percent in 2023. High adoption of mobile banking is especially visible in Türkiye (93 percent), Romania (92 percent) and the Netherlands (91 percent).

This has resulted in more mobile primary customers, who are primary customers with at least one mobile interaction through our app or mobile website per quarter. In 2024, in line with our mobile-first ambition, we grew our mobile primary customer base by 1.1 million to 14.4 million. Particularly strong growth was achieved in Germany (+314,000), the Netherlands (+174,000) and Spain (+152,000). Mobile primary customers now represent 89 percent of our 16.2 million primary customers.

Our customers logged in more than eight billion times to our digital platforms in 2024, up by 6 percent versus 2023, with mobile representing 96 percent of total interactions. This increasing engagement offers us the opportunity to further increase the relevance and value we provide to our customers.

Business Banking

Business Banking serves customers in eight markets: the Netherlands, Belgium, Luxembourg, Poland, Romania, Türkiye, Germany and most recently Australia where we began offering Business Banking services in 2024.

Our ambition is to be the first choice for customers to manage and grow their businesses, contributing to their financial health and sustainable future through relevant, seamless, trusted and tailored financial solutions and expertise in key moments.

Our needs-based customer segmentation approach differentiates between basic and more complex and/or specific needs. We offer our customers solutions through a range of service models, from 'self-service' through our digital platform to remote and face-to-face advice, with the emphasis on deepening client relationships and offering deep sector knowledge and advice.

As with all our segments, we aim to deliver superior customer value in Business Banking. For example, we offer digital onboarding and instant lending in five of our markets (the Netherlands, Belgium, Poland, Romania, Türkiye) for certain customer groups. The Netherlands, Belgium and Poland have an e-commerce offer to support online sales of our customers.

Private Banking

Private Banking offers banking services and personalised wealth management to affluent and (ultra) high-net-worth individuals and their entities in the Netherlands, Belgium and Luxembourg. This is offered through digital channels, supplemented by dedicated relationship managers and the support of product specialists. Private Banking aims to give customers access to a diverse range of products and services suited to their specific needs.

We aim to lead the way to redefine private banking by leveraging digital engagement and data to be able to scale wealth management. In doing so, we endeavour to drive a step-change in delivering customer value, with interactive, digital and enabling tools.

In Private Banking, we see ourselves as the bank of choice for entrepreneurs looking to grow their wealth. Our ambition is to become the leader in business-originated wealth by providing a one-stop solution with a segmented approach, leveraging our strong position in Business Banking.

Customer Experience (CX) day

As part of ING's focus on continuous improvement of the customer journey, ING this year held its fifth global CX day where more than 6,800 colleagues from across the bank, alongside customers, put their collective minds together to come up with tangible ideas to delight our customers. The event attracted employees from Retail Banking, Wholesale Banking and support functions all around the world. They identified more than 270 improvements, some of which were created and tested on the day.

Wholesale Banking

Growing the difference for our customers means we strive to be the best - and in this case, the best European wholesale bank. We define 'best' by having a high net promoter score (NPS) (in the industry top quartile), aim to lead in sustainability, in our digital service offering and as an employer, and achieving sustainable returns. Our work begins in providing corporate clients and financial institutions with the financial solutions they need across their value chains. Underpinning this is the 'ING difference', three major characteristics that offer value to clients:

1. **Our global reach, with local experts**: no matter where clients are, our network of experts offers them a seamless local experience with a global view.
2. **We're sector experts**: clients trust us to provide tailored solutions to meet their needs.
3. **We're sustainability pioneers**: we don't just aim to be leaders in sustainable finance; we work hand-in-hand with clients to address some of the most pressing issues in the world today.

ING's Wholesale Banking network serves clients around the world and operates from 36 countries across three regions: EMEA, APAC and the Americas. Our global reach is reflected in the fact that 58 percent of our income is cross-border. Clients benefit from our deep sector knowledge of eight sectors and 29 sub-sectors, including: commodities, food and agriculture; corporate sector coverage; energy; financial institutions; infrastructure and real estate; sustainable value chains; technology, media, telecom and healthcare; and transport and logistics. Together with our target sector research capabilities and our client segmentation model, we aim to help clients navigate the highs and lows of economic cycles, providing them with relevant advice, data-driven insights and customised, integrated solutions that support their business ambitions.

As a large wholesale bank, with billions of euros flowing through our balance sheet, ING aims to play an important role in accelerating our clients' transitions to net zero by 2050. In addition to the financial support and incentives we provide, we help and advise clients by putting our climate-action experience and other sustainability-related insights to work for them. For more information, including on Terra and the client transition tool, see 'Environment'.

Given the significant level of sustainable finance needed for the energy transition, banks have an opportunity and an imperative to increase the available level of finance. This is why in 2024 we set a new sustainable volume mobilised target of €150 billion per annum by 2027, up from our previous target of €125 billion by 2025. See the 'Sustainability Statement' for more information.

In 2024, our Wholesale Banking team was recognised by Global Finance as Best Bank for Cash Management and Best Bank for Sustainable Project Finance in Western Europe, and Best Bank for Sustainable Finance in the Netherlands. The Digital Banker recognised ING as the Best Wholesale/Transaction Bank for Sustainable Finance in South-East Asia and the Netherlands, and ING ranked as CEE's Best Bank for Sustainable Finance according to Euromoney.

How we aim to become the best European wholesale bank

We've identified other 'must-wins' for us to become the best European wholesale bank. For our sustainable returns ambition, we are scaling our product foundations to increase our fee income, particularly in Transaction Services, Financial Markets and Capital Markets & Advisory (CMA). Regarding our lending income, we're improving our capital efficiency and digitalising our deal execution processes. And as part of our Transaction Services, we aim to continue growing our volumes and deposits, as well as diversifying our product mix and growing trade finance. The emphasis in our Financial Markets platforms is to harmonise our product suite and increase our green and regular product offerings. Finally, as part of our CMA work, we're benefiting from a greater loan distribution and a broader capital markets product mix, and have been building our capabilities to have more CMA teams closer to our clients.

To improve our digital delivery, we are standardising our lending capabilities through digitalisation and have brought together all our payment capabilities under one platform. Pilot projects have also begun to investigate how generative artificial intelligence (GenAI) can support credit pack reviews and make our know your customer (KYC) and customer due diligence (CDD) processes more efficient.

Not only have we been able to absorb volume growth and navigate regulatory changes in 2024, we've also made progress on our capital management activities. We've continued to optimise our portfolio, drawing on our three 'ING difference' characteristics to help us assess where our capital can generate the highest returns. And by improving our models and the tools we use to distribute capital, we're in a stronger position to continue increasing our income over risk-weighted assets.

Our NPS performance

One of the ways we measure our ability to deliver superior customer value is through the net promoter score (NPS). The NPS indicates whether customers would recommend ING to others. We compare our NPS to selected peers in each market. For how the NPS is calculated, see 'Appendix to the Executive Board report'.

Our ambition is to achieve a number one NPS ranking in all our Retail markets. In 2024, ING ranked number one in five of our Retail markets: Australia, Poland, Germany, Romania and Spain. ING ranks in the top three in another two markets: Italy (ranked second) and the Netherlands (ranked third).

We ran an NPS programme in 32 Wholesale Banking (WB) markets throughout 2024, to ensure a broad coverage of our client base, and achieved a 76 percent response rate. ING's WB NPS score rose to 74 (on a scale of -100 to +100), compared to a score of 72 in 2023. The insights from the survey showed how our sector expertise, global reach and local experts are highly appreciated by clients and important reasons for why they chose ING. We also asked clients how satisfied they were with our product areas, people, processes and digital offering, with the highest scores going to our product offering, relationship management and client support. Off the back of these results, we will continue to prioritise building strong relationships with excellent execution, simplifying and automating our KYC processes and optimising our digital offering.



Sustainability at the heart

Sustainability is one of the biggest challenges for society. ING aims to play a leading role in accelerating the transition to a low-carbon economy. We want to build a sustainable future for our company, our customers, society and the environment. That's why we're striving to put sustainability at the heart of what we do: it is a pillar of our strategy and central to our long-term success.

The urgency of climate change and biodiversity loss is becoming more evident all the time. Sustainability, in all its forms, is under threat, endangering the welfare of the planet and its people. The challenges do not only come from extreme weather events and rising ocean temperatures, but also as people struggle with inequality, poor financial health and even a lack of basic human rights.

As such, the need to build a more sustainable, climate-resilient future is a mission facing us all. As the challenges increase, there's a growing sense of urgency that governments and businesses should step in and help tackle them.

As a systemically important financial institution, we can contribute to the transition of society. We aim to do this by playing a leading role in financing the changes needed in the transition to a low-carbon economy. We focus on this because it matters to us as a bank, to our clients and to society.

We do this by bringing aspects of climate change, nature and respecting human rights into our dialogue with clients and financing decisions. We engage with clients to help them transition their businesses in line with net-zero goals and halt nature loss in their operations, and take a risk-and-rights-based approach to human rights that supports a just transition. We aim to be a frontrunner in financing the future economy and we want to find ways to empower people to prepare for the future, with financial health and inclusion a focus of our social approach.

Putting sustainability at the heart of what we do also means embedding sustainability into our decision-making processes, our risk-management frameworks, our own operations and our company culture. We strive to lead by example by aiming for net zero in our own operations well before 2050, and we're working to improve sustainability in our supply chain. We manage our material sustainability risks and are building up an effective sustainability culture through education, upskilling and other employee-engagement initiatives.

A successful transition demands systems-level solutions. Together with our partners, we advocate for the changes that need to happen and we want to collaborate with all those who have a role to play in contributing to solutions and accelerating progress. We also aim to take a leading role in driving collective efforts to set sustainability standards for the financial sector, working with partners, peers and the industry on new frameworks for helping to decarbonise and transform the sectors we're active in.

Focus on climate action

Our climate-action activities are focused on the three areas where we believe we can make the greatest impact, based on what needs to happen in the transition: helping to drive down emissions to meet the global goal of net zero by 2050; building up the financing of the new technologies and sustainable systems of the future; and finding ways to enable people to play their part in the transition.

Driving down emissions: supporting businesses in their transition to net zero

As a bank, the most significant contribution we can make to help drive down global emissions is to engage with our clients and steer our portfolios for net-zero alignment. In our recent Climate Progress Update, we shared how we have developed our engagement with clients to accelerate their plans for transition – and how we intend to strengthen that engagement in the future. Our analysis of clients' climate disclosures and transition planning guides our decision-making and informs discussions with clients about their transition strategy and how ING can support them. We also have in place our 'Terra' approach, through which we steer our portfolios in high-emitting sectors towards net-zero alignment by 2050. See our 'Climate' section in the Sustainability Statement for more information.

While our main impact is in our financing and working with our clients, we also strive to lead by example by having an environmental programme in place that works towards net zero in our own operations. This means bringing our buildings, data centres and business travel in line with the net-zero economy of the future. We measure and steer our progress towards this ambition through our environmental programme. In 2024, our total operational footprint (scope 1, 2 and scope 3 business travel) was 27 kilotonnes (kt) of CO_2e. This is a reduction of 2 kt of CO_2e compared to our 2023 CO_2e emissions.

We consistently apply the same methodology and emission factors to track our progress towards our global ambition of a 75% emission reduction, compared to our 2014 baseline. In 2025 we will update our baseline to align with the latest emission factors and methodologies.

Building up a sustainable future: financing technologies and solutions for a low-carbon world

We have a role to play in mobilising the finance needed to make the low-carbon transition a reality, including backing the technologies and solutions that will contribute to a low-carbon world. We continue to evolve and innovate our approach to sustainable financing. This includes how we strive to make connections and support collaboration, both within particular value chains and across them, with the goal of supporting the development of the systemic solutions necessary to accelerate the transition.

In 2023 we tripled our target for financing of renewable power generation to €7.5 billion annually by 2025, up from our earlier €2.5 billion target set in 2022, where financing refers to the amount we commit to our clients, either as ING or via other parties involved in the transaction. See our 'sector transition plan' for more details.

Including everyone in the transition: finding new ways to enable people to stay a step ahead on climate

We believe most people want to play a role in the transition and our climate action approach includes finding ways to enable people to play their part, starting with existing and prospective retail customers. This includes empowering mortgage customers to make their homes more sustainable and advocating for change in housing policy.

Progress can only be driven through collaborative action and partnering and advocating for change. We do this by working together across the industry and sectors, with governments, policymakers and civil society. We continue to play an active role in the development and adoption of methodologies and frameworks that support decarbonisation at sector level.

The low-carbon transition cannot happen overnight. Even though we finance a lot of sustainable activities, we still finance more that's not, which is a reflection of the global economy. We strongly believe we can make the most impact by engaging with clients, talking to them about their climate and nature goals, and helping finance what they need to reach them.

Climate action is a fast-changing, dynamic landscape, and our approach needs to evolve to keep pace. For instance, in our approach to take climate action we take the links and interdependencies into account between climate-change mitigation, climate adaptation, nature and biodiversity, human rights and just transition.



How we are growing the difference

We focus and continue to work on our four key enablers that will help us grow the difference: providing seamless digital services, using scalable technology and operations, staying safe and secure, and unlocking our people's full potential.

Providing seamless digital services

Through our 'Growing the difference' strategy, we strive to build on our success of making banking easy. One of the ways we aim to do this is by making banking as frictionless and relevant as possible. We can serve our customers better if we use 'always-on' channels, providing data-enabled personalised experiences and end-to-end digital processes, with human intervention only where needed or desired. For Private Individuals, for example, we seek to simplify customer journeys through digitalisation and to lead in using data and GenAI. In Private Banking and Business Banking, our ambition is to lead the digital way to service our clients. And as part of our aim to be the best European wholesale bank, we place a strong emphasis on digital leadership.

We use data analytics and machine learning to personalise digital services for customers. Personalising customer interactions helps them make more informed financial decisions and supports mobile sales, while also reducing the need to use other channels. In 2024, 77 percent of our communication to retail customers was personalised. Given the importance of data in offering personal and relevant services, data security and privacy protection are crucial.

Data analytics

We use advanced analytics and artificial intelligence (AI) as a way to fulfil our strategy. Our ING Analytics organisation, which delivers analytics and AI products across our markets and domains, is made up of four specialist areas that reflect the priorities of the bank in the analytics domain (Retail, Wholesale, Operations and Platforms).

In 2024, we extended our AI capabilities with GenAI. The new technology has the potential to transform banking and unlock significant value for our colleagues and customers. At the same time, it comes with challenges and risks, which demand a responsible approach to capture its opportunities.

We currently focus on GenAI projects in five high-value areas: contact centres, hyper personalisation in marketing, KYC, software engineering and Wholesale Banking lending – with risk, tech, people and governance being our enablers on this journey. In 2024, as part of the responsible scaling of the new technology, we worked on the challenges that come with multiple platforms and models in use, and launched a number of important solutions such as a brand-new GenAI chatbot in our contact centres.

To scale responsibly with GenAI, we identified a need for standardised risk assessments that can be efficiently and effectively applied across multiple GenAI use cases. In 2024, we executed several pilots (including customer facing), providing a solid foundation for 2025. A virtual AI Risk Center of Excellence (CoE) comprising expertise in model risk, non-financial risk and compliance was also established to support AI risk assessments and ensure consistent application.

We recognise that investing in people and talent is as vital as investing in technology. To this end, in 2024, we launched a mandatory GenAI e-learning. 92 percent of ING's global workforce completed this training, with insights into the opportunities and risks of the new technology. Also, more than 4,000 ING employees are now trained in data fluency through internal e-learnings, to be able to draw on data and analytics for informed decision-making.

We also initiated 'AI Future Leaders programmes' for employees who want to professionalise their AI capabilities. The aim is to build a healthy pipeline of future AI leaders throughout the organisation, and 'AI pivot' for employees who want to enhance their AI capabilities. Through these initiatives, we aim to empower our talent to actively contribute to innovation at ING and to take advantage of GenAI through learning and development initiatives. We are also continuing our partnerships with academia, including the University of Amsterdam and the University of Twente, to foster collaboration on advanced research in the GenAI domain.

Within Retail Banking, we applied AI and GenAI in areas like loans, mortgages and marketing personalisation. As in previous years, we delivered several AI capabilities that increased the percentage of loans provided instantly to both our retail and business banking customers. In marketing personalisation, we tested the use of GenAI in creating highly personalised campaigns for our customers in Spain and Germany.

In the contact-centre area, we upgraded traditional chatbots, empowering them with GenAI, with the aim of improving straight-through-processing (STP) and customers' NPS.

Our AI and GenAI initiatives are delivering significant business impact. We successfully introduced a programme that identifies affluent customers based on their transactional behaviour across units, yielding promising results. Key outcomes include a 40 percent increase in term deposit selling, a 40 percent growth in deposit volume per deposit and a 20 percent higher cross-sell performance in payment account campaigns. In 2025, we will scale a GenAI tool that will enable marketeers to create personalised campaigns globally.

Our team will continue to support and protect our bank against increasingly sophisticated fraud efforts through AI-based detection models globally. We're implementing AI to strengthen our ability to fight Financial Economic Crime and support the Retail Banking and COO domain in automating processes. To support the analysis of transactions, we also deployed an AI model, which we plan to scale in 2025.

In Wholesale Banking, we continued to build analytics products, supporting sustainability initiatives. In this domain, GenAI can make CDD more efficient, allowing analysts to spend less time on data gathering and more on customer analysis. We launched a project that provides the CDD transaction profile report, which was further developed in 2024. This initiative saves our front office an average of two hours per client and is now operational across 19 countries. We are also exploring a GenAI-powered solution aiming to boost productivity while maintaining risk effectiveness.

Scalable technology and operations

ING uses scalable technology and operations that enable us to reach the market faster, achieve volume more quickly, maintain consistent and higher quality, and enhance productivity. This also helps us attract and retain talent by offering employees the opportunity to not only work with technology but also collaborate across countries and make an impact globally. Scalable technology allows ING to create specific and local propositions that serve our customers, while leveraging ING's scale when it comes to engineering, security and data experts.

Scalable technology

Our scalable technology platform provides a foundation for the IT modular components we use to build and operate propositions. It allows ING countries to introduce propositions quickly and easily, while providing the opportunity to add local flavour.

In 2024, we reconfirmed our direction, further growing our scalable technology platform. The ING technology vision is one of a unified technology platform (ING 'Scalable Tech Platform') that provides a key competitive advantage. To reach the full potential of our scalable technology platform, the Chief Technology Office defined three major goals to set the tone for 'Banking with impact'.

The three goals are:

- increase our productivity by reducing complexity;
- excel in customer experience by driving for customer satisfaction; and
- be a top employer for engineering talents by cultivating a strong engineering mindset.

Our scalable technology is divided into three parts: ING's private cloud infrastructure (IPC), our engineering pipeline (OnePipeline) and our banking technology platform. IPC is where we store and manage applications and data such as channel applications, core banking systems and other banking applications. We measure IPC adoption by the percentage of physical cores – also known as processing cores or CPU cores – in IPC compared to the total number of physical cores in ING data centres globally. By the end of 2024, 67 percent of all physical cores in ING were on IPC (2023: 63 percent).

OnePipeline, our continuous integration and delivery pipeline, provides engineers with a consistent and secure global capability to develop, test and deploy software. At the end of 2024, 85 percent of applications were onboarded to this pipeline (2023: 63 percent) out of the total number of applications registered in our IT management platform across all ING entities. As part of our strategy, we structurally evolve towards a hybrid cloud set-up, optimising our infrastructure landscape using both private as well as public cloud to run our applications.

Touchpoint is part of our banking technology platform, providing a set of reusable shared services, used by engineers to deliver business solutions like Instant Payments and Open Banking quicker and easier. We measure the Touchpoint-enabled customer online traffic using the Touchpoint authentication, represented by the number of Touchpoint-enabled unique customer authentications against the total ING number of unique customer authentications. At the end of 2024, approximately 75 percent of customer logins used Touchpoint (2023: approximately 64 percent).

Digital access

In a digital society, customers expect to have round-the-clock access to digital channels, including their banking services. To live up to their expectations, we strive to provide uninterrupted access to our banking services, while allowing for scheduled maintenance and downtime. We are evaluating ways to broaden the scope of Retail Countries to be included in our Channel Availability calculations, taking into account technical feasibility. For 2024, we expanded our Retail scope to include Germany, in addition to the Netherlands and Belgium. The combined digital channel availability of the Netherlands, Belgium and Germany was 99.86 percent.

For Wholesale Banking clients worldwide, the availability for our Inside Business Payments channel was 99.82 percent and for our Inside Business Connect channel (file transfer), 100 percent. These figures are based on outputs of availability monitoring processes, which are run with a high frequency per hour.

For more details on the scope and methodology, see the 'Appendix to the Executive Board report'.

Scalable operations

Our scalable operations are driven by digitalisation and capability hubs, focusing on becoming fully STP, removing friction towards a seamless experience for our customers in a safe and secure way. In all we do, our customers are our point of departure. Our processes, both digital and non-digital, are designed and executed to embed excellent customer experience. We apply the same mindset to all our employee journeys.

Digitalising key customer journeys allows us to enable superior customer value at a reduced cost-to-serve, while measuring impact through NPS and cost efficiency. In 2024, our digi index score was 77.2 percent. The digi index score concerns a figure that reflects the average of STP rates of key customer journeys that are handled without manual intervention.

Capability hubs provide shared services and solutions across ING worldwide, leveraging expertise and using scale, and sharing productive, quality services across the ING network. The hubs are mainly located in the Netherlands, Poland, Romania, Slovakia, the Philippines and Türkiye.

By enabling self-service through mobile and increasing the use of chatbots, we reduced inbound contacts to contact centres by 26 percent in 2024 (versus 2021).

We are boosting scalability with advanced analytics and (Gen)AI developments, supporting the bank with intelligence and insights to enrich our operational and decision-making processes.

Staying safe and secure

Trust is the starting point, the most basic requirement, for all stakeholders. That's especially true for a digital-first bank like ING. People trust us with their money and their data. Keeping these safe, and maintaining this trust, is crucial.

A comprehensive risk management framework helps to ensure that material risks to our business are identified, measured and managed. Alongside this, our Risk Appetite Framework (RAF) helps us to pursue our 'Growing the difference' strategy in a safe, secure and compliant way while meeting regulatory requirements at all times. And as we look to do business with more customers, it's important to know exactly who they are in order to protect our organisation, our clients and the financial system as a whole. As part of our ongoing anti-money laundering (AML) efforts, we screen customers, carry out due-diligence checks and monitor transactions for unusual or suspicious behaviour. While we deliver on this priority, we are also putting an increased emphasis on providing superior customer value in our processes. Alongside AML, we play an important role in preventing and detecting fraud. By deploying innovative solutions, we seek to limit the number of fraud victims and the impact of fraud loss on our clients and society.

Cybercrime remains a continuous threat to companies and financial institutions in particular. We monitor the cyberthreat landscape closely and invest in cybersecurity capabilities in all domains (prediction, prevention, detection, response and recovery). We continuously test both our technical and operational resilience, and perform crisis management as well as red-team exercises to improve our response to attacks. In 2024, we identified no cyber incidents on ING infrastructure that required public disclosure as soon as possible. However, earlier in the year we reported to the authorities that our login web channel in Spain suffered an unsuccessful attack, which was controlled by our cyber-defence capabilities. We reported another incident to authorities when an IT change resulted in limited non-personal data disclosure for a dozen clients. We are currently not aware of any threats in our environment that are likely to materialise in the near future.

As a global financial institution, we process personal data belonging to our customers, employees, suppliers and business partners. They trust us with confidential and personal information, so it's important that we maintain that trust and keep this data safe from loss or misuse. Ethical standards are always evolving, so we closely monitor regulatory compliance and potential new requirements to gain an 'outside-in' view on data ethics. And to provide further protection, we encourage employees to speak up when confronted with unethical, undesirable or illegal behaviour, which they can do anonymously through a variety of reporting channels.

For more information on ING's policies and processes to stay safe and secure, see 'Risk management'.

Unlocking our people's full potential

Unlocking our people's full potential is a key enabler of our strategy as we believe we have an abundance of talent and potential at ING. We attract, develop, retain and reward the right fit-for-future talents and skills. We strive to deliver a superior employee experience to unlock our people's time and energy to grow the difference. We are dedicated to fostering a safe and inclusive environment for our 60,000+ employees, as we aim to create a friendly, collaborative workplace that mirrors the diverse world we operate in. This is reinforced by our Orange Culture and Orange Behaviours. We ask our people to act with honesty, prudence and responsibility, and that they strive to 'take it on and make it happen', 'help others be successful', and are 'always a step ahead'.

In 2024, we continued to focus on unlocking our people's potential through three strategic pillars: 'talent & leadership', 'culture & organisation' and 'employee experience'.

Talent & leadership

To grow the difference and keep ING fit for the future, we need the right people with the right skills and a readiness to learn and develop. That's why we make it easy for employees to upskill, something we've seen a strong desire for in 2024. The positive trend for non-mandatory training has continued, with more people electing to learn new skills and build capabilities relevant to their job and function.

Our focused attention on training complements our efforts to build strong, diverse talent pipelines. Through our strategic global talent reviews, conducted for approximately 5,000 senior employees, each domain evaluated their contributions to growing the difference and identified the talent, leadership and capability needs to advance our ING goals and help future-proof our talent pipelines. One example is our Global Leadership Accelerator, run in partnership with the IMD Business School, where, following completion, participants are demonstrating increased readiness for senior roles. But as we strengthen the talent of today, we can also look ahead with confidence: the International Talent Programme continues to welcome new trainees to ING to develop their banking skills, cultivate professional expertise and support their personal growth. This rigorous, global two-year programme is just one of our investments in helping to grow our future experts and leaders.

Our commitment to a fair and transparent performance and rewards process supports our talent and leadership goals. Our focus for 2024 was on providing our people with more clarity and consistency. We introduced a new five-point performance rating scale in our performance evaluation scheme and clearly linked remuneration decisions to performance outcomes. These changes also included the upskilling of our managers to make our pay decisions more objective.

As of 2025 ING is using a transparent and communicated variable remuneration pay structure. This means that all employees eligible for variable remuneration (over 35,000 employees) will have a variable remuneration target, including our Wholesale Banking employees. Previously, variable remuneration awards were fully discretionary within Wholesale Banking, but from 2025, the annual variable remuneration will be based on a set percentage (target) of fixed pay. This will provide managers with a decision framework for determining variable remuneration rewards equitably, while having enough flexibility to differentiate outcomes for individual performance. Employees will see increased transparency and better understand how their personal performance influences their variable remuneration.

Culture & organisation

Teams and leaders that reflect the world we operate in are crucial in creating a diverse and inclusive environment. We aim to increase diverse representation and inclusive behaviours through our diversity, inclusion and belonging (DIB) policy, strategies, standards and trainings. Another effort includes aiming to increase the number of women in leadership roles. We define this leadership scope based on our Global Job Architecture (GJA), a globally applicable approach to describe and evaluate all ING jobs. In 2024, the number of women in senior positions (GJA 22+) was 32 percent, up from 31 percent at year-end 2023, and the number of women in the leadership pipeline (GJA 19-21) was 30 percent, up from 28 percent at year-end 2023. This year-on-year growth contributes to our future global gender diversity goals, which are further detailed in the 'Own workforce' section. To further support our DIB efforts, we have structured feedback mechanisms, including our annual global Inclusion Index, and hold continuous dialogues with our employees via our Employee Resource Groups, of which there are over 45 globally relating to culture, disability, gender, generations, LGBTQI+, and race and ethnicity.

Furthermore, good mental and physical wellbeing can also contribute to an inclusive environment and a healthy and engaged workforce. We promote a flexible way of working among our employees, are piloting personalised healthy 'Working Habits', and equip managers to support their teams with their wellbeing.

Equally important is the role feedback plays in sustaining our Orange Culture. We maintain a continuous listening framework, which gives our people formal channels to provide feedback on our strategy, working conditions, behaviours and experiences. Our Organisational Health Index (OHI) is the most comprehensive of these listening tools. In 2024, we held two OHI surveys and received feedback from 80 percent of our workforce, achieving our highest response rate ever. We saw sustained engagement among our employees, and feedback showed that our people continue to value and appreciate their colleagues, the ability to work hybrid and the opportunities that support their wellbeing.

Employee experience

Providing superior customer value starts by delivering a superior employee experience. We aim to pave the way for our people to focus on the things that are truly important while enabling sustainable high-performance. In 2024, we focused on designing easier, more personal and relevant services for employees through the collective efforts of the Employee Experience Design Board, with representatives from Human Resources, Facilities Services, Operations, Information Technology and Global Communications. For example, we introduced large-scale projects to onboard new countries to our global people management systems and improved our process automation, resulting in a 45 percent reduction in manual employee notifications and an 18 percent decrease in Human Resources support tickets filed. Initiatives like these have enhanced the employee experience by reducing administrative burdens and allowing our people to focus on more meaningful work.

For more information on our own workforce as required by CSRD, see 'Sustainability Statement – S1'.



Our financial performance

Our financial performance

In 2024, we have again delivered strong results and are executing well on our strategy to accelerate growth, increase impact and deliver value for all stakeholders. Our net result of €6,392 million reflects a record total income, supported by double-digit growth in fee income and strongly increased customer lending and customer deposit volumes. Higher expenses show the continued investments in the growth of our business, as well as inflationary effects on staff expenses. Risk costs remained below our through-the-cycle average.

Highlights 2024

- Total income was resilient as we recorded outstanding volume growth, while keeping our lending and liability margin at healthy levels
- Fee income strongly increased to €4 billion, in line with our ambition to diversify our income and reach €5 billion of fee income by 2027
- Cost/income ratio came out at 53.6%, within our target range for 2027, while we continue to invest in growing our business
- CET1 ratio finished at 13.6% as we continue to take steps to converge our CET1 capital ratio to our target level of around 12.5%
- Return on equity was 13.0%, reflecting our strong performance and the favourable impact of capital distributions

Results 2024

Mobile primary customers
+1.1 mln
in 2024

Annual growth target
+1 mln

Net core lending growth
€27.7 bln
in 2024

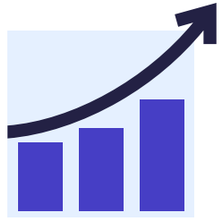
+4% vs customer lending at year-end 2023

Net core deposits growth
€47.4 bln
in 2024

+7% vs customer deposits at year-end 2023

Total income
€22.6 bln
+0.2% vs 2023

Target CAGR 2024-2027
▲ 4-5%



Fee income
€4.0 bln
+11.5% vs 2023

Target by 2027
€5 bln

Cost/income ratio
53.6%
2023: 51.2%

Target by 2027
52–54%

CET1 ratio
13.6%
2023: 14.7%

Target by end of 2025
~12.5%

Return on equity
13.0%
2023: 14.8%

Target by 2027
14%

Consolidated results	2024	2023	Change
Profit or loss (in EUR million)			
Net interest income	15,023	15,976	-6%
Net fee and commission income	4,008	3,595	11%
Total Investment and other income	3,584	3,005	19 %
Total income	**22,615**	**22,575**	**0%**
Expenses excl. regulatory costs	11,239	10,522	7%
Regulatory costs	882	1,042	-15%
Operating expenses	**12,121**	**11,564**	**5%**
Gross result	**10,494**	**11,011**	**-5%**
Addition to loan loss provisions	1,194	520	130%
Result before tax	**9,300**	**10,492**	**-11%**
Taxation	2,650	2,970	-11%
Non-controlling interests	258	235	10%
Net result[1]	**6,392**	**7,287**	**-12%**
Key financial metrics			
Net core lending growth (in € billion)[2]	27.7	8.6	
Net core deposits growth (in € billion)[2]	47.4	10.6	
Cost/income ratio	53.6%	51.2%	
Risk costs in bps of average customer lending	18	8	
Return on equity based on IFRS-EU equity[3]	13.0%	14.8%	

1 Net result reflects the net result attributable to shareholders of the parent.
2 For a reconciliation of net core lending growth to customer lending growth, and of net core deposits growth to customer deposits growth, see the appendix 'Alternative performance measures'.
3 Net result divided by average IFRS-EU shareholders' equity excluding reserved profits not included in CET1 capital.

Total income

Total income rose to a record €22,615 million. This was supported by continued growth of our customer base, double-digit growth in fee income and sharply increased lending and deposit volumes.

We recorded outstanding commercial growth in 2024. Net core lending growth (which is the increase in customer lending adjusted for currency impacts and excluding Treasury and the run-off portfolios) was €27.7 billion. We were particularly successful in increasing our residential mortgages portfolio, by €18.9 billion, spread across all our retail countries. In addition, we also grew our consumer lending and business lending books (by €6.9 billion in total). And we recorded a net growth in Wholesale Banking of €1.8 billion, while we continued to optimise our capital usage.

Net core deposits growth (which excludes FX impacts and movements in Treasury deposits) was a record €47.4 billion in 2024, with strong contributions from both Retail Banking and Wholesale Banking. At the end of 2024, 68% of our balance sheet was funded by customer deposits.

Net interest income (NII) from lending and liabilities held up well; however, total NII declined 6.0% to €15,023 million due to lower NII in Financial Markets and Treasury. Lending NII rose by €139 million, reflecting volume growth at a stabilising margin. Liability NII declined by €318 million as deposit growth could not entirely offset the impact of normalising margins. Financial Markets NII was €494 million more negative than in 2023 as higher interest rates led to an increase in funding costs. This impacted NII while the income from related positions is reflected in other income due to accounting asymmetry. NII in Treasury dropped by €335 million, primarily impacted by the ECB's adjustment in September 2023 of the remuneration on the minimum reserve requirements to zero basis points as well as by less favourable conditions in the money markets. Other NII included a one-off income of €70 million in Wholesale Banking and a €-39 million impact from the Polish mortgage moratorium. The net interest margin was 1.45% in 2024, which is 11 basis points lower than in 2023, mainly due to a lower NII in Financial Markets and Treasury.

Net fee and commission income strongly increased, in line with our ambition to diversify our income, and was up 11% to over €4 billion. Fee income from retail investment products was significantly up, reflecting an increase in accounts, in assets under management and customer trading activity. Daily banking fees rose on the back of strong growth in the number of customers and an updated pricing for payment packages. The increase in fee income for Wholesale Banking was mainly attributable to a higher income from Capital Markets issuance.

Total investment and other income increased 19% to €3,584 million. This was mainly due to the positive effect of accounting asymmetry in Financial Markets, as well as to a smaller IAS 29 impact (reflecting lower inflation in Türkiye). Furthermore, in 2024 we recorded €77 million as our share in the one-off profit of an associate in Belgium and a €53 million receivable (recorded in the Corporate Line) related to a prior insolvency of a financial institution in the Netherlands.

Operating expenses

Operating expenses increased 4.8% to €12,121 million. Expenses in 2024 included €882 million of regulatory costs, a decline of €160 million year-on-year, mainly because no contribution to the eurozone's Single Resolution Fund was required in 2024 and because the Dutch deposit guarantee fund reached its target level in 2024. Furthermore, expenses in 2024 included €178 million of incidental items (largely related to restructuring provisions) compared with €247 million of incidental items in 2023.

Expenses excluding regulatory costs and incidental items rose 7.6%, mainly attributable to the impact of inflation on staff expenses and the implementation of the 'Danske Bank' ruling on VAT in the Netherlands. In Retail Banking, this was coupled with investments in digitalisation and in client acquisition to support growth. Wholesale Banking expenses also reflect front office growth in Capital Markets & Advisory and Transaction Services, as well as investments to enhance the digital experience and the scalability of our systems. The cost/income ratio came out at 53.6% in 2024 compared with 51.2% a year earlier.

Addition to loan loss provisions

Net additions to loan loss provisions increased to €1,194 million compared with €520 million in 2023. This is equivalent to 18 basis points of average customer lending, and below our through-the-cycle average of 20 basis points.

The increase year-on-year was largely due to additions for a number of Stage 3 files in Wholesale Banking. This was partly compensated by a net release from loan loss provisions in Stage 1 and 2, mainly reflecting a partial release of management overlays.

Net result

The net result (attributable to shareholders of the parent) in 2024 was €6,392 million compared with €7,287 million in 2023. The effective tax rate in 2024 was 28.5% compared with 28.3% in 2023.

Our continued strong performance in combination with additional distributions to shareholders as we align our capital to our target level was reflected in a 13.0% return on equity. ING's return on equity is calculated using average IFRS-EU shareholders' equity after excluding 'reserved profit not included in CET1 capital', which amounted to €2,152 million at the end of 2024. This reflects 50% of the resilient net profit in 2024, which has been reserved for distribution in line with our policy, minus the interim dividend over 2024 that was paid in August 2024.

Resilient net profit is defined as net profit adjusted for significant items that are not linked to the normal course of business. In line with this definition, and consistent with previous years, the impact of hyperinflation accounting has been excluded. Therefore, resilient net profit was €156 million higher than net profit in 2024.

Retail Banking

Retail Banking	Total Retail Banking			Retail Netherlands			Retail Belgium			Retail Germany			Retail Other		
in EUR million	2024	2023	Change	2024	2023	Change	2024	2023	Change	2024	2023	Change	2024	2023	Change
Net interest income	11,449	11,459	0%	3,027	3,096	-2%	1,959	2,063	-5%	2,647	2,862	-8%	3,817	3,437	11%
Net fee and commission income	2,694	2,337	15%	1,049	959	9%	603	502	20%	433	357	21%	609	519	17%
Total investment and other income	1,113	1,272	-13%	835	945	-12%	189	117	62%	-173	-67		263	277	-5%
Total income	**15,256**	**15,069**	**1%**	**4,910**	**5,001**	**-2%**	**2,751**	**2,683**	**3%**	**2,906**	**3,152**	**-8%**	**4,688**	**4,233**	**11%**
Expenses excl. regulatory costs	7,361	6,938	6%	2,011	1,923	5%	1,605	1,642	-2%	1,215	1,147	6%	2,532	2,227	14%
Regulatory costs	668	771	-13%	114	212	-46%	206	211	-2%	88	96	-8%	261	252	4%
Operating expenses	**8,030**	**7,709**	**4%**	**2,124**	**2,135**	**-1%**	**1,811**	**1,852**	**-2%**	**1,303**	**1,243**	**5%**	**2,792**	**2,479**	**13%**
Gross result	**7,226**	**7,360**	**-2%**	**2,786**	**2,866**	**-3%**	**941**	**830**	**13%**	**1,604**	**1,909**	**-16%**	**1,896**	**1,754**	**8%**
Addition to loan loss provisions	566	607	-7%	-8	5	-260%	134	169	-21%	149	119	25%	291	313	-7%
Result before taxation	**6,660**	**6,753**	**-1%**	**2,793**	**2,861**	**-2%**	**807**	**661**	**22%**	**1,455**	**1,790**	**-19%**	**1,605**	**1,441**	**11%**
Taxation	1,819	1,912	-5%	723	740	-2%	210	182	15%	505	631	-20%	381	359	6%
Non-controlling interests	223	174	28%	0	0		0	0		1	0		221	174	27%
Net result IFRS	**4,618**	**4,667**	**-1%**	**2,070**	**2,121**	**-2%**	**597**	**479**	**25%**	**949**	**1,159**	**-18%**	**1,002**	**908**	**10%**
Key figures															
Net core lending growth (in € billion)	25.9	9.7		9.6	2.3		3.7	1.4		4.4	1.7		8.2	4.3	
Net core deposits growth (in € billion)	31.6	18.5		5.0	-1.6		6.4	-1.3		7.5	8.5		12.7	12.9	
Cost/income ratio	52.6%	51.2%		43.3%	42.7%		65.8%	69.1%		44.8%	39%		59.6%	58.6%	
Risk costs in bps of average customer lending	12	13		0	0		14	18		14	12		26	29	
Return on equity based on 12.5% CET1[1]	24.3%	24.8%		32.1%	33.4%		13.7%	11.2%		30.1%	33.3%		20.6%	20.1%	

[1] After-tax return divided by average equity based on 12.5% of risk-weighted assets.

Retail Banking had another excellent year, with a net result of €4,618 million, close to the record level achieved in 2023 (€4,667 million). The result before tax came out at €6,660 million.

Retail Banking maintained strong commercial momentum in 2024. The mobile primary customer base increased by 1.1 million, and this was coupled with a record growth in customer lending and an exceptionally high growth in customer deposits.

Net core lending growth (which excludes currency impacts, Treasury and run-off portfolios) was €25.9 billion. This was particularly driven by a further increase of our mortgage portfolio across all markets. We also further grew our consumer lending and business lending portfolios.

We were very successful in attracting deposits in 2024. Net core deposits growth (which is the increase in customer deposits excluding FX impacts and movements in Treasury deposits) was €31.6 billion. All of our

countries contributed, with the largest increases coming from Germany and Belgium following successful campaigns.

Total net interest income was resilient in 2024. The strong increase in lending and deposit volumes, in combination with improved liability margins outside the eurozone, had a favourable impact on our NII. This compensated for the impact of normalising liability margins in the eurozone.

Net commission and fee income rose 15% to €2,694 million. This strong increase was mainly attributable to higher fee income from daily banking services and investment products. We benefited from more customers choosing ING for their banking products, from an updated pricing for payment packages, as well as from growth in assets under management and in the number of brokerage trades. In addition, we also recorded double-digit growth in fee income from lending and insurance products.

Total investment and other income decreased 13% to €1,113 million, reflecting a drop in Treasury-related other income. This was partly offset by €77 million for our share in the one-off profit of an associate in Belgium.

Operating expenses amounted to €8,030 million and were up 4.2%. Regulatory costs were €103 million lower year-on-year, mainly because no contribution to the eurozone's Single Resolution Fund was required in 2024 and because the Dutch deposit guarantee fund reached its target level in 2024. Expenses in 2024 included €86 million of incidental items (largely related to restructuring provisions) compared with €131 million of incidental items in 2023. Expenses excluding regulatory costs and incidental items rose 6.9%, mainly attributable to higher staff and client acquisition expenses, as well as to higher VAT costs after the implementation of the 'Danske Bank' ruling.

Net additions to loan loss provisions for Retail Banking declined to €566 million in 2024 and were 12 basis points of average customer lending. Risk costs were positively impacted by continued strong asset quality, a partial release of management overlays and a strong improvement in the housing markets.

Retail Netherlands

Retail Netherlands posted a result before tax of €2,793 million compared with €2,861 million in 2023. The 2.4% decline was due to lower Treasury-related income, while expenses were broadly flat and risk costs showed a small net release.

Net interest income was €3,027 million, or 2.2% lower than a year earlier. The decline was attributable to lower Treasury-related interest income, reflecting the impact of the ECB's adjustment of the remuneration on the minimum reserve requirement to zero basis points in September 2023 as well as less favourable money market conditions. Net interest income from lending increased, supported by significant growth in the mortgage portfolio.

Net fee and commission income was strong and rose 9.4% to €1,049 million. This was driven by growth in the number of customers, higher fees for payment packages and a double-digit increase in assets under management. Other income decreased due to lower other income from specific money market and FX transactions in Treasury.

Net core lending growth (which excludes movements in Treasury and in the WestlandUtrecht Bank run-off portfolio) was €9.6 billion, driven by strong growth of the mortgage portfolio. Customer deposits (excluding Treasury) grew by €5.0 billion.

Operating expenses slightly decreased to €2,124 million. Regulatory costs declined by €98 million because no contribution to the Single Resolution Fund was required in 2024 and because the Dutch deposit guarantee fund in the Netherlands reached its target level in 2024. This more than compensated for a higher bank tax in the Netherlands. Expenses excluding regulatory costs rose 4.6% to €2,011 million. This included higher internal staff expenses due to collective labour agreement (CLA) increases, partly offset by savings on external staff.

In 2024, a net release from loan loss provisions was recorded of €-8 million. This was attributable to a net release for mortgages, driven by a strong improvement in the housing market and a partial release of management overlays.

Retail Belgium

The result before tax for Retail Belgium (which includes our retail activities in Luxembourg) rose 22% to €807 million. The increase was attributable to higher income, coupled with lower operating expenses and a decline in risk costs.

Net interest income decreased by €104 million or 5.0%, mainly due to lower Treasury-related interest income. In addition, net interest income was impacted by higher funding costs for mortgages.

Net fee and commission income rose by €101 million or 20%, supported by an increase in assets under management and lower commissions paid. Investment and other income was strongly up because 2024 included €77 million for our share in the one-off profit of an associate.

Customer lending (excluding Treasury) rose by €3.7 billion, reflecting a €2.7 billion increase in business lending and €1.0 billion of growth in the mortgage portfolio. Customer deposits (excluding Treasury) increased by €6.4 billion, driven by a €5.5 billion inflow from our successful term deposit campaigns (exceeding the €2.6 billion outflow we saw in 2023 when customers bought bonds issued by the Belgian government).

Operating expenses amounted to €1,811 million, including €206 million of regulatory costs (versus €211 million in 2023) and €59 million of incidental item costs related to restructuring and a further optimisation of the branch network (compared with €76 million for this in 2023). Expenses excluding regulatory costs and incidental items declined 1.3%, as the impact of automatic salary indexation was offset by FTE reductions.

The net addition to the provision for loan losses amounted to €134 million, or 14 basis points of average customer lending, down from €169 million in 2023. Risk costs for mortgages and consumer lending declined while risk costs for business lending were stable.

Retail Germany

The result before tax for Retail Germany was €1,455 million, a decline of 19% year-on-year, which was mainly due to lower income from liabilities.

Net interest income decreased 7.5% to €2,647 million, as higher client rates on savings led to a narrowing of the liability margin in comparison to the elevated levels we had seen in 2023. This was partly offset by volume growth in both lending and deposits.

Net fee and commission income increased 21% to €433 million, mainly fuelled by investment products, where we recorded a higher number of trades and exceeded the milestone of €100 billion in assets under management in 2024. The increase in fee income was also attributable to higher fees from daily banking and mortgage brokerage. Total investment and other income declined, reflecting lower Treasury-related income.

Net core lending growth (which excludes Treasury) was €4.4 billion. Next to €3.6 billion in mortgages we grew our other lending portfolio by €0.8 billion, with an increase in both our consumer lending and business lending portfolio.

Customer deposits (excluding Treasury) increased by €7.5 billion following a successful campaign to attract new savings and private customers, as well as a net inflow of €0.8 billion in Business Banking.

Operating expenses rose 4.8% to €1,303 million. Excluding €88 million of regulatory costs (down from €96 million in 2023) and €20 million of incidental items for restructuring costs and staff allowances recorded in 2023, cost growth was 7.8%. This was due to higher staff expenses and investments in business growth.

Net additions to loan loss provisions amounted to €149 million (14 basis points of average customer lending) and were primarily related to consumer lending.

Retail Other

Retail Other consists of the Other Challengers & Growth Markets. For Retail Other, result before tax increased 11% to €1,605 million, mainly thanks to higher income.

Total income rose 11% to €4,688 million. Net interest income was up 11% to €3,817 million, supported by growth in both lending and deposit volumes in all countries, coupled with higher margins on liabilities outside the eurozone. Net interest income in 2024 included a €-39 million impact from the Polish mortgage moratorium, following amendments to the regulation that offers some customers the right to suspend up to four instalment payments on their mortgage loan.

Net fee and commission income increased 17% to €609 million. This was driven by higher fees in daily banking, reflecting an increase in the number of customers and an updated pricing for payment packages, combined with higher fee income from investment products. Other income decreased due to lower Treasury-related income.

Net customer lending growth (adjusted for currency effects and Treasury) was €8.2 billion in 2024, with growth in all countries, but particularly in Australia, Poland, Spain and Italy. Net core deposits growth (also excluding currency impacts and Treasury) was €12.7 billion, primarily driven by net inflows in Poland, Spain and Australia.

Operating expenses in 2024 amounted to €2,792 million. Excluding regulatory costs (which were slightly up on 2023) and restructuring costs and impairments (€17 million in 2024 versus €36 million in 2023), expenses increased by 15%. This was due to inflationary pressure (particularly in Türkiye), higher client acquisition expenses and investments in further business growth.

The net addition to loan loss provisions was €291 million, or 26 basis points of average customer lending, compared with €313 million in 2023. Risk costs in 2024 were primarily attributable to net additions in Poland and Spain.

Wholesale Banking

Wholesale Banking			
in EUR million	2024	2023	Change
Net interest income	3,259	4,028	-19%
Net fee and commission income	1,317	1,259	5%
Total investment and other income	2,405	1,771	36%
Total income	**6,981**	**7,057**	**-1%**
of which:			
Lending	3,278	3,224	2%
Daily Banking & Trade Finance	1,954	2,153	-9%
Financial Markets	1,417	1,280	11%
Treasury & Other	332	401	-17%
Total income	**6,981**	**7,057**	**-1%**
Expenses excl. regulatory costs	3,346	3,043	10%
Regulatory costs	212	271	-22%
Operating expenses	**3,558**	**3,313**	**7%**
Gross result	**3,423**	**3,744**	**-9%**
Addition to loan loss provisions	627	-92	
Result before taxation	**2,796**	**3,836**	**-27%**
Taxation	693	900	-23%
Non-controlling interests	35	61	-43%
Net result IFRS	**2,068**	**2,875**	**-28%**
Key figures			
Net core lending growth (in € billion)	1.8	-1.2	
Net core deposits growth (in € billion)	15.8	-7.9	
Cost/income ratio	51.0%	47.0%	
Risk costs in bps of average customer lending	33	-5	
Return on equity based on 12.5% CET1[1]	11.0%	15.4%	

[1] After-tax return divided by average equity based on 12.5% of risk-weighted assets.

Wholesale Banking achieved a gross result of €3,423 million. Total income was resilient, supported by increased lending and deposit volumes and strong results in Financial Markets, which compensated for margin compression in Payments & Cash Management. Expenses rose, primarily due to the impact of collective labour agreements, inflation and investments in business growth and in our product foundations. We remained disciplined in capital management, with a modest increase of €1.9 billion in risk-weighted assets, fully due to the strengthening of the US dollar, and income over average risk-weighted assets was resilient at 458 basis points. The net result declined 28% to €2,068 million, mainly due to higher risk costs versus a net release in 2023. The return on equity came out at 11.0% in 2024.

Net core lending growth was €1.8 billion in 2024, with the increase being softened by loan sales and other ongoing efforts to optimise our capital usage. Net core deposits growth was €15.8 billion in 2024, mainly attributable to strategic initiatives in Payments & Cash Management and Money Markets.

Total income in 2024 amounted to €6,981 million and was almost stable year-on-year. Our focus on income diversification yielded positive results, as evidenced by higher income from Financial Markets and an increase in fee income. Our Capital Markets & Advisory business continued to grow, following investments to further build on our expertise. Income from Payments & Cash Management declined, reflecting lower margins.

Total income in Lending rose 1.7% to €3,278 million, with an increase in both net interest income and in fee income. We further optimised our capital efficiency and kept our risk-weighted assets flat despite the strengthening of the US dollar, leading to an improvement in income over average risk-weighted assets.

In Daily Banking & Trade Finance we were successful in attracting deposit balances. Income declined year-on-year, reflecting lower margins for Payments & Cash Management. This was partly offset by income growth for Trade Finance Services, on the back of higher margins and increased fee income.

Financial Markets had a strong year, with income increasing 11% to €1,417 million. This was primarily driven by increased Capital Markets issuance income and an enhanced performance in Global Securities Finance products.

Income from Treasury & Other declined, largely due to a lower remuneration on the ECB minimum reserve requirement, while Treasury had also benefited from the rapid increase in interest rates in 2023. This was coupled with lower results from Corporate Investments, and partly offset by a €70 million one-off income.

Total operating expenses increased 7.4% to €3,558 million. Regulatory costs were lower, mainly because no contribution to the eurozone's Single Resolution Fund was required in 2024. Excluding regulatory costs and incidental item costs (€10 million in 2024 versus €17 million in the year before), expenses increased 10%. This was due to the impact of collective labour agreements, inflation and front office growth in Capital Markets & Advisory and Transaction Services, as well as investments to enhance the digital customer experience and the scalability of our systems.

The net addition to loan loss provision amounted to €627 million in 2024 (33 basis points of average customer lending). This compares to a net release of €92 million in 2023, when €218 million of provisions for our Russia-related portfolio could be released, mainly due to a reduction of our exposure. Risk costs in 2024 were primarily related to individual Stage 3 provisioning. Additions for a number of unrelated files in Stage 3 were partly offset by releases from collective provisions in Stage 1 and 2 (including a partial release of management overlays).



Our leadership and corporate governance

Our leadership and corporate governance

Effective governance is essential for ING to realise its strategic ambitions and to safeguard the interests of customers and other stakeholders. Our leadership plays a pivotal role in this: the Supervisory Board (SB) supervises and advises the Executive Board (EB) and the Management Board Banking (MBB) and oversees the activities of ING and the business connected with it.

We aim for a balanced composition of our SB, EB and MBB, with the boards consisting of a diverse selection of people with knowledge, skills and executive experience, preferably gained in the banking sector, in large stock-listed companies and in the political and social environment in which such companies operate.

There should also be a balance of experience and affinity with the nature and culture of the business of ING. The boards play a role in setting and promoting the culture, underlying values and behaviours and code of conduct that all help to run our business in a way that contributes to sustainable long-term value creation for our customers, our people, our shareholders and society.

ING has a matrix structure combining hierarchical and functional lines that work together to achieve a common goal, with dedicated roles and responsibilities and mechanisms for delegation, decision-making and escalation. ING's risk governance safeguards the functioning of the matrix structure and is based on the 'three lines of defence' model, which has segregated duties and independent internal control functions.

Read more on ING's risk governance and three lines of defence in 'Risk management'.



Members of the Supervisory Board



Karl Guha (chairperson)
Born: 1964
Nationality: Dutch
Term expires: 2027

Karl was appointed chairperson of the SB at the General Meeting in April 2023. He started in July 2023.

Karl is chairperson of the Nomination and Corporate Governance Committee and a member of the Remuneration Committee, the Risk Committee, the Audit Committee, the ESG Committee and the Technology & Operations Committee.

Former position:
CEO of Van Lanschot Kempen

Relevant CRD IV position(s)
- Chairperson of the SB
- Member of the supervisory board of SHV Holdings N.V.

Other ancillary positions
- Member of the supervisory board of Rijksmuseum Fonds



Mike Rees (vice-chairperson)
Born: 1956
Nationality: British
Term expires: 2027

Mike was appointed a member of the SB at the General Meeting in April 2019.

Mike is vice-chairperson of the SB, chairperson of the Risk Committee and a member of the Nomination and Corporate Governance Committee and the Audit Committee.

Former position:
Deputy CEO of Standard Chartered Bank PLC

Relevant CRD IV position(s)
- Vice-chairperson of the SB
- Non-executive chairperson of the board of directors of Travelex International Limited
- Non-executive chairperson of the board of directors of Midlands Mindforge

Other ancillary positions
- Non-executive chairperson of the board of directors of Mauritius Africa FinTech Hub



Juan Colombás
Born: 1962
Nationality: Spanish
Term expires: 2028

Juan was appointed a member of the SB at the General Meeting in April 2020. He started in October 2020.

Juan is chairperson of the Technology & Operations Committee and a member of the Risk Committee, the Audit Committee and the ESG Committee.

Former position:
Chief operations officer and executive board member of the board of directors of Lloyds Banking Group

Relevant CRD IV position(s)
- Member of the SB
- Non-executive member of the board of directors of Azora Capital S.L.
- Non-executive chairperson of the board of directors of Bluserena Spa

Other ancillary positions
- Member of the global alumni advisory board of the Institute de Empresa (IE) Business School



Margarete Haase
Born: 1953
Nationality: Austrian
Term expires: 2025

Margarete was appointed a member of the SB at the General Meeting in May 2017.

Margarete is chairperson of the Audit Committee and a member of the Risk Committee and the Remuneration Committee.

Former position:
CFO of Deutz AG

Relevant CRD IV position(s)
- Member of the SB
- Chairperson of the supervisory board of ams-OSRAM AG
- Member of the supervisory board of Fraport AG

Other ancillary positions
- Chairperson of the employers association of Kölnmetall
- Member of the German Corporate Governance Commission



Lodewijk Hijmans van den Bergh
Born: 1963
Nationality: Dutch
Term expires: 2025

Lodewijk was appointed a member of the SB at the General Meeting in April 2021.

Lodewijk is chairperson of the ESG Committee and a member of the Risk Committee.

Former position:
Partner/member of the management committee of De Brauw Blackstone Westbroek N.V.

Relevant CRD IV position(s)
- Member of the SB
- Deputy chairperson of the supervisory board of HAL Holding N.V.
- Member of the supervisory board of Heineken N.V.

Other ancillary positions
- Chairperson of the board of Utrecht University Fund (the Netherlands)
- Chairperson of the executive committee of Vereniging Aegon



Herman Hulst
Born: 1955
Nationality: Dutch
Term expires: 2028

Herman was appointed a member of the SB at the General Meeting in April 2020.

Herman is a member of the Audit Committee, the Risk Committee and the ESG Committee.

Former position:
Global vice-chairperson EY Japan

Relevant CRD IV position(s)
- Member of the SB

Other ancillary positions
- None



Harold Naus
Born: 1969
Nationality: Dutch
Term expires: 2028

Harold was appointed a member of the SB at the General Meeting in April 2020.

Harold is a member of the Remuneration Committee, the Risk Committee and the Technology & Operations Committee.

Former position:
Global head of Trading Risk Management and general manager Market Risk of ING Bank

Relevant CRD IV position(s)
- Member of the SB
- CEO of Cardano Asset Management N.V.
- CEO of Cardano Risk Management B.V.
- Member of the executive board of Cardano Holding Limited

Other ancillary positions
- None



Alexandra Reich
Born: 1963
Nationality: Austrian
Term expires: 2027

Alexandra was appointed a member of the SB at the General Meeting in April 2023.

Alexandra is a member of the Risk Committee, the Technology & Operations Committee and the ESG Committee.

Former position:
CEO of Telenor Thailand

Relevant CRD IV position(s)
- Member of the SB
- Member of the non-executive board of directors of Cellnex Telecom S.A.
- Member of the non-executive board of directors of Salt Mobile S.A.
- Member of the non-executive board of directors of DELTA Fiber

Other ancillary positions
- None



Herna Verhagen
Born: 1966
Nationality: Dutch
Term expires: 2027

Herna was appointed a member of the SB at the General Meeting in April 2019 and started in October 2019.

Herna is chairperson of the Remuneration Committee and a member of the Nomination and Corporate Governance Committee.

Former position:
Member of the supervisory board of SNS Reaal N.V. (now: SRH N.V.)

Relevant CRD IV position(s)
- Member of the SB
- CEO of PostNL N.V.
- Member of the supervisory board of Koninklijke Philips N.V.

Other ancillary positions
- Member of the supervisory board of Het Concertgebouw N.V.
- Member of the advisory council of Goldschmeding Foundation

Members of the Executive Board and Management Board Banking



Steven van Rijswijk (CEO)
Born: 1970
Nationality: Dutch

Steven has been a member of the EB since May 2017. He has been CEO and chairperson of this board since July 2020. Prior to his appointment as CEO and chairperson of this board, he was the chief risk officer.

Steven is responsible for ING's strategy, including ESG and sustainability, decision-making, results, governance, culture, branding, reputation and people.

Relevant CRD IV position(s)
CEO and chairperson of the EB and MBB

Other ancillary positions
- Member of the management board of the Nederlandse Vereniging van Banken (NVB)
- Member of the Cyber Security Council (CSR)



Tanate Phutrakul (CFO)
Born: 1965
Nationality: Thai

Tanate was appointed as chief financial officer and a member of the MBB in February 2019. Subsequently, Tanate was appointed a member of the EB at the Annual General Meeting in April 2019.

Tanate is responsible for ING's financial strategy, budgeting, cost control and the financing of the company.

Relevant CRD IV position(s)
CFO and member of the EB and the MBB

Other ancillary positions
- None



Ljiljana Čortan (CRO)
Born: 1971
Nationality: Croatian

Ljiljana was appointed as chief risk officer and a member of the MBB effective January 2021. Ljiljana was appointed a member of the EB at the Annual General Meeting in April 2021.

Ljiljana is responsible for ING's risk activities, including formulating our risk framework and risk appetite, risk culture and awareness, risk governance and policies and compliance.

Relevant CRD IV position(s)
CRO and member of the EB and the MBB

Other ancillary positions
- None



Pinar Abay
Born: 1977
Nationality: Turkish

Pinar was appointed a member of the MBB in January 2020. She is also head of Retail, Market Leaders and Challengers & Growth Markets. She was appointed as non-executive member of the board of ING in Belgium in March 2021 and was chairperson of that board from May 2022 until December 2023. In May 2023, Pinar was appointed a member of the supervisory board of ING-DiBa AG.

Pinar is responsible for defining strategy and priorities for global retail banking and driving performance, operations and compliance of Retail, Market Leaders and Challengers & Growth Markets.

Relevant CRD IV position(s)
Member of the MBB, non-executive member of the board of ING Belgium N.V./S.A., member of the supervisory board of ING-DiBa A.G. and member of the board of EPI Company SE

Other ancillary positions
- None



Andrew Bester
Born: 1965
Nationality: British/South African

Andrew was appointed a member of the MBB and head of Wholesale Banking in April 2021.

Andrew is responsible for ING's wholesale banking activities globally.

Relevant CRD IV position(s)
Member of the MBB

Other ancillary positions
- None



Marnix van Stiphout (COO)
Born: 1970
Nationality: Dutch

Marnix was appointed a member of the MBB and chief operations officer in September 2021.

Marnix is responsible for translating, overseeing and implementing ING's strategies into a strategy for the operations function.

Relevant CRD IV position(s)
Member of the MBB

Other ancillary positions
- None



Daniele Tonella (CTO)
Born: 1971
Nationality: Swiss

Daniele joined ING's MBB as chief technology officer on 5 August 2024.

Daniele is responsible for overseeing and managing the total IT landscape and advising on technology-driven business opportunities.

Relevant CRD IV position(s)
Member of the MBB

Other ancillary positions
- None

Supervisory Board report

This section contains the Supervisory Board report, with information on the meetings of the SB and its committees, attendance of SB members and the MBB and SB annual self-evaluation.

Meetings of the Supervisory Board

The Supervisory Board (SB) met 11 times in 2024 and focused in particular on growth, strategy, risk, geopolitical developments, people & succession, and operational and regulatory resilience. The Executive Board (EB) and the Management Board Banking (MBB) were present at regular SB meetings. The SB also had sessions without the EB and the MBB when this was justified by the nature of the topics on the agenda. The purpose of these sessions and SB-only meetings is to allow the SB to reflect independently on and consider important matters in the absence of the EB and MBB. The SB also had so-called 'Restricted SB meetings', with only the CEO attending, except when matters concerning the CEO were discussed. Topics addressed were primarily nomination- and remuneration-related matters such as target setting and performance assessments with, among others, additional attention for strategic and governance topics.

In regular SB meetings, ING staff and the internal and external auditors are frequently asked to provide presentations on specific topics. Examples of such topics are progress of ING's performance in the various countries and business lines, supervisory developments including the ECB's Supervisory Review and Evaluation Process (SREP), geopolitical developments, the financing of ING in accordance with ING's capital and liquidity adequacy, ING's dividend and distribution policy, ING's financials, investor relations updates, strategy including M&A ambitions, risk appetite, audit plans, ING's risk culture and regulatory themes with a global ING scope, such as ESG-related matters, operational resilience, IT, cybersecurity and ransomware, and the use of (generative) artificial intelligence.

The quarterly results, including the relevant auditor reports and press releases, were discussed and approved during the quarterly meetings in February, May, August and November 2024. The full-year 2024 financial results were discussed and approved in March 2025. In addition, elements relevant to the draft agenda for the Annual General Meeting were discussed and decided on. With the consent of the ECB, in May and October 2024, share buyback programmes were started in line with the long-term CET1 ratio ambition level and dividend and distribution policy.

The SB was also informed throughout the year of potential financial, non-financial and compliance risks for ING, including the political and economic developments in various countries and regions, climate- and ESG-related risks, cybersecurity and ransomware. The year 2024 was marked by continued uncertain market conditions and geopolitical tensions, against a backdrop of deglobalisation and geographic shifts in cross-border trade. The operating environment was challenged by a struggling global economy, decreasing interest rates, tightening monetary conditions and elections in various countries. The SB closely monitored those macroeconomic developments in 2024 and discussed the potential consequences for ING's operations.

With respect to ING's strategy, the SB regularly discusses intent and execution with the CEO. The SB challenges and advises on the strategy and priority setting. In June 2024, ING hosted a Capital Markets Day (CMD), where the EB and MBB presented the next phase of its strategy. The SB had an active and continuous dialogue with the EB and the MBB in the preparation for the CMD. Under the headline 'Growing the difference', ING presented its ambition to be the best European bank by accelerating growth, increasing impact and delivering value. For more, see 'Our strategy'.

As one of the key enablers of ING's strategy, the SB closely monitored progress related to scalable technology and operations. The aim is to achieve scalable technology and operations that provide for a superior customer experience, while preventing technological failures, resolving the issues that do occur and addressing their root causes. The SB has a general and continuous focus on operational resilience. In addition to the updates on operational resilience, the SB regularly discussed the availability and reliability of ING's channels, including how (senior) management addressed any setbacks. Not only do scalable technology and operations require available and reliable channels, they also require systems that are safe for use for clients and employees. For that reason, cybersecurity warranted further attention in 2024.

Another core pillar of ING's strategy is putting sustainability at the heart of what we do. The management of climate and ESG risks is a priority. ING's focus on climate action and the 'Terra' approach were discussion items. Furthermore, the SB, through the Audit Committee and the ESG Committee, was involved in discussions on ING's sustainability reporting. The SB oversees these topics and challenges where necessary. Apart from this, ESG-related matters, including sustainability and climate risk, are intertwined in many other discussions and topics.

In addition to reviews by the SB of the composition and succession planning of the SB, EB and MBB, the SB also discussed broader people development and diversity and inclusion matters. This included topics such as the organisational health within ING and a strategic session on 'Unlocking our people's full potential', which is a critical enabler of ING's strategy, and should ensure an inclusive culture where everyone has the opportunity to develop and have impact for ING's customers and society. In the SB's discussions with HR and the EB and MBB, the focus is on talent and leadership, culture and organisation, including the bank-wide diversity and inclusion approach, and on operational excellence. Plans to develop, attract and retain diverse talent have been part of those discussions, as well as gender diversity targets.

The SB discusses and reconfirms all of its members' outside positions on an annual basis. In addition, it discusses any intended outside positions and assesses if such positions can be approved while safeguarding the level of engagement.

Attendance of SB members

The attendance rates in 2024 of SB members for SB and SB committee meetings, as well as the number of meetings held, are listed in the following table. The continued high attendance demonstrates that SB members are engaged with ING and are able to devote sufficient time and attention to overseeing its affairs.

SB attendance 2024[1,2]

	SB	RiCo[3]	AC	NCGcom[4]	RemCo	ESGcom	T&Ocom
Karl Guha (chairperson)	11/11	6/6	7/7	11/11	7/7	4/4	3/3
Mike Rees (vice-chairperson)	11/11	6/6	6/7	11/11			
Juan Colombás	11/11	6/6	7/7		4/4[7]	4/4	3/3
Margarete Haase	11/11	6/6	7/7		3/3[7]		
Lodewijk Hijmans van den Bergh	11/11	6/6				4/4	
Herman Hulst	11/11	6/6	7/7			4/4	
Harold Naus	11/11	6/6			7/7		3/3
Alexandra Reich	11/11	6/6				4/4	3/3
Herna Verhagen[5]	11/11			11/11	7/7		
Total attendance[6]	**100%**	**100%**	**97%**	**100%**	**100%**	**100%**	**100%**

1 This SB attendance overview shows the SB (committee) meetings that took place during the year. In addition to these meetings, there were 10 Restricted SB meetings in 2024 in view of nomination and remuneration matters, with a total attendance rate of 98 percent. These are not shown separately in the overview for year-on-year, like-for-like comparison purposes.
2 Abbreviations used: RiCo = Risk Committee, AC = Audit Committee, NCGcom = Nomination and Corporate Governance Committee, RemCo = Remuneration Committee, ESGcom = ESG Committee; T&Ocom = Technology & Operations Committee
3 In addition to the six regular RiCo meetings, in 2024, two RiCo meetings were held in combination with the RemCo on remuneration matters that also required a risk view.
4 In 2024, one NCGcom meeting was held in combination with the RemCo.
5 Herna Verhagen participated twice in a RiCo meeting in combination with the RemCo.
6 The numbers exclude SB observers, if any. If SB members cannot join a meeting they will always receive the meeting materials prior to the meetings to allow them to provide feedback.
7 Margarete Haase replaced Juan Colombás as a member of the RemCo as of 1 July 2024. Their attendance is shown relative to their tenure.

In addition to the information included in this SB report, information on the SB can be found in 'Our leadership', 'Corporate governance' and the 'Remuneration report'.

SB committee meetings and composition

There are currently six SB committees: the Risk Committee, the Audit Committee, the Nomination and Corporate Governance Committee, the Remuneration Committee, the ESG Committee and the Technology & Operations Committee. In general, SB committee meetings take place prior to the SB meetings. The committees report to the SB on their deliberations and findings, prepare discussion and decision items, and thereby play a significant role in supporting the SB in its oversight and supervisory activities, allowing it to operate effectively. As such, all relevant items discussed by the committees were reported to the SB, with the SB approving those items as required from a governance perspective.

There was frequent interaction between the chairpersons of the relevant SB committees and the members of the EB and MBB to ensure that everyone was up to date on the most recent developments. Furthermore, the chairpersons of the Risk Committee and the Audit Committee continued their informal interaction with the chairpersons of the local risk and audit committees of ING's five largest subsidiaries to enrich the SB dialogue.

To manage each of the committees' annual cycle of work and potential committee interdependencies, each committee has drawn up an annual work plan that is reviewed and updated throughout the year for priority-setting and forward-looking purposes. These plans all feed into the SB's annual meeting cycle.

Composition of the SB committees on 31 December 2024

Supervisory Board	Risk Committee	Audit Committee	Nomination and Corporate Governance Committee	Remuneration Committee	ESG Committee	Technology & Operations Committee
Karl Guha (chairperson)	Member	Member	Chairperson	Member	Member	Member
Mike Rees (vice-chairperson)	Chairperson	Member	Member	—	—	—
Juan Colombás	Member	Member	—	—	Member	Chairperson
Margarete Haase	Member	Chairperson	—	Member	—	
Lodewijk Hijmans van den Bergh	Member	—	—	—	Chairperson	—
Herman Hulst	Member	Member	—	—	Member	—
Harold Naus	Member	—	—	Member	—	Member
Alexandra Reich	Member	—	—	—	Member	Member
Herna Verhagen	—	—	Member	Chairperson	—	—

Risk Committee

The Risk Committee met eight times in 2024, and two of these meetings were combined with the Remuneration Committee to address remuneration-related proposals that include risk methodology elements, such as those relating to the Variable Remuneration Accrual Model (VRAM) (see also 'Remuneration Committee'). Eight out of the nine SB members are member of the Risk Committee, due to the continued importance of risk and how this is managed and supervised.

The Risk Committee assists and advises the SB with the performance of its duties in relation to overseeing the setting and monitoring of ING's risk appetite and risk strategy for all types of risk, including but not limited to financial, non-financial and compliance risk, the effectiveness of the internal risk management and control systems and other related risk management topics.

At each quarterly Risk Committee meeting financial and model risks, non-financial risks and compliance risks were discussed. This included the status of ING's accompanying metrics, such as for risks in the areas of solvency, liquidity and funding, credit, country, market, IT, non-financial risk and compliance. The discussions were supported by different analyses conducted on the macroeconomic and geopolitical impact and the changing interest rate environment on ING's credit portfolio, capital and liquidity position, and updates on credit developments in certain countries and portfolios. The non-financial and compliance risk discussions were supported by updates of the bank-wide 'know your customer' (KYC) enhancement and maturity efforts, a variety of topical dashboards such as on IT (risk), cybersecurity, sourcing, data quality and data privacy (including GDPR) and the status of implementation of related regulatory programmes. The Risk Committee also regularly discussed the status of reported whistleblower concerns, the annual review of the Risk Appetite Framework and reviewed and discussed the annual update to ING's Recovery Plan.

Thematic sessions were organised on a variety of topics to focus specifically on themes that needed further attention and/or are forward looking with respect to emerging risks and developments. Also, five deep dives were organised for the Risk Committee in 2024 to contribute to a more in-depth understanding of, among others, ING's risk models and climate and environmental risk management in ING.

Read more on how ING manages its risks in 'Risk management'.

Audit Committee

The Audit Committee met seven times in 2024. The Audit Committee assists and advises the SB with the performance of its duties in relation to the integrity and quality of ING's financial and non-financial reporting and the effectiveness of ING's internal risk management and control systems in relation to financial reporting.

The Audit Committee addressed, among other things, the following recurring topics:

- Financial reporting, including the quarterly results and the related press releases, the interim accounts and the financial statements, the Annual Report including the Sustainability Statement, the 6-K and 20-F forms, and the SOx Act 404 Report;
- Judgmental accounting topics;
- Key audit matters, as included in the auditors' reports;
- The external auditor's (financial) audit plan, the CSRD assurance plan, engagement letters, independence reporting and fees;
- The overall internal control environment, the internal controls over financial reporting, the internal and external auditor reports;
- The internal audit plan and the review of the internal audit function;
- Matters related to the financing of the company, including the assessment of ING's capital and liquidity position; and
- ING's dividend and distribution policy.

Specific attention was paid to, among other things, the following topics:

- ING's additional capital distributions including cash dividend payments and share buyback programmes;
- A review of interest rate sensitivity of ING's balance sheet;
- IFRS 9, ESG-disclosures;
- CSDDD and CSRD including double materiality assessment. These topics were discussed as a combined session with the ESG Committee; and
- Transition process towards the newly appointed external auditor as of reporting year 2026.

To properly prepare for the regular Audit Committee meetings, the chairperson of the Audit Committee held separate sessions with the external auditor, the general manager of the internal audit department, the chief financial officer and the group controller. The chairperson also met with various senior managers.

Directly following the Audit Committee meetings, the members of the Audit Committee met in a closed meeting with the internal and external auditors to seek confirmation that all relevant topics were discussed in the Audit Committee meetings.

Nomination and Corporate Governance Committee

The Nomination and Corporate Governance Committee met 12 times in 2024. The Nomination and Corporate Governance Committee assists the SB in performing its duties, including the selection and nomination of members for the SB, EB and MBB, as well as overseeing talent management and the effectiveness of ING's governance arrangements.

With regard to nomination-related matters, ING aims to ensure that all of its boards are, at all times, adequately composed to perform their duties. As its standard practice, the Nomination and Corporate Governance Committee therefore discusses the performance of the individual members of the EB and the MBB (also serving as input to the Remuneration Committee), MBB, EB and SB composition, bench strength and medium- to long-term succession planning. A continuing conversation on EB and MBB succession planning is facilitated by the chief human resources officer as part of the regular Nomination and Corporate Governance Committee meetings in the form of deep dives by function and business line.

When selecting suitable board succession candidates, there are various aspects to take into account regarding the board composition, such as regulatory requirements, suitability considerations, banking and other industry knowledge, outside positions, independence, potential conflicts of interest and availability. Also considered are the minimum and optimal size of a board and diversity aspects, such as how to arrive at an appropriate balance in its representation of regions, age, gender, knowledge and expertise. The generic profiles of the EB and the SB aim to capture these elements. The profiles can be found on ing.com. Find more on the boards' composition in the 'Composition of the Executive Board, Management Board Banking and Supervisory Board' and in the Diversity and Competence Matrix.

The Nomination and Corporate Governance Committee also focuses on ING's broader talent and succession planning in view of bench strength and diversity at higher management levels, with selected key roles receiving dedicated attention. This is done by taking into account ING's diversity policy and by accelerating refreshment where possible without jeopardising business continuity. The diversity policy is published on ing.com. The committee also holds periodic conversations outside of its regular meetings with internal talented individuals who are considered to have the potential to assume more senior and complex roles in the organisation over time. The results of these conversations feed into the individuals' coaching and development plans.

With regard to corporate governance, the Nomination and Corporate Governance Committee discussed among other things the suitability frameworks and procedures and their global implementation, ING's Governance Framework as well as organisational effectiveness, annual updates to the corporate board charters and ING's decision structure.

Remuneration Committee

The Remuneration Committee met seven times in 2024. The Remuneration Committee assists the SB with the performance of its duties in relation to remuneration, the remuneration policies and their application and compliance. In doing so, the Remuneration Committee takes into account the adequacy of information provided to shareholders on remuneration policies and practices.

As an annual recurring topic, the Remuneration Committee reviewed the remuneration report by way of benchmarking and alignment to shareholder expectations in order to further improve it. In addition, the Remuneration Committee discussed the progress and performance on the annual targets set for the EB and MBB, the EB and SB remuneration policies update (which were approved during the 2024 AGM), SB and EB remuneration matters including the benchmarking results (for further information see Herna Verhagen's letter on remuneration), the identified staff and high earner-related remuneration matters based on ING's remuneration governance structure, the variable remuneration and the application of ING's accompanying VRAM and updates to ING's Remuneration Regulations Framework.

For more information on the EB's performance assessment and reward process in 2024, see the 'Remuneration report', the information of which is considered to be incorporated, by reference, in this SB report.

ESG Committee

The ESG Committee was established in 2022 as an ad hoc committee. In 2024, the SB resolved to make the ESG Committee a permanent committee. The ESG Committee met four times in 2024.

The ESG Committee assists the SB with matters relating to the various areas of ESG, including but not limited to, the development of ESG and its integration in the company and its strategy and ESG-related disclosures, reporting and assurance (the latter together with the Audit Committee). In addition, the ESG Committee assists the SB by monitoring and advising on potential impediments as well as relevant trends and developments on 'environmental', 'social' and 'governance' topics and how to connect them with ING's response, actions and targets on the basis of ING's ESG dashboard.

In 2024, the ESG Committee discussed, among other things ESG strategy updates, ESG dilemmas, progress of sustainability targets and ING's Climate Progress Update 2024, which explains how ING's financing impacts climate change. It includes ING's progress on steering the most carbon-intensive sectors in its loan portfolio towards global climate goals (Terra approach) and how ING engages with clients to help them in their transitions. The ESG Committee monitored this progress. In a combined session with the Audit Committee, the ESG Committee also discussed the process and outcome of ING's double materiality assessment and the related material impacts, risks and opportunities (for the full list, see our 'Sustainability Statement').

Given the dynamic and continuously evolving nature of ESG, deep dives were held to contribute to a more in-depth understanding of certain topics, for example net-zero housing.

Technology and Operations Committee

In the second quarter of 2024, the SB established a Technology and Operations Committee. The Technology and Operations Committee assists the SB in relation to oversight of ING's use of technology. This includes the technology strategy, major technology initiatives and programmes and other technology and operations-related topics.

The Technology and Operations Committee met three times in 2024 and discussed, among other things, the implementation of the Digital Operational Resilience Act within ING, ING's data centre strategy, developments around the ING Hubs and ING's generative artificial intelligence (GenAI) programme and in particular the use of GenAI within KYC. The Technology and Operations Committee was also provided with an outside-in view on quantum computing.

Continuous dialogue with stakeholders

The SB acknowledges the responsibility it has in view of ING's role in society to consider and balance the interests of ING's customers and other stakeholders of ING. It makes sure to take this into account in its oversight of the delivery on the strategic priorities.

At ING, we seek out open dialogue and maintain continuous interaction with our stakeholders, responding to their views and concerns, to drive increased collaboration. We aim to strike a balance between the interests of all stakeholders, including customers, shareholders, employees, regulators, supervisors and society at large. In 2024, the SB had periodic conversations with various stakeholders, including our clients and shareholders, employees, supervisors and the EB and MBB. The SB exercised its oversight role, which aimed to ensure that actions resulting from these conversations were embedded in the organisation and were followed up effectively. Examples of topics covered in 2024 in this respect are cybersecurity, availability and reliability of ING's channels, use of generative artificial intelligence, climate risks and other ESG-related topics.

The dialogue between ING and external supervisors and regulators was a regular agenda item for the SB throughout the year. This included several discussions between the SB and the EB on the results of and follow-up to the annual SREP, through which the ECB aims to promote a resilient banking system as a prerequisite for a sustainable and sound financing of the economy. The SREP involves a comprehensive assessment of banks' strategies, processes and risks, and takes a forward-looking view to determine how much capital each bank needs to cover its risks.

Permanent education and other knowledge sessions

To further strengthen their knowledge, continuous learning is organised for the SB, EB and MBB in combined sessions. Board members participate in permanent education sessions to exchange knowledge and information on a regular basis with ING's business and external experts. The sessions are aimed at keeping the board up to date on ING-relevant knowledge, skills and expertise and at increasing the understanding of and engagement with ING's business operations and stakeholders.

For 2024, a balance was sought in the specific topics of the sessions in which at least one of the following elements was covered: (i) outside-in views, (ii) new developments relevant for ING and (iii) ongoing topics within ING requiring a more in-depth view. Sessions were organised on the following subjects: a range of strategic topics, market developments, energy transition and climate change, geopolitical updates, operational resilience and technology-related topics including artificial intelligence.

In addition to the permanent education sessions, the SB committees held deep dives which are sessions tailored to their respective areas of oversight. Deep dives are technical discussions that contribute to a more in-depth understanding of key topics in the remit of the respective committee.

As part of the annual business visit, the entire SB, together with the EB and MBB, visited the ING locations in Spain and Italy in September 2024. This visit allowed the board members to get a better understanding of local clients, business challenges and the country-specific market opportunities, also contributing to a better mutual understanding and alignment on what matters most to ING and its stakeholders.

The various educational sessions and the business visits provided opportunities for SB members to interact with senior management, subject-matter experts and local talent.

Management Board Banking and Supervisory Board annual collective self-evaluation

In 2024 the MBB and SB conducted the annual collective self-evaluation. This was facilitated by an independent external party and with anonymous input from frequent attendees to the respective MBB and SB meetings.

Approach

During the October 2024 meetings, the MBB and SB discussed and approved the annual collective self-evaluation process and design for 2025. In December 2024, input was gathered from the MBB and SB members and a group of frequent attendees. This, together with the outcome of the 2024 mid-year review, the bilateral interactions between MBB members and the interaction of the SB chairperson with individual SB members, formed the basis for the collective MBB and SB self-evaluation dialogue in January 2025. During this dialogue the MBB and SB determined their collective positive points to maintain and its 2025 priorities for further improvement. This forms part of the MBB's and SB's practice to regularly deliberate on its collective performance i.e. towards year-end, halfway through the year and at the start of the year.

Results Management Board Banking

The MBB's collective dialogue centred around the following questions:
1. Positive points: are the positive points previously identified still valid? Where has the MBB further improved?
2. Priorities to improve: what would be the priority areas the MBB needs to further improve in 2025?

The MBB's agreed priorities for 2024 included:
1. (i) strategy and performance: when discussing strategy and performance continue to strengthen external insights and data; and (ii) people and talent: continue focus on attraction, development and retention of diverse talent to strengthen talent pipelines.
2. (i) consider opportunities to further enhance strategic focus of meeting agendas, managing the volume of operational reviews, with deep dives on priority areas where needed; (ii) continue to focus on developing MBB team dynamics; and (iii) continue to prioritise content of meeting agendas.

During 2024, the MBB addressed the above and, where applicable, embedded enhancements in its standard working practice. Item 1(i) was addressed by bringing enhanced insights into discussions, also in preparation for Capital Markets Day 2024, and by holding dedicated sessions on key topics (e.g. geopolitics, AI/Gen AI), which remains a priority for 2025. Item 1(ii) was addressed by significantly increasing focus on talent management with dedicated sessions, and increased engagement with the SB on talent and succession planning. Items 2(i) and 2(iii) were addressed by enhanced strategic focus of board agendas and quality of content. Item 2(ii) was addressed by investing time in team dynamics and effective onboarding of a new chief technology officer.

Looking ahead, the MBB concluded that several priorities of 2024 are still relevant. Consequently, in 2025 the MBB will continue to focus its attention on:
- external environment (including threats and opportunities) with specific focus on competition and digital developments, as well as broader macroeconomic and geopolitical trends;
- customers and relevant developments;
- strategy and growth opportunities, ensuring the organisation has appropriate structure and capacity to scale; and
- people and talent to enhance bench strength.

The MBB agreed to a number of specific actions for 2025 to contribute to its performance, such as:
1. Strategy and growth: continue to enhance strategic focus of meeting agendas.
2. Education/professional development: dedicated sessions to provide outside-in perspectives, including technology updates on key topics.

The MBB is of the opinion that the above contributes to ING delivering on its ambitions to keep transforming in line with the strategy.

Results Supervisory Board

The SB's collective dialogue was centred around the following questions:
1. Positive points: are the positive points previously identified still valid? Where has the SB further improved?
2. Priorities to improve: what would be the priority areas the SB needs to further improve in 2025?

The SB's agreed priorities for 2024 included:
1. (i) continue to improve the workings and effectiveness of the SB and its committees; and (ii) continue with the focus on business, market and (geo)political developments as well as stakeholder engagement.
2. (i) further enhance the SB's effectiveness in ING's people and talent management process including the talent pipeline; and (ii) continued attention to succession and composition of the SB, EB and MBB.

The results of the review were positive overall and compared to previous years, various positive points are still valid. The following points were identified:

- SB effectiveness at overseeing, challenging and advising the EB and MBB;
- SB composition including the interface between the Committees and the SB;
- Effective decision making through SB dialogues and interactions with the EB and MBB;
- Oversight of risk including the monitoring of macroeconomic and geopolitical developments;
- Continued focus on ESG and increased focus on technology; and
- Taking into account the views of key stakeholders.

Compared to previous years, it was concluded that some priorities are still relevant and require further attention during 2025. The following points were identified:

- Continued focus on key topics with specific attention for strategy, governance, leadership & people, (geo)political developments and digital & data;
- Continue to improve the workings and effectiveness of the SB and its committees; and
- Further improve the quality of board meeting materials through more focused and concise materials.

Key priorities for the coming year were identified as follows:

- Further deepen the focus on strategy and business performance including customer dimension and the monitoring of the competitive environment;
- Increase the focus on technology and digitalisation;
- Further enhance SB oversight on governance; and
- Maintain the focus on people and talent including EB/MBB succession planning – with an eye on longer-term strategy and ING's ambitions.

Overall, the SB agreed to a number of specific actions for 2025 to contribute to its performance:

1. Enhance the effectiveness of oversight by performing a periodic review of ING's governance model and corporate structure.
2. Increase oversight in strategic focus related to technology and digitalisation through its newly formed Technology & Operations Committee.
3. Deepen the SB's views on key topics by including additional external insights.

The SB is of the opinion that the above contributes to overseeing and constructively challenging ING in its strategic ambitions.

Composition of the Executive Board, Management Board Banking and Supervisory Board

ING aims to ensure that the boards are – at all times – adequately composed to perform their duties. ING believes that over 2024 its boards were well composed and balanced. At the 2024 General Meeting, the SB proposed to shareholders to reappoint Juan Colombás, Herman Hulst and Harold Naus. These proposals were approved. On 5 August 2024, Daniele Tonella became the chief technology officer of ING Bank N.V. and a member of the MBB. Daniele Tonella succeeded Marnix van Stiphout who had held the role ad interim since 1 November 2023, in addition to his role as chief operations officer.

The Nomination and Corporate Governance Committee and the SB will continue to strive for an adequate and balanced composition of the SB when selecting and nominating new members for appointment, taking into account ING's diversity policy and other factors. Read more in 'Corporate governance' on the composition of the EB and the SB.

All SB members, with the exception of no more than one person, should qualify as independent as defined in the best practice provision 2.1.8 of the Dutch Corporate Governance Code. The members of the SB are therefore requested to assess annually whether or not they are independent as set out in the Dutch Corporate Governance Code and to confirm this in writing. On this basis, the SB confirms that all members of the SB are to be regarded as independent on 31 December 2024. On this date all members of the SB were also to be regarded as independent within the meaning of the NYSE listing standards. For the full list of SB members and more details, see 'Our leadership', the information of which is considered to be incorporated, by reference, in this Supervisory Board report.

Diversity and competence matrix

Please note the following:

- The purpose of this matrix is to provide an overview on the experience and competencies that ING considers to be the most relevant for its stakeholders.
- The matrix represents the extent to which ING's board members have such experience and competencies (either developed already before joining ING and/or during their position(s) at ING).
- The content of the matrix is subject to change in light of ING's continually changing situation, markets and environment.
- For the appointments of new board members, all relevant competencies are also shared with ING's supervisors DNB/ECB based on their standard suitability matrix to assess the collective competence of members of the management/supervisory body.

Management Board (EB/MBB)

	Diversity			Competences							
	Year of birth	Gender	Nationality	Executive experience	International experience	Banking	Finance/audit	Risk	Operations	IT & cybersecurity	ESG
Steven van Rijswijk EB/MBB, CEO	1970	Male	Dutch	⊛	●	⊛	⊛	⊛	●	●	⊛
Tanate Phutrakul EB/MBB, CFO	1965	Male	Thai	⊛	⊛	⊛	⊛	●	●	●	●
Ljiljana Čortan EB/MBB, CRO	1971	Female	Croatian	⊛	⊛	⊛	●	⊛	●	●	●
Pinar Abay MBB, head of Retail, Market Leaders and Challengers & Growth Markets	1977	Female	Turkish	⊛	⊛	⊛	●	●	⊛	●	●
Andrew Bester MBB, head of Wholesale Banking	1965	Male	British/ South African	⊛	⊛	⊛	⊛	●	⊛	●	⊛
Marnix van Stiphout MBB, chief operations officer, chief transformation officer	1970	Male	Dutch	⊛	●	⊛	●	●	⊛	⊛	●
Daniele Tonella MBB, CTO	1971	Male	Swiss	⊛	⊛	⊛	●	●	⊛	⊛	●

EB	MBB
3 Board members	7 Board members
3 Nationalities	6 Nationalities
33% Female	28% Female
55 Average age	54 Average age
5 Average board tenure (years)	3.5 Average board tenure (years)

● Meets the required knowledge/experience criteria for the role and it implies the capacity to take educated decisions on the relevant matters

⊛ In addition is considered an expert in relation to previous or current roles

Supervisory Board

	Diversity			Competences							
	Year of birth	Gender	Nationality	Executive experience	International experience	Banking	Finance/audit	Risk	Operations	IT & cybersecurity	ESG
Karl Guha Chairperson	1964	Male	Dutch	⊛	⊛	⊛	⊛	⊛	⊛	●	⊛
Mike Rees Vice-chairperson	1956	Male	British	⊛	⊛	⊛	⊛	⊛	●	⊛	●
Juan Colombás	1962	Male	Spanish	⊛	⊛	⊛	⊛	⊛	⊛	⊛	●
Margarete Haase	1953	Female	Austrian	⊛	⊛	⊛	⊛	●	⊛	●	●
Lodewijk Hijmans van den Bergh	1963	Male	Dutch	⊛	⊛	●	●	●	●	●	⊛
Herman Hulst	1955	Male	Dutch	⊛	⊛	●	⊛	●	●	●	●
Harold Naus	1969	Male	Dutch	⊛	●	⊛	●	⊛	●	●	●
Alexandra Reich	1963	Female	Austrian	⊛	⊛	●	●	●	⊛	⊛	⊛
Herna Verhagen	1966	Female	Dutch	⊛	●	●	●	●	⊛	⊛	⊛

SB	
9 Board members	62 Average age
4 Nationalities	4 Average board tenure (years)
33% Female	100% Independent board members*

*As defined by the Dutch Corporate Governance Code

● Meets required knowledge/experience criteria for the role and it implies the capacity to take educated decisions on the relevant matters

⊛ In addition is considered an expert in relation to previous or current roles

Appreciation for management and employees

The SB would like to thank the management and the employees for their hard work and collaboration to drive growth and deliver value for all stakeholders during the year. ING delivered a strong financial performance in 2024, despite the uncertain economic and volatile geopolitical circumstances.

The business made significant progress with the implementation of the next phase of the strategy, Growing the difference. The SB would like to express its sincere appreciation to all for their relentless focus and dedication and its confidence in our collective ability to navigate challenges and seize opportunities in 2025.

Amsterdam, 3 March 2025

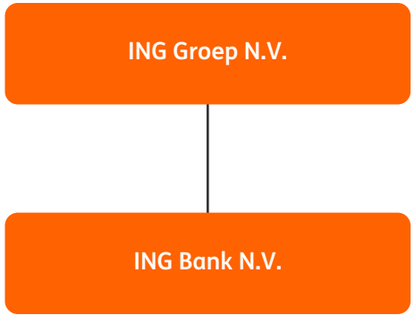
Corporate governance

This section contains an overview of ING's corporate governance structure. It provides information on ING Group's Supervisory Board (SB) and Executive Board (EB), as well as its General Meeting and capital structure.

ING's legal and management structure

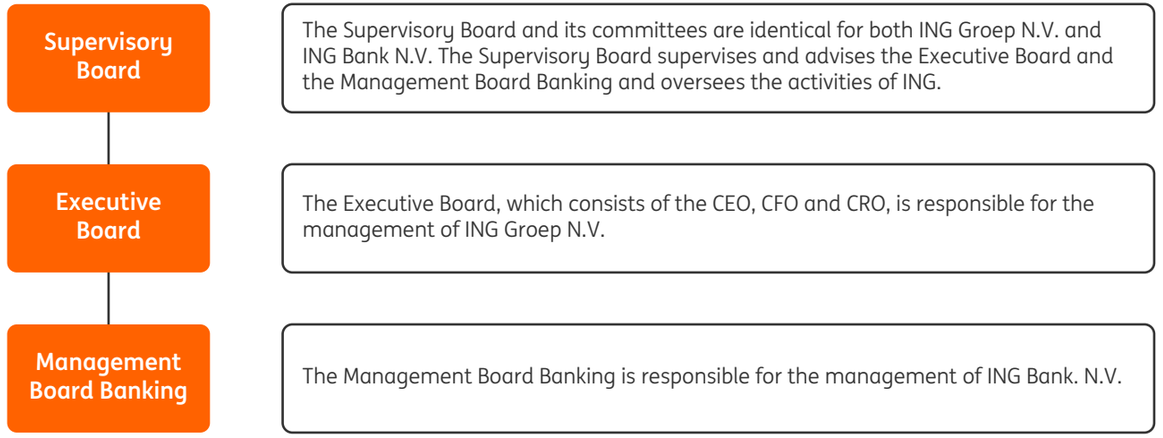
Legal structure

ING Groep N.V. (ING Group) is a publicly listed company based in the Netherlands. ING Group is the parent of one main legal entity: ING Bank N.V. (ING Bank). ING Bank is the principal banking entity within ING and the parent company of various banks, other subsidiaries, branches and representative offices globally.



Management structure

ING Group has a two-tier board structure consisting of the SB and the EB. ING Bank also has a two-tier board structure, consisting of the SB and the Management Board Banking (MBB).



Dutch Corporate Governance Code, Banking Code and Dutch Tax Governance Code

As ING Group is established and listed in the Netherlands, it must comply with Dutch laws and regulations and is subject to the Dutch Corporate Governance Code (DCGC).

The DCGC provides guidance for ING's corporate governance structure and practices. ING supports the DCGC and its principles to ensure sound corporate governance within its organisation. ING's application of the DCGC is described in the booklet 'Application of the Dutch Corporate Governance Code by ING Groep N.V. (FY2024)' dated 6 March 2025, which is available on ing.com. The DCGC can be downloaded from the website of the Corporate Governance Code Monitoring Committee (mccg.nl).

The Dutch Banking Code (the Banking Code) is only applicable to ING Bank, but ING Group voluntarily applies the principles of the Banking Code on remuneration for its Executive Board members and senior management. The Banking Code can be downloaded from the website of the Dutch Banking Association (nvb.nl).

ING Group also voluntarily applies the principles of the Dutch Tax Governance Code. ING's application of the Dutch Tax Governance Code is described in the booklet 'Application of the Dutch Tax Governance Code by ING Groep N.V. (FY2024)' dated 6 March 2025, which is available on ing.com. The Dutch Tax Governance Code can be downloaded from the website of the Confederation of Netherlands Industry and Employers (vno-ncw.nl). More information can be found in the paragraph 'Other governance information'.

This section of the Annual Report, together with the paragraphs 'Own workforce strategy – Unlocking our people's full potential' and 'Action and targets on gender diversity', the above-mentioned booklets and other parts of this Annual Report to which reference is made in the booklets, comprise the corporate governance statement referred to in section 2a of the Dutch Decree on information in the management board report (*Besluit inhoud bestuursverslag*).

Supervisory Board

Roles and responsibilities

The SB members are collectively responsible for supervising and advising the EB and for overseeing the activities of ING and the business connected with it. The organisation, powers and modus operandi of the SB are set out in the Charter of the Supervisory Board, available on ing.com.

In performing their duties, members of the SB are required to:

- be guided by the interests of ING and the business connected with it, thereby carefully balancing the interests of all stakeholders of ING and in this consideration give paramount importance to customers' interests, as set out in the Dutch Banker's Oath;
- foster a culture focused on sustainable long-term value creation, financial and non-financial risk awareness, compliance with ING's risk appetite, responsible and ethical behaviour;
- stimulate openness and accountability within ING and its subsidiaries; and
- act without mandate from third parties and independent of any interest in the business of ING; and
- ensure that the Supervisory Board functions effectively.

The articles of association of ING Group (Articles of Association), the Management Board Charter and the Supervisory Board Charter outline which resolutions of the EB are subject to approval by the SB.

ING Group indemnifies the members of the SB as far as legally permitted against direct financial losses in connection with claims from third parties filed, or threatened to be filed, against them by virtue of their service as a member of the SB in accordance with the Articles of Association.

Composition and diversity

ING Group aims to have an adequate and balanced composition of its SB, with a mix of persons with knowledge, skills and executive experience, preferably gained in the banking sector, experience in corporate governance of large stock-listed companies, and experience in the political and social environment in which such companies operate. In the selection of the members of the SB, ING strives for a balance in nationality, gender, education and work background. In addition, there should be a balance of experience and affinity with the nature and culture of the business of ING. ING believes that diverse leadership at the level of the SB fosters a diversity of views and experiences and facilitates independent opinions and sound decision-making, which has a positive impact on ING's business. According to the Dutch Gender Diversity Act, ING is required to comply with a gender-diversity quota of one third male and one third female for its SB. In 2024, the SB consisted of six male members and three female members. ING believes the SB is also well balanced in terms of other relevant diversity aspects. Also, the SB had an international composition in 2024, with five persons of Dutch nationality and four persons with other nationalities.

The SB is responsible for selecting and nominating candidates for appointment or reappointment to the SB, based on, among other factors, the SB profile, which is available on ing.com. The SB regularly assesses its composition.

For more information on the composition of the Supervisory Board see 'Our leadership' and the 'Supervisory Board report'.

Appointment, suspension and dismissal

Members of the SB are appointed, suspended and dismissed by the General Meeting. The SB may draw up a binding list of candidates for appointment and may propose the dismissal and suspension of SB members. Candidates for appointment to the SB are assessed by the DNB and ECB for suitability and reliability and must continue to meet these criteria while in function.

A resolution of the General Meeting to render this list non-binding, or to suspend or dismiss SB members without this being proposed by the SB, requires an absolute majority of the votes cast. Additionally, this majority must represent more than half of the issued share capital. In a second general meeting, such a resolution also requires an absolute majority of the votes cast, and this majority must represent more than half of the issued share capital. This ensures that such significant resolutions can only be adopted with substantial support of ING Group's shareholders.

Term of appointment of the Supervisory Board members

As a general rule, SB members step down from the SB after the fourth anniversary of their last appointment or reappointment term. SB members are appointed for four years and may be reappointed once for another four-year term. Thereafter, they may be reappointed for an additional two-year term, which may be extended by no more than two years. The SB may deviate from this general rule under special circumstances and with explanation, for instance to maintain a balanced composition of the SB and/or to preserve valuable expertise and experience. The retirement schedule is available on ing.com.

Relevant positions pursuant to CRD IV / conflicting interests

Members of the SB may hold other positions outside ING, including directorships, either paid or unpaid. CRD IV restricts the total number of SB positions or non-executive directorships with predominantly commercial organisations that may be held by an SB member to four. If an SB member also has an EB position, the number of positions is restricted to two. The ECB may, under special circumstances, permit an SB member to fulfil an additional SB position or non-executive directorship. Positions with, inter alia, subsidiaries or qualified holdings are not taken into account in the application of these restrictions. Such positions may not conflict with the interests of ING Group. It is the responsibility of the individual member of the SB and the SB collectively to ensure that the directorship duties are performed properly and are not affected by any other positions that the individual may hold outside ING Group.

Members of the SB are to report any conflict of interest (including potential conflicts of interest) to the chairperson of the SB (or, in the case of the chairperson, to the vice-chairperson) and to the other SB members, and shall provide all relevant information. The SB, excluding the member concerned, decides whether a conflict of interest exists.

In the case of a conflict of interest, the relevant member of the SB abstains from discussions and decision making on the topic or the transaction in relation to which they have a conflict of interest with ING Group.

Transactions involving actual or potential conflicts of interest

There were no transactions reported in 2024 in which there were conflicts of interest with SB members that are of material significance to ING Group and/or to the relevant board members.

If a member of the SB obtains financial products and services, other than loans, which are provided by ING Group subsidiaries in the ordinary course of business on terms that apply to employees, this is not considered to be a material conflicting interest. Banking and financial products in which the granting of credit is of a secondary nature, e.g. credit cards and overdrafts in a current account, are not considered a loan for this purpose and are therefore not disclosed in the 'Remuneration report'. For an overview of loans granted to members of the SB, see the 'Remuneration report'.

Committees of the Supervisory Board

On 31 December 2024, the SB had six committees: the Risk Committee, the Audit Committee, the Nomination and Corporate Governance Committee, the Remuneration Committee, the ESG Committee and the Technology & Operations Committee (as of July 2024).

Separate charters have been drawn up for these committees, which are available on ing.com.

Read more about the composition and the duties of the committees in the 'Supervisory Board report' and on ing.com.

Remuneration and share ownership

Remuneration of the members of the SB is determined by the General Meeting and does not depend on the results of ING Group. Members of the SB are permitted to hold shares in the share capital of ING Group for long-term investment purposes. Details are given in the 'Remuneration report'. Transactions by members of the SB in these shares need to comply with the ING insider regulations, which are available on ing.com.

Executive Board

Roles and responsibilities

The EB is entrusted with the management of ING Group and its subsidiaries and is responsible for the continuity and long-term value creation of ING. This includes the day-to-day management of the business and setting ING's strategy, the responsibility of which is vested in the members of the EB collectively. The organisation, main roles and responsibilities of the EB are set out in the Management Board Charter, which is available on ing.com.

The EB performs its activities under the supervision of the SB. The Articles of Association, the Management Board Charter and the Supervisory Board Charter, which are available on ing.com, outline which resolutions of the EB are subject to approval by the SB.

ING Group indemnifies the members of the Executive Board as far as legally permitted against direct financial losses in connection with claims from third parties filed, or threatened to be filed, against them by virtue of their service as a member of the Executive Board in accordance with the Articles of Association and their commission contract. ING Group has taken out liability insurance for the members of the EB.

Composition and diversity

ING Group aims to have an adequate and balanced composition of its EB, with a diverse selection of persons with knowledge, skills and executive experience, preferably gained in the banking sector, experience in corporate governance of large stock-listed companies and experience in the political and social environment in which such companies operate. In the selection of the members of the EB, ING strives for a balance in nationality, gender, education and work background. In addition, there should be a balance of experience and affinity with the nature and culture of the business of ING. We believe that diverse leadership at the level of the EB fosters a diversity of views and experiences and facilitates independent opinions and sound decision-making, which has a positive impact on ING's business. The Dutch Gender Diversity Act requires ING to set appropriate and ambitious targets for gender diversity in its EB and senior management. As such, ING applies a gender diversity target of at least 30 percent to the EB. In addition, there should be a balance of experience and affinity with the nature and culture of the business of ING. Factors such as nationality, age and education are also taken into account for the composition of the EB. Also, the EB had an international composition in 2024, with one board member of Dutch nationality and two board members with other nationalities.

The SB is responsible for selecting and nominating candidates to be appointed or reappointed to the EB by the General Meeting, based on, among other factors, the EB profile, which is available on ing.com. The SB regularly assesses the composition and functioning of the EB.

The following two topics form part of this process:
1. Bench strength and succession planning for EB positions are continuous attention points. Potential internal candidates for such roles may be complemented with potential talent from outside ING.
2. A long-term view is taken on the composition of the EB, which, for example, means that steps are taken to improve the development path of women within ING and the appointment of women in senior positions throughout the organisation, in line with ING's D&I policy.

See more information on diversity, including gender diversity in senior management, in the paragraphs on Action, targets and metrics related to our own workforce in 'Own workforce'. For more information on the composition of the EB, see 'Our leadership'.

Appointment, suspension and dismissal

Members of the EB are appointed, suspended and dismissed by the General Meeting. The SB may draw up a binding list of candidates for appointment and may propose the dismissal and suspension of EB members. Candidates for appointment to the EB are assessed by the DNB and the ECB for suitability and integrity and must continue to meet these criteria while in function.

A resolution of the General Meeting to render this list non-binding, or to suspend or dismiss EB members without this being proposed by the SB, requires an absolute majority of the votes cast. Additionally, this majority must represent more than half of the issued share capital. In a second general meeting, such a resolution also requires an absolute majority of the votes cast, and this majority must represent more than half of the issued share capital. This ensures that such significant resolutions can only be adopted with substantial support of ING Group's shareholders.

Remuneration and share ownership

Details of the remuneration of members of the EB, including shares granted to them, are set out in the 'Remuneration report'.

Members of the EB are permitted to hold shares in the share capital of ING Group for long-term investment purposes. Transactions by members of the Executive Board in these shares need to comply with the ING regulations for insiders, which are available on ing.com.

Relevant positions pursuant to CRD IV/conflicting interests

Members of the EB may hold other positions outside ING. No member of the EB had corporate directorships relevant under CRD IV outside ING throughout 2024.

Members of the EB are to report any conflict of interest (including potential conflicts of interest) to the chairperson of the EB and the other EB members, and shall provide all relevant information. The Executive Board, excluding the member concerned, decides whether a conflict of interest exists.

In the case of a conflict of interest, the relevant member of the EB abstains from discussions and decision-making on the topic or the transaction in relation to which they have a conflict of interest with ING Group.

Transactions involving actual or potential conflicts of interest

There were no transactions reported in 2024 in which there were conflicts of interest with EB members that are of material significance to ING Group and/or to the relevant board members.

If a member of the EB obtains financial products and services, other than loans, which are provided by subsidiaries of ING Group in the ordinary course of business on terms that apply to employees, this is not considered a significant conflict of interest and is therefore not reported. Banking and financial products in which the granting of credit is of a secondary nature (e.g. credit cards and overdrafts in current accounts) are not considered a loan for this purpose and are therefore not disclosed in the 'Remuneration report'. For an overview of loans granted to members of the Executive Board, see the 'Remuneration report'.

General Meeting

A general meeting is held at least once a year. ING's Annual General Meeting (AGM) is usually held in April or May.

The main topics on which the General Meeting decides are:

- The appointment of the EB and members of the SB, subject to a binding nomination or a proposal of the SB;
- The suspension and dismissal of members of the EB and members of the SB;
- The adoption of the financial statements (annual accounts);
- The declaration of dividends, subject to the power of the EB to allocate part or all of the profits to the reserves – with approval of the SB – and the declaration of other distributions, subject to a proposal by the EB and approved by the SB;
- The appointment/reappointment of the external auditor;
- An amendment of the Articles of Association, a legal merger, demerger or conversion of ING Group, and winding-up of ING Group, all subject to a proposal made by the EB with approval of the SB;
- The issuance of shares or rights to subscribe for shares, the restriction or exclusion of pre-emptive rights of shareholders, and delegation of these powers to the EB, subject to a proposal by the EB that has been approved by the SB; and
- The authorisation of a repurchase of outstanding shares and/or a cancellation of shares.

Notice

ING Group convenes its general meetings by public notice via ing.com at least 42 days before the day of the general meeting. All information relevant for shareholders is made available via ing.com. This information includes the notice of the general meeting, the place and time of the meeting, instructions on how to attend the meeting and exercise voting rights, the agenda, the explanatory notes to the agenda including the verbatim text of the proposals, as well as the Annual Report.

This period can be shortened to 10 days if i) ING Group meets the criteria for early intervention measures, ii) going into resolution can be avoided by means of a capital increase and iii) a general meeting would be required to enable ING Group to issue the required number of shares.

Proposals by shareholders

Shareholders who individually or jointly represent at least one percent of the issued capital may propose items for the agenda of a general meeting. Such proposals should be adequately substantiated under applicable Dutch law.

Shareholders have the opportunity to contact ING about the general meeting via a dedicated webpage on ing.com.

Record date

The record date for attending a general meeting and voting on proposals at that general meeting is the 28th day before the day of the general meeting. Only those holding shares on the record date may attend the general meeting and may participate, vote and exercise any other rights attached to their shares in the general meeting, regardless of any subsequent sale or purchase of shares. The record date is published in the notice for the general meeting. If a shortened notice period of 10 days is applicable (see 'Notice' above), the record date is two days after the convocation date.

In accordance with US requirements, the depositary sets a record date for the American depositary receipts (ADRs). This record date can differ from the record date set by ING Group for shareholders.

Attendance

Shareholders may attend a general meeting or may grant a proxy in writing to a third party to attend the meeting and to vote on their behalf. For logistical reasons, attending the general meeting is subject to the requirement that ING Group is notified by its shareholders in advance on how they will attend. Instructions for this are included in the notice for the general meeting.

General meetings are webcast on ing.com, so that shareholders unable to attend the general meeting in person can follow the meeting online.

Voting rights on shares

Each share entitles the holder to cast one vote at the general meeting. The Articles of Association do not restrict the voting rights on any class of shares. ING Group is not aware of any agreement that restricts voting rights on any class of its shares.

Proxy voting facilities

ING Group provides proxy voting facilities to its investors via ing.com and solicits proxies from its ADR holders in line with common practice in the US. ING Group uses the 'Evote by ING' platform, an online facility through which shareholders can register for a meeting or appoint a proxy.

Also, proxy voting forms are made available on ing.com. By returning the form, shareholders give a proxy to an independent proxy holder (a public notary registered in the Netherlands) to vote on their behalf, in accordance with instructions expressly given on the proxy form. Submitting these forms is subject to additional conditions as specified on such forms.

ING Group will send an electronic confirmation of receipt of the votes to the person that casts the vote. In addition, on requests made within three months from the date of the general meeting, ING Group will confirm to the shareholder or a third person designated by the shareholder that the shareholder's votes have been validly recorded and counted by ING Group, if this information is not already available to the shareholder directly.

Reporting

Resolutions adopted at a general meeting are generally published on ing.com within one week following the meeting. In accordance with the DCGC, the draft minutes of the general meeting are made available to shareholders on ing.com no later than three months after the meeting. Shareholders then have three months to react to the draft minutes. After that, the minutes are recorded in a notarial deed and are made available on ing.com. As an alternative to a notarial record, the minutes can be adopted by the chair of the meeting and by a shareholder appointed by that meeting.

2024 AGM

The 2024 AGM was held on 22 April 2024 at Muziekgebouw aan 't IJ in Amsterdam. In addition, the meeting was broadcast live on ing.com. ING put measures in place to ensure the meeting was conducted in a manner that was orderly, thorough, meaningful and secure for all participants.

The notarial record of the proceedings of the 2024 AGM can be downloaded from ing.com.

Shares and shareholdings

Capital structure

ING Group's authorised share capital consists of ordinary shares and cumulative preference shares. Cumulative preference shares give right to a dividend based on a percentage of the amount paid-up on such cumulative preference share. The EB shall determine with approval of the SB what part of the remaining profits are appropriated to the reserves. The remaining profits are at the disposal of the General Meeting. The ordinary shares rank pari passu with each other. ING Group's ordinary shares are listed on Euronext Amsterdam and Brussels. ADRs are listed on the NYSE and administered by depositary JPMorganChase.

Currently, only ordinary shares are issued and a call option to acquire cumulative preference shares has been granted to *Stichting Continuïteit ING* (ING Continuity Foundation).

ING Group's authorised capital is the maximum amount of capital allowed to be issued under the terms of the Articles of Association. New shares in excess of this amount can only be issued if the Articles of Association are amended.

Issuance of shares

Shares may be issued following a resolution by the General Meeting. The General Meeting may resolve to delegate this authority to another body for a period of time not exceeding five years. Each year, a proposal is made to the General Meeting to delegate authority to the EB to issue new ordinary shares or to grant rights to subscribe to new ordinary shares, both with and without pre-emptive rights for existing shareholders. On 22 April 2024, the General Meeting authorised the EB upon the approval of the SB to issue new ordinary shares (including the granting of rights to subscribe for ordinary shares, such as warrants or in connection with convertible debt instruments) for a period of 18 months, ending on 22 October 2025, subject to the following conditions and limits:

- No more than 40 percent of the issued share capital in connection with a rights issue, being a share offering to all shareholders in proportion to their existing holdings of ordinary shares. However, the EB together with the SB may exclude or restrict pre-emptive rights of existing shareholders if deemed necessary or practical.
- No more than 10 percent of the issued share capital, with or without pre-emptive rights of existing shareholders.

Specific approval by the General Meeting is required for any share issuance exceeding these limits.

The purpose of this share issue authorisation is to delegate to the EB the power to issue new ordinary shares, without first having to obtain the consent of the General Meeting. This authorisation gives ING Group flexibility in managing its capital resources, including regulatory capital, while taking into account shareholders' interests to prevent dilution of their shares. In particular, it enables ING Group to respond promptly to developments in the financial markets, should circumstances require. The EB and SB consider it in the best interest of ING Group to have the flexibility this authorisation provides.

This authorisation may be used for any purpose, including but not limited to strengthening capital, financing, mergers or acquisitions. However, the authorisation to issue ordinary shares by way of rights issue cannot be used for mergers or acquisitions on a share-for-share basis as this is incompatible with the concept of pre-emptive rights for existing shareholders.

In line with market practice, ING Group currently intends to include the following categories of shareholders in such a rights issue:

1. Qualified and retail investors in the Netherlands and the US (SEC registered offering);
2. Qualified investors in EU member states (and potentially the UK);
3. Retail investors in EU member states (and potentially the UK) where ING has a significant retail investor base, provided that it is feasible to meet local requirements (in ING's 2009 rights offering, shares were offered to existing shareholders in Belgium, France, Germany, Luxembourg, Spain and the UK, where ING believed the vast majority of retail investors were located at that time); and
4. Qualified or institutional investors in Canada and Australia.

Retail investors in Canada and Australia and investors in Japan will not be included in such a share offering.

Shareholders who are not allowed, do not elect, or are unable to subscribe to a rights offering, are entitled to sell their rights in the market or receive any net financial benefit upon completion of a rump offering after the exercise period has ended.

Transfer of shares and transfer restrictions

Shares not included in the Securities Giro Transfer system are transferred by means of a deed of transfer between the transferor and the transferee. To become effective, ING Group has to acknowledge the transfer, unless ING Group itself is a party to the deed of transfer. The Articles of Association do not restrict the transfer of ordinary shares, whereas the transfer of cumulative preference shares is subject to prior approval of the EB. ING Group is not aware of the existence of any agreement pursuant to which the transfer of ordinary shares or ADRs for such shares is restricted.

Shares that are included in the Securities Giro Transfer system are transferred in accordance with the Securities Giro Transfer Act (Wet Giraal Effectenverkeer). A shareholder who wishes to transfer such shares must instruct the securities intermediary where their shares are administered accordingly.

Acquisitions of shares

ING Group may acquire fully paid-up ordinary shares in its own share capital. Although the power to acquire shares is vested in the EB and subject to the approval of the SB, prior authorisation from the General Meeting is required for these acquisitions if a consideration is payable. Each year, a proposal is made to the General Meeting to authorise the acquisition of shares by the EB for a period of 18 months. On 22 April 2024, the General Meeting authorised the EB to acquire ordinary shares in ING Group in the name of ING Group, upon approval of the SB, for a period of 18 months, ending on 22 October 2025, subject to the following conditions and limits:

- The nominal value of the ordinary shares in ING Group, which are acquired or pledged in favour of ING Group, will not exceed 20 percent of the issued share capital of ING Group as at 22 April 2024.
- The nominal value of the ordinary shares in ING Group, which are held in favour of ING Group or are held by its subsidiaries for their own account, will not exceed 10 percent of the issued share capital of ING Group as at 22 April 2024.
- The purchase price will not be lower than €0.01 per share and not higher than 110 percent of the opening price of ING Group's ordinary shares on Euronext Amsterdam on the day of the purchase or on the preceding day of stock market trading.

This authorisation supersedes and renews the authorisation granted by the General Meeting on 24 April 2023. Following this resolution, in May 2024 ING announced a share buyback programme for a maximum amount of €2.5 billion, and in October 2024 ING announced a share buyback programme for a maximum amount of €2 billion.

Cancellation of shares

At the 2024 AGM, the General Meeting adopted the proposal to reduce the issued share capital of ING Group by cancelling ordinary shares acquired by ING Group in its own share capital up to a maximum of the number of shares that have been acquired by ING Group pursuant to the authorisation to acquire shares in its own capital granted on 22 April 2024. The number of shares to be cancelled under this resolution shall be determined by the EB. The cancellation may be executed in one or more tranches. The capital reduction will take place with due observance of the applicable laws and regulations and the Articles of Association.

Following this resolution, the EB resolved to cancel the 194,812,543 ordinary shares that were acquired in the share buyback programme that was completed on 5 February 2024, and the EB resolved to cancel the 155,990,753 ordinary shares that were acquired in the share buyback programme that was completed on 11 October 2024.

Special rights of control

No special rights of control referred to in Article 10 of the directive of the European Parliament and the Council on takeover bids (2004/25/EC) are attached to any share.

Obligations to disclose shareholdings

Pursuant to the Dutch Financial Supervision Act, shareholders and holders of ADRs of ING Group are required to provide an update on their holdings to the Dutch Authority for the Financial Markets (AFM) once their capital interest or voting rights reach, exceed or fall below the threshold levels of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% or 95%.

A notification requirement also applies if a person's capital interest or voting rights reach, exceed or fall below the above-mentioned thresholds as a result of a change in ING's total issued share capital or voting rights. Such notification must be made no later than the fourth trading day after the AFM has published ING's notification of the change in its issued share capital. The notification will be recorded in a public register that is held by the AFM and published on afm.nl/en/.

Based on filings to the AFM, and to the best of our knowledge, on 31 December 2024 shareholders and investors with (potential) holdings of 3 percent or more were BlackRock Inc. and Capital Research and Management Company.

In addition, any person who acquires or disposes of a net short position relating to the issued share capital of ING Group, whether by a transaction in shares or ADRs, or by a transaction creating or relating to any financial instrument where the effect or one of the effects of the transaction is to confer a financial advantage on the person entering into that transaction in the event of a change in the price of such shares or ADRs, is required to notify the AFM if, as a result of such acquisition or disposal, the person's net short position reaches, exceeds or falls below 0.1 percent of the issued share capital of ING Group and each 0.1 percent above that. Each reported net short position equal to 0.5 percent of the issued share capital of ING Group and any subsequent increase of that position by 0.1 percent will be made public via the short selling register on afm.nl/en/.

Investor relations

ING's policy is to provide investors with information they need to make their own investment decisions. This policy has been established in accordance with best practice provision 4.2.2 of the DCGC. ING strives to provide clear, accurate and timely financial information that is in strict compliance with applicable rules and regulations, in particular those concerning selective disclosure, inside information and equal treatment.

ING publishes a comprehensive quarterly disclosure package on its corporate website that includes detailed financial figures. This information is discussed thoroughly on the day of the earnings release during media, analyst and investor conference calls. The publication dates of quarterly earnings releases are announced in advance on ing.com.

ING aims to maintain an open and constructive dialogue with existing and potential investors, industry analysts and rating agencies. ING may participate in industry conferences. Bilateral communications with the investment community are actively managed by the Investor Relations department. EB members, MBB members or other senior managers may also participate in investor meetings. These bilateral meetings are not announced in advance, nor can they be followed by webcast or any other means.

If communication between ING Group and investors is organised and/or facilitated through a broker, then an analyst or specialist salesperson representing the broker may be present in the meeting. Information provided during such occasions or in any contacts with the press is limited to what is already publicly available. In the event that any inside information should inadvertently be disclosed during any bilateral contacts, it is ING's policy, in accordance with applicable regulations, to publish such information as soon as possible.

ING Group may decide not to accommodate or accept certain requests or invitations to enter into a dialogue with potential investors, under specific conditions. It is ING's policy not to initiate bilateral contacts with investors or analysts or participate in conferences during the period immediately prior to publication of regular quarterly results.

Approximately 25 analysts actively cover and generally issue reports on ING Group. A list of these analysts can be found under 'Analyst Coverage' in the Investor Relations section of ing.com. During 2024, ING Group did not provide any form of compensation to parties that are directly or indirectly involved in the production or publication of analysts' reports, with the exception of credit-rating agencies.

Differences between Dutch and US corporate governance practices

ING Group qualifies as a foreign private issuer under the US Securities and Exchange Commission (SEC) rules and for the purposes of the New York Stock Exchange (NYSE) listing standards. Under NYSE listing standards, foreign private issuers are permitted to follow home-country practices in some circumstances, in lieu of the US corporate governance rules. In accordance with the requirements of the SEC and NYSE, ING Group discloses any significant differences between its corporate governance practices and those applicable to US companies under NYSE listing standards in its Annual Report on Form 20-F, which is available on ing.com.

ING Continuity Foundation

The ING Continuity Foundation is a foundation organised under the laws of the Netherlands and was founded on 22 January 1991. According to its articles of association, the statutory goal of the ING Continuity Foundation is to protect and to safeguard the independence, continuity and identity of ING. If the board of the ING Continuity Foundation (the Board) believes the independence, continuity or the identity of ING is at risk, the ING Continuity Foundation is entitled to acquire newly issued cumulative preference shares in the capital of ING Group, provided that, following the issue, the number of cumulative preference shares issued is no more than one third of the total number of shares issued. This entitlement is vested in the Articles of Association. On acquisition of cumulative preference shares, at least 25 percent of the nominal value must be paid on said shares.

In 2024, the Board held two meetings, on 14 March and 4 December. The composition of the Board is currently as follows: Sebastian Kortmann (chairperson), Rob van den Bergh, Allard Metzelaar and Pieter Witteveen. All Board members stated that they meet the conditions regarding independence as referred to in the articles of association of the ING Continuity Foundation.

Existing or potential anti-takeover measures

The call option to acquire cumulative preference shares that has been granted to the ING Continuity Foundation may be considered a form of anti-takeover measures. In addition, the Articles of Association include provisions that may assist in safeguarding the independence of ING such as those described under 'Appointment, suspension and dismissal'. The fact that not all EB members and SB members are up for re-election at the same time might delay or deter a takeover.

Legal provisions

Declaration of no objection

A declaration of no objection from the ECB must be obtained by anyone wishing to acquire or hold a participating interest of at least 10 percent in ING Group and to exercise control attached to such a participating interest. Similarly, on the basis of indirect change of control statutes in the various jurisdictions where subsidiaries of ING Group are operating, permission from, or notification to, local regulatory authorities may be required for the acquisition of a substantial interest in ING Group.

Change of control clauses in material agreements

ING Group is not party to any material agreement that becomes effective or is required to be amended or terminated in the event of a change of control of ING Group following a public bid. ING Group subsidiaries may have customary change of control arrangements included in agreements related to various business activities. Following a change of control of ING Group (as a result of a public bid or otherwise), such agreements may be amended or terminated, leading, for example, to an obligatory transfer of the interest in the joint venture, early repayment of amounts due, loss of credit facilities or reinsurance cover, and liquidation of outstanding futures and option trading positions.

Severance payments to members of the Executive Board

The contracts entered into with the members of the EB provide for severance payments that become due upon termination of the applicable member's contract, including if termination occurs in connection with a public bid as defined in section 5:70 of the Dutch Financial Supervision Act. Severance payments to the members of the Executive Board are limited to a maximum of one year's fixed salary.

Transactions between ING Group and significant shareholders

ING Group did not enter into any transactions with shareholders holding at least 10 percent of the share capital.

External auditor

KPMG has been the external auditor for ING Group since 2016. At the AGM held on 24 April 2023, KPMG was reappointed for this role for the financial years 2024 and 2025.

In 2024, the external auditor attended the meetings of the Audit Committee and regularly attended meetings of the Risk Committee. The external auditor also attended the 2024 AGM and addressed the General Meeting, where it was questioned on its audit opinion.

All services of the external auditor to ING Group and its subsidiaries are subject to approval by the Audit Committee, in line with the ING Group Global Procedure on External Auditors Independence.

At the AGM held on 22 April 2024, Deloitte Accountants BV (Deloitte) was appointed as the new external audit firm for ING Group for the audit of the annual accounts for the financial years 2026 through 2029. The proposal to appoint Deloitte was the result of a thorough tender process overseen by the Audit Committee and in accordance with ING Group's policy on the Auditors' Independence (the ING Group Global Procedure on External Auditors' Independence as per 1 January 2025). The decision to change auditors was made based on European and Dutch legislation limiting the term of appointment. Accordingly, the engagement of KPMG, ING Group's current auditor, cannot be renewed in respect of financial year 2026.

More information on ING Group Global Procedure on External Auditors' Independence is available on ing.com.

Financial reporting

ING´s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Due to the listing of ADRs on the New York Stock Exchange, ING Group is required to comply with the SEC regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, or SOx 404. These regulations require ING Group to report and certify on an annual basis the effectiveness of its internal controls over financial reporting. The SOx 404 internal control activities are organised along the lines of the company´s governance structure and involve the participation of senior management across ING.

ING's internal controls over financial reporting include those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of ING;
- provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorisations of our management and directors; and
- provide reasonable assurance regarding the prevention or timely detection of unauthorised acquisition, use or disposition of assets that could have material effect on the financial statements.

ING has a process in place where, under the supervision and with the participation of the CEO and CFO, the effectiveness of internal control over financial reporting is evaluated, based on the criteria of the Committee of Sponsoring Organisations of the Treadway Commission in Internal Reporting (COSO) – Integrated Framework (2013 Framework).

Tax governance information

ING Group also voluntarily applies the principles of the Dutch Tax Governance Code. ING's application of the Dutch Tax Governance Code is described in the booklet 'Application of the Dutch Tax Governance Code by ING Groep N.V. (FY2024)' dated 6 March 2025, which is available on ing.com. The Dutch Tax Governance Code can be downloaded from the website of the Confederation of Netherlands Industry and Employers (vno-ncw.nl).

Taxation

Our tax policies and performance are key elements under the governance pillar of our ESG framework. We are mindful that every aspect of our business, including our approach to tax, has an impact on society. We have therefore chosen to formalise our approach to clarify our views on responsible tax behaviour and tax governance.

Our tax principles, which are applicable worldwide, mirror ING's values of integrity, honesty, prudence and responsibility. These values are the main drivers for our relationship with tax authorities and for the adoption of tax transparency as standard practice.

Tax principles and governance

Wherever we operate, we seek to establish and maintain an open and constructive dialogue with local tax authorities and other government bodies, based on the disclosure of all relevant facts and circumstances. In this dialogue we seek to provide clarity and establish certainty on all relevant local tax components in advance. We are transparent about our approach to tax and our tax position. In formulating this approach, we have taken account of the interests of our stakeholders, including authorities and tax authorities, non-governmental organisations, customers, shareholders and society in general.

Disclosures are made in accordance with relevant domestic regulations, as well as applicable reporting requirements and standards, such as the International Financial Reporting Standards. The Annual Report contains a country-by-country overview of the result (before tax) and the total corporate income tax charge paid and accrued per tax jurisdiction. ING also submits, annually, a similar type of overview to tax authorities which enhances their insight into our tax position.

ING joined the Dutch Tax Governance Code developed by the Confederation of Netherlands Industry and Employers (known as VNO-NCW). ING embraces the principles of the code and will work consciously to comply with the targets set, as laid out in our Tax Governance Code booklet. This is available on ing.com in the Compliance section under About Us. The financial information in the Tax Governance Code is recorded under notes to the consolidated financial statements in this Annual Report (see Note 31 'Information on geographical areas' and Note 33 'Taxation').

Tax policies, ING Group's whistleblower policy, procedures and a tax control framework have been implemented to support management in mitigating potential tax risks in a prudent manner. Internal monitoring, control and reporting of tax-related risks take place on a continuous basis with annual reporting to the MB and SB and various other stakeholders. For SOx 404 purposes (section 404 of the Sarbanes-Oxley Act), an 'effectiveness of internal control statement' with respect to tax controls has been provided. Tax risk management is subject to Corporate Audit testing and evaluation. As part of the tax risk assessment, if applicable, the potential use of incentives, tax incentives and/or subsidies is considered acceptable to the extent explicitly intended by the authorities.

In all countries in which ING is present, it is ING's position to be cooperatively tax compliant. This involves participating in cooperative compliance programmes with tax authorities and being transparent about, and disclosing, relevant tax risks towards tax authorities.

We also believe in the principle that tax should follow business, so profits are allocated to the countries where business value is created. It is our policy to comply with domestic and international laws and regulations, taking account of both the letter and the spirit of the law, as well as standards such as the OECD guidelines for multinational enterprises. We also apply the arm's length principle.

Tax integrity of clients

As a global bank, we play an important role in fighting financial crime and protecting the financial system from harmful behaviour. This includes criminal activities such as tax evasion, but also aggressive tax avoidance, which although not illegal can be damaging to the communities in which we operate. We aim not to facilitate such activities.

Tax risks not only refer to ING's own tax position, but also our role as gatekeeper for the financial system, as well as risks in relation to our customers. In this respect, we have integrated a tax-integrity assessment in our overall customer risk assessment process.

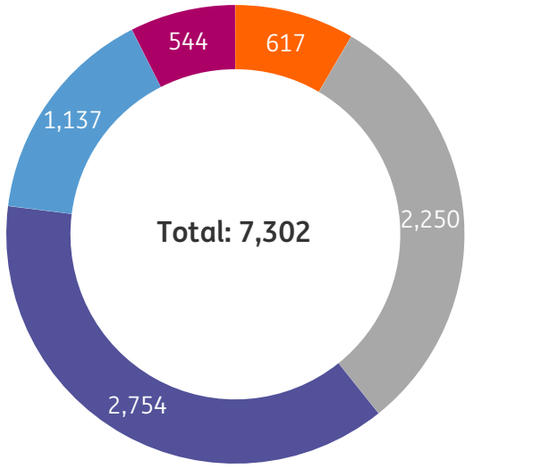
It is our policy not to advise clients on taxation matters. Clients remain responsible for their own tax position.

Total taxes borne and collected

ING Group pays taxes worldwide that constitute costs borne by the company, but is also responsible for collecting taxes for clients, employees and shareholders. Because ING Group mostly supplies financial services that are generally exempt from VAT or GST, we are, for the large part, not permitted to reclaim or recover input VAT on goods and services bought. This non-recoverable VAT is therefore borne by and part of the cost base of ING Group.

In 2024, the taxes borne and collected by ING Group totalled €7,302 million and can be divided as follows:

Taxes borne and collected (€ mln)[1]



- Bank tax borne and paid
- Employment tax and social security contributions borne and collected
- Corporate income tax borne and paid
- VAT/GST borne and collected
- Dividend tax collected

[1] See notes to the consolidated financial statements 31 and 33 for additional details on corporate income tax paid and corporate income tax accrued

Remuneration report

FOR INFORMATION ONLY AT 2025 ING GROEP N.V. ANNUAL GENERAL MEETING (AGM)

ING delivered strong results in 2024 and we executed well on our strategy to accelerate growth, increase impact and deliver value for all stakeholders. This result was achieved despite a year of modest growth for the European economy and ongoing geopolitical upheaval around the globe – with new and continuing regional conflicts – which have an impact on our clients and the societies in which we operate. Despite an environment of flux and uncertainty, we have managed to grow our customer base and taken important steps in our climate action approach.

Our view on remuneration

ING's remuneration approach is designed to enable us to attract, motivate and retain leaders with the ability, experience, skills, values and behaviours to fulfil our ambition to be the best European bank, sustainably executing our 'Growing the difference' strategy while upholding our values and stakeholder interests.

In line with the remuneration principles that apply to all ING staff, the remuneration policies for the Executive Board (EB) and Supervisory Board (SB) are designed to ensure that ING offers remuneration that supports the long-term health of the Group, is competitive, and meets our statutory obligations. Over time, our remuneration has fallen behind desired levels to reflect the calibre of the EB and SB and market positioning against our peers. The SB has also noted that the Dutch regulatory requirements on the variable remuneration cap for the EB (at 20 percent) provides a ceiling that also limits our ability to compete on a level playing field, with our international peers. The SB remains committed to making sure the way we pay our EB and SB continues to support the long-term health and success of the Group.

Our remuneration decisions are based on the application of our remuneration principles in respect of 2024 and apply to all employees. We have refreshed and aligned our approach to our remuneration principles with our people vision. For 2024, we introduced a new five-point rating scale to help improve performance and pay differentiation and to motivate outperformance. This rating scale allows for nuanced performance ratings and differentiation.

We believe an effective and transparent performance culture is necessary to help our people reach their full potential. Our global Step Up Performance Management (SUPM) approach helps us to drive better alignment, development, and execution of our strategy. By linking pay and performance, employees who are performing better are also rewarded more. That is why ING's remuneration approach is strongly linked to a robust and transparent performance-management process.

Stakeholder engagement

Remuneration is an important and sensitive topic, and viewpoints on the topic may vary for different stakeholder groups. For this reason, we see stakeholder engagement as a key element in the formulation of our remuneration policies and we have regular dialogues with our stakeholders.

In 2024, as part of the EB and SB remuneration policies renewal process, the SB conducted a detailed review of these policies to assess their continuing suitability. The process entailed a comprehensive stakeholder engagement process with regulators, our shareholders, customers, employees (Central Works Council), and society at large to take their views on the remuneration policies into account. As always, we found engaging with our stakeholders to be very valuable, and were grateful for the level of feedback and support we received.

This report

This Remuneration report reflects the remuneration for the SB and EB members. In preparing it, we took notice of the draft (non-binding) 'Guidelines on the standardised presentation of the remuneration report' from the European Commission (EC) as published in September 2022.

With respect to reporting on remuneration, our ambition is to continue to be at the forefront, providing more information than is mandatory. In the interests of greater transparency, we have made several improvements to the overall report. These include:

- a stakeholder engagement overview to provide further details;
- a description of the new Executive Board and Supervisory Board remuneration policy in tabular format to streamline the report;
- enhanced disclosure on how sustainability-related metrics are considered in variable remuneration; and
- a schematic overview on the Variable Remuneration Accrual Model (VRAM).

A further example of enhanced transparency is our 'gender pay gap analysis' (For more information, see section S1 - Own workforce), which we have conducted in the past two years.

Performance year 2024

In 2024, ING made very good progress in the implementation of its strategy – accelerating growth, diversifying income, providing superior value to customers, and continuing to play a leading role in supporting clients in their sustainable transition.

There was significant progress in various target areas. ING grew its customer base and took important steps in its climate action approach. Good commercial momentum led to robust income growth, specifically in fee income. We also saw increased lending and deposit volumes and resilient margins.

Throughout 2024, ING continued to provide customer value, adding 1.1 million mobile primary customers during the year to a total of 14.4 million mobile primary customers. Mobile primary customers now make up 89 percent of ING's 16.2 million primary customers, out of nearly 40 million retail customers in total. There was growth in all retail markets, with Germany, the Netherlands, Spain and Poland being the main contributors, in addition to a remarkable percentage growth in Italy.

In Private Banking, ING expanded its private markets offering to include more investment strategies in the Netherlands and Belgium. In Business Banking, several features were introduced throughout the year to improve efficiency in onboarding across several markets, including Belgium and Romania. Such measures enable clients to be onboarded in a matter of minutes. In Wholesale Banking, the NPS score further increased to 74, up from 72 in 2023, with clients recognising ING's sector expertise, global reach, and local experts.

ING continued to support clients in their sustainable transition, re-emphasising its sustainable ambition as part of the 'Growing the difference' strategy in 2024. Putting sustainability at the heart of operations remains one of the two key pillars of the strategy, with progress demonstrating how financing contributes to customers' transitions. ING's commitment to facilitating the transition to a low-carbon economy continues, alongside ongoing support to clients in their transitions.

In Wholesale Banking, for example, ING made significant progress towards its 2027 sustainable volume mobilised target, with €130 billion of sustainable volume mobilised in 2024. Client Transition Plans were assessed for the first time in 2024, enabling data-driven dialogues.

In September, the 2024 Climate Update was published, setting out how ING's financing impacts climate change, as well as how climate change impacts the business. It includes progress on steering the 10 most carbon-intensive sectors in ING's loan portfolio towards global climate goals. As you know, ING's Terra approach is to engage with clients to help them make the transition, by helping them to assess climate risks and take action to mitigate them. Eight sectors are almost on track to meet climate goals on time, with two sectors behind schedule.

Executive Board performance

The SB has agreed that the EB's performance was good in 2024. Based on a thorough and balanced assessment of the performance of each EB member against their objectives, ING's results, their behaviour, risk and compliance matters, the SB decided to award the following variable remuneration: 17 percent of the maximum 20 percent to the chief executive officer; 17 percent of the maximum 20 percent to the chief financial officer; and 18 percent of the maximum 20 percent to the chief risk officer.

Under the Executive Board remuneration policy, the SB is annually required to consider base salary increases for members of the EB. The following factors are considered: salary increases of other employees within ING, the increase of general price indices and market competitiveness. Therefore, the SB considers it appropriate to increase the base salary of the CEO by 4.0% and 6.0% for the CFO and CRO, in line with the current Executive Board remuneration policy.

Looking ahead to 2025

As we move into 2025, the SB maintains its commitment to rewarding the EB and SB members with market competitive pay in order to support the long-term health and success of the bank. Each year we review the remuneration of both the EB and SB roles and as you can see in the report, their remuneration is well below the market median offered for comparable roles in our peer group. This market position concerns us as it may inhibit our ability to attract high-calibre talent, especially when we look outside of ING. A number of our stakeholders also share this concern. We will engage in a process to determine how best to resolve this issue.

In closing, I would like to thank all ING employees for their continuing support and dedication to ING, our customers, and other stakeholders. Even through challenging times, they remain the power behind ING's purpose.

Herna Verhagen

Chairperson of the Supervisory Board Remuneration Committee



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About this report

FOR ADVISORY VOTE AT 2025 ING GROEP N.V. ANNUAL GENERAL MEETING (AGM)

This Remuneration report is based on the remuneration policies for the Executive Board (EB) and Supervisory Board (SB). This section of the report (p. 62 – p. 83) is the Remuneration report as referred to in the Dutch Act implementing the Shareholder Rights Directive II (SRD II). It will be presented to shareholders at the 2025 AGM for an advisory vote. An explanation of how the results of this vote are taken into account will be included in the 2025 Remuneration report.

This Remuneration report includes under section 2024 Executive Board performance and remuneration, further alignment with prescribed tables from the draft (non-binding) 'Guidelines on the standardised presentation of the remuneration report' from the European Commission. In addition, we comply with the European Sustainability Reporting Standards (ESRS) related to the GOV-3 requirements, which are incorporated by reference. For more information, see the 'Reference index'.

2024 AGM

The 2023 Remuneration report was presented for an advisory vote at the AGM held on 22 April 2024 (hereafter called the 2024 AGM). The outcome was an advisory vote of 95.43 percent in favour. During the AGM the shareholders made no specific comments regarding remuneration. The strong support for the previous Remuneration report underscores the value of transparency. In this year's report, we are providing more transparency around stakeholder alignment. We try to consider all views of our stakeholders in relation to EB remuneration.

In addition, the 2024 Executive Board remuneration policy and 2024 Supervisory Board remuneration policy were up for a binding vote at the 2024 AGM. The vote was 95.34 percent in favour of the Executive Board remuneration policy and 97.90 percent in favour of the Supervisory Board remuneration policy. Both policies were adopted by shareholders and became effective retroactively from 1 January 2024 until the 2028 AGM at the latest. The full remuneration policies can be found on ING.com/remuneration.

We recognise that remuneration is an important and sensitive topic and that viewpoints on the topic may vary for different stakeholder groups. The SB is fully committed to ensuring that our approach to remuneration achieves a balance of interests across different stakeholders. Stakeholder engagement is a key element in the formulation of our remuneration policies, and we have regular dialogues with our stakeholders. The SB will continue to foster transparent dialogue on remuneration and future policy amendments.

Board changes and business events in 2024

There were no changes to the EB in 2024.

Shareholders at the 2024 AGM approved the reappointment of Juan Colombás, Herman Hulst and Harold Naus to the SB for another four-year term.

Main decisions on the remuneration of the Executive Board and Supervisory Board for 2025

The following decisions were taken in relation to remuneration for 2025:

- From 1 January 2025 the base salary of the CEO was increased by 4.0 percent and 6.0 percent for the CRO and CFO in line with the Executive Board remuneration policy. For more, see '2025 Executive Board remuneration'.
- The Supervisory Board fees were indexed with an increase at 5.2 percent for 2025 based on ING's wider workforce. For more, see '2025 Supervisory Board remuneration'.

2024 Executive Board remuneration at a glance

For more on the EB members' performance and variable remuneration outcomes, see '2024 Executive Board performance and remuneration'



Steven van Rijswijk
CEO



Tanate Phutrakul
CFO



Ljiljana Čortan
CRO

	Steven van Rijswijk			Tanate Phutrakul			Ljiljana Čortan		
Annual variable remuneration		Target	of Maximum		Target	of Maximum		Target	of Maximum
2024	€312	84%	17% out of 20% cap	€220	86%	17% out of 20% cap	€224	88%	18% out of 20% cap
2023	€300	84%	17% out of 20% cap	€224	92%	18% out of 20% cap	€208	85%	17% out of 20% cap
Annual variable remuneration performance measures									
Financial	Weighting	Achievement		Weighting	Achievement		Weighting	Achievement	
Profit before tax	16.7%	90%		16.7%	90%		8.3%	90%	
Return on equity	16.7%	87%		16.7%	87%		8.3%	87%	
Operational expenses	16.7%	80%		16.7%	80%		8.3%	80%	
	50.0%			50.0%			25.0%		
Non-financial	Weighting	Achievement		Weighting	Achievement		Weighting	Achievement	
Customer	7.5%	77%		5.0%	77%				
Risk & Regulatory	15.0%	91%		17.5%	92%		45.0%	89%	
Strategy	12.5%	80%		12.5%	90%		15.0%	87%	
Environment & Social	15.0%	81%		15.0%	84%		15.0%	91%	
	50.0%			50.0%			75.0%		
Total remuneration [1)]									
2024	€2,694	1,847	312 28 507	€1,855	1,271	220 28 336	€2,018	1,271	224 28 495
2023	€2,605	1,776	300 26 503	€1,834	1,222	224 26 362	€1,937	1,222	208 26 481

All amounts are in thousands of euros — Base salary — Variable remuneration — Pension — Benefits

[1] For more, see table 2. '2024 remuneration outcomes' and table 3. 'Breakdown of benefits paid in 2024'.

Alignment of Executive Board remuneration to stakeholder expectations

We seek to consider the views of all our stakeholders in remuneration decision-making, including employees, shareholders, regulators, customers and society at large. The below provides a non-limitative overview of the main stakeholders influencing EB remuneration.

Stakeholder alignment



Employees

- The Executive Board remuneration policy is aligned with the remuneration principles that apply to all ING employees.
- Salaries for the EB are reviewed in the context of salary developments across ING's wider workforce.
- EB members' variable remuneration is determined using a multi-step and integrated process, which is closely aligned to the approach used to determine variable remuneration for the wider workforce.
- We communicate with our employees through our ongoing engagement with the Works Council in the Netherlands on EB remuneration.
- In recent years, this stakeholder group has focused on ensuring EB remuneration levels and decisions are acceptable to society at large.

Shareholders

- Remuneration outcomes take into account performance against stretching financial and non-financial targets that are consistent with ING's strategy.
- Variable remuneration for EB members is deferred fully into ING Group shares.
- In recent years, shareholders continuously expressed their concerns about the low variable remuneration and low total remuneration levels of EB members.
- Alignment of EB performance targets and variable remuneration serves as an important driver of the Company's strategic priorities and long-term shareholder value creation.

Regulators

- Variable remuneration outcomes reflect ex-ante and ex-post risk performance.
- Variable remuneration pay structures are aligned with regulatory requirements, including deferral, malus and clawback.

Customers

- Through our qualitative survey we engaged with and listened to the views of our customers on a range of executive compensation topics, which was used to inform our remuneration policy and decision-making.
- Variable remuneration is designed with appropriate consideration of the views and interest of customers and clients, ensuring this is represented in the Executive Board remuneration policy and decision-making.

Society at large

- In recent years, customers are increasingly interested in the way EB remuneration is linked to environmental and social objectives.
- Environmental and social objectives within variable remuneration for the EB reflects ING's wider purpose and strategy.
- Variable remuneration includes measures to drive our diversity and gender ambitions.

Executive Board remuneration

Executive Board remuneration policy

The Executive Board remuneration policy presents the remuneration approach designed to attract, motivate and retain leaders. Retention is an important goal since this contributes to long-term performance. In addition, delivery of both financial and non-financial KPIs, including ESG performance targets, contributes towards sustainable long-term value creation for stakeholders.

The remuneration decisions for the EB are a result of the application of the remuneration principles in respect of 2024. The Executive Board remuneration principles comprise the following:

Executive Board remuneration principles
Consistent with ING's strategy and the promotion of sound and effective risk management;
Being able to attract, motivate and retain leaders with the ability, experience, skills, values and behaviours to fulfil our role as a global bank;
The interest of EB members to receive fair, consistent and balanced remuneration;
Maintaining a sustainable balance between the short and long-term interests of our clients, shareholders, employees, society at large and other stakeholders, and encouraging sustainable long-term value creation;
Complying with all applicable regulatory requirements.

The Executive Board remuneration policy was approved by shareholders at the 2024 AGM and became effective retroactively from 1 January 2024 until the 2028 AGM at the latest. A summary of the remuneration components of the policy for the EB is set out in the table on this page. The remuneration components consist of base salary, variable remuneration, pension and benefits. See the full policy, including arrangements for recruitment and leaver provisions, on ING.com/remuneration.

Executive Board remuneration policy summary

Remuneration component	Operation
Base salary	▪ Base salary is set to reflect the individual's role, responsibilities, and experience, and to reward ongoing contribution to the role. ▪ Base salary is fully paid out in cash. ▪ Base salary is reviewed annually by the SB with potential increases normally applying from January.
Pension	▪ Participation in ING's general collective defined contribution (CDC) pension plan in the same way as all employees working in the Netherlands. ▪ Same approach to all participants in the Dutch CDC pension plan who earn a salary above the maximum allowed pensionable salary, the EB members are compensated for the lack of pension accrual by means of a monthly individual savings allowance.
Benefits	▪ Benefits are offered if considered appropriate by the SB in the context of the executive's role, specific individual circumstances and benefits offered to the wider workforce, and for comparable roles in ING's peer group. ▪ Benefits may include reimbursement of costs related to travel and accident insurance, expatriate allowances, banking and insurance benefits from ING, tax and financial planning services, and the use of a company car or driver service.
Variable remuneration	▪ The maximum annual variable remuneration opportunity is 20 percent of annual base salary. In case of achievement of target performance, variable remuneration of 16 percent of annual base salary will be awarded. ▪ Variable remuneration is delivered fully in ING Group shares. ▪ The amount of variable remuneration is based on performance as measured against agreed financial, non-financial and risk objectives. At least 50 percent of variable remuneration metrics must be based on non-financial targets. At the beginning of each performance year, the Supervisory Board determines the performance measures and targets applicable for determining variable remuneration that year. ▪ Variable remuneration awards are paid 40 percent upfront and 60 percent is deferred. The deferred portion vests in equal annual tranches over five years plus an additional retention year as of the vesting date.

Delivery of Executive Board variable remuneration

Illustrated below is the pay-out scheme of variable remuneration for EB members.

Variable remuneration is awarded taking into consideration performance over the prior year.

100%

Delivery fully in shares

Upfront shares are awarded and vest on the same date and have a five-year retention period.

40%

60%

Deferred shares are awarded on the same date but vest in five tranches. There is a holding period requirement of five years from the award date plus a minimum retention period of 12 months post vesting.

12%
12%
12%
12%
12%

Holdback

Unvested tranches are subject to **holdback** provision.

Clawback

Vested tranches remain subject to **clawback provision**. Clawback provision applies during the maximum limitation period as permitted by applicable law.

Executive Board benchmark approach

ING competes for executive talent in a global marketplace, with many of our key competitors based outside the Netherlands, predominantly in the United Kingdom and Continental Europe. In line with the Dutch Banking Code, we review EB fixed and variable remuneration opportunity against a peer group of Dutch and international organisations – in both the financial services and general industry sectors – to ensure it remains balanced and appropriately competitive. This peer group includes the incorporation by law of Dutch firms and other UK and European banks, recognising our broader European footprint where we largely compete for talent. Market data used in benchmarking is based on total direct compensation, which is the total of fixed and variable remuneration, excluding benefits such as pension and allowances.

The peer group is based on five guiding principles, reflecting ING's current profile, and is further explained in the Executive Board remuneration policy. These principles are described in the following table:

Guiding principle	Short description
Size	ING acknowledges the importance of including companies that are broadly comparable in terms of size and complexity.
Governance framework	ING is subject to the Dutch (financial services) regulatory framework and operates within a Dutch stakeholder environment.
Geography	ING is a leading European universal bank with a global presence and is headquartered in the Netherlands.
Talent market	ING is increasingly experiencing a cross-pollination of talent across sectors/industries, not limited to traditional banking competitors.
Balancing	ING acknowledges the importance of not losing sight of relevant peer companies that do not match on the other criteria.

Based on these principles, the current peer group has been updated. In line with the Executive Board remuneration policy, the peer group has been increased to 20 companies by adding two banks from the United Kingdom and two European banks. These are aligned to ING in terms of size, business profile, and the changing landscape in the markets in which ING competes for executive talent (as defined by the peer group guiding principles). In recent years, the United Kingdom has proven to be an increasingly important talent market for our executive talent.

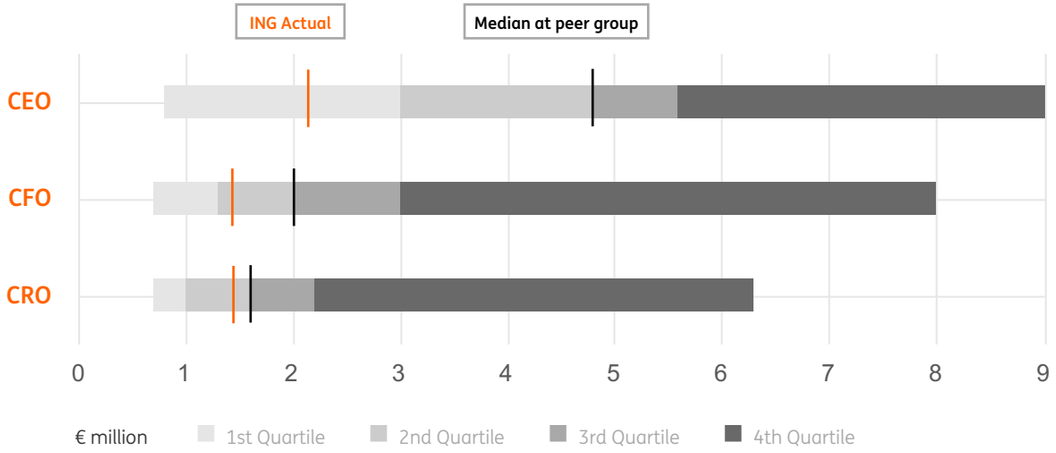
The peer group comprises:

- ABN AMRO
- Aegon[1]
- Ahold Delhaize
- ASML
- Banco Santander
- BBVA
- BNP Paribas
- Commerzbank
- Crédit Agricole
- Deutsche Bank
- Heineken
- Intesa Sanpaolo
- KBC
- Lloyds Banking Group
- NatWest
- NN Group
- Philips
- Rabobank
- Société Générale
- UniCredit

[1] Aegon will be replaced by ASR Nederland in 2025.

In line with the requirements laid out in the Dutch Banking Code, the actual earned total direct compensation of members of the EB under the Executive Board remuneration policy should be below the market median of the peer group. The calculation of pay positioning of the EB members against the peer group is performed on this basis (i.e. actual fixed salary plus actual variable remuneration). Based on the latest available survey data of actual total direct compensation earned, ING's EB members were all paid below the market median as shown in the chart below. The CEO is positioned 56% below the median on total compensation, the CFO is positioned 25% below the median and the CRO is positioned 7% below the median on total compensation.

Comparing actual total direct compensation against the EB peer group and market benchmark



The black line represents the market median (ING EB peer group) and the orange line represents the 2023 actual total direct compensation positioning at ING relative to market benchmarks.

Annual review of the Executive Board remuneration

In accordance with the Executive Board (EB) remuneration policy, the SB annually determines the actual remuneration for members of the EB, based on advice from the Remuneration Committee of the SB.

The Remuneration Committee's responsibilities include preparing and advising the SB for decisions regarding the individual remuneration of members of the EB. In performing its tasks, the Remuneration Committee takes note of the views of individual EB members with regard to the amount and structure of their own remuneration. Fixed remuneration proposals for individual EB members are drawn up in accordance with the Executive Board remuneration policy and cover the following aspects: remuneration structure, external benchmark results based on an annual review, and validation of the EB peer group, the performance criteria used and, if and when considered appropriate, stakeholder engagement and the pay ratios within the company and its affiliated enterprises. In the performance of its tasks, the Remuneration Committee works with the Risk Committee.

The EB variable remuneration proposals were determined based on scenario analysis performed against different performance standards and payout levels including threshold, target and maximum, and presented to the SB for consideration. In conclusion, the proposed variable remuneration awards for the EB members were considered fair and appropriate and in line with legislative requirements of maximum of 20 percent of base salary. The scenario analysis provided no issues or new insights that warranted further adjustments to the proposed variable remuneration awards by the SB.

2024 Executive Board performance management and reward process

The EB performance management and reward process includes a number of key steps. This process serves as the foundation to determine the variable remuneration for EB members.

1	2	3	4	5
Target-setting before the start of the year	**Check-ins quarterly during the financial year**	**Mid-year review**	**Year-end review after the end of the financial year**	**Risk assessment after the end of the financial year**

Performance measures and targets

At the start of the performance year, the SB annually approves the performance measures and targets to align with our strategic priorities, ensuring the measures support delivery of ING's strategy. The target areas cover:

- Financial performance target areas, including profit-based and return-based targets; and
- Non-financial and risk performance target areas include customer-related factors (except the CRO), risk & regulatory matters, strategy, and environment and social (sustainability) targets.

Each performance target area is weighted and when combined, all weightings total 100 percent. The CEO is aligned fully to Group performance, while for the CFO, it is a mix of both Group and functional performance targets. The non-financial targets for the CRO are predominantly based on performance targets that are linked to the function and role.

The applicable non-financial performance targets are based on ING's strategy, with customers and sustainability as the core pillars. The performance targets for the EB members reflect ING's priorities for the financial year, aiming to drive sustainable outcomes, including financial returns that drive shareholder returns in both the short and longer term. In addition, non-financial targets, including ESG-related targets, are also taken into account and contribute towards sustainable long-term value creation for both ING and society. ING's remuneration approach is strongly linked to a robust and transparent performance management process which aims to reward sustainable performance.

The target areas, targets and weightings are included in the performance target cards for each EB member (see table 1. '2024 variable remuneration outcome'). The performance target card consists of both quantitative- and qualitative-based targets to achieve a balanced and holistic assessment. The qualitative-based targets are assessed using a standard five-point rating scale, which is the same as ING's Step Up Performance rating approach used for the wider workforce. The overall outcome of the performance target card assessment described above is the starting point for determining the variable remuneration of the EB members.

Throughout the year, regular conversations take place between the SB and the EB members to review their performance. Progress against performance measures is formally tracked and discussed at least twice a year in the mid-year and year-end reviews. The Nomination and Corporate Governance Committee takes an active role in assessing the performance of individual EB members and informs both the Risk Committee and the Remuneration Committee.

At the end of the year, the Risk Committee and Remuneration Committee provide input and assess the performance of EB members to determine the variable remuneration to be awarded. They jointly advise the SB on the recommendations to obtain final approval of the awards.

There is a strong alignment and cross-participation between the Remuneration Committee, Risk Committee, Nomination and Corporate Governance Committee and ESG Committee to support effective performance and remuneration decision-making.

Managing risk and conduct (including holdback and clawback)

The integrated performance assessment process for determining variable remuneration also takes into account financial and operational performance, risk and compliance, as well as behaviour and conduct of each EB member. This is supported by a robust framework for considering risk and conduct with potential adjustments to their variable remuneration awards, which is in line with regulations and the wider workforce. It includes the following elements:

- **Performance hurdles** – EB members are only eligible for consideration of their variable remuneration if both of the performance hurdles are met. This is in line with all employees who are eligible for discretionary variable remuneration. For more, see Step 2 of the 'Variable Remuneration Accrual Model'.
- **Risk and regulatory adjustments** – Performance against risk and regulatory targets within the core performance target cards are made, including an assessment of financial risk and non-financial risk targets measured on an ex-ante basis. The targets and ranges are set at the beginning of the financial year, taking into account ING's risk appetite statement framework. Performance against these risk and regulatory targets may lead to a downward or upward adjustment in variable remuneration.
- **Additional risk adjustments** – Further downward risk adjustments may also be made to variable remuneration based on broader risk management performance not within risk appetite, including additional ex-ante risk performance that needs to be considered and/or ex-post risk events that may lead to a financial or reputational impact on ING. Finally, the Risk function assesses individual risk requirements that apply to identified staff, including EB members, who are considered risk takers, which can also lead to a downward adjustment in variable remuneration, also known as a risk modifier. In the most serious of incidents, additional risk adjustments in the form of holdbacks or clawbacks[1] can also impact individual variable remuneration in line with regulatory requirements.

The CRO is responsible for recommending any risk adjustments to variable remuneration awards for the CEO and CFO. The Risk Committee is responsible for recommending this for the CRO. The SB, based on the advice of the Remuneration Committee and Risk Committee, decides on any risk adjustments to variable remuneration (potentially to zero) for EB members. As a final step in the process, in exceptional circumstances, the SB may apply its discretion to adjust upwards or downwards the variable remuneration of EB members.

[1] A holdback is the forfeiture of up to 100 percent of the awarded and unvested variable remuneration, and a clawback is an arrangement under which staff have to return ownership of up to 100 percent of the paid and/or vested variable remuneration.

2024 Executive Board performance and remuneration

This section outlines the implementation of the Executive Board remuneration policy for 2024.

This section provides more details on the financial and non-financial performance of the EB members. Key financial and non-financial achievements against the 2024 predefined target areas are summarised in the table for each of the EB members. This has been discussed and approved by the SB. The individual performance against non-financial performance targets for each EB member is further summarised in a separate overview per board member in the following pages.

1. 2024 variable remuneration outcomes

		Target – Minimum	Target	Target – Maximum	Performance	Steven van Rijswijk (CEO)			Tanate Phutrakul (CFO)			Ljiljana Čortan (CRO)		
						Weighting	Assessment	Outcome	Weighting	Assessment	Outcome	Weighting	Assessment	Outcome
Financial	Profit before tax	6,790	8,488	10,185	9,300	16.7%	90%	15%	16.7%	90%	15%	8.3%	90%	7%
	Return on equity	9.7%	12.2%	14.6%	13.0%	16.7%	87%	14%	16.7%	87%	14%	8.3%	87%	7%
	Operational expenses	12,731	12,125	11,519	12,121	16.7%	80%	13%	16.7%	80%	13%	8.3%	80%	7%
Non-financial	Customer	Performance against non-financial measures are organised around these target areas. Please **see the following pages** for more details on the non-financial performance of each Executive Board member.				7.5%	77%	6%	5.0%	77%	4%	NA	NA	NA
	Risk & Regulatory					15.0%	91%	14%	17.5%	92%	16%	45.0%	89%	40%
	Strategy					12.5%	80%	10%	12.5%	90%	11%	15.0%	87%	13%
	Environment & Social					15.0%	81%	12%	15.0%	84%	13%	15.0%	91%	14%
Total						100%		84%	100%		86%	100%		88%
Final 2024 variable remuneration outcomes								**84%**			**86%**			**88%**
Payout out of 20 percent variable remuneration cap (16 percent is at target variable remuneration)								**17%**			**17%**			**18%**

* Due to rounding, percentages presented in the table may not add up precisely to the total percentages provided.



Steven van Rijswijk
CEO

Customer

- Increase number of primary customers
- Increase customer satisfaction of Retail and Wholesale customers by increasing NPS

- Earning 'primary relationships' with customers is an important driver for profitable growth. In 2024, the number of primary customers increased by 0.8 to 16.2 million. This is slightly below target.
- In 2024, ING ranked number one in five of our Retail markets: Australia, Poland, Germany, Romania and Spain, which was in line with target. ING ranks in the top three in another two markets: Italy and the Netherlands.
- In Wholesale Banking the NPS score exceeded target, as it increased to 74, up from 72 in 2023, with clients recognising ING's sector expertise, global reach and local experts.

Risk & Regulatory

- Manage financial risk within risk appetite with a specific focus on the revision of the use of internal models
- Manage non-financial risk within risk appetite with a specific focus on identity and access management and operational resilience
- Deliver on regulatory programmes, including KYC

- Credit, financial and non-financial risk were managed well within ING's risk appetite.
- The delivery of credit risk models in 2024 was in line with the defined multi-year plan for redevelopment of credit models.
- Continued improvement of identity and access management (IAM) by standardisation and harmonisation of processes, workflows and automation of IAM controls, as well as the further rollout of supporting global tooling.
- Implementation of the Digital Operational Resilience Act (DORA), which aims to further strengthen the digital operational resilience.
- The bank's KYC activities further matured and maintained a sustainable level of operational effectiveness during 2024.

Strategy

- Increase digitisation and STP rate of customer processes

- Developed and rolled out the next phase of ING's strategy, 'Growing the difference', aimed at being the best European bank by accelerating growth, increasing impact and delivering value.
- In 2024, the digitalisation of key customer journeys developed in line with target to create the foundation for providing a superior customer experience which is easy, instant, personal, and relevant.
  - Customer friction has been further decreased. This is measured by the percentage of customer journeys that is handled without manual intervention, which went up from 71 percent year-end 2023 to 77 percent year-end 2024.
  - Improved customer experience through the use of our GenAI chatbot, which also led to higher chat deflection.
  - Continuous investment in AI to further strengthen ING's position as one of the leaders in the AI and analytics space by, among others, the launch of personalised marketing for specific retail segments.

Environment

- Increase sustainable volume mobilised
- Support the transition of the most carbon-intensive sectors in Wholesale Banking (being power generation, oil & gas, cement, steel, automotive, aviation, shipping, and commercial real estate) towards a better carbon performance, in line with our 2030 decarbonisation target

- Increased the sustainable finance volume mobilised to more than €130 bn in 2024, up from €115 bn in 2023, with 835 sustainable deals supported in 2024.
- Sharpened relationship management approach towards our clients to be able to perform tighter monitoring and tracking of our clients' sustainability progress and a deeper risk-based analysis. During the year, engagement with Wholesale Banking clients has taken place on their transition plans.
- ING uses the 'Terra' approach to steer our portfolios in high-emitting sectors towards net-zero alignment by 2050. The transition of the most carbon-intensive Wholesale Banking sectors was measured using eight sector indicators. Overall, we demonstrated good progress, and most sectors showed significant advancement. Two sectors, cement and steel, did not meet their targets. The sectors experienced slower progress, requiring further technological advancements and close collaboration among multiple stakeholders to stay on track for their targets.

Social

- Strengthen organisational health with a focus on four priority areas:
  - Strategic clarity
  - Role clarity
  - Customer focus
  - Operational discipline
- Increase gender balance in ING's leadership cadre

- In 2024, we held two OHI surveys, and 80 percent of our workforce provided feedback – the highest response rate ever. There is sustained engagement among ING's employees and feedback showed that the employees continue to value and appreciate their colleagues, the ability to work hybrid, and the opportunities that support their wellbeing.
- Female representation in senior management increased in line with expectations from 31 percent at the end of 2023 to 32 percent at the end of 2024, with progress in nearly all domains.



Tanate Phutrakul
CFO

Customer

- Increase number of primary customers
- Increase customer satisfaction of Retail and Wholesale customers by increasing NPS

- Earning 'primary relationships' with customers is an important driver for profitable growth. In 2024, the number of primary customers increased by 0.8 to 16.2 million. This is slightly below target.
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- In Wholesale Banking the NPS score exceeded target, as it increased to 74, up from 72 in 2023, with clients recognising ING's sector expertise, global reach and local experts.

Risk & Regulatory

- Manage financial risk within risk appetite with a specific focus on the revision of the use of internal models
- Manage non-financial risk within risk appetite with a specific focus on identity and access management and operational resilience

- Credit, financial and non-financial risk were managed well within ING's risk appetite.
- The delivery of credit risk models in 2024 was in line with the defined multi-year plan for redevelopment of credit models.
- Continued improvement of identity and access management (IAM) by standardisation and harmonisation of processes, workflows, and automation of IAM controls as well as the further rollout of supporting global tooling.
- Implementation of the Digital Operational Resilience Act (DORA), which aims to further strengthen the digital operational resilience.

Strategy

- Increase efficiency of finance processes while maintaining the effectiveness of controls

- Developed and rolled out the next phase of ING's strategy, 'Growing the difference', aimed at being the best European bank by accelerating growth, increasing impact and delivering value.
- Increased efficiency of finance processes while maintaining overall effectiveness of the financial reporting control environment by: improving control efficiency across processes; further automation of manual controls and processes; and focusing on first time right for new and remediated controls in design and execution.

Environment

- Prepare for Corporate Sustainability Reporting Directive (CSRD) disclosure requirements

- Enhanced the internal controls supporting the preparation of the 2024 sustainability disclosures (CSRD/ESRS):
  - Installed proper governance to prepare, review, and approve disclosures.
  - Implemented improved controls around receiving external climate data from vendors.
  - Implemented improved controls in reporting processes with respective data and disclosure owners.

Social

- Strengthen organisational health with a focus on four priority areas:
  - Strategic clarity
  - Role clarity
  - Customer focus
  - Operational discipline
- Increase gender balance in ING's leadership cadre

- In 2024, we held two OHI surveys, and 80 percent of our workforce provided feedback - the highest response rate ever. There is sustained engagement among ING's employees, and feedback showed that the employees continue to value and appreciate their colleagues, the ability to work hybrid, and the opportunities that support their wellbeing.
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Ljiljana Čortan
CRO

Risk & Regulatory

- Manage financial risk within risk appetite with a specific focus on the revision of the use of internal models
- Manage non-financial risk within risk appetite with a specific focus on identity and access management and operational resilience
- Deliver on regulatory programmes including KYC

- Credit, financial and non-financial risk were managed well within ING's risk appetite.
- The delivery of credit risk models in 2024 was in line with the defined multi-year plan for redevelopment of credit models.
- Ongoing improvement of identity and access management (IAM) by standardisation and harmonisation of processes, workflows, and automation of IAM controls as well as the further rollout of supporting global tooling.
- Implementation of the Digital Operational Resilience Act (DORA), which aims to further strengthen the digital operational resilience.
- Maintained a sustainable level of operational effectiveness of KYC through oversight and challenge as the second line of defence, as the bank's KYC activities have matured.

Strategy

- Increase efficiency of risk processes while maintaining the effectiveness of controls

- Developed the next phase of ING's strategy, 'Growing the difference', aimed at being the best European bank by accelerating growth, increasing impact, and delivering value.
- Contributed to the digitalisation of lending processes by delivering on the defined automation milestones in risk processes of the retail and business banking lending journeys beyond expectation.
- Improved the non-financial risk control processes in line with target while maintaining the effectiveness.

Environment

- Implementation of ESG risk assessment methodology following CSRD requirements

- Exceeding expectations by implementing multiple initiatives to support the climate and environmental risk assessment process, among which:
  - Enhancing the climate stress-testing methodology to assess the impact of climate risks on corporate and mortgage exposures from a credit risk perspective;
  - Development and implementation of a transition risk scorecard, which is used to quantify transition risk with a scorecard approach at client level in order to identify the pool of high-risk clients within specific sectors;
  - Developed a tool to measure and assign a level of physical risk for four chronic and nine acute physical risks across the short, medium and long term for portfolios and geographies in which ING operates; and
  - Developed a new ESG risk assessment approach which considers the (climate and) environmental, social and governance risk factors, negative impacts and dependencies of ING's Wholesale Banking customers, and fully integrates the previous ESR framework. Tooling was developed to support the implementation of the assessment approach in the credit granting process. The new approach was gradually rolled out in 2024.

Social

- Strengthen organisational health with a focus on four priority areas:
  - Strategic clarity
  - Role clarity
  - Customer focus
  - Operationally disciplined
- Increase gender balance in ING's leadership cadre

- In 2024, we held two OHI surveys and 80 percent of our workforce provided feedback – the highest response rate ever. There is sustained engagement among ING's employees and feedback showed that the employees continue to value and appreciate their colleagues, the ability to work hybrid, and the opportunities that support their wellbeing.
- Female representation in senior management increased in line with expectations from 31 percent at the end of 2023 to 32 percent at the end of 2024 with progress in nearly all domains.

2024 variable remuneration and total direct compensation outcomes

In 2024, we again delivered strong results and executed well on our strategy to accelerate growth, increase impact, and deliver value for all stakeholders. A net result of €6,392 million reflected a record total income, supported by double-digit growth in fee income and strongly increased customer lending and customer deposit volumes. Higher expenses reflected the continued investments in the growth of our business, as well as inflationary effects on staff expenses. Risk costs remained below the through-the-cycle average.

The number of mobile primary customers increased by 1.1 million, resulting in a total of 14.4 million mobile primary customers. Core lending grew across all markets, by €28 billion, with particularly strong growth of €19 billion in our mortgage portfolio. The deposit base rose by €47 billion, again with contributions from all Retail countries and our Wholesale business. In Wholesale Banking, there were strong results from Financial Markets and continued investment in the front office and building product foundations. Wholesale Banking's NPS score further increased up to 74, up from 72 in 2023, with clients recognising ING's sector expertise, global reach, and local experts.

Full-year profit before tax was €9,300 million, with a full-year return on equity of 13.0%.

Sustainability is a strategic, business and commercial priority for ING. We increased our sustainable volume mobilised to €130 billion, up from €115 billion in 2023, showing strong progress against our 2027 target of €150 billion per annum. Terra is our approach to steer the most carbon-intensive parts of our loan book towards net zero by 2050, and this year, eight sectors are almost on track to meet climate goals on time, with two sectors behind schedule. And in the past year, we expanded our Terra approach yet again to cover two more sectors, aluminium and dairy.

Financial and capital results in 2024 were well above the performance hurdles. Following this achievement, the SB conducted a thorough and balanced performance assessment. Based on the outcomes of this and their overall achievements, the SB concluded that the EB members delivered strong results in 2024.

Furthermore, the SB considered whether any discretionary adjustment was required and determined that both the financial and non-financial results speak for themselves in the current environment. The SB also considered the behaviour of the EB members and saw no reason to apply any discretionary adjustments.

In the final step, the SB took into consideration the feedback of the CRO and Risk Committee on risk and compliance matters. Here, there was no reason to apply any individual additional risk adjustments in accordance with ING's Remuneration Regulations Framework (IRRF[1]).

Following this performance assessment process, the resulting variable remuneration award for Steven van Rijswijk is €311,806; for Tanate Phutrakul €219,704; and for Ljiljana Čortan €223,626. For the CEO, this equates to a variable remuneration award at 17 percent out of the maximum 20 percent cap. For the CFO, it represents 17 percent out of the maximum 20 percent cap, and for the CRO, it represents 18 percent out of the maximum 20 percent cap (see table 1. '2024 variable remuneration outcomes').

Certain components of variable remuneration are not recognised in the statement of profit or loss directly, but are allocated over the vesting period of the award. As recognised in the profit or loss statement of 2024, the expenses for each EB member, relating to their role on the EB, amount to €2.6 million for the CEO, €1.8 million for the CFO and €2.0 million for the CRO. These amounts include deferred elements from previous years, paid out in 2024.

The following paragraphs (i.e. total direct compensation, pension costs and benefits) show the remuneration awarded to individual Executive Board members with respect to the performance years 2024 and 2023.[2] All EB remuneration is paid directly by ING.

1 The IRRF consists of the most important regulatory requirements with respect to remuneration, to which all remuneration policies of majority-owned entities have to adhere. Furthermore, it consists of our general remuneration principles that apply to all staff globally working under the responsibility of ING.

2 ING indemnifies the members of the EB against direct financial losses in connection with claims from third parties filed, or threatened to be filed, against them by virtue of their service as a member of the EB, as far as permitted by law, on the conditions laid down in the Articles of Association and their commission contract. ING has taken out liability insurance for the members of the EB.

2. 2024 remuneration outcomes

Amounts in euros (rounded figures)		1. Fixed remuneration			2. Variable remuneration		3. Extraordinary items	4. Pension benefits	5. Total remuneration	6. Proportion of fixed and variable remuneration
		Base salary	Fees	Other benefits	One-year variable[1]	Multi-year variable				
Steven van Rijswijk (CEO)	2024	1,847,300	—	507,200	311,800	—	—	27,900	2,694,200	88.4% / 11.6%
	2023	1,776,300	—	503,300	299,600	—	—	26,100	2,605,200	88.5% / 11.5%
Tanate Phutrakul (CFO)	2024	1,270,500	—	336,100	219,700	—	—	27,900	1,854,300	88.2% / 11.8%
	2023	1,221,700	—	362,300	224,100	—	—	26,100	1,834,200	87.8% / 12.2%
Ljiljana Čortan (CRO)	2024	1,270,500	—	495,000	223,600	—	—	27,900	2,017,100	88.9% / 11.1%
	2023	1,221,700	—	481,400	208,000	—	—	26,100	1,937,200	89.3% / 10.7%

[1] The variable remuneration percentages over 2024 for the EB members are as follows: CEO 17%, CFO 17% and CRO 18%. Thus the ratio between base salary and total direct compensation is as follows: CEO 85.6%, CFO 85.3% and CRO 85.0%.

Benefits

The individual members of the EB receive benefits. The table below shows the breakdown of all benefits paid in 2024.

3. Breakdown of benefits paid in 2024

Amounts in euros (rounded figures)	Steven van Rijswijk (CEO)	Tanate Phutrakul (CFO)	Ljiljana Čortan (CRO)
Contribution individual savings plans	64,700	44,500	44,500
Individual savings allowance	378,100	250,500	250,500
Travel and accident insurance	15,000	15,000	15,000
Other benefits[1]	49,400	26,100	185,000
Total	**507,200**	**336,100**	**495,000**

[1] This includes expatriate allowances (such as housing, school/tuition fees and international health insurances, if applicable); banking and insurance benefits from ING (on the same terms as for other employees of ING in the Netherlands); tax and financial planning services to ensure compliance with the relevant legislative requirements and the use of a company car or driver service.

Shares

Deferred shares, awarded as part of the variable remuneration, are shares conditionally granted subject to a tiered vesting over a period of five years, with the ultimate value of each deferred share based on ING's share price on the vesting date. This is conditional on there being no holdback. The main condition for vesting is that these shares require continued employment through vesting date. The table below details all share-based remuneration for the EB members.

4. Share-based remuneration for Executive Board members

	The main conditions of share award plans					Information regarding the reported financial year									
						Opening balance			During the year		Closing balance				
	1	2	3	4	5	6A	6B	6C	7	8	9	10	11A	11B	
	Specification of plan[1]	Performance period	Granting/ offering date	Vesting date	End of retention period	Shares held at the beginning of the year	Shares subject to retention at the beginning of the year	Shares sold-to-cover[2]	Shares granted/ offered	Shares vested	Shares subject to a performance condition	Shares granted/ offered and unvested at year-end	Shares subject to a retention period	Vested shares sold-to-cover[2]	
Steven van Rijswijk (CEO)	LSPP Deferred Shares Idnt	2017	27/03/2018	27/03/2023	27/03/2024	-	179	167	-	-	-	-	-	-	
	LSPP Deferred Shares Idnt	2017	10/05/2018	11/05/2023	11/05/2024	-	410	380	-	-	-	-	-	-	
	LSPP Upfront Shares	2019	11/05/2020	11/05/2020	11/05/2025	-	4,193	3,350	-	-	-	-	4,193	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2021	11/05/2025	-	1,241	1,022	-	-	-	-	1,241	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2022	11/05/2025	-	1,224	1,039	-	-	-	-	1,224	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2023	11/05/2025	-	1,202	1,061	-	-	-	-	1,202	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2024	11/05/2025	2,263	-	-	-	2,263	-	-	1,174	1,089	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2025	11/05/2026	2,263	-	-	-	-	-	2,263	-	-	
	LSPP Upfront Shares	2021	09/05/2022	09/05/2022	09/05/2027	-	5,108	4,082	-	-	-	-	5,108	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2023	09/05/2027	-	1,512	1,245	-	-	-	-	1,512	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2024	09/05/2027	2,757	-	-	-	2,757	-	-	1,491	1,266	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2025	09/05/2027	2,757	-	-	-	-	-	2,757	-	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2026	11/05/2027	2,757	-	-	-	-	-	2,757	-	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2027	11/05/2028	2,757	-	-	-	-	-	2,757	-	-	
	LSPP Upfront Shares	2022	11/05/2023	11/05/2023	11/05/2028	-	4,846	3,872	-	-	-	-	4,846	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2024	11/05/2028	2,615	-	-	-	2,615	-	-	1,434	1,181	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2025	11/05/2028	2,615	-	-	-	-	-	2,615	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2026	11/05/2028	2,615	-	-	-	-	-	2,615	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2027	11/05/2028	2,615	-	-	-	-	-	2,615	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2028	11/05/2029	2,618	-	-	-	-	-	2,618	-	-	
	LSPP Upfront Shares	2023	10/05/2024	10/05/2024	10/05/2029	-	-	-	9,742	9,742	-	-	5,415	4,327	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2025	10/05/2029	-	-	-	2,922	-	-	2,922	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2026	10/05/2029	-	-	-	2,922	-	-	2,922	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2027	10/05/2029	-	-	-	2,922	-	-	2,922	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2028	11/05/2029	-	-	-	2,922	-	-	2,922	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2029	11/05/2030	-	-	-	2,925	-	-	2,925	-	-	
Total						**28,632**	**19,915**	**16,218**	**24,355**	**17,377**	**-**	**35,610**	**28,840**	**7,863**	

4. Share-based remuneration for Executive Board members – continued

	The main conditions of share award plans					Information regarding the reported financial year									
						Opening Balance			During the year			Closing balance			
	1	2	3	4	5	6A	6B	6C	7	8	9	10	11A	11B	
	Specification of plan[1]	Performance period	Granting/ offering date	Vesting date	End of retention period	Shares held at the beginning of the year	Shares subject to retention at the beginning of the year	Shares sold-to-cover[2]	Shares granted/ offered	Shares vested	Shares subject to a performance condition	Shares granted/ offered and unvested at year-end	Shares subject to a retention period	Vested shares sold-to-cover[2]	
Tanate Phutrakul (CFO)	LSPP Deferred Units Idnt (Equity settled)	2016	27/03/2017	27/03/2023	NULL	-	238	247	-	-	-	-	-	-	
	LSPP Deferred Units Idnt (Equity settled)	2017	27/03/2018	27/03/2023	NULL	-	197	200	-	-	-	-	-	-	
	LSPP Deferred Units Idnt (Equity settled)	2017	27/03/2018	27/03/2024	NULL	401	-	-	-	401	-	-	200	201	
	LSPP Deferred Shares Idnt	2018	27/03/2019	27/03/2023	27/03/2024	-	117	110	-	-	-	-	-	-	
	LSPP Deferred Shares Idnt	2018	27/03/2019	27/03/2024	27/03/2025	227	-	-	-	227	-	-	117	110	
	LSPP Upfront Shares	2019	11/05/2020	11/05/2020	11/05/2025	-	3,934	3,144	-	-	-	-	3,934	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2021	11/05/2025	-	1,164	959	-	-	-	-	1,164	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2022	11/05/2025	-	1,148	975	-	-	-	-	1,148	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2023	11/05/2025	-	1,127	996	-	-	-	-	1,127	-	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2024	11/05/2025	2,123	-	-	-	2,123	-	-	1,102	1,021	
	LSPP Deferred Shares Idnt	2019	11/05/2020	11/05/2025	11/05/2026	2,124	-	-	-	-	-	2,124	-	-	
	LSPP Upfront Shares	2021	09/05/2022	09/05/2022	09/05/2027	-	3,700	2,956	-	-	-	-	3,700	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2023	09/05/2027	-	1,095	902	-	-	-	-	1,095	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2024	09/05/2027	1,997	-	-	-	1,997	-	-	1,080	917	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2025	09/05/2027	1,997	-	-	-	-	-	1,997	-	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2026	11/05/2027	1,997	-	-	-	-	-	1,997	-	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2027	11/05/2028	1,997	-	-	-	-	-	1,997	-	-	
	LSPP Upfront Shares	2022	11/05/2023	11/05/2023	11/05/2028	-	3,351	2,678	-	-	-	-	3,351	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2024	11/05/2028	1,808	-	-	-	1,808	-	-	991	817	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2025	11/05/2028	1,808	-	-	-	-	-	1,808	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2026	11/05/2028	1,808	-	-	-	-	-	1,808	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2027	11/05/2028	1,808	-	-	-	-	-	1,808	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2028	11/05/2029	1,811	-	-	-	-	-	1,811	-	-	
	LSPP Upfront Shares	2023	10/05/2024	10/05/2024	10/05/2029	-	-	-	7,288	7,288	-	-	4,051	3,237	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2025	10/05/2029	-	-	-	2,186	-	-	2,186	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2026	10/05/2029	-	-	-	2,186	-	-	2,186	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2027	10/05/2029	-	-	-	2,186	-	-	2,186	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2028	11/05/2029	-	-	-	2,186	-	-	2,186	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2029	11/05/2030	-	-	-	2,188	-	-	2,188	-	-	
Total						**21,906**	**16,071**	**13,167**	**18,220**	**13,844**	**-**	**26,282**	**23,060**	**6,303**	

4. Share-based remuneration for Executive Board members – continued

	The main conditions of share award plans					Information regarding the reported financial year									
						Opening Balance			During the year		Closing balance				
	1	2	3	4	5	6A	6B	6C	7	8	9	10	11A	11B	
	Specification of plan[1]	Performance period	Granting/ offering date	Vesting Date	End of retention period	Shares held at the beginning of the year	Shares subject to retention at the beginning of the year	Shares sold-to-cover[2]	Shares granted/ offered	Shares vested	Shares subject to a performance condition	Shares granted/ offered and unvested at year-end	Shares subject to a retention period	Vested shares sold-to-cover[2]	
Ljiljana Cortan (CRO)	LSPP Upfront Shares	2021	09/05/2022	09/05/2022	09/05/2027	-	4,478	1,936	-	-	-	-	4,478	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2023	09/05/2027	-	1,331	593	-	-	-	-	1,331	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2024	09/05/2027	1,924	-	-	-	1,924	-	-	1,319	605	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2025	09/05/2027	1,924	-	-	-	-	-	1,924	-	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2026	11/05/2027	1,924	-	-	-	-	-	1,924	-	-	
	LSPP Deferred Shares Idnt	2021	09/05/2022	11/05/2027	11/05/2028	1,925	-	-	-	-	-	1,925	-	-	
	LSPP Upfront Shares	2022	11/05/2023	11/05/2023	11/05/2028	-	4,419	1,911	-	-	-	-	4,419	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2024	11/05/2028	1,899	-	-	-	1,899	-	-	1,313	586	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2025	11/05/2028	1,899	-	-	-	-	-	1,899	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2026	11/05/2028	1,899	-	-	-	-	-	1,899	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2027	11/05/2028	1,899	-	-	-	-	-	1,899	-	-	
	LSPP Deferred Shares Idnt	2022	11/05/2023	11/05/2028	11/05/2029	1,899	-	-	-	-	-	1,899	-	-	
	LSPP Upfront Shares	2023	10/05/2024	10/05/2024	10/05/2029	-	-	-	6,766	6,766	-	-	4,724	2,042	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2025	10/05/2029	-	-	-	2,029	-	-	2,029	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2026	10/05/2029	-	-	-	2,029	-	-	2,029	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2027	10/05/2029	-	-	-	2,029	-	-	2,029	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2028	11/05/2029	-	-	-	2,029	-	-	2,029	-	-	
	LSPP Deferred Shares Idnt	2023	10/05/2024	11/05/2029	11/05/2030	-	-	-	2,033	-	-	2,033	-	-	
Total						**17,192**	**10,228**	**4,440**	**16,915**	**10,589**	**-**	**23,518**	**17,584**	**3,233**	

1 All Executive Board members participate in the ING Group Long-term Sustainable Performance Plan (LSPP) and receive their shares under its plan rules.
2 These relate to the number of shares that were sold at the vesting date to cover the estimated tax liabilities due on the vested awards.

Loans and advances to Executive Board members

Executive Board members may obtain banking and insurance services from ING Group and its subsidiaries in the ordinary course of their business and on terms that are customary in the sector. The EB members do not receive privileged financial services. On 31 December 2024, there were no loans or advances outstanding to the EB members.

ING shares held by Executive Board members

EB members are encouraged to hold ING shares as a long-term investment to maintain alignment with ING. The table below shows an overview of the shares held by members of the EB on 31 December 2024 and 2023.

5. ING shares held by Executive Board members

Numbers of shares	2024	2023
Steven van Rijswijk (CEO)	101,908	92,394
Tanate Phutrakul (CFO)	33,160	25,619
Ljiljana Čortan (CRO)	17,584	10,228

2025 Executive Board remuneration

The SB makes base salary decisions on the EB members based on a range of factors as outlined in the Executive Board remuneration policy agreed with shareholders. These factors include the salary increases of other employees within ING, the increase of general price indices, and market competitiveness. In terms of market competitiveness, the total compensation for each EB member is behind the market median when compared to the equivalent total compensation levels for comparable roles in our Dutch and European peer group. Therefore, the SB considers it appropriate to increase the base salary of the CEO by 4.0% and 6.0% for the CFO and CRO, in line with the current Executive Board remuneration policy. After these base salary increases, the total compensation for each EB member remains behind the market median across our peer group.

2025 annual variable remuneration performance measures

Performance measures with appropriately stretching targets were selected to cover a range of financial, non-financial and risk objectives that support the key strategic priorities of ING. For the 2025 annual variable remuneration, the performance measures and weightings are shown on the next page.

For 2025, the following target areas and percentage weightings will be taken into account for the EB members:

6. 2025 Target areas			CEO	CFO	CRO
			Weighting	Weighting	Weighting
Financial	Profit before tax		16.7%	16.7%	8.3%
	Return on equity		16.7%	16.7%	8.3%
	Operational expenses		16.7%	16.7%	8.3%
			50%	**50%**	**25%**
Non-financial	Customer	▪ Increase number of mobile primary customers as this leads to deeper relationships, greater customer satisfaction, and ultimately customers choosing ING for more of their financial needs ▪ Increase customer satisfaction of Retail and Wholesale by increasing NPS	7.5%	5%	NA
	Risk & Regulatory	▪ Manage financial risk within risk appetite, with a specific focus on the revision of the use of internal models ▪ Manage non-financial risk within risk appetite, with a specific focus on the IT risk management ▪ Maintain operational effectiveness of KYC	15%	17.5%	45%
	Strategy	▪ Increase digitisation and straight-through-processing (STP) rate of customer processes	12.5%		
		▪ Increase efficiency of finance processes while maintaining the effectiveness of controls		12.5%	
		▪ Increase efficiency of risk processes while maintaining the effectiveness of controls			15%
	Environment	▪ Increase sustainable volume mobilised ▪ Support the transition of the most carbon-intensive sectors in Wholesale Banking towards a better carbon performance, in line with our 2030 decarbonisation target	10%		
		▪ Continuous refinement of CSRD disclosures		10%	
		▪ Continuous refinement of ESG risk assessment methodology			10%
	Social	▪ Strengthen organisational health with a focus on five priority areas: strategic clarity, role clarity, customer orientation, data driven decision making, talent development ▪ Increase gender balance in ING's leadership cadre	5%	5%	5%
			50%	**50%**	**75%**
Total			**100%**	**100%**	**100%**

Internal ratio

This section includes details of remuneration for EB members relating to the period served on the EB in 2024.

In line with the Dutch Corporate Governance Code, ING calculates the internal ratio of the remuneration for the chief executive officer (CEO) compared to the average remuneration of all ING staff. Using the CEO's total remuneration (i.e., the total of fixed and variable remuneration, including benefits such as pension and allowances) compared to the average remuneration for all ING staff, the ratio in 2024 was 1:24. The ratio is the same as disclosed last year. The reason why the ratio has reduced over the past few years is largely due to the fact that the average remuneration of the CEO has remained broadly stable, while the average remuneration of ING staff has increased.

7. Internal ratio for CEO	All ING staff
2024	1:24
2023	1:24
2022	1:25
2021	1:28
2020	1:31

ING is also required to disclose the annual total remuneration ratio based on ESRS, which deviates from the internal ratio. For further details please see section S1 - Own workforce.

Furthermore, we calculated the average ratio of total remuneration for the chief financial officer (CFO) and chief risk officer (CRO) compared to all ING staff. On that basis, the average ratio in 2024 for the CFO and CRO was 1:18, which is comparable to that of 2023.

Remuneration versus company performance and average employee remuneration

Table 8 (on the next page) shows the development of directors' remuneration (EB and SB members), company performance, and the average remuneration of an ING employee. This is carried out by showing the development of the remuneration for EB and SB members over the past five years presented in percentages. This table comes from the draft (non-binding) 'Guidelines on the standardised presentation of the remuneration report' from the European Commission.

To maintain the Supervisory Board's independent role, its remuneration is not linked to company performance metrics.

The relative performance of the company is presented on three different metrics over the past five years. The metrics consist of:

- Retail primary relationships;
- Profit before tax for ING Group; and
- Return on equity based on IFRS-EU equity.

Finally, we present the development of the remuneration on average (per employee). For this number, we use the same data as for the internal ratio.

8. Development of directors' remuneration, company performance and employee remuneration [1]											
Amount in thousands of euros unless otherwise stated	FY 2024	FY 2024 vs FY 2023		FY 2023 vs FY 2022		FY 2022 vs FY 2021		FY 2021 vs FY 2020		FY 2020 vs FY 2019	
Directors' remuneration (Executive Board) [2, 3, 4, 5]											
Steven van Rijswijk (CEO)	2,159	83	4.0%	23	1.1%	-24	-1.2%	578	38.6%	100	7.2%
Tanate Phutrakul (CFO)	1,490	44	3.0%	33	2.3%	-27	-1.9%	218	17.9%	-	-
Ljiljana Čortan (CRO)	1,494	64	4.5%	7	0.5%	-	-	-	-	-	-
Directors' remuneration (Supervisory Board) [6]											
Karl Guha (chairperson)	206	-	-	-	-	-	-	-	-	-	-
Mike Rees (vice-chairperson)	158	7	4.6%	12	8.8%	10	7.8%	0	0%	-	-
Juan Colombás	141	18	14.7%	21	20.4%	8	8.5%	-	-	-	-
Margarete Haase	128	11	9.3%	6	4.9%	8	7.7%	-1	-1.0%	7	7.1%
Lodewijk Hijmans van den Bergh	111	4	3.4%	11	10.8%	-	-	-	-	-	-
Herman Hulst	111	4	3.4%	8	7.5%	5	5.0%	-	-	-	-
Harold Naus	106	8	8.7%	6	6.0%	-3	-2.9%	-	-	-	-
Alexandra Reich	118	-	-	-	-	-	-	-	-	-	-
Herna Verhagen	111	4	3.4%	6	5.4%	2	2.0%	-21	-17.4%	-	-
Company's performance											
Retail primary relationships (in mln)	16.2	0.9	6%	0.7	5%	0.3	2%	0.4	3%	0.6	5%
Profit before tax ING Group (in mln)	9,300	-1,192	-11%	4,990	91%	-1,280	-19%	2,973	78%	-3,025	-44%
Return on equity based on IFRS-EU equity	13%	-1.8%	-12%	7.6%	106%	-2%	-22%	4.4%	92%	-4.6%	-49%
Average employee remuneration											
Average fixed and annual variable remuneration	81	3.8	4.9%	4.8	6.5%	2.4	3.5%	2.7	4.0%	-	-

1 For consistency reasons, this table only makes a comparison between two full financial years in which the respective EB or SB member served in their role as board member.
2 The remuneration of the EB consists of base salary and variable remuneration (total direct compensation).
3 Variable remuneration for the EB is included in the year in which the performance was delivered i.e. prior to the year in which it is paid out.
4 Fixed remuneration for EB members is not linked to company performance but is predominantly based on a benchmark exercise. Total direct compensation of EB members should stay below the median of the benchmark, in line with the Dutch Banking Code. This has a mitigating effect on the correlation with company performance.
5 The relative total compensation increase from 2020 to 2021 is mainly caused by the fact that no variable remuneration was awarded for the performance year 2020.
6 There is no correlation between SB remuneration and company performance. SB members do not receive any variable remuneration. This remuneration is based on fixed fees related to their role and number of meetings. The high fluctuations are caused by the role changes during the year and differences in the number of meetings.

Supervisory Board remuneration

Supervisory Board remuneration policy

Our Supervisory Board remuneration policy was approved by shareholders at the 2024 AGM and became effective retroactively from 1 January 2024 until the 2028 AGM at the latest. The full policy, including contract information and governance, can be found on ING.com/remuneration. The Supervisory Board remuneration policy is aimed at enabling ING to attract qualified SB members with the ability, experience, skills, values and behaviours to deliver on ING's strategy, long-term interest and sustainability.

Supervisory Board remuneration policy summary

The SB remuneration structure is outlined in the Supervisory Board remuneration policy. The remuneration components and operation of the Supervisory Board remuneration policy are set out in the table below.

Remuneration component	Operation
Annual remuneration, committee fees and attendance fees	▪ SB members receive fees for their service on the SB as set out in the remuneration structure table below. The remuneration is awarded to the SB members by the General Meeting. ▪ The remuneration structure reflects the roles and responsibilities of individual SB members. ▪ All fees are paid out fully in cash. No variable remuneration is provided to ensure that the SB members can maintain independence and provide objective stewardship of ING, thereby contributing to the long-term performance of the company. ▪ The fees of SB members may be indexed annually based on the salary increases for the wider workforce within ING for that relevant year. ▪ Any adjustments in fee levels other than those following from the indexation will be subject to the approval of the General Meeting. ▪ Any changes in the fee levels will be presented in ING's Annual Report for the relevant year.[1]
Expenses	▪ SB members are reimbursed for their travel and business-related expenses incurred in their capacity as SB members.

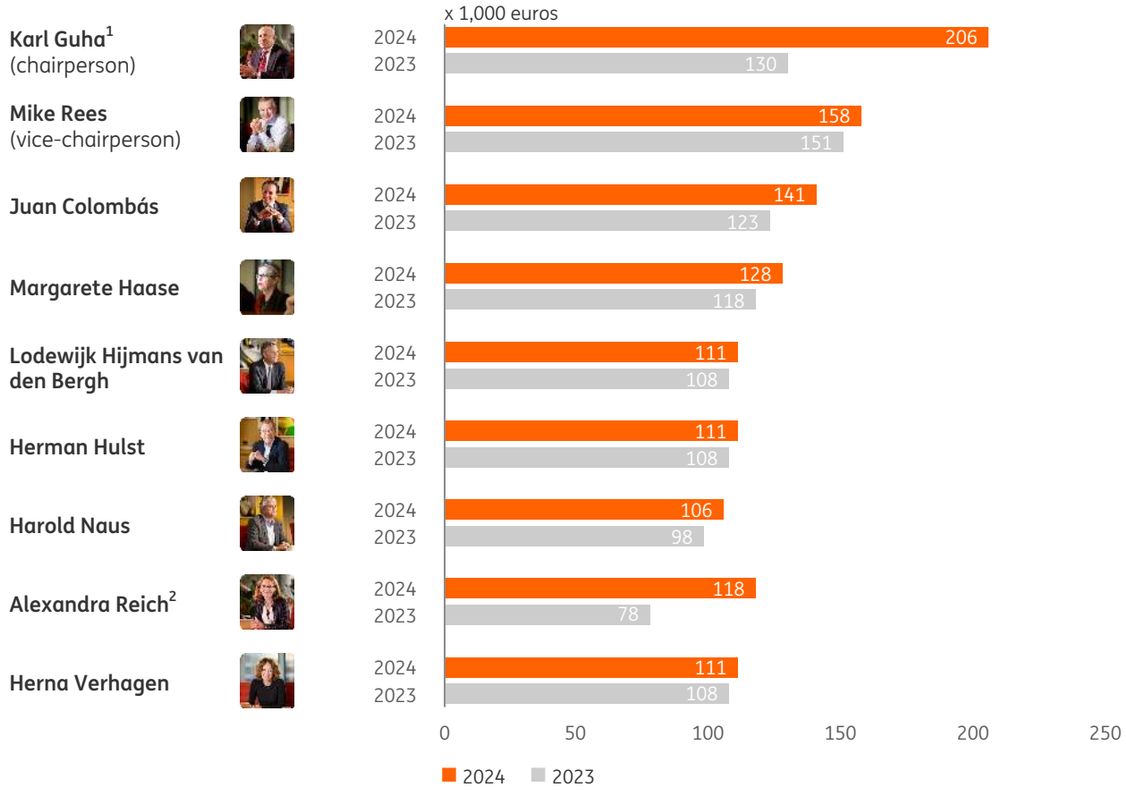
In accordance with the Articles of Association ING indemnifies the members of the SB as far as legally permitted against direct financial losses in connection with claims from third parties filled or threatened to be filed against them by virtue of their services as a member of the SB.

1 The SB members are not eligible for retirement benefits nor any other benefits in relation to their position on the SB.

The SB members are not awarded any variable remuneration, therefore no variable remuneration is reported.

2024 Supervisory Board remuneration

The following visual shows the remuneration, including attendance fees', for each SB member. All fees for the SB are paid directly by ING. For total costs for the SB, see Note 45 'Related parties'.



1 Karl Guha was appointed to the SB by the AGM on 21 April 2023 with effect from 1 July 2023. The remuneration figures for 2023 reflect a partial year as a member of the SB.
2 Alexandra Reich was appointed to the SB by the AGM on 21 April 2023 with effect from that date. The remuneration figures for 2023 reflect a partial year as a member of the SB.

Loans and advances to Supervisory Board members

SB members may obtain banking and insurance services from ING and its subsidiaries in the ordinary course of their business and on terms that are customary in the sector. The SB members do not receive privileged financial services. On 31 December 2024 there were no loans or advances outstanding to SB members.

ING shares held by Supervisory Board members

SB members are permitted to hold ING shares as a long-term investment. The table below shows the holdings by members of the SB on 31 December 2024 and 2023.

9. ING shares held by Supervisory Board members

Numbers of shares	2024	2023
Herman Hulst	3,650	3,650
Harold Naus	1,645	1,645

2025 Supervisory Board remuneration

The SB remuneration policy aims to attract qualified SB members with the ability, experience, skills, values and behaviours to support delivery of ING's strategy and purpose. Over the past years the remuneration awarded to SB members has fallen behind the market where we are on-average 33% below the market median against our Dutch and international peer group. In this context the SB will continue to review the appropriateness of our current policies. For 2025, the fees for the SB were reviewed and increased by 5.2 percent in line with the annual indexation percentage increase of the wider workforce, which is in adherence to the Supervisory Board remuneration policy. The fees for the chairperson and other SB roles are shown in the table and are with effect from 1 January 2025.

10. Supervisory Board remuneration

Amounts in euros	2024	2025
Annual remuneration		
Chairperson	131,700	138,500
Vice-chairperson	100,100	105,300
Member	73,700	77,500
Committee fees (annual amounts)		
Committee chairperson	21,000	22,000
Committee member	10,500	11,000
Attendance fees (per meeting)		
Attendance fee outside country of residence	2,000	2,100
Attendance fee outside continent of residence	7,500	7,800

Wider workforce remuneration

FOR INFORMATION ONLY AT 2025 ING GROEP N.V. ANNUAL GENERAL MEETING (AGM)

Our people offer (OPO) aims to deliver competitive remuneration that balances financial and non-financial elements. Together they form our differentiating offer and ask of our people. We recognise that financial rewards are an important part of our offer, and that our total rewards offering (compensation and benefits) should be transparent, fair, and competitive.

To understand OPO, it is useful to view it in the context of key ING fundamentals. Firstly, OPO is informed by and aligned with our ING purpose – empowering people to stay a step ahead in life and in business. This purpose and the Orange Code are the foundations of ING. Secondly, OPO supports our people vision: unlocking our people's full potential, which is a key enabler of our 'Growing the difference' strategy. We have translated our fundamentals, people vision and strategy into what it means for our people – both what we offer and what we ask of our people. This means that OPO does not include descriptions of detailed practices, but rather provides guidance through principles about what our people practices should be.

The remuneration principles are an integral part of ING's strategy and risk profile. They maintain a sustainable balance between short- and long-term value creation and build on ING's long-term responsibility towards its employees, customers, shareholders, and other stakeholders. Our approach to the remuneration principles have been refreshed and aligned with our people vision.

Our remuneration principles apply to all staff and are embedded in OPO and ING's Remuneration Regulations Framework (IRRF). The OPO and IRRF comply with relevant international and local legislation and regulations.

For the remuneration ratio based on the ESRS definition and gender pay gap information, see 'Unlocking our people's full potential' in 'Social'.

Wider workforce remuneration principles

The remuneration decisions for the wider workforce are a result of the application of our remuneration principles in respect of 2024. Our remuneration principles apply to all employees and comprise the following:

Remuneration principles
Attract and retain to deliver ING's strategic goals Support ING's ambition to be the best European bank by attracting, retaining, and rewarding qualified employees who have the desired values, skills, behaviours, and knowledge to deliver this goal with market competitive pay.
Pay for performance Define a clear link between the group, business line, and employee performance and individual remuneration, motivating, recognising, and rewarding long-term sustainable value.
Fair and transparent Foster transparency and fairness on how remuneration is determined, ensuring fair and equitable determination of remuneration, and enabling an inclusive and motivating work environment.
Align with risk appetite and conduct Design rewards for employees to achieve results in line with ING's risk appetite and conduct expectations.
Purpose led Reward business results achieved in a manner consistent with our Orange Code values and behaviours.

Remuneration structure for wider workforce

Our remuneration principles are delivered through ING's reward package. The remuneration components and operation of our remuneration structure – set out in the table on the next page – applies to the wider workforce on a group-wide basis, subject to compliance with local laws and regulations.

Remuneration component	Operation
Fixed remuneration	▪ Fixed remuneration aims to attract, motivate, and retain qualified employees. ▪ This may include base salary, fixed pay allowance, and other cash allowances in accordance with local market practices and regulations. ▪ Fixed remuneration represents a sufficiently high proportion, in line with the level of knowledge, expertise and skills.
Pension	▪ Company pension is offered according to local market practice. A standard, defined contribution pension policy applies in each country. ▪ No additional discretionary pension benefits are paid to employees over and above those acquired under an employer pension plan.
Benefits	▪ Benefits ensure market competitiveness and are designed in consideration of local social plans (e.g. retirement, insurance plans), local regulations, and market practice. ▪ Benefits do not depend on performance and are often indirectly paid out by ING via a third party. This may include, but is not limited to, medical insurance, and life insurance.
Variable remuneration	▪ Variable remuneration aims to align reward with group, business line, and individual performance. Variable remuneration rewards employees for their performance and the delivery of financial and non-financial targets, values and behaviours, while reflecting performance, risks, affordability, and the financial and capital situation of ING. ▪ The types of variable remuneration may consist of a broad variety of schemes such as discretionary variable remuneration (see section on VRAM) and collective variable remuneration (e.g. profit-share schemes etc.) ▪ Variable remuneration awards are subject to the applicable regulatory caps, are performance-driven, fully flexible and may potentially reduce to zero. ▪ For employees eligible for variable remuneration, a minimum of 50 percent non-financial targets applies, which follows regulatory requirements. ▪ For identified staff (i.e. staff considered to have a material impact on ING's risk profile), at least 40 percent of variable remuneration is deferred over a period of four or five years (depending on the level of seniority) with a tiered vesting schedule. Furthermore, at least 50 percent of variable remuneration is awarded in equity (or equity-linked instruments unless local legislation prescribes otherwise). The deferral scheme and instruments used to deliver variable remuneration awards align with ING's long-term performance and risk-management framework. ▪ At the 2021 AGM, shareholders approved to apply an increased maximum percentage of up to 200 percent for employees outside the EEA for a period of five performance years until end-2026, in line with the Dutch WBFO.[1]

Benchmark approach

ING aims to provide a market competitive total direct compensation level for expected business and individual performance across the markets in which it operates. ING's main reference market against which we compare and benchmark our compensation levels consists of other European-headquartered banks and financial services organisations that are comparable in terms of size, business mix and scope. ING has not only identified additional local banks and financial services organisations in order to capture the local dynamics (including the local talent pool), but also technology firms that serve as a secondary reference point for benchmarking certain roles. This reference market is reviewed annually to ensure our peer firms remain balanced, appropriate, and relevant to the sectors in which we compete for talent, and our pay levels market competitive.

Performance management

An effective and transparent performance culture is necessary to help our people reach their full potential. Our global Step Up Performance Management (SUPM) approach helps us drive better alignment, development and execution of our strategy. By linking pay and performance, employees who are performing better are also rewarded more. That is why ING's remuneration approach is strongly linked to a robust and transparent performance-management process. Outcomes of performance evaluations (including collective and individual risk assessments) provide input for remuneration.

SUPM applies to almost all employees. It aims to improve people's individual performance, and thereby team performance and ultimately ING's performance. SUPM is one of our people practices that helps to increase focus, alignment, and transparency. We do this through continuous conversations between managers, employees, and teams. To support these conversations, there are three formal moments to discuss performance during the year: target-setting, mid-year review, and year-end evaluation.

We evaluate performance according to two dimensions:

- **Job:** the impact employees have in their daily work on an individual and team level. This is based on quantitative and qualitative job targets and the overall performance in the job. It takes into account responsibilities and expectations based on the qualitative job description, and the strategic targets of the business or function, cascaded throughout the organisation, for a given performance year.
- **Orange Behaviours:** we aim to boost productivity and steer personal development through the Orange Behaviours. We expect all employees to act in line with ING's Orange Code and the underlying behaviours to deliver on ING's purpose in a sustainable way.

This assessment is reflected in employee performance ratings and variable remuneration outcomes.

[1] For 2024, it was applied to 33 employees worldwide. This mandate is used on an exceptional basis by ING and in 2021, 2022 and 2023 also applied to a limited number of employees worldwide.

For 2024, we introduced a new five-point rating scale to help improve performance and pay differentiation and to motivate outperformance. In addition, we have continued to embed our new approach to performance management by creating a more transparent, real-time, and continuous feedback process, coaching, and two-way performance and development conversations with managers. We will continue to work on areas such as further encouraging feedback, upskilling managers, and ensuring a new approach is understood across the bank.

2024 Group variable remuneration pool outcomes

In determining the 2024 Group variable remuneration pool, the Supervisory Board considered:

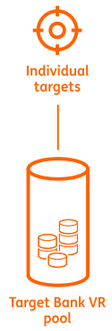
- the Group's financial and non-financial performance in 2024;
- the performance of business lines within the Group and their contributions to our strategic targets; and
- the Group's capital position and current and future risks.

The award of discretionary variable remuneration is based on a transparent, structured, and robust mechanism for measuring performance and applying risk adjustments (the Variable Remuneration Accrual Model or VRAM). The VRAM construct follows a five-step process, as shown in the schematic below, in order to determine Group and business line risk-adjusted variable remuneration pools.

Variable Remuneration Accrual Model[1]

Set-up of target Bank VR pool

Step 1: Setting target Bank VR pool



Conditions to qualify for a VR award or reduce pools potentially to zero

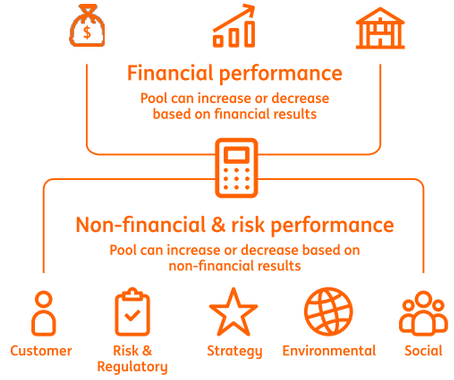
Step 2: Meeting basic prudential & performance risk conditions



Performance measures

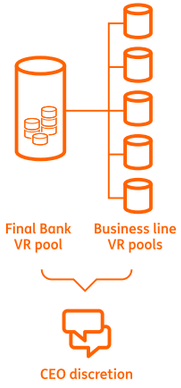
Step 3: Assessing performance

Profit before tax | Operational expenses | Bus. line quantitative | Return on equity



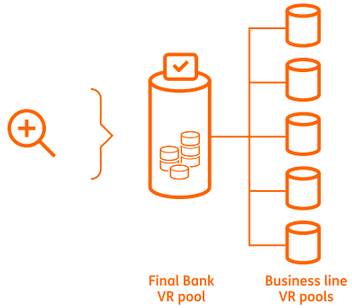
Set-up final Bank VR pool: CEO discretion

Step 4: Setting final Bank and business line VR pool



Additional risk adjustment

Step 5: Applying additional ex-ante and ex-post risk adjustment (material risk events and individual risk modifiers)



Step 1
Target VR pool is a sum of individual VR targets which are set in reference to market pay levels.

Step 2
ROE and CET1 hurdles, as qualifiers, are requirements that both need to be met before for the VR pools can be unlocked.

Step 3
The performance scorecards are based on an assessment against financial, non-financial and risk measures. All scorecards are structured and a formulaic approach is used to generate a VR pool at a Group and business line level.

Step 4
Group CEO reviews the VR pools and, where appropriate, makes a discretionary recommendation to adjust upwards or downwards the VR pools based on performance parameters.

Step 5
Final and independent assessment by the Group CRO recommending additional risk adjustments to VR pools, based on ex-ante risks focusing on material outliers not captured under step 3 and ex-post risk events at a Group, business line, entity or team level.

Furthermore, the Group CRO also recommends risk modifiers to individual variable awards where risk requirements are below expectations applicable on to IDS Risk Takers[2] as well as holdback (i.e. forfeiture of up to 100 percent of the unvested variable remuneration awards) and/or clawback sanctions (i.e. repayment of up to 100 percent of the paid or vested variable remuneration) for employee significant incidents.

1 ING also operates collective variable remuneration based on collective labour agreements that are driven by regulation, law and/or works council agreements in various countries, and this represents to 20/25 percent of the total spend on variable remuneration.
2 Identified Staff reporting hierarchically to a business line and not working in a control function.

The SB used its judgement to establish the right balance between annual variable remuneration outcomes that reflect the performance and risk adjustments of the Group, while supporting ING's ability to attract, retain, and reward employees who will drive the delivery of the Group's strategy and long-term sustainable growth for shareholders in the future, in line with our remuneration principles.

On this basis, the SB approved a Group VR pool for 2024 performance of €421.6 million (2023: €401.0 million), up by 6% compared to the target variable remuneration baseline ('starting point') and 5.1% up against the final VR pool for 2023. The risk and conduct adjustments to the 2024 VR pool are slightly less than those for 2023.

Overall, the total actual amount of both discretionary and collective variable remuneration awarded to all eligible employees globally for 2024 was €522.7 million (€101.1 million in collective variable remuneration), compared to the total staff expenses of €7,184 million. For 2023, the total amount was €514.9 million (€113.8 million in collective variable remuneration) on €6,725 million staff expenses. Collective variable remuneration is based on collective labour agreements that are driven by regulation, law and/or workers council agreements in various countries.

In 2024, 22 employees, excluding members of the Management Board Banking, were awarded total annual remuneration (including employer pension contributions and excluding severance payments made) of €1 million or more. For more information on our CRR disclosure (including a breakdown by each group of employees), see the section 'Annual reports' on ing.com.

Executive Board statement

In accordance with best practice provision 1.4.3 of the 2022 Dutch Corporate Governance Code, the Executive Board (EB) of ING Groep N.V. states that it is responsible for the design, implementation and functioning of ING's internal risk management and control systems.

ING's internal risk management and control is a process carried out by the EB, senior management and other personnel. It is designed to mitigate risks and provide assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial and non-financial information;
- Compliance with laws, regulations and internal policies, and the ING Values as part of the Orange Code;
- Safeguarding of assets, identification and management of liabilities; and
- Strategic goals of ING Groep N.V.

The Risk management section as part of the Report of the EB elaborates on ING's identified financial and non-financial risks (including credit risk, solvency risk, market risk, operational risk, IT risk, model risk, compliance risk, funding and liquidity risk, environmental, social and governance risk and business risk) and how these risks are managed. Its sections provide insight into the potential impact on the results of ING Groep N.V. that stem from these identified risks. The design and functioning of the internal risk management and control systems are based on the Risk Appetite Framework and the Non-Financial Risk Framework. Both frameworks, explained in detail in 'Risk management', combine various financial and non-financial risk disciplines into a single converged approach and provide the businesses with an overview on their risks and the way these are managed. This view allows the EB and senior management to form an opinion on the adequacy of internal risk management and control systems regarding the risks they face while pursuing ING's strategy.

In addition, ING has a process in place where, under the supervision and with the participation of the CEO and CFO, ING assesses the effectiveness of internal control over financial reporting, based on the criteria of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Reporting – Integrated Framework (2013 Framework). The design and the operation of the internal risk management and control systems are discussed annually with the Risk Committee and the full Supervisory Board, whereas the design and the operation of internal control over financial reporting are discussed annually with the Audit Committee and the Supervisory Board. In discharging the responsibility for ING's internal risk management and control systems, the EB has made an assessment of the effectiveness of ING Groep N.V.'s internal risk management and control systems. Based on this assessment, the EB states that during the year under review:

- The report of the EB in the ING Group Annual Report 2024 provides sufficient insights into the effectiveness of the internal risk management and control systems.
- Those systems provide reasonable assurance that the financial reporting in the ING Group Annual Report 2024 does not contain material inaccuracies.
- Based on the current state of affairs, it is justified that the financial reporting in the ING Group Annual Report 2024 is prepared on a going-concern basis.
- The report of the EB in the ING Group Annual Report 2024 states the material risks and uncertainties, to the extent that they are relevant to the expectation of ING Groep N.V.'s continuity for the period of 12 months after the preparation of this report.

It should be noted that the above does not imply that these systems and procedures provide absolute assurance to ING as to the realisation of financial and strategic business objectives, or that internal risk management and control systems can prevent or detect all misstatements, inaccuracies, errors, fraud and non-compliances with legislation, rules and regulations. There are a number of risks in areas where applicable regulations may be unclear, subject to multiple interpretations or under development, or where regulations may conflict with one another, or where regulators revise their previous guidance or courts overturn previous rulings. Despite our efforts to maintain effective compliance procedures and to comply with applicable laws and regulations, we therefore cannot rule out the risk of non-compliance with applicable standards. We're committed to conducting our business with integrity, and regulatory compliance has remained the priority for 2024 and beyond.

Amsterdam, 3 March 2025

S.J.A. (Steven) van Rijswijk
CEO, chairperson of the EB

T. (Tanate) Phutrakul
CFO, member of the EB

L. (Ljiljana) Čortan
CRO, member of the EB

Conformity statement

The Executive Board (EB) is required to prepare the Financial Statements and the Annual Report of ING Groep N.V. for each financial year in accordance with applicable Dutch law and those International Financial Reporting Standards (IFRS) that were endorsed by the European Union.

Conformity statement pursuant to section 5:25c paragraph 2(c) of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

The EB is responsible for maintaining proper accounting records, for safeguarding assets and for taking reasonable steps to prevent and detect fraud and other irregularities. It is responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and reasonable. It is also responsible for establishing and maintaining internal procedures to ensure that all major financial information is known to the EB, so that the timeliness, completeness and correctness of the external financial reporting are assured.

As required by section 5:25c paragraph 2(c) of the Dutch Financial Supervision Act, each of the signatories hereby confirms that to the best of their knowledge:

- The ING Groep N.V. 2024 Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of ING Groep N.V. and the enterprises included in the consolidation taken as a whole.
- The ING Groep N.V. 2024 Annual Report gives a true and fair view of the position at the balance sheet date, the development and performance of the business during the financial year 2024 of ING Groep N.V. and the enterprises included in the consolidation taken as a whole, together with a description of the principal risks ING Groep N.V. is being confronted with.

Amsterdam, 3 March 2025

S.J.A. (Steven) van Rijswijk
CEO, chairperson of the EB

T. (Tanate) Phutrakul
CFO, member of the EB

L. (Ljiljana) Čortan
CRO, member of the EB

Works councils

ING's works councils are elected by employees and represent the interests of both the employee and employer. They contribute ideas on economic and social issues, and in doing so play a part in the proper functioning of the company and ensuring alignment with ING's purpose and strategy. The Employee Council (the name given to the collective works councils in the Netherlands) consists of five works councils and the Central Works Council (CWC). The CWC consists of at least two delegates from each works council and is the overarching body that engages with management on topics that impact all Dutch employees. Council members are elected every three years. ING also has a cross-border European Works Council (EWC), which is consulted when decisions are made that affect employees in multiple countries.

Looking back on 2024

From a works council perspective, there were no major developments in 2024. However, there have been significant changes within the Works Council Tech domain, such as the changes in the top structure of the CTO. Also of significance was the transformation of ING Domestic Bank NL – as of 1 October 2024 – into ING Bank Netherlands. With the integration of Wholesale Bank Netherlands, it has now become a universal bank. This can be considered a milestone, and the Employee Council is looking forward to seeing how the employees and organisation will benefit from the opportunities and collaboration.

Traditionally, during the term, the Employee Council sees that colleagues within the works councils are given – and take advantage of – career opportunities by following trainings and broadening their network. This means that towards the end of this term there is less capacity available, which, in some cases, leads to increased workloads.

Looking ahead

The term of the works councils ended in February 2025, with elections organised and held in Q4 of 2024 and Q1 of 2025. Employees who are eligible candidates were given the opportunity to nominate themselves, after which employees who are eligible voters were able to vote on the candidates. The new council members were announced on 6 February 2025. The works councils are looking forward to this new chapter and have worked actively to promote the elections and membership to all employees.

The Employee Council is positive about the prospects for 2025. ING's strategy is focused on growth, anchoring our sustainability objectives and supporting the financial health of our customers and society, and the works councils also embrace these themes.

The Employee Council continues to share insights from the employee perspective in order to contribute to good decision-making and support the interests of employees.

Members of the Central Works Council (December 2024)
Anthony Kaper
Michiel van Lagen (chairperson)
Ludy Limburg
Sofiane Maktouf
Leo Mekenkamp (secretary)
Nataliya Nikitina
Viktoriya Petkova (deputy chairperson)
João Roxo Lino
Danielle Sharma
Herman Sjoerds
Marinus Stoffers
Peter Veenis
Mohammed Zemouri

Members of the European Works Council (December 2024)	
Belgium	Bart Peeters, Pierre Pirson (chairperson), Ahmed Sanhayi
Bulgaria	Angel Todorov
Czech Republic	Jan Gajdos
France	Damien Fortin
Germany	Karina Kienert, Maciej Mowinski, Ulrich Probst
Hungary	Géza Bodor (deputy secretary)
Ireland	Alan Maher
Italy	Matilde D'Alessandro, Antonio Talamo
Luxembourg	Carolien Bauwens, Silvia Naus
Netherlands	Sander Bessels, Luke Crooymans, Sofiane Maktouf (deputy chair), John Stribos
Poland	Artur Banasik, Rafal Bednarski, Mariusz Cieslik, Anna Piotrowska
Romania	Vlad Pop (secretary), Roxana Tataru
Slovakia	Katarina Hrehova Hrejova, Peter Podhorsky
Spain	José Luis Garcia San Román, Santiago Herrero Celada



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General information

This report represents our first Sustainability Statement in accordance with the European Sustainability Reporting Standards (ESRS), which we voluntary apply as the Corporate Sustainability Reporting Directive (CSRD) has not yet been transposed into Dutch law. While the market is adapting to the new requirements, we acknowledge the challenges around data availability and reliability in preparing our reporting. Furthermore, in the absence of industry-specific guidance, we encounter uncertainties towards the requirements in terms of relevance and comparability.

Basis for preparation

Our Sustainability Statement for the year ended 31 December 2024 comprises ING Groep N.V. (the parent company) and its subsidiaries, together referred to as ING Group, in line with the consolidation of our Financial Statements as included in Note 1 'Basis of preparation and material accounting policy information'. We have prepared the Sustainability Statement in accordance with the European Sustainability Reporting Standard (ESRS) and based on the outcome of our double materiality assessment (DMA).

Our DMA has been performed in accordance with ESRS, supported by the EFRAG implementation guidance, covering our own operations and our upstream and downstream value chain, which is explained further in our 'Business model and strategy' section. The DMA concludes on our material topics and the related impacts, risks and opportunities (IROs), which we have disclosed in the respective 'Environment', 'Social' and 'Governance' sections. As required by ESRS, and in line with our previous year reporting, we have included a summary on the EU Taxonomy within our 'Environment' section and included the mandatory tables in the 'Appendix to the Executive Board report'.

Uncertainties and estimations

The implementation of the CSRD comes with several uncertainties as we navigate this new regulatory landscape. As this is the first reporting, there is a lack of prior experience in applying the new requirements. Additionally, guidance is still evolving, and an industry-specific standard is lacking, making interpretation and implementation more complex. The absence of comparative figures under the new requirements further complicates benchmarking and trend analysis. Moreover, sustainability reporting needs to be fully embedded into ING's existing processes and procedures, requiring adjustments and further enhancement of our internal control environment. Data limitations remain a key challenge, as we work towards improving the accuracy, completeness, and consistency of sustainability information. As a result, ING is expected to refine the reporting approach over time as best practices, regulatory expectations, and market standards develop.

The evolving stage of the market for sustainability reporting necessitates the reliance on estimates, due to the ongoing development of standardised metrics and comprehensive data collection practices. We mainly utilise external data vendors for the sourcing of emissions data and estimates, as well as other ESG-related information, risk information and emission-intensity metrics.

Our data vendors perform data reliability procedures and controls before submitting the data to ING. These processes and the underlying models and methodologies are generally not audited, which means that despite their internal control procedures, data limitations may still exist. At ING, we perform our own data quality reviews and controls on the received data, including the assessment of historical trends and engaging with the vendors on potential outliers and observations. There is always a risk of applying inaccurate and/or incomplete data. We continue our efforts to limit this as much as possible and as long as the market evolves, and data quality matures, we may refine and update our measurements based on new, more accurate and/or more granular data becoming available in the future. See the 'Appendix to the Executive Board report' for more details per metric.

Connectivity with financial statements

The monetary amounts presented in the disclosures on financed emissions, emissions-intensity metrics, and on transition and physical risks are derived from the credit risk portfolio.

ING measures, monitors and manages the associated risks based on the credit risk portfolio. For certain disclosures, this is extended with uncommitted limits. Moreover, this data is subject to ING's internal data standards supporting standardised and transparent reporting. For transition risk, we updated our provisions methodology by applying a management adjustment, capturing the expected credit losses of our current business lending portfolio.

Currently, it is not yet possible to fully incorporate climate risk separately into IFRS 9 ECL models given the lack of sufficient empirical historical data and data limitations in the risk assessments on client level. However, ING has taken next steps in 2024 to more explicitly cover for climate-risk drivers in loan loss provisioning. A management adjustment to ECL models for business clients was introduced to specifically cover for the medium- to long-term transition risk on high greenhouse gas-emitting sectors. For households, particularly the mortgage book, the next step in the development will be to apply differentiation in collateral valuation based on Energy Performance Certificate (EPC) labels. For more information, see the 'Risk management' section.

The EU Taxonomy reporting is prepared according to the prudential consolidation of ING Groep N.V., excluding loan loss provisions. The allocation of the gross book values to the respective product groups is based on the requirements of the regulatory financial reporting (FinRep), according to International Financial Reporting Standards (IFRS) and the customer group allocation used therein.

Changes in the preparation or presentation of sustainability information

This is the first year of reporting a Sustainability Statement in accordance with ESRS. We have reported on sustainability information in the past and, in relation to this information, have not identified any reporting errors. In 2024, we made the following changes to information reported in the 2023 annual report:

- Updated the preparation of the gender pay gap in line with regulations. See our 'Own workforce' section for more information;
- Expanded the calculations of financed emissions related to our clients' scope 3 to align with the calculation of scope 1 & 2. Comparatives have been restated; and
- Refined the allocation of the activities in the Total energy outstandings table. Comparatives have been restated.

Incorporation by reference

Some ESRS requirements are already included in our Annual Report, due to other reporting requirements we are subject to. To avoid duplication, we will refer to those sections outside the Sustainability Statement. See our 'Reference index' for the mapping of all ESRS requirements to the Annual Report.

Subsequent events

There are no subsequent events to report.

Business model and strategy

Our strategy is about growing the difference by providing superior value for our customers and putting sustainability at the heart of what we do. With our business we provide services to our Retail and Wholesale clients, worldwide. For more information on our operating environment and strategy, see sections 'ING at a glance' and 'Strategy, business model and value creation'. This section provides an overview of our identified material impacts, risks and opportunities, how these interact with our strategy and business model, and insights into the methodology of our DMA.

Our value chain

With a view to comprehensively capture impacts, risks and opportunities, the DMA has to focus on the most significant activities, services and products. Therefore, the starting point of the DMA is understanding the structure of the bank's business relationships and activities by identifying ING's value-chain components. Since this assessment expands beyond the financial statement consolidation scope, we have assessed our core business against our own operations and our (in)direct relationships in our upstream and/or downstream value chain. For our value chain identification, we have used internal data, which resulted in the identification of six segments as depicted below.

As a financial institution, our main business segment impacting sustainability matters is our loan book, through which we finance our clients and the economy. The assessment is mostly done at tier 1 direct contractual relationship-level (e.g. large corporates ING is financing; Retail customers ING is serving). The only exception is S2 'workers in the value chain' and S4 'consumers and end-users', where the assessment captures the bank's direct counterparties' (e.g. clients) social practices over tier 2 counterparties (i.e. with regards to affected workers in the value chain and end-users/consumers). Associates and joint ventures that are not consolidated in the financial statements are treated as the other business relationships, i.e. actors in the value chain (e.g. suppliers, investee companies), and as such are part of our DMA. Intercompany transactions are descoped from our value chain for the DMA purpose.

Our value chain - key activities and their relation towards the business actors

	Upstream	Own operations	Downstream			
			Retail Banking			
	Supply chain	**Own operations**	**Wholesale Banking**	**Business Banking**	**Private Individuals**	**Treasury & Other investments[1]**
Activities, products & services	▪ Management of providers of goods and services	▪ Employees management ▪ Properties management	▪ Wholesale lending ▪ Daily Banking (payment & cash management) ▪ Trade Finance ▪ Deposits (incl. saving accounts) ▪ Trading book ▪ Capital Markets Advisory	▪ Product development ▪ Marketing ▪ Distribution of business lending, trade finance, insurances and financial market products ▪ Daily banking services, savings, deposits products	▪ Product development ▪ Marketing ▪ Distribution of mortgages, consumer lending, insurances, investment products ▪ Daily banking services, savings (incl. wealth-management services)	Group Treasury ▪ High Quality Liquid Assets ▪ Hedging instruments ▪ Debt instruments ▪ Shareholder's equity ING Group Investments ▪ Equity holdings
Underlying actors	▪ Suppliers of goods and services	▪ Employees	▪ Large corporates (incl. financial institutions) ▪ Sovereign, sub-sovereign and agencies	▪ Self-employed and Micro (small companies) ▪ Small to medium enterprises ▪ Mid-corporates clients	▪ Private Individual clients ▪ Private Banking clients	▪ Sovereign, sub-sovereign and agencies ▪ Corporate clients ▪ Investee companies

[1] Includes all non client-facing business

Our double materiality assessment

This is the first year that we have performed our double materiality assessment in accordance with ESRS, based on the six identified value chain segments. In the previous reporting periods, we based our materiality assessment on the Global Reporting Initiative (GRI) reporting framework. The main change to the materiality assessment is the introduction of the 'double' materiality concept. Where GRI requires a look at impact materiality only, ESRS also requires a look at financial materiality.

A sustainability matter is deemed material when it meets the criteria for impact materiality, financial materiality, or both. The perspectives of materiality are defined as follows:

Impact materiality

Inside-out perspective

- Inside-out perspective is used to measure the actual or potential, positive or negative impacts on people or the environment.
- As a financial institution, this refers to the business we finance, impacts caused or contributed to by ING and impacts which are directly linked to ING's operations, products and services through its business relationships.

Financial materiality

Outside-in perspective

- Outside-in perspective is used to measure the risks and opportunities of a changing environment and society on ING.
- As a financial institution, it is especially mirrored in climate & environmental risk management.

A sustainability matter might be material in the very short, short, medium or long term, and as such is an essential component of the DMA. In defining our time horizons, we considered industry-specific guidance provided by the European Banking Authority (EBA) for the banking sector and combined these with the ESRS requirements:

- very short-term: less than 1 year;
- short-term: between 1 and 3 years;
- medium-term: 3 to 5 years; and
- long-term: over 5 years and at least 10 years.

Although the Annual Report generally only contains information related to the current reporting year, ESRS sometimes requires us to disclose additional forward-looking information.

The table below depicts an overview of the sustainability matters and the outcome of our DMA.

Sector-agnostic sustainability matters

		Financial materiality		
Sustainability matters	Impact materiality	Risk	Opportunity	Double materiality
E1: Climate change	■	■	■	■
E2: Pollution				
E3: Water and marine resources				
E4: Biodiversity and ecosystems	■	■		■
E5: Resource use and circular economy				
S1: Own workforce	■	■		■
S2: Workers in the value chain	▪	▪		
S3: Affected communities	▪	▪		
S4: Consumers and end-users	■	■		■
G1: Business conduct		■		■

Thresholds: ■ Material ▪ Important Informative – Minimal

Even though the methodology towards the materiality assessment has significantly changed, in general we do not see large differences in the outcome on the topical level compared to previous year. Our DMA outcome did not indicate materiality for topics under S2 and S3 for ING's value chains, however ING does consider these important topics. We identified salient human rights issues for our role as a lender to corporates. In Wholesale Banking, those are forced labour, child labour, and land and resource-related community issues. ING has also identified its salient human rights issues for our role as a procurer of services and goods, with those being occupational health and safety, modern slavery and forced labour. The identification process of the salient issues and management and mitigation of those are described in the latest human rights report on ing.com.

Process to identify impacts, risks and opportunities

Via the double materiality assessment process, ING identifies impacts, risks and opportunities across environmental, social and governance (ESG) sustainability matters, arising from its own operations or within the upstream or downstream value chain. The DMA is performed following a five-step approach:

- **Step 1** **Identification of activities and business relationships**
- **Step 2** **Identification of relevant sustainability matters**
- **Step 3** **Execution of the double materiality assessment**
- **Step 4** **Validation of the outcome through stakeholders' engagement**
- **Step 5** **Approval by the management boards and Supervisory Board**

Identification of activities and business relationships

In determining the value chain segments and identifying which components are more likely to be associated with material IROs, ING uses the following three-step approach:

- Start from the balance sheet and profit and loss statements of the bank to identify activities and assets subject to impacts, risks and opportunities.
- Map the financial statement items to the core business areas and portfolios, mirroring ING's internal organisation to ensure alignment with sustainability steering.
- Scope out the portfolios where a low likelihood of relevant IROs is expected.

The identification of assets, exposures and liabilities, subject to impacts and risks requires a classification of activities according to their characteristics to form a view on how and where sustainability matters can materialise. In particular, the categorisation of exposures is performed on the basis of characteristics that include but are not limited to maturity of loan or position, counterparty type, type of activity/service/product, geography, industry type or collateral type as part of the DMA process. ING's value chain and its underlying portfolios are shown in the previous section under 'Business model and strategy'.

Identification of relevant sustainability matters

The sector-agnostic inventory list of sustainability matters in ESRS is used as a starting point, to seek alignment with the ESRS disclosure requirements and comparability. In addition, we have assessed whether there are sustainability-related material IROs relevant to ING which are not yet covered by ESRS. This assessment consisted of market consultation to gather an understanding of the material matters of our peers and reflection on our own materiality assessment performed in previous reporting periods. The assessment resulted in no additional entity-specific disclosures. The topics within the sustainability matters are assessed for our full value chain. However, not all topics are relevant for all value chains. See 'Appendix to the Executive Board report' for an overview of the relevant sustainability matters per value chain.

ING determined the level of granularity at which the DMA should be conducted based on internal and external data availability. All ESRS topics, except for Social, which is assessed at the sub-sub-topic level, are evaluated at the sub-topic level. ING developed an understanding of all relevant impact drivers as well as financial drivers with respect to sustainability matters.

Impacts are recognised in a form of drivers causing changes in nature and anthropogenic[1] assets, including quality of life. To ensure a holistic approach, a diverse range of factors across environmental, social and governance dimensions were addressed and, where possible, their forward-looking nature:

- Environmental impact drivers relate to the quantity of a natural resource that is (used as) an input or non-product output of a business activity e.g. emissions related to manufacturing facilities. These drivers stem from changes in quantity or quality of the natural capital that occur as a consequence of an impact driver.
- Social impact drivers refer to factors that affect the wellbeing, rights, and social conditions of individuals and communities. Examples include labour practices, human rights, and social equity. The social impact drivers highlight changes such as improved or deteriorated living conditions, social inclusion or exclusion, and shifts in community health and safety.
- Governance impact drivers relate to factors that influence the governance structures, practices and ethical standards of an organisation. These drivers include corporate governance practices, transparency, accountability, anti-corruption measures, and compliance with laws and regulations. They affect an organisation's ethical standing, regulatory compliance, and overall governance quality.

Risks are identified by drivers that materialise in existing risk categories and distinguish between the various types of ESG risks, such as transition and physical risks in the case of environmental matters. ING accounts for the full spectrum of ESG risk drivers, considering their distinctive characteristics, such as their forward-looking nature or where risks stem from the impact or dependencies on nature and human capital. For more information on how ESG risks are integrated in the overall risk management process, see the 'ESG Risk' section.

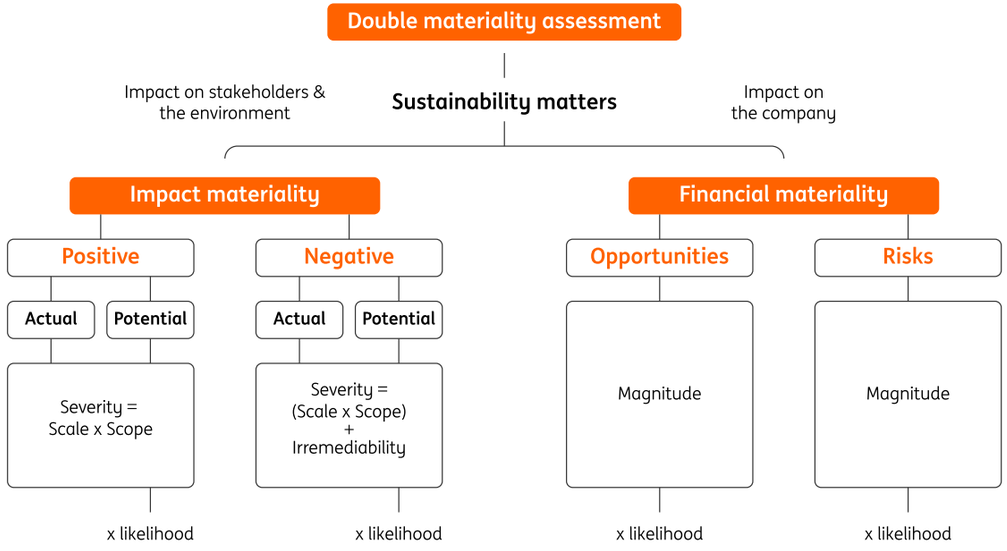
Opportunities are understood as potential environmental, social or governance events or conditions that could materially enhance ING's business model or ability to achieve strategic goals and create value, and may therefore influence decisions – both internally and externally. The identification of opportunities is driven by ING's publicly disclosed sustainability commitments where the opportunity is currently explicitly pursued.

[1] Pollution or change in climate caused by human activity

Execution of the double materiality assessment

The DMA leverages on renowned external data sources, internal data, voluntary reports and other regulatory disclosures to assess the impact from ING's own operations and upstream and downstream value chain.

To determine materiality, ING leverages on a number of quantitative and qualitative approaches to assess the level of the impacts and potential risks and opportunities against predetermined materiality thresholds. Assessment of materiality follows a 'gross' approach, meaning without taking mitigating actions, initiated by ING, into account. The materiality of sustainability topics is determined for our full value chain[1], following the approach illustrated and summarised below.

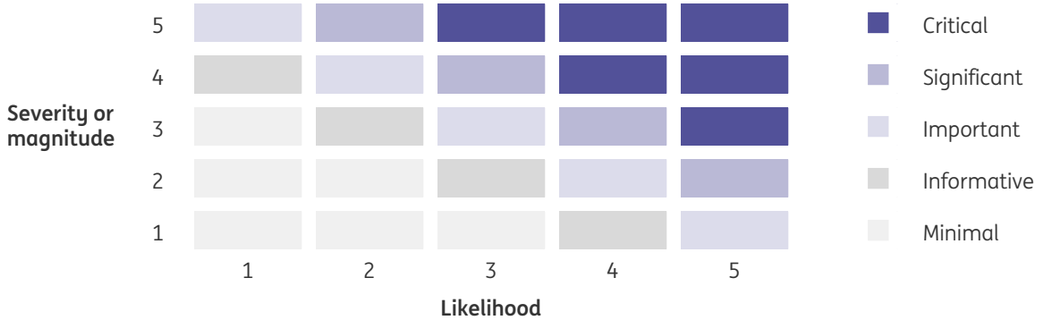


Impact materiality, for both actual and potential (positive and negative) impacts, is informed by the severity of the impact and combined with the likelihood that it results in the potential impact. Severity is determined by scale (how grave or beneficial the impact is), scope (how widespread the impact is), and irremediable character (to what extent the negative impacts could be remediated). Likelihood captures the likelihood of materialisation of the underlying impact for all time horizons.

Financial materiality is assessed based on a combination of magnitude and likelihood, stemming from impacts, dependencies, or context analyses. An impact may be financially material from inception or become financially material over time as identified through impact materiality. Dependencies on natural, human, and social resources are considered based on their influence on ING's ability to access and utilise these resources affecting their quality and pricing. Context analyses include ING's dependencies on business relationships and reputational risks or gains, viewed collectively for financial materiality. Indicators from internal or external data are supplemented by expert judgement from sector or risk specialists.

For risks, the approach to dependencies is similar to the approach for negative impacts. Once the assessment of the dependencies and negative impacts is performed, a view of individual exposures and context analysis is considered. ING assesses the risk materiality in a view of the value chains' portfolio, as the maximum across the three dimensions (max of negative impact and context analyses). Where possible, the assessment is enhanced by the use of internal data sources and scenario analyses. See 'Technical notes to the double materiality assessment' for more details on the approach.

For opportunities, magnitude reflects financial and non-financial implications potentially leading to gains or decreased costs, such as energy costs. This assessment has been performed across the 'use of own resources' (extent to which ING uses its resources to pursue a specific opportunity as a result of a certain sustainability matter evolution) and 'reliance on relationship' (potential reputational and financial gains from meeting commitments and adapting ESG standards, while attracting investors and clients looking for credible sustainable investment options) dimensions. The likelihood reflects the time horizon as described above. These assessments result in combined scores ranging from minimal (1 = very low) to critical (5 = very high). Each combined score is assessed using the conversion matrix below, where a sustainability matter is deemed material if it scores as 'critical' or 'significant'.



[1] See 'Technical notes to the double materiality assessment' for more information on the relevant sustainability matters per value chain.

Validation of the outcome through stakeholders' engagement

To validate the outcome of our double materiality assessment, we engaged with our key stakeholders. We asked them or their representatives to validate our identified material IROs, where validation refers to whether our stakeholders recognise the outcome or are missing a topic. We identified two main stakeholder groups: affected stakeholders and users, hereafter collectively referred to as 'stakeholders'.

Per stakeholder group, sessions were organised to discuss ING's DMA methodology and preliminary results, to answer questions and collect feedback. The stakeholders shared their views through surveys or in-depth interviews. The sessions were conducted by our stakeholder engagement team and subject-matter experts, according to a standardised approach, presenting predefined questions on the soundness of preliminary results, completeness and different time-horizon perspectives. In the case of interviews, the minutes were confirmed with the stakeholders following the meetings to ensure a common understanding and accurate interpretation of the discussion.

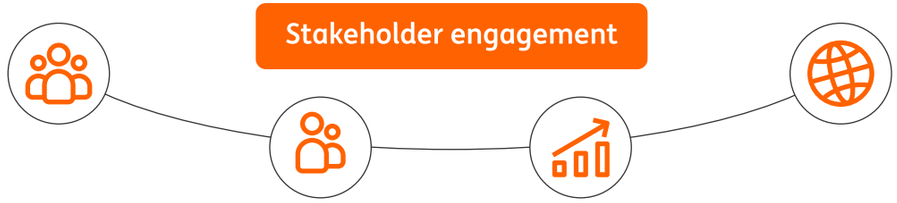
Proxies were used to cover the views of stakeholders when direct engagement was not feasible. For instance, NGOs were invited to represent affected communities and silent stakeholders like nature and biodiversity. For our private customers, the evaluation of internal and publicly available data has been used to cover their views. The right side of this page summarises our key stakeholders and how the engagement took place.

Stakeholders reviewed our approach, evaluating the suitability of the data used and assessing the significance and scale of the results. We carefully analysed the feedback provided, considering factors such as recurrence, consistency, strength, supporting evidence, and relevance of the arguments. In interpreting the feedback, we looked for patterns, such as similar feedback from different stakeholder groups or repeated comments. Additionally, we prioritised fact-driven substantiation. References were cross-checked with credible sources and discussed with subject-matter experts.

An example of stakeholder engagement was the expectation, of certain stakeholders, that Workers in the value chain (S2) and Affected communities (S3) would be concluded as material, given the importance of these topics in our due diligence process and policies guided by international standards and guidelines. However, after carefully considering this feedback, we decided not to change the DMA outcome, as ING has limited exposure to sectors vulnerable to human rights issues[1]. We recognise the importance of these topics as salient human rights issues and will continue to report on them in our human rights report.

Approval by the management boards and Supervisory Board

The outcome of the DMA was communicated to all relevant stakeholders and value-chain segment owners. Following endorsement, the DMA received approval in accordance with 'Our sustainability governance', specifically through approval of the methodology by the ESG Risk Committee and approval of the outcome by the management boards and the Supervisory Board.



Our people

- Full-time and part-time employees

Engagement

- Direct engagement via workshops with a random selection of employees
- Via proxies – sessions with European and local works councils

Feedback approach

- Surveys
- Interviews

Focus areas

- S1 and G1

Our customers

- Private Individual clients
- Business Banking clients
- Wholesale Banking clients

Engagement

- Retail customers via proxies – evaluation of customer complaints and publications from customer protection offices
- Business Banking and Wholesale Banking clients – via proxies – session with ING's WB and BB sector experts

Focus areas

- All ESRS topics

Investors

- Investors

Engagement

- Direct via sessions with investors and investor associations

Focus areas

- All ESRS topics

Society

- Nature, biodiversity and climate
- Workers in the value chain
- Local communities
- Governments and regulators

Engagement

- Directly via sessions with NGOs, which serve as proxies for nature, biodiversity, climate, and workers in the value chain
- Via proxy sessions with ING experts on supervisory, public and regulatory affairs

Focus areas

- Nature, Biodiversity and Climate – E1, E2, E3, E4 and E5
- Workers in the value chain and local communities – S2, S3 and S4
- Governments and regulators – all ESRS topics

[1] Materiality is based on ING's portfolio composition and sectoral distribution, compared to the overall portfolio

Reporting on the material impacts, risks and opportunities

For each material sustainability matter, ING reviewed the associated disclosure and application requirements included in the ESRSs. In preparation of the 2024 Sustainability Statement, ING disclosed the applicable mandatory information that is relevant and material to meet the objective of the disclosure requirements. In addition, certain disclosure requirements have been omitted as they are not applicable in the first year(s) of reporting. See the 'Reference index' for more details.

Internal controls over sustainability reporting

At ING we have integrated our sustainability-related risk management and internal controls into our existing Enterprise Risk Management (ERM) framework and three-lines-of-defence model. See our 'Risk management framework' for more information. With this approach we aim to strengthen the governance and controls over sustainability disclosures, aligning them with financial and non-financial risk oversight.

The process for preparing the Corporate Sustainability Reporting Directive (CSRD) sustainability statement is aligned with the annual integrated reporting process and governance. The information in ING's Sustainability Statement is inherently subject to the risk of material misstatement, for example due to human error, inadequate controls including in respect of third parties and/or fraud. ING has therefore implemented several mitigating measures to manage identified risks.

The table below presents an overview of the impacts, risks and opportunities including insights on the location of these IROs in our value chain, the respective time horizons, and the affected business models.

IRO type	Material impacts, risks and opportunities	Location in Value Chain: Upstream	Location in Value Chain: Own operations	Location in Value Chain: Downstream	Time horizon: Very short-term	Time horizon: Short-term	Time horizon: Mid-term	Time horizon: Long-term	Affected business model
	Environmental								
Climate change (E1)									
Negative impact	as a result of lending to clients operating in high-emitting sectors and the financing of non-energy efficient properties (Climate change mitigation).			■	■	■	■	■	Private Individuals, Private Banking, Wholesale Banking, Business Banking
Risk	▪ of potential (non) financial losses from client defaults and reduced collateral values as a result of the transition to a low-carbon business model or economy (Climate change mitigation); or ▪ of potential financial losses due to the increased likelihood of client defaults and non-performing loans as a result of physical climate effects. These may occur in the form of acute event-driven occurrences, such as storms and floods as well as chronic long-term shifts and trends, like rising sea levels and temperatures (Climate change adaptation).			■	■	■	■	■	
Opportunity	is defined as ING's publicly disclosed voluntary commitments to support the climate transition of our clients (Climate change mitigation).			■			■	■	
Biodiversity (E4)									
Negative impact	as a result of lending to clients whose operations cause irreversible damage to the state of species.			■	■	■	■	■	Wholesale Banking
Risk	can materialise following the severity of a negative impact and can result in reputational- and financial losses.			■			■	■	
	Social								
Own workforce (S1)									
Negative impact	as a result of employees being exposed to unrealistic workloads and expectations and ING perpetuating gender inequality, sustaining pay gaps and failing to adequately prevent violence and harassment, which may diminish the wellbeing of our workforce, especially among vulnerable groups such as women and minorities.		■		■	■	■	■	Own operations
Positive impact	as a result of upskilling employees with new competencies and knowledge and exposing them to a work environment with diverse teams.		■			■	■	■	
Risk	Risks recognised primarily arise from the materialisation of negative impacts which might lead to reputational and turnover risk. Risks may also pertain to the employment and inclusion of persons with disabilities. For instance, failing to provide adequate workplace accessibility could result in reputational damage.		■		■	■	■	■	
Consumers and end-users (S4)									
Negative impact	as a result of not providing access to quality information, ensuring social inclusion, and ensuring privacy towards our clients, which might harm customer wellbeing, damage our reputation, and expose us to financial losses and regulatory risks.			■	■	■	■	■	Private Individuals, Private Banking
Risk	arising from the materialisation of the identified negative impacts.			■	■	■	■	■	
	Governance								
Business conduct (G1)									
Risk	of financial loss, regulatory fines, and reputational damage resulting from infringements of our corporate culture, instances of bribery and corruption, and failure to protect whistleblowers.		■		■	■	■	■	Own operations

Our sustainability governance

At ING, we have integrated sustainability into our existing governance. For details about the full function of governance bodies and the composition of our Supervisory Board (SB), Executive Board (EB), and Management Board Banking (MBB), including their roles, expertise, and remuneration, see the 'Our leadership and corporate governance' section. The remainder of this section will elaborate on the governance around sustainability.

The Supervisory Board

In 2022, we established an ad hoc ESG committee assisting the SB with regards to matters relating to ESG, including, but not limited to, the development and integration of ESG across the company and its strategy, and the ratification/ discussion/ adoption of new and updated key policies, among others, related to business conduct.

During 2024, given the dynamic and continuously evolving nature of ESG, the ESG committee was established as a permanent committee. The ESG Committee meets on a quarterly basis and consists of at least one member of each of the other committees. When disclosure or controls topics are on the agenda, the ESG Committee is always combined with the Audit Committee (AC).

The management boards

ESG is a regular subject on the agenda of ING's management boards (the EB and the MBB), in their capacity of day-to-day management of the business and as part of their responsibility for ING's long-term (ESG) strategy. ESG-related matters, the related impacts, risks and opportunities and their effect on our strategy are intertwined in many other discussions and topics discussed by the EB and the MBB. These meetings generally take place on a weekly basis.

As we take steps to further integrate and embed climate and other ESG actions into the business, many of the other topics on the management boards' regular meeting agendas have a sustainability angle. This means that the management boards are discussing and taking decisions on ESG-related topics on a frequent basis. This includes the review and approval of new and updated key policies, among others, related to business conduct. More information on the role of the EB and MBB is described in the relevant charter on ing.com.

Senior management governance

ESG Risk Committee

The ESG Risk Committee (ERC) is responsible for ensuring the execution and delivery of any ESG risk-related matter discussed by the Supervisory Board or its committees and serves, within its competences, as a technical (content-related) adviser. Members have practical insight into strategic and operational issues and are able to align between functional and business issues. The ERC serves as a planning body for ESG risk priorities and advises on the approval of all material ESG risk-related items.

Disclosure Committee

The Disclosure Committee, which comprises various members of senior management, business and risk representatives, advises the Boards in fulfilling their responsibilities with respect to ING's disclosure obligations and activities. It aims to ensure that external presentations including sustainability information of ING are reviewed prior to public release.

Business governance

Wholesale Banking

ING established the Wholesale Banking Sustainability Steering Committee in 2022. The committee's main purpose is to assign clear ownership, accountability and resources within Wholesale Banking (WB) and relevant support functions to help set and implement WB's sustainability commitments. The committee steers and owns the ESG key performance indicators within WB and sets the WB sustainability strategy, among others, the sector targets and the associated sector-based transition plans.

Retail Banking

For Retail Banking, which from a governance and organisational perspective includes Private Individuals, Business Banking and Private Banking, the development of new and innovative sustainable products, and the progress of lending portfolios towards climate goals are steered through various councils e.g. our Net Zero Housing Committee and the Business Banking ESG Council, which cascade responsibilities to the relevant experts and country teams as needed. Sustainability leads in major countries also have a functional line to the global head of Sustainability to create a stronger connection between global and local activities.

Environment

ING aims to play a leading role in accelerating the transition to a low-carbon economy and contribute to halting and reversing nature loss, because it matters to our company, our customers, society and the environment.

As detailed in the General information section, the double materiality assessment has identified as material sustainability matters within the following topical ESRS related to 'Environmental':

- E1 Climate change
- E4 Biodiversity



Climate change

Our climate is changing due to the release of greenhouse gas (GHG) emissions into the atmosphere. Our climate action activities are focused on the three areas where we believe we can make the greatest impact: helping to drive down emissions to meet the global goal of net zero by 2050; building up the financing of the new technologies and sustainable systems of the future; and finding ways to enable people to play their part in the transition. For ING, climate adaptation is essential to reduce vulnerability against the physical impact of climate change. We work on reducing those risks by financing the required adaptation of our clients and communities.

Identified impacts, risks and opportunities

This section elaborates on the material impacts, risks and opportunities (IROs) associated with climate change, and how these factors interact with and influence ING's strategy and business model. Climate change mitigation and climate change adaptation are concluded material for our Wholesale Banking (WB) and Business Banking (BB) value chains, and for our Private Individuals (PI) value chain (real estate lending).

The IROs, as further explained in this section, are managed in several ways by ING. We start by explaining our sector transition plan, which focuses on transitioning the most carbon-intensive sectors towards net zero, followed by other policies and guidelines we have in place. Where our sector transition plan mainly addresses our negative impacts and risks, it can also create opportunities. With our other policies and guidelines, we address our negative impacts and risks, as well as our opportunities.

Climate change mitigation

Climate change mitigation refers to the process of reducing GHG emissions and holding the increase in the global average temperature to 1.5 °C above pre-industrial levels, in line with the ambition of the Paris Agreement[1].

Negative impact on climate change is a result of lending to the most carbon-intensive sectors via our lending book. Emissions from these sectors might lead to an increase in average temperatures and potentially to more extreme weather events over the long term, unless companies and properties effectively transition to becoming net zero. For our lending book, we have identified the following negative impacts:

- Wholesale and Business Banking lending: Negative impact arises from financing operations/projects in high emitting sectors.
- Real estate lending: Properties with poor energy performance are considered a high negative impact in the short and medium term, where all non net-zero properties are associated with a material negative impact in the long term. Assessment of negative impact relies on the Energy Performance Building Directive (EPBD).

Risks on climate change mitigation materialise in the form of transition risk, which can lead to financial challenges for ING's clients and potential losses for ING through customer defaults and reduced collateral values. For our lending book, we have identified the following potential financial risks:

- Wholesale and Business Banking lending: Transition risk for high-emitting companies can arise from efforts to reduce GHG emissions through the adoption of new technologies and retrofits, as well as from the additional costs associated with carbon pricing for indirect emissions.
- Real estate lending: Change in energy prices and EPBD IV implementation can have a negative impact on customer income, payment discipline, and eligibility for property renovation financing.

Additionally, failing to comply with applicable laws and regulations, and the inability to mitigate this risk, may result in reputational damage, legal and regulatory sanctions, and/or financial loss.

Opportunities are identified in alignment with ING's publicly disclosed voluntary commitments to support the climate transition, such as our aim to increase our Wholesale Banking volumes mobilised, our ambition to fund the transition to a low-carbon economy via our green funding framework and our Terra approach through our renewable financing ambition.

Climate change adaptation

Climate change adaptation refers to the process of adjusting to actual and anticipated climate change and its impacts. It is intrinsically linked to physical risk, as it involves implementing strategies to manage and mitigate the effects of climate-related physical events.

Physical risks can arise from acute, event-driven occurrences, such as storms and floods, as well as from chronic, long-term shifts and trends, like rising sea levels and temperatures. These risks increase the likelihood of defaults and non-performing loans, exposing ING to financial vulnerabilities through various transmission channels, including but not limited to:

[1] As per ESRS definition

- Residential real estate lending:
  - Frequency and intensity of extreme events affecting clients' real estate may lead to write-offs, asset devaluations, early retirement of existing assets, and a potential reduction in the availability of insurance for assets in high-risk locations.
  - Impairment of borrowers' abilities to service their loan payments, as well as eligibility for property renovation financing due to financial distress caused by natural disasters.
- Wholesale and Business Banking lending: Infrastructure damage, operational interruptions, increased operating costs, reduced revenue due to fall in customers demand, impact on the availability of raw materials, damage to production facilities, claims from third parties and higher insurance costs may result in unexpected expenses and significant losses. Consequently, this can lead to reductions in income and profits for borrowers, affecting their ability to repay loans. The loss of income and higher insurance premiums may increase the risk of client default.
- Governments: Income effects from physical risk events may primarily arise through tax and spending channels. Lower tax revenues may result from impaired corporates, reduced household income, and an overall reduction in output. Higher government spending is likely to take place to address – and partly compensate for – negative economic impacts, and cover adaptation costs. As a result, sovereigns, including subnational institutions, could be confronted with higher borrowing costs or limited access to debt markets.

Financial effects and resilience of ING's strategy and business model

For the identified risks we have two approaches to determine our current financial effects, more explicitly for physical risk and transition risk. Currently, it is not yet possible to fully incorporate climate risk separately into IFRS 9 ECL models given the lack of sufficient empirical historical data and data limitations in the risk assessments on client level. However, ING has taken next steps in 2024 to more explicitly cover for climate-risk drivers in loan loss provisioning. See our 'Risk Management – credit risk' section regarding loan loss provisioning for more information.

- For physical risk, we base our current financial effects on actual events that took place during the reporting year. In 2024, a provision was recognised in Spain due to payment holidays provided for customers with collateral or activities in the areas impacted by the severe floods in the Valencia area.
- For transition risk, we updated our provisions methodology applying a management adjustment, capturing the expected credit losses of our current business client portfolio.

For the anticipated financial effects, ING is making use of the phased-in requirements and only discloses the EBA Pillar III ESG information where applicable and compatible with the ESRS. Template 5 is used to provide insights on the consolidated level of sensitive exposures to physical risk and template 2 provides insights into our real estate portfolio and the energy efficiency of the related collaterals – both templates are included in the 'Appendix to the Executive Board report' together with the scope of our resilience analysis.

With regards to the exposures to physical risk, ING takes a proactive approach in managing and monitoring the identified risk. Lending criteria on material physical risk requires mandatory credit risk mitigations, either through insurance or alternative credit risk mitigations. These include collecting additional data during the underwriting process proving risk adaptation, controlling financed amount or even rejecting the asset where neither physical risk can be proven or other mitigation can be applied. For commercial and residential real estate assets it is mandatory to have material hazards (by jurisdiction) incorporated in the current market value of the property.

Transition risk refers to an institution's financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. This could be triggered by a relatively abrupt adoption of climate and environmental policies, technological progress or changes in market sentiment and preferences. Sectors with high GHG emissions will likely incur significant capital expenditures during the decarbonisation process, along with additional indirect costs from their suppliers' decarbonisation efforts. Demand for carbon-intensive products and technologies may also contract.

Being part of a high-emitting sector does not necessarily mean inevitable default in a decarbonisation scenario. Adhering to regulatory expectations for structured transition planning and avoiding the stigmatisation of economic sectors, combined with sound risk management practices, suggests that these sectors might not disappear entirely. We believe that some of the best companies within these sectors could successfully transform. The general logic of ESRS suggests that material transition risk is closely tied to assets that could become stranded in a rapid decarbonisation scenario. For banks, this primarily means defaulted loans. We believe that a three-year period is too short to account for defaults caused solely by borrowers' failure to transition. For longer horizons, classifying all exposure to carbon-intensive sectors as potentially stranded assets is overly conservative. A bottom-up approach to transition risk assessment is underdeveloped due to the challenges in predicting long-term financials and collection of transition plans.

Transition risk also refers to the need to upgrade the energy efficiency of real estate objects we finance. It is important to note that the translation of EPBD IV into national laws of EU member states is expected in May 2026. Until then, regulatory uncertainty remains high, which prevents the establishment of a direct link between an EPC label or primary energy demand of real estate objects and a respective level of transition risk. For more details, see our transition plans for the commercial and residential real estate sectors. We understand that regulatory pressure caused by high environmental impact is already influencing several economic sectors (e.g. aviation and automotive). Additional regulation in the future could follow, but its impact is not yet known. For the mid-term, we consider transition risk to be significantly covered by our Terra approach, which addresses the majority of emissions-intense sectors in ING's Wholesale Banking loan book.

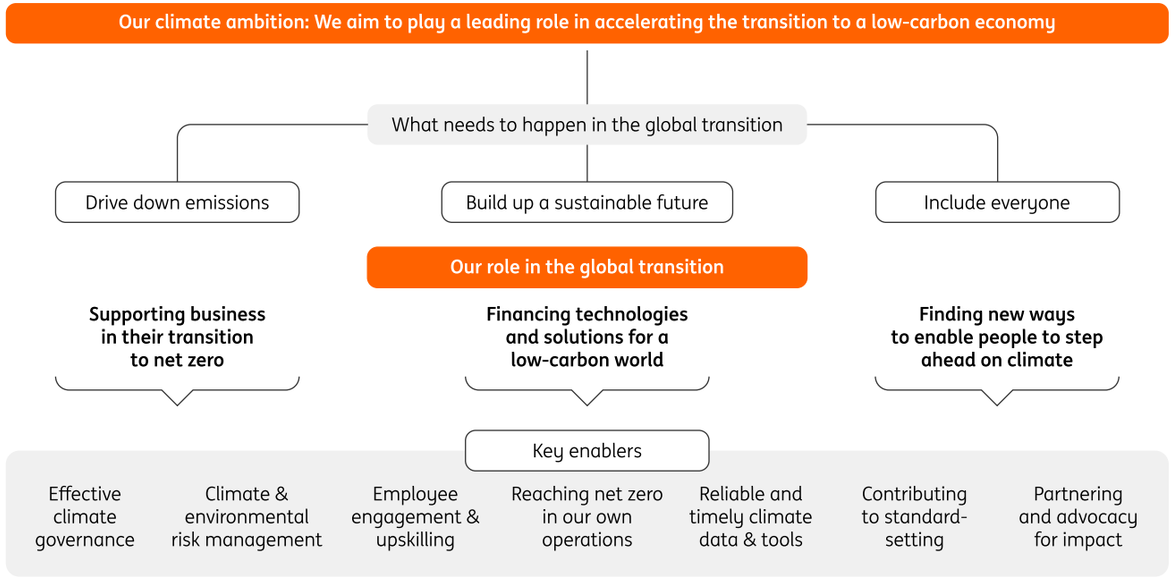
ING continued improving on the dedicated methodology for climate stress testing that focuses on assessing the impact of climate risks on corporate and mortgage exposures from a credit risk perspective. The climate stress-test methodology is built upon the regular stress-test methodology already in use for other purposes (e.g. ICAAP stress test, EBA stress test) and adds specific overlays catering for the impact of transition risk and physical risk. For more information, see 'Environmental, social and governance risk'.

Through our opportunities, we are committed to supporting our clients in their sustainable transition through our product offering and through providing 'green' funding. The current financial effects of these opportunities are measured based on ING's publicly disclosed commitments and the progress towards those commitments, rather than measuring the financial effects of these product offerings. For our commitments and progress on these commitments, see the power sector in our 'Terra transition plan' for renewable power generation and the 'policies, actions and performance' section for volumes mobilised and green funding framework.

Our transition plan

At ING, putting sustainability at the heart of what we do is one of the core pillars of our strategy. Climate change is one of the world's biggest challenges, threatening societies as we know them today. We want to play our part in the low-carbon transition that's necessary to achieve a sustainable future. We aim to steer the most carbon-intensive parts of our portfolio towards meeting global climate goals and working with clients to achieve their own sustainability goals.

Our ambition is to help accelerate the transition – because it matters to us as a bank, to our clients and to society. Our activities are focused on the areas where we believe we can make the greatest impact. For more information on our strategy, see 'Sustainability at the heart'.



Approach to the transition plan

With the Terra approach, ING measures the emission intensities of clients active in the most carbon-intensive sectors, except for upstream oil & gas which we steer on financial exposures. This information helps us to benchmark our clients' activities against the relevant decarbonisation scenarios per sector. In addition, we started collecting information from Client Transition Plan (CTP) assessments in our Wholesale Banking portfolio. This increase in data availability will support us in gathering additional insights for the sector-based transition plans and enable us to engage more effectively with clients in strategic discussions about their transition strategies and identifying opportunities to support them with tailored advice, financing and investments solutions.

By engaging with our clients using this information, we steer our lending portfolio and support them in their transition, helping them to drive down the emissions caused by their business activities and financing the change that is needed. Additionally, by measuring the absolute financed emissions, where data is available, we perform hotspot analyses to monitor the ultimate impact of our lending book, identifying risks and opportunities, and defining next steps for expanding the scope of our Terra approach.

As each sector is unique, so is our approach and the way we steer these sectors. To sharpen our sector-specific strategies and approach to the net-zero targets, we have developed sector transition plans. These plans, first published in our 2023 Climate Report, align with the recommendations from the Glasgow Financial Alliance for Net Zero (GFANZ) Transition Plan Framework and fulfill our Net Zero Banking Alliance (NZBA) commitment to be published within 12 months of setting net-zero targets for a sector.

In the next section on 'Our Terra approach', we outline the targets and performance of the sectors for which we developed transition plans, along with the challenges we observe and the actions we advocate for from other stakeholders, to transition to a low-carbon economy. Currently we have transition plans in place for 10 sectors, where the plan for residential real estate is under refinement, while for aluminium and dairy the transition plans are under development.

Our commitment to net zero and our transition planning were approved and overseen by ING's management boards, who also have the responsibility for the global ambition-setting and oversight of our Terra approach.

Resources for our transition plan

As a bank, we primarily support our clients' transition through our lending activities – which is how we implement our own transition plan. We leverage our internal planning process to integrate climate considerations into our business planning by setting boundaries through Risk Appetite Statements, setting specific sustainability targets through KPIs, and rolling these out throughout the organisation. This supports us to stimulate the lending activities aligned with our sustainability strategy and limit lending activities that do not fit our climate risk appetite.

More reliable and timely data and tooling is one of the key enablers for our climate approach. It allows us to make better decisions by more accurately assessing impacts, risks and opportunities. It drives our client engagement, risk management assessments, Terra measurements and our reporting of our progress. The success of our Terra approach therefore depends on data availability and data quality.

Embedding client alignment into our decision-making

In Wholesale Banking, we started embedding client alignment into our decision-making, with the goal of steering the most carbon-intensive parts to net zero and supporting our clients in transitioning to a low-carbon economy. As such, we strive to align our business decisions with our sustainability strategy and incorporate climate considerations into our core processes – embedding climate action into the heart of our business.

To assess potential new transactions from a climate-alignment perspective, we introduced mandatory Terra- and climate-related questions into our Wholesale Banking commercial business-approval process. This process facilitates the consideration of what role ING can play from a sustainability perspective in any new deal assessment. This process was expanded in 2024, as we further incorporate climate and overall ESG-alignment into our decision-making. We've created a data-driven ESG risk assessment of our clients and transactions. Among other considerations, this takes into account the climate alignment of the client against science-based pathways as set out in our Terra approach. We also assess the ambition of clients' transition plans and their financial capability to act on that plan. Where we perceive high transition risk of the client or activity, we escalate our decision-making to the Environmental & Social Risk (ESR) team. We also set a Climate Risk Appetite Statement and establish specific metrics to manage high-risk clients in sectors with the highest GHG emissions. For more information, see our 'Policies, actions and performance' section.

We have also introduced internal quarterly and annual climate alignment benchmark values per sector. This supports our intermediate 2030 targets and allows us to regularly measure how we're progressing.

Our client engagement starting point continues to be inclusion-first, based on the conviction that we can make the most impact by helping clients – especially the carbon-intensive ones – to transition their businesses. To further support our client engagement, we have developed an online tool called ESG.X to collect clients' publicly disclosed data on their climate transition plans, including their current emissions, targets, commitments, action plans and how the plans are governed and embedded in their business strategy. We began with Wholesale Banking clients in scope of our Terra approach and our largest clients, collecting plans of around 2,000 clients. Since 2023, we have started assessing these plans, resulting in a Client Transition Plan (CTP) score per client which can be Advanced, Moderate or Low. This provides us with a more forward-looking understanding of our clients' actions towards reducing their GHG emissions.

In 2024, we started to use the CTP assessments to inform our discussions with these clients to better understand their plans and enrich our data with qualitative information. These data-driven client engagement discussions are supported by a new Sustainability Client Engagement toolkit and training for client-facing teams in Wholesale Banking to establish consistency when tracking progress and providing support for clients in their transitions.

Through these CTP disclosure assessments and the more strategic engagement with our clients, we will have more robust proof of our clients' progress. For those clients that remain unable or unwilling to progress, we intend to apply stricter credit conditions on the type of business we want to do with them, or cease financing.

Our Terra approach

ING's integrated climate approach considers how we can mitigate climate change through our lending activities as well as how climate change may adversely impact our business. Our Terra approach is based on three main principles: (1) impact-based, (2) climate science-based, (3) engagement-driven. Our transition plan, guided by our Terra approach, is portfolio- and sector-focused. It measures how our most carbon-intensive clients have progressed against their sector net-zero pathways, as well as the progress in net-zero alignment of our portfolio on a sector and portfolio level. This approach allows us to set decarbonisation targets and identify the corresponding actions for each sector to manage the transition risks of our balance sheet. For details about the process of identifying our transition risks and the corresponding policies, see the 'Policies, actions and performance' section.

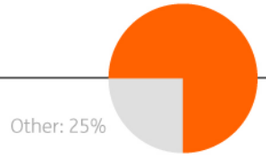
Target setting and portfolio steering

We use financed emissions as a hotspot analysis to prioritise high-emitting sectors, after which we select the science-based scenario. We then focus on the parts of the value chain the scenario prescribes to ensure the largest impact in driving down emissions and set targets based on methodologies developed with peers and experts determining which products to take in scope. The visual below presents per sector what part of the value chain we focus on, and how this relates to the world emissions, showing that we focus on the high emitting sectors.

We prioritise the sectors that cover the majority of the world's emissions. ▶ **We select the parts of the value chain that are most impactful in driving down emissions.**

World CO_2 emissions (IEA WEO 2024)

Electricity and heat	40%
Transport: Road - passenger cars	8%
Industry: Iron and steel	7%
Industry: Cement	6%
Buildings: Residential	5%
Transport: Aviation	2%
Buildings: Services	2%
Transport: Shipping	2%



Other: 25%

Power	Power generation	Distribution	Electricity offtakers			
Oil & gas	Upstream	Mid- & downstream	Trading			
Cement	Suppliers	Production	Recycling			
Steel	Mining iron	Transport	Production	End-users	Recycling	
Automotive	Suppliers	Producers	Dealers	Maintenance	Recycling	
Aviation	Suppliers	Airplane manufacturers	Airline services			
Shipping	Suppliers	Ship builders	Ship operators/owners	Recycling		
Commercial real estate	Suppliers	Construction	Owners	Maintenance	Recycling	
Residential real estate	Suppliers	Construction	Home owners	Maintenance	Recycling	

Scenario selection, target setting and metrics measurement

As part of the selection process, and to align our lending portfolio with net zero, we check whether there is an available International Energy Agency (IEA) NZE scenario or other relevant scientific 1.5°C scenarios from recognised institutions. These scenarios determine what net-zero targets should be set for specific sectors in the real economy. We use the most recent scenarios at the time of target setting.

When setting the reporting boundaries, the emissions scope used in the baseline is consistent with the scope used in the reporting year. The specific boundaries of the activities that we cover per sector are defined by the methodologies adopted and the available scientific scenarios. For each of the sectors in scope, the benchmark scenarios are translated into convergence pathways that reflect the alignment of ING's portfolio with the global climate objectives on sector level. These are the basis for setting intermediary targets for 2030, and ultimately converge towards net zero by 2050.

We calculate the alignment metrics using the latest available emissions data (in general from 2023) obtained from our data providers against the financial data as of year-end 2024. Unlike financial data, which is available internally, emissions data relies on external sources and generally have a time lag. For shipping and aviation sectors, we use both asset emissions data and financial data as of year-end 2023, because the sectoral methodology requires an alignment of reporting period between them.

When measuring our lending portfolio alignment, we do not use any offsets, nor do we plan to use them to achieve our Terra approach targets in the future. Our data providers also do not account for offsets in measuring ING's clients' climate performance.

Our commitments, targets, baselines, calculation methodologies and alignment approach may be subject to change due to international agreements, regulations, data availability and quality, pathway availability, methodology updates, changes (or lack thereof) in public policy and government action and/or other developments affecting our clients, the sectors in which they operate or society as a whole.

We steer our portfolio based on emission intensity

When setting up the transition plans in scope of our Terra approach, we apply what we consider to be the best-fit methodology for each sector to measure and steer our loan book. Based on the sector methodologies, we set our emissions intensity or alignment delta targets (except for upstream oil & gas where we steer on our financial exposure). As a financial institution, our primary role is to provide financing to our clients and their activities. While financed emissions offer valuable insights for our hotspot analysis, they do not enable effective portfolio steering unless through divestment. To leverage our role as a bank, we focus on measuring and steering our portfolio based on emissions intensity, allowing us to engage meaningfully with companies and support their transition efforts.

In practice, a calculation of ING's financed emissions associated with the emission-intensity targets would require multiple assumptions of our counterparties' projected GHG emissions, the value of the counterparty, ING's client and asset selection, and ING's overall size and composition of the balance sheet. In a situation where these assumptions and the profile of ING's balance sheet remain fully stable, the financed emissions would change in accordance with the change in emission intensity. It should be noted that this is a hypothetical situation. Hence, rather than steering on an absolute volume of GHG emissions, ING steers its transition plan on the basis of the emissions intensity of its counterparties.

Difference between intensity metrics and financed emissions

As a financial institution, we finance economic activities which we present as our outstandings. For the calculation of the intensity metrics (Terra) and the calculation of the financed emissions, we have different financial products in scope, and with Terra we focus on specific sectors and high-emitting clients. For more information see 'Technical notes to the sector transition plan'. Financed emissions includes the on-balance lending products term loans, revolvers and leases, in accordance with the Partnership for Carbon Accounting Financials (PCAF) methodology.

Our sector transition plans

Our Terra toolbox, as shown below, is a summary of our approach per sector. For definitions and other details, see the 'Appendix to the Executive Board report'. In the following sections, we provide an overview per sector on the challenges we observe and which actions we deem necessary from society, our performance and our own actions.

Terra toolbox

		2024						Baseline		2024		Target	Reference value
Sector		Outstanding in scope (EUR billion)	Methodology used to measure the portfolio	Scope covered	Financial products covered	Metric	Scenario/pathway for 2030 target	Year	Portfolio value	Portfolio value	Distance to IEA 2030 convergence metric[3]	2030 Target vs. Baseline	1.5 °C aligned reference value (2050)[1]
Power generation		11.5	PACTA	Scope 1	On-balance term loans and revolvers	kg CO_2e / MWh	IEA NZA (WEO, 2023)	2018	297	63	-4%	-78% -100% (by 2040)	n/a
Oil & Gas	Upstream	1.0	PACTA Credit Application Paper	Scope 1, 2 and 3	On-balance term loans and revolvers	Outstanding amount (€ million)	IEA NZE (WEO, 2023)	2019	3,986	1,001	-61%	-35% -100% (by 2040)	n/a
			PCAF			Absolute emissions (million t CO_2e)	IEA NZE (WEO, 2023)	2019	99	11	-78%	-50%	n/a
	Mid- and Downstream	7.4	Convergence approach	Scope 1, 2	On-balance term loans and revolvers	kg CO_2e / boe	IEA NZE (Emissions from Oil and Gas Operations in Net Zero Transitions, 2023)	2022	19.2	19.1	31%	-24%	-100%
Cement		0.7	PACTA	Scope 1, 2	On-balance term loans and revolvers	t CO_2 / t cement	IEA NZE (WEO, 2023)	2020	0.734	0.688	33%	-29%	-97%
Steel		2.0	Sustainable STEEL Principles	Scope 1, 2, parts of Scope 3	On-balance and off-balance lending products	SSP Alignment score	IEA NZE (WEO, 2021) and Mission Possible Partnership's Technology Moratorium	n/a	n/a	0.83	n/a	0	0
						t CO_2 / t steel	IEA NZE (WEO, 2021)			1.93	32%	n/a	n/a
Automotive		4.0	PACTA	Scope 3 (Cat.11)	On-balance term loans and revolvers	kg CO_2 / vkm	IEA NZE (Net Zero by 2050, 2021)	2020	0.199	0.146	45%	-49%	-98%
Aviation		4.1	Pegasus Guidelines	Scope 1 and parts of Scope 3	Committed amounts of on-balance term loans and revolvers	g CO_2e / RTK	MPP PRU	2023	844	844	33%	-19%	-100%
Shipping		8.6	Poseidon Principles	Scope 1	Loans and guarantees secured by vessels	Alignment delta	DNV 1.5°C Initiative	n/a	n/a	-7.6%	n/a	0%	0%
Commercial real estate		26.2	PCAF, CRREM	Scope 1 and 2[2]	Loans secured by income generated assets	kg CO_2e / m^2	CRREM 1.5° C GHG pathways (based on IEA NZE)	2022	39.2	39.5	131%	-56%	-98%
Residential real estate		294.3	PCAF, CRREM	Scope 1 and 2[2]	Mortgages secured by assets	kg CO_2e / m^2	CRREM 1.5° C GHG pathways (based on IEA NZE)	2021	39.8	37.5	n/a	n/a	n/a

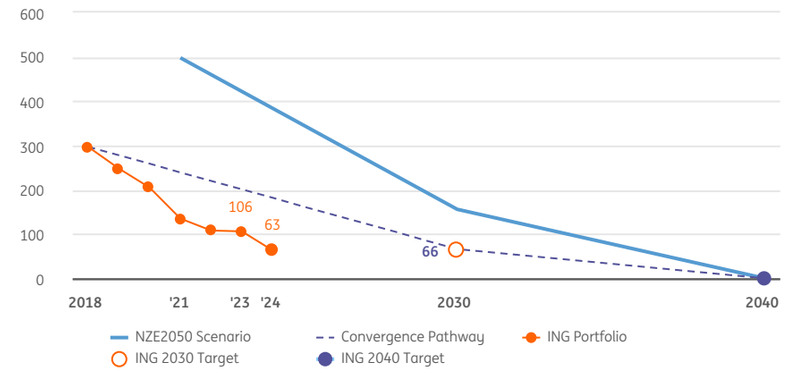
1 According to the sector scenario/pathway.
2 For the emissions scope, we follow a whole building approach including the electricity consumptions of the occupants.
3 A negative value means that the reported emission intensity is ahead of the 2030 IEA convergence point, where a positive value relates to the percentage decrease we still need to achieve to meet the 2030 IEA convergence pathway.

Power generation

We expect the power-generation industry to maximise renewable energy and boost power-storage technology. Power-storage technologies such as batteries and hydrogen are critical and, where necessary, would require incentive. In addition, permits and infrastructure for carbon capture and storage on existing waste and biomass incineration plants would create negative emissions. Finally, the market should expand, strengthen and modernise power grids to prepare for increased electricity demand, increased volatility due to rapid renewable capacity build-out and extreme weather conditions.

Terra targets and performance

Power generation (kg CO_2e/MWh)



Outstanding in scope (2024)	**CO_2e intensity** (2024)
€11.5 billion	**63** kg CO_2e/MWh
Target reduction vs baseline (2030 vs 2018)	**Distance to 2030 IEA convergence metric**
-78%	**-4%**

We calculated the emission intensity based on the 2024 outstanding to clients in scope of Terra and the 2023 emission data, as 2024 emission data is not yet available. The emission intensity has improved by -41%, from 106 kg CO_2e / MWh in 2023 to 63 kg CO_2e / MWh in 2024, which is mainly due to our continuing efforts to support our clients with renewable power generation financing. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions

The product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available.

Financed emissions for this portfolio have increased by +693 kt CO_2e to 11,103 kt CO_2e for scope 1 and 2, and by +1,314 kt CO_2e to 5,728 kt CO_2e for scope 3. These changes are driven by a combination of factors including an increase in portfolio size, as well as the increase in drawdown of products covered by financed emissions for a few higher-emitting clients. See the 'Financed emissions' table for more details.

The key highlights of our action plan

In 2015, ING decided to end the financing of new coal-fired power plants and thermal coal mines worldwide. In 2017, we set a goal to bring our financing for coal-fired power plants down to close to zero by the end of 2025. The outstanding to individual coal-fired power plants remains EUR 77 million (2023: EUR 77 million). The current portfolio consists of a limited number of legacy loans and we are continuing our efforts to reduce the outstanding to close to zero by end of 2025 in line with our policies.

In 2023 we tripled our target for financing of renewable power generation to EUR 7.5 billion annually by 2025, up from our earlier EUR 2.5 billion target set in 2022. In 2024, ING committed to EUR 7 billion of new financing in renewable power generation (mainly wind and solar).

Transaction highlight: Sosteneo Infrastructure

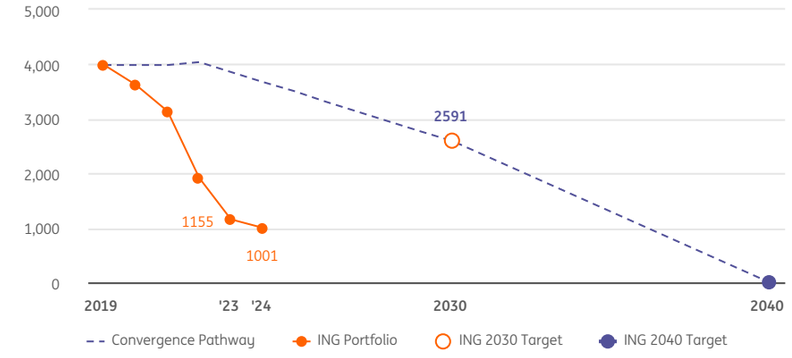
In 2024, ING acted as bookrunner/underwriter, agent, lending and hedging bank, together with other financial institutions, in granting Sosteneo Infrastructure Partners more than €900 million for the acquisition of 49 percent of the share capital of Enel Libra Flexsys. This company was set up by Enel Group to build and manage a major portfolio of assets related to energy transition: 23 battery energy storage projects for a capacity of 1.7 GW and three projects for the refurbishment of open combined-cycle gas fired power plants, for a capacity of 0.9 GW. This represents critical new infrastructure, that will provide flexibility and reliability to the Italian grid that is vital for the integration of more renewable generation. Revenues are fully contracted for 15 years through capacity agreements with Enel as well as capacity payments from Enel that are backed by Terna SpA, Italy's transmission system operator.

Oil & gas

Oil & gas accounts for about 60 percent of all primary energy consumed worldwide[1]. According to the International Energy Agency (IEA), the supply of crude oil & natural gas combusted for energy production will phase out in the net-zero emissions by 2050 scenario. Sustainable bio- and e-fuels can replace fossil fuels and the International Energy Agency says they need to make up 13 percent of the total energy supply by 2030 to achieve net-zero emissions by 2050. Alongside the reduction of the crude oil & natural gas supply (upstream), the industry – especially the mid- & downstream value chain – has to decarbonise. Reducing methane (CH_4) leaks to the atmosphere is the single most important and cost-effective way to bring down these emissions. The pace of decarbonisation of fossil fuels can be accelerated by harnessing the potential for carbon capture and storage (CCS). These steps are all important for moving towards a low-carbon future.

Terra targets and performance

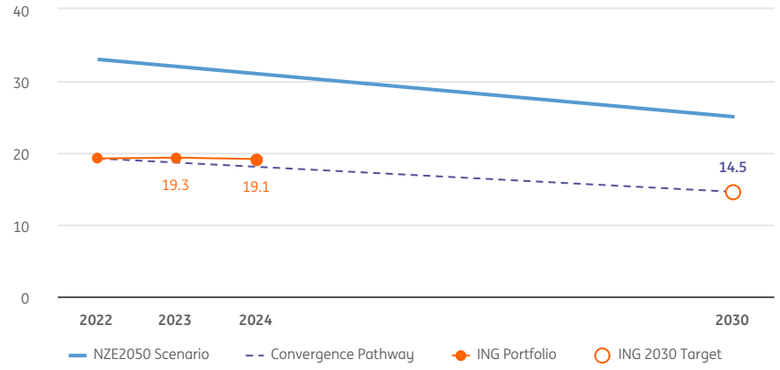
Upstream oil & gas (in EUR million)



Outstanding in scope (2024)	**Financed Emissions** (2024)
€1.0 billion	**11** Million t CO_2e
Target reduction vs baseline (2030 vs 2019)	**Distance to 2030 IEA convergence metric**
-35%	**-61%**

In 2024, our result shows that the outstandings to clients in scope of Terra has reduced by -13%, from EUR 1,155 million in 2023 to EUR 1,001 million in 2024. This is mainly driven by changes in the Terra portfolio composition during the reporting year, and our active steering of the exposure to meet our 2030 and 2040 outstanding and financed emissions targets. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Mid- and downstream oil & gas (kg CO_2e/boe)



Outstanding in scope (2024)	**CO_2e intensity** (2024)
€7.4 billion	**19.1** kg CO_2e/boe
Target reduction vs baseline (2030 vs. 2022)	**Distance to 2030 IEA convergence metric**
-24%	**31%**

We calculated the emissions intensity based on the 2024 outstanding to clients in scope of Terra and 2022 emission data, as 2023 or 2024 emission data is not yet available. The emissions intensity has improved by -1%, from 19.3 kg CO_2e / boe in 2023 to 19.1 kg CO_2e / boe in 2024, which is driven by changes in the Terra portfolio composition during the reporting year and the measured outstandings to each client in scope – noting that emissions intensity profiles vary over different parts of the mid- and downstream value chain. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions oil & gas

For upstream O&G, we steer our portfolio on both measured outstanding amounts and financed emissions. Financed emissions for this portfolio have changed by -867 kt CO_2e to 702 kt CO_2e for scope 1 and 2, and by -13,343 kt CO_2e to 10,325 kt CO_2e for scope 3. These changes are mainly driven by the reduction in portfolio size, especially for a few higher emitting clients. See the 'Financed emissions' table for more details.

For mid- and downstream O&G, the product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available. Financed emissions for this portfolio have changed by +537 kt CO_2e to 3,417 kt CO_2e for scope 1 and 2, and by +75 kt CO_2e to 16,928 kt CO_2e for scope 3. These changes are mainly driven by the increase in drawdown of products for a few higher-emitting clients. See the 'Financed emissions' table for more details.

[1] https://iea.blob.core.windows.net/assets/ed1e4c42-5726-4269-b801-97b3d32e117c/WorldEnergyOutlook2023.pdf

The key highlights of our action plan for oil & gas

In March 2022, we announced we would stop dedicated financing to new oil & gas fields (upstream). In December 2023, we announced the next steps in our energy approach, by phasing out the financing of upstream oil & gas activities by 2040.

In March 2023, we expanded our restriction to dedicated finance to connected 'midstream' (oil & gas infrastructure) activities that unlock new field developments. In September 2024, we decided to stop providing new financing for new liquefied natural gas (LNG) export terminals after 2025, as guided by the NZE2050 scenario as part of IEA's World Energy Outlook 2023. We also announced our aim to reduce the combined volume of traded oil and gas in line with IEA pathways, and to include our Trade and Commodity Finance (TCF) business in our Terra approach.

We continue to support our oil & gas clients that are investing in the production of sustainable fuel 'new energies', replacing fossil hydrocarbons to decarbonise the activities of other sectors.

ING's hydrocarbons & new energies team is focused on the value chains of three key areas:

- Sustainable fuels, comprising e-fuels and biofuels like hydrogen, ammonia, biomethane and sustainable aviation fuel (SAF). Many of these sustainable fuels avoid additional CO2 emissions as these are produced from non-fossil based feedstock, like green hydrogen or bio-waste.
- Recycled feedstock solutions for plastic production through chemical recycling (e.g. through pyrolysis). The produced hydrocarbons from this recycling process are now blended in, but can fully replace the fossil-based feedstock.
- Carbon capture and storage solutions. CO_2 capture in industrial areas and storing in depleted gas fields or aquifers.

Beyond our energy sector transition plan

Our energy strategy, which applies to our total energy outstanding, focuses on the following committed actions:

1. Phasing out lending to individual coal-fired power plants by 2025;
2. Phasing out lending to clients with activities in upstream oil & gas (O&G) by 2040; and
3. Tripling our annual commitments to renewable power generation lending to EUR 7.5 billion, by 2025.

With our Terra approach we focus on the high-emitting sectors and activities as part of the above-mentioned commitments. Our main impact comes from lending activities within our Wholesale Banking lending book. Non-lending products, such as from Financial Markets and Transaction Services activities, are for instance not directly linked to the client's business activity. Therefore these activities are not included in our Terra approach.

The following table provides an overview of our outstandings and a breakdown of the scope differences between Terra and the total energy outstanding, as managed by our Wholesale Banking sector team. Outstandings are reported in line with ING's credit risk portfolio, as disclosed in our 'Risk management' section. These portfolios are defined by industry classification codes (NAICS) for financial reporting, which are based on the primary activity of our clients.

Reconciliation Terra and total energy outstanding

in EUR billion		Scope differences			2024	2023[1]
	Terra scope	Activities	Products	Other[2]	Total	Total
Upstream O&G	1.0	0.2	0.6	0.3	2.0	2.4
Mid-and downstream O&G	7.4	2.4	5.0	0.3	15.1	14.7
Total oil & gas	**8.4**	**2.6**	**5.6**	**0.6**	**17.1**	**17.1**
Utilities & power	**11.5**	**8.6**	**3.6**	**2.2**	**25.9**	**23.5**
– of which renewables					12.5	9.7
Total energy	**19.9**	**11.2**	**9.2**	**2.8**	**43.0**	**40.6**

In 2024, we continued the reduction pathway for our upstream oil & gas lending portfolio, while the continuous growth in renewables has driven the growth in our power portfolio. This is a consequence of the strategic direction as explained at the start of this section.

During the year, we introduced the category integrated O&G, which consists of our general lending to companies active in the whole value chain of O&G (both up- and mid- and downstream). In the past we used a revenue allocation approach to allocate these companies to either up- or mid-and downstream O&G. Due to the fluctuating nature of oil & gas prices, resulting in reclassifications year-on-year, we adapted our approach and reclassified EUR 0.1 billion from upstream O&G to mid- and downstream O&G. Comparative figures have been updated to reflect this change.

Integrated O&G is part of mid- and downstream O&G, as the majority of the activities of these clients relate to mid- and downstream activities. As such, integrated O&G is steered via our mid- and downstream Terra targets. Integrated O&G client activities are being monitored via our client engagement approach. Loans dedicated to upstream activities are allocated to upstream and managed accordingly under Terra.

ING considers energy trade flows to be an integral part of the energy value chain. However, the short-term nature of trade & commodity finance (TCF) and fluctuating intra-year and year-on-year price and trade patterns present unique challenges. As of now, a methodology for aligning the financing of oil & gas trade flows with the energy-transition pathways in climate scenarios does not exist. Due to this, TCF products were not yet covered in our sector transition plans.

In 2023, we announced that we would work towards including our TCF business in the Terra approach. We have been collaborating with external experts and a consortium of banks to co-develop an emissions measurement methodology. The methodology is now finalised and undergoing stakeholder review, which we aim to apply in 2025. The table below presents our TCF exposures for both outstandings and limits to our clients.

Energy trading outstandings and limits

in EUR billion	2024	2023
Oil & gas limits	28.2	27.3
Oil & gas outstandings	11.1	12.4

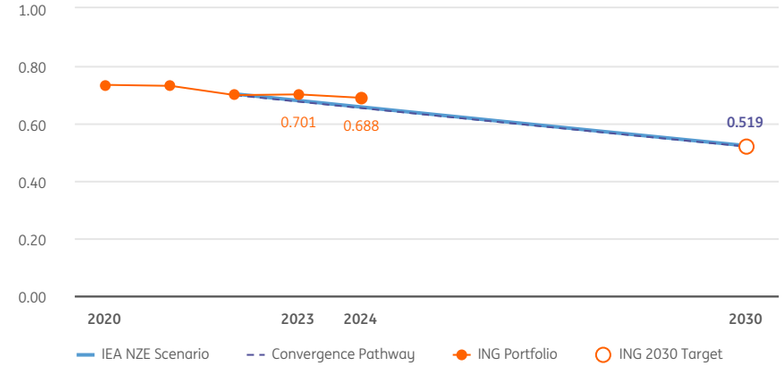
1 Comparative figures for utilities & power (excl. of battery storage) and oil & gas (integrated O&G) have been restated
2 Consists mainly of Retail (Business Banking) outstandings, not steered via Terra

Cement

For the cement industry to decarbonise, technology needs to be stimulated – such as low clinker cement, carbon capture and storage, alternative fuels and electric kilns, together with emerging technologies in material efficiency and cement recycling. More cooperation between advanced and developing economies is needed to establish effective climate policies and prevent carbon leakage.

Terra targets and performance

Cement (t CO_2/t cement)



Outstanding in scope (2024)

€0.7 billion

CO_2 intensity (2024)

0.688 t CO_2/t cement

Target reduction vs baseline (2030 vs 2020)

-29%

Distance to 2030 IEA convergence metric

33%

We calculated the emission intensity based on the 2024 outstanding to clients in scope of Terra and the 2023 emission data, as 2024 emission data is not yet available. The emission intensity has improved by -2%, from 0.701 t CO_2 / t cement in 2023 to 0.688 t CO_2/t cement in 2024, which is driven by changes in the Terra portfolio composition during the reporting year and the measured outstandings to each client in scope. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions

The product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector-steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available.

Financed emissions for this portfolio have increased by +195 kt CO_2e to 1,427 kt CO_2e for scope 1 and 2, and by +98 kt CO_2e to 473 kt CO_2e for scope 3. These changes are mainly driven by a combination of factors, including increase in drawdown of products covered by financed emissions for a few higher-emitting clients, as well as the increased coverage in the Terra portfolio. See the 'Financed emissions' table for more details.

The key highlights of our action plan

We steer our portfolio actively and focus on supporting and advising clients in their transition through dedicated sustainable finance solutions in line with market standards and recognised science-based targets for the sector. We also engage with our clients in strategic discussions about their transition strategies, in order to stay up to date with the latest technological developments and in seeking opportunities to support them with advice and tailored financing and investment solutions. In particular, we assist the transition of our clients by supporting on carbon capture, utilisation and storage (CCUS), recycling activities and alternative fuels, as these levers are crucial for the cement sector to meet climate goals.

Transaction highlight: Cemex

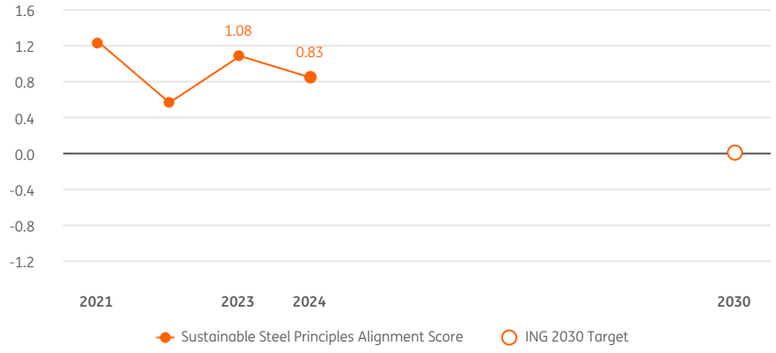
In 2023, ING acted as joint bookrunner and sole sustainability coordinator for global construction materials company Cemex in the refinancing of its $3 billion senior corporate facilities (composed of a $2 billion RCF and $1 billion term loan). Back in 2021, ING advised Cemex on the establishment of its sustainability-linked financing framework, which was updated in 2023 to reflect additional material KPIs and industry-leading sustainability targets. The Sustainable Finance Framework received a second-party opinion from Sustainalytics, which confirmed full alignment with ICMA, LMA, LSTA, APLMA principles and best-industry benchmarks. Three KPIs focused on climate action, namely: (i) scope 1 and 2 CO_2 emissions per ton of cementitious product (kgCO_2 /t); (ii) clinker factor to cementitious; and (iii) percentage of alternative fuels rate. These 2030 decarbonisation targets are validated by the Science-Based Targets initiative (SBTi) for alignment with the 1.5°C scenario.

Steel

The steel industry is recognised as a hard-to-abate sector operating within a highly competitive wholesale market. The long lifespan of its assets presents a significant challenge for industry players seeking to decarbonise their operations. For the steel sector to reach its net-zero targets, clear regulation that incentivises and supports the substantial investments needed in new technology is essential. In addition, the transition this sector is going through will need vast amounts of affordable green electricity and a robust hydrogen infrastructure. Cooperation between developed countries on carbon pricing and border taxes will be required to avoid carbon leakage in the initial phase, after which the knowledge gained should be used to support other major markets like China and India in their transition.

Terra targets and performance

Steel (SSP Alignment score)



Outstanding in scope (2024)

€2.0 billion

SSP Alignment score (2024)

0.83

Distance to 2030 IEA convergence metric

32%

We calculated the emission intensity based on the 2024 outstanding to clients in scope of Terra and the 2023 emission data, as 2024 emission data is not yet available. The SSP Alignment score is reported at 0.83, while the aggregated portfolio emission intensity has improved by -1%, from 1.95 t CO_2 / t steel in 2023 to 1.93 t CO_2 / t steel in 2024. Although we show progress, the alignment score, which is above 0, means that we are not yet fully aligned with the emissions intensity of the IEA NZE. This is driven by changes in the Terra portfolio composition during the reporting year and the measured outstandings to each client in scope. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

During the financial year 2024, our green steel clients' drawdowns increased, representing around 4 percent of the total in-scope financing of our Terra steel sector at the end of the year. These disruptive clients are working on state-of the-art technology which once operational, will produce green iron and steel using renewable energy and green hydrogen. Because plants are still under construction, the climate performance associated with these clients has not been included in our calculations. We follow the SSP guidance to measure the climate alignment of our portfolio and will update our approach if and once the Sustainable STEEL Principles are updated to accommodate inclusion of not yet operational greenfield projects.

Financed emissions

The product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector-steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available.

Financed emissions for this portfolio have increased by +780 kt CO_2e to 1,309 kt CO_2e for scope 1 and 2, and by -169 kt CO_2e to 698 kt CO_2e for scope 3. These changes are mainly driven by the increase in drawdown of products covered by financed emissions for a few higher-emitting clients. See the 'Financed emissions' table for more details.

The key highlights of our action plan

We restrict dedicated liquid or crude steel project and asset financing for clients to net-zero-ready retrofits of existing steel mills and net-zero-ready new steel mills. We also engage frequently with existing steelmakers, new entrants and projects on their plans, in order to stay up to date with the latest technological developments and finance projects that we deem impactful. We steer our portfolio towards net zero by seeking prospective new clients that are developing net zero-ready steel mills, and when making commercial decisions, we take into account the emissions intensity of steel producers and whether they have a credible transition plan in place.

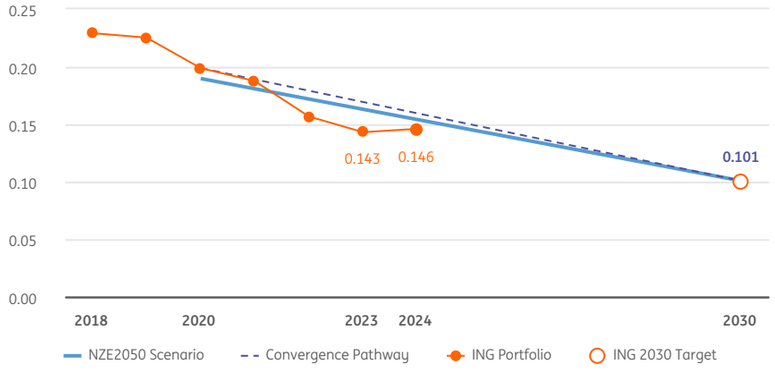
In terms of stakeholder advocacy, we actively engage with the European Commission at senior levels on measures that would facilitate a faster transition of the European steel industry.

Automotive

For the automotive industry to decarbonise, there is a need to continue to stimulate the shift to electric vehicles (EVs) by setting norms and phasing out internal combustion engine vehicles (ICEs), with the aim to gain scale in EV production, stimulate product range development, and reduce the relative total cost of ownership of EVs. Furthermore, more investments are required in the accelerated roll-out of EV-related (charging) infrastructure, shifting subsidies from fossil fuels to renewable power, establishing localised battery value chains and promoting circular practices to secure resources in the long term. From a wider value-chain perspective, it is important to enforce EV battery recycling and hold both manufacturers and mining companies accountable for decarbonising their production processes.

Terra targets and performance

Automotive (kg CO_2/vkm)



Outstanding in scope (2024)	**CO_2 intensity** (2024)
€4.0 billion	0.146 kg CO_2/vkm
Target reduction vs baseline (2030 vs 2020)	**Distance to 2030 IEA convergence metric**
-49%	45%

We calculated the emission intensity based on the 2024 outstanding to clients in scope of Terra and the 2023 emission data, as 2024 emission data is not yet available. Per client level, the data related to the share of fully electrified vehicles has not changed. The emission intensity shows a slight increase of +2%, from 0.143 kg CO_2 / vkm in 2023 to 0.146 kg CO_2 / vkm in 2024, which is driven by changes in the Terra portfolio composition during the reporting year and the measured outstandings to each client in scope. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions

The product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector-steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available.

Financed emissions for this portfolio have increased by +66 kt CO_2e to 90 kt CO_2e for scope 1 and 2, and by +1,916 kt CO_2e to 4,487 kt CO_2e for scope 3. These changes are mainly driven by increase in portfolio size. See the 'Financed emissions' table for more details.

The key highlights of our action plan

We finance the transition of our clients by offering dedicated products and services, like our sustainability-linked loans, bonds, supply-chain financing, green loans, green bonds, and (for Germany only) financial market instruments. We also continue supporting companies in the value chain, and create internal commercial incentives to support the development of critical parts in the value chain, such as traction batteries, EV charging infrastructure, increasing circularity in the sector, etc. In addition, in seeking new business, we focus on prospective new clients that already have a high degree of electrification and/or an ambitious transition plan to grow their electric vehicle production.

In terms of stakeholder advocacy, we continue to monitor the development of green policies, recycling and waste treatment, and advocate for setting more standards and data disclosure requirements.

Transaction highlight: Volkswagen Leasing

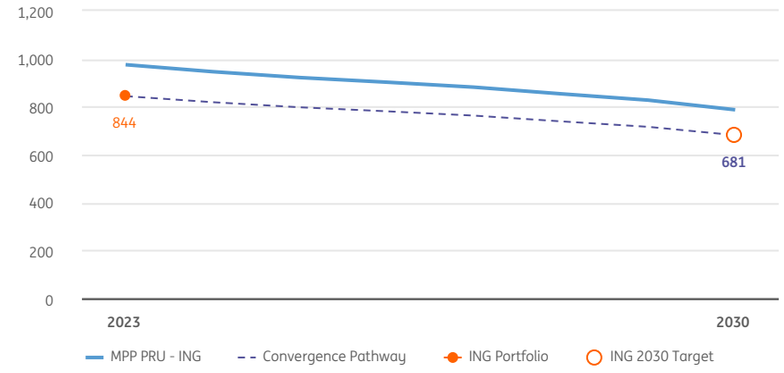
ING supported Volkswagen (VW) Leasing GmbH in the completion of its first green bond transaction. Three bonds with a combined total of €2 billion were issued on the basis of VW's published Green Finance Framework. This highlights the importance of sustainability to VW and its international investors and is a core element of the group's MOBILITY2030 strategy. It gives appropriate weight to sustainability in the strategic refinancing mix and supports the sales of electric vehicles from the Volkswagen Group. The proceeds from the green bonds will be used exclusively to finance BEVs (Battery Electric Vehicles).

Aviation

For the aviation industry to meet the net-zero targets, there is a need for more research into policy, regulatory and market trends to monitor developments in pricing schemes and sustainable aviation fuel (SAF). Actions to engage with government and policymakers are also needed to meet net-zero targets.

Terra targets and performance

Aviation (g CO_2e/RTK)



Committed amounts in scope (2023)	**CO_2e intensity** (2023)
€4.1 billion	**844** g CO_2e/RTK
Target reduction vs baseline (2030 vs 2023)	**Distance to 2030 IEA convergence metric**
-19%	**33%**

We calculate the emission intensity based on the 2023 committed amounts to clients in scope of Terra and the 2023 emission data following the requirements set under the Pegasus Guidelines. The emission intensity for 2023 is 844 g CO_2e / RTK. This metric also represents our baseline, as we have updated our pathway under the Mission Possible Partnership Prudential Scenario (MPP PR) – ING's pathway benchmark. In 2023, 71 percent of the committed exposures, related to aircraft financing, was for next-generation aircrafts. This is a significant increase from the 25 percent next-generation aircraft in the 2019 portfolio and a further improvement on the 62.5 percent achieved in 2022. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions

The product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available.

Financed emissions for this portfolio have decreased by -103 kt CO_2e to 2,507 kt CO_2e for scope 1 and 2, and by -227 kt CO_2e to 1,338 kt CO_2e for scope 3. These changes are mainly driven by the decrease in outstanding for the products covered by financed emissions (i.e. term loan, leases and revolvers). See the 'Financed emissions' table for more details.

The key highlights of our action plan

We continue the focus on increasing the proportion of next-generation aircraft in our overall aviation financing portfolio. Given that half of the global fleet is owned by leasing companies, we engage with the leasing companies on the calculation and reporting of emissions and setting emissions-reduction targets. We also engage with the energy sector to explore opportunities to finance SAF production capacity.

In terms of stakeholder advocacy, through our participation in IMPACT, we support the enablers of sustainable aviation (including sustainable aviation fuel – SAF – production) by sharing research and facilitating dialogues between relevant stakeholders.

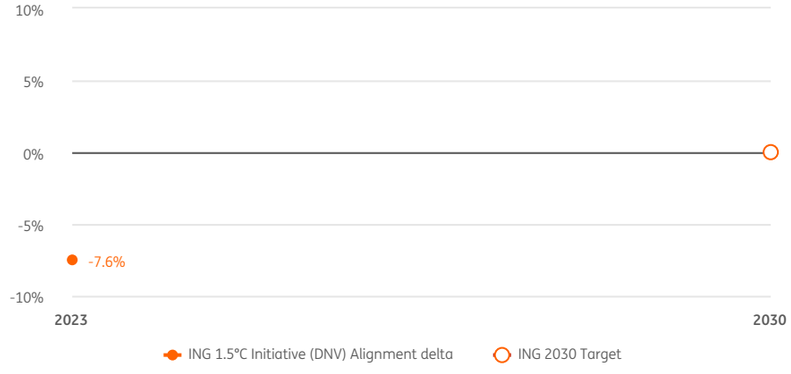
Shipping

While there has been material progress in reducing shipping emissions in recent years, the scaling up of alternative low-carbon fuels is crucial for the industry to meet its net-zero target. In parallel, the supply chain to ensure availability of such fuels in ports needs to develop over time. Upcoming regulations both from the International Maritime Organization (IMO) and the EU will incentivise the use of alternative fuels to create an environment that is conducive for the production and use of such fuels. There has been an increase in the ordering of vessels that are capable of operating on alternative fuels.

The retrofitting of existing vessels to enable them to switch to alternative fuels and retrofitting of energy efficiency devices is expected to be another key part of the solution to achieve the emissions-reduction targets. This will require increased shipyard capacity and financing to support the sizeable CAPEX investments. The effective implementation of green corridors is seen as a driver to accelerate the transition. ING is the only commercial bank in the Silk Alliance Green Corridor initiative and leads the finance workstream for the Alliance. The Silk Alliance engages with governments and ports as part of their outreach and lobbying efforts for the Green Corridor.

Terra targets and performance

Shipping (Alignment delta)



Outstanding in scope (2023)	**1.5°C Initiative (DNV) Alignment delta** (2023)
€8.6 billion	**-7.6%**

We calculate the emission intensity based on the 2023 outstanding to clients in scope of Terra and the 2023 emission data, following the DNV 1.5°C Initiative methodology, which is consistent with the Poseidon Principles Technical Guidance. The debt-weighted portfolio alignment delta is reported at -7.6%. The strong alignment delta is mainly driven by our continued engagement with our clients, as well as the impact of environmental regulation for shipping that came into effect in recent years. For this sector, we have updated and applied the DNV 1.5°C Initiative trajectory for target-setting starting from this reporting year. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions

The product scope and applied methodology are different between the emission intensities under our Terra approach and financed emissions. We steer via our Terra approach and do not use financed emissions for sector-steering purposes. We apply the 2023 emission data, as the 2024 data is not yet available.

Financed emissions for this portfolio have increased by +233 kt CO_2e to 2,577 kt CO_2e for scope 1 and 2, and decreased by -444 kt CO_2e to 1,500 kt CO_2e for scope 3. These changes are mainly driven by the changes in the Terra portfolio composition (e.g. new clients). See the 'Financed emissions' table for more details.

The key highlights of our action plan

We engage proactively with clients to support and accelerate their transition plans towards net-zero goals, as well as supporting them in new technologies and fuels. This includes financing solutions (e.g. Export Credit Agency options) for energy-efficiency retrofits and alternative fuel-propulsion systems.

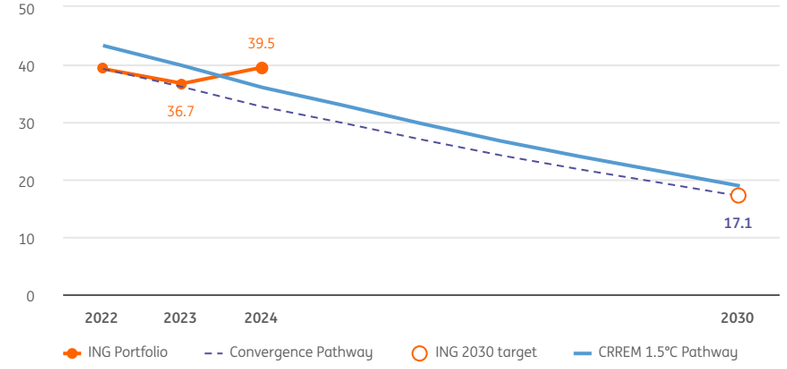
In terms of stakeholder advocacy, we collaborate across sectors and value chains to identify opportunities and connect clients to new developments on alternative fuels or carbon capture, utilisation and storage (CCUS) by sharing research and best practices. For new alternative energy projects which will involve shipping as a part of the supply chain, a cross-sector sustainable value-chain approach can be explored. Meanwhile, we continue to partner with governments, development banks, and specialised institutions to enable green corridors to create a demand signal for alternative fuels. We are also actively involved in steering the sector towards climate goals through our representation on key forums and initiatives, such as Poseidon Principles, 1.5°C Initiative, UK Clean Maritime Council, NZBA, Silk Alliance, and others.

Commercial real estate

For the commercial real estate industry to decarbonise, norms and regulation on data measurement and disclosure are important, as data measurement is a precondition for managing CO_2 emissions. The sector should be required to measure and disclose the CO_2 emissions of buildings and define strategies to fill in 'data gaps'. At the moment, the requirements for the real estate sector from current legislation about sustainability are still limited, and sometimes voluntary, while national regulations on building standards are already adopting elements on energy efficiency or circular economy. We believe it is necessary to urgently implement a blend of subsidies, regulations and norms that incentivise the deployment of decarbonisation measures (like insulation, heat pumps, district heating, smart meters etc.) and limit transition risks. For assets in the EU, the Energy Performance of Buildings Directive IV (EPBD IV) is expected to drive the transformation of the low-performing assets in the coming years significantly and will also help to create more transparency in the industry. On a global basis, it remains a major challenge.

Terra targets and performance

Commercial real estate (kg CO_2e/m^2)



Outstanding in scope (2024)	**CO_2e intensity** (2024)
€26.2 billion	39.5 kg CO_2e/m^2
Target reduction vs baseline (2030 vs 2022)	**Distance to 2030 IEA convergence metric**
-56%	131%

The emission intensity has increased by +7.6% from 36.7 kg CO_2e / m2 in 2023 to 39.5 kg CO_2e / m2, which is mainly driven by the implementation of a newly validated model in Business Banking Real Estate for the Netherlands (RE BB NL), in combination with higher emission factors and changes in data quality related to energy labels (e.g. more granular data for Wholesale Banking Real Estate (WB RE)). The results represent the combined performance of WB RE and RE BB NL. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

Financed emissions

The applied methodology is different between financed emissions and emission intensities under our Terra approach. We steer via our Terra approach and do not use financed emissions for sector-steering purposes.

Financed emissions for this portfolio have increased by +104 kt CO_2e to 464 kt CO_2e for WB RE portfolio (Scope 1 and 2), and by +18 kt CO_2e to 236 kt CO_2e for the RE BB NL portfolio (scope 1 and 2). These changes are mainly driven by changes in data quality of energy labels (e.g. more granular data) for WB RE, and updated emission factors that are higher than previous year for RE BB NL. See the 'Financed emission' table for more details.

The key highlights of our action plan

For our real estate portfolio managed by RE BB NL, we've set and communicate a clear sustainability strategy and targets to our clients and our colleagues. RE BB NL already has a clear sustainability target in place, which is applied to both existing and new financing. All buildings should have a valid energy label 'A' by 2030. In 2024, RE BB NL focused on receiving transition plans on how to reach an energy label A in 2030 from all our clients. In 2025, these plans will be interpreted and gradually become part of the credit approval process.

For WB RE, all new Wholesale Banking transactions, where data is available, are benchmarked against the CRREM convergence pathway, and either need to meet minimum standards for sustainable financing, or have a transition plan in place. For the existing lending book, there is a proactive approach towards our clients in the case of non-sustainable assets to enter into a transition plan, which needs to be cost and carbon efficient and allow adjustments based on available technology and regulatory developments.

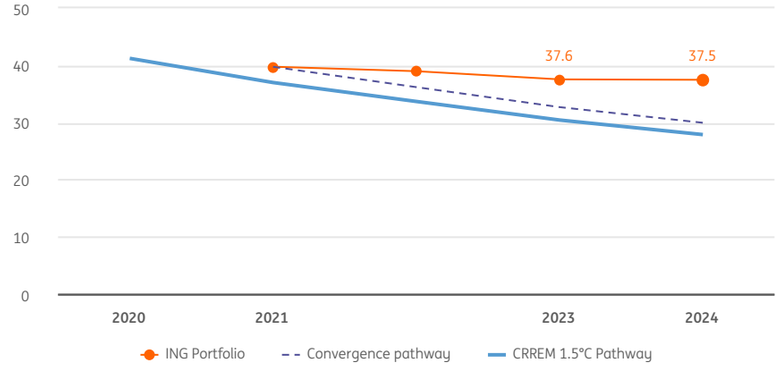
In terms of stakeholder advocacy, we will continue working with external stakeholders on projects like standardisation of ESG data for the real estate sector, valuation standards in light of climate-related transitional risks or alignment in decarbonisation legislation.

Residential real estate

Residential real estate, also referred to as residential mortgages, is a substantial part of ING's lending portfolio and is a relevant contributor to our financed emissions. As a bank, ING can reduce the CO_2e intensity of our portfolio by incentivising new customers to choose higher efficiency homes, and by enabling existing customers to renovate their homes.

Next to homeowners and banks, many stakeholders play a role in reducing emissions in this sector. For example, reaching net-zero milestones largely depends on the national energy mix of countries where the homes are located. This requires governments and institutions to accelerate the installation of renewable electricity capacity and shift away from fossil fuels. Governments also play a crucial role in mandating, incentivising, and supporting homeowners to prioritise sustainability in home construction and renovation. We hope to see governments take their role further in this regard by setting ambitious national renovation plans under the Energy Performance of Buildings Directive IV (EPBD IV). We aim to continue working with all stakeholders to address this common challenge.

Residential real estate (kg CO_2e/m^2)



Outstanding in scope (2024)	**CO_2e intensity** (2024)
€294 billion	**37.5** kg CO_2e/m^2

The emission intensity remains stable at 37.5 kg CO_2e / m2 compared to 2023, despite our efforts and positive results in some countries like the Netherlands. This represents the combined performance of our total in-scope residential real estate portfolio in Belgium, Germany, the Netherlands, Poland and Spain. The performance reflects both the challenge in decarbonising the housing stock as well as the limitations of measurement models that rely on the availability of accurate EPC labels to show progress and are still lacking in many markets. Details on the methodologies used can be found in the 'Technical notes to the transition plan'.

In line with PCAF's GHG accounting and reporting standard, ING utilises EPC labels to calculate emission intensities within our residential real estate portfolio. Non-residential properties have been excluded from the analysis. Recognising that EPC data availability varies across our markets, we employ proxies where direct data is lacking. To increase the accuracy of our calculations moving forward, we aim to continue to collect EPC data for both new and existing homes. ING implements a consistent methodology across countries to increase our capability to effectively reduce the emissions. To increase the accuracy without compromising consistency, we also incorporate regional nuances into our approach that reflect the data availability in that specific country.

Financed emissions

The scoping and applied methodology are different between financed emissions and emission intensities under our Terra approach. We steer via our Terra approach and do not use financed emissions for sector-steering purposes.

Financed emissions for this portfolio have decreased by -116 kt CO_2e to 5,918 kt CO_2e for scope 1 and 2. This represents the financed emissions we measured for all the 10 countries in the residential real estate (mortgage) portfolio. These changes are mainly driven by updated emission factors that are lower than previous year. See the 'Financed emissions' table for more details.

The key highlights of our action plan

We continued to finance our customers' transition. In 2024, we offered sustainable mortgages which provide an incentive to customers choosing energy-efficient homes in Belgium, Germany, the Netherlands, Poland, Spain, as well as in other markets like Romania and Italy. We also offer mortgages features or unsecured loans that support customers to renovate in Belgium, Germany, the Netherlands, Poland, Australia and Romania.

In several markets, including Germany, and the Netherlands, we have continued to offer digital tools that support customers to understand their renovation options. In the Netherlands we launched ING Upgrader, which starts with a digital tool that gives customers easy and non-binding insight into the possibilities for sustainability and a cost-benefit estimate. Customers can pursue those renovations with our Upgrader service, which connects them to providers who can provide advice and installation.

Financed emissions: to identify and analyse emissions hotspots

As a bank, we measure our absolute financed emissions associated (scope 1, 2 and 3) with our direct lending and investment activities, also known as absolute GHG scope 3 category 15 emissions. Compared to 2023, we have expanded the financed emissions table by including the scope 3 emissions and a breakdown of the financed emissions of our clients in scope of our Terra sectors. The different scopes are defined as follows:

- Scope 1 emissions are direct emissions from owned or controlled sources.
- Scope 2 emissions are indirect emissions from the generation of purchased energy.
- Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

We use financed emissions and intensity metrics in a complementary way, as the financed emissions help us to identify hotspots in our portfolios. We consider the following when calculating our financed emissions:

- As there is no 2024 emissions data available yet for business lending, we have used 2023 emissions data. This means that the changing factors in our portfolio are related to the outstandings and the financial information of our clients (e.g. company value).
- For commercial real estate and residential real estate (residential mortgages) portfolios, we have calculated the scope 1 and 2 financed emissions. For these asset classes there is no scope 3 GHG accounting as per the GHG Protocol, as this is only applicable to corporate clients.
- For business lending we have calculated scope 1, 2 and 3 emissions for our Wholesale Banking and Business Banking book, which covers the product leases, term loans and revolvers, in line with PCAF.
- Scope 3 emissions for small-medium enterprises are generally not available, therefore we have decided to apply PCAF data quality score 5 across the Business Banking.
- Biogenic emissions from combustion or biodegradation[1] that occur in the value chain are not presented in the financed emissions table due to data limitations.
- We have not measured the financed emissions related to sovereign bonds as this value chain was deemed not material following our double materiality assessment.
- We have not measured the facilitated emissions related to our off-balance capital market activities as this value chain was deemed not material following our double materiality assessment. In accordance with our NZBA commitment we do have to report the facilitated emissions per 2025, we are collecting data and working on an approach so that we can measure our facilitated emissions from our capital markets activities in line with PCAF's release of their Global GHG Accounting and Reporting Standard for Capital Markets of December 2023.
- For more technical details, see the 'Technical notes to financed emissions' in the appendix.

At the portfolio level variations in financed emissions depend, among others, on changes in the number of clients we finance, our outstandings to these clients, and their emission profiles. As shown in the tables on the following pages, along with the growth in our lending in scope, our Scope 1 and 2 financed emissions have increased, while the Scope 3 financed emissions have decreased. In addition to lending, the change in financed emissions for corporate bonds can be explained by the improved PCAF data quality as we have applied the reported emissions for part of this portfolio during the reporting year. For changes of financed emissions of clients in scope of our Terra sectors, see 'sector transition plan'.

The overall results of financed emissions can be explained by a combination of factors, making them difficult to compare with the results in previous years. These factors could include:

- Changes in our portfolio size
- Changes in portfolio composition (e.g. shifts in industry mix, new or exit clients)
- Changes in drawdown patterns and our outstanding to each client
- Changes in the financial information (i.e. Enterprise Value (EVIC) and balance sheet financial indicators)
- Fluctuations in FX movement
- Other data quality improvements

[1] Biogenic emissions from combustion and biodegradation refer to the release of gases from the natural breakdown or burning of organic materials.

Financed emissions per asset class

The greenhouse gas (GHG) financed emissions (scope 1, 2 and 3) have been incorporated in the tables below for the financial years 2024 and 2023. For the calculations, we make use of external data providers (CDP, PCAF, S&P and sector-specific emission factors) to estimate our loan book emissions. ING calculates absolute financed emissions using the PCAF's Global GHG Accounting and Reporting Standard. Within Template 1 of the Pillar 3 ESG report we also disclose the financed emissions, which differ in scope and only includes emissions towards non-financial corporations operating in sectors that contribute highly to climate change and in carbon-related sectors.

Financed emissions 2024

Asset class			Scope 1 and 2				Scope 3			
	Outstanding EUR billion	Measured outstanding in EUR billion	Financed emissions in $ktCO_2e$	PCAF data quality score	Share of financed emissions for clients in scope of Transition Plan under Terra approach[1]	Economic intensity in $ktCO_2e$/ EUR billion[2]	Financed emissions in $ktCO_2e$	PCAF data quality score	Share of financed emissions for clients in scope of Transition Plan under Terra approach[1]	Economic intensity in $ktCO_2e$/ EUR billion[2]
Residential Real Estate (Mortgages)	**349.6**	**347.3**	**5,918**	**3.4**		**17.0**				
Commercial Real Estate WB	**20.1**	**17.0**	**518**	**3.1**	**90 %**	**30.4**				
- Clients in scope of Transition Plan under Terra approach		15.6	464	3.2	90 %	29.8				
- Clients not in scope of Transition Plan under Terra approach		1.5	54	2.2		37.2				
Commercial Real Estate BB	**24.1**	**11.1**	**277**	**3.0**	**85 %**	**25.0**				
- Clients in scope of Transition Plan under Terra approach		10.6	236	3.0	85 %	22.2				
- Clients not in scope of Transition Plan under Terra approach		0.5	41	3.9		87.1				
Business Loans - Retail Banking	**80.1**	**80.0**	**11,499**	**5.0**		**143.8**	**50,218**	**5.0**		**628.0**
Business Loans - Wholesale Banking	**191.0**	**186.7**	**42,221**	**3.8**	**55 %**	**226.1**	**149,861**	**3.8**	**28 %**	**802.6**
- Clients in scope of Transition Plan under Terra approach: Power		11.7	11,103	4.4	26 %	948.3	5,728	4.4	4 %	489.2
- Clients in scope of Transition Plan under Terra approach: Upstream Oil & Gas		1.0	702	3.4	2 %	701.6	10,325	4.8	7 %	10,317.9
- Clients in scope of Transition Plan under Terra approach: Mid- & Downstream Oil & Gas		8.1	3,417	3.5	8 %	421.7	16,928	3.4	11 %	2,088.9
- Clients in scope of Transition plan under Terra approach: Cement		0.7	1,427	3.3	3 %	1,995.3	473	3.3	0 %	661.5
- Clients in scope of Transition Plan under Terra approach: Steel		0.5	1,309	1.9	3 %	2,744.7	698	1.9	0 %	1,464.3
- Clients in scope of Transition Plan under Terra approach: Automotive		4.0	90	2.4	0 %	22.3	4,487	2.3	3 %	1,108.6
- Clients in scope of Transition Plan under Terra approach: Aviation		2.9	2,507	3.8	6 %	864.1	1,338	3.8	1 %	461.1
- Clients in scope of Transition Plan under Terra approach: Shipping		4.5	2,577	3.9	6 %	568.9	1,500	3.8	1 %	331.1
- Clients not in scope of Transition Plan under Terra approach		153.2	19,088	3.8		124.6	108,384	3.8		707.3
Total Lending in scope	**664.9**	**642.2**	**60,434**	**3.7**		**94.1**	**200,079**	**4.2**		**750.2**
Total Equity investments		**4.5**	**42**	**4.9**		**9.5**	**674**	**4.3**		**151.0**
Total Corporate bonds		**1.0**	**32**	**4.5**		**31.4**	**356**	**4.5**		**344.7**

1 Share of financed emissions for clients in scope of Transition Plan under Terra approach is calculated as a ratio of financed emissions for clients in scope of Transition Plan under Terra approach to the total financed emission of the asset class.
2 Economic intensity is calculated as a ratio of financed emissions to the measured outstanding.

We have updated the 2023 financed emissions table to make the 2024 values comparable. With respect to the financed emissions as disclosed in the 2023 report we made the following changes: 1) we included the scope 3 emissions, 2) we have broken down scope 1 and 2 emissions per sector in scope of Terra.

Financed emissions 2023

Asset class			Scope 1 and 2				Scope 3			
	Outstanding EUR billion	Measured outstanding in EUR billion	Financed emissions in $ktCO_2e$	PCAF data quality score	Share of financed emissions for clients in scope of Transition Plan under Terra approach[1]	Economic intensity in $ktCO_2e$/ EUR billion[2]	Financed emissions in $ktCO_2e$	PCAF data quality score	Share of financed emissions for clients in scope of Transition Plan under Terra approach[1]	Economic intensity in $ktCO_2e$/ EUR billion[2]
Residential Real Estate (Mortgages)	**332.4**	**332.0**	**6,034**	**3.4**		**18.2**				
Commercial Real Estate WB	**22.7**	**16.6**	**421**	**3.2**	**86 %**	**25.4**				
- Clients in scope of Transition Plan under Terra approach		15.2	360	3.3	86 %	23.7				
- Clients not in scope of Transition Plan under Terra approach		1.4	61	3.0		43.6				
Commercial Real Estate BB	**23.7**	**11.6**	**272**	**3.0**	**80 %**	**23.4**				
- Clients in scope of Transition Plan under Terra approach		11.1	218	3.0	80 %	19.6				
- Clients not in scope of Transition Plan under Terra approach		0.5	54	3.0		108.0				
Business Loans - Retail Banking	**76.8**	**76.8**	**10,789**	**5.0**		**140.5**	**71,886**	**4.4**		**936.0**
Business Loans - Wholesale Banking	**191.4**	**191.0**	**39,772**	**3.7**	**54 %**	**208.2**	**178,436**	**3.7**	**29 %**	**934.0**
- Clients in scope of Transition Plan under Terra approach: Power		10.1	10,410	4.5	26 %	1,026.3	4,413	4.5	2 %	435.1
- Clients in scope of Transition Plan under Terra approach: Upstream Oil & Gas		1.2	1,569	3.9	4 %	1,358.4	23,668	4.9	13 %	20,494.5
- Clients in scope of Transition Plan under Terra approach: Mid- & Downstream Oil & Gas		7.2	2,881	3.5	7 %	400.8	16,853	3.4	9 %	2,344.6
- Clients in scope of Transition plan under Terra approach: Cement		0.6	1,232	2.8	3 %	2,113.2	375	2.8	0 %	643.5
- Clients in scope of Transition Plan under Terra approach: Steel		0.7	528	3.2	1 %	747.1	867	3.1	0 %	1,225.5
- Clients in scope of Transition Plan under Terra approach: Automotive		2.9	24	2.3	0 %	8.3	2,571	2.3	1 %	884.0
- Clients in scope of Transition Plan under Terra approach: Aviation		3.5	2,610	4.0	7 %	755.3	1,566	3.9	1 %	453.0
- Clients in scope of Transition Plan under Terra approach: Shipping		4.9	2,343	4.0	6 %	481.3	1,944	4.0	1 %	399.4
- Clients not in scope of Transition Plan under Terra approach		160.0	18,174	3.7		113.6	126,179	3.7		788.4
Total Lending in scope	**647.0**	**628.1**	**57,288**	**3.7**		**91.2**	**250,322**	**3.9**		**934.6**
Total Equity investments		**3.5**	**78**	**5.0**		**22.3**	**544**	**4.3**		**155.4**
Total Corporate bonds		**1.0**	**263**	**5.0**		**263.0**	**316**	**2.4**		**316.0**

[1] Share of financed emissions for clients in scope of Transition Plan under Terra Approach is calculated as a ratio of financed emissions for clients in scope of Transition Plan under Terra approach to the total financed emission of the asset class.
[2] Economic intensity is calculated as a ratio of financed emissions to the measured outstanding.

Other information related to our transition plan

Disclosure related to decarbonisation levers

Decarbonisation levers can be considered as both sector-wide levers, and the levers that are within ING's control. Quantitative data related to these decarbonisation levers is not yet sufficiently available, as a majority of the counterparties are either not in scope for CSRD or will only be reporting this information starting from 2025. However, for the decarbonisation levers that are within ING's control, they can be achieved through our financing strategy, as proposed in the NZBA Transition Finance Guide. For that, we see our client-engagement approach following our Client Transition Plan assessment (e.g. growing business for green finance or managed phase out for misaligned clients), committed financing targets (e.g. targets for renewable energy financing), and our exclusion and restriction in financing activities as the key levers of our portfolio transition. While we continue to collect information from our clients and counterparties, we expect more data will be available in the future to refine our transition plan. This will help us to identify and quantify how the decarbonisation levers influence our forward-looking targets.

Disclosure related to locked-in GHG emissions

Locked-in emissions refer to the estimates of future GHG emissions that are likely to be caused by the key assets or products sold within the operating lifetime. As a financial institution, locked-in emissions may not be directly applicable to us, but we acknowledge that the clients that we finance may continue to invest in stranded assets that jeopardise their net-zero transition. According to our Pillar 3 Template 1 disclosure, as of December 2024, the average weighted maturity of our financing towards sectors that highly contributed to climate change is around five years. While this relatively short maturity allows us to constantly review our portfolio mix, our sector and Client Transition Plan support us in managing the locked-in emissions challenge.

When establishing our sector transition plan, we tailor the plan for each sector by taking into account the specific conditions, opportunities, and challenges of that particular industry. This approach helps us translate sector strategies and targets into tangible actions. For example, in the oil & gas sector, recognising that infrastructure such as LNG terminals could become locked in, as guided by the IEA, we have decided to stop providing new financing for new LNG export terminals after 2025. Similarly, in the aviation sector, we focus on increasing the proportion of next-generation aircraft in our portfolio to support investment in future-proof assets. At a client level, our Client Transition Plan assesses whether clients have set targets, strategies and actions to reduce emissions. This guides our engagement approach and the dialogues with our clients, which may also help us to identify if locked-in emissions could impact their goals.

Disclosure related to the EU Paris-aligned benchmarks

Under the Climate Benchmark Standards Regulation, companies are excluded from benchmark indices of companies if their emissions levels are not aligned with the objectives of the Paris Agreement. Under articles 12.1 (d) to (g) of this regulation, companies are excluded from such benchmarks if their revenue originates from the activities including electricity generation, as well as the exploration, mining, extraction, refining, manufacturing or distribution related to hard coal, lignite, oil fuels and gaseous fuel. In addition, as per Article 12 (2) of the aforementioned regulation, companies that significantly harm one or more of the environmental objectives referred to in Article 9 of Regulation (EU) 2020/852 shall also be excluded from the Paris-aligned benchmarks. The screening and assessments of such exclusions are assessed internally and / or independently by the Administrators of EU Paris-aligned Benchmarks based on publicly available information and subject to the rules of estimation. Although ING Groep N.V.'s revenue does not meet the revenue-related threshold for exclusion, ING does not have the additional necessary information to disclose if ING itself is excluded from any benchmark.

Policies, actions and performance

With our sector transition plan we focus on the most carbon-intensive sectors and steering them towards net zero, as described in the previous section. As a bank, we have more measures in place to manage our impacts, risks and opportunities. These actions are not part of our sector transition plan, but do present our strategic direction and are an integral part of how we do and manage our business.

This next section includes the relevant policies and guidelines to address the material impacts, risks and opportunities and the related actions to execute those policies and guidelines. Where the Environmental, Social and Governance Risk Policy addresses our negative impacts and risks, our sustainable finance guidelines and green bond framework address our opportunities.

The Environmental, Social and Governance (ESG) Risk Policy

The ESG Risk Framework, as further described in the 'ESG risk' section, outlines ING's approach to managing ESG risk as a risk driver of existing risk types. The framework is supported by the double materiality assessment (DMA[1]) and the ESG Risk Policy, ensuring the implementation of obligations, processes and control requirements from the policy.

The ESG Risk Policy outlines ING's approach to effectively identify, assess, mitigate, monitor and report ESG related risks as per ING's ESG risk appetite, by considering applicable and material risks and negative impacts across the value chain as per ING's DMA. The policy is applicable to ING Groep N.V. and all majority-owned and/or controlled ING entities, unless deviation is allowed by pursuant to local laws, regulations and/or supervisory acts. Relevant legislation and supervisory guidance on risk management practices, as well as ESG-related disclosures including the EBA Implementing Technical Standards (ITS) on Pillar 3 disclosures on ESG risk, the Corporate Sustainability Reporting Directive (CSRD), the EU taxonomy for sustainable activities, and Sustainable Finance Disclosure Regulation (SFDR) are taken into account when drafting the policy. The ESG Risk Policy outlines its objectives and purpose, referencing relevant laws, regulations and global documentation. It also details the high-level obligations for entities, including control objectives to manage and mitigate ESG risks. The obligations are provided for applicable value-chain components. The ESG Risk Department, as the policy owner, performs oversight and monitoring of the policy implementation to obtain sufficient comfort of compliance with policy obligations across ING.

ESG risks are an overarching set of risk drivers affecting financial, non-financial, and other overarching risks. Consequently, ESG risk management is embedded within existing risk processes and procedures related to credit granting criteria, risk appetite steering, and credit risk management. ING local entities integrate global requirements into local policy annexes, taking into account specifics of local regulations and market practices. Mostly such adjustments are done through lending criteria, local systems of loan management, systems of records and sales force procedures.

Actions to implement the ESG Risk Policy

As part of the risk management cycle (see the 'ESG risk section'), ING takes a proactive approach to mitigating identified risks in line with its risk appetite. This is achieved through various risk mitigation strategies, such as reducing, avoiding, accepting, or transferring the risk. These measures are embedded in updates to existing policies and procedures across different risk categories. In the following paragraphs we elaborate on the key initiatives for each of the business lines where climate change has been identified as a material risk.

Retail Banking: Residential mortgages

ING regularly analyses different transmission channels and takes actions to manage associated risks. Transition and physical risks for the mortgage portfolio have been incorporated into ING's business strategy, data controls, risk appetite, lending criteria and collateral valuation processes for local retail entities. Each local entity implements the ESG Risk Policy via the global guidance on material identified topics. Local adaptations are made in line with local regulations and market practices (reference: Organisational bodies, 'ESG risk' section).

- Some local entities have already implemented policies to increase financing amounts and reduce pricing for properties with high-quality EPCs. Additionally, customer-engagement procedures, supported by advisory services and duty of care, aim at shifting customer interest towards low-emitting buildings.
- One of the most crucial actions ING took to achieve more accurate emissions-based target setting and to better understand the effectiveness of its business strategy was implementing a set of mandatory data controls. For new originations, ING local entities implemented controls to ensure the mandatory collection of EPC data. Additionally, for the existing portfolio, controls on the development of energy performance proxy models facilitated high-quality data remediation.
- Risk appetite is aligned with the business strategy and includes specific metrics for managing low-quality EPCs at new origination. Breaches in risk appetite are managed within the Risk Appetite Framework, with timely escalation to the ESG Risk Committee and top management.
- The incorporation of climate-related risks into lending criteria is aligned with our risk appetite and business strategy.
- Transition and physical risks are incorporated into collateral valuation through external valuers or by internally managing collateral haircuts and loan-to-value limitations for high-emitting properties.

[1] In addition to the results of the DMA, ING considers some ESG factors to be important (such as the negative impact of some sectors on affected communities) and the risk assessment and due diligence processes that follow will consider these factors as well. Important ESG factors are determined on a case by case basis and considers international standards such as the OECD Guidelines for Multinational Enterprises on responsible business conduct and the UNGPs on Business and Human Rights

Retail Banking: Business Banking lending

ING regularly reviews its business strategy and sets decarbonisation goals for sectors identified as major drivers of negative impact. Decarbonisation efforts are supported by defining relevant processes and actions, such as data collection and controls (e.g. EPC data for income-producing real estate), specifying dedicated lending criteria for these sectors, and implementing regular monitoring procedures. ING also engages with a selection of clients that have a negative impact to better understand their current situation and plans, and to support them in their transition process.

ING takes actions to manage associated risks. In line with its risk appetite, ING accepts exposure to risks inherent to its business model and its commitment to financing the transition to a net-zero economy. These risks are regularly assessed, monitored and managed through client-specific assessments across different entities, defining risk-appetite limits for exposure to transition risks, key risk indicators related to physical risks, and additional acceptance criteria for specific segments like income-producing real estate.

Risks that do not align with ING's risk appetite should be effectively mitigated or may not be accepted. Mitigation strategies may include insurance for physical risks, if possible, incorporating transition and physical risks into collateral valuation, or setting covenants that require certain investments in line with the client's transition plan. For specific sectors, lending policies are adjusted to ensure that transition and physical risks are properly assessed and mitigated as needed. All these initiatives are supported by data collection procedures and controls tailored to specific sectors, enabling a better assessment of the current portfolio and facilitating active portfolio management.

Wholesale Banking lending

ING conducts regular reviews of its business strategy and sets decarbonisation objectives for Terra sectors identified as having a high negative impact. These initiatives are supported by the establishment of relevant processes and mitigation actions to address the risks associated with operating in these high-emitting sectors.

- **Climate Risk Appetite Statement:** The primary source of negative impact in Terra sectors arises from financing high-emitting corporate clients. However, the contribution varies among clients. We assess the severity of negative impact at the client level, considering their current emissions, financial capacity for transitioning to net-zero, and the quality of their transition plans. Our client-level transition risk assessment enables us to differentiate risks effectively. High-severity impact clients are managed by setting risk appetite limits to control financing, including imposing growth constraints. A specific metric is established to manage high-risk clients in sectors with the highest GHG emissions, aligning with our decarbonisation targets and guiding future lending.
- **Lending policies and steering signals**: All sector lending policies and steering signals reference the ESG Risk Policy and apply its minimum requirements. In the steering signals, sector transition plans, addressing climate change mitigation and adaptation challenges, are crucial in defining these signals. Lending criteria are established per sector, aligned with the steering. The lending policies include ESG factors and transmission channels relevant to each sector, detailing acceptable mitigants to address potential financial risks from ESG factors.
- **ESG risk assessment tool**: For WB, ING has developed a new ESG risk-assessment approach, which considers the Environmental (including Climate), Social and Governance risk factors, negative impacts and dependencies of our WB customers, and fully integrates the previous ESR framework. Tooling was developed to support the implementation of the assessment approach in the credit granting process. The new approach (including addition of S&G factors) was gradually rolled out over 2024, and enhancements and refinements will continue during 2025. Depending on the ESG risk-assessment outcome, mitigation actions and escalation to the ESR team, for additional due diligence and (binding) advice, might be required. The process steps are as follows:
  - First, a materiality check is performed for all clients and transactions to determine if a company is likely to have a significant negative impact and/or dependency on an ESG factor, based on its business model. This check is data-driven and relies on the company's primary sector and the typical negative impacts and dependencies of that sector.
  - Second, for material ESG factors, an initial assessment for the entity/transaction is provided. Assessing the impact of the ESG factor and reputational risk.
  - Third, the front office conducts a qualitative assessment and identifies potential mitigants to either reduce the impact or the financial risk of a given transaction. Additionally, the transaction is checked against the minimum standards for the sector and the list of restricted activities and companies.
  - Fourth, for (very) high-risk outcomes, the ESR desk performs due diligence and provides advice which may contain additional conditions or a go/no go decision.
  - Fifth, credit risk experts review the ESG factor assessment. Mitigants are reviewed if deemed material for credit risk.
- **Client-engagement strategy**: A business-driven client-engagement strategy is aimed at enhancing clients' performance and management in terms of climate change.
- **Data infrastructure**: The ESG data infrastructure is being improved to integrate external and internal ESG data sources across the entire business line. This integration provides a foundation for ESG data-driven solutions, such as centralised corporate-client location data and EPC label data for commercial real estate, ensuring the highest possible level of granularity.
- **Collateral valuation for commercial real estate:** Material risks affecting property value are integrated into ING's collateral valuation practices, including initial valuation, collateral monitoring and re-valuation.

Guidelines addressing our opportunities

Based on our DMA outcome and publicly disclosed voluntary commitments, we identified several opportunities where we aim to increase our Wholesale Banking volumes mobilised, our ambition to fund the transition to a low carbon economy via our Green funding framework, and via our Terra approach through our renewable financing ambition.

Our renewable financing ambition is part of our Terra approach where we aim to triple the financing of renewable power generation to EUR 7.5 billion annually by 2025. For more information, see the power sector in our 'transition plan'.

Sustainable Finance Guidelines

The Sustainable Finance Guidelines provide a framework that sets out how Sustainable Finance engages with clients and specifies the products we offer. Depending on sectors, lending, debt & capital advisory, and financial markets solutions, we tailor our proposition to each client's individual needs and sustainability ambitions. This translates into different solutions, which supports the acceleration of sustainable businesses in areas including the energy transition, the circular economy and water. The guidelines are continuously updated following new product offerings (solutions) and changes in regulatory requirements.

Actions to support our clients' transition

Via our volume mobilised, we are committed to supporting our Wholesale Banking clients in their sustainable transition through our product offering. In 2024, we saw EUR 130 billion of volumes mobilised and updated our ambition with the new target to mobilise EUR 150 billion of annual financing by 2027, up from our previous target of EUR 125 billion annually by 2025.

The volume mobilised methodology was developed as one metric for all Wholesale Banking departments that would measure the engagement with our clients on environmental, social or governance topics, regardless of sector and jurisdiction. We differentiate between green and social products and sustainability-linked products, and align with market guidance such as the Green or Social Loan/Bond Principles and the Sustainable Linked Loan/Bond Principles when structuring these sustainable finance products. Generally, for green and social products, the proceedings are dedicated to financing a specific economic activity or asset. Sustainability-linked products are a client-engagement tool and designed to change the behaviour of a client to steer their ESG transition. For more information on the detailed methodology, see the 'Appendix to the Executive Board report' and ing.com.

The Global Green Funding Framework

Our Global Green Funding Framework promotes opportunities for ING and its investors and clients in transitioning to a low-carbon economy on both sides of the balance sheet. On the asset side, we finance sustainable projects that support ING's sustainability ambition. In particular, we finance two main portfolios. Firstly, we finance a Green Buildings portfolio in the Netherlands and Germany, where we seek to reduce significant financed emissions in real estate and contribute to the transition towards a low-carbon economy. Secondly, we finance a Global Renewables Energy Portfolio, as we strive to lead the banking sector in driving the energy transition with our renewable financing targets. On the liability side, green funding attracts investors and clients that increasingly prioritise sustainability in their investment decisions. By issuing green bonds and other green funding instruments, ING can tap into a growing market of investors, diversify our funding sources, potentially reduce our cost of capital, and provide opportunities for our investors and clients to participate in the transition towards a low-carbon economy through our green-funding product offerings.

Actions to implement Green Funding Framework

The framework was updated in 2024 and incorporates ING's revised sustainability strategy and governance. It also considers the latest developments in ESG disclosure regulations. Additionally, we are implementing a sustainable asset classification system to clearly define sustainable activities within ING and its business lines, in line with the EU Taxonomy and other market standards. Furthermore, we have extended our range of green liability instruments, offering a more diversified approach to funding green initiatives. As of 31 December 2024, ING Groep N.V. has an outstanding of EUR 9.9 billion issued green bonds.

Biodiversity and ecosystems

Biodiversity is the variety of and interaction between all living things (red. species) which work together in ecosystems to maintain, balance and support life. It supports in nature all we need to survive, but since we put increasing pressure on the earth by using and consuming more natural resources, we are upsetting the balance of ecosystems, leading to the loss of biodiversity.

Identified impacts, risks and opportunities

Our double materiality assessment concluded the below negative impact and risk for 'state of species' within biodiversity and ecosystems as material for our Wholesale Banking portfolio:

- **Negative impact** on the state of species occurs due to lending to clients whose operations cause irreversible damage, such as some species disappearing entirely and others undergoing significant changes in behaviour, genetic variability, distribution, and population dynamics.
- **Risks** can materialise following the severity of a negative impact and varies across sectors. This can result in a demise in natural resources, and can disrupt clients' operations, leading to financial losses. Financial losses can also occur due to reputational damage and litigation risks.

This section only focuses on the 'state of species' as per our DMA outcome. The identified negative impact for state of species is driven by our portfolio composition in the downstream value chain and the irremediable nature of the negative effects. By financing these downstream activities, we contribute to a cumulative impact on species that goes beyond the initial stages of resource extraction, land use changes, overexploitation of natural resources, increased emissions, and waste (i.e. the drivers of biodiversity loss). The cumulative impact refers to the ongoing and interconnected effects that unfold over time, leading to a significant and often irreversible decline in biodiversity and ecosystem health. Some impacts, such as species extinction, are permanent.

Once a species is lost, it cannot be brought back, leading to a permanent reduction in biodiversity. In addition, a significant loss in genetic variability or niche habitat also makes it immensely difficult to bring back a species to a safe state without the risk of extinction. The impact on the state of species by different activities has very different time horizons from short- to long-term. A sudden decline in species can, for example, be caused by a spill of dangerous substances, immediately killing surrounding life. Habitat fragmentation leads to a medium-term decline of the number of species and genetic variability within a species. Climate change can lead to the extinction of species and disrupt ecosystems over decades. See the 'Technical notes to the double materiality assessment' for more details on the approach.

There is currently still a lack of well-established and scenario-based quantification methods when it comes to the topic of biodiversity and ecosystems, and nature more broadly. However, this field is rapidly developing and is looking at both transition risks, such as nature-related policy and technology changes, as well as physical risks caused by ecosystem losses and climate–nature interactions in order to integrate them into stress testing and modelling. It is estimated that more than 50 percent of global GDP depends on biodiversity, which includes the state of species. As our portfolio reflects the real economy, we expect it to have a similar dependency.[1]

Assessment of current financial effects is based on ING's internal risk database. We rely on the existing approach based on the recognition and measurement criteria of provisions in the Financial Statements, for more information see Note 15 'Provisions' and Note 41 'Legal proceedings'. For 2024, there were no significant current financial effects. At this stage, we are not able to provide a more quantitative or qualitative resilience analysis or more specific time horizons. As our business is diverse and distributed across the globe, we do not consider the opinion of location-based stakeholders into our general resilience analysis; these are considered on a transaction level. Before financing specific large-scale projects, we do consider the resilience of our clients' businesses to local biodiversity-related transition and physical risks, including those with impacts on the local population. In environmental and social management assessments, local stakeholders give key inputs into the outcome of the analysis according to the Equator Principles.

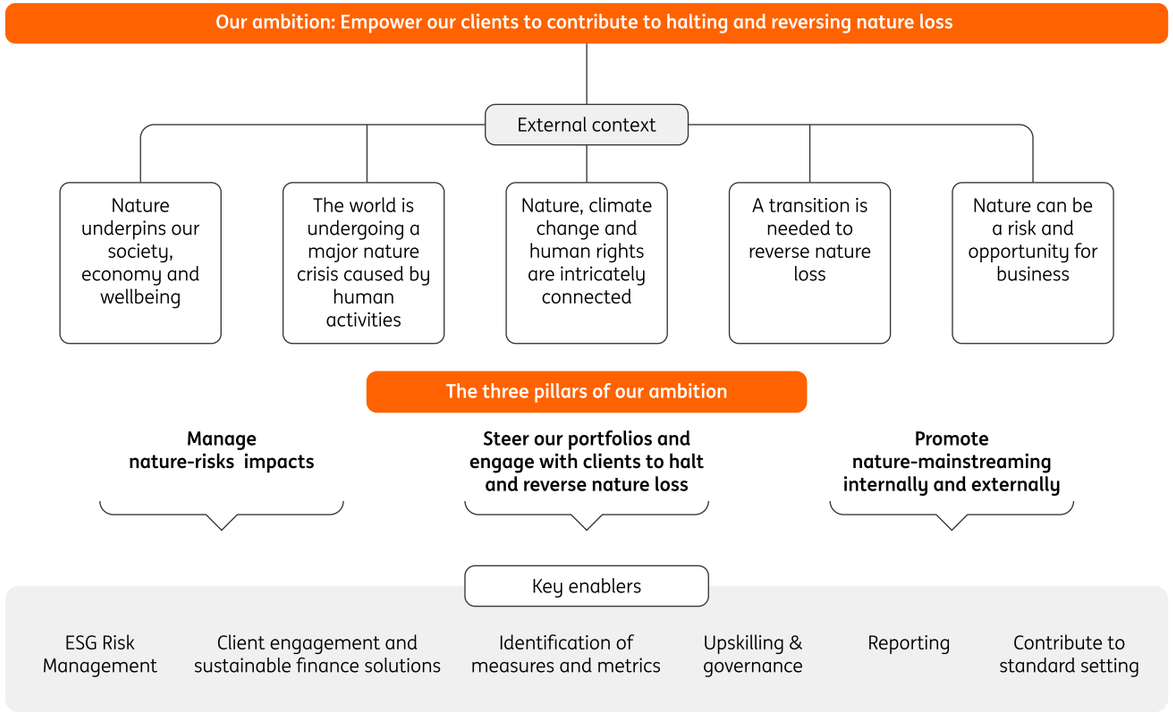
For the mid- and long-term horizons, we depend on customer engagement and the ability of our borrowers to understand possible implications of biodiversity loss on their business. ING is currently developing such expertise and so are our borrowers. We are also expecting increasing regulatory pressure from the implementation of the Global Biodiversity Framework, as well as EU-led initiatives to reduce pollution, production and use of plastics and water, and increased concern about species and protected habitats.

Our nature strategy

The overarching ambition of our nature strategy[2] is to empower our clients to contribute to halting and reversing nature loss and support the goals of the Kunming-Montreal Global Biodiversity Framework (GBF). Our nature approach, available on ing.com, addresses all the main drivers of nature loss that are inextricably linked to the state of species[3]. While these drivers are not material for our portfolio, they are relevant for the assessment of all transactions. We are currently developing a transition plan that should become operational in the coming years, building on the structure and experience of our Terra approach for climate, enabling us to engage our clients on relevant environmental topics. Although this approach is focused on nature as a

1 World Economic Forum, New Nature Economy Report 2020.
2 More information on our nature strategy, also called our nature approach, can be found on ing.com.
3 Habitat loss, over-exploitation of natural resources, pollution, and invasive species (those not native to a specific area).

whole, this is relevant for our material sub-topic, state of species. The below visual illustrates our current strategic approach towards nature.



Policies, actions and performance

As a financial institution, we can make the largest impact through our financing activities. Therefore, we have policies and guidelines in place to manage nature-related risks and impacts.

ESG Risk Policy

ING's strategic objectives of managing nature-related risks and impacts are being implemented by the ESG Risk Policy. The ESG Risk Policy is a comprehensive environmental and social risk policy that evaluates material environmental risk factors in relation to our financing. This entails the evaluation of the direct drivers of biodiversity loss, climate change, land-use, sea-use or freshwater use change, pollution and the exploitation of natural resources, as well as the extent to which the company's operations and products/services likely impact the state of species and habitats, and the extent and condition of ecosystems, given its sector. It further assesses the extent to which the company is likely dependent on ecosystem services for its operations, products and services, given its sector.

The ESG Risk Policy addresses our negative impact on the state of species, our dependencies on species and ecosystems, and our risk related to that. Our risk is lower if we finance fewer transactions that are harmful to the state of species, or support our clients in reducing their impact by implementing minimum requirements and encouraging them to improve. The ESG Risk Policy contains several biodiversity and ecosystem-specific requirements for our financing activities with the aim of avoiding further habitat destruction and species loss. These include, but are not limited to:

- We will not finance any operations located in, or that significantly impact, based on experts' assessments, UNESCO World Heritage Sites, wetlands registered by the Ramsar Convention, or critical natural habitats registered by the International Union for the Conservation of Nature (IUCN) Category I and II.
- We will not finance operations or any newly developed asset that involves illegal logging, deforestation or burning down of tropical forests, or removal of primary or High Conservation (HCV) forests.
- We conduct enhanced due diligence before financing projects requiring significant land-use change, and for operations impacting IUCN Category III and IV sites or potentially vulnerable ecosystems including 'Key Biodiversity Areas'. These are home to critical populations of the world's threatened species.

Furthermore, we have sector-specific minimum standards that aim at minimising impacts within the industry. They especially target the industry sectors chemicals, bioenergy, forestry & agricultural commodities, manufacturing, metals & mining, and shipping. Examples of restrictions to the most harmful practices within sectors with a high risk of impacting the state of species are:

- ING has no intention of expanding its palm oil client base. For existing clients, ING performs strict assessment criteria that are closely monitored;
- ING will not directly finance artisanal and small-scale mining (ASM) companies or activities;
- Use of endangered species or non-human primates for all testing/experimental purposes; and
- Arctic offshore oil & gas exploration and production.

Specific requirements under the ESG Risk Policy support the traceability of products, components and raw materials. For example, ING requires all relevant clients to adopt the Forest Stewardship Council (FSC) schemes or the programme for the endorsement of forest certification schemes. This includes wood plantations, traders, pulp producers, and secondary processors. ING also requires production, sourcing and consumption from ecosystems to limit the impact on species. For example, we expect that our clients producing biofuels or involved in the value chain to understand and assess the climate-related, environmental and social risks related to their biofuels business, and manage and mitigate these risks

responsibly. This includes a request to the client to have a sustainable sourcing policy, including supplier standards, in place together with regular monitoring.

As a financial institution, we do not have sustainable land, agriculture, oceans or seas policies in places for our own operations. Under our ESG Risk Policy, we do however encourage our clients to have such policies in accordance with sector initiatives such as the Rainforest Alliance Sustainable Agriculture Standard, UTZ Certified Sustainable Agriculture Practice Standard, and Sustainable Agriculture Initiative Platform. For deforestation information, see the next section. While the ESG Risk Policy and its assessment addresses both environmental and social risks, only if risks are identified does a more in-depth assessment take place that may connect biodiversity and ecosystem-related impacts to social consequences.

Our deforestation and ecosystem conversion approach

Deforestation and other forms of ecosystem conversion is contributing significantly to the demise of species, reducing population sizes, potentially up to the point of extinction. ING's impact is largely connected to the activities of global Wholesale Banking clients in the commodity, food and agriculture sectors, active in cattle, palm oil, soy, cocoa, and coffee. Even though ING is not in scope of EU Deforestation Regulation, we did develop an engagement approach to address deforestation and ecosystem conversion, which was updated in 2024. We map high-risk commodities and clients via an annually published assessment[1], and encourage in-scope clients to put in place:

1. Commitments to achieve no-deforestation and no-ecosystem conversion[2]; and
2. Actions and targets to work towards full traceability in their supply chains.

Full traceability helps to verify whether and where adverse impacts occur. We recognise, however, that not all our clients currently have full traceability, and therefore we plan to engage with our clients to discuss where they stand and what their commitment is. Biodiversity offsetting and the incorporation of local and indigenous knowledge or nature-based solutions may occur but are currently not formally part of this approach. For the proportion of clients unable or unwilling to progress on the conditions set by ING, we may as of 2027, on a case-by-case basis, apply stricter credit conditions on the client, or cease financing them altogether.

Our Equator Principles actions

The Equator Principles (EPs) are a risk management framework adopted by financial institutions for determining, assessing, and managing environmental and social risk in large infrastructure and industrial projects[3] of our Wholesale Banking project clients (downstream value chain). The application of the EPs reduces negative impacts on biodiversity and ecosystems and therefore (reputational) risks for ING on an ongoing basis whereby time horizons depend on the relevant project.

Projects are categorised depending on the impact on human rights, climate change and biodiversity as well as the country where the project will be implemented, and requirements vary depending on the category. Activities under the EPs include: environmental and social assessments; compliance with local laws; regulations and permits or international best practice standards (often supported by independent consultants); developing an environmental and social management system; biodiversity action plan (or similar); and stakeholder engagement (especially with those having local and indigenous knowledge, monitoring and reporting). Furthermore, grievance mechanisms have to be incorporated as part of the EPs to remedy those harmed. In cases where a client does not follow the conditions, ING has the right to adjust or terminate the contract.

Within the EPs, ING also follows the IFC Performance Standard PS6 – Biodiversity Conservation and Sustainable Management of Living Natural Resources. The standard has the aim of avoiding, minimising, and where residual impacts remain, compensating/offsetting for risks and impacts to biodiversity and ecosystems. Depending on the habitat, the standard sets restrictions and conditions on the permitted activities. The modification of the composition of the state of species is thereby used as a distinctive factor. If biodiversity offsets are proposed as a last resort, the client has the obligation to assess the project's residual impacts and adequate mitigation.

Our planned actions and targets

ING aims to integrate nature in the 'Client Transition Plan'in 2025, and in our sustainability approach more generally, and started to identify and collect data that will help us to address nature and climate performance in a holistic manner. With this information we aim to strengthen ING's environmental risk assessments and enrich engagements with clients. We also aim to incentivise them to make business decisions that benefit nature and ecosystems, such as sustainability-linked loans, and reward clients for their sustainability performance linked to positive change.

ING does not currently have nature-related metrics or targets in place. This is challenging due to e.g. the lack of sectoral, science-based pathways. Steering our loan book on nature is new terrain. Therefore, we collaborate with external stakeholders to advance knowledge, standards and methodologies (e.g. TNFD Forum) to 'mainstream nature'. Internally, we are building capabilities in our own organisation e.g. by providing trainings on nature and biodiversity to colleagues, including senior management. We also use recommendations of the UN PRB Nature Target-Setting Guidance to inform on our actions to start aligning our strategy and financing activities with the Kunming-Montreal Global Biodiversity Framework goals.

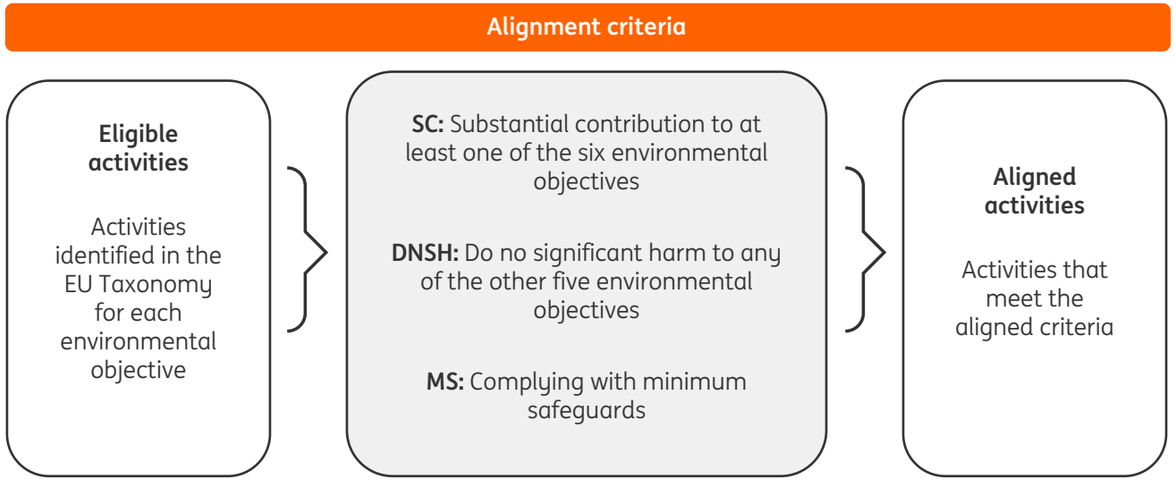
1 More information on our deforestation and ecosystem conversion approach can be found on ing.com.
2 We check such commitments based on the Accountability Framework: https://accountability-framework.org/use-the-accountability-framework/definitions/.
3 The EPs apply globally to all industry sectors and to five financial products: 1) project finance advisory services, 2) project finance, 3) project-related corporate loans, 4) bridge loans, and 5) project-related refinance and project-related acquisition finance.

EU Taxonomy regulation

The EU Taxonomy regulation is a published regulation in the Official Journal (Regulation (EU) 2020/852 of 18 June 2020) of the European Commission (EC). The EU Taxonomy is part of the EC's overarching Green Deal and serves as a common classification system for economic activities. The regulation, which introduces a reporting obligation for non-financial and financial corporates to disclose environmentally sustainable economic activities, is based on the six environmental objectives set out by the EU:

- Climate change mitigation (CCM);
- Climate change adaptation (CCA);
- Sustainable use and protection of water and marine resources (WTR);
- Transition to a circular economy (CE);
- Pollution prevention and control (PPC); and
- Protection and restoration of biodiversity and ecosystems (BIO).

Next to the overarching regulation, two main reporting concepts are introduced in Article 8, Delegated Act EU 2021/2178 (DA): eligibility and alignment. An activity or asset is deemed eligible when it is described in the Climate Delegated Act or the Environmental Delegated Act, after which an assessment can be performed on whether it is also Taxonomy-aligned. The following visual shows when an activity or asset is deemed aligned, also referred to as 'environmentally sustainable':



Besides intrinsically sustainable activities, the EU Taxonomy also defined two specific categories: Transitional and Enabling activities. Enabling activities allow other sustainable activities to occur, like changes to the electricity grid to allow more renewable energy to be used. Transitional activities are economic activities for which there are no technologically and economically feasible low-carbon alternatives available yet, and can only qualify where the activity supports the transition to a climate-neutral economy under strict criteria. Examples are energy-efficient vessels and aircrafts.

Green Asset Ratio (GAR) and other relevant key performance indicators

The most relevant key performance indicator (KPI) for credit institutions is the GAR. This is determined as the proportion of taxonomy-aligned assets (numerator) that we finance in relation to total assets covered by that financing, also referred to as 'Total GAR assets' (denominator).

The GAR is supported by the granular templates following Annex VI of DA 2021/2178. These regulatory-required templates are included in the 'Appendix to the Executive Board report'. These templates present a detailed breakdown of ING's balance sheet items through the lens of the EU Taxonomy, for which the Taxonomy-aligned assets are used to calculate our Green Asset Ratio. For more information on the scope of assets included with Taxonomy information, see the 'Technical notes to the EU Taxonomy reporting'.

Moreover, following Annex XII of DA 2021/2178, ING will report on Taxonomy information for gas & nuclear exposure via additional templates. The aim of these additional templates is to provide details on six specific gas & nuclear activities that are included in the Climate Delegated Act under the CCM or CCA environmental objectives that are on ING's balance sheet and assets under management.

Summary of the main EU Taxonomy metrics - based on turnover

EUR billions	Gross carrying amount	EUT eligible	EUT aligned
Loans and advances, debt and equity securities other than held for trading using turnover KPIs			
Financial corporations	28.34	7.82	0.51
Non-financial corporations	22.70	9.24	1.93
Households	348.58	348.58	55.19
Local governments financing	2.37	2.37	0.00
Total assets in numerator and denominator of GAR	**402.00**	**368.01**	**57.63**
Assets excluded from the numerator, covered in the denominator			
Financial and non-financial undertakings, not subject to NFRD	336.08		
Derivatives	28.89		
On demand bank loans	3.19		
Cash	1.65		
Other assets	65.88		
Total assets excluded from the numerator, covered in the denominator	**435.69**		
Total assets in the denominator (GAR)	**837.69**		
Green Asset Ratio (GAR)		**44 %**	**7 %**
Reconciliation from total assets in the denominator to total assets:			
– Central governments and Supranational issuers	67.39		
– Central banks exposure	78.34		
– Trading book	43.09		
Total assets	**1,026.50**		

[1] Total assets are defined according to the prudential consolidation of ING Groep N.V., excluding loan loss provisions (EUR 5.9 billion). The table is based on 31 December 2024 financial figures.

For 2024, the GAR and eligibility ratio are in line with last year at 7% and 44% (2023: 7% and 44%), for both capex and turnover respectively. These results are driven by our mortgage portfolio (households), mainly stemming from the Netherlands and Germany.

The alignment of mortgages is, for the majority, determined by energy labels (EPC-labels) and where not available it is based on the top 15 percent of the most energy-efficient buildings. In the Netherlands, the availability of energy labels is good compared to other countries, which has resulted in a relatively high percentage of mortgages with a valid EPC A label. For the Dutch portfolio, we have also included the mortgages that are in the top 15 percent. In Germany, the majority of the Taxonomy aligned mortgages are in the top 15 percent of the most energy-efficient buildings.

The gross carrying amounts and related eligibility and alignment amounts in scope increased compared to 2023, as the CSRD scope includes the subsidiaries and SPVs from the financial and non-financial counterparties, subject to CSRD. For more details on our approach to EU Taxonomy reporting see the 'Technical note to the EU Taxonomy reporting'.

For known use of proceeds exposures, we set up a sustainable deal assessment during 2024, which enables the business to assess a loan – of which we know the use of proceeds – for substantial contribution and eligibility. Next to this, we have started to investigate how we can include the full assessment for alignment including DNSH and MS. However, this is more challenging than initially expected. Since we, as a bank, finance the economic activities, we do not always have direct access to (reliable) information to perform the assessments needed. We will continue to monitor the availability of reliable information and the possibility of including the alignment assessment, while regulation further matures in the market.

Business strategy and engagement with clients

It is important to recognise that our climate-action objectives are primarily steered by our 'Sustainability at the heart' strategy, Terra approach, and Sustainable Finance product offerings. At this stage, ING is not planning to set KPIs on GAR for strategy purposes, but it might be explored in future years with developments around the application of GAR. It is expected that our Taxonomy alignment may improve on the back of achieving our 'Sustainability at the heart strategy', including our climate objectives, transition plan, and sustainability policies. As a credit institution, by nature we do not have Capex plans for the EU Taxonomy.

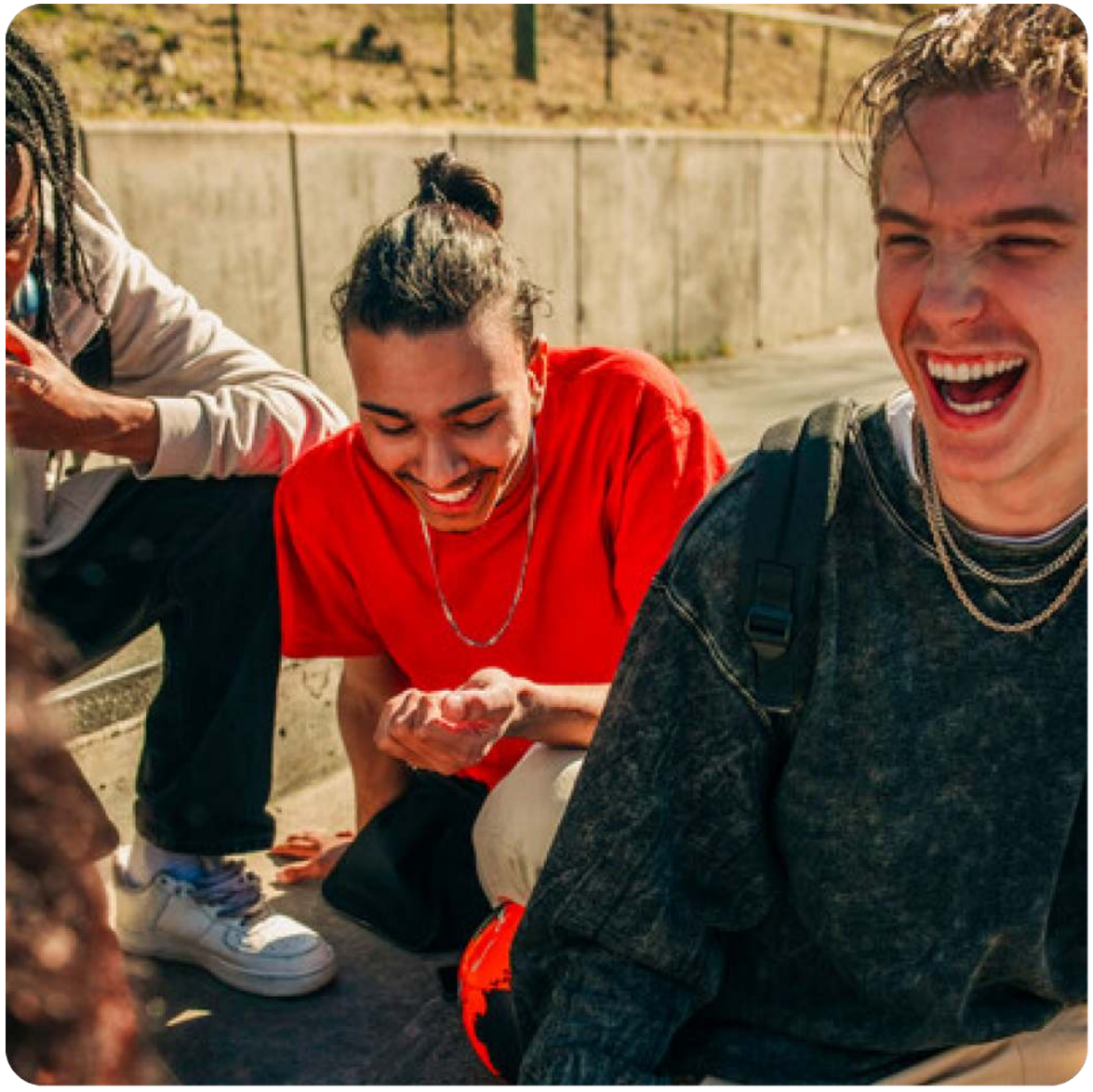
Social

As an employer, we aim to provide a safe and inclusive workplace, with a workforce that reflects the diversity of our customer base. We believe financially healthy people contribute to a healthy economy and drive social progress, which is why we aim to support customers in meeting their financial commitments now, while building their financial security for tomorrow. We believe every person deserves to be treated with dignity and have their interests considered equally, whether it concerns people in our own workforce or our consumers and end-users.

As detailed in the General information section, the double materially assessment has identified material sustainability matters within the following topical ESRS related to 'Social':

- European Sustainability Reporting Standards – S1 Own Workforce
- European Sustainability Reporting Standards – S4 Consumers and End-users

For the identified sub-sub topics, see the dedicated sections in 'Social'.



Own workforce

Our own workforce[1] is our greatest asset. Unlocking our people's full potential is a key enabler of our 'Growing the difference' strategy as we believe we have an abundance of talent and potential at ING. We believe we will succeed when we equip our workforce with the skills and capabilities they need to make significant contributions to the continued and sustainable growth of our business. We seek to create a diverse and inclusive environment that reflects the world we operate in, and where our employees feel they can belong and thrive. As our own workforce is within the value chain of our own operations, this section will describe the material impacts, risks, and opportunities in relation to this value chain.

Identified impacts, risks and opportunities

Positive impacts on our own workforce relate to how we develop employees' skills and foster career growth and adaptability. We also strive to promote diversity, which allows for new perspectives and builds trust. The material positive impacts we've identified are linked to the following topics:

- Training and skills development: Upskilling provides employees with new competencies and knowledge, opening the door to long-term career advancement, within or beyond their careers at ING. Continuous skills development keeps employees updated on industry trends and best practices, making them resilient and adaptable to change.
- Diversity: Working in a diverse team exposes employees to new perspectives, experiences, and problem-solving approaches. Diversity, inclusion and belonging initiatives encourage learning and growth, helping ING employees to expand their skills and viewpoints, which can enrich both their personal and professional lives. The mutual respect and trust from employees of diverse backgrounds can improve collaboration and communication, creating a supportive work environment where employees feel comfortable contributing ideas.

Negative impacts on our own workforce could materialise through exposure to unrealistic workloads and expectations, and may perpetuate gender inequality, sustain pay gaps, and fail to adequately prevent violence and harassment. These negative impacts can diminish the wellbeing of our workforce, especially among vulnerable groups such as women and minorities. They are not considered to be widespread or systemic, but could rather relate to individual incidents. The negative impacts link to the following topics:

- Gender equality and equal pay for work of equal value: Company culture, policies or processes can contribute to gender inequality, reflected in a low percentage of women in management positions and a pay gap. The term 'equal treatment' (equality) refers to the principle of non-discrimination, according to which there shall be no direct or indirect discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion, or belief, political or any other opinion, membership of a national minority, property, birth, disability, age, or sexual orientation.
- Work-life balance: As an employer, we could potentially cause or contribute to work-related stress and pressure. This is due to, for instance, unrealistic workloads, deadlines, or expectations that can negatively impact the work-life balance of employees who might be reluctant to take family-related leave, work flexible hours or use daycare services.
- Measures against violence and harassment in the workplace: Violence and harassment can negatively impact the physical well-being and mental health of a person, as it may violate the dignity of a person and create an intimidating, hostile, degrading, abusive, humiliating, or offensive working environment. This can lead to anxiety, persistent fear, stress, and/or depression. Violence and harassment are typically directed at vulnerable groups such as ethnic, racial, sexual, and other types of minorities, and women.

Risks recognised primarily arise from the materialisation of negative impacts which might lead to reputational and turnover risk. Risks may also pertain to the employment and inclusion of persons with disabilities. For instance, failing to provide adequate workplace accessibility could result in reputational damage.

Assessment of current financial effects is based on ING's internal risk database (including engagement with our workforce and our whistleblower channels). We rely on the existing approach based on the recognition and measurement criteria of provisions in the Financial Statements. For more information, see Note 15 'Provisions' and Note 41 'Legal proceedings'. For 2024, there were no significant current financial effects.

Processes for engaging with own workforce and workers' representatives about impacts

We understand that an important part of our strategy of unlocking our people's full potential is by engaging with our employees and our social partners, and listening to their ideas and views. For that reason, we commit to maintaining various engagement channels in order to better understand how they feel.

Engagement with our workforce is overseen by, amongst others, Global HR, with Group Compliance addressing specific matters such as harassment. We hold frequent surveys to get employee feedback on topics such as ING's strategy and working conditions, like our Organisational Health Index (OHI) and Employee Index. We also encourage dialogue through targeted town halls and trainings, while employees have the opportunity to share their opinions more regularly with line managers or in team meetings. Performance management reviews, works councils and meetings with social partners are an additional, formal setting in which this dialogue can take place. For more information, see 'How we create value'.

[1] Own workforce refers to our employees and non-employees (contractors and individuals engaged via employment agencies), also referred to as our 'employees'.

Own workforce strategy – Unlocking our people's full potential

ING strives to provide a safe, diverse and inclusive workplace. Unlocking our people's full potential is the strategic approach we take to meet this commitment for our workforce, complemented by our global policies, targets, actions and data-driven insights. 'Growing the difference', ING's global strategy, is supported by four enablers, including 'unlocking our people's full potential', which encompasses our workforce strategy. We consider both external and internal factors, such as geopolitical forces, evolving technology and changing employee expectations, as these trends shape our business needs and, consequently, our strategy. For more on 'unlocking our people's full potential', see our 'Strategy' section.

The governance of our diversity, inclusion and belonging (DIB) strategy, of our measures against harassment and violence, and of our initiatives supporting wellbeing, employment, and the inclusion of persons with disabilities, is structured in such a way that ING can address its material risks and impacts in a timely and effective manner. These risks, such as harassment and violence, can result in lower employee morale, reduced productivity and harm to ING's overall reputation and operational instability, as well as potential legal claims with financial consequences. To strengthen our adaptability and resilience, tools like the Annual Gender Pay Gap Process and the Organizational Health Index provide valuable insights that guide the refinement of our policies, inform strategic direction, and support the implementation of regulatory changes. Through ongoing policy reviews, residual risk assessments, and the alignment of processes with evolving regulations, we continuously enhance our capacity to manage both current and emerging risks effectively.

Our approach to diversity, inclusion and belonging is focused on understanding, mutual respect, and celebration. We recognise that not everyone experiences work and life in the same way, and so we aim to ensure fairness and equity in everything we do. ING has a diversity, inclusion and belonging strategy in place to foster an inclusive culture and environment. The strategy focuses on mitigating potential negative impacts and highlights the actions we take around disability and gender equality, such as our global accessibility obligations, and our reporting on our gender pay gap and equal pay for equal work. These aim to ensure fairness for all and mitigate the risk of discrimination. In addition, our employees are expected to adhere to our Global Code of Conduct, which complements our strategy and is focused on fostering and maintaining a safe working environment. Together with focused initiatives on work-life balance and employee training and skill development, the environment we seek to create can enhance employee engagement, improve wellbeing, and create a strong and diverse performance culture.

ING introduced its global accessibility strategic vision, 'Leave no-one Behind', in 2022, setting out to improve the position of our employees and customers with disabilities. This was expanded upon in December 2024 with the launch of a global strategy for disability and neuro-inclusion for our workforce.

Policies, actions and performance

Diversity and inclusion policy

As a globally operating bank, we are continuously navigating the complexities of global and local regulations. In some instances, we set general, globally applicable policies to help address the material risks and material negative impacts our workforce may face, with consideration for local laws and regulations which may necessitate tailored local policies to ensure full compliance. Our global diversity & inclusion (D&I) policy, aligned with and recognised as a policy under the CSRD's policy definition, outlines our global ambitions and targets. Among other things, the D&I policy focuses on the impacts and risks related to 'diversity' and 'gender equality and equal pay for work of equal value' and the risks regarding 'employment and inclusion of persons with disabilities'. We have initiatives and guidance addressing the topics of work-life balance (wellbeing) and training and skill development.

The global D&I policy outlines our approach to creating an inclusive culture and environment where everyone can be themselves and reach their full potential. Our global diversity, inclusion and belonging strategy was endorsed by ING's senior management, approved by the Management Board and supported by the Supervisory Board in November 2022 to work towards the ambitions set out in our global D&I policy. The Supervisory Board is informed by the ESG committee on related developments on a quarterly basis. Our D&I policy drives us to:

- actively support diversity, equity, and inclusion, and embed a culture where everyone is valued and treated with dignity and respect;
- ensure that people leaders work in partnership with their teams to create and sustain an inclusive working environment where everyone's unique contribution is valued and where everyone feels a sense of belonging;
- ensure that decisions affecting employment, learning and development, promotion and career development are based on an individual's ability and reflect genuine requirements of the job;
- conduct annual analyses of our global gender pay gap and equal pay for equal work as part of our commitment to denounce discrimination and to promote equal remuneration for work of equal value for all employees;
- provide everyone with the appropriate information, and training, on diversity, equity, and inclusion in the workplace;
- make the necessary adjustments to meet the needs of people with disabilities where reasonable and practicable to do so;
- strive continually to provide people with a working environment that is free from discrimination and/or harassment of any kind; and
- behave in accordance with the values and behaviours of our Orange Code, which applies to all ING business units in all countries worldwide.

At ING, we denounce all forms of discrimination. Our global D&I policy and global DIB strategy, gender diversity targets, and various DIB action plans are aimed at preventing discrimination and driving inclusion. Discrimination includes any distinction, exclusion or preference made on the basis of age, sex, gender identity or expression, gender reassignment, sexual orientation, family responsibility (including pregnancy, maternity, paternity and adoption), partnership status, cultural background, religion, race, ethnicity, physical or mental disability, nationality, political opinion, social origin or any other status, that has the effect of nullifying or impairing equal opportunity or treatment in employment. Any distinction, exclusion or preference not based on the inherent requirements of the job is deemed as discrimination.

ING's workforce policies are aligned with local labour laws and regulations in all countries where we have operations. In countries where local legislation goes further than the principles set out by the Universal Declaration of Human Rights and ILO Core Conventions, we also apply additional and stricter requirements. In addition, we seek alignment with international standards on human rights (such as the UNGPs) through the implementation of EU directives and the development of internal policies, such as our D&I policy, Whistleblower policy and other mechanisms, such as our human rights statement and workplace statement. Our D&I policy is available on ing.com.

Actions, targets and metrics

We take various actions to further understand the impacts coming from outside ING, and we continuously inform our workforce and leaders on best practices related to developments and learnings in DIB. This is exemplified in our collaboration with external organisations to understand the impact of global events, socio-economic movements, and changes in legislation on DIB. For example, we make the most of our memberships of Workplace Pride and the Business Disability Forum to draw on their expertise and guidance to refine our strategy and actions for, respectively, the LGBTQI+ and disability communities. Where appropriate, we participate in external assessments, to understand our maturity on specific areas and our need for focus and improvement in others. In 2024, ING was named as an 'Advocate' in the annual Workplace Pride global benchmark, the highest ranking possible for an organisation. ING continues to investigate how we can further mitigate potential negative impacts and risks on our own workforce within the scope of diversity, inclusion and belonging, gender pay and remuneration.

During the course of 2023 and 2024, we rolled out the 'Inclusive Leadership' workshop across the MBB, their leadership teams and country Executive Committees. Across 13 workshops attended by a total of nearly 250 leaders, participants gained an understanding of how the global DIB strategy supports the bank's strategy and were empowered to take practical action to create a more inclusive ING and more connected teams. We also developed and launched the DIB Learning Explorer curriculum in 2023 and are continuing to promote and embed this across the business. By fostering self-awareness among our workforce and leaders and deepening the understanding of diversity and inclusion, we help to reduce the risk of discriminatory behaviour within the organisation.

Our efforts go beyond formal training and skill development, actively promoting inclusion, self-awareness and allyship through our employee resource groups (ERGs) and continuous listening. There are over 45 ERGs globally relating to culture, disability, gender, generations, LGBTQI+, and race and ethnicity, with members of our Management Board as sponsors. Through structured dialogue with the leaders of our ERGs across ING, the global DIB team can gather feedback on people's experiences. This is used to help shape ING's global DIB strategy and associated actions, both at a global and local level. Similarly, ongoing engagement with country HR teams creates additional channels for any inclusion-related challenges to be raised. Efforts are made to resolve issues collaboratively and as far as is possible. In addition, we have incorporated a yearly Inclusion Index in our OHI survey to analyse different experiences of inclusion based on gender, age, and organisational demographic, enabling us to monitor the effectiveness of the policy and allowing us to take targeted action where required.

Actions on training and skill development

Through our engagement with our workforce, we understand that to drive meaningful change, we must attract, develop, and retain fit-for-future talents. Therefore, we have both scalable and curated learning and development offerings tailored to our employees' roles and growth to meet our current and future skills and capability needs. This includes domain-level academies, mandatory and non-mandatory learnings (online and in-person) and both formal and informal development opportunities for our range of employee scales. To complement our training agenda we also focus on talent development. In 2024 we performed strategic talent reviews across the bank for more than 5,000 senior roles in order to better identify and understand the leadership, skill and capability needs of our domains to grow the difference.

Workforce characteristics

In addition to our strategy, policies, targets and actions, the following table of workforce insights includes the total number of our own employees by head count, with breakdowns by gender and country for significant locations, and details on permanent and temporary employee hours. ING has no employees with non-guaranteed working hours, as employees with on-call agreements have agreed fixed hours and are treated as full-time or part-time employees. We also examine other contextual information and methodologies for data compilation to aid in understanding our workforce characteristics. For example, we measure turnover on a monthly basis as it has the potential to impact operational effectiveness. In 2024 total turnover was 9 percent, no change compared to 2023. Additional disclosures include breakdowns by region for full-time and part-time employees, in order to obtain a comprehensive insight into our employment practices and impacts. The related staff expenses and the number of own employees are disclosed in notes to the consolidated statement of profit or loss (Note 25 'Staff expenses').

Our people in numbers

Total headcount

63,930 Employees

Total number of leavers

5,577

Employees

62,168	1,762	59,365	4,565
Permanent employees	Temporary employees	Full-time employees	Part-time employees

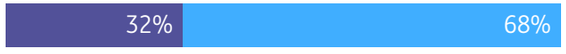
Age distribution

19%	62%	19%
< 30 years	30-50 years	> 50 years

Gender distribution



Senior management gender distribution



Women Men

Top four countries

Regional distribution



	The Netherlands	Poland	Belgium	Germany	Rest of EMEA	APAC	Americas
Overall headcount	15,326 Women: 36% Men: 64%	11,577 Women: 55% Men: 45%	6,372 Women: 47% Men: 53%	5,978 Women: 46% Men: 54%	15,018 Women: 51% Men: 49%	8,950 Women: 53% Men: 47%	709 Women: 39% Men: 61%
Permanent employees	14,655 Women: 36% Men: 64%	11,173 Women: 55% Men: 45%	6,323 Women: 47% Men: 53%	5,820 Women: 46% Men: 54%	14,642 Women: 51% Men: 49%	8,852 Women: 53% Men: 47%	703 Women: 39% Men: 61%
Temporary employees	671 Women: 39% Men: 61%	404 Women: 50% Men: 50%	49 Women: 40% Men: 60%	158 Women: 41% Men: 59%	376 Women: 59% Men: 41%	98 Women: 42% Men: 58%	6 Women: 67% Men: 33%
Full-time employees	14,315 Women: 33% Men: 67%	11,387 Women: 55% Men: 45%	5,092 Women: 39% Men: 61%	4,595 Women: 36% Men: 64%	14,434 Women: 50% Men: 50%	8,834 Women: 52% Men: 48%	708 Women: 39% Men: 61%
Part-time employees	1,011 Women: 80% Men: 20%	190 Women: 59% Men: 41%	1,280 Women: 80% Men: 20%	1,383 Women: 79% Men: 21%	584 Women: 78% Men: 22%	116 Women: 90% Men: 10%	1 Women: 100% Men: 0%

These numbers are based on year-end figures as of 31 December 2024.

Actions and targets on gender diversity

In order to more systemically address the representation of women in senior leadership, a bank-wide gender equity action plan was launched in 2022. This was aimed at making sustainable improvements to how we hire, progress, and retain female talent. This action plan includes results from our gender pay gap and equal pay for equal work analyses, which are designed to highlight disparity and seek to address the inequities that exist in relation to pay and performance. There is also a set of gender-related targets focused on the representation of women in leadership roles as agreed by the Management Board Banking (MBB). A part of the variable pay of our Executive Board and Management Board Banking is linked to the delivery of these internal targets on gender diversity.

The global head of Diversity, Inclusion & Belonging proposes annual gender diversity targets to the HR Management Team, after which they are discussed with the MBB and Supervisory Board for final approval. The workforce or workers' representatives are not involved in this process, but these commitments are shared externally and are publicly available. We track progress against these gender diversity targets internally, and the results are shared with global domain HR directors and relevant senior business leaders to drive progress. This progress is also shared quarterly with both the MBB and Supervisory Board ESG committee.



Diversity of leadership
Diverse leadership fosters a diversity of views and experiences, and facilitates independent opinions and sound decision-making, which has a positive impact on ING's business

Executive Board
In accordance with the Gender Diversity Act, which came into force in the Netherlands on 1 January 2022, the gender-diversity target for the Executive Board is **set at 30 percent.**

Supervisory Board
In accordance with the Gender Diversity Act, which came into force in the Netherlands on 1 January 2022, the gender-diversity quota for the Supervisory Board is **one third men and one third women.**

Furthermore, two bank-wide gender diversity targets have been set to drive progress on gender diversity. These targets are not an end-goal in themselves but are simply milestones to achieving true gender equity at the top.

We aim to achieve:

at least **35%** women in senior leadership by 2028.

at least **30%** women in the leadership pipeline by 2025.

One of our efforts to boost broader diverse representation is by striving to increase the number of women in leadership roles. See 'Unlocking our people's full potential' to learn about progress on our efforts. In addition to these gender targets, we are enhancing our gender equity awareness and broadening our scope with the launch of new global guidelines and standards for successful parental leave transitions in 2025, designed to enhance the support previously in place for people leaving and returning to the bank when having a family. These global guidelines aim to ensure equal support for all working parents, before, during and after parental leave with a focus on equal access to career development opportunities.

Actions regarding gender pay gap (GPG) and 'equal pay for equal work' metrics

At ING we have defined 'Our people offer' (OPO) which describes how we want to pay and treat our employees fairly and transparently. We ensure that all our remuneration schemes (fixed and variable) and our benefit schemes are gender neutral, which is also stated in our ING Remuneration Regulation Framework (IRRF). Through OPO and our commitment to fair and transparent pay, we actively analyse reward practices to understand and remove structural barriers in the drive towards gender equity.

The gender pay gap (i.e. the difference between the average remuneration of men and women) is one of the measurements we use towards this commitment and is a practice ING committed itself to in 2021 ahead of industry standards and regulatory requirements. In 2022, we laid the groundwork to understand gender pay more thoroughly, and to provide a baseline to understand any gaps from 2021 onwards. Our analysis, supported by an externally assessed methodology, is divided into two parts: unadjusted gender pay gap and adjusted gender pay gap. This two-fold approach allows for more nuance, which is necessary given the complexity of the topic and change in analysis compared to previous years:

- The 2024 gender pay gap calculation methodology continues to use fixed compensation and variable remuneration (VR)[1], but has been adjusted following new regulatory requirements mandating reporting of the GPG for the respective reporting year. Previously, ING reflected the GPG with a one-year gap.
- To accommodate reporting for the current fiscal year, the 2024 GPG analysis used a target variable remuneration figure instead of the actual paid variable remuneration, the latter of which was used for the 2022 and 2023 analyses. This VR target[2] represents the expected bonus an employee may receive based on the target performance of the Group, business line or functions and the individual.

Separate to the gender pay gap, we also initiated equal pay for equal work analyses to assess whether there is equal remuneration for men and women for work done of equal value. We use our Global Job Architecture (GJA) to aid this analysis, which organises all job profiles within ING into a standardised structure allowing for easier comparison of capabilities and accountabilities across countries and business lines. Using this architecture, we were able to perform an 'equal pay for equal work' assessment and the results were shared with relevant senior leaders. The results acknowledged that there are existing circumstances where it is

1 All non-regular remunerations paid by ING to the employee, including allowances, complementary bonuses, and commission.
2 VR schemes (VR target) are designed in a gender-neutral way, are based on the Global Job Architecture and can vary per location. VR targets are expressed as a percentage of fixed pay.

appropriate to reward employees differently. These cases are reviewed and affirmed, while action is taken for unjustified differences to ensure parity.

Unadjusted gender pay gap

ING follows the guidelines laid out by the European Banking Authority (EBA), which collects benchmarking data on the gender pay gap from banks under its supervision (including ING) per fiscal year as of 2023. ING is ahead of this requirement, having begun collecting data on gender pay globally and publishing its unadjusted and adjusted global gender pay gap in 2022. Using the EBA's definition, the unadjusted gender pay gap represents the difference in the mean remuneration paid to men and women expressed as a percentage of the mean remuneration paid to men.

For 2024, using annual fixed remuneration and target bonus, the unadjusted gender pay gap of ING globally was 28 percent. Comparatively, at the end of 2023, the unadjusted gender pay gap of ING globally was 31 percent, and at year-end 2022 it was 32 percent.

According to our analysis, this gap is caused by the higher representation of men in more senior, higher-paying roles than women. The difference between the unadjusted gender pay gap of ING globally can be mainly explained by career events, such as i) new joiners and leavers (including internal mobility), ii) compensation changes together with level changes, and iii) compensation changes without other changes. In the course of 2025, we will analyse whether the change in methodology, from actual paid bonus to target bonus, had a (significant) impact on the results. In the Annual Report 2025, we will also publish the 2024 unadjusted gender pay gap using the actual paid bonuses.

The results of ING's global unadjusted gender pay gap reinforce our aim to increase the representation of women in senior roles. To strengthen our understanding of the unadjusted gender pay gap, we conducted a deeper analysis to assess where and why these differences in pay between men and women occur. This next level of work is known as our 'adjusted gender pay gap' reporting.

Adjusted gender pay gap

Our adjusted gender pay gap analysis accounts for several factors to make the comparisons meaningful, including two main drivers: country differences and job classification. ING calculates its adjusted gender pay following the Oaxaca-Blinder method.

The adjusted gender gap analysis shows a 2 percent global pay gap for 2024 (2 percent for 2023):

1. 11 percent is explained by country differences, i.e. there are structural pay differences between countries. To reduce the variance between countries, we 'centralise' each employee's hourly rate by taking the country average hourly rate as the 'centre'. From this, a new average can be calculated for each gender. Separating the impact of these structural differences allows a fairer comparison;
2. 15 percent is explained predominantly by ING's job framework, Global Job Architecture (GJA). Working in certain job profiles has a positive effect on salary (compared to the majority role taken as reference). In these job profiles there are more male than female employees. In conclusion, the higher proportionality of men partially drives the gap.

By subtracting the effects of country differences and our GJA, the adjusted gender pay gap was 2 percent in 2024 and 2 percent at year-end 2023 (2022: 3 percent). Therefore, we found that female employees are paid on average 98 percent in 2024 (2023: 98 percent) of what male employees are paid. While we are encouraged by the fact that our adjusted gender pay gap shows there are objective, explainable reasons for our unadjusted pay gap, we realise there is more to be done, especially about the under-representation of women in leadership positions, and we remain fully committed to improving this.

Unadjusted and adjusted gender pay gap per country/entity (based on headcount > 250)

Country/Entity	UGPG24	UGPG23	UGPG22	AGPG24	AGPG23	AGPG22
ING Group	28%	31%	32%	2%	2%	3%
Netherlands	16%	16%	18%	1%	1%	2%
Poland Slaski	31%	32%	34%	3%	3%	3%
Belgium	16%	16%	16%	1%	1%	1%
Philippines Hub	27%	25%	22%	0%	0%	1%
Germany	15%	15%	17%	1%	1%	1%
Poland Hub	16%	17%	17%	3%	3%	2%
Türkiye	25%	28%	28%	2%	2%	1%
Romania Bank	21%	21%	22%	0%	0%	1%
Spain	14%	16%	17%	2%	2%	3%
Australia	21%	23%	24%	1%	2%	2%
Romania Hub	12%	13%	14%	2%	2%	3%
Slovakia Hub	8%	9%	9%	1%	0%	1%
Interhyp AG	13%	15%	16%	2%	2%	2%
Italy	17%	19%	17%	-1%	1%	2%
Luxembourg	15%	16%	15%	1%	1%	1%
United Kingdom	32%	33%	34%	2%	3%	3%
United States	24%	24%	22%	1%	2%	2%
Singapore	31%	29%	31%	-1%	-1%	-2%
Switzerland	20%	21%	20%	0%	2%	0%
Russian Federation	29%	33%	47%	0%	-6%	-2%

Remuneration ratio

In line with the ESRS definition, the total remuneration ratio for 2024 is 1:32, meaning the highest paid employee receives 32 times the median remuneration. We determined the ratio of the total remuneration (i.e. the annualised total fixed and variable remuneration (VR) based on the VR target) of the highest paid employee in ING compared to the median total remuneration of all ING staff, excluding the highest paid employee. Total remuneration includes base salary, role-based allowance, fixed collective allowances, discretionary VR, collective VR, sales incentive, other incidental VR, retention award, and annual variable allowances.

ING is also required to disclose the internal ratio based on the Dutch Corporate Governance Code, which deviates from the remuneration ratio mentioned above, as it concerns "the ratio between (i) the total annual remuneration of the CEO and (ii) the average annual remuneration of the employees of ING". The internal ratio for the CEO in 2024 was 1:24. For more information, see our 'Remuneration report'.

Actions on work-life balance

At ING we consider a healthy work-life balance important for sustainable and engaged employees. We promote a flexible way of working among our employees through different programmes such as hybrid working, international remote working, and various paid-time off programmes in order to support our employees in distinct phases of their lives. Our broad range of family-related or personal event-related leave, such as parental leave, diversity leave and care leave, is country-dependent and in compliance with local legislation and requirements.

In 2024, we launched ING's 'Working habits', which provides tailored insights and proposals for healthy and effective ways of working. This scalable technology is enhanced by global training for our managers which equips them with practical tips to adopt 'best practice' working habits with their teams. As part of our ambition to promote wellbeing, including mental wellbeing, physical wellbeing, and a healthy work-life balance, we are working towards a global wellbeing strategy in 2025.

Actions on disability and neurodiversity

We recognise our role in supporting disability inclusion and our responsibility to provide accessibility in banking and employment, in support of our employees and customers with and without disabilities. ING has an existing Global Accessibility & Inclusivity Centre of Excellence (CoE) that is responsible for ensuring our digital and physical environment is accessible for all at ING through universal design. ING is currently implementing mandatory accessibility obligations throughout its internal policies with the aim of informing ING employees of their responsibilities more thoroughly in delivering an accessible bank for persons with disabilities and/or neurodiversity. With these accessibility obligations, we aim to set an internal global standard for accessibility. Accessibility is also a part of the ING ESG risk framework.

In 2024, ING introduced a new global disability and neuro-inclusion strategy, aimed at breaking down the barriers people face and ensuring everyone has the support they need to thrive. During a three-year period between 2025 and 2027, all countries across ING will be expected to take several strategic actions to help drive change, create more equity and improve people's experience at ING no matter where they work and what they do. Furthermore, we will continue to share our accessibility efforts through global internal and external communications on disability awareness-related days, including Global Accessibility Awareness Day (GAAD) and International Day for Persons with Disabilities (IDPD). The purpose is to raise awareness of key topics and build understanding within the organisation, contributing to an open, safe, and caring culture and to encourage people to share their lived experiences so we can better support them.

Whistleblower Policy

Regarding the risks and negative impacts related to 'measures against violence and harassment', our Whistleblower Policy provides instructions on treating concerns in a careful and proportionate manner, aimed at ensuring that ING takes appropriate, lawful, and timely action in case of concerns related to human rights by or within ING. Read more about our Whistleblower Policy in the 'Governance' section.

Our actions against violence and harassment in the workplace

We are committed to upholding both the requirements set by human rights, laws, and regulations, as well as the exacting standards of our Orange Code and Global Code of Conduct, through which we can fulfil our purpose of empowering people while countering potential negative impacts and risks related to, for example, violence and harassment. We encourage employees to share concerns in confidentiality and speak up through multiple initiatives and channels, such as the OHI survey and the whistleblower process. These channels are globally known, encompass mature processes and are made available on ING's intranet, with guidance and trainings additionally available so employees and managers have a full understanding of the infrastructure in place. Read more about our Global Code of Conduct in the Governance section.

In accordance with our Whistleblower Policy and related control standards, we record and monitor concerns according to specific categories, as represented in the adjacent table. The overview contains concerns reported with respect to our own workforce, through the dedicated whistleblower channel. The concerns are reported quarterly (in numbers and on content) via the chief compliance officer up to the level of the Supervisory Board Risk Committee.

Whistleblower concerns are grouped into categories that link to internationally recognised human rights:

- Discrimination;
- Aggression, violence, and bullying;
- Breach of confidentiality and data privacy related to an employee;
- (Sexual) Harassment;
- Work-pressure/unrealistic targets; and
- Retaliation

In 2024, the total number of concerns raised by our own workforce amounted to 194. We did not identify any fines, penalties, or compensation of damages related to reported incidents and complaints. If they did occur, these fines, penalties, and compensations are reported under 'Other operating expenses' in the statement of profit or loss.

Whistleblower category of concerns[1]	2024
Accounting, internal accounting controls or auditing matters	1
Aggression and violence	5
Breach of confidentiality and data privacy related to client/employee	9
Bullying	32
Conflicts of interest	7
Discrimination	10
Financial economic crime	1
Fraud /theft	9
Harassment	19
Other: (i) breach of any external law or regulation or (ii) breach of any ING policy	33
Retaliation	5
Sexual harassment	9
Unfair customer treatment	3
Work pressure/unrealistic targets	5
Workers' conflict	10
Working environment	36
Grand total	194

[1] As of 31 December 2024, due to the anonymous nature of the whistleblower reports, 44 concerns are under review to determine their potential connection to our own workforce. Consequently, these concerns have been excluded from the table.

To understand if any of the whistleblower cases were considered a severe human rights incident, we applied three elements of severity: scale, scope and the remediability of the impact to the whistleblower categories mentioned above. Based on our assessment, no severe human rights incidents connected to our own workforce were identified in the reporting period.

We have escalation channels in place to report on incidents related to diversity, inclusion and belonging. We are also continuously designing and developing interventions in close cooperation with Human Resources and our Compliance team to improve 'speak up' and escalation behaviour across the organisation. For more information, see our 'Governance' section.

Consumers and end-users

Consumers and end-users of ING's services include companies and private individuals who we provide our services to. In accordance with the outcome of the double materiality assessment, we focus this section on private individual customers within our Retail Banking domain, also referred to as our 'customers'. At ING, we strive to make access to our products fair and our communication transparent, and to respect the rights of our customers when providing our services. This includes mitigating impacts and risks related to access to quality information, social inclusion, and privacy.

We assessed the materiality in acknowledgement that the topics are particularly relevant to customers in a vulnerable position. A customer is in a vulnerable position when, due to their personal circumstances, they are especially susceptible to harm or exclusion, particularly when ING is not acting with appropriate levels of care. Customers in a vulnerable position may include elderly customers, customers who experience (temporary) sensory, physical, cognitive, neurodiverse disabilities, or chronic disease and customers with reading difficulties.

Identified impacts, risks and opportunities

Negative impacts relate to practices that compromise fairness, inclusivity, and data security and can harm customer wellbeing, damage our reputation, and expose us to financial and regulatory risks. The negative impacts are not widespread or systemic, but based on individual incidents and link to the following topics:

- Access to quality information: There are potential negative impacts related to 'Unfair Customer Treatment', due to mis-selling, as well as ING (deliberately) misrepresenting a financial product or providing an unclear or unfair presentation of the financial product. These practices might lead to customers making uninformed decisions, potentially leading to financial distress.
- Social inclusion: There are potential negative impacts on our customers due to non-discrimination violations and ING's failure to provide access to products and services. This may result in the exclusion of customers due to accessibility barriers or regional restrictions, unequal treatment among customers, and the mis-selling of products through misleading marketing
- Privacy: There are potential negative impacts related to data privacy in accordance with existing data protection legislation (e.g. GDPR). Failure to protect our clients' data can negatively impact our customers and may result in identity theft, financial loss due to fraudulent activities, loss of privacy, and emotional distress.

Risks arise from the materialisation of the identified negative impacts and are associated with failing to uphold fairness, inclusivity, and data security.

Assessment of current financial effects are based on the engagement with our customers, mainly through our complaints channels and our legal claims processes. We rely on the existing approach based on the recognition and measurement criteria of provisions in the Financial Statements, for more information see Note 15 'Provisions'and Note 41 'Legal proceedings'. For 2024, there are no significant current financial effects.

Processes for engaging with customers

At ING, we regularly engage with our customers in order to understand any concerns they may have and to improve our services and activities. This engagement is the responsibility of our head of Retail. One of the ways we engage with our customers is through the measurement of our yearly net promoter score (NPS). For more information on our NPS, see the 'Superior customer value' section. Furthermore, we continue to encourage inclusive and accessible product and service development throughout ING, with the support of ING's Global Centre of Expertise (CoE) Accessibility. In addition to our general engagement activities, we use our complaints channels to gain a clearer picture of the impacts we have on our customers. See our complaints and remediation process in this section for more information.

Global CoE Accessibility is an active member of the global accessibility community, by, for example, sending speakers to events attended by experts in the field and representatives of disability interest groups/ organisations. The conferences where ING participated in 2024 were the Zero Project Annual Conference in Vienna, the European Platform for Rehabilitation Annual Conference and the Social Services Europe Annual Conference. These conferences offer insights into new innovations and how these are received by users. There's also the opportunity to learn about the challenges people with all kinds of disabilities encounter, and the new developments that might cause concern. With the information acquired, ING can adjust its actions and influence ING entities to do the same. The efforts of our strategic vision and the EAA Compliance Program resulted in, among other things, the publication of our joint report with consultancy firm Sia-Partners in January 2024, on the impact of the EAA on banking services.

Customer strategy - Superior customer value

We strive to make banking easy, instant, personal and relevant so customers can stay up to date with all that ING offers. We aim to clearly price products and services, avoid complicated jargon and always be accessible. And as part of our accessibility strategy of 'Leave no one behind', we strive for inclusion of all our customers, with and without disabilities.

Access to quality information and social inclusion is important in promoting financial health and accessibility. Enhancing financial literacy is also essential to empower customers to make informed

decisions. These topics, along with related issues such as non-discrimination, access to products and services, and responsible marketing, are validated through our customer-centric compliance risk assessment. Additionally, safeguarding customer privacy and data security is a key compliance and reputational priority, reflecting our responsibility to protect personal information. We manage related risks by continuously assessing the regulatory environment for updates and implementing these in line with our governance measures. This ensures we remain compliant while safeguarding our strategy to provide superior customer value. The processes for managing our risks and impacts, as laid out in this section, are integrated into existing risk management and compliance processes.

In our 'Strategy, Business Model, and Value Creation' chapter, we explain how human rights have informed our strategy and business model. For more information on the roles and responsibilities of our MBB regarding, among others, our policies, see 'Our sustainability governance' section in the Sustainability Statement.

Policies, actions and performance

Customer Centricity Policy

ING offers a large variety of financial products and services to customers, and so we face different risks and are subject to a multitude of regulations. Our Customer Centricity Policy (CCP) helps in preventing and mitigating impacts and risks regarding the topics of social inclusion and access to quality information, including mis-selling and unfair customer treatment. For instance, we want all our customers to have equitable access to our products and services, including persons with disabilities, which is why we strive to comply with the procedures of our policies and apply controls.

We rolled out the CCP to all countries in 2024. In alignment with the CCP, we have governance measures in place to integrate new rules and regulations, such as the European Accessibility Act, the Consumer Credit Directive, and the Retail Investor Strategy, into our business processes and control environment. Our governance framework, supported by continuous policy reviews, risk assessments, and regulatory change implementation, enables us to address material risks related to discrimination, inclusivity, and access to information in a timely and effective manner.

The CCP defines high-level obligations aiming to ensure ING handles risks in line with regulations appropriately. We want to offer products and services suitable for our customers throughout the whole relationship lifecycle at a fair price considering the market, costs and risks. We monitor internal controls and processes, such as our Product Review and Approval Process (PARP), in which all elements of customer centricity are considered and challenged. The CCP requires us to communicate information on products and services in a clear and non-misleading manner, and provide services and trusted advice through professionals with the necessary knowledge and expertise. In doing so, we also consider the ESG risks and impact of our products and services on customers.

Having a global CCP enables us to align and assess whether customer centricity is applied to all products and customers across the globe. Norms that we have formalised into minimum standards include the need to only create and sell products that are in the interests of customers and society, to have an aligned standard on complaints processes, to provide clear and accessible information that is at all times fair and not misleading, and to assess the needs of individual customers both when we sell a product and when the customer uses a product. With this, we aim to mitigate potential and actual financial distress for individual customers, resulting from not having access to products, services and/or quality information.

While we do not have a human rights policy commitment in relation to our customers, ING seeks alignment with fundamental rights through the implementation of relevant financial markets EU directives such as IDD and MiFID, which reference human rights in the preamble. In 2025, our CCP will be enhanced further and updated on the accessibility of our products and services, to establish minimum compliance standards on non-discrimination and access to banking (basic needs) across all countries.

Complaints and remediation process

In addition to our general engagement activities, we use our complaints channels to gain a clearer picture of the impacts we have on our customers. The insights we obtain into complaints can help us to implement structural changes in our products and processes. The CCP sets out the minimum requirements for complaints procedures in all ING entities, including the need to be transparent about the complaints process and to keep customers informed of the progress in ING's handling of a complaint. All complaints must be assessed regularly, and root cause analyses must be carried out to mitigate the risks of customer harm. The CCP also ensures that customers can raise complaints about ING's financial products through third parties, including distributors, brokers and manufacturers. There are several ways our customers can file a complaint. Within nearly all our Retail markets there is at least one assisted channel available (e.g. call centre, branch, human chat, social media), and at least one self-service channel (e.g. mail, e-mail, online channels app and web) where customers can file a complaint which will then be handled by a human agent.

Customers are made aware of these channels via publicly available information e.g. websites of ING (FAQs and search engine) and via the Terms & Conditions provided to customers during onboarding. Furthermore, a call centre, branch and/or a chat agent can provide further information regarding the complaints processes when a customer contacts ING. We value our customers and evaluate their concerns seriously and, while not embedded in our customer-focused policies, we do not tolerate retaliation by any employee. For our anti-retaliation measures included in our Whistleblower policy, see the 'Business conduct' chapter.

We manage complaints primarily through contact centres and when possible complaints are solved upon initial contact. If unresolved, they escalate to specialised teams. We evaluate the complaints handling process, for instance, through an assessment of the time it takes to resolve complaints and how frequently we do so. A change in products, financial compensation and/or apologies can help to address any negative impacts on customers. We analyse complaints to implement structural changes in products, processes,

policies, procedures, and communication, and involve relevant risk parties and internal stakeholders as needed. We have established channels and procedures to ensure that customers are aware of and have confidence in our complaints procedures. However, we do not assess this confidence separately. Instead, if concerns about our complaints procedures are raised, they are considered within our broader evaluation of customer concerns.

Over the course of 2024, ING developed a minimum set of standardised labels on human rights (like discrimination, accessibility, privacy), customer centricity and ESG. These labels will be applied to complaints and become operational in 2025, enabling us to perform root cause analyses and to rectify service breakdowns, improve the customer journey, address potential human rights abuses and provide appropriate remedy, help senior management better understand customer protection and further strengthen customer trust. We are currently developing an internal approach to enable a granular and systematic identification of severe human rights incidents.

Actions regarding access to quality information and social inclusion

We have introduced various measures to make ING a more accessible bank, such as installing voice-activated ATMs in certain countries for people with a visual impairment to withdraw money, and issuing bank cards with a notch on top so they can insert them correctly. In Australia, customers with speech or hearing difficulties can do their phone banking via the national relay service, and we offer a sign-language service in some of our bank branches in Poland. Also, in the Netherlands, customers with a visual impairment can use screen readers (software applications that read out information displayed on a screen) in compatibility with ING.nl and the banking app, Mijn ING. The Mobile Banking App also contains a screen reader function to transfer money or to get current account insights. Furthermore, we also want to make sure everyone can easily understand our terms and conditions, that the information on our websites is readily accessible, and that customers can use our online banking channels and mobile apps, irrespective of their situation. We started a programme in 2022 (EAA Program) to align our customer-facing services in all our EU Retail Banking countries with the goal to comply with the requirements set out in the EAA and we are planning to finalise this in 2025.

To further mitigate potential material negative impacts and risks related to social inclusion, we are collaborating with the United Nations Environment Programme Finance Initiative under the Principles for Responsible Banking to contribute towards setting a measurement standard for the financial health impact of our industry. As a founding signatory of the Commitment to Financial Health and Inclusion, we've committed to setting targets supported by measures around products and services, data analytics and/or partnerships, with the aim of promoting financial inclusion and resilience. In multiple European locations, we implemented tools designed to encourage customers to build savings and manage their expenses. For more information on financial health, see ing.com.

As mentioned, it is pivotal to continuously improve social inclusion and ensure our customers have uninterrupted access to products and relevant information. We continuously monitor and optimise the performance and uptime of our channels to meet customer expectations and ensure seamless banking experiences. We track the availability of our channels through our Channel Availability metrics for which we refer to the 'strategy and performance' section in this Annual Report.

Compliance policies, such as the CCP, are implemented in the locations we operate in. Outcomes of our monitoring, complaints analyses, event analysis or regulatory interactions, are recorded as an issue in our global database. We monitor and follow up on issues on a local and global level. In addition, the CCP standards and our compliance risks are subject to continuous monitoring and in alignment with our risk-based approach subject to periodic assessment and measurement. In relation to products and services, we perform periodic reviews in the context of the Product Approval and Review Process, which may lead to the remediation of a product if, for example, it is considered unfit for our customers.

Global Personal Data Protection Internal Policy

Just as we strive to enable customers to engage with ING without issue or interruption, we aim to protect the information they provide to us throughout their ING journey. The same applies for our business partners, service providers and our employees. In line with the EU's General Data Protection Regulation (GDPR) and other applicable data protection requirements, ING aims to process personal data for a specific business purpose in a fair and lawful manner, observing the rights and liberties of data subjects in scope of our activities. To fulfil this ambition, ING has implemented a Global Personal Data Protection Internal Policy (GPDP) which reflects the requirements based on laws and regulations, industry standards and ING's internal risk appetite. This GPDP contains specific requirements and controls which ensure the necessity and accuracy of the personal data ING is processing. The GPDP helps in preventing and mitigating impacts and risks regarding the topic (data) privacy.

It is our policy to have operational flows regarding data subject rights (such as the right to access personal data, right to erase personal data which no longer needs to be retained, right to object to data processing etc.) and that these are adequately provided to all individuals whose personal data is subjected to processing. This means that ING has implemented operational flows which allow us to process requests concerning access to personal data, the amendment/correction of personal data, opposition to processing of personal data etc. in a timely manner, in line with regulatory requirements.

In line with our policies, we strive to be transparent about what we do with the personal data of customers, employees, suppliers and business partners, as well as who we share personal data with and why. We want our business entities, support functions, and the third parties that we engage with, to grant a level of protection to the data subject equivalent to that guaranteed by the GDPR, especially if personal data is transferred outside of the European Economic Area. Part of the data protection scope is that personal data is

managed in a safe and secure manner, in line with current information security standards. More information can be found in the Privacy Statement on ing.com.

Actions regarding Privacy

ING manages personal data protection and retention risks and impacts via the Global Data Protection and Data Retention frameworks and control standards. Potential material impacts are identified and addressed by relevant data protection risk assessments such as:

- the Data Protection Impact Assessment – performed at processing activity level and allows for an in-depth scrutiny of personal data processing activities in line with applicable regulations and data protection principles;
- the Legitimate Interest assessment – performed in order to assess whether ING can rely on legitimate interest as a lawful basis in case of certain personal data processing activities; in the case of this assessment the legitimate interests of ING are considered and balanced against the interests and rights of individuals in scope of the processing; and
- the Transfer Impact Assessment – performed in case personal data is transferred to a non-EEA country; in this case the soundness of contractual and technical protective measures and controls is assessed.

All assessments mentioned lead to concrete risk identification and impact mitigation measures which are implemented on a granular level (business process or IT asset-level). This enables ING to continuously identify, manage and limit relevant data protection risks, as data protection risk assessments represent an integral part of defining new business processes or introducing changes to existing ones.

Equally, personal data protection considerations are assessed and documented at product level, within the PARP process. Furthermore, the data protection framework consists of policies and control standards which are subject to continuous monitoring and in alignment with our risk-based approach subject to periodic assessment and measurement.

In the case of security incidents impacting personal data (e.g. data breaches) it is our policy to take the necessary containment and mitigation measures as soon as possible after identifying such an occurrence. As part of this policy we assess related data protection risks and impacts and determine whether external reporting to supervisors is required, ensuring compliance with regulatory requirements. Depending on the impacts and risks related to the incident, we undertake 'lessons learned' sessions to enhance workflows to prevent similar future occurrences in order to improve the protection of customer personal data. These lessons learned take into account, first and foremost, the potential or actual impact of a data breach occurrence on affected customers.

The effectiveness of our data protection and retention controls is monitored and tested periodically as part of the ING Key Control Testing framework. Data protection and retention controls are managed in line with implemented data protection governance. Relevant business process asset and contract owners are supported in identifying and managing data protection and retention risks, including by implementing appropriate mitigation measures, by dedicated first- and second-line teams, the Data Protection Executive Office and Data Protection Compliance. Our Privacy Statement provides information on how individuals can submit a data protection-related complaints.

For 2024, relevant improvements of the personal data protection framework have been delivered, with a focus on the retention and deletion of data. We continuously optimise data protection processes with the aim to ensure the compliant embedding of data protection requirements in relevant business processes.

Metrics and targets

Regarding accessibility and availability of our channels, we monitor and report our Channel Availability for Retail Banking. In 2024, we measured the availability of our channels in the Netherlands, Belgium and Germany. The Channel Availability indicator is disclosed in the 'Strategy and Performance' section.

We aim to limit the number of complaints and/or breaches related to access to quality information, social inclusion, data privacy, and associated reputational risks. If these occur, we take actions to remediate risks and impacts, as described in the previous paragraph. For our reputational risks, we have a Compliance Risk Framework which contains risk appetite indicators used for internal monitoring.

Governance

Our culture drives the way we do business and impacts all our stakeholders. We are guided by ING's Orange Code, which sets our values and behaviours and ensures we work with integrity, transparency, and high standards of business ethics. Our employees are encouraged to speak up and report concerns, and have a zero-tolerance approach to any form of bribery and corruption.

As detailed in the General information section, the double materiality assessment has identified sustainability matters within the following topical ESRS related to 'Governance':

- G1 – Business conduct



Business conduct

Business conduct refers to the way we do business. Our Global Code of Conduct reflects the standards we must adhere to, and includes our values, principles, and ethical standards. Business conduct includes matters such as business ethics and corporate culture, including anti-corruption and anti-bribery, and the protection of whistleblowers – and these are the specific sustainability matters we have identified.

Identified impacts, risks and opportunities

We have performed our double materiality assessment regarding business conduct on our own operations in the value chain. For more information, see 'Business Model and Strategy'. The assessment concluded that inherent risks to ING related to business conduct are risk of financial loss, regulatory fines, and reputational damage resulting from:

- infringements of our corporate culture;
- instances of bribery and corruption; and
- failure to protect whistleblowers.

These risks have an effect on our own operations and therefore policies and internal guidelines are in place. Corporate culture is addressed by our Orange Code and Global Code of Conduct, and bribery and corruption are addressed by our Anti-bribery and Corruption Policy and zero-tolerance statement. The protection of whistleblowers is addressed by our Whistleblower Policy and internal guidelines. Our Orange Code, Global Code of Conduct (together our corporate culture), Anti-bribery and corruption Policy and Whistleblower Policy are described in the following paragraphs.

Assessment of current financial effects is based on ING's internal risk database (including engagement with our workforce and our whistleblower channels). We rely on the existing approach based on the recognition and measurement criteria of provisions in the Financial Statements, for more information see Note 15 'Provisions' and Note 41 'Legal proceedings'. For 2024, there were no significant current financial effects.

Our governance around policies and other control measures has been designed in such a way that ING is able to identify and assess risks in due time. Through application of our risk management cycle activities, we can mitigate upcoming and existing risks. However, longer-term horizons face critical uncertainty due to the evolving regulatory landscape and the limited ability to forecast which exact macroeconomic and social developments will unfold.

Policies, actions and performance

Corporate Culture – Integrity above all

Our operations touch many lives: customers, employees, shareholders, and society at large. Everyone within these groups has a reasonable expectation that we act with integrity. At ING, we all have a duty to put integrity above all we do and to live up to the values we hold. We will not ignore, tolerate or excuse behaviour that breaches our values. To do so would break the trust of society and the thousands of great colleagues who do the right thing to take this company forward every day.

Our corporate culture starts with the Orange Code – it is a declaration of who we are, with the overarching principle of 'integrity above all'. While the Orange Code sets out general values and behaviours, the ING policies and guidelines are much more specific and state the rules in more detail. The ING Global Code of Conduct is the link between the Orange Code and the main ING policies and guidelines.

Our values and behaviours	Main ING policies and procedures		
	Business Conduct Framework		
The **Orange Code** is a manifesto that describes our way of working. It is comprised of our values and behaviours	Orange Code Global Investigations Charter	**ING Global Code of Conduct**	**Whistleblower Policy**
Zero tolerance on corruption and bribery	**Anti-bribery and Corruption Policy**	ABC High-Risk Roles Guidance	Global Event Management Procedure

The above table displays ING's main policies and procedures within our Business Conduct Framework, with key business conduct policies identified in bold. All policies are subject to Internal Control Binding Principles (ICBP), which set the standard for the entire life cycle of the policy and apply to all ING Business Units (i.e. all branches and majority-owned subsidiaries of ING Groep N.V.). In accordance with ICBP, policies are checked annually for compliance with laws and regulations and a periodic (three-year cycle, unless otherwise approved) full review is performed in line with the ING Governance Framework. Policies, procedures and guidances are available and easily accessible for all staff on the ING intranet. The Orange Code and Global Code of Conduct are available for external stakeholders on ing.com.

In addition to these policies, ING has several internal processes and guidelines in place to provide guidance towards the actions and monitoring of the risks and policies.
The following processes and guidelines are linked to the global policies:

- The Global Investigations Charter specifies which incidents are to be investigated under the local or global responsibility of Central Special Investigations (CSI), and how the investigation is to be initiated, conducted and resolved. It defines the governing principles for organising, managing and conducting the investigations function within ING.
- The Global Event Management Procedure outlines the processes for the management of operational risk events, as well as the roles and responsibilities for mitigating the impact of such identified events and their related reporting.
- The High-Risk Role Guidance defines job activities considered to be at risk or vulnerable from the bribery and corruption risk perspective, in order to assist ING learning academies, and the business and functions management in evaluating roles to determine if they meet the criteria for High-Risk Role training.

Training and awareness are of great importance for policies to be effective. To this end, we have developed global mandatory training for business conduct-related policies (e.g. Global Code of Conduct, whistleblower, anti-bribery and corruption).

The Orange Code

The Orange Code describes what we can expect from each other when we turn up to work each day. It is a set of standards that we collectively value, strive to live up to and invite others to measure us by. It was developed in 2014, and marks an important step towards one shared culture across ING. The Orange Code is comprised of the ING values and the ING behaviours:

Values	Behaviours
We are honest	You take it on and make it happen.
We are prudent	You help others to be successful.
We are responsible	You are always a step ahead.

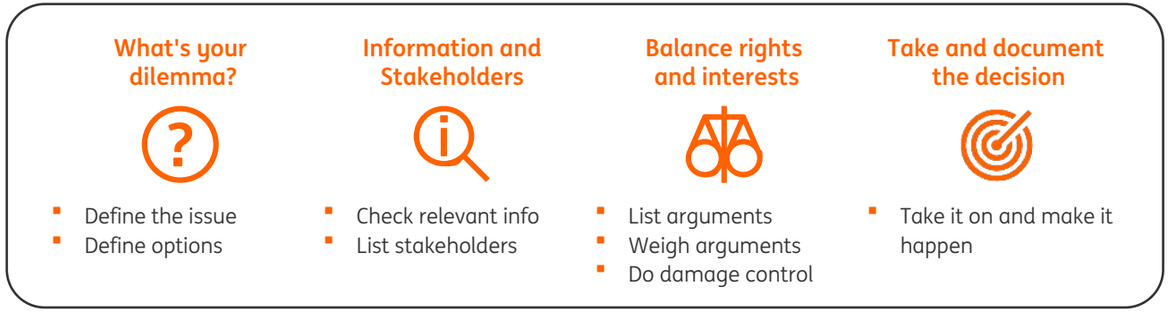
The Orange Behaviours are embedded in commitments we make to each other and the standards by which we measure each other's performance.

Risk culture

Having a sound risk culture enables us to play our role in society responsibly and to keep the bank safe and secure. Our employees contribute to ING's risk culture by acting with the right mindset and living up to our Orange Code and Global Code of Conduct. To monitor ING's risk culture, we developed a risk culture monitoring methodology that displays the risk culture maturity across ING entities. We look at four key behaviours from ING's risk culture framework: risk awareness, risk judgement, escalation & follow-up and leadership. To understand the behaviours, we identify the formal and informal drivers of risk culture. Risk culture is not easily captured by a single data point, so we combine different sources, such as the annual risk culture survey, professional judgement, and quantitative indicators. We track the progress of our risk culture maturity on an annual basis, and the MBB and SB actively discuss the risk culture on a bi-annual basis.

Orange Code decision-making

Balancing the rights and interests of our stakeholders is one of the key Orange Code principles. To further enhance risk judgement, we continued to apply the Orange Code decision-making model to dilemmas. This four-step model supports well-balanced and informed decision-making.



In 2024, the focus was on supporting decision-making and advisory bodies at ING – dealing with, for example, environmental and social risk, product approval and review processes, data ethics and model validation – in organising dilemma dialogues as part of their decision-making process.

Behavioural risk

Behavioural risk is an increasingly important area for ING and across the financial industry. It arises when behavioural patterns are at the root of financial and non-financial risks in the organisation. The complexity of this type of risk is that it is less tangible compared to other risk areas because it focuses on behavioural patterns and their drivers. There are patterns in how decisions are made, how people communicate, and whether they can and are willing to take ownership. Behaviour is driven by formal and informal mechanisms.

Examples of formal drivers are the processes ING applies and how its governance is structured. Informal drivers are less tangible, such as group dynamics or underlying beliefs that influence behaviour.

Behavioural risk assessments

Behavioural risk assessments identify and analyse undesired behaviours within ING and provide management with specific direction on how to change these behaviours. They focus on the effectiveness of groups rather than individuals, the role of leadership, and on less visible aspects such as team dynamics and unwritten social norms. The goal is to understand and systematically assess what drives undesired habits at ING. The behavioural risk management framework is used as a guide across ING to identify behavioural risks in the organisation that require deeper investigation.

Behavioural risk interventions

Based on the results of the executed behavioural risk assessments, interventions are taken to mitigate the behavioural risks in a focused manner. Effective mitigation requires a deep understanding of what drives undesired behaviours. Behavioural and organisational science theories and evidence-based techniques and tools play an important role in designing and facilitating interventions.

In 2024, ING rolled out a global activation plan across the organisation aimed at promoting productive conversations, and to improve 'speak up' and escalation behaviour. This intervention has been designed for senior leadership teams and is supported by an e-learning and toolkit to further cascade the intervention to all teams.

ING's Global Code of Conduct

Building on the values and behaviours of our Orange Code, the ING Global Code of Conduct outlines the 10 conduct principles expected from all of us. The principles aim to prevent and protect us from making unethical and/or illegal decisions within ING's day-to-day business. Prevention of bribery & corruption (AB&C), and whistleblowing (speaking up), are among those 10 core principles and have their own policy.

When ING employees go through the onboarding process, they are required to take an e-learning and commit to adhere to the Global Code of Conduct. Also, every year, all ING employees must acknowledge their adherence to the Global Code of Conduct. We monitor this acknowledgement via the compliance risk dashboard.

The Global Code of Conduct was updated in 2024. A mandatory global required learning will be launched in the first quarter of 2025, accompanied by email communications and a newsletter announcement.

Whistleblower Policy

At ING we systematically look for ways to enhance and harmonise our 'speak up' channels. Concerns can be reported to a variety of channels, like managers, HR, confidential advisers and Whistleblower Reporting Officers. We want our people to feel safe to raise concerns and to be confident that we will treat any concern reported adequately.

We also support our people in raising whistleblower concerns by providing them with an anonymous reporting option – regardless of how concerns are reported, these are always treated with utmost confidentiality; disclosing reporters' rights and responsibilities; and having strict anti-retaliation measures in place. Also, external parties such as customers, shareholders, suppliers and other stakeholders can report any suspicions and complaints on misconduct or behaviour via the page 'Complaints about our conduct' on ing.com.

ING does not tolerate any form of retaliation by any employee, including (senior) management. It is strictly prohibited to retaliate against a reporter or anyone providing information or assisting in an investigation. The global Whistleblower Policy and procedure as well as the Global Investigations Charter outline the minimum mechanisms to ensure fair, timely, careful and proportionate follow-up on concerns raised. All concerns reported are tracked by a Whistleblower Reporting Officer who performs an intake (scoping assessment) and, if in scope, a review (determining if there is sufficient ground to advise on investigation). The department of Corporate Special Investigations (CSI), part of Corporate Audit Services, or the local Special Investigations Function (SIF), is responsible for conducting the investigations. CSI or SIF follow the Global Investigations Charter, which aims to ensure the investigation is conducted in an independent, objective, impartial and confidential manner.

In 2024, ING further reiterated the importance of the protection of reporters and anyone providing information or who otherwise assists in an investigation in an updated Whistleblower Policy and global procedure. This process included a revamp of both global and specialist learnings. Furthermore, ING entities have created local policy annexes where necessary in case of specific local legal requirements based on the transposition of the EU Directive 2019/1937 (on the protection of persons who report breaches of Union law/ Whistleblowing into national law).

A new mandatory global e-learning was rolled out to employees educating them on the whistleblower channel, anonymity and confidentiality, their rights and responsibilities as reporters, the importance of awareness on retaliation, and how the follow-up on concerns is handled. We monitor the timely completion of the e-learning by employees via the compliance risk dashboard. Furthermore, next to the existing global community for support to (local) Whistleblower Reporting Officers, ING launched a new specialist learning journey to provide a one-stop shop for mandatory obligations, investigative interviewing, useful guidance, and templates.

Anti-bribery and Corruption Policy

We are committed to doing business in an honest, prudent and responsible manner and aim to ensure compliance with applicable anti-bribery and corruption (AB&C) laws and regulations. ING's AB&C Policy outlines the obligations, key risks, and control objectives that are necessary to ensure that inherent and critical bribery and corruption risks are identified, assessed, managed, and monitored accordingly.

ING has a zero-tolerance approach to bribery and corruption in all its relationships and business dealings. ING does not permit accepting or paying bribes or offering improper inducements or anything that could be perceived as such. ING expects the same from its business partners and third parties that perform services or deliver business on its behalf. Investigations into possible breaches of anti-bribery regulations are the responsibility of CSI, as we want to ensure independence, objectivity, and confidentiality. ING entities are required to report instances of bribery and/or corruption, in accordance with the Global Event Management Procedure. This includes reporting to the Management Board and chairman of the Supervisory Board.

ING has a key risk indicator (KRI) in place to, on a monthly basis, monitor the 'Zero tolerance to instances of bribery and/or corruption by ING employees and/or third parties'. The reporting is based on event data included in ING's Non-Financial Risk (NFR) Management tool, iRisk. NFR-related events are captured in the system and iRisk provides standard reports to be used for risk reporting. The data and reporting on instances of bribery and/or corruption is not validated by an external body.

For 2024, there were no instances of convictions and fines related to violations of anti-bribery or anti-corruption laws. Therefore, no provisions were taken in accordance with the Global Event Management Procedure and to accounting principles.

ING has published an updated AB&C Policy, effective 1 April 2024 – on our intranet and on ing.com. The policy is intended to align with relevant local and international laws, including the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act (UKBA).

Global mandatory training on anti-bribery and corruption has been designed to provide all employees, including contractors, with an understanding of the bribery and corruption risks faced by ING, the risks they may be exposed to, and how ING manages these risks. The goal of the training is to enable the learners to:

- recognise the importance of our role in fighting bribery and corruption;
- understand the consequences of bribery and corruption on society and the organisation;
- recognise how we identify, manage, and mitigate potential bribery and corruption risks; and
- escalate any suspicious behaviour or suspicions of potential bribery/corruption risks through appropriate channels.

The global mandatory training, which is part of the financial crime fundamentals e-learning, was rolled out in the first quarter of 2023 and continued in 2024. New joiners are expected to undertake the training on joining ING.

ING has an approach for identifying the roles with an increased exposure to bribery and corruption risks. These are also known as High-Risk Roles. The High-Risk Role Guidance defines in detail the job activities considered to be at risk or vulnerable from the bribery and corruption risk perspective. For more information on the criteria, see the 'Definitions of our environment, social and governance metrics' in the Appendix to the Executive Board report. In 2024, employees in a High-Risk Role were enrolled in a specific HRR e-learning, which takes about one hour to complete. It covers the following key areas of activity:

- The regulatory requirements relating to anti-bribery and corruption, the risks for the financial industry, and the impact of a regulatory breach;
- The internal anti-bribery and corruption governance, risks & controls framework;
- The ING gifts & entertainment (G&E) approach (roles and responsibilities relating to registering G&E);
- The risks associated with public officials (POs) and why they represent an enhanced risk;
- The bribery and corruption risks in the hiring process; and
- The bribery and corruption risks when engaging with third parties.

Both the global mandatory and the High-Risk Roles training completion by employees is monitored via the compliance dashboard. To date 98% of employees completed the Global mandatory training on anti-bribery and corruption and 89% of eligible employees completed the High-Risk Roles training.

The section 'Our leadership and corporate governance' includes information about the education of board members. In 2024, the management boards and Supervisory Board did not receive a targeted ABC training.



Capital management

Capital management

ING's capital management strategy ensures sufficient capital to cover risks, including economic risks, at all levels and comply with local and global regulations, while delivering value for our shareholders and supporting the commercial business activities to serve our client needs. ING's capital position remained strong despite the uncertain geopolitical environment. At both the consolidated and entity level, ING has sufficient buffers to withstand various stressed scenarios.

Capital management strategy

Group Treasury (GT) is responsible for maintaining the adequate capitalisation of ING Group and ING Bank entities to manage the risk associated with ING's business activities. This involves not only managing, planning and allocating capital within ING Group, ING Bank and its various entities, but also executing necessary capital market transactions, term (capital) funding and risk management transactions. ING takes an integrated approach to assess the adequacy of its capital position in relation to its risk profile and operating environment. This means GT takes into account both regulatory and internal, economic-based metrics and requirements as well as the interests of key stakeholders, such as customers, shareholders and rating agencies.

ING applies the following main capital definitions:

- Common equity Tier 1 capital (CET1) is defined as shareholders' equity less regulatory adjustments. CET1 capital divided by risk-weighted assets equals the CET1 ratio.
- Tier 1 capital is defined as CET1 capital plus Additional Tier 1 (hybrid) securities and other regulatory adjustments. Tier 1 capital divided by risk-weighted assets equals the Tier 1 capital ratio.
- Total capital is Tier 1 capital plus subordinated Tier 2 liabilities and regulatory adjustments. Total capital divided by risk-weighted assets equals the Total capital ratio.
- ING's fully loaded CET1 ratio target is built on the CET1 requirements specified for ING, potential increase in the regulatory requirement of the countercyclical buffer, the potential impact of a standardised and pre-determined stress scenario and available mitigating actions, and general uncertainties.
- Leverage ratio (LR) is defined as Tier 1 capital divided by the leverage exposure.
- Minimum Required Eligible Liabilities (MREL)/ Total Loss Absorbing Capacity (TLAC) is Total capital plus senior unsecured bonds and amortisations. MREL/TLAC ratios are based on both risk-weighted assets and leverage exposure.

Processes for managing capital

GT aims to ensure adherence to ING's solvency risk appetite statements by capital planning and executing capital management transactions. The ongoing assessment and monitoring of capital adequacy is embedded in the capital planning process as part of the internal capital adequacy assessment process (ICAAP) framework. As part of the dynamic business planning process, ING prepares a capital and funding plan on a regular basis for all its material businesses, and continuously assesses the timing, need and feasibility for capital management actions in scope of its execution strategy. Sufficient financial flexibility should be preserved to meet important financial objectives. Risk appetite statements are at the foundation of the capital plan and are cascaded to the different businesses in line with ING's risk management framework. Contingency capital measures and early warning indicators are in place – in conjunction with ING's contingency and recovery plan – to support the strategy in times of stress.

Adverse planning and stress testing, which reflect the outcome of the annual risk assessment, are integral components of ING's risk and capital management framework. It allows us to (i) identify and assess potential vulnerabilities in ING's business model, business portfolios or operating environment; (ii) understand the sensitivities of the core assumptions used in ING's strategic and capital plan; and (iii) improve decision-making and business steering through balancing risk and return following a forward-looking and prudent management approach.

Capital position as of 31 December 2024

ING Group capital position according to CRR II / CRD V		
in EUR million	2024	2023
Shareholders' equity [1]	50,314	51,240
- Interim profits not included in CET1 capital	-2,152	-2,504
- Other adjustments	-2,902	-1,880
Regulatory adjustments	-5,054	-4,384
Available common equity Tier 1 capital	**45,260**	**46,856**
Additional Tier 1 securities	7,965	6,983
Regulatory adjustments additional Tier 1	66	59
Available Tier 1 capital	**53,291**	**53,898**
Supplementary capital Tier 2 bonds [2]	9,852	9,115
Regulatory adjustments Tier 2	50	40
Available Total capital	**63,194**	**63,052**
Risk weighted assets	333,708	319,169
Common equity Tier 1 ratio	**13.6 %**	**14.7 %**
Tier 1 ratio	16.0 %	16.9 %
Total capital ratio	18.9 %	19.8 %

1 Shareholders' equity is determined in accordance with IFRS-EU.
2 All T2 securities are CRR/CRD V-compliant for 2024.

Capital developments

ING's capital position remained strong despite the challenging geopolitical environment. At both the consolidated and entity level, ING has sufficient buffers to withstand various stressed scenarios.

ING's CET1 target level of around 12.5% is well above the prevailing maximum distributable amount (MDA) level of 10.76%, implying a management buffer of about 170 basis points.

ING Group's capital ratios at the end of the year decreased compared to 2023, primarily due to higher risk-weighted assets coupled with lower CET1 capital. CET1 capital decreased due to additional distributions that were only partially offset by the inclusion of net profit after dividend reserving. Besides the regular 50% dividend distribution, ING twice distributed an additional €2.5 billion, mostly in the form of share buybacks, as next steps to converge towards ING's CET1 target by the end of 2025. Risk-weighted assets were mainly impacted by higher net volume, currency movements, improvement in book quality and model impacts.

ING Group had a CET1 ratio of 13.6% as of 31 December 2024 versus an overall SREP requirement (including buffer requirements) of 10.76%. ING Group's Tier 1 ratio decreased to 16.0%. The Total capital ratio decreased from 19.8% at the end of 2023 to 18.9% at the end of 2024.

Dividend and distribution policy

ING's distribution policy is a pay-out ratio of 50% of resilient net profit. Resilient net profit is defined as net profit adjusted for significant items not linked to the normal course of business. The 50% pay-out may be in the form of cash, or a combination of cash and share repurchases, with the majority in cash. Additional distributions are to be considered periodically, taking into account alternative opportunities, macro-economic circumstances and the outcome of our capital planning. The prerequisite for a distribution is a CET1 ratio of at least the prevailing MDA) level after distribution.

For 2024, the resilient net profit amounts to €6,548 million, of which €3,274 million was reserved for regular distribution outside of CET1 capital, reflecting ING's distribution policy of a 50% pay-out ratio. Resilient net profit includes a positive adjustment to the net profit of €156 million related to hyperinflation accounting according to IAS 29 in the consolidation of our subsidiary in Türkiye.

Following ING's distribution policy of a 50% pay-out ratio on resilient net profit:

- A final dividend over 2023 of €0.756 per share was paid was paid in May 2024.
- An interim dividend over 2024 of €0.35 per share was paid in August 2024.
- The boards have proposed to pay a final cash dividend over 2024 of €0.71 per share. This is subject to the approval by shareholders at the Annual General Meeting on 22 April 2025.

In addition to this, ING twice announced an additional distribution of €2.5 billion in 2024:

- An additional distribution of €2.5 billion, by means of a share buyback programme, was announced on 2 May 2024. Between 2 May 2024 and 11 October 2024, almost 156 million of ordinary shares have been repurchased for a total consideration of €2.5 billion.
- An additional distribution of €2.5 billion was announced on 31 October 2024, of which €2.0 billion as a share buyback programme and €0.5 billion as an additional cash distribution. Between 31 October 2024 and 31 December 2024, approximately 50.5 million of ordinary shares were repurchased for a total consideration of around €0.8 billion.

Regulatory requirements

Capital adequacy and the determination of required regulatory capital are based on the guidelines developed by the Basel Committee on Banking Supervision (the Basel Committee) and the European Union Directives, as implemented by the Dutch Central Bank and the ECB for supervisory purposes. In 2010, the Basel Committee issued new solvency and liquidity requirements that superseded Basel II, implemented in the European Union (EU) via Capital Requirements Regulation (CRR) / Capital Requirements Directive (CRD). In accordance with the CRR the minimum Pillar 1 capital requirements applicable to ING Group are: a CET1 ratio of 4.5%, a Tier 1 ratio of 6.0% and a Total capital ratio of 8.0% of risk-weighted assets.

The overall SREP CET1 requirement (including buffer requirements) for ING Group at a consolidated level decreased during 2024, mainly due to a reduction of the O-SII (other systemically important institutions) buffer requirement and was 10.76% at the end of December 2024. This requirement is the sum of a 4.5% Pillar I requirement, a 0.93% Pillar II requirement, a 2.5% capital conservation buffer (CCB), a 0.83% countercyclical buffer (CCyB) and a 2.0% O-SII (Other Systemically Important Institutions) buffer that is set separately for Dutch systemic banks by the Dutch Central Bank (De Nederlandsche Bank). This requirement excludes the Pillar II guidance, which is not disclosed. ING met the externally imposed regulatory capital requirements in 2024.

ING's fully loaded CET1 requirement stood at 10.88% in 4Q2024 (4Q2023: 10.76%), which is higher than the prevailing CET1 ratio requirement as a result of countercyclical buffers that will become effective over the coming quarters.

The MDA trigger level stood at 10.76% in 4Q2024 for CET1, 12.57% for Tier 1 Capital and 14.98% for Total capital. These MDA levels are in line with the application of Art.104a in CRD V, which allows ING to partly fulfil the total Pillar II requirement (1.65%) with Additional Tier 1 and Tier 2 capital. An MDA requirement on the leverage ratio of 3.5% applies to ING Group. In the event that ING Group breaches an MDA level, ING may face restrictions on dividend payments, coupons on AT1 securities and payment of variable remuneration.

MREL and TLAC requirements

The minimum requirement for own fund and eligible liabilities (MREL) and total loss absorbing capacity (TLAC) apply to ING Group at the consolidated level of the resolution group. MREL and TLAC provide additional capacity to absorb losses and facilitate recapitalisation in the case of resolution. ING Group has a single point of entry resolution strategy.

MREL requirements were 29.08% on RWA and 7.32% on leverage exposure as of December 2024. ING meets these MREL requirements with a MREL ratio of 33.3% on RWA and 9.8% on leverage exposure at the end of December 2024. MREL is for ING Group more binding than TLAC.

As of December 2024, TLAC requirements were 23.33% of RWA and 6.75% of leverage exposure. The available TLAC capacity consists of own funds and senior debt instruments issued by ING Group. With a TLAC ratio of 33.3% on RWA and 9.8% on leverage exposure, ING comfortably meets the TLAC requirements.

Regulatory developments

On 31 May 2024, the EU formally adopted the amended CRR III and CRD VI that implement the finalised Basel III framework in the EU. These regulations were published in the EU's Official Journal on 20 June 2024. Most of the CRR III changes apply from 1 January 2025, however some of the provisions are phased in over the coming years. Specifically, the output floor will be generally phased in over five years, with some of the output floor and general phase-in provisions lasting until 2032.

CRR III impacts RWA measurement through:

1. enhancing the robustness and/ or risk sensitivity of the standardised approaches for credit risk, credit valuation adjustment (CVA) risk and operational risk;
2. constraining the use of the internal model approaches by placing limits on certain inputs used to calculate capital requirements under the internal ratings-based (IRB) approach for credit risk and by removing the use of the internal model approaches for CVA risk and for operational risk;
3. introduction of a risk-sensitive output floor based on the standardised approaches.

The application date of CRR III is 1 January 2025, with 31 March 2025 as the first reporting reference date. The impact on ING's capital ratios is expected to be negligible.

Ratings

ING's credit ratings and outlook are shown in the table below. Each of these ratings only reflects the view of the applicable rating agency at the time the rating was issued. Any explanation of the significance of a rating may be obtained only from the rating agency.

Main credit ratings of ING at 31 December 2024

	S&P	Moody's	Fitch
ING Groep N.V.			
Issuer rating			
Long-term	A-	n/a	A+
Short-term	A-2	n/a	F1
Outlook	Stable	Positive [1]	Stable
Senior unsecured rating	A-	Baa1	A+
ING Bank N.V.			
Issuer rating			
Long-term	A+	A1	AA-
Short-term	A-1	P-1	F1+
Outlook	Stable	Positive	Stable
Senior unsecured rating	A+	A1	AA-

[1] Outlook refers to the senior unsecured rating.

A security rating is not a recommendation to buy, sell or hold securities and each rating should be evaluated independently of other ratings. There is no assurance that any credit rating will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the rating agency if, in the rating agency's judgement, circumstances so warrant. ING accepts no responsibility for the accuracy or reliability of the ratings.


Risk
management

Risk management

As a global financial institution with a strong European base, offering banking services, ING is exposed to a variety of risks. We manage these through a comprehensive risk management framework that integrates risk management into strategic planning and daily business activities. This aims to safeguard ING's financial strength and reputation by promoting the identification, measurement and management of risks at all levels of the organisation. Taking measured risks aligned with its risk appetite is core to ING's business.

This section sets out how ING manages its risks on a day-to-day basis. It explains how the risk management function is embedded within the organisation based on the 'three-lines-of-defence' (3 LoD) model. It describes the key risks that arise from ING's business model and how these are managed by dedicated risk management departments, with specific areas of expertise. The section provides qualitative and quantitative risk disclosures on solvency, credit, market, funding and liquidity, ESG (environmental, social and governance), operational, information technology (IT), compliance, model, and business and strategy risks.

Basis of disclosures (*)

The risk management section contains information relating to the nature and extent of the risks of financial instruments as required by International Financial Reporting Standards (IFRS) 7 'Financial Instruments: Disclosures'. These disclosures are an integral part of the ING Group Consolidated financial statements and are indicated by the symbol (*). This is applicable for the chapters, paragraphs, graphs or tables within the risk management section that are indicated with this symbol in the respective headings or table header.

This risk management section includes additional disclosures beyond those required by IFRS standards, such as certain legal and regulatory disclosures. Not all information in this section can be reconciled back to the primary financial statements and corresponding notes, as it has been prepared using risk data that differs to the accounting basis of measurement. Disclosures in accordance with Part Eight of the CRR2 and CRD V, and as required by the supervisory authority, are published in our 'Additional Pillar III Report', which can be found on our corporate website ing.com.

Top and emerging risks

The risks listed below are defined as top (already existing) and emerging risks that could cause actual results to differ, in some instances materially, from those anticipated. They may have a material impact on the reputation of the company, introduce volatility in future operating results or impact ING's medium- and long-term strategy, including the ability to pay dividends, maintain appropriate levels of capital or meet liquidity and funding targets. An emerging risk is defined as a new or future risk that might challenge ING. Therefore, these risks require proactive identification and monitoring. The impact on the organisation is therefore more difficult to assess compared to other risks.

The topics mainly originated from the annual risk assessment that feeds into, among others, the annual review of the stress-testing framework and the Risk Appetite Framework. The sequence in which the risks are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

The 2024 risk assessment confirmed our top and emerging risks. The top risks in 2024 relate to geopolitical risk, people risk, cybercrime, inflation risk, IT risk, and model risk. Environmental risk remains an emerging risk, and reflects the impact that climate change may have on ING's financial position and/or reputation.

Geopolitical risk

Geopolitical risk is an important concern for ING. Election outcomes in major economies such as the US and in Europe can lead to policy shifts that impact financial markets, regulatory environments, and trade relations. Economic growth was generally restrained in 2024, although eurozone growth faced significant challenges marked by sustained inflation and political instability in major countries. Ongoing conflicts, such as the war in Ukraine and conflict in the Middle East further heighten uncertainty, often causing market volatility, disrupting cross-border transactions, and increasing already elevated oil prices.

In 2024, ING conducted ad hoc risk assessments on significant geopolitical events for potential risk management measures if needed.

International elections

There were an unprecedented number of national elections in 2024, with nearly half of the global population voting. This surge in electoral activity has led to significant political shifts worldwide, creating both opportunities and challenges for banks and their clients. These developments are likely to introduce new economic policies and reshape public policy, impacting trade, immigration, and the climate agenda. In Europe, particularly in the Netherlands, a broad political shift emerged, reflecting growing support for parties that could influence future EU policies and regulatory frameworks, including trade agreements and financial regulation. Meanwhile, political instability in France and Germany further added uncertainty, with potential implications for policy coordination, economic decision-making, and investor confidence across the region. Similarly, the outcome of the US elections in November signaled a shift in political power, potentially affecting for global economic policy, trade relations, and financial markets.

US-EU-China relations and regional tensions

US-China relations face renewed strain as the United States moves to reintroduce tariffs on Chinese imports, raising concerns over potential retaliatory measures from China. These trade restrictions not only increase costs for businesses reliant on international supply chain but also risk triggering a cycle of escalating tariffs, as each side responds with countermeasure. This dynamic can disrupt global trade flows, pressure industries that depend on cross-border trade, and contribute to broader economic uncertainty.

Beyond tensions between US and China, trade frictions between the US, the EU, and China have also intensified, with tariffs and regulatory disputes affecting key industries. The US and the EU remain at disagreement over tariffs on steel, aluminium, and technology products, reflecting broader concerns about trade imbalances and industrial competitiveness. Simultaneously, the EU is considering imposing tariffs on Chinese electric vehicles and other industrial goods, citing market distortions and state subsidies. In response, China has signaled potential countermeasures, adding to uncertainty for global industries reliant on Chinese manufacturing and export markets.

These economic conflicts are further compounded by regional tensions, particularly in the Asia-Pacific region. Chinese military exercises near Taiwan and the Philippines have raised regional security concerns, prompting stronger US commitments to defend Taiwan and strengthen its alliance with the Philippines. Further tensions may escalate into further financial disconnection between major economies, causing significant disruption to global economic markets.

Deglobalisation

The period of Western-based liberalisation and globalisation is being challenged by a global trend towards polarisation and more assertive political policies. The rise of nationalism, protectionism, populist movements and anti-global sentiments in recent years has created an environment of increasing uncertainty. This could potentially lead to a reversal or slowdown of globalisation.

The war in Ukraine

The war in Ukraine continued to pose a significant geopolitical risk in 2024. The conflict has intensified, with Russian forces making advances and Ukraine conducting attacks on Russian territory. This escalation has heightened concerns among global leaders about sustaining military support, especially in light of potential policy shifts under the new US administration. The conflict has disrupted energy markets and supply chains, with an increased risk of further sanctions affecting global trade and increasing operational risk for businesses with exposure to the region. For further detailed information on sanctions see 'Compliance risk'.

Exposure in Russia

In March 2022, we announced a decision to no longer do new business with Russian counterparties. Nevertheless, ING's remaining operations in Russia and with Russian counterparties are subject to various risks, including, but not limited to, credit risk, changes in laws and regulations including sanctions and counter sanctions as well as conflicts of law, potential litigations and deconsolidation events.

In December 2024, ING's remaining credit exposures to Russian counterparties, booked outside of Russia, is €1.0 billion (2023: €1.3 billion).

On 28 January 2025, ING announced it had reached an agreement on the sale of its business in Russia to Global Development JSC, a Russian company owned by a Moscow-based financial investor with a background in factoring services. This transaction will effectively end ING's activities in the Russian market. Under the terms of the agreement, Global Development will acquire all shares of ING Bank (Eurasia) JSC, taking over all Russian onshore activities and staff. Global Development intends to continue to serve customers in Russia under a new brand. The transaction, which has been preceded by extensive due diligence, is subject to various regulatory approvals and is expected to be closed in the third quarter of 2025.

ING expects a negative P&L impact of around €0.7 billion post tax. This includes an estimated book loss of around €0.4 billion, representing the difference between the sale price and the book value of the business, which would have a negative impact of around 5 basis points on ING's CET1 ratio. It also includes an estimated negative impact of around €0.3 billion from recycling the currency translation adjustment through P&L. The latter does not affect CET1 capital.

During 2024 a trend emerged whereby Russian parties are holding Western banks liable in Russian courts. The Russian parties claim that such banks, by complying with sanctions imposed by the EU, US and other authorities, have caused damage to the Russian party. There have also been instances where Russian courts ruled in favour of the Russian party. In these cases, Russian courts did not recognise such sanctions, did not respect the choice of law and courts pursuant to the applicable contracts, and held Russian subsidiaries of Western banks liable for acts by other entities in that banking group. For more information on litigation involving ING, see Note 41 'Legal proceedings'.

Exposure in Ukraine

In Ukraine, our credit exposure was approximately €550 million (2023: €600 million), mainly with Central Bank liquidity facilities and other lending. A significant part is guaranteed by international parents or benefits from strong collateral.

Middle East tensions

Tensions in the Middle East escalated, specifically between Israel and Iran, leading to significant military engagements and intensifying the suffering endured by civilians in Gaza and neighbouring areas. Israel launched retaliatory airstrikes on Iranian military sites, following a series of escalations beginning with the assassination of key members of militant groups in the Middle East. Meanwhile, Iran, under economic sanctions, further heightened tensions with its nuclear ambitions. A six-week ceasefire between Israel and militant group Hamas has provided temporary relief and helped stabilise oil prices, while efforts continue toward a permanent truce. However, the ceasefire remains fragile as both sides accuse each other of violations, increasing uncertainty and risk of renewed hostilities. Market volatility, energy price shocks, and shifting sanction policies continue to pose significant risks for financial institutions and their clients, affecting operational stability, lending exposure, and regulatory compliance.

People risk

People risk remains as a significant concern for ING in 2024. Competitive pressures, especially in digital and specialised finance roles, make it challenging to attract and retain top talent. Also, employee concerns on compensation and benefits are amplified by the rising cost of living, leading to further retention challenges. Additionally, there is a growing demand for flexible work arrangements and enhanced career development opportunities, adding to the complexity of managing workforce stability. On how ING mitigates the risks related to skill shortage, see 'Own workforce' in the 'Sustainability Statement'.

Cybercrime risk

Cybercrime risks continue to grow in scope and complexity, driven by geopolitical tensions and technological advancements. Cybercrime risk was the highest risk in the 2024 risk assessment. As technology evolves, ING faces increased exposure to cybersecurity threats such as malware, ransomware, and distributed denial of services (DDoS) attacks. The emergence of generative AI heightens this risk, enabling threat actors to quickly develop and refine new attack methods. The number of threat actors is also expected to rise as barriers to entry for cyberattacks decrease.

Vulnerabilities in the cybersecurity of ING's third-party providers present additional risks. Cyber incidents impacting these providers could disrupt their ability to deliver critical services for ING.

Regulatory measures such as the EU's Data Act, Cyber Resilience Act (CRA), and Digital Operational Resilience Act (DORA) mandate proactive management of cyber, IT, and data-related risks. These measures require banks to maintain comprehensive frameworks and protocols to ensure resilient hardware and software infrastructures.

ING mitigates this risk by implementing relevant controls, regularly identifying and monitoring potential threats. For more details and mitigation actions, see 'Non-financial risk'.

Inflation risk

Inflation rates continued to moderate globally, prompting major central banks to adjust monetary policies accordingly. The European Central Bank and the Bank of England implemented rate cuts as inflation gradually approached target levels, marking a shift from the aggressive tightening cycles seen in previous years. In the US, the Federal Reserve implemented rate cuts with caution, influenced by mixed economic signals and the potential impact of the recent presidential election. Political shifts following the election will most likely add to inflation outlook uncertainty, as new policies could affect trade, taxation, and fiscal spending. Despite signs of easing, central banks remain cautious, balancing the need to support economic recovery with the goal of maintaining price stability in a complex environment.

This evolving inflation landscape can significantly influence banks' credit quality, funding costs and liquidity premia. Persistent inflation risk can erode borrowers' debt-servicing capacity, particularly in sectors sensitive to interest rate changes. Additionally, inflation and resulting volatility in interest rates can affect funding costs and asset valuations, impacting profitability. Furthermore, persistent inflation uncertainty can elevate risk premiums, tighten market liquidity, and increase refinancing risks for both public and private borrowers.

IT risk

IT risks stem from potential failures in maintaining and protecting the IT infrastructure. This risk includes system design flaws, physical damage to data centres, or infrastructure failures, all of which can disrupt banking operations and impact service delivery. In Europe, evolving digital transformation regulations such as DORA mandate strict requirements on IT resilience, requiring banks to ensure that their digital infrastructure can withstand and recover quickly from operational disruptions. DORA also addresses concentration risk by requiring rigorous oversight on third-party providers critical to IT operations. Additionally, new AI developments can enhance the IT landscape, but incorrect usage can lead to serious issues beyond IT.

Model risk

Model risk arises from potential errors in the design, implementation, or use of models that inform critical decision-making. Estimation errors, incorrect assumptions, and input inaccuracies can lead to unreliable outputs, affecting risk assessments, financial forecasts, and regulatory compliance. The growing reliance on AI models, machine learning, and advanced analytics has heightened the complexity of managing this risk, as these tools require rigorous model validation to ensure accuracy.

Environmental risk

Environmental risk remains one of the most critical concerns the world is facing, impacting ING and the global economy through regulatory pressures, and the increased frequency and intensity of climate-related events. Regulatory bodies worldwide have imposed stricter guidelines to disclose and manage environmental impact. Physical risks from climate change, such as extreme weather events and natural disasters, are intensifying operational challenges and impacting asset values. Additionally, the world's growing population and human behaviour contribute to the loss of biodiversity, adding pressure on environmental stability. These risks also affect our clients and customers, especially those in high-transition industries and in regions vulnerable to physical risks. Transition risks, driven by policy, technological or market changes towards a low-carbon economy, also pose challenges and could potentially lead to stranded assets.

For more details and mitigation actions, see 'Environmental, social and governance risk' and 'Credit risk'

Risk governance

Effective risk management requires company-wide risk governance. ING's risk and control structure is based on the 'three-lines-of-defence' model. This model aims to provide a sound governance framework for risk management by defining and implementing three lines. Each line has a specific role and defined responsibilities, with the execution of tasks being distinct from the control of these same tasks. The three lines work closely together to identify, assess, mitigate and monitor risks.

This governance framework is designed in such a way that risk is managed in line with the risk appetite approved by the MBB, the EB and the SB, and this approach is cascaded throughout ING.

Three lines of defence

First line of defence

Who

Heads or their delegates of:
banking business, support functions*, geographies, countries

Responsible for

- Running business with clients and accountable for assessing, controlling, mitigating and reporting all risks affecting their businesses, to ensure risks are within risk appetite, i.e. 1st LoD risk management activities
- Completeness and accuracy of the financial statements and risk reports with respect to their areas of responsibility

* *Although support functions are part of the first line of defence, they provide subject matter expertise to both the first and second lines of defence*

Who

COO

Responsible for

- Setting, operating and maintaining effective and efficient processes and running operations for the bank, and managing risks arising from these activities

Who

CTO

Responsible for

- Setting, operating and maintaining an effective and efficient IT architecture and IT services provision for the bank, and managing risks arising from these activities

Second line of defence

Who

Risk including Compliance

Responsible for

- Overseeing, monitoring, advising and challenging the first line of defence on risk management (including compliance) and have escalation/veto power in relation to activities and decisions that are judged to present unacceptable risks to ING
- Setting minimum requirements in terms of quality and quantity of its resources (staff) at group and local level in ING's risk (including compliance) function
- Articulating and translating the risk appetite into methodologies, frameworks and policies and controlling execution of and adherence to their implementation/ embedding to support and monitor business management's control of risk
- Objectively challenging the first line of defence's risk management execution and control process including their reporting of risks and controls
- Coordinating the first line of defence's reporting of risks and controls

Third line of defence

Who

Internal audit function CAS

Responsible for

- Independent assurance to the MB, the Audit Committee and the SB on the quality and effectiveness of ING's internal control, risk management, governance and implemented systems and processes in both the first and second lines of defence

Board-level risk oversight

Both the EB (for ING Group) and the MBB (for ING Bank) play an important role in managing and monitoring our risk management framework. For more information on the SB and EB duties, powers and responsibilities in relation to risk management, see 'Corporate governance'.

Risk committees

The key risk committees described below act within the overall risk policy and delegated authorities granted by the MBB:

- The Global Credit and Trading Policy Committee (GCTP) discusses and approves policies, methodologies, and procedures related to credit, trading, country, and reputation (such as environmental and social risk or ESR) risks. The GCTP meets monthly. After the MBB and the GCTP, the Credit Risk Policy Committee (CRC) is the highest-level body authorised to discuss and approve models, policies, methodologies, and procedures related to credit risk.
- The Global Credit Committee – Transaction Approval (GCC(TA)) discusses and approves transactions that entail taking credit risk (including investment risk), country, legal, and environmental and social risk. The GCC(TA) meets twice a week.
- The Asset and Liability Committee Bank (ALCO Bank), a finance and risk committee, translates the strategy into a risk appetite and sets, monitors, and reviews the asset and liability objectives and risk management framework. Adequate supervision and coordination of asset and liability management is essential for good risk management and to serve customer and community needs by continued sound banking business. The MBB has delegated this responsibility to the ALCO Bank. The ALCO Bank meets on a monthly basis.
- The Bank Non-Financial Risk Committee (Bank NFRC) is accountable for the design and maintenance of the non-financial risk management framework, including operational risk management, compliance and legal policies, minimum standards, procedures and guidelines, development of tools, methods, and key parameters (including major changes) for risk identification, assessment, measurement, mitigating and monitoring/reporting. NFRC Bank meetings are held on a monthly basis.
- The Model Risk Management Committee (MoRMC) discusses and steers, on a monthly basis, the overall model strategy. MoRMC discusses and approves policies and methodologies related to model risk management.

Further, several other committees are involved in various steps in the different risk management frameworks, such as:

- The Credit Risk Model Committee (CRMC) can serve as a technical (content-related) adviser to the Credit Risk Policy Committee (CRC). The CRMC has an approval authority, delegated by the CRC, to approve the new and continued use for some IRB and IFRS9 models. Additionally, the CRMC has an approval authority, for the approval, conditional approval and rejection of the new and continued use for some Non-IRB models.
- The Non-Financial Risk Model Committee (NFR MC) is the dedicated authority for models owned by the Group NFR function. This responsibility is delegated to the NFR MC partly by the Bank NFRC and partly by the MoRMC.
- The Market Risk Model Committee (MRMC) is the dedicated authority for the approval of all funding and liquidity risk, market risk (including banking and trading risk), counterparty credit risk, and business risk models and parameters for ING Bank within its mandate delegated by ALCO Bank.
- The Valuation Model Committee approves pricing models for trading and banking books.
- The Financial Markets Risk Committee (FMRC) is the market risk committee that, within the risk appetite set by the ALCO Bank, sets the market risk limits both on an aggregated level and a desk level. The FMRC has delegated authority from ALCO Bank for the management of market risk related to all trading and banking book activities within Financial Markets (FM).
- The ICLAAP Committee is responsible for the internal capital and liquidity adequacy assessment process (ICLAAP) and documents, as per the ICLAAP framework. It focuses on technical liquidity documents and oversees business processes and deliverables concerning the internal liquidity adequacy assessment process (ILAAP). The ALCO Bank has delegated this responsibility to the ICLAAP committee.

Regional and business unit level

ING's regional and/or business unit management have primary responsibility for the management of risks (credit, market, funding and liquidity, operational, IT, compliance and model) that arise in their daily operations. They are accountable for the implementation and execution of appropriate risk frameworks affecting their businesses in compliance with procedures and processes at the corporate level. Where necessary, the implementation is adapted to local requirements.

Organisational structure

The CRO function is organised along the lines of a matrix structure integrating (i) the Global Risk functions, (ii) the Regional/Country Risk functions at entity level, and (iii) the Risk Segments. Global Risk functions, organised by risk types into risk domains (departments), are ultimately responsible and accountable for the functional steering of the respective risk type globally. They ensure a uniform taxonomy and methodology are used for the setting of the relevant risk appetite levels, further cascading risk appetite into detailed risk strategies and for the effective monitoring and reporting of risks, on an individual and consolidated basis.

The following organisation chart illustrates the reporting lines in 2024 for the risk management organisation. The departments in the grey background reflect hierarchical reporting lines, whereas the dotted lines are for the functional reporting lines:



Risk management framework

Risk policies, procedures and standards

ING has a system of risk management frameworks, policies, mandatory instructions, procedures and control standards (hereinafter – internal control documents), which define requirements that are binding for all ING locations. ING locations shall comply with both internal control documents and local requirements. Internal control documents are regularly reviewed, updated, and approved in accordance with ING internal control binding principles. Senior management is responsible for ensuring the implementation of, and staff adherence to, internal control documents.

Internal control framework

The enterprise risk management (ERM) framework and its related internal control documents constitute the internal control framework in ING. The ERM framework ensures an ING-wide governance model that aligns strategy to risk appetite for all risk types. It applies to all business lines and ING locations on the global and local level. The internal control framework is based on the following principles:

- The ING governance structure follows three lines of defence.
- ING risk appetite stipulates the risk levels ING is willing to accept across all risk types to achieve its business objectives.
- The ING decision-making process is clear and documented. The decisions are taken in committees and management bodies in accordance with the ING governance framework. The decision-making process involves all relevant stakeholders, risk management and compliance.
- Global policies and internal control documents are linked to the ING risk taxonomy. Global policies and internal control documents are leading. They are cascaded from the Global function to locations after approval. Where local specific legislation is more stringent, local annexes to global policies are added.
- Processes and controls to mitigate critical and high inherent risks are linked to the relevant policies, documented and tested.
- Local management are accountable for local implementation of the global policies and processes in line with the local risk profile. Implementation is challenged by local 2nd LoD and any waivers/deviations from the global policies and processes must be approved locally and globally.

Risk culture

At ING, we attach great importance to a sound risk culture, which is essential for keeping the bank safe and secure. We determine our risk culture as the way in which employees identify, understand, discuss and act on the many financial and non-financial risks we are confronted with every day. We cover risk culture, ING's global Code of Conduct and behavioural risk extensively in the section 'Sustainability Statement' under 'Our sustainability governance'.

Learning

In 2024, we continued to expand and strengthen our required learning curriculum. This is foundational learning that is centrally created and rolled out to all staff across the bank. The topics covered in 2024 were GenAI, Competition, Concern reporting, Cybersecurity and Fraud. We continue to update our learning formats to increase engagement and drive practical application of the knowledge gained by staff. The curriculum is tracked centrally to monitor timely completion.

In addition to all staff modules, we continue to expand our learning offering on a range of risk topics and for risk staff. Working with risk experts, the Risk Academy has built role-based learning plans for risk colleagues that provide a wide selection of learning to support their professional development, including their knowledge, skills, and behaviours.

Dutch Banker's Oath

In the Netherlands, all employees are required to take the Banker's Oath. The oath came into force in the Netherlands on 1 April 2015, as part of a joint approach from all banks, aimed at introducing social regulations, a revised Dutch Banking Code implementing an oath with associated rules of conduct and disciplinary law. Before taking the oath, an e-learning and a challenge (discussing dilemmas) are mandatory, to stress the content and the importance of the oath. It also shows employees the dilemmas they may face in their daily work, and how to carefully balance the interests of all our stakeholders in the decisions they make.

Remuneration

ING aims to align its remuneration policy with its risk profile and the interests of all stakeholders. For more information on ING's compensation and benefits policies, and its relation to the risk taken, see the Capital Requirements Regulation (CRR) remuneration disclosure published on ing.com.

Risk cycle process

ING identifies, measures and manages risks through five recurrent phases of the management cycle: risk identification, risk assessment, risk mitigation, risk monitoring and risk reporting.

Risk identification

Risk identification is a joint effort of the business and the risk management functions. Its goal is to detect potential new risks and determine changes in known risks. Regular risk identification is essential for effective risk management. Potential risks that are not identified will not be controlled and monitored, and may lead to surprises later. Known risks may have changed over time and, as a consequence, the existing mitigating measures and monitoring may be inadequate or obsolete.

Risk identification is performed periodically. In case of material internal or external change, additional ad hoc risk identification can be performed.

Risk assessment

Each identified risk is assessed qualitatively or quantitatively to determine its importance. This enables ING to decide which of the identified risks need control measures and how strict or tolerant these measures should be. Known risks are reassessed to detect any change in the risk level.

The importance of a risk is based on both the likelihood that the risk materialises and the subsequent financial or reputational impact that may occur should the risk arise. Unlikely risks with a potentially high impact need to be controlled. A risk that is likely to happen regularly but expected to have a modest financial impact may not need to be mitigated if the consequences are accepted by management.

Risk mitigation

Risks can be controlled by mitigating measures that lower the likelihood the risk occurs, lower the impact when it occurs, or both. The ultimate measure to lower a risk is to stop the activity or service that causes the risk (risk avoidance). Risk control and mitigation measures are defined and maintained both bank-wide and at the local level.

Monitoring and reporting

ING monitors risk-control measures by checking if they are executed, complied with, and have the expected mitigating effects, and by following the development of the risks and their risk levels. Risk reporting provides senior and local management with the information they need to manage risks.

Risk Appetite Framework

The Risk Appetite Framework (RAF) is one of the key elements of the ERM framework. Its objective is to set an appropriate risk appetite at a consolidated level across different risk categories and to allocate the risk appetite throughout the organisation.

Procedure

The RAF procedure explains the setup of the overarching global risk appetite. Within the RAF, ING monitors a range of financial and non-financial risk metrics, with the aim of keeping our risk profile in line with our risk appetite while executing our strategy. ING's RAF, which is approved by the SB, defines the desired risk profile that is to be integrated in the strategic decision-making and financial planning process. It is designed to be able to withstand market volatility and stress, while meeting regulatory requirements. The framework, including underlying metrics and assumptions, is reviewed at least annually so that it remains relevant. The RAF combines various financial and non-financial risk appetite statements (RAS) into a single, coordinated approach.

Process

The RAF is focused on setting the risk appetite at the consolidated level and across the different risk categories, and provides the principles for cascading this risk appetite down into the organisation. The RAF and underlying limit allocation are reviewed on an annual basis, or more frequently if necessary, based on their monthly review in the MBB and quarterly review in the EB and the SB. It is therefore a top-down process, which bases itself on the ambition of the bank in terms of its risk profile, the regulatory environment and the economic context. Limits that require SB approval are called boundaries, and the underlying instruments supporting the boundaries require EB and MBB approval.

Step 1. Identify and assess ING's key risks

The outcome of the risk-identification and risk-assessment process is used as the starting point for the review of the RAF. Within this step, the risks ING faces when executing its strategy are identified in the context of the current economic, political, social, regulatory and technological environment. The assessment identifies whether the potential impact is material and if it is sufficiently controlled.

Step 2. Set risk appetite framework

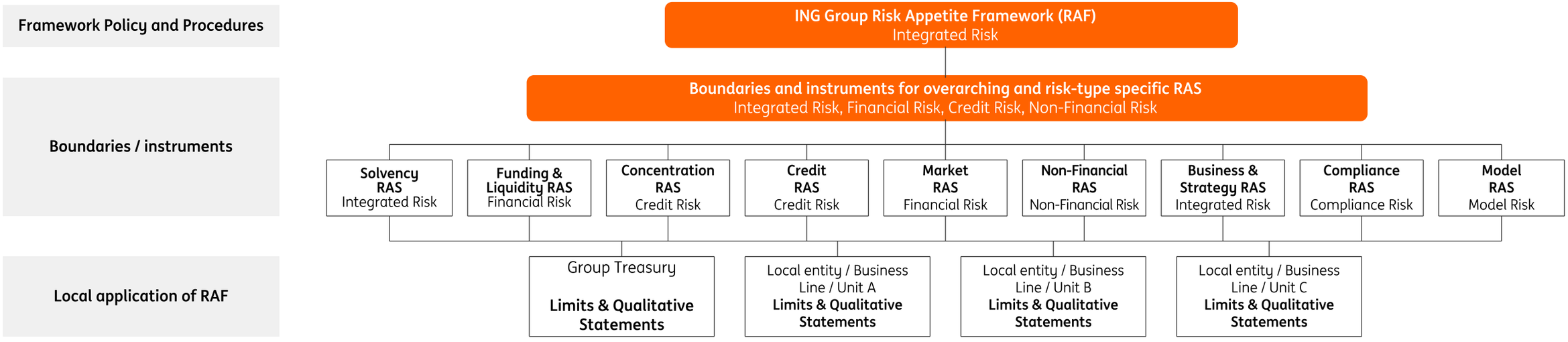
Based on ING's risk assessment and risk purpose, boundaries and instruments for the overarching risk frameworks are set. Once the overarching risk appetite thresholds have been set and approved by the EB/

MBB and subsequently by the SB, the statements are translated into risk-type-specific statements and lower-level risk metrics, which are set and approved by senior risk committees, like ALCO Bank, GCTP, MoRM and Bank NFRC. Cascading is done via several detailed risk appetite statements, which have been defined per risk type, the combination of which is aimed at ensuring compliance with the overarching solvency, (credit) concentration, and funding and liquidity RASs.

ING includes climate risk in its RAF by, among other things, introducing climate risk as one of the dimensions to determine sector concentration as part of the credit risk appetite statements. In the coming years, ING will extend the inclusion of climate risk impact on other risk types with the aim of ensuring that the potential risks stemming from, for example, transition risk and physical risk are properly captured in the RAF.

Step 3. Cascade into statements per risk type and business unit

The bank-wide risk appetite is translated per risk type, which is further cascaded into the organisation. Risk appetite statements are then translated into dedicated underlying risk limits that are used for the day-to-day monitoring and management of ING's risks. The risk appetite statements serve as input for the quarterly planning process as well as for the establishment of key performance indicators and targets for senior management. The next graph is an illustrative and non-exhaustive overview of the RAF.



Step 4. Monitor and manage underlying risk limits

To verify that ING remains within the RAF, it reports the risk positions vis-à-vis their limits on a regular basis to senior management committees. A monthly report is submitted to the MBB reflecting the exposure of ING against the risk appetite. An extended report is submitted quarterly to the EB and the SB and its Risk Committee. Moreover, every quarter the financial plan is checked for potential limit excess within a one-year horizon, where in the strategic dialogue the MBB can take mitigating measures or make adjustments to the dynamic plan.

Stress testing

Stress testing is an important risk management tool that provides input for strategic decisions and capital planning. The purpose of stress testing is to assess the impact of plausible but severe stress scenarios on ING's capital and liquidity position. Stress tests provide complementary and forward-looking insights into the vulnerabilities of certain portfolios, with regards to adverse macroeconomic circumstances, stressed financial markets, and changes in the political and geopolitical climate. In addition to assessing P&L, capital and liquidity positions of ING for a range of different scenarios, idiosyncratic risks are also included. The outcomes of these stress tests help management get insight into the potential impact, and define actions to mitigate this potential impact.

Types of stress tests

Within ING, we perform different types of stress tests. The most comprehensive type of stress tests are the firm-wide scenario analyses, which involve setting scenario assumptions for all the relevant macroeconomic and financial market variables in all countries relevant to ING. These assumptions usually follow a qualitative narrative that provides a background to the scenario. In addition to firm-wide scenario analyses, ING executes scenario analyses for specific countries or portfolios. Furthermore, sensitivity analyses are performed, which focus on stressing one or more risk drivers – usually without an underlying scenario narrative. Finally, ING performs reverse stress tests, which aim to determine scenarios that could lead to a predefined severe adverse outcome.

Process

ING's stress-testing process consists of several stages:

- Risk identification and risk assessment: it identifies and assesses the risks ING or the relevant entity is facing when executing its strategy, based on the current and possible future economic, political, regulatory and technological environment. It provides a description of the main risks and risk drivers related to the nature of ING's business, activities and vulnerabilities.
- Scenario definition and parameterisation: based on the outcome of the previous step, a set of scenarios is determined with the relevant scope and set of risk drivers for each scenario, as well as its severity, the key assumptions and input parameters. The output of this phase includes a quantitative description of the stress scenarios to be analysed, the relevant output metrics and, when applicable, a narrative description.
- Impact calculation and aggregation: based on the quantitative description of the stress scenarios determined in the previous step, the impact is determined for the relevant scenario, scope, and horizon. The impact calculation and aggregation can be part of a recurring process or part of a specific process set-up for one-off stress tests.
- Scenario reporting: for each stress test, a report is prepared after each calculation, which describes the results of the scenario and gives a recap of the scenario with its main assumptions and parameters. The stress-test report is sent to the relevant risk committees and/or senior management. It is complemented, if needed, with advice for management action based on the stress-testing results.
- Scenario control and management assessment: depending on the outcomes of the stress test and the likelihood of the scenario, mitigating actions may be proposed. Mitigating actions may include, but are not limited to, sales or transfers of assets and reductions of risk limits.

Methodology

Detailed and comprehensive models are used to calculate the impact of the scenarios. In these models, statistical analysis is combined with expert opinion to make sure the results adequately reflect the scenario assumptions. The methodologies are granular and portfolio-specific, and use different macroeconomic and market variables as input variables. The calculations are in line with our financial and regulatory reporting frameworks. The stress-testing models are subject to review by Model Risk management.

Solvency risk

Introduction

Solvency risk is the risk of lacking sufficient capital to fulfil business objectives, regulatory requirements or market expectations. An insolvent bank is unable to pay its debts and will be forced into bankruptcy.

The level and quality of capital is crucial for the resilience of individual banks. Banks are expected to assess the risks they face and, in a forward-looking manner, ensure they identify and manage all material risks. They must also make sure these risks are sufficiently covered by loss-absorbing capital to provide continuity if unexpected risks materialise in times of stress. Given the interdependencies with other financial and non-financial risks, this balancing act of capital adequacy needs to be done within a sound and integrated management approach. It must coherently link and align all the moving parts of the bank with its long-term business strategy.

ICAAP framework

ING's internal capital adequacy assessment process (ICAAP) framework aims to ensure that capital levels remain adequate – both forward-looking and under adverse conditions, in terms of covering material risks-to-capital from both a normative and an economic (internal) perspective. The assessment of ING's capital adequacy takes into account its business strategy and risk profile, market environment, and operating macro environment. This implies that views of various stakeholders, such as regulators, shareholders, investors, rating agencies, clients, and customers play an important role.

The continued strength of ING's capital position, the adequacy of the financial position, and risk management effectiveness are essential to achieving the strategy. ING's capital and funding strategy determines the underlying ICAAP elements, and thereby contributes to ING's business continuity from different perspectives.

Managing ING's capital entails finding the right balance between supply and demand, while taking into account market and macro circumstances. The process of balancing these strategic goals is captured in the ICAAP framework. It is enabled by six building blocks and underlying elements facilitating the ICAAP. The following building blocks have been defined in the ICAAP framework, which are applied for both the 'normative' and 'economic' perspective as defined in the ECB guide to ICAAP, published in November 2018:

- Risk identification and assessment;
- Risk appetite;
- Solvency stress testing;
- Planning and forecasting;
- Capital management; and
- Continuity.

Risk identification and assessment

ING's capital management and solvency risk management starts with the risk-identification and risk-assessment process, which is performed on an annual basis. In addition to this annual process, ING also reassesses its risks as part of its capital adequacy statement, a quarterly process to assess ING's capital adequacy.

Risk appetite

ING has solvency risk appetite statements in place for the following metrics: CET1 ratio, total capital ratio, leverage ratio, total loss-absorbing capacity (TLAC), and minimum requirement for own funds and eligible liabilities (MREL) based on RWA/leverage ratio and economic capital adequacy.

Solvency stress testing

Solvency stress testing allows ING to examine the effect of plausible but severe stress scenarios on the solvency position. It also provides insight into which entities or portfolios are vulnerable to certain types of risks or scenarios. Solvency stress testing is an important tool in identifying, assessing, measuring, and controlling risks to capital, providing a complementary and forward-looking perspective to other solvency risk management tools. For solvency stress testing, ING follows the same steps described in the overall section on stress testing.

The outcomes of solvency stress test analyses are taken into account in capital planning, but also for setting risk appetite statements and the capital management buffer.

Planning and forecasting

The capital and funding plan is an integral part of the dynamic plan, ING's financial and business planning process. For more information, see section 'Capital management'.

Capital management

Formulation of the CET1 target is a key element in solvency risk management. The target ratio, based on the management buffer concept, enables ING's senior management to steer, benchmark and assess the bank's current and future capital levels much more efficiently. The target level clearly supports trust-building among ING's key stakeholders (e.g. regulators, investors and customers).

The capital management buffer aims to protect the interests of key stakeholders and plays an important role in the overall capital adequacy governance. The rationale behind the buffer is that it provides an additional cushion on top of the (local) regulatory minimum requirements (e.g. supervisory review and evaluation process (SREP) requirements) to withstand a certain level of stress and facilitate awareness and preparedness to take management actions. ING reviews its capital management buffer on a regular basis to determine its effectiveness and robustness, updating it as appropriate. See section 'Capital management'.

Continuity

Risk events with high severity or significant deteriorations of economic and market conditions beyond ING's control could cause deviations from the business and capital plans, which may result in a potential capital shortfall.

ING has therefore set up a continuity (safety) net of contingency and recovery planning. As part of this, ING set up ongoing monitoring of relevant indicators with the aim of awareness and preparedness to act proactively to ensure continuity. The intervention measures, which can be activated when deemed necessary, consist of predefined RWA reduction measures, as well as direct capital-increasing measures. The escalation mechanisms are defined, governed and detailed in the contingency and recovery plans.

Both plans aim to restore ING's capital adequacy. Depending on the severity of the situation, the contingency plan can be activated at this warning phase, as well as trigger further mitigating action and the formation of the contingency crisis teams. Further drops in capital levels trigger the alert phase for recovery monitoring and/or the activation of the recovery plan and corresponding crisis teams.

Assessing capital adequacy: Capital Adequacy Statement

The Capital Adequacy Statement is ING Group's quarterly assessment of its capital adequacy and takes into account different elements with respect to its capital position. The degree to which ING's capital position is considered adequate depends on a variety of internal and external drivers:

- Current supervisory requirements and (expected) requirements going forward;
- Current internal requirements and (expected) requirements going forward (economic capital/view);
- Coherence of the available capital with the (realisation of) strategic plans; and
- The ability to meet internal and external requirements in the case of stressed events or should a risk materialise.

The Capital Adequacy Statement assesses the adequacy of ING's capital position in relation to the above-mentioned drivers and states the extent to which the capital position consequently is considered as adequate. The Capital Adequacy Statement document is prepared on a quarterly basis. Additionally, each year the EB/MBB signs and provides a comprehensive assessment of ING's capital adequacy, supported by the ICAAP outcomes, in the form of a capital adequacy statement.

Credit risk

Introduction

Credit risk is the risk of loss from the default and/or credit rating deterioration of clients. Credit risks arise in ING's lending, financial markets and investment activities. The credit risk section provides information on how ING measures, monitors and manages credit risk and gives an insight into the portfolio from a credit risk perspective.

Credit & counterparty risk categories (*)

In the following table the different types of credit and counterparty risk categories are described and a reconciliation with the notes in the financial statements is also included:

Reconciliation between credit & counterparty risk categories and financial position (*)

Credit risk categories	Notes in the financial statements	
Lending risk: The risk that the client (counterparty, corporate or individual) does not pay the principal interest or fees on a loan when they are due, or on demand for letters of credit (LCs) and guarantees provided by ING.	2	Cash and balances with central banks
	3	Loans and advances to banks
	4	Financial assets at fair value through profit or loss
	5	Financial assets at fair value through other comprehensive income
	7	Loans and advances to customers
	40	Contingent liabilities and commitments
Investment risk: The credit default and risk rating migration risk that is associated with ING's investments in bonds, commercial paper, equities, securitisations and other similar publicly traded securities. This can be viewed as the potential loss that ING may incur from holding a position in underlying securities whose issuer's credit quality deteriorates or defaults.	4	Financial assets at fair value through profit or loss
	5	Financial assets at fair value through other comprehensive income
	6	Debt securities
Money market risk: This arises when ING places short-term deposits with a counterparty in order to manage excess liquidity. In the event of a counterparty default, ING may lose the deposit placed.	2	Cash and balances with central banks
	3	Loans and advances to banks
	7	Loans and advances to customers
Pre-settlement risk: This arises when a client defaults on a transaction before settlement and ING must replace the contract by a trade with another counterparty at the then prevailing (possibly unfavourable) market price. This credit risk category is associated with derivatives transactions (exchange-traded derivatives, over-the-counter (OTC) derivatives and securities financing transactions).	4	Financial assets at fair value through profit or loss
	14	Financial liabilities at fair value through profit or loss
	39	Offsetting financial assets and liabilities
Settlement risk: This arises when there is an exchange of value (funds or instruments) and receipt from its counterparty is not verified or expected until after ING has given irrevocable instructions to pay or has paid or delivered its side of the trade. The risk is that ING delivers but does not receive delivery from its counterparty.	4	Financial assets at fair value through profit or loss
	11	Other assets
	14	Financial liabilities at fair value through profit or loss
	16	Other liabilities

Credit risk appetite and concentration risk framework (*)

The credit risk appetite and concentration risk framework is designed to prevent undesired high levels of credit risk and credit concentrations within various levels of the ING portfolio. It is derived from the concepts of boundaries and instruments as described in the ING RAF.

Credit risk appetite is the maximum level of credit risk ING is willing to accept for growth and value creation. The credit risk appetite is linked to the overall bank-wide RAF and is expressed in quantitative and qualitative measures.

The credit risk appetite is set at different levels and dimensions within ING. The credit risk appetite framework specifies the scope and focus of the credit risk which ING takes and the composition of the credit portfolio, including its concentration and diversification objectives in relation to business lines, locations, sectors and products. The credit risk appetite framework has also been extended to embed climate risk elements. The climate risk elements within the credit risk appetite framework allow for more efficient steering of sector concentrations from a climate risk perspective.

The credit concentration risk framework is composed of:

- **Country risk concentration**: Country risk is the risk that arises due to events in a specific country (or group of countries). To manage the maximum country loss ING is willing to accept, boundaries are approved by the SB. The estimated level is correlated to the risk rating assigned to a given country. Actual country limits are set by means of country instruments, which are monitored monthly and updated, when needed. For countries with elevated levels of geopolitical or severe economic cycle risk, monitoring is performed on a more frequent basis with strict pipeline and exposure management.
- **Single name and** secondary risk **concentration**: ING has an established credit concentration risk framework to identify, measure and monitor single name concentration including secondary risk. The same concept of boundaries and instruments is applicable.
- Sector and product concentration risk are managed via the credit risk appetite framework.

Credit risk models (*)

Within ING, internal CRR-compliant models are used to determine probability of default (PD), exposure at default (EAD) and loss given default (LGD) for regulatory and economic capital purposes. These models also form the basis of ING's IFRS 9 loan loss provisioning (see 'IFRS 9 models' below).

There are two main types of PD, EAD and LGD models used throughout the bank:

- **Statistical models** are created where a large set of default or detailed loss data is available. They are characterised by sufficient data points to facilitate meaningful statistical estimation of the model parameters. The model parameters are estimated with statistical techniques based on the data set available.
- **Hybrid models** are statistical models supplemented with knowledge and experience of experts from risk management and front-office staff, literature from rating agencies, supervisors and academics. These models are only used for 'low default portfolios', where limited historical defaults exist.

Credit risk rating process (*)

The majority of risk ratings are based on a risk rating (PD) model that complies with the minimum requirements detailed in CRR/CRD, ECB Supervisory Rules and European Banking Authority (EBA) guidelines. This concerns all borrower types and segments.

ING's PD rating models are based on a 1-22 internal risk rating scale (1 = highest rating; 22 = lowest rating) referred to as the 'master scale', which roughly corresponds to the rating grades that are assigned by external rating agencies, such as Standard & Poor's, Moody's and Fitch. For example, an ING rating of 1 corresponds to an S&P/Fitch rating of AAA and a Moody's rating of Aaa; an ING rating of 2 corresponds to an S&P/Fitch rating of AA+ and a Moody's rating of Aa1, and so on.

The 22 internal risk rating grades are composed of the following categories:

- Investment grade (risk rating 1-10);
- Non-investment grade (risk rating 11-17);
- Performing Restructuring (risk rating 18-19); and
- Non-performing (risk rating 20-22).

The first three categories (1-19) are risk ratings for performing loans. Ratings are calculated in IT systems with internally developed models, based on manually or automatically fed data, or for part of the non-performing loans set by the global or regional credit restructuring department. Under certain conditions, the outcome of a manually fed model can be challenged through a rating appeal process. For securitisation portfolios, the external ratings of the tranche in which ING has invested are leading indicators.

Risk ratings assigned to clients are reviewed at least annually, with the performance of the underlying models monitored regularly. Some of these models are global in nature, such as those for large corporates, commercial banks, insurance companies, central governments, funds, fund managers, project finance and leveraged companies. Other models are more regional or country-specific: there are PD models for small and medium enterprises (SMEs) in the Netherlands, Belgium, and Poland as well as residential mortgage and consumer loan models in the various retail markets.

Rating models for Retail clients are predominantly statistically driven and automated, such that ratings can be updated on a monthly basis. Rating models for large corporates, institutions and banks include both statistical characteristics and expert input, with the ratings being manually updated at least annually. More frequent reviews (e.g. quarterly) are performed where considered necessary.

In line with evolving regulatory expectations on models and emerging industry practices, ING has embarked on a multi-year redevelopment process of its credit risk models. This is also in line with ING's model governance to ensure continuous improvement of models.

Credit risk tools and data standards

The acceptance, maintenance, measurement, management and reporting of credit risks at all levels of ING are executed through single, common credit risk data standards using shared credit risk tools that support standardised and transparent credit risk practices. ING has chosen to develop credit risk tools centrally with the philosophy of using a single source of data in an integrated way.

Credit risk portfolio (*)

ING's credit exposure is mainly related to lending to individuals (also referred to as consumer lending, all Retail) and businesses (referred to as business lending, both in Retail and Wholesale), followed by investments in bonds and securitised assets, and money market (Wholesale). Loans to individuals are mainly mortgage loans secured by residential property. Loans (including guarantees issued) to businesses are often collateralised, but may be unsecured based on the internal analysis of the borrower's creditworthiness. Bonds in the investment portfolio are generally unsecured, but predominantly consist of bonds issued by central governments and EU and/or OECD-based financial institutions. Secured bonds, such as mortgage-backed securities and asset-backed securities are secured by the underlying diversified pool of assets (commercial or residential mortgages, car loans and/or other assets) held by the securities issuer. For money market, exposure is mainly deposits to central banks. The last major credit risk source involves pre-settlement exposures which arise from trading activities, including derivatives, repurchase transactions and securities lending/borrowing transactions. This is also commonly referred to as counterparty credit risk.

Overall portfolio (*)

During 2024, ING's portfolio size increased by €30.3 billion (3.2%) to €961.9 billion outstanding. Foreign exchange rate changes had a positive impact on the portfolio growth, mainly in WB, increasing total outstanding by €8.0 billion, driven by the appreciation of the US dollar against the euro. Retail banking increased by €18.9 billion mainly due to underlying growth in residential mortgages.

Rating distribution (*)

Overall, the rating class distribution remained stable in 2024. The share of investment grade rating classes increased from 76.8% to 78.1%, while the share of non-investment grade decreased from 21.2% to 19.9%. Performing restructuring outstandings decreased from 0.7% to 0.6% of the total portfolio, whereas non-performing loans increased from 1.3% to 1.4%.

With respect to the rating distribution within the business lines, in WB, investment grade increased to 83.7% from 81.2%, while non-investment grade exposures decreased to 14.6% from 17.1% compared to 2023. Performing restructuring assets decreased from 0.7% to 0.6% of total Wholesale Banking assets where non-performing loans for WB increased from 1.0% to 1.2%. The non-performing loans (NPL) increase in Wholesale Banking is mainly caused by Russian exposures as well as a few large NPLs that are unrelated in terms of asset class, sector or geography.

For Retail Banking, investment grade increased to 73.3% from 73.0%, while non-investment grade exposures decreased to 24.4% from 24.9% as compared to 2023. Performing restructuring increased to 0.7% from 0.6% whereas NPL remained constant at 1.5% in 2024.

Industry (*)

The industry breakdown is presented in accordance with the NAICS definition. The increase of €30.3 billion in total volume during 2024 was mainly due to the increase in Private Individuals (€18.4 billion), Non-Bank Financial Institutions (€8.8 billion) and Commercial Banks (€5.2 billion). The share of Private Individuals increased from 38.8% last year to 39.5%.

Portfolio analysis per business line (*)

Outstandings per line of business (*)[1, 2, 3]

in EUR million		Wholesale Banking		Retail Banking		Corporate line		Total	
	Rating class	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Investment grade	1 (AAA)	53,363	52,665	29,151	34,683	1,790	2,284	84,304	89,631
	2-4 (AA)	72,462	67,034	63,187	59,655	4	6	135,653	126,694
	5-7 (A)	101,766	95,320	140,479	132,076	154	147	242,400	227,543
	8-10 (BBB)	129,429	123,081	155,375	146,295	3,662	2,357	288,466	271,733
Non-investment grade	11-13 (BB)	53,757	57,348	94,753	94,408			148,510	151,756
	14-16 (B)	7,396	12,234	31,165	29,330			38,561	41,565
	17 (CCC)	1,037	1,122	3,345	3,113	170	392	4,552	4,628
Performing Restructuring loans	18 (CC)	1,792	2,523	2,001	1,957			3,794	4,481
	19 (C)	560	535	1,760	1,313			2,321	1,848
Non-performing loans	20-22 (D)	5,204	4,051	8,100	7,622			13,303	11,673
Total		**426,767**	**415,914**	**529,317**	**510,452**	**5,779**	**5,186**	**961,863**	**931,552**
Industry									
Private Individuals		2,116	2,330	377,712	359,057			379,827	361,387
Central Banks		61,091	70,139	15,044	21,740	1,785	2,269	77,919	94,147
Natural Resources		39,974	40,511	1,925	1,883			41,899	42,394
Real Estate		24,643	24,904	28,738	26,611			53,381	51,515
Commercial Banks		40,962	37,342	6,662	6,183	3,616	2,515	51,240	46,040
Non-Bank Financial Institutions		64,217	55,313	2,212	2,290	290	286	66,719	57,889
Central Governments		48,389	45,316	8,107	7,304	1	1	56,497	52,621
Transportation & Logistics		27,499	27,106	6,037	5,784			33,536	32,890
Utilities		25,517	23,324	2,196	2,184			27,713	25,509
Food, Beverages & Personal Care		13,827	13,503	10,419	9,883			24,246	23,386
Services		8,844	9,128	13,442	12,872	27	24	22,312	22,023
General Industries		10,512	12,039	8,812	9,086			19,324	21,126
Lower Public Administration		6,959	6,211	19,598	17,493			26,557	23,704
Other		52,218	48,748	28,412	28,082	62	92	80,691	76,922
Total		**426,767**	**415,914**	**529,317**	**510,452**	**5,779**	**5,186**	**961,863**	**931,552**

Outstandings per line of business (*) – continued[1, 2, 3]

in EUR million		Wholesale Banking		Retail Banking		Corporate line		Total	
Region		**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Europe	Netherlands	44,421	54,938	164,590	156,182	1,903	2,366	210,913	213,486
	Belgium	26,506	24,171	95,584	91,744		7	122,091	115,921
	Germany	27,443	26,152	128,598	128,885	30	31	156,071	155,067
	Poland	21,190	20,346	30,946	28,971			52,136	49,317
	Spain	11,990	11,047	28,507	27,158	36	35	40,533	38,240
	United Kingdom	28,257	28,587	265	275	91	112	28,613	28,974
	Luxembourg	26,176	23,805	5,139	5,557			31,314	29,363
	France	24,351	21,528	3,122	3,108	3	14	27,476	24,650
	Rest of Europe	72,860	65,157	23,203	20,368	14	32	96,076	85,558
America		86,402	78,851	2,402	2,042	232	222	89,037	81,114
Asia		44,136	49,851	215	159	3,464	2,365	47,815	52,374
Australia		10,887	9,409	46,723	45,977	8	2	57,618	55,389
Africa		2,148	2,071	22	26			2,170	2,098
Total		**426,767**	**415,914**	**529,317**	**510,452**	**5,779**	**5,186**	**961,863**	**931,552**

1 Based on credit risk measurement contained in lending, pre-settlement, money market and investment activities.
2 Based on the total amount of credit risk in the respective column using ING's internal credit risk measurement methodologies. Economic sectors (industry) below 2% are not shown separately but grouped in Other.
3 Geographical areas are based on country of residence, except for Private Individuals, for which the geographical areas are based on the primary country of risk.

Portfolio analysis per geographical area (*)

The portfolio analysis per geographical area re-emphasises the international distribution of ING's credit portfolio. The Netherlands maintains the largest portfolio share in a single country with 21.9% (2023: 22.9%) of the total amount, followed by Germany with 16.2% (2023: 16.6%) and Belgium with 12.7% (2023: 12.4%).

In terms of region, the majority of the portfolio balance remained in Europe with 80% (2023: 79%), followed by Americas with 9.3% (2023: 8.7%) and Australia with 6.0% (2023: 5.9%). The top five countries within Rest of Europe based on outstandings were Italy (€20.7 billion), Switzerland (€16.4 billion), Romania (€12.4 billion), Türkiye (€8.6 billion) and Ireland (€4.8 billion).

The main contributors for the overall increase in outstanding are Americas (+€7.9 billion), Belgium (+€6.2 billion), Poland (+€2.8 billion) and France (+€2.8 billion).

Private Individuals remained the largest composition of portfolio balances for the Netherlands at 58.3% (2023: 54.6%), Belgium at 37.4% (2023: 38.5%), Germany at 68.8% (2023: 66.5%) and Australia at 66.1% (2023: 65.6%). The decrease in Central Banks is mainly attributed to the Netherlands (€8.5 billion explaining the decrease in WB Netherlands outstanding), Germany (€5.0 billion) and Asia (€4.1 billion).

In individual countries, the total share of investment grade/non-investment grade remains substantial for the Netherlands at 98.5% (2023: 98.6%), Germany at 98.9% (2023: 99.1%) and in Belgium 96.6% (2023: 96.6%).

In Europe, the increase in investment grade was mainly witnessed in Poland (+€4.3 billion), France (+€3.2 billion), Spain (+€3.2 billion), Belgium (+€3.2 billion) and Luxembourg (+€3.2 billion). Non-investment grade decreased in the Netherlands (-€2.7 billion), Poland (-€1.8 billion), Luxembourg (-€1.2 billion) and Spain (-€1.0 billion).

Outstandings by economic sectors and geographical area (*) [1]

in EUR million	Region													Total
Industry	Netherlands	Belgium	Germany	Poland	Spain	United Kingdom	Luxembourg	France	Rest of Europe	America	Asia	Australia	Africa	2024
Private Individuals	122,914	45,611	107,415	16,525	27,083	122	3,058	2,260	16,391	198	129	38,106	16	379,827
Central Banks	22,529	10,196	13,966	1,729	510	1,935	5,737		10,913		9,525	879		77,919
Natural Resources	2,197	1,531	881	778	152	3,021	2,503	405	11,212	8,475	8,989	1,593	159	41,899
Real Estate	16,749	13,387	1,218	2,085	1,595	552	3,446	2,713	3,707	3,220	1,066	3,642		53,381
Commercial Banks	1,285	314	4,129	695	376	4,733	5,268	5,074	7,779	10,700	9,394	1,336	157	51,240
Non-Bank Financial Institutions	2,872	1,766	5,147	2,874	249	8,479	6,031	5,932	5,174	23,367	3,518	1,255	55	66,719
Central Governments	1,416	11,009	51	9,435	5,308	48	82	3,202	9,203	15,377	288	488	589	56,497
Transportation & Logistics	4,290	2,076	1,426	1,623	679	2,262	828	765	7,407	3,983	6,912	504	781	33,536
Utilities	1,805	1,843	3,920	814	1,971	2,826	395	712	3,951	5,886	1,187	2,253	152	27,713
Food, Beverages & Personal Care	7,377	3,690	695	2,215	351	328	1,393	1,102	3,008	2,498	1,168	406	14	24,246
Services	4,919	8,431	1,852	1,538	122	869	540	310	1,271	1,265	516	680		22,312
General Industries	4,568	2,690	1,059	2,824	219	301	539	484	3,862	2,039	708	23	8	19,324
Lower Public Administration	782	6,824	7,435	608	557		246	3,091	476	1,554	44	4,941		26,557
Other	17,208	12,722	6,876	8,394	1,361	3,137	1,248	1,426	11,722	10,475	4,372	1,513	238	80,691
Total	**210,913**	**122,091**	**156,071**	**52,136**	**40,533**	**28,613**	**31,314**	**27,476**	**96,076**	**89,037**	**47,815**	**57,618**	**2,170**	**961,863**
Rating class														
Investment grade	170,093	74,882	136,096	36,029	32,741	23,844	27,235	21,886	67,110	72,686	41,203	46,959	59	750,822
Non-investment grade	37,689	43,059	18,238	13,948	7,126	4,388	3,858	5,229	25,679	14,763	5,859	9,889	1,898	191,623
Performing Restructuring	1,579	1,078	305	701	234	59	56	54	1,369	443	30	203	4	6,114
Non-performing loans	1,552	3,071	1,432	1,458	432	322	166	307	1,918	1,145	723	568	210	13,303
Total	**210,913**	**122,091**	**156,071**	**52,136**	**40,533**	**28,613**	**31,314**	**27,476**	**96,076**	**89,037**	**47,815**	**57,618**	**2,170**	**961,863**

[1] Geographical areas are based on country of residence, except for Private Individuals for which the geographical areas are based on the primary country of risk.

Outstandings by economic sectors and geographical area (*) [1]

in EUR million	Region													Total
Industry	Netherlands	Belgium	Germany	Poland	Spain	United Kingdom	Luxembourg	France	Rest of Europe	America	Asia	Australia	Africa	2023
Private Individuals	116,530	44,637	103,151	14,860	25,452	128	3,347	2,472	14,179	149	121	36,340	20	361,387
Central Banks	31,017	9,756	18,945	2,530	489	4,335	4,853		6,166		13,668	2,379	9	94,147
Natural Resources	2,623	1,346	1,017	685	129	3,789	2,511	429	10,608	8,237	9,785	941	295	42,394
Real Estate	16,907	10,986	1,111	2,184	1,551	420	3,563	2,901	3,492	3,323	1,367	3,709		51,515
Commercial Banks	1,217	404	4,050	601	353	4,488	5,070	4,155	6,757	9,833	8,182	719	210	46,040
Non-Bank Financial Institutions	2,573	1,457	5,710	2,532	652	6,837	4,631	4,274	4,269	20,118	3,884	950		57,889
Central Governments	1,620	9,046	699	8,614	5,491	41	79	2,255	9,384	13,752	520	526	593	52,621
Transportation & Logistics	3,860	2,198	1,277	1,598	658	2,113	596	784	8,177	3,511	7,044	456	618	32,890
Utilities	2,419	1,634	3,516	792	912	2,723	480	619	4,469	4,424	1,306	2,041	173	25,509
Food, Beverages & Personal Care	7,138	3,127	550	2,242	490	540	1,505	1,250	2,455	2,652	1,140	281	18	23,386
Services	5,073	8,463	1,725	1,325	71	745	502	380	1,052	1,576	469	642		22,023
General Industries	5,746	2,604	1,193	2,827	333	199	649	287	3,661	2,848	761	18		21,126
Lower Public Administration	253	6,607	5,349	669	350		249	3,488	356	1,550	7	4,826		23,704
Other	16,510	13,657	6,774	7,858	1,309	2,615	1,326	1,356	10,532	9,141	4,120	1,562	163	76,922
Total	**213,486**	**115,921**	**155,067**	**49,317**	**38,240**	**28,974**	**29,363**	**24,650**	**85,558**	**81,114**	**52,374**	**55,389**	**2,098**	**931,552**
Rating class														
Investment grade	170,067	71,730	136,675	31,772	29,583	24,299	24,083	18,692	56,404	63,652	44,481	44,139	24	715,602
Non-investment grade	40,399	40,236	16,929	15,785	8,134	4,508	5,013	5,713	25,967	16,003	6,770	10,715	1,776	197,949
Performing Restructuring	1,433	799	349	830	230	2	105	122	1,983	245	72	132	26	6,327
Non-performing loans	1,587	3,156	1,114	929	293	165	162	124	1,205	1,213	1,051	403	272	11,673
Total	**213,486**	**115,921**	**155,067**	**49,317**	**38,240**	**28,974**	**29,363**	**24,650**	**85,558**	**81,114**	**52,374**	**55,389**	**2,098**	**931,552**

[1] Geographical areas are based on country of residence, except for Private Individuals for which the geographical areas are based on the primary country of risk.

Credit risk mitigation (*)

ING uses various techniques and instruments to mitigate the credit risk associated with an exposure and to reduce the losses incurred subsequent to a default by a customer. The most common terminology used in ING for credit risk protection is 'cover'. While a cover may be an important mitigant of credit risk and an alternative source of repayment, generally it is ING's practice to lend on the basis of the customer's creditworthiness rather than exclusively relying on the value of the cover.

Cover forms (*)

Within ING, there are two distinct forms of covers. First, where the asset has been pledged to ING as collateral or security, ING has the right to liquidate it should the customer be unable to fulfil its financial obligation. As such, the proceeds can be applied towards full or partial compensation of the customer's outstanding exposure. This may be tangible (such as cash, securities, receivables, inventory, plant and machinery, and mortgages on real estate properties) or intangible (such as patents, trademarks, contract rights and licences). Second, where there is a third-party obligation, indemnification or undertaking (either by contract and/or by law), ING has the right to claim from that third party an amount if the customer fails on its obligations. The most common examples are guarantees, such as parent guarantees, export credit insurances or third-party pledged mortgages. Insurance or reinsurance covers, including comprehensive private risk insurance (CPRI) may be recognised as guarantees and effectively function in an equivalent manner. ING accepts credit risk insurance companies and export credit agencies (ECAs) as cover providers.

Cover valuation methodology (*)

General guidelines for cover valuation are established with the objective of ensuring consistent application within ING. These also require that the value of the cover is monitored on a regular basis. Covers are revalued periodically and whenever there is reason to believe that the market is subject to significant changes in conditions. The frequency of monitoring and revaluation depends on the type of cover.

The valuation method also depends on the type of covers. For asset collateral, the valuation sources can be the customer's balance sheet (e.g. inventory, machinery and equipment), nominal value (e.g. cash and receivables), market value (e.g. securities and commodities), independent valuations (e.g. commercial real estate) and market indices (e.g. residential real estate). For third-party obligations, the valuation is based on the value that is attributed to the contract between ING and that third party.

Where collateral values are used in the calculation of Stage 3 individual loan loss provisions, haircuts may be applied to the valuation in specific circumstances, to sufficiently include all relevant factors impacting future cash flows. ING applies haircuts to the collateral values of real estate, shipping and aviation assets that are used in the calculation of the loss-given-default in recovery scenarios. The haircut reflects the risks of adverse price developments between the moment of valuation of an asset and the actual settlement/cash receipt.

Cover values (*)

This section provides insight into the types of cover and the extent to which exposures benefit from collateral or guarantees. The disclosure differentiates between risk categories (lending, investment, money market and pre-settlement). The most relevant types of cover include mortgages, financial collateral (cash and securities), guarantees and other covers (mainly pledges). ING obtains covers that are eligible for credit risk mitigation under CRR/CRDIV, as well as covers that are not eligible. Collateral covering financial market transactions is valued on a daily basis, and as such not included in the following tables. To mitigate the credit risk arising from financial markets transactions, the bank enters into legal agreements governing the exchange of financial collateral (high-quality government bonds and cash).

The cover values are presented for the total portfolio of ING, both the performing and non-performing portfolio.

Cover values including guarantees received (*)								
in EUR million		Cover type and value				Collateralisation		
2024	Outstandings	Mortgages	Financial Collateral	Guarantees	Other covers	No cover	Partially covered	Fully covered
Consumer lending	378,832	865,466	6,257	25,428	55,115	6.5 %	2.0 %	91.5 %
Business lending	368,570	163,143	24,838	119,410	484,148	34.1 %	23.7 %	42.2 %
Investment and money market	153,493	—	—	1,115	95	99.3 %	— %	0.7 %
Total lending, investment and money market	**900,894**	**1,028,609**	**31,095**	**145,953**	**539,357**	**33.6 %**	**10.5 %**	**55.9 %**
of which NPL	**13,295**	**10,427**	**194**	**3,093**	**11,109**	**27.6 %**	**27.7 %**	**44.7 %**
Pre-settlement	60,968							
Total Group	**961,863**							

Cover values including guarantees received (*)								
in EUR million		Cover type and value				Collateralisation		
2023	Outstandings	Mortgages	Financial Collateral	Guarantees	Other covers	No cover	Partially covered	Fully covered
Consumer lending	360,124	804,994	22,401	25,269	29,070	6.2 %	2.0 %	91.8 %
Business lending	363,826	162,491	26,333	115,944	428,531	35.2 %	22.5 %	42.3 %
Investment and money market	158,506		—	1,040	549	99.0 %	0.6 %	0.4 %
Total lending, investment and money market	**882,455**	**967,485**	**48,735**	**142,252**	**458,149**	**34.8 %**	**10.2 %**	**55.0 %**
of which NPL	**11,653**	**8,880**	**1,609**	**3,204**	**9,241**	**25.7 %**	**26.9 %**	**47.4 %**
Pre-settlement	49,096							
Total	**931,552**							

The above tables gives an overview of the collateralisation of ING's total portfolio. Excluding the pre-settlement portfolio, 55.9% (2023: 55.0%) of ING's outstandings were fully collateralised in 2024. Since investments traditionally do not require covers, the 'no covers' percentage in this portfolio is over 99%.

Consumer lending portfolio (*)

The consumer lending portfolio accounts for 39.4% (2023: 38.7%) of ING's total outstanding, primarily consisting of residential mortgage loans and other consumer lending loans. As a result, most collateral consists of mortgages. Mortgage values are collected in an internal central database and in most cases external data is used to index the market value. A significant part of ING's residential mortgage portfolio is in the Netherlands (34.6%), Germany (27.5%), Belgium including Luxembourg (12.8%) and Australia (10.8%).

Note that the large increase in Other covers and decrease in Financial Collateral is related to a reclassification of certain cover types.

Business lending portfolio (*)

Business lending accounts for 38.3% (2023: 39.1%) of ING's total outstanding. Business lending presented in this section does not include pre-settlement, investment and money market exposures.

Credit quality (*)

ING uses three distinct statuses to categorise the management of clients with (perceived) deteriorating credit risk profiles. ING usually classifies a client first with a “watch list” status when there are concerns of any potential or material deterioration in credit risk profile that may affect the ability of the client to adhere to its debt service obligations or to refinance its existing loans. Watch list status requires more than usual attention, increased monitoring and quarterly reviews. Furthermore, ING makes use of Early Warning Indicators (EWIs) in daily credit risk management processes in non-Retail portfolios which relate to a change in (internal and/or external) circumstances or outlook of the specific Obligor, the sector or portfolio. Some clients with a watch list or EWI status may develop into a performing restructuring status (performing loans that hold a reasonable probability that ING will end up with a loss, if no specific action is taken) or a non-performing status.

When there is increasing doubt as to the performance and the collectability of the client’s contractual obligations the loans are managed by Global Credit Restructuring (GCR) or by restructuring units in the various regions and business units. The statuses and links with rating grades are illustrated in the table below.

Credit risk ratings				
Internal Rating Grade	1-10	11-17	18-19	20-22
Category	Investment Grade	Non-investment Grade	Performing Restructuring	Non-performing
Credit risk management	Regular incl EWI/ Watchlist	Regular incl EWI/ Watchlist	Credit restructuring	Credit restructuring
ECL Stage	1/2[1]	1/2[1]	2	3

[1] Stage 2 in case one of the Stage 2 triggers is hit, where Watchlist files are always Stage 2

Credit quality outstandings (*)		
in EUR million	2024	2023
Performing not past due	823,478	795,942
Business lending performing past due	9,174	8,825
Consumer lending performing past due	802	846
Non-performing	13,295	11,653
Total lending and investment	**846,749**	**817,266**
Money market	**54,145**	**65,189**
Pre-settlement	**60,968**	**49,096**
Total	**961,863**	**931,552**

Past due obligations (*)

Retail Banking measures its portfolio in terms of payment arrears and determines on a monthly basis if there are any significant changes in the level of arrears. This methodology is applicable to private individuals, as well as business lending. An obligation is considered 'past due' if a payment of interest or principal is more than one day late. ING aims to help its customers as soon as they are past due by reminding them of their payment obligations. In its contact with customers, ING aims to solve the (potential) financial difficulties by offering a range of measures (e.g. payment arrangements, restructuring). If the issues cannot be resolved, for example because the customer is unable or unwilling to pay, the contract is sent to the recovery unit. The facility is downgraded to risk rating 20 (non-performing) when the facility or obligor – depending on the level at which the non-performing status is applied – is more than 90 days past due and to risk rating 21 or 22 in case of an exit scenario.

The table below represents the breakdown of lending and investment credit risk outstandings that are performing by age and geographic area.

Ageing analysis (past due but performing): Consumer lending portfolio by geographic area, outstandings (*)

in EUR million		2024				2023			
Region		Past due for 1–30 days	Past due for 31–60 days	Past due for 61–90 days	Total	Past due for 1–30 days	Past due for 31–60 days	Past due or 61–90 days	Total
Europe	Belgium	185	49	29	**263**	223	43	29	**295**
	Germany	65	37	24	**125**	89	40	18	**147**
	Poland	61	9	4	**74**	76	8	5	**89**
	Netherlands	62	35	4	**101**	67	24	6	**97**
	Luxembourg	22	6	3	**32**	21	2	2	**25**
	Spain	12	16	8	**36**	19	13	6	**38**
	Rest of Europe	93	15	4	**112**	64	19	12	**94**
America		0	0	0	**1**	1	0	0	**1**
Asia		0	0	0	**0**	0	0	0	**1**
Australia		38	19	2	**59**	43	15	1	**59**
Africa		0	0	0	**0**	0	0	0	**0**
Total		**538**	**186**	**78**	**802**	**602**	**164**	**79**	**846**

The past due but performing consumer lending outstanding decreased by €44 million, due to a decrease in 1-30 days (-€64 million) which was partially offset by an increase in 31-60 (+€22 million). The largest decrease was observed in Belgium (-€32 million) and Germany (-€22 million), mainly in the 1-30 days bucket. The largest increase was seen in Rest of Europe (+€18 million).

Ageing analysis (past due but performing): Business lending portfolio by geographic area, outstandings (*)

in EUR million

		2024				2023			
Region		Past due for 1–30 days	Past due for 31–60 days	Past due for 61–90 days	Total	Past due for 1–30 days	Past due for 31–60 days	Past due for 61–90 days	Total
Europe	Belgium	1,187	17	13	**1,217**	929	98	11	**1,037**
	United Kingdom	830	8		**838**	623	659	128	**1,410**
	Luxembourg	367	51	5	**423**	577	8	11	**596**
	Netherlands	929	14		**943**	509	10	12	**531**
	Poland	173	17	19	**209**	346	26	10	**383**
	Spain	26			**26**				
	France	194			**194**	58	132		**190**
	Germany	215	3	2	**220**	131	110	1	**242**
	Rest of Europe	630	4	46	**681**	972	2	2	**977**
America		3,504	95		**3,599**	2,508	101	41	**2,650**
Asia		310			**310**	284		22	**306**
Australia		469	6		**475**	501	1		**502**
Africa		39			**39**				
Total		**8,873**	**215**	**86**	**9,174**	**7,437**	**1,148**	**240**	**8,825**

Total past due but performing outstanding of business lending increased by €0.3 billion. Increase was witnessed in the 1–30 days past due bucket (€1.4 billion) which was offset by the decrease observed in the 31-60 days (-€0.9 billion) and 61-90 days (-€0.2 billion) past due buckets. The largest increase was in the Americas (€0.9 billion) while the largest decrease was in the United Kingdom (-€0.6 billion).

Forbearance (*)

Forbearance occurs when a client is unable to meet their financial commitments due to financial difficulties they face or are about to face and ING grants concessions towards them. Forborne assets are assets in respect of which forbearance measures have been granted.

Forbearance may enable clients experiencing financial difficulties to continue repaying their debt.

For business clients, ING mainly applies forbearance measures to support clients with fundamentally sound business models that are experiencing temporary difficulties. The aim is to maximise the client's repayment ability, thereby avoiding a default situation, or help the client to return to a performing situation.

For ING Retail units, clear criteria have been established to determine whether a client is eligible for the forbearance process. Specific approval mandates are in place to approve the measures, as well as procedures to manage, monitor and report the forbearance activities.

ING reviews the performance of forborne exposures at least quarterly, either on a case-by-case (Business) or on a portfolio (Retail) basis.

All exposures are eligible for forbearance measures, i.e. both performing (risk ratings 1-19) and non-performing (risk ratings 20-22) exposures. ING uses specific criteria to move forborne exposures from non-performing to performing or to remove the forbearance statuses that are consistent with the corresponding European Banking Authority (EBA) standards. An exposure is reported as forborne for a minimum of two years. An additional one-year probation period is applied to forborne exposures that move from non-performing back to performing.

Summary Forborne portfolio (*)

in EUR million	2024				2023			
Business line	Outstandings	Of which: performing	Of which: non-performing	% of total portfolio	Outstandings	Of which: performing	Of which: non-performing	% of total portfolio
Wholesale Banking	5,934	3,191	2,743	1.9 %	6,063	3,919	2,144	1.8 %
Retail Banking	6,883	3,987	2,897	1.3 %	7,026	4,128	2,898	1.4 %
Total	**12,817**	**7,178**	**5,640**	**1.5 %**	**13,089**	**8,047**	**5,042**	**1.5 %**

Summary Forborne portfolio by forbearance type (*)

in EUR million	2024				2023			
Forbearance type	Outstandings	Of which: performing	Of which: non-performing	% of total portfolio	Outstandings	Of which: performing	Of which: non-performing	% of total portfolio
Loan modification	11,726	6,734	4,993	1.4 %	11,881	7,550	4,331	1.4 %
Refinancing	1,091	444	647	0.1 %	1,208	497	711	0.1 %
Total	**12,817**	**7,178**	**5,640**	**1.5 %**	**13,089**	**8,047**	**5,042**	**1.5 %**

As of 31 December 2024, ING's total forborne assets decreased by €272 million compared to 31 December 2023. WB decreased by €129 million and Retail decreased by €143 million.

Wholesale Banking (*)

As of December 2024, WB forborne assets amounted to €5.9 billion (2023: €6.1 billion), which represented 1.9% (2023: 1.8%) of the total WB portfolio.

Wholesale Banking: Forborne portfolio by geographical area (*)

in EUR million		2024			2023		
Region		Outstandings	Of which: performing	Of which: non-performing	Outstandings	Of which: performing	Of which: non-performing
Europe	Netherlands	217	69	148	361	301	60
	Belgium	172	165	7	454	446	8
	Germany	372	62	310	288	148	139
	United Kingdom	444	266	178	583	425	158
	Italy	389	353	36	54	19	34
	Norway	0	0	0	6	0	6
	Poland	630	284	346	520	519	0
	Rest of Europe	1,339	940	399	1,421	1,142	279
America		1,586	867	719	1,025	532	493
Asia		652	111	541	1,198	277	921
Australia		79	34	44	87	87	0
Africa		54	40	15	68	23	45
Total		**5,934**	**3,191**	**2,743**	**6,063**	**3,919**	**2,144**

Wholesale Banking: Forborne portfolio by economic sector (*)

in EUR million	2024			2023		
Industry	Outstandings	Of which: performing	Of which: non-performing	Outstandings	Of which: performing	Of which: non-performing
Natural Resources	781	424	356	788	321	467
Real Estate	1,115	703	412	1,320	1,254	66
Transportation & Logistics	214	83	131	315	175	139
Food, Beverages & Personal Care	810	415	395	866	465	401
Services	211	176	34	284	254	30
Automotive	332	183	149	138	98	40
Utilities	677	301	376	510	255	255
General Industries	127	70	58	145	74	71
Retail	149	21	128	282	104	178
Chemicals, Health & Pharmaceuticals	668	136	532	571	559	11
Builders & Contractors	122	118	5	133	72	61
Other	729	561	168	712	287	425
Total	**5,934**	**3,191**	**2,743**	**6,063**	**3,919**	**2,144**

Net decrease in WB is driven by the performing forborne exposures -€728 million. Non-performing forborne assets increased by €599 million, mainly in Chemicals, Health & Pharmaceuticals and in Real Estate in line with earlier mentioned NPL increases.

WB's forborne assets are mainly concentrated in real estate; food, beverages & personal care; natural resources; chemicals, health & pharmaceuticals; and utilities. These five sectors accounted for 68.3% of the total WB forborne outstandings.

Retail Banking (*)

As of 31 December 2024, Retail Banking forborne assets amounted to €6.9 billion (2023: €7.0 billion), which represented 1.3% (2023: 1.4%) of the total RB portfolio. 26.7% of the forborne exposures were in Private Individuals.

Retail Banking: Forborne portfolio by geographical area (*)

in EUR million		2024			2023		
Region		Outstandings	Of which: performing	Of which: non-performing	Outstandings	Of which: performing	Of which: non-performing
Europe	Netherlands	1,548	1,134	414	1,483	981	502
	Belgium	1,942	800	1,142	2,153	838	1,315
	Germany	1,379	1,052	327	1,309	1,064	246
	Poland	777	403	374	852	522	330
	Türkiye	13	9	4	25	15	10
	Italy	122	43	79	123	51	71
	Romania	173	72	101	135	49	86
	Spain	159	127	31	138	118	21
	Rest of Europe	102	50	52	88	58	30
America		22	17	6	21	20	
Asia		1		1	2	1	1
Australia		646	279	367	697	411	286
Africa							
Total		**6,883**	**3,987**	**2,897**	**7,026**	**4,128**	**2,898**

The main concentration of forborne assets in a single country was in Belgium with 28.2% (2023: 30.6%) of total Retail Banking forborne assets and 39.4% (2023: 45.4%) of the non-performing forborne assets, followed by the Netherlands with 22.5% (2023: 21.1%) and Germany having 20.0% (2023: 18.6%) of the total Retail forborne assets.

Non-performing loans (*)

ING has aligned the regulatory concept of non-performing with that of the definition of default. Hence, borrowers are classified as non-performing when a default trigger occurs:

- ING believes the borrower is unlikely to pay. The borrower has evidenced significant financial difficulty, to the extent that it will have a negative impact on the future cash flows of the financial asset. The following events could be seen as indicators of financial difficulty:
  - The borrower (or third party) has started insolvency proceedings;
  - A group company/co-borrower has NPL status;
  - Indication of fraud (affecting the company's ability to service its debt);
  - There is doubt as to the borrower's ability to generate stable and sufficient cash flows to service its debt; and
  - Restructuring of debt.
- ING has granted concessions relating to the borrower's financial difficulty, the effect of which is a reduction in expected future cash flows of the financial asset below current carrying amount.
- The obligor has failed in the payment of principal, interest or fees; the total past due amount is above the materiality threshold and this remains the case for more than 90 consecutive days.

Further, WB has an individual name approach, using early warning indicators to signal possible future issues in debt service.

The table below represents the breakdown of credit risk outstandings that have been classified as non-performing by sector and business line.

Non-performing Loans: outstandings by economic sector and business lines (*)[1]

in EUR million	Wholesale Banking		Retail Banking		Total	
Industry	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Private Individuals	4	4	4,766	4,416	4,769	4,419
Natural Resources	965	669	99	85	1,064	754
Food, Beverages & Personal Care	452	565	357	520	809	1,085
Transportation & Logistics	347	437	157	134	504	572
Services	102	101	394	481	495	582
Real Estate	831	592	603	462	1,434	1,053
General Industries	236	111	451	385	687	497
Builders & Contractors	51	124	445	453	496	577
Retail	157	207	224	188	381	395
Utilities	582	331	19	18	600	348
Chemicals, Health & Pharmaceuticals	654	101	185	132	839	233
Telecom	151	378	12	12	163	390
Other	666	412	387	336	1,052	748
Total	**5,196**	**4,034**	**8,099**	**7,619**	**13,295**	**11,653**

[1] Based on lending and investment outstandings.

Non-performing loans: Outstandings by economic sectors and geographical area (*)

in EUR million	Region													Total
Industry	Netherlands	Belgium	Germany	Poland	Spain	United Kingdom	France	Luxembourg	Rest of Europe	America	Asia	Australia	Africa	2024
Private Individuals	646	1,461	1,066	210	304	10	8	44	545	2	2	469		4,769
Natural Resources	13	54		33					569	31	343	21		1,064
Food, Beverages & Personal Care	196	154	1	93		23	5		158	51	127			809
Transportation & Logistics	93	40	3	124	47			1	136			1	59	504
Services	57	293	5	87	2	1	3	5	10	34				495
Real Estate	12	374	63	114	59		59	90	6	606		52		1,434
General Industries	153	123	24	147	20		2	1	170	17	30			687
Builders & Contractors	68	175	5	162				7	78					496
Retail	53	97	39	62			3		14	97	15	1		381
Utilities	13	8	25	21		285			12	128	109			600
Chemicals, Health & Pharmaceuticals	37	94	84	340		1	110		113	36		24		839
Telecom	7	1		3			44		14	90	4			163
Other	202	198	117	60		2	72	17	90	54	92		150	1,052
Total	**1,549**	**3,071**	**1,432**	**1,457**	**432**	**322**	**307**	**166**	**1,916**	**1,145**	**723**	**567**	**210**	**13,295**

Non-performing loans: Outstandings by economic sectors and geographical area (*)

in EUR million	Region													Total
Industry	Netherlands	Belgium	Germany	Poland	Spain	United Kingdom	France	Luxembourg	Rest of Europe	America	Asia	Australia	Africa	2023
Private Individuals	609	1,535	885	225	235	3	8	45	489	2	2	380	1	4,419
Natural Resources	30	60	1	23				55	164	31	369		20	754
Food, Beverages & Personal Care	281	157	1	131		139	7		158	82	128			1,085
Transportation & Logistics	110	50	2	51	47	20		1	168	49	1	2	72	572
Services	121	342	2	55	2		3	8	13	37				582
Real Estate	40	297	53	55	9		36	16	7	519		21		1,053
General Industries	145	127	49	99			2	7	24	42				497
Builders & Contractors	113	181	2	135				22	91	32				577
Retail	51	82	36	52			2		14	149	7			395
Utilities	14	5		21					18	153	138			348
Chemicals, Health & Pharmaceuticals	31	77	13	25			64		11	12				233
Telecom	12	1	28	3					13	56	277			390
Other	28	239	42	55		2	1	6	23	46	128		179	748
Total	**1,586**	**3,153**	**1,114**	**929**	**293**	**165**	**124**	**162**	**1,193**	**1,210**	**1,050**	**403**	**272**	**11,653**

In 2024, the NPL portfolio increased to €13.3 billion, an increase in Wholesale Banking (+€1.2 billion) together with an increase in Retail Banking (+€0.5 billion). The increase in Wholesale Banking was mainly witnessed in real estate; chemicals, health & pharmaceuticals; and in natural resources, partially offset by telecom. In Retail Banking, the increase was concentrated in Private Individuals. The top three countries by NPL outstanding are Belgium, the Netherlands and Poland.

Loan loss provisioning (*)

ING recognises loss allowances based on the expected credit loss (ECL) model of IFRS 9, which is designed to be forward-looking. The IFRS 9 impairment requirements are applicable to on-balance-sheet financial assets measured at amortised cost or fair value through other comprehensive income (FVOCI), such as loans, debt securities and lease receivables, as well as off-balance-sheet items such as undrawn loan commitments, financial- and non-financial guarantees issued.

ING distinguishes between two types of calculation methods for credit loss allowances:

- Collective 12-month ECL (Stage 1) and collective lifetime ECL (Stage 2) for portfolios of financial instruments, as well as collective lifetime ECL for credit-impaired exposures (Stage 3) below €1 million; and
- Individual lifetime ECL for credit-impaired (Stage 3) financial instruments with exposures above €1 million.

IFRS 9 models (*)

ING's IFRS 9 models leverage on the internal rating-based (IRB) models (PD, LGD, EAD), which include certain required conservatism. To include IFRS 9 requirements, such regulatory conservatism is removed from the ECL parameters (PD, LGD and EAD). The IFRS 9 models apply two other types of adjustments to the IRB ECL parameters: (i) to the economic outlook and (ii) for Stage 2 and Stage 3 assets only, to the lifetime horizon. The IFRS 9 model parameters are estimated based on statistical techniques and supported by expert judgement.

ING has aligned the definition of default for regulatory purposes with the definition of 'credit-impaired' financial assets under IFRS 9 (Stage 3). ING has also aligned its definition of default between IFRS 9 and the regulatory technical standards (RTS) and EBA guidelines. More information can be found in section 1.5.6 of the consolidated financial statements.

Climate and environmental risks in IFRS 9 models (*)

Climate risk drivers (physical and transition risks) can reduce the ability of businesses and households to fulfil their obligations due on existing lending contracts. These may also lead to the depreciation/erosion of collateral values, which would translate into higher credit losses and loan-to-value ratios in the lending portfolio of ING.

Currently, it is not yet possible to fully incorporate climate risk separately into IFRS 9 ECL models given the lack of sufficient empirical historical data and data limitations in the risk assessments on client level. However, ING has taken next steps in 2024 to more explicitly cover for climate-risk drivers in loan loss provisioning. A management adjustment to ECL models for business clients was introduced to specifically cover for the medium- to long-term transition risk on high greenhouse gas-emitting sectors. For households, particularly the mortgage book, next step in the development will be to apply differentiation in collateral valuation based on EPC labels.

Additionally, where climate and environmental factors have impacted the economy in the recent past or present, these impacts are implicitly embedded in ING's IFRS 9 ECL models through the projected macroeconomic indicators (e.g. indirectly via GDP growth and unemployment rates). We note, however, that our ECL models are primarily sensitive to the short-term economic outlook as we use a three-year time horizon for macroeconomic outlook, after which a mean reversion approach is applied.

With regard to our evaluation of specific climate-related matters, particularly physical risk events that have already occurred (e.g. floods, stranded assets etc.), the impact of such events is individually assessed in the calculation of Stage 3 individual provisions, collective SICR or management adjustments to ECL models. For example, we consider whether affected assets have suffered from a significant increase in credit risk (or are credit impaired) and whether the ECL is appropriate. Furthermore as at 31 December 2024 we have reported a management adjustment for the increased expected credit risk in the Mortgage and Consumer Lending portfolio in Spain due to payment holidays provided for customers with collateral or activities in the Valencia area impacted by the severe floods in the fourth quarter of 2024. For more, see 'Management adjustments applied this reporting period'.

Going forward, ING aims to continue to improve on climate risk data, which will enable us to further embed climate risks into the IFRS 9 ECL models. For further details on ESG risk management, see 'ESG risk'

Reconciliation gross carrying amount (IFRS 9 eligible) and statement of financial position

in EUR million	2024							2023						
	Gross carrying amount	Loan loss provisions	Cash and on-demand bank positions	Reverse repurchase transactions	Cash collateral	Other	Statement of financial position	Gross carrying amount	Loan loss provisions	Cash and on-demand bank positions	Reverse repurchase transactions	Cash collateral	Other	Statement of financial position
Amounts held at central banks	71,280	-14	-1,550			637	70,353	90,602	-5	-794			410	90,214
Loans and advances to banks	4,685	-22	3,195	10,777	2,362	773	21,770	5,835	-30	2,381	5,251	3,063	209	16,709
Financial instruments FVOCI loans	1,671	-7				-56	1,608	983	-8				-24	951
Financial instruments FVOCI debt securities	42,185	-12				46	42,219	38,323	-13				-30	38,281
Securities at amortised cost	50,701	-15				-413	50,273	48,770	-22				-435	48,313
Loans and advances to customers	679,422	-5,833		3,471	4,956	-1,783	680,233	647,875	-5,621		499	3,914	-4,265	642,402
Total on-balance (IFRS 9 eligible)	**849,944**	**-5,902**	**1,645**	**14,248**	**7,318**	**-796**	**866,456**	**832,388**	**-5,697**	**1,587**	**5,750**	**6,978**	**-4,136**	**836,869**
Guarantees and irrevocable facilities (IFRS 9 eligible)	198,630	-146						192,655	-142					
Total gross carrying amount (IFRS 9 eligible)	**1,048,574**	**-6,049**						**1,025,043**	**-5,839**					

This table presents the reconciliation between the statement of financial position and the gross carrying amounts used for calculating the expected credit losses. No expected credit loss is calculated for cash, on-demand bank positions, reverse repurchase transactions, cash collateral received in respect of derivatives, and other. Therefore these amounts are not included in the total gross carrying amount (IFRS 9 eligible). Other includes value adjustments on hedged items, deferred acquisition costs on residential mortgages, and a receivable which is offset against a liquidity facility.

Portfolio quality (*)

The table below describes the portfolio composition over the different IFRS 9 stages and rating classes. The Stage 1 portfolio represents 91.1% (2023: 91.5%) of the total gross carrying amounts, mainly composed of investment grade, while Stage 2 makes up 7.6% (2023: 7.4%) and Stage 3 makes up 1.3% (2023: 1.2%) of the total gross carrying amounts, respectively.

Gross carrying amount per IFRS 9 stage and rating class (*)[1,2]

in EUR million		12-month ECL (Stage 1)				Lifetime ECL not credit impaired (Stage 2)				Lifetime ECL credit impaired (Stage 3)				Total			
Rating class		Gross carrying amount		Provisions		Gross carrying amount		Provisions		Gross carrying amount		Provisions		Gross carrying amount		Provisions	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Investment grade	1 (AAA)	79,076	87,071	1	1	281	439							79,357	87,510	1	1
	2-4 (AA)	140,671	132,159	10	8	1,579	2,553	1	2					142,250	134,711	11	9
	5-7 (A)	244,241	231,018	21	24	6,908	6,188	8	6					251,149	237,206	29	30
	8-10 (BBB)	310,324	302,967	55	85	24,683	17,004	55	24					335,008	319,971	110	108
Non-investment grade	11-13 (BB)	154,348	157,387	190	226	18,479	19,273	91	93					172,827	176,661	281	319
	14-16 (B)	25,377	26,414	124	164	17,433	19,336	366	455					42,811	45,750	490	618
	17 (CCC)	905	617	8	10	3,992	4,125	173	233					4,897	4,742	181	242
Performing Restructuring	18 (CC)					4,059	4,617	233	402					4,060	4,617	233	402
	19 (C)					2,474	1,919	203	221					2,474	1,919	203	221
Non-performing loans	20-22 (D)									13,742	11,956	4,509	3,887	13,742	11,956	4,509	3,887
Total		**954,943**	**937,633**	**409**	**517**	**79,888**	**75,454**	**1,130**	**1,435**	**13,742**	**11,956**	**4,509**	**3,887**	**1,048,574**	**1,025,043**	**6,049**	**5,839**

1 Compared to the credit risk portfolio, the differences are mainly undrawn committed amounts (€156 billion; 2023: €151 billion) and other positions (€6 billion; 2023: €9 billion) not included in credit outstandings and non-IFRS 9 eligible assets (€75 billion; 2023: €67 billion), mainly pre-settlement exposures) included in credit outstandings but not in the gross carrying amounts.

2 Stage 3 lifetime credit impaired provision includes €21 million (2023: €11 million) on purchased or originated credit impaired.

Changes in gross carrying amounts and loan loss provisions (*)

The table below provides a reconciliation by stage of the gross carrying amount and allowances for loans and advances to banks and customers, including loan commitments and financial guarantees. The transfers of financial instruments represent the impact of stage transfers upon the gross carrying/nominal amount and associated allowance for ECL. This includes the net-remeasurement of ECL arising from stage transfers, for example, moving from a 12-month (Stage 1) to a lifetime (Stage 2) ECL measurement basis.

The net-remeasurement line represents the changes in provisions for facilities that remain in the same stage.

Please note the following comments with respect to the movements observed in the table below:

- Stage 3 gross carrying amount increased by €1.7 billion from €12.0 billion as at 31 December 2023 to €13.7 billion as at 31 December 2024, mainly as a result of €4.8 billion net inflow into NPL (credit impaired) in 2024 which is offset by €1.8 billion derecognitions and repayments and €1.3 billion write-offs and disposals. Following the increase in carrying amount, Stage 3 provisions increased by €0.6 billion.
- Stage 2 gross carrying amounts increased by €4.4 billion from €75.5 billion as at 31 December 2023 to €79.9 billion as at 31 December 2024, largely driven by €23.7 billion net transfers from Stage 1 into Stage 2, including the impact of changes in risk drivers (including updated macro-economic forecasts), model redevelopments mainly for Wholesale Banking models and new Stage 2 overlays. This was offset by a decrease of exposure by €16.2 billion due to derecognised financial assets (including sales), repayments and €2.9 billion exposure moving to Stage 3. Stage 2 provisions decreased by €0.3 billion to €1.1 billion as of 31 December 2024.

Changes in gross carrying amounts and loan loss provisions (*)[1, 2]

in EUR million	12-month ECL (Stage 1)		Lifetime ECL not credit impaired (Stage 2)		Lifetime ECL credit impaired (Stage 3)		Total		12-month ECL (Stage 1)		Lifetime ECL not credit impaired (Stage 2)		Lifetime ECL credit impaired (Stage 3)		Total	
	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions
	2024								2023							
Opening balance	**937,633**	**517**	**75,454**	**1,435**	**11,956**	**3,887**	**1,025,043**	**5,839**	**885,222**	**581**	**70,725**	**1,679**	**11,708**	**3,841**	**967,655**	**6,101**
Impact of changes in accounting policies									37,078	9	4,704	13	158	73	41,939	95
Adjusted opening balance									**922,300**	**590**	**75,429**	**1,692**	**11,866**	**3,914**	**1,009,595**	**6,196**
Transfer into 12-month ECL (Stage 1)	20,486	22	-20,236	-195	-249	-34		-207	11,832	28	-11,583	-239	-249	-36	0	-247
Transfer into lifetime ECL not credit impaired (Stage 2)	-43,155	-49	43,900	429	-745	-96		285	-29,470	-67	30,185	449	-716	-105	0	276
Transfer into lifetime ECL credit impaired (Stage 3)	-2,980	-18	-2,856	-235	5,836	1,802		1,548	-2,053	-10	-1,775	-114	3,828	978	0	853
Net remeasurement of loan loss provisions		-181		-137		185		-133	0	-149	0	-94	0	59	0	-183
New financial assets originated or purchased	212,516	192					212,516	192	195,775	204	0	0	0	0	195,775	204
Financial assets that have been derecognised	-126,858	-76	-11,840	-153	-1,450	-257	-140,148	-485	-121,991	-72	-14,239	-215	-1,475	-266	-137,705	-552
Net drawdowns and repayments	-41,763		-4,393		-309		-46,465		-38,758		-2,525		-229		-41,511	
Changes in models/risk parameters		8		-6		-22		-20	0	7	0	11	0	84	0	102
Increase in loan loss provisions		**-102**		**-297**		**1,578**		**1,179**		**-58**		**-203**		**714**		**452**
Write-offs[3]					-1,017	-1,017	-1,017	-1,017	-3	-3			-787	-787	-790	-790
Disposals[3]	-935	-1	-141	-8	-279	-215	-1,355	-225			-38	-38	-283	-283	-321	-321
Recoveries of amounts previously written off						69		69	0	0	0	0	0	71	0	71
Foreign exchange and other movements		-5				208		203	0	-12	0	-15	0	257	0	231
Closing balance	**954,943**	**409**	**79,888**	**1,130**	**13,742**	**4,509**	**1,048,574**	**6,049**	**937,633**	**517**	**75,454**	**1,435**	**11,956**	**3,887**	**1,025,043**	**5,839**

1 Stage 3 lifetime credit impaired provision includes €21 million (2023:€11 million) on purchased or originated credit impaired.
2 The addition to the loan provision (in the consolidated statement of profit or loss) amounts to €1,194 million (2023: €520 million) of which €1,170 million (2023: €483 million) related to IFRS 9 eligible financial assets, €9 million (2023: €-31 million) related to non-credit replacement guarantees and €15 million (2023: €67 million) to modification gains and losses on restructured financial assets.
3 Table was updated for presentation purposes to disaggregate utilisation of the provision between write-offs and disposals. Comparatives have been updated accordingly.

Exposure per stage, coverage ratio and stage ratios [2]

in EUR million	2024			2023		
Balance sheet	**Gross carrying amount**	**Loan loss provisions**	**Stage ratio**	**Gross carrying amount**	**Loan loss provisions**	**Stage ratio**
Loans and advances to banks (including central banks)	**75,965**	**35**		**96,436**	**34**	
Stage 1	74,632	4	98%	95,935	4	99%
Stage 2	1,258	15	2%	494	17	1%
Stage 3	75	16	0.1%	6	13	0%
Loans and advances to customers	**679,422**	**5,833**		**647,876**	**5,621**	
Of which: Residential mortgages	348,433	814		331,467	821	
Stage 1	315,775	49	91%	306,192	97	92%
Stage 2	29,341	307	8%	22,167	252	7%
Stage 3	3,317	458	1%	3,108	472	1%
Of which: Consumer lending (excl. Residential mortgages)	26,936	957		25,954	1,004	
Stage 1	22,556	112	84%	22,081	177	85%
Stage 2	3,090	191	11%	2,743	198	11%
Stage 3	1,290	654	5%	1,131	629	4%
Of which: Loans to public authorities	23,930	17		19,068	11	
Stage 1	23,214	6	97%	18,083	4	95%
Stage 2	464	3	2%	691	2	4%
Stage 3	252	8	1%	294	5	2%
Of which: Corporate lending	280,123	4,045		271,387	3,785	
Stage 1	238,606	196	85%	232,401	185	86%
Stage 2	33,427	575	12%	32,178	921	12%
Stage 3	8,090	3,274	3%	6,808	2,679	3%
Other IFRS 9 eligible financial Instruments [1]	**293,187**	**180**		**280,731**	**184**	
Stage 1	280,161	43	96%	262,941	50	94%
Stage 2	12,308	39	4%	17,181	46	6%
Stage 3	718	98	0.2%	609	88	0.2%
Total gross carrying amount (IFRS 9 eligible)	**1,048,574**	**6,049**		**1,025,043**	**5,839**	

[1] Includes off-balance sheet IFRS 9 eligible guarantees and irrevocable facilities. See Note 1 'Basis of preparation and material accounting policy information'.
[2] The exposure classification to residential mortgages, consumer lending and corporate lending is aligned to the regulatory definition.

Modification of financial assets (*)

The table below provides the following information:

- Financial assets that were modified during the year (i.e. qualified as forborne) while they had a loss allowance measured at an amount equal to lifetime ECL.
- Financial assets that were reclassified to Stage 1 during the period.

Financial assets modified (*)		
in EUR million	2024	2023
Financial assets modified during the period		
Amortised cost before modification	1,888	1,565
Net modification results	-107	-75
Financial assets modified since initial recognition		
Gross carrying amount at 31 December of financial assets for which loss allowance has changed to 12-month measurement during the period	1,506	2,599

Macroeconomic scenarios and sensitivity analysis of key sources of estimation uncertainty (*)

Methodology (*)

Our methodology in relation to the adoption and generation of macroeconomic scenarios is described in this section. We continue to follow this methodology in generating our probability-weighted ECL, with consideration of alternative scenarios and management adjustments supplementing this ECL where, in management's opinion, the consensus forecast does not fully capture the extent of recent credit or economic events. The macroeconomic scenarios are applicable to the whole ING portfolio in the scope of IFRS 9 ECLs.

The IFRS 9 standard, with its inherent complexities and potential impact on the carrying amounts of our assets and liabilities, represents a key source of estimation uncertainty. In particular, ING's reportable ECL numbers are sensitive to the forward-looking macroeconomic forecasts used as model inputs, the probability-weights applied to each of the three scenarios, and the criteria for identifying a significant increase in credit risk. As such, these crucial components require consultation and management judgement, and are subject to extensive governance.

Baseline scenario (*)

As a baseline for IFRS 9, ING has adopted a market-neutral view combining consensus forecasts for economic variables (GDP, unemployment) with market forwards (for interest rates, exchange rates and oil prices). Input from a leading third-party service provider is used to complement the consensus with consistent projections for variables for which there are no consensus estimates available (most notably house prices and – for some countries – unemployment), to generate alternative scenarios, to convert annual consensus information to a quarterly frequency and to ensure general consistency of the scenarios. As the baseline scenario is consistent with the consensus view, it can be considered as free from any bias.

The relevance and selection of macroeconomic variables is defined by the ECL models under credit risk model governance. The scenarios are reviewed and challenged by two panels of ING experts. The first panel consists of (economic) experts from Global Markets Research, risk and modelling, while the second panel consists of relevant senior managers in ING.

Alternative scenarios and probability weights (*)

Two alternative scenarios are taken into account: an upside and a downside scenario. The alternative scenarios have statistical characteristics as they are based on the forecast deviations of the leading third-party service provider.

To understand the baseline level of uncertainty around any forecast, the leading third-party service provider keeps track of all its deviations (so-called forecast errors) of the past 20 years. The distribution of forecast errors for GDP, unemployment, house prices and share prices is applied to the baseline forecast creating a broad range of alternative outcomes. In addition, to understand the balance of risks facing the economy in an unbiased way, the leading third-party service provider runs a survey with respondents from around the world and across a broad range of industries. In this survey, respondents put forward their views of key risks. Following the survey results, the distribution of forecast errors (that is being used for determining the scenarios) may be skewed.

For the downside scenario, ING has chosen the 90th percentile of that distribution because this corresponds with the way risk management earnings-at-risk is defined within the Group. The upside scenario is represented by the 10th percentile of the distribution. The applicable percentiles of the distribution imply a 20 percent probability for each alternative scenario. Consequently, the baseline scenario has a 60 percent probability weighting. Please note that, given their technical nature, the downside and upside scenarios are not based on an explicit specific narrative.

Macroeconomic scenarios applied (*)

The macroeconomic scenarios applied in the calculation of loan loss provisions are based on the consensus forecasts.

Baseline assumptions (*)

The general picture that the consensus conveys is that global economic growth is diverging between major blocs. US growth is expected to continue to outpace European markets, while China is expected to continue on a declining growth trend, but still at higher rates than seen in advanced markets. Inflation is expected to remain near target for most advanced economies, although it is set to remain above target for the United States. With interest rates moderating, although some uncertainty about this path for the US exists at this point, monetary conditions should turn more favourable for growth. For the housing market, continued price growth is expected for almost all main markets.

The December 2024 consensus expects global output (as measured by the weighted average GDP growth rate of ING's 25 main markets) to slow from 2.5 percent in 2024 to 2.4 percent in 2025. For 2026-2027, economic growth is expected to come in at 2.4 percent and 2.3 percent respectively.

The American economy continues to perform very well despite signs of a slowing labour market around the summer of 2024. Inflation has come down to more benign levels, which has prompted the Federal Reserve to lower interest rates. Still, inflation remains above the 2% target and the outlook for inflation has become more uncertain. The US administration's economic plans are set to stimulate the economy for 2025, as reflected in the increased expectations for 2025 GDP of consensus forecasters. The consensus expects the growth rate of the US economy to slow from 2.7 percent in 2024 to 2.0 percent for both 2025 and 2026.

The eurozone economy has seen some growth return in 2024 after a long period of stagnation that started during the energy crisis. Still, expectations for 2025 remain modest. The export environment continues to be plagued by weak global demand and investments are stymied by high interest rates and weak manufacturing performance. Expectations of a pickup in growth over the course of the year hang on domestic drivers like a pickup in real wage growth and continued rate cuts from the ECB at the start of the year. Consensus expects the eurozone to have grown by only 0.8 percent in 2024, before recovering slightly to 1.0 percent and 1.2 percent in 2025 and 2026 respectively.

Elsewhere in Europe, the outlook is more upbeat. In Poland, domestic demand appears to remain the key growth driver over the near-term forecast. Foremost, consumers remain willing to spend, encouraged by elevated wage growth and a resilient labour market. The economy is expected to grow by 2.7 percent in 2024, picking up to 3.5 percent in 2025 and 3.8 percent in 2026. The consensus expectation for Türkiye is to see growth slow, which is being confirmed by weak incoming data. Consensus expects growth to slow from 3.1 percent in 2024 to 2.6 percent in 2025, in part due to soft demand from export orders. For 2026, a recovery to 3.5 percent is expected. The Russian economy is expected to slow substantially in 2025 after a strong 2024. Growth is expected to drop from 3.7 percent in 2024 to 1.6 percent in 2025 and 1.3 percent in 2026.

For China, economic underperformance continues as it still struggles with the impact of the real estate correction and weak domestic demand. Large scale stimulus plans and a possible bottoming out of the real estate market do help economic forecasts for the short-run, although medium term consensus continues to be downbeat for the moment. For 2024, consensus expects 4.8 percent growth, down to 4.4 percent in 2025 and 4.1 percent in 2026.

Economic momentum in Australia is expected to be soft. The economy is lacking a clear growth engine, with the private sector clearly struggling against restrictive policy settings and consumers facing a tough outlook. Growth is expected to have come in at 1.2 percent in 2024, with just moderate pick-up expected for 2025 to 2.0 percent and 2.4 percent for 2026.

When compared to the June 2024 consensus forecast, the December 2024 forecast is relatively stable. Global GDP is expected to increase by 2.5 percent in 2024 (compared to 2.4 percent assumed before) and is expected to grow by 2.4 percent in 2025 (2.3 percent assumed before). With the energy crisis and pandemic now further behind us, the consensus for economic activity in major markets is showing smaller deviations over time despite economic and geopolitical uncertainty still being very prevalent.

Alternative scenarios and risks (*)

The baseline scenario assumes continued steady economic growth. However, a longer period of weakness, due to even more concerning geopolitical tensions, persistent elevated inflation and trade tensions could lead to a more protracted and deeper economic slowdown. As such, the balance of risks to the baseline outlook is negative, and the alternative scenarios have a downward skew in line with the outcomes of Oxford Economics' Global Risk Survey.

The downside scenario – though technical in nature – sees a recession in 2025 and 2026 for most countries. Unemployment increases strongly in this scenario and house prices in most countries show outright falls. The downside scenario captures the possible impact from escalating geopolitical tensions, increased trade tensions and persistent elevated inflation.

The upside scenario – while equally technical in nature – reflects the possibility of a better economic out-turn because of a substantial loosening of monetary policy, and policy stimulus in China.

Management adjustments applied this reporting period (*)

In times of volatility and uncertainty where portfolio quality and the economic environment are changing rapidly, models alone may not be able to accurately predict losses. In these cases, management adjustments can be applied to appropriately reflect ECL. Management adjustments can also be applied

where the impact of the updated macroeconomic scenarios is over- or under-estimated by the IFRS 9 models, as well as to reflect the impact of model redevelopment or recalibration and periodic model assessment procedures that have not been incorporated in the IFRS 9 models yet.

ING has internal governance frameworks and controls in place to assess the appropriateness of all management adjustments.

Management adjustments to ECL models (*)		
in EUR million	2024	2023
Commercial Real Estate/ Inflation and interest rate increases	50	351
Economic sector / portfolio based adjustments	38	36
Mortgage portfolio adjustments	112	126
Climate transition risk	29	
Other Post Model Adjustments	-27	64
Total management adjustments	**203**	**577**

As the ING credit risk models generally assume that inflation and interest rate increase risks materialise via other risk drivers, such as GDP and unemployment rates with a delay, an overlay approach was determined in previous financial years to timely estimate the expected credit losses (ECL) related to reduced repayment capacity and affordability for private individuals and business clients in the Retail Banking segment.

As inflationary stress has decreased since origination of the overlay approach and the limited observed impact in both the Retail and the Wholesale Banking segment, no management adjustment is reported as at 31 December 2024, with exception of a management adjustment of €50 million for the Commercial Real Estate portfolio (31 December 2023: €351 million in total). The €50 million management adjustment related to the Commercial Real Estate portfolio is reported in Wholesale Banking (€33.5 million) and in Business Banking in the Netherlands (€16.5 million) because the prevailing risks from increased levels of interest rates and inflation still exist for this sector in these portfolios. This management adjustment is reflected in Stage 1 and Stage 2. Furthermore, in specific parts in the Retail Banking segment, that were previously included in the inflation and interest rate increases overlay and where increased risked not yet captured in the credit risk models are still observed, specific portfolio-based adjustments have been recognised.

As at 31 December 2024, the economic sector / portfolio based adjustments in Stage 2 of €38 million in total included a management adjustment of €14 million for the increased expected credit risk in the Mortgage and Consumer Lending portfolio in Spain due to payment holidays provided for customers with collateral or activities in the areas impacted by the severe floods in the Valencia area in the fourth quarter of 2024. Furthermore, adjustments have been taken in the Business Banking portfolio in Germany (€10 million) to cover for the increased uncertainty in the German economy and to the Mortgage portfolio in Australia (€15 million) to cover for affordability risk from inflation and interest rate increases.

The economic sector adjustments as at 31 December 2023 of €36 million, fully related to Business Banking clients that had benefited from government support programmes in the Netherlands during the Covid-19 pandemic. This adjustment was released in full in 2024 as the risk was considered to be no longer present in the portfolio. The overall mortgage portfolio adjustment as at 31 December 2024 decreased to €112 million (31 December 2023: €126 million). The management adjustment in Stage 2 for the risk segmentation model that captures affordability, repayment and refinancing risk on performing mortgage customers with a bullet loan in the Netherlands was decreased to €112 million (31 December 2023: €115 million). The mortgage portfolio adjustment that related to the overvaluation of house prices was released in full in 2024 (31 December 2023: €11 million).

As of 31 December 2024, an adjustment of €29 million was introduced to cover for the impact of climate transition risk in Wholesale Banking (€17 million) and in Business Banking (€12 million). Climate transition risk is expected to lead to a structural change in credit risk, which means specific business activities will become structurally riskier due to environmental policies, technological progress or changes in market sentiment and preferences. The current IFRS 9 models do not capture this (novel) risk. The management adjustment to ECL models for business clients was made to specifically cover for the medium- to long-term transition risk on high greenhouse gas-emitting sectors and is reported in Stage 2.

Other post-model adjustments mainly relate to the impact of model redevelopment or recalibration and periodic model assessment procedures that have not been incorporated in the ECL models yet. The impact on total ECL can be positive or negative. These result from both regular model maintenance and ING's multiyear programme to update ECL models. These adjustments will be removed once updates to the specific models have been implemented. The change in balance compared to previous reporting date is due to i) released PMAs because of model updates that have been implemented and ii) new PMAs recognised for new redevelopments and recalibrations.

Analysis on sensitivity (*)

The table below presents the analysis on the sensitivity of key forward-looking macroeconomic inputs used in the ECL collective-assessment modelling process and the probability weights applied to each of the three scenarios. The countries included in the analysis are the most significant geographic regions in ING, and for Wholesale Banking the US is the most significant in terms of both gross contribution to reportable ECL and sensitivity of ECL to forward-looking macroeconomics. Accordingly, ING considers these portfolios to present the most significant risk of resulting in a material adjustment to the carrying amount of financial assets within the next financial year. ING also observes that, in general, the WB business is more sensitive to the impact of forward-looking macroeconomic scenarios.

The purpose of the sensitivity analysis is to enable the reader to understand the extent of the impact from the upside and downside scenario on model-based reportable ECL.

In the table below, the real GDP is presented in percentage year-on-year change, the unemployment in percentage of total labour force and the house price index (HPI) in percentage year-on-year change.

Sensitivity analysis as at December 2024 (*)

		2025	2026	2027	Unweighted ECL (€ mln)	Probability weighting	Reportable ECL (€ mln)[1]
Netherlands Upside scenario	Real GDP	2.6	3.0	2.5	193	20%	270
	Unemployment	3.5	3.3	3.3			
	HPI	18.9	11.7	2.5			
Baseline scenario	Real GDP	1.5	1.4	1.5	249	60%	
	Unemployment	4.0	4.1	4.3			
	HPI	9.1	3.5	2.4			
Downside scenario	Real GDP	-0.4	-1.4	-0.2	411	20%	
	Unemployment	5.7	7.2	8.1			
	HPI	-3.7	-7.2	2.2			
Germany Upside scenario	Real GDP	2.0	2.8	1.6	510	20%	548
	Unemployment	2.9	2.4	2.0			
	HPI	5.4	8.9	9.9			
Baseline scenario	Real GDP	0.5	1.1	1.2	540	60%	
	Unemployment	3.4	3.3	3.2			
	HPI	2.6	5.6	6.3			
Downside scenario	Real GDP	-1.7	-1.7	0.3	609	20%	
	Unemployment	4.7	5.6	5.9			
	HPI	-1.7	1.3	2.2			
Belgium Upside scenario	Real GDP	2.2	2.6	2.1	534	20%	579
	Unemployment	5.1	5.0	4.9			
	HPI	4.8	4.5	4.4			
Baseline scenario	Real GDP	1.1	1.5	1.6	569	60%	
	Unemployment	5.7	5.7	5.6			
	HPI	3.2	4.1	3.8			
Downside scenario	Real GDP	-0.6	-0.2	1.1	654	20%	
	Unemployment	7.0	8.0	8.0			
	HPI	1.2	2.9	2.5			
United States Upside scenario	Real GDP	3.1	3.5	3.2	74	20%	113
	Unemployment	3.4	2.4	2.3			
	HPI	4.3	8.4	9.4			
Baseline scenario	Real GDP	2.0	2.0	2.0	101	60%	
	Unemployment	4.2	4.1	4.0			
	HPI	3.3	3.7	3.9			
Downside scenario	Real GDP	-0.1	-1.1	-0.4	187	20%	
	Unemployment	5.9	7.3	8.0			
	HPI	-0.7	-3.0	-2.5			

[1] Excluding management adjustments.

Sensitivity analysis as at December 2023 (*)

		2024	2025	2026	Unweighted ECL (€ mln)	Probability weighting	Reportable ECL (€ mln)[1]
Netherlands Upside scenario	Real GDP	1.3	3.3	2.8	214	20%	310
	Unemployment	3.7	3.3	3.3			
	HPI	10.4	11.2	4.0			
Baseline scenario	Real GDP	0.8	1.6	1.5	282	60%	
	Unemployment	4.1	4.3	4.5			
	HPI	0.9	3.0	3.9			
Downside scenario	Real GDP	-1.7	-1.2	0.1	487	20%	
	Unemployment	5.9	7.2	8.1			
	HPI	-10.9	-7.4	3.7			
Germany Upside scenario	Real GDP	1.4	3.1	1.6	472	20%	525
	Unemployment	2.6	2.0	1.7			
	HPI	0.9	6.6	8.0			
Baseline scenario	Real GDP	0.5	1.3	1.2	513	60%	
	Unemployment	3.0	3.0	3.0			
	HPI	-1.4	3.4	4.5			
Downside scenario	Real GDP	-2.4	-1.4	0.3	615	20%	
	Unemployment	4.5	5.2	5.5			
	HPI	-6.0	-0.8	0.4			
Belgium Upside scenario	Real GDP	1.5	2.7	2.3	568	20%	619
	Unemployment	5.3	5.0	4.9			
	HPI	1.3	5.6	4.5			
Baseline scenario	Real GDP	0.9	1.5	1.8	604	60%	
	Unemployment	5.6	5.5	5.4			
	HPI	0.4	5.2	3.9			
Downside scenario	Real GDP	-1.3	-0.2	1.2	713	20%	
	Unemployment	7.3	8.0	7.9			
	HPI	-2.2	3.9	2.6			
United States Upside scenario	Real GDP	1.8	3.2	3.4	102	20%	165
	Unemployment	4.1	3.3	3.1			
	HPI	0.6	8.7	8.7			
Baseline scenario	Real GDP	0.9	1.9	2.1	144	60%	
	Unemployment	4.5	4.5	4.4			
	HPI	-0.7	3.5	3.3			
Downside scenario	Real GDP	-1.3	-1.4	-0.1	292	20%	
	Unemployment	6.6	8.2	8.8			
	HPI	-4.2	-2.7	-3.0			

[1] Excluding management adjustments.

When compared to the sensitivity analysis of 2023, the macroeconomic inputs are overall more favourable. This is driven by an improved macroeconomic outlook, mainly because economies prove to be rather resilient to increased interest rates, particularly in the US, as well as recovery in house prices in, among others, the Netherlands.

On a total ING level, the unweighted ECL for all collective provisioned clients in the upside scenario was €2,721 million, in the baseline scenario €2,949 million and in the downside scenario €3,533 million compared to €3,020 million reportable collective provisions as at 31 December 2024 (excluding all management adjustments). To perform the sensitivity analysis, a point in time reportable ECL is used as input, which slightly deviates from the total Model ECL as reported below:

Reconciliation of reportable collective ECL to total ECL (*)		
in EUR million	2024	2023
Total reportable collective provisions	2,975	2,856
ECL from individually assessed impairments	2,871	2,406
ECL from management adjustments	203	577
Total ECL	**6,049**	**5,839**

Criteria for identifying a significant increase in credit risk (SICR) (*)
All assets and off-balance-sheet items that are in scope of IFRS 9 impairment and which are subject to collective ECL assessment are allocated a 12-month ECL if deemed to belong in Stage 1, or a lifetime ECL if deemed to belong in Stages 2 or 3. An asset belongs in Stage 2 if it is considered to have experienced a significant increase in credit risk (SICR) since initial origination or purchase.

The main determinant of SICR is a quantitative test, whereby the lifetime probability of default (PD) of an asset at each reporting date is compared against its lifetime PD determined at the date of initial recognition. If either a threshold for absolute change in lifetime PD or a threshold for relative change in lifetime PD is reached, the item is considered to have experienced a SICR (for more details on absolute and relative thresholds, see the following sections). Furthermore, any facility which shows an increase of 200 percent between the PD at the date of initial recognition and the lifetime PD at the reporting date (i.e. threefold increase in PD) must be classified as Stage 2. This is considered a backstop within the quantitative assessment of SICR.

In Wholesale Banking, significant increase in lifetime PD is not considered plausible for assets of obligors with a credit rating at the reporting date in the top range of investment grade. As of 2024, the assets of these Wholesale Banking obligors are excluded from the assessment of significant increase in credit risk triggers. For these obligors the qualitative significant increases in credit risk triggers remain applicable (see the section below on Qualitative SICR triggers). These are for example the Watchlist and/ or forbearance triggers.

Finally, the 30 days past due backstop also remains applicable for the top range of investment grade exposures to ensure significant increase in credit risk recognition.

Absolute lifetime PD threshold
The absolute threshold is a fixed value calibrated per portfolio/segment and provides a fixed threshold that, if exceeded by the difference between lifetime PD at reporting date and lifetime PD at origination, triggers Stage 2 classification. The absolute threshold is calibrated during model development.

Relative lifetime PD threshold
The relative threshold defines a relative increase of the lifetime PD beyond which a given facility is classified in Stage 2 because of a significant increase in credit risk. The relative threshold is dependent on the individual PD assigned to each facility at the moment of origination, and a scaling factor calibrated in the model development phase.

Ultimately, the relative threshold provides a criterion to assess whether the ratio (i.e. increase) between lifetime PD at reporting date and lifetime PD at origination date is deemed a significant increase in credit risk. If the threshold is breached, SICR is identified and Stage 2 is assigned to the given facility.

The threshold for the relative change in lifetime PD is inversely correlated with the PD at origination; the higher the PD at origination, the lower the threshold. The logic behind this is to allow facilities originated in very favourable ratings to downgrade for longer without the need of a Stage 2 classification. In fact, it is likely that such facilities will still be in favourable ratings even after a downgrade of a few notches. On the contrary, facilities originated in already unfavourable ratings grades are riskier and even a single-notch downgrade might represent a significant increase in credit risk and thus a tighter threshold will be in place. Still, the relative threshold is relatively sensitive for investment-grade assets while the absolute threshold primarily affects non-investment grade assets.

Average threshold ratio
In the table below the average increase in PD at origination needed to be classified in Stage 2 is reported, taking into account the PD at origination of the facilities included in each combination of asset class and rating quality. In terms of rating quality, assets are divided into 'investment grade' and 'non-investment grade' facilities. Rating 18 and 19 are not included in the table, since facilities are not originated in these ratings and they constitute a staging trigger of their own (i.e. if a facility is ever to reach rating 18 or 19 at reporting date, it is classified in Stage 2). In the table, values are weighted by IFRS 9 exposure and shown for both year-end 2023 and year-end 2024.

To represent the thresholds as a ratio (i.e. how much should the PD at origination increase in relative terms to trigger Stage 2 classification) the absolute threshold is recalculated as a relative threshold for disclosure purposes. Since breaching only relative or absolute threshold triggers Stage 2 classification, the minimum between the relative and recalculated absolute threshold is taken as value of reference for each facility.

Quantitative SICR thresholds (*)

Average threshold ratio	2024		2023	
	Investment grade (rating grade 1-10)	Non-investment grade (rating grade 11-17)	Investment grade (rating grade 1-10)	Non-investment grade (rating grade 11-17)
Asset class category				
Mortgages	2.9	2.4	2.5	2.3
Consumer lending	2.8	2.1	2.9	2.1
Business lending	2.7	2.1	2.7	2.1
Governments and financial institutions	2.9	1.9	3.0	1.9
Other Wholesale Banking	2.7	1.9	2.8	1.8

As it is apparent from the disclosures above, as per ING's methodology, the threshold is tighter the higher the riskiness at origination of the assets, illustrated by the difference between the average threshold applied to investment grade facilities and non-investment grade facilities.

Sensitivity of ECL to PD lifetime PD thresholds

The setting of PD threshold bands requires management judgement and is a key source of estimation uncertainty. On Group level, the total model ECL on performing assets, which is the ECL collective-assessment without taking management adjustments into account, was €1,328 million as at 31 December 2024 (31 December 2023: €1,412 million). To demonstrate the sensitivity of the ECL to these PD threshold bands, hypothetically solely applying the upside scenario would result in total model ECL on performing assets of €1,066 million and a decrease in the Stage 2 ratio by 0.5%-point, while solely applying the downside scenario would result in total model ECL on performing assets of €1,911 million and an increase in the Stage 2 ratio by 1.9%-point.

Qualitative SICR thresholds

It should be noted that the lifetime PD thresholds are not the only drivers of stage allocation as ING Group also relies on a number of qualitative indicators to identify and assess SICR. An asset can also change stages as a result of other triggers, such as having over 30 days arrears (used as a backstop), collective SICR assessment, being on a watch list, being under intensive care management, having a substandard internal rating or being forborne.

Market risk

Introduction (*)

Market risk is the risk that movements in market variables, such as interest rates, equity prices, foreign exchange rates, credit spreads and real-estate prices negatively impact the bank's earnings, capital, market value or liquidity position. Market risk either arises through positions in banking books or trading books.

The banking book positions are intended to be held for the long term (or until maturity) or for the purpose of hedging other banking book positions. The trading book positions are typically held with the intention of short-term trading or to hedge other positions in the trading book. Policies and processes are in place to monitor the inclusion of positions in either the trading or banking book as well as to monitor the transfer of risk between the trading and banking books.

The following sections elaborate on the various elements of the risk management framework for:

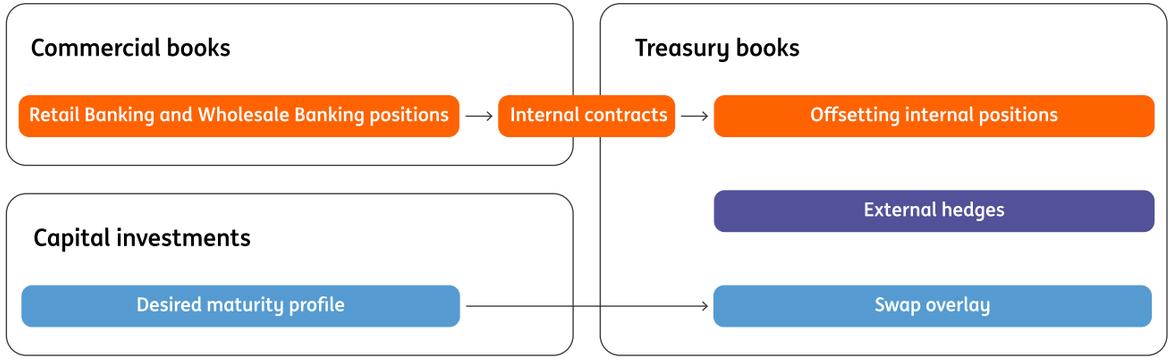
- Market risk in banking books;
- Market risk in trading books; and
- Market risk capital.

Market risk in banking books (*)

ING makes a distinction between the trading and banking (non-trading) books. Positions in banking books originate from the market risks inherent in commercial products that are sold to clients, Group Treasury exposures, and from the investment of our own funds (core capital). Both the commercial products and the products used to hedge related market-risk exposures are intended to be held until maturity, or at least for the long term.

Risk transfer (*)

Market risks in the banking book are managed via the risk transfer process. In this process the interest rate, FX, funding and liquidity risks are transferred from the commercial books through matched funding or replication to Group Treasury, where they are centrally managed. The scheme below presents the transfer and management process of market risks in the banking books.



Risk measurement (*)

The main concepts and metrics used for measuring market risk in the banking book are described below per risk type.

Interest rate risk in banking book (*)

Interest rate risk in the banking book is defined as the exposure of a bank's earnings, capital, and market value to adverse movements in interest rates originated from positions in the banking book.

ING centralises interest rate risk management from commercial books (that capture the products sold to clients) to globally managed interest rate risk books. This enables a clear demarcation between commercial business results and results based on unhedged interest rate positions.

ING distinguishes between three types of activities that generate interest rate risk in the banking book:

- Investment of own funds.
- Commercial business.
- Group Treasury exposures including strategic interest rate positions.

Group Treasury is responsible for managing the investment of own funds (core capital). Capital is invested for longer periods to contribute to stable earnings within the risk appetite boundaries set by ALCO Bank. The main objective is to maximise the economic value of the capital investment book while having stable earnings.

Commercial activities can result in linear interest rate risk due to different re-pricing properties of assets and liabilities. Also, interest rate risk can arise from customer behaviour and/or convexity risk, depending on the nature of the underlying product characteristics.

To determine the interest rate risk in particular products (like savings, mortgages) specific assumptions may need to be made. Customer behaviour risk is defined as the potential future (value) loss due to deviations in the actual behaviour of clients versus the modelled behaviour with respect to the embedded options in commercial products. General sources of customer behaviour risk, among other things, include the state of the economy, competition, changes in regulation, legislation and tax regime, developments in the housing market and interest rate developments.

From an interest rate risk perspective, commercial activities can typically be divided into the following main product types: savings and current accounts (funds entrusted), demand deposits, mortgages and loans.

Savings and demand deposits are generally invested in such a way that both the value is hedged and the sensitivity of the margin to market interest rates is minimised. This is achieved by creating the investment profile distributed from short term to long term, which dampens the immediate impact from changes in the market rates as well as stabilises margin in the longer horizon. Interest rate risk is modelled based on the stability of deposits and the pass-through rate. This takes account of different elements, such as pricing strategies, volume developments and the level and shape of the yield curve.

Interest rate risk for mortgages arises due to prepayment or other embedded optionalities. In modelling this risk, both interest-rate-dependent pre-payments and constant prepayments are considered. Next to a dependence on interest rates, modelled prepayments may include other effects such as loan-to-value, seasonality and the reset date of the loan. In addition, the interest sensitivity of embedded offered rate options may be considered.

Wholesale Banking loans typically do not experience interest-rate-dependent prepayment behaviour. These portfolios are match-funded, taking the constant prepayment model into account, and typically do not contain significant convexity risk. Wholesale Banking loans can have an all-in rate floor or a floor on a reference rate.

Customer behaviour in relation to mortgages, loans, savings and demand deposits is modelled, based on extensive analysis of historical data. However, the substantial change in the interest rate environment in recent years makes the analysis more challenging than before and may increase model risk. Models are backtested and updated when deemed necessary in an annual procedure. Model parameters and the resulting risk measures are approved by (local) ALCO, and are closely monitored on a monthly basis.

Linear risk transfers take place from commercial business books to the treasury book (Group Treasury), if necessary, by using estimations of customer behaviour. The originating commercial business is ultimately responsible for estimating this customer behaviour, leaving convexity risk and (unexpected) customer behaviour risk with the commercial business. Risk measurement and the risk transfer process take place at least monthly. If deemed necessary, additional risk transfers can take place.

The commercial business manages the convexity risk that is the result of products that contain embedded options, like mortgages. Here the convexity risk is defined as the optionality effects in the value due to interest rate changes, excluding the first-order effects. In some cases, convexity risk is transferred from the commercial books to treasury books using cap/floor contracts and swaptions.

In the following sections, the interest rate risk exposures in the banking books are presented. ING quantifies risk measures from both earnings and value perspectives. Net interest income (NII)-at-Risk is used to provide the earnings perspective and the net present value (NPV)-at-Risk figures provide the value perspective. Please note that the NPV-at-Risk is measured under a direct interest rate shock. Hence no additional, corrective hedges are included in the measure. The NII-at-Risk measure is measured for interest rate movements over a period, whereby (assumed) corrective hedges are included in the risk metric.

Net interest income (NII) at Risk (*)

The NII-at-Risk measures the impact of changing interest rates on the forecasted net interest income (before tax) of the banking book, excluding the impacts of credit spread sensitivity, fees and fair value impact. Future projected balance sheet developments (dynamic plan) are included in this risk metric. NII-at-Risk provides insight into the sensitivity of ING's NII under shocked interest rate scenarios against what is projected in a base case scenario.

In its risk management, ING monitors the NII-at-Risk under a three-year time frame. Interest rates are shocked during the first year of analysis through the gradual application of shock. The rate changes considered encompass both upward and downward scenarios, as well as both parallel (equal movements across the yield curve) and non-parallel scenarios.

The impact of changing interest rates on ING's NII is predominantly caused by the following factors:

- Change in returns of (re)investments of client deposits;
- Change in client deposit rates (mainly savings), (partially) tracking changes in market interest rates;
- Change in the amortisation profile of mortgages, due to an increase or decrease in expected prepayments;
- Higher/lower returns of (re-)investments of capital investment;
- Open interest rate positions, leading to changes in return because of different market rates; and
- Assumed volume development of the balance sheet in line with ING's dynamic plan.

For projecting the change in client deposit rates, ING uses a client rate model that describes the relation between market interest rates and client deposit rates. The model is calibrated under a range of interest rate scenarios. Per scenario, the actual change in client deposit rates may deviate from this calibrated model. The actual NII development of customer deposits may, indeed, differ from the provided scenarios, depending on, among other things, actual interest rate and savings client rate evolution, as well as changes to ING's

balance sheet composition, such as net deposit growth and relative share of savings deposits and non-remunerated current accounts.

The NII-at-Risk figures in the table below reflect a parallel, linear interest rate movement during a year ('ramped') under the assumption of balance sheet developments in line with ING's dynamic plan with a time horizon of one year. The majority of the risk comes from fixed-rate positions, most notably non-remunerated current accounts and variable-rate savings accounts.

The NII-at-Risk is mainly influenced by the difference in the sensitivity between client liabilities and client assets and investments to rate changes. The primary factor of NII-at-Risk are the investments of current accounts, while the investments of own funds have a marginal effect, as only a relatively small portion needs to be (re)invested within a one-year period.

NII-at-Risk banking book per currency – year one (*)

in EUR million	2024		2023	
	Ramped, floored		Ramped, floored	
	parallel ▼	parallel ▲	parallel ▼	parallel ▲
By currency				
Euro	-146	160	-165	155
US dollar	-4	5	-12	12
Other	-2	21	-62	69
Total	**-153**	**186**	**-239**	**236**

EUR ramped (floored at -100bps) is at +/- 120bps in 1 year (2023: +/-110bps)

USD ramped (floored at -100bps) is at +/- 120bps in 1 year (2023: +/-110bps)

The change in NII under declining and upward interest rate scenarios may not be equal. This is due to different expected reactions in prepayment behaviour of mortgages and different pricing developments of commercial loans and deposits products (mainly savings). This is caused by embedded options, explicit or implicit pricing floors and other (assumed) pricing factors.

The metrics mentioned above are internal metrics, which therefore deviate from the regulatory NII SOT metrics.

Year-on-year variance analysis (*)

In 2024, in response to falling inflation, most central banks (including ECB and FED) began to ease their monetary policy, executing series of rates cuts. ING applied a dynamic hedging process, by which interest rate risk was transferred from the business to Group Treasury and subsequently hedged in the markets. The impact of explicit and implicit floors on both rates of client assets and savings remains limited. Pre-existing hedges, as executed by Group Treasury, were also adjusted continuously throughout the year to hedge any interest rate risk coming from lower interest rates. Most of the year-on-year change in NII sensitivity is due to enhancements in risk management framework in one of non-EUR locations. These enhancements are aimed at mitigating sensitivity in a volatile rate environment and include increasing the granularity of risk transferred positions and implementing limits to trigger an intra-month recalibration of the hedges. Excluding model risk, the total NII-at-Risk remains relatively limited in comparison to ING's total interest income.

Net present value (NPV) at Risk (*)

NPV-at-Risk measures the impact of changing interest rates on the value of the positions in the banking book. The NPV-at-Risk is defined as the outcome of an instantaneous increase or decrease in interest rates from applying currency-specific scenarios. The NPV-at-Risk asymmetry between the downward and upward shock is mainly caused by convexity risk in the mortgage and savings portfolio.

The full value impact cannot be directly linked to the financial position or profit or loss account, as fair value movements in banking books are not necessarily reported through the profit or loss account or through other comprehensive income (OCI). The changes in value are expected to materialise over time in the profit and loss account if interest rates develop according to forward rates throughout the remaining maturity of the portfolio. The majority of the risk comes from the investments of own funds and from positions exhibiting negative convexity due to embedded optionality (most notably variable rate savings and fixed rate mortgages).

The metrics mentioned above are internal metrics, which therefore deviate from the regulatory EVE SOT metrics.

NPV-at-Risk banking books per currency (*)				
in EUR million	2024		2023	
	floored		floored	
	parallel ▼	parallel ▲	parallel ▼	parallel ▲
By currency				
Euro	154	-1,613	-291	-645
US dollar	274	-266	186	-178
Other	321	-329	131	-146
Total	**749**	**-2,208**	**27**	**-969**

EUR (floored at -100bps) is at +/- 120bps (2023: +/-110bps)

USD (floored at -100bps) is at +/- 120bps (2023: +/-110bps)

Year-on-year variance analysis (*)

The overall NPV sensitivity increased considerably over last year. The worst-case scenario remains the parallel up, while the shock used in calculation for main currencies (EUR and USD) increased from 110bps to 120bps on the back of increased volatility observed in the market during 2023. This increase partially explains the observed higher sensitivity. The other important factor impacting end of 2024 utilisation is convexity: with lower interest rates, the increase in convexity on mortgages and savings accounts was observed, especially for EUR positions. Lastly, Group Treasury actively managed the position and executed investments for capital in the anticipation of possible further rates decreases.

The impact of the benchmark rate reform (*)

In line with the recommendations of the Financial Stability Board, a fundamental review of important interest rates benchmarks has been undertaken. Some interest rate benchmarks have been reformed, while others have or will be replaced by risk-free rates and discontinued. USD LIBOR in its current form ceased on 30 June 2023, whereas the cessation of GBP, CHF, JPY, and EUR LIBOR rates occurred on 31 December 2021.

To support these changes, the financial sector has issued several guidance papers and other initiatives to help phase the transition. In 2024, the benchmark rate reform of only one reference rate, to which the Group has significant exposures as at 31 December 2024, was continuing (i.e. WIBOR). The WIBOR rate is expected to be ceased and replaced by a risk-free rate (RFR) by 31 December 2027.

The Steering Committee of the National Working Group (NWG SC) appointed in connection with the WIBOR benchmark reform the decision (published on 10 December 2024) on the selection of the proposed index with the technical name 'WIRF –' as the ultimate interest rate benchmark in Poland to replace the WIBOR benchmark. On 24 January 2025, the Steering Committee of the National Working Group has selected target name POLSTR (Polish Short Term Rate) for this index. The chosen index is calculated based on unsecured deposits of Credit and Financial Institutions. Thus, the NWG SC has reviewed and modified its previous decision to select WIRON as alternative RFR in Poland. The WIBOR rate is still expected to be ceased and replaced by a new RFR ("WIRF -") by 31 December 2027.

Due to the discontinuation of WIBOR, ING, its customers, and in general those market participants with exposure to such benchmark rates will be faced with a number of risks. These risks include legal, financial, operational, reputational and conduct risk. The WIBOR rates are used in several of our lending and derivative products, and hence a project team has been established to manage the transition. WIBOR transition is especially important for our Polish subsidiary (ING Bank Śląski S.A.) with a significant amount of Polish zloty-denominated assets and liabilities including derivatives that are continuously rebalanced to hedge the risk exposures.

The tables below summarise the approximate gross exposures of ING that have yet to transition related to USD LIBOR and WIBOR, excluding exposures expiring before the transition date 31 December 2027 for WIBOR.

Non-derivative financial instruments to transition to alternative benchmarks (*)			
	Financial assets non-derivative	Financial liabilities non-derivative	Off-balance-sheet commitments
in EUR million at 31 December 2024	Carrying value	Carrying value	Nominal value
By benchmark rate			
USD LIBOR			
WIBOR	19,202	134	1,544
Total	**19,202**	**134**	**1,544**
in EUR million at 31 December 2023			
By benchmark rate			
USD LIBOR	915	16	9
WIBOR	18,064		1,021
Total	**18,979**	**16**	**1,030**

Derivative financial instruments to transition to alternative benchmarks (*)		
	31 December 2024	31 December 2023
in EUR million	Nominal value	Nominal value
By benchmark rate		
USD LIBOR		151
WIBOR	110,189	77,238
Total	**110,189**	**77,388**

See sections 1.5.4 and 1.5.7 of Note 1 'Basis of preparation and material accounting policy information' for information on the Phase 1 and Phase 2 amendments.

As at 31 December 2024, Phase 1 reliefs are applicable to WIBOR indexed fair value and cash flow hedge accounting relationships as there is uncertainty arising from the WIBOR reform with respect to the timing and the amount of the underlying cash flows that the Group is exposed to. Therefore, for WIBOR financial instruments designated in hedge accounting the applicable Phase 1 reliefs will continue to apply until the relevant contract is modified. At that point in time, Phase 2 reliefs will become applicable. For these affected fair value and cash flow hedge relationships, ING assumes that the WIBOR-based cash flows from the hedging instrument and hedged item will remain unaffected.

The same assumption is used to assess the likelihood of occurrence of the forecast transactions that are subject to cash flow hedges. The hedged cash flows in cash flow hedges directly impacted by the WIBOR reform still meet the highly probable requirement, assuming the WIBOR benchmark on which the hedged cash flows are based is not altered as a result of the reform.

The total gross notional amounts of hedging instruments that are used in the ING's hedge accounting relationships for which the Phase 1 amendments to IAS 39 were applied are:

Notional amounts of hedging instruments (*)		
	31 December 2024	31 December 2023
in EUR million	Nominal value	Nominal value
By benchmark rate		
WIBOR	99,663	89,338

As at 31 December 2024, 32% (31 December 2023: 29%) of the notional amounts for WIBOR have a maturity date beyond 31 December 2027. The notional amounts of the derivative hedging instruments provide a close approximation of the extent of the risk exposure ING manages through these hedging relationships.

Credit spread risk in banking books (CSRBB) (*)

Credit spread risk is defined as risk driven by the changes of the market price for credit risk, for liquidity and potentially other characteristics of credit-risky instruments, which is not captured by another existing prudential framework such as IRRBB or by expected credit/(jump-to-) default risk. CSRBB framework is implemented based on EBA Guidelines. Metrics used are NPV-at-Risk, NII-at-Risk and Market Value Changes-at Risk and view the positions across different accounting treatments.

Credit spread risk is not part of the internal risk transfer towards Group Treasury and therefore remains in the business unit it originated in. Group Treasury itself is also an important driver of credit spread risk via its HQLA investment portfolio and issuance activities.

Risk appetite limits are set on a combination of metrics and accounting scopes and are cascaded to local ALCOs depending on the type of limit and materiality. Metrics and limits are monitored and reported monthly to ALCO Bank, local ALCOs and various stakeholders.

Foreign exchange (FX) risk in banking books (*)

FX exposures in banking books result from core banking business activities (business units doing business in currencies other than their base currency), foreign currency investments in subsidiaries (including realised net profit and loss), and strategic equity stakes in foreign currencies. The policy regarding these exposures is briefly explained below.

Core banking business (*)

Every business unit hedges the FX risk resulting from core banking business activities into its base currency to prevent volatility in profit and loss. Consequently, assets and liabilities are matched in terms of currency, within certain friction limits.

FX translation (*)

ING's strategy is to protect the CET1 ratio against adverse impact from FX rate fluctuations, while limiting the volatility in the profit and loss account due to this CET1 hedging and limiting the RWA impact under the regulatory framework. Hedge accounting is applied to the largest extent possible. Taking this into account, the CET1 ratio hedge can be achieved by deliberately taking foreign currency positions equal to certain target positions, such that the CET1 capital and risk-weighted assets are equally sensitive in relative terms to changing FX rates.

Risk profile – FX translation (*)

The following table presents the currency exposures in the banking books for the most important currencies for the FX translation result. Positive figures indicate long positions in the respective currency. As a result of the strategy to hedge the CET1 ratio an open structural FX exposure exists.

To measure the volatility of the CET1 ratio from FX rate fluctuations, different metrics are used, including the CET1 Ratio-at-Risk. The impact is controlled via the Solvency and Financial Risk RAS.

EBA Structural FX guidelines

In line with the EBA guidelines on Structural FX, upon permission from the competent authorities, certain currency positions are being excluded from the calculation of net open currency positions under CRR article 352(2). The resulting impact is presented in the Pillar 3 disclosure.

Foreign currency exposures banking books (*)

in EUR million	Foreign investments		Hedges		Net exposures	
	2024	2023	2024	2023	2024	2023
US Dollar	11,251	10,337	-4,823	-3,416	6,429	6,921
Pound Sterling	1,674	1,659	-484	-156	1,190	1,503
Polish Zloty	4,292	3,976	-1,616	-1,254	2,677	2,722
Australian Dollar	3,373	3,620	-2,161	-2,273	1,212	1,346
Turkish Lira	557	517	0	0	557	517
Chinese Yuan	2,439	1,815	-830	-348	1,609	1,466
Russian Rouble	396	375	0	0	396	375
Romanian Leu	913	895	-176	-134	736	761
Thai Baht	1,266	1,128	-838	-697	428	431
Other currency	3,346	3,704	-2,748	-2,897	599	806
Total	**29,509**	**28,024**	**-13,675**	**-11,175**	**15,834**	**16,849**

* The FX sensitivity is expressed as the FX spot equivalent position.

Equity price risk in banking books (*)

ING maintains a portfolio with substantial equity exposure in its banking books.

Risk profile (*)

Equity price risk arises from the possibility that an equity security's price will fluctuate, affecting the values of the equity security itself as well as other instruments whose values react similarly to the particular security, a defined basket of securities, or a securities index. ING's equity exposure mainly consists of the investments in associates and joint ventures of €1,679 million (2023: €1,509 million) and equity securities held at fair value through other comprehensive income (FVOCI) of €2,562 million (2023: €1,885 million). The value of equity securities held at FVOCI is directly linked to equity security prices with increases/decreases being recognised in the revaluation reserve. Investments in associates and joint ventures are measured in accordance with the equity method of accounting, and the balance sheet value is therefore not directly linked to equity security prices. The equity sensitivity is expressed as the equity position.

Year-on-year variance analysis (*)

In 2024, the revaluation reserve equity securities increased by €664 million from €1,152 million to €1,816 million mainly due to revaluation of the shares in Bank of Beijing with €652 million. In 2024, the equity securities at fair value through OCI increased by €678 million.

Revaluation reserve equity securities at fair value through other comprehensive income (*)

in EUR million	2024	2023
Positive remeasurement	1,820	1,158
Negative remeasurement	-4	-6
Total	**1,816**	**1,152**

Market risk in trading books (*)

Within the trading portfolios, the positions are maintained in the financial markets. These positions are often a result of transactions with clients and may benefit from short-term price movements. In 2024, ING continued its strategy of undertaking trading activities to develop its client-driven franchise and deliver a differentiating experience by offering multiple market and trading products.

With respect to the trading portfolios, Trading Risk Management (TRM) focuses on the management of market risks of Wholesale Banking (mainly Financial Markets) as this is the only business line within ING where trading activities take place. Trading activities include facilitation of client business and market making. TRM is responsible for the development and implementation of trading risk policies and risk measurement methodologies, and for reporting and monitoring risk exposures against approved trading limits. TRM also reviews trading mandates and global limits, and performs the gatekeeper role in the product review process (PARP).

Risk measurement (*)

ING uses a comprehensive set of methodologies and techniques to measure market risk in trading books: Value at Risk (VaR) and Stressed Value at Risk (SVaR), Incremental Risk Charge (IRC), and stress testing. Systematic validation processes are in place to validate the accuracy and internal consistency of data and parameters used for the internal models and modelling processes.

Value at Risk (*)

TRM uses the historical simulation VaR methodology (HVaR) as its primary risk measure. The HVaR for market risk quantifies, with a one-sided confidence level of 99 percent, the maximum overnight loss that

could occur in the trading portfolio of ING due to changes in risk factors (e.g. interest rates, equity prices, foreign exchange rates, credit spreads, implied volatilities) considering the positions remain unchanged for a time period of one day.

Next to general market movements in these risk factors, HVaR also takes into account market data movements for specific moves in, for example, the underlying issuer or securities. A single model which diversifies general and specific risk is used. In general, a full revaluation approach is applied, while for a limited number of linear trading positions and risk factors in commodity and equity risk classes a sensitivity-based approach is applied. The potential impact of historical market movements on today's portfolio is estimated, based on equally weighted observed market movements of the previous year (260 business days). When simulating potential movements in risk factors, depending on the risk factor type, either an absolute or a relative shift is used.

The data used in the computations is updated daily. ING uses HVaR with a one-day horizon for internal risk measurement, management control, and backtesting, and HVaR with a 10-day horizon for determining regulatory capital. To compute HVaR with a 10-day horizon, the one-day risk factor shifts are scaled by the square root of 10 and then used as an input for the revaluation. The same model is used for all legal entities within ING with market risk exposure in the trading portfolio.

Limitations (*)

HVaR has some limitations: it uses historical data to forecast future price behaviour, but future price behaviour could differ substantially from past behaviour. Moreover, the use of a one-day holding period (or 10 days for regulatory capital calculations) assumes that all positions in the portfolio can be liquidated or hedged in one day. In periods of illiquidity or market events, this assumption may not hold. Also, the use of a 99 percent confidence level means that HVaR does not take into account any losses that occur beyond this confidence level.

Backtesting (*)

Backtesting is a technique for the ongoing monitoring of the plausibility of the HVaR model in use. Although HVaR models estimate potential future trading results, estimates are based on historical market data. In a backtest, the actual daily trading result (excluding fees and commissions) is compared with the one-day HVaR.

In addition to using actual results for backtesting, ING also uses hypothetical results, which exclude the effects of intraday trading, fees, and commissions. When an actual or a hypothetical loss exceeds the HVaR, an 'outlier' occurs. Based on ING's one-sided confidence level of 99 percent, an outlier is expected once in every 100 business days.

On an overall level in 2024, there was one outlier for hypothetical P&L and zero outliers for actual P&L. The hypothetical outlier occurred in the third quarter of 2024, mainly due to higher interest rate and FX market movements.

Stressed HVaR (*)

The stressed HVaR (SVaR) is intended to replicate the HVaR calculation that would be generated on the bank's current portfolio with inputs calibrated to the historical data from a continuous 12-month period of significant financial stress relevant to the bank's portfolio.

To calculate SVaR, ING uses the same model that is used for 1DHVaR, with a 10-day horizon. The data for the historical stress period used currently includes the height of the credit crisis around the fall of Lehman Brothers (2008-2009), and this choice is reviewed regularly. The historical data period is chosen so that it gives the worst-scenario loss estimates for the current portfolio. The same SVaR model is used for management purposes and for regulatory purposes. The same SVaR model is used for all legal entities within ING with market risk exposure in the trading portfolio.

Incremental risk charge (*)

The incremental risk charge (IRC) for ING is an estimate of the default and migration risks for credit products (excluding securitisations) in the trading book, over a one-year capital horizon, with a 99.9 percent confidence level. Trading positions (excluding securitisations) of ING, which are subject to specific interest rate risk included in the internal model approach for market risk regulatory capital, are in scope of the IRC model. By model choice, equity is excluded from the model. For the calculation of IRC, ING performs a Monte Carlo simulation based on a multi-factor t-copula. In the multi-factor IRC model the supervisory asset correlations are no longer applicable and the calibration of the correlations is based on historical market data. The rating change is simulated for all issuers over the different liquidity horizons (i.e. time required to liquidate the position or hedge all significant risks) within one year. Movements across different rating categories and probabilities of default are governed by a credit-rating transition matrix. An internal transition matrix along with internal LGDs is used, to comply with the consistency requirement. The financial impact is then determined for the simulated migration to default, or for the simulated migration to a different rating category, based on LGD or credit spread changes, respectively.

The liquidity horizon has been set to the regulatory minimum of three months for all positions in scope. ING reviews the liquidity horizons on a yearly basis, based on a structured assessment of the time it takes to liquidate the positions in the trading portfolio.

Stress testing and event risk (*)

Stress testing is a valuable risk management tool. In addition to the bank-wide stress-test framework as described in the stress-testing section, Trading Risk Management performs stress tests specific to the trading book with various frequencies. The trading book stress tests evaluate the impact on the bank's trading book

under severe but plausible stress scenarios, using a full revaluation approach. The framework is based on historical as well as hypothetical scenarios. The stress result is an estimate of the profit and loss caused by a potential event and its worldwide impact for ING. The results of the stress tests are used for decision-making, aimed at maintaining a financially healthy going-concern institution after a severe event occurs.

In stress scenarios, shocks are applied to prices (credit spreads, interest rates, equity, commodities, and FX rates) and volatilities. Depending on the type of the stress test, additional scenario assumptions can be made, for example on correlations, dividends, or recovery rates. The structural scenarios are defined to cover market moves in various directions and capture different asset class correlations. Scenarios are calculated using full revaluation approach. The worst scenarios are determined for each product line, business line and super business line, and compared against limits.

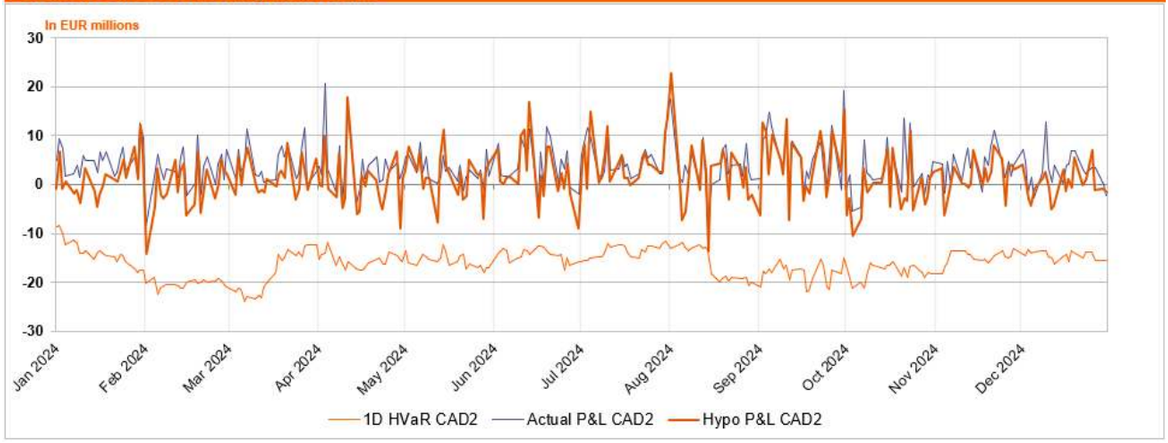
Other trading controls

HVaR and event risk limits are the most important limits to control the trading portfolios. Additionally, limits have been set on SVaR and IRC, and ING uses a variety of other controls to supplement these limits. Position and sensitivity limits are used to prevent large concentrations in specific issuers, sectors, or countries. Moreover, other risk limits are set with respect to the activities in complex derivatives trading. The market risk of these products is controlled by product-specific limits and constraints.

Risk profile

The following chart shows the development of the overnight HVaR under a 99 percent confidence level and a one-day horizon versus actual and hypothetical daily trading profits and losses. In calculation of the hypothetical daily profit and loss, the trading position is kept constant and only the market movement is taken into account. The overnight HVaR is presented for the ING trading portfolio for 2024.

EU MR4. Consolidated trading VaR ING Bank



The risk figures in the above backtesting graph and in the table below relate to all trading books for which the internal model approach is applied.

1d VaR for internal model approach trading portfolios

in EUR million	Minimum		Maximum		Average		Year end	
	2024	2023	2024	2023	2024	2023	2024	2023
Interest rate [1]	6	6	17	23	12	15	11	8
Equity and commodity	2	2	7	4	4	3	6	2
Foreign exchange	1	1	14	8	3	3	2	2
Credit spread	2	2	12	10	4	5	3	5
Diversification [2]					-7	-8	-6	-8
Total VaR [2]	**7**	**9**	**21**	**29**	**15**	**18**	**16**	**9**

[1] For calculation of HVaR per risk class the full valuation is performed according to HVaR methodology using a set of scenario changes for the risk factors for the particular risk class, while risk factors for all other risk classes are kept unchanged.

[2] The total HVaR for the columns Minimum and Maximum cannot be calculated by taking the sum of the individual components since the minimum/maximum observations for both the individual markets as well as for total HVaR may occur on different dates. Therefore, diversification is not calculated for the minimum and maximum categories.

Average 1D/10D HVaR and IRC over 2024 has decreased compared to 2023, while average 10D SVaR went up. The overall average has decreased in 2024, for all trading portfolios. The first half of 2024 was characterised by less elevated levels of volatility compared to 2023. In the second half of 2024, the volatility increased due to the geopolitical risks stemming from the ongoing Russia-Ukraine and Middle East conflicts and the impending US elections as well as risks of economic slowdown.The year-end 1D HVaR has increased at period end of 2024, due to higher volatility in interest rates, equity and commodity markets.

ING doesn't calculate comprehensive risk capital charge and therefore it appears as n/a in the table below.

EU MR3: internal model approach values for trading portfolios		
in EUR million	2024	2023
VaR (10 day 99%)		
1 Maximum value	73	84
2 Average value	48	53
3 Minimum value	29	25
4 Period end	47	25
Stressed VaR (10 day 99%)		
5 Maximum value	175	116
6 Average value	109	82
7 Minimum value	56	57
8 Period end	98	69
Incremental risk charge (99.9%)		
9 Maximum value	232	304
10 Average value	125	151
11 Minimum value	64	48
12 Period end	100	108
Comprehensive risk capital charge (99.9%)		
13 Maximum value	n/a	n/a
14 Average value	n/a	n/a
15 Minimum value	n/a	n/a
16 Period end	n/a	n/a

Standardised approach

EU MR1: market risk under standardised approach		
in EUR million	2024	2023
	RWA	RWA
Outright products		
1 Interest rate risk (general and specific)	31	40
2 Equity risk (general and specific)		
3 Foreign exchange risk	4,374	4,811
4 Commodity risk		
Options		
5 Simplified approach		
6 Delta-plus method		
7 Scenario approach		
8 Securitisation (specific risk)		
9 Total	**4,405**	**4,851**

The MRWA under standardised approach have decreased compared to 2024.

Internal model approach

Market risk regulatory capital has decreased during 2024 compared to 2023. This mainly reflects lower interest rate positions during 2024, as well as the reduced regulatory-driven capital multiplier.

EU MR2-A: Market risk under internal model approach

in EUR million		2024		2023	
		RWA	Total own funds requirements	RWA	Total own funds requirements
1	**VaR (higher of values a and b)**	**1,964**	**157**	**2,508**	**201**
(a)	Previous day's VaR (VaRt-1)		49		26
(b)	Multiplication factor (mc) x average of previous 60 working days (VaRavg)		157		201
2	**SVaR (higher of values a and b)**	**4,915**	**393**	**4,385**	**351**
(a)	Latest available SVaR (SVaRt-1))		116		75
(b)	Multiplication factor (ms) x average of previous 60 working days (sVaRavg)		393		351
3	**IRC (higher of values a and b)**	**1,457**	**117**	**1,746**	**140**
(a)	Most recent IRC measure		116		108
(b)	12 weeks average IRC measure		117		140
4	**Comprehensive risk measure (higher of values a, b and c)**				
(a)	Most recent risk measure of comprehensive risk measure				
(b)	12 weeks average of comprehensive risk measure				
(c)	Comprehensive risk measure – Floor				
5	**Other**	**340**	**27**	**810**	**65**
6	**Total**	**8,676**	**694**	**9,449**	**756**

Sensitivities (*)

As part of the risk monitoring framework, TRM actively monitors the sensitivities of the trading portfolios. Sensitivities measure the impact of movements in individual market risk factors (foreign exchange rates, interest rates, credit spreads, equity and commodity prices) on profit and loss results of the trading positions and portfolios.

The following tables show the five largest trading positions in terms of sensitivities to foreign exchange, interest rate and credit spread risk factor movements. These largest exposures also reflect concentrations of risk in FX risk per currency, interest rate risk per currency, and credit spread risk per country, rating and sector. Due to the nature of the trading portfolios, positions in the portfolios can change significantly from day to day, and sensitivities of the portfolios can change daily accordingly.

Most important foreign exchange year-end trading positions (*)

in EUR million	2024		2023
Foreign exchange		**Foreign exchange**	
US Dollar	-93	Japanese Yen	61
Turkish Lira	84	Taiwan Dollar	-58
Korean Won	62	Romanian Leu	58
Japanese Yen	61	Chinese Yuan	49
Chinese Yuan	-37	Hong Kong Dollar	-38

Most important interest rate and credit spread sensitivities at year-end (*)

in EUR thousand	2024		2023
Interest rate (BPV) [1]		**Interest rate (BPV) [1]**	
Euro	-799	Euro	-309
US Dollar	-198	Czech Koruna	71
British Pound	-189	Korean Won	-41
Korean Won	-54	US Dollar	-40
Philippine Peso	-54	British Pound	-35
Credit spread (CSO1) [2]		**Credit spread (CSO1) [2]**	
United States	193	Germany	405
Netherlands	-165	Netherlands	120
France	-113	Korea	-111
Poland	69	Japan	106
Germany	49	United Kingdom	101

1 Basis point value (BPV) measures the impact on value of a one basis point increase in interest rates.
2 Credit spread sensitivity (CS01) measures the impact on value of a one basis point increase in credit spreads. Exposures to supranational institutions are not assigned to a specific country.

Credit spread sensitivities per risk class and sector at year-end (*)

	2024		2023	
in EUR thousand	Corporate	Financial institutions	Corporate	Financial institutions
Credit spread (CSO1) [1]				
Risk classes				
1 (AAA)	-2	-118	0	0
2–4 (AA)	-44	-27	12	50
5–7 (A)	49	-246	57	50
8–10 (BBB)	93	-76	106	13
11–13 (BB)	38	-13	25	-25
14–16 (B)	23	-12	17	-4
17–22 (CCC and NPL)	4	2	-8	-20
Total	**162**	**-489**	**208**	**65**

[1] Credit spread sensitivity (CS01) measures the impact on value of a one basis point increase in credit spreads.

Market risk capital

Economic capital

Market risk economic capital (MREC) measures the capital ING must hold to protect itself against losses due to market risks. MREC covers the entire balance sheet of ING Group, and includes market risk sub-types such as: interest rate and basis risk, credit spread risk, customer behaviour risk, FX risk, equity risk and commodity risk.

MREC is calculated as the 99.9 percent worst value loss that can be incurred from one-year shocks to the underlying risk drivers. While aggregating the different economic capital market risk figures for the different portfolios, diversification benefits are taken into account as it is not expected that all extreme market movements will appear at the same moment.

Regulatory capital

Market risk regulatory capital is the amount of capital that ING has to hold to protect itself against losses due to market risks, as required by the financial regulator. From a regulatory capital perspective, market risk stems from all the positions included in a bank's trading book, as well as from commodity and foreign exchange risk positions in the whole balance sheet of ING Group. According to the Capital Requirements Regulation (CRR/CRD IV), regulatory capital (own funds requirements) for market risk can be calculated using the standardised approach or an internal model approach.

FX risk in banking book

Regulatory Capital requirements for FX risk in banking book is set out in Part 3, Title IV, Chapter 3 of the Capital Requirements Regulation (CRR). This is further supplemented by EBA guidelines on Structural FX for the calculation of the net open currency positions (CRR Art 352(2)). ING uses the standardised approach where the capital requirement is 8 percent of this total net currency and gold position.

Equity risk in banking book

Equity regulatory capital is included as part of Credit RWA as prescribed by regulations. ING uses the simple risk weight approach (SRWA) under the IRB (internal ratings-based) approach for the calculation of Regulatory Capital as described in Capital Requirements Regulation (CRR) Art 155. Under SRWA, the RWA amount is calculated by multiplying the risk weight with the exposure value (not tailored to a specific internal model). The capital requirement is 8 percent of the RWA value.

Trading book

ING has regulatory approval to use an internal model to determine the regulatory capital for the market risk in all trading books of ING. Market risk capital of trading books is calculated according to the CRR, using internal HVaR, SVaR and IRC models, where diversification is taken into account. Collective investment undertakings (CIUs) exposures in trading books are calculated using the standardised approach with fixed risk weights. ING does not have a correlation trading portfolio or any other securitisations in the trading book.

Funding and liquidity risk (*)

Introduction (*)

Funding and liquidity (F&L) risk is the risk that ING or one of its subsidiaries cannot meet their financial obligations upon their maturity date at a reasonable cost and in a timely manner. ING incorporates funding and liquidity risk management in its business strategy and has established a funding and liquidity risk framework to manage these risks within pre-defined boundaries.

The following sections elaborate on the various elements of funding and liquidity risk:

- Funding and liquidity risk framework;
- Funding and liquidity risk management strategy and objectives;
- Funding and liquidity adequacy and risk appetite;
- Funding and liquidity risk indicators;
- Liquidity stress testing; and
- Contingency funding planning.

Funding and liquidity risk framework (*)

Macroeconomic and market environment are important considerations in ING's F&L framework. The macroeconomic environment is comprised of various exogenous factors over which ING has no control, but which may have a material impact on ING's F&L position. The main macroeconomic factors analysed on a regular basis include:

- performance of global and local macroeconomic indicators, e.g. shifts in GDP, inflation rates, unemployment rates, and public deficit/surplus;
- developments and risks arising from geopolitical tensions and trends;
- monetary policy with a focus on the alternative monetary measures employed by central banks in recent years as a result of the global energy crisis and the recent period of high inflation; and
- regulatory requirements, e.g. understanding the changing regulatory landscape as well as the impact of ING's actions on existing regulatory boundaries.

The strategic ambitions of ING, together with the design and execution of the funding plan, are assessed under both current and projected market conditions. An emphasis is placed on understanding overall market trends and developments, credit rating changes and peer comparisons.

The EB, MBB and staff departments from the CRO and CFO domains, as well as Group Treasury, have oversight of, and are responsible for, managing funding and liquidity risks.

Funding and liquidity management strategy and objectives (*)

The main objective of ING's funding and liquidity risk management is to maintain sufficient liquidity to fund the commercial activities of ING both under normal and stressed market circumstances across various locations, currencies and tenors.

ING's funding consists mainly of retail and corporate deposits contributing 53 percent and 22 percent of total funding, respectively. These funding sources provide a (relatively) stable funding base. The remainder of the required funding is attracted primarily through a combination of long-term and short-term professional funding. Group Treasury manages the professional funding in line with the F&L risk appetite with the aim of ensuring a sufficiently diversified and stable funding base.

Funding mix[1]

	2024	2023
Funding type		
Customer deposits (retail)	53 %	52 %
Customer deposits (corporate)	22 %	22 %
Lending/repurchase agreements	5 %	7 %
Interbank	2 %	2 %
CD/CP	5 %	5 %
Long-term senior debt	11 %	10 %
Subordinated debt	2 %	2 %
Total	**100 %**	**100 %**

[1] Liabilities excluding trading securities and IFRS equity

ING's long-term professional funding is well diversified across maturities and currencies. The main portion of long-term professional funding is euro and US dollar denominated, which is in line with the currency composition of customer lending.

ING Group long-term debt maturity profile by currency at year-end 2024[1]

in EUR billion (nominal amounts)	2025	2026	2027	2028	2029	2030	Beyond 2030	Total
Currency								
EUR	4.7	9.2	7.1	9.7	10.3	10.6	27.0	**78.6**
USD	0.3	3.9	4.8	3.3	1.4	1.5	7.5	**22.8**
Other	1.2	2.7	1.7	1.8	2.6	0.2	3.1	**13.3**
Total	**6.2**	**15.8**	**13.6**	**14.8**	**14.3**	**12.4**	**37.6**	**114.7**

[1] Amounts adjusted to exclude Tier 1 instruments.

ING Group long-term debt maturity profile by currency at year-end 2023[1]

in EUR billion (nominal amounts)	2024	2025	2026	2027	2028	2029	Beyond 2029	Total
Currency								
EUR	1.3	6.8	9.1	6.9	8.5	9.8	25.6	**68.2**
USD	0.9	0.4	3.7	4.6	3.1	1.2	4.7	**18.5**
Other	1.2	1.3	2.6	0.3	1.6	0.9	2.9	**10.8**
Total	**3.4**	**8.5**	**15.4**	**11.8**	**13.3**	**11.8**	**33.3**	**97.4**

[1] Amounts adjusted to exclude Tier 1 instruments.

Funding and liquidity adequacy and risk appetite (*)

ING identifies key drivers of short-term and future liquidity and funding needs on an ongoing basis through the periodic risk-identification process. Taking into consideration the identified risk drivers, ING regularly assesses its current and future liquidity adequacy and, if deemed necessary, takes action to further improve ING's liquidity position and maintain sufficient counterbalancing capacity. A Liquidity Adequacy Statement is formulated on a regular basis to substantiate and reflect the management view on the current funding and liquidity position as well as the potential future challenges. The Liquidity Adequacy Statement is an important part of ING's ILAAP process. Additionally, ING completes ad hoc funding and liquidity assessments if deemed necessary. In 2024, ING focused on the implementation of activities which steered the LCR higher and diversified the funding mix in order to ensure funding stability for the bank into the F&L risk appetite.

ING assesses its F&L adequacy through three lenses – stress, economic and normative:

- Through the stress lens, ING evaluates its ability to withstand periods of prolonged F&L stress for both normative and economic requirements or limits under idiosyncratic, market-related, combined idiosyncratic and market-related, and climate risk scenarios, which lead to customer deposit outflows, deterioration of access to funding markets, and lower liquidity value of counterbalancing capacity.
- Through the economic lens, ING assesses the extent to which its customers, professional counterparties and investors are comfortable to provide deposits and funding in the tenors, currencies and instruments necessary to sustainably fund the business (intraday, short-term and long-term) in a going-concern situation.
- Through the normative lens, ING ascertains that the bank is in the position to meet current and future home and host regulatory requirements.

For each lens, ING has established a related set of risk appetite statements, which define ING's risk appetite, commensurate with the principles of liquidity adequacy.

The F&L risk appetite statements are translated into metrics with appropriate boundaries and instruments which are used to regularly measure and manage ING's funding and liquidity risk. The risk appetite with respect to the stress lens aims to have sufficient counterbalancing capacity under various internally defined stress scenarios. Regarding the economic perspective, an internally defined stable funding to loans (SFtL) ratio and stable funding surplus (SFS) metric (supplemented by other metrics) is used to stimulate a diversified funding base and to prevent overreliance on professional funding. Finally, the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR) regulatory metrics are monitored in terms of both ING's risk appetite and normative requirements.

Funding and liquidity risk indicators

ING Group liquidity risk indicators

	2024	2023
Liquidity buffer (in € billion)[1]	338.6	311.4
LCR[2]	143 %	144 %
NSFR[3]	133 %	132 %
Asset encumbrance (AE)[4]	19 %	19 %
Survival period (severe stress)[5]	>12 months	>12 months

[1] Consolidated Liquidity Buffer is reflected as a fixed point in time.
[2] Consolidated LCR is based on a 12-month rolling average.
[3] Consolidated NSFR is reflected as a fixed point in time.
[4] Consolidated AE is reflected as a median of the end-of period values for each of the four quarters of the reporting year.
[5] Consolidated Survival period after management actions.

The liquidity buffer (counterbalancing capacity) is expressed as the market value of the underlying positions and consists largely of deposits at central banks and highly liquid assets qualifying as HQLA for the LCR. In addition to the HQLA, other securities, mainly retained covered bonds and ABS, further strengthen the available liquidity buffer. Depending on the underlying assets, haircuts are applied on the market value to determine the liquidity value of the buffer. The market value of the liquidity buffer increased to €338.6 billion as of 31 December 2024. This was attributed to both a stronger HQLA position and to measures taken to build up additional liquidity buffer via the creation of retained assets. The asset encumbrance ratio is managed at a stable level of 19 percent throughout the year. Similarly, the LCR and NSFR remained stable in 2024.

Liquidity stress testing (*)

Funding and liquidity stress testing forms part of the overall F&L framework. It allows ING to examine the effects of exceptional but plausible future events on ING's funding and liquidity position and provides insight into which entities, business lines or portfolios are vulnerable to which types of risk drivers or scenarios.

The stress-testing framework encompasses the funding and liquidity risks of the consolidated balance sheet of ING Group, including all entities, business lines as well as on- and off-balance sheet positions. The net liquidity position (NLP) is the main stress-testing measure and is measured at different time buckets.

The stress-testing framework considers idiosyncratic, market-wide, combined (idiosyncratic and market-wide) and climate-stress scenarios. The design of the framework is based on empirical evidence supplemented by expert judgment. The framework can be extended to additional ad-hoc scenarios. For example, it can be used as input for firm-wide stress testing and reverse stress testing.

Outcomes of the stress tests are considered in the key aspects of ING's F&L risk framework and F&L risk management, including:

- Risk Appetite Framework (through risk appetite statements);
- Risk identification and assessment;
- Monitoring of the liquidity and funding position;
- Business actions (if needed);
- Contingency funding plan; and
- Early-warning indicators.

The funding and liquidity stress-testing framework is also subject to regular internal validation by model validation.

In line with supervisory expectations, ING's liquidity position is stress tested on (at minimum) a monthly basis using scenarios that form part of the F&L risk appetite statement. The results of all internal stress scenarios are monitored and assessed on a monthly basis. In addition, ad hoc scenarios based on current economic and market developments are run to determine their potential impacts on the funding and liquidity position of ING. In 2024, this included stress-test scenarios assessing the impact of a shutdown of US short- and long-term funding markets and FX markets. The internal stress scenarios and their corresponding results serve as input in the decision on holding additional contingency measures.

Contingency funding planning (*)

ING's contingent F&L risks are addressed in its Contingency Capital and Funding Plan (CCFP).The objectives of the CCFP include the following:

- Establishment of a monitoring framework to detect approaching contingent events as well as their impact on ING's F&L position;
- Provision of a plan for responding to various and increasing levels of a bank's liquidity and capital shortfall under adverse and stressed conditions;
- Designation of management responsibilities, crisis communication methods and channels, and reporting requirements;
- Identification of contingent capital and liquidity sources that can be used under various and increasing adverse as well as stressed circumstances; and
- Description of steps which should be taken to ensure that the bank's sources of capital and liquidity are sufficient to fund scheduled operating requirements and meet the institution's commitments with minimal costs and disruption.

The contingency funding measures are developed in conjunction with the ING Recovery Plan and are reviewed and tested on a regular basis.

Environmental, social and governance risk

Introduction

ESG risk is defined as any negative financial and/or non-financial impact on ING due to the present or future impact to/dependencies from factors on and stemming from ING's full value chain.

ESG risk is not an independent risk category/risk type but rather a set of drivers[1] affecting the likelihood and severity of existing risk categories/risk types. ESG risk is an overarching set of risk drivers affecting:

- financial risks: credit risk, market risk, funding and liquidity risk;
- non-financial risks and compliance risk; and
- other overarching risks: model risk and business and strategy risk.

The risk drivers[2] are defined as risk events that lead to an impact on ING's financial solvency or liquidity & funding position via the above-mentioned risk types. Our comprehensive approach ensures we integrate ESG considerations into our risk management practices, aligning with our commitment to sustainable growth and resilience.

Definitions

ESG factors
ESG factors are defined as environmental, social or governance matters that may have a positive or negative impact on the non-financial/financial performance or solvency of an entity, sovereign, or individual. ING's ESG taxonomy of ESG factors are defined through the consideration of the CSRD and EUT.

Environment

- Climate-change adaptation
- Climate-change mitigation
- Pollution
- Water & marine resources
- Circular economy
- Biodiversity and ecosystems

Social

- Own workforce and workers in the value chain
- Customers
- Communities

Governance

- Business conduct

Value chain
Value chain is a concept derived from CSRD Annex II as 'the full range of activities, resources and relationships related to the business model(s) of the undertaking and the external environment in which it operates'. For ING, the concept of the value chain defines the scope of the ESG risk management lifecycle.

- Supply chain
- Own operations
- Wholesale Banking
- Business Banking
- Private Banking
- Treasury & other investments

Double materiality
ING must identify both actual and potential:

- impacts on people and the environment (impact materiality, inside-out); as well as
- The sustainability matters that impact ING's financial positions (financial materiality, outside-in).

Impact materiality and financial materiality assessments are interrelated, as financial materiality may stem from negative impact, dependency on resources and context analysis. ING defines material ESG factor per value chain for both impact and financial materiality.

1 In line with the European Central Bank (ECB) guide on Climate-related and Environmental risks
2 As per the ING Group Risk Identification and Risk Assessment Procedure for ICLAAP purposes

The ESG risk framework

The environmental, social and governance (ESG) risk framework provides a definition of ESG risk, the governance structure supporting the management of ESG risk, and an overview of the various roles and responsibilities related to ESG risk. The framework assists in managing ESG risk effectively through the application of the risk management process at various levels of the organisation.



Governance

ING has a governance structure with well-defined, transparent, and consistent lines of responsibility in managing ESG risk in line with the three lines of defence. For more information, see 'Three lines of defence'.

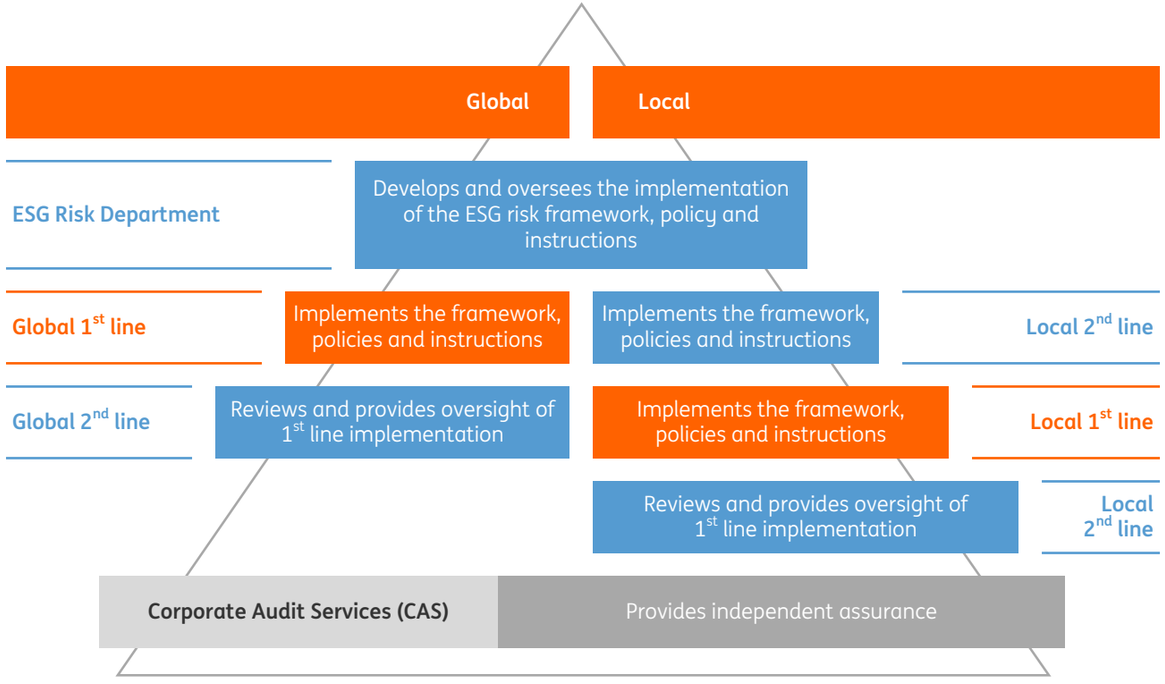
ESG risk bodies

The ESG committees and bodies at ING are responsible for overseeing and integrating ESG matters into ING's strategy and daily operations in line with our sustainability governance. The following committees, bodies, and their associated charters are relevant with regard to the framework:

- **Supervisory Board ESG Committee (SB-ESG)**: The ESG Committee assists the SB by generally monitoring and advising on relevant ESG developments.
- **The key risk committees**: Acting within delegated authorities granted by the MBB support on implementation and execution of the controls mitigating material ESG risks.
- **Executive Board (EB) and Management Board Banking (MBB)**: ING's EB/MBB has overall responsibility for the ESG risk framework and is accountable for having it implemented and embedded.
- **ESG Risk Committee (ERC)**: A standing committee that receives its mandate from the MBB, and is responsible for the approval of ESG risk procedures and mandatory instructions as well as its rollout in the different impacted functions. In addition, it advises MBB and MBB-delegated committees on the implementation and execution of the controls mitigating material ESG risk.

Organisational bodies

Management of ESG risk is embedded within all material risk types across the three lines of defence, with E fully integrated and S&G in the integration phase during 2025. Within the CRO domain, ESG risk governance is integrated and aligned with the existing governance structure around global risk functions responsible for the functional steering of the respective risk categories/risk types globally. The goal of the ESG Risk department is to ensures the adaptation of the various risk functions to account for ESG risk. The operationalisation of ESG risk between the global and local functions and across the three lines of defence is depicted below.



Managing ESG risk

The ESG risk framework assists in managing ESG risk effectively through the application of the risk management process at varying levels of the organisation. The risk cycle describes the processes by which ING can identify, assess, mitigate, monitor, and report ESG risk integrated within the existing risk types.

Risk identification

It is our policy to formalise and maintain an up-to-date ESG impact and risk inventory. This inventory includes descriptions of the drivers of ESG negative impacts and ESG risks. Regarding the risk drivers, the inventory further details their transmission channels and maps them to the risk categories where ESG risk drivers can materialise. Additionally, the inventory briefly outlines the drivers of positive impact and opportunities. The overview of the process to identify impacts, risks, and opportunities is detailed in the 'Sustainability Statement'.

Risk assessment

ESG metrics are defined and assessed against predetermined thresholds to determine materiality. The outcome of the double materiality assessment (DMA) defines the way ESG risk is adopted in the business strategy and the risk management of each risk category/risk type to be mitigated. In addition to the results of the DMA, ING considers some ESG factors to be important[3] (such as the negative impact of some sectors on affected communities) and the risk assessment and due diligence processes that follow would consider these factors as well.

The DMA approach and outcome interpretation are described in detail in the 'Sustainability Statement'. The below visualisation and paragraphs illustrate the mapping of ESG risk drivers to financial and non-financial risks across different time horizons.

	Transmission channels
E1: Climate change; E4: Biodiversity and ecosystems	**Business** ▪ Property damage & Business disruption ▪ Stranded assets & New capital expenditure **Households** ▪ Loss of income ▪ Property damage **Macro economy** ▪ Shift in prices ▪ Productivity changes ▪ Labour market frictions
S1: Own workforce; S4: Consumers and end-users	**Social and governance** ▪ Negative customer and investor preference ▪ Legal liability for damages caused and loss of customer preference ▪ Negative impact on workforce ▪ Exposure to controversies
G1: Business conduct	

Material*: Financial & non-financial risks

Risk category	Time horizon: Very short term	Short term	Medium - Long term
Credit risk			**E1/E4**
Compliance risk	**S4/G1**		**E1/S4/G1**
Market risk	In scope of the assessment, no material risks identified		
Liquidity risk			
Non-financial risk	**S1**		
Business risk	**E1**		

*Material with reputational risk

[3] Important ESG factors are determined on a case by case basis and consider international standards such as the OECD Guidelines for Multinational Enterprises on responsible business conduct and the UNGPs on Business and Human Rights.

Credit risk

- **Climate transition risk**
  ING has credit exposure to clients whose business models might not be aligned with the transition to an environmentally sustainable economy. As a result, these clients might face a higher risk of business disruption and reduced earnings, which may impair their ability to repay loans or meet other financial obligations. Collateral depreciation is also possible in adverse climate conditions.
  Impact on PD: Entities may be affected by increased operating costs and reduced revenue due to fines, taxes and adaptation costs which, in turn, might decrease clients' affordability and ability to repay, thus increasing PDs.
  Impact on LGD: The transition to environmentally sustainable economies might make carbon intensive assets in ING's lending portfolio more vulnerable to disinvestment and demand – leading to potential write-offs, stranded assets, early retirement of assets (based on carbon profiling/intensity) and a decrease in the collateral value for brown assets. This in turn might result in higher loan to values (LTVs) and LGDs.
- **Climate physical risk**
  Climate-related physical impacts can lead to significant losses, unexpected expenses, and reduced income and profits for borrowers. This may impair their ability to repay loans, thereby increasing credit risk for ING. Additionally, the frequency and intensity of extreme events can affect the value of real estate or other collateral, altering the relationship between the loan and the asset's value.
  Impact on PD: Acute and chronic risks can negatively impact cash flows of affected entities: 1) as damaged physical capital might generate less income, 2) operational disruptions might lead to decreased productivity and increased operational costs and 3) increased insurance premiums. This might decrease clients' affordability and ability to repay debt and therefore increase PDs. For sovereign and municipal exposures, the income effects from physical risk events may primarily arise through lower tax revenues and higher spending channels to compensate for negative impacts and adaptation costs.
  Impact on LGD: Write-offs, asset devaluation and early retirement of existing assets due to acute events decrease the value of collateral and have a negative impact on LTVs, and therefore LGDs.
- **Biodiversity and ecosystems (impact on species)**
  The negative impact on biodiversity, which can result in a demise in natural resources, can disrupt clients' operations, leading to financial losses.

Financial losses can also occur due to reputational damage and litigation risks. This may leave them unable to repay loans or meet their obligations on other financial transactions at the same time as reducing the value of the business.

Compliance risk

Assuming that attention to greenwashing by society and stakeholders will increase over the upcoming years and decades, the inherent risk may rise accordingly. Additionally, compliance risk may increase in the long term if ING does not meet its externally communicated commitments.

Non-financial risk

Financial materiality of our own workforce can stem from two risks. Firstly, from a reputational risk whereby employees are not happy and, for example, file a lawsuit or raise an issue in the media, which can potentially affect ING's financial position, financial performance and cash flow. This risk is particularly relevant when ING publicly discloses on targets. Secondly, from a turnover risk whereby the risk of employees leaving the bank results in a position that needs to be filled within the bank that can negatively affect ING's financial position.

Business and strategy risk

High impact from transition risk may arise in the event that ING fails to meet its sustainability strategy. For instance, negative perceptions can lead to a loss of trust among ING's customers and stakeholders, which can result in customers choosing to take their business elsewhere. ING may therefore face increased costs related to customer acquisition and retention efforts. Rebuilding a damaged reputation may require significant investment in marketing and public relations. This can increase operational costs and divert resources away from core business activities, ultimately affecting profitability.

Measurement methodologies and tools

ING measures its exposure to ESG risks by assessing risks through risk quantification methodologies and tools. The methodologies take into account qualitative and quantitative criteria, different time horizons as well as scenario analysis and stress testing. Quantification leverages on top-down and bottom-up approaches, when applicable. During 2024, ING continued working on multiple initiatives to support our risk assessment process, focusing on, though not limited to, the initiatives below:

- **Physical risk tool**: ING has developed a tool to measure and assign a level of physical risk for four chronic and nine acute physical risks across the short, medium and long term for portfolios and geographies in which ING operates. This range of hazards is recognised under EU Taxonomy. The thorough selection of hazards means this tool caters for broad, continent-spanning risks as well as local and nuanced ones. The tool has been developed using physical risk maps obtained and recognised by academically reputable sources.
- **Transition risk scorecard** is used by ING to quantify transition risk with a scorecard approach at client level. Methodology helps to identify the pool of high-risk clients within specific sectors, in order to subsequently manage these high-risk subsegments, taking into account ING's public commitments and sector-specific climate strategies (Terra approach). This pool of high-risk clients is subsequently managed via the climate risk appetite setting.

- **ESG risk-assessment tool:** For WB, ING has developed a new ESG risk-assessment approach which considers the (climate and) environmental, social and governance risk factors, negative impacts and dependencies of our WB customers, and fully integrates the previous ESR framework. Tooling was developed to support the implementation of the assessment approach in the credit granting process. The new approach was gradually rolled out in 2024, and enhancements and refinements will continue during 2025. Depending on the ESG risk-assessment outcome, mitigation actions and escalation to the ESR team for additional due diligence and (binding) advice might be required. In 2024, we began a comprehensive ESR framework review. The implementation efforts of the ESR framework will continue in 2025 and will be rebranded as ING's new ESG risk framework. For more information about ESR at ING, see our corporate website.
- **Stress testing**: ING continues enhancing its climate stress-testing methodology to assess the impact of climate risks on corporate and mortgage exposures from a credit risk perspective. This methodology builds on existing stress tests (e.g., ICAAP, EBA) and adds overlays for the impact of transition and physical risks. For transition risk, a data-driven approach reflects increased carbon prices and energy costs, focusing on energy performance certificates (EPC) level for mortgages and NACE sectors for corporates. For physical risk, a dedicated approach assesses flood risk impacts on the mortgages portfolio. The climate stress-test outcome shows a manageable short-term financial impact for ING, as sufficient contingency measures are in place. A dedicated long-term methodology has been developed to assess the impact on provisions under various scenarios and portfolio assumptions. Additionally, methodologies are available to evaluate the impact of climate risk on market risk (banking and trading book) and other risks, including non-financial, issuance, business, and model risks.

Risk mitigation

The mitigation of the identified risks in line with the risk appetite can be performed through several risk mitigating strategies, such as reducing risk level, avoiding risk, accepting risk or transferring the risk. The measures are embedded as part of the updates of the existing policies and procedures in the different risk categories/risk types in order to mitigate material ESG risk. Mitigation activities can be performed at a process, product, portfolio, client or transaction level and include, but are not limited to:

- engaging with high ESG risk counterparties to understand and support their mitigation plans;
- setting RAS to limit the level of acceptable risks with consequence management attached;
- incorporating ESG risks in the collateral valuation process; and
- ensuring appropriate business continuity plans and insurance are in place to reduce the impact of more frequent and severe ESG events for ING's value chain, thus reducing the residual risk.

For more information on the actions taken on the identified material risks for each of the value chain segments, see the 'Sustainability Statement'.

Risk monitoring, reporting and disclosures

ING aims to provide regular and transparent reports and regulatory disclosures related to ESG so that the management body and all relevant units in ING receive ESG risk information in a timely, accurate, concise, clear and meaningful manner, containing relevant information on the identification, assessment, measurement, monitoring, and management of ESG risk.

The ESG risk dashboard consists of comprehensive and integrated ESG risk-related, financial and non-financial information on business activities and own operations, summarising the following:

- Results of the double materiality assessment, detailing negative impacts, financial and non-financial materiality for each value chain segment;
- ING key climate risk indicators for material ESG risks across value chain segments. The depth of reporting is informed by the materiality assessments performed; and
- Outcome of the latest climate stress-testing assessment.

Non-financial risk

Introduction

Non-financial risk (NFR) is defined as the risk of financial loss, legal or regulatory sanctions, or reputational damage due to inadequate or failing internal processes, people and systems, a failure to comply with laws, regulations and standards, or external events.

Non-financial risk management

Risk categories

ING categorises non-financial risks in the following 10 areas:

- Continuity risk is the risk of financial loss, regulatory fines, litigation, business disruption and/or reputational damage due to events (e.g. natural disasters, power outages, terrorism) leading to a situation that threatens business continuity.
- Information (technology) risk (including cyber risk) is the risk of financial loss, regulatory fines, litigation, business disruption and/or reputational damage due to breaches of confidentiality, integrity or availability within business processes, the supporting IT systems, of information or lack of information quality, and business disruptions (loss of people, processes, systems, data, premises).
- Fraud is the deliberate abuse of procedures, systems, assets, data, products and/or services of ING by those who intend to benefit themselves deceitfully or unlawfully and/or others. This definition of fraud is specified in the following two categories of fraud:
  - Internal fraud: acts of fraud that involve at least one internal party performed by or in collusion with an ING employee or agent with the consequence of financial loss, regulatory fines, litigation loss, business disruption and/or reputational damage for ING.
  - External fraud: acts of fraud or scams by individuals and/or parties excluding ING staff (including contractors), with the consequence of financial loss, regulatory fines, litigation loss, business disruption and/or reputational damage for ING.
- Control risk is the risk of financial loss, regulatory fines, litigation, business disruption, reputational damage due to not complying with controls set through governance procedures and/or project management methods caused by improper or insufficient monitoring (testing) of entities or activities.
- Processing risk is the risk of financial loss, regulatory fines, litigation, business disruption and/or reputational damage due to unintentional human error during (transaction) processing.
- Unauthorised activity risk is the risk of financial loss, regulatory fines, litigation, reputational damage due to unauthorised employee activities, approvals or overstepping of authority (based on intentional human behaviour, not intended to deceitfully or unlawfully benefit themselves or others).
- Personal and physical security risk is the risk of personal harm, financial loss, regulatory fines, litigation loss, business disruption, reputational damage due to personal or physical security risk.
- Employment practice risk is the risk of financial loss, regulatory fines, litigation loss, business disruption, reputational damage due to ineffective employee relations or inadequate psychosocial safety caused by breaches of employment or discrimination or health and/or safety legislation, regulations or agreements, or collective labour action.
- Compliance risk is the risk of financial loss, regulatory fines, litigation, business disruption and/or reputational damage due to the impairment of ING Group's integrity, leading to damage to ING's reputation, legal or regulatory sanctions, or financial loss, as a result of a failure (or perceived failure) to comply with applicable laws, regulations, and standards.

In line with ING's strategy on sustainability and regulatory requirements relating to ESG risk management, the NFR Framework has been updated to ensure ESG risk is properly embedded in our risk management cycle and material risk types in line with the overarching ESG risk management framework.

Measurement approach

ING uses an internal model in line with the advanced measurement approach (AMA) to determine the minimum regulatory and economic capital amounts that are necessary to cover potential losses resulting from non-financial risks. This model calculates the non-financial risk exposure by combining a forward-looking and a backward-looking view on non-financial risk events. ING reports the outcome of its AMA model quarterly. As of 1 January 2025, following CRR3 regulations, the AMA is replaced by the standardised measurement approach, a non-model-based formula to calculate regulatory operational risk capital. The internal model has been redesigned and will be used for economic capital and stress testing purposes (Pillar II).

Main developments in 2024

Continuity risk

Providing safe, secure, and seamless services for our customers is at the heart of ING's strategy. Operational and IT resilience measures are key in preventing disruptions and ensuring a quick recovery in the event of a disruption. In 2024, ING analysed, updated and mapped most critical business services and the related processes and systems, including the facilities, people, third parties and intragroup parties and data therein.

These value chains continue to be tested against severe but plausible scenarios in order to continuously improve and enhance our operational and IT resilience. Furthermore, ING continued with the implementation of the Digital Operational Resilience Act (DORA), which aims to further strengthen the digital operational resilience of financial institutions.

Information (technology) risk

The mission of information (technology) risk is to support ING in staying safe and secure, by preventing and mitigating the risk of unauthorised access to IT systems and processes and protecting the confidentiality, integrity and availability of the data processed and stored therein. To support this mission, IT Risk operates a framework that adapts to emerging or changing risks as a result of, among other things:

- the ongoing release of new regulations and (local) laws, such as the EU AI Act, DORA, PSD3, which require more reporting on how IT systems process data and how customer principles are safeguarded and remain resilient;
- rapidly evolving threats, including increasingly sophisticated cyber attacks, as a result of new modus operandi in combination with the availability of digital capabilities (such as artificial intelligence, QR code phishing or quantum computing);
- further digitalisation of value chains and the use of emerging technologies and digital products therein, such as artificial intelligence and digital currencies; and
- geopolitical risk.

Identity & access management (IAM) remains one of the focus areas of ING and an important element in our control framework to prevent and mitigate the risk of unauthorised access to IT systems and the confidentiality, integrity and availability of the data processed and stored therein. This is done by enforcing IAM global processes and controls, which are periodically reviewed and tested. These processes and controls are supported by technologies, tooling and practices managed by a dedicated global IAM team in the Chief Information Security Office (CISO), which aims to ensure that emerging threats and improvements inside and outside ING are identified and responded to. In 2024, ING continued with the standardisation and harmonisation of processes, workflows, and automation of IAM controls as well as the further roll-out of supporting global tooling.

External fraud

The continuous evolution of threats against financial services including developing technologies such as generative AI and deep fake continues to present fraud-management challenges both in the short and medium-term. Criminals are increasingly targeting our customers. In 2024, we saw more AI-enabled social engineering fraud, scams and authorised push payments, often through social media, online marketplaces and third-party communication platforms.

There has been a noticeable rise in the incidence of fraud affecting credit facilities, frequently involving the use of forged documentation, with or without customer consent. An increase in impact on fraud on credit facilities is observed, often caused by using forged documentation, with or without customer consent. ING has mobilised its experts to further strengthen this area of concern on prevention and detection. Furthermore, the rise in scams is a major concern for financial institutions and their customers in general, who suffer severe consequences when targeted. Although financial institutions have limited means to prevent authorised transactions, they prioritise fraud prevention through new processes, technology and ongoing customer education and awareness. To protect customers and society, ING is enhancing its fraud resilience by collaborating with financial industry peers, law enforcement, government and other industries. This collaborative approach is essential for effectively combating the societal challenge of fraud.

ING's newly created Global Fraud Target Operating Model is aimed at ensuring a globally aligned approach and brings together skilled fraud management experts from across domains, ensures continuous evolution of fraud capabilities and ensures that ING's business and fraud strategy remains aligned on fraud threats, market best practices, applicable law and legislation, risk appetite and operational targets.

Data risk management

Data risk management, as part of control risk management, focuses on maintaining high-quality data that is readily available for business or regulatory purposes, in a secure and compliant way.

As reliance on data and data volumes is continuing to rise at a fast pace, one of our top priorities remains to address any societal concerns, data-related regulatory requirements, and risks in the use of data-driven technology like AI. ING has set up governance and initiatives to structurally address the ethical handling of data and implement AI acts in its policies and way of working.

ING's data strategy is to deliver on ING's promise and to improve governance around data, data quality and data risk management in general. Data governance has improved from senior management level to that of data owners and data users. The ING data strategy is also starting to deliver on business value, for example through a master system for customer onboarding and customer administration, which aims to create a single and complete view on ING customers.

Compliance risk

Introduction

ING aims to be compliant with applicable internal rules and external laws and regulations at all times, while also taking societal expectations into consideration. A robust compliance risk management framework supports ING in conducting its business activities in line with these objectives. Compliance risk is defined as the risk of ING's integrity being impaired, which can result in reputational damage, legal, or regulatory sanctions or financial loss, due to failure (or perceived failure) to comply with applicable laws, regulations and standards.

Within ING we apply the following compliance risk categories:

- Financial crime risk refers to the risks of the bank's products and services being abused for illicit purposes, generating, facilitating or disguising financial and/or economic crimes (FEC).
- Conduct risk refers to compliance risks arising from (the perception of) breaching our obligations towards customers and/or other parties, including inappropriate market conduct.
- Data protection (personal data protection, data retention) risk refers to the personal data protection risk of financial loss (regulatory fines, reputational damage) due to not protecting the personal data rights of individuals as required, and as to data retention risk, to having the records being destroyed too soon or retained too long.

The Compliance organisation has the mission to drive compliance risk management by desire and design throughout the organisation. Compliance's primary role is advising, challenging, and overseeing the first line of defence in how they manage the compliance risks, as well as raising awareness and stimulating a sound compliance risk culture.

Training and awareness

At ING we believe all our people play a role in protecting our customers, the bank and, through that, society too. A sound risk culture is promoted by empowering our employees with the skills and knowledge they need to manage compliance risks. In 2024, we continued to train our people with mandatory trainings on financial crime, fraud, conduct and data protection. Senior Management (MBB and SB) are trained on various compliance risk topics based on a multi-year training plan.

Financial crime and fraud prevention

Financial crime and fraud prevention in the first line of defence and financial crime compliance continue to play a major role in our aim to make sure we only engage and do business with people and entities that meet regulatory requirements. Knowing who we do business with is vital to keeping ING safe, secure, and compliant. As part of our ongoing anti-money laundering efforts, we continuously assess (proposed) relationships with customers, monitor and screen transactions to fulfill our regulatory and reporting obligations and review potentially unusual transactions and/or suspicious transactions and, where applicable, report these to the relevant authorities.

Financial crime risk management

The day-to-day responsibility for the oversight of ING's compliance with our legal and regulatory obligations, in relation to financial crime risks, sits with the global head of Financial Crime Compliance, who reports to ING's CCO, with oversight by the CRO. As a global financial institution combatting financial crime, we comply with anti-money laundering and counter-terrorism financing (AML/CTF) laws and regulations, have established a reasonable and risk-based control framework to mitigate continuously evolving financial crime risk, and seek to provide useful information to relevant government agencies.

Operational effectiveness (OE)

ING's global KYC policy and related control standards set the minimum requirements and control objectives for all ING entities to guard against involvement in financial crime activity, while reflecting relevant national and international laws, regulations, guidance documents, and guidelines from national, European and international authorities, (supra)national risk assessments, and industry standards. In 2024, our focus was on maintaining a sustainable level of OE through oversight and challenge as the second line of defence, as the bank's KYC activities have matured. Being safe, secure and operationally effective in managing KYC continues to be an important part of our strategy.

Bribery and corruption

Bribery and corruption undermine business confidence and corporate integrity, hinder fair business competition, and harm international trade. Bribery and corruption risks are considered as part of our client and third-party due diligence, and financial crime risk monitoring measures. This supports our zero-tolerance approach to bribery and corruption, which is also part of the governance elements of our sustainability objectives.

Customer tax compliance

Compliance with customer tax-related regulations and reporting obligations, under the Foreign Account Tax Compliance Act (FATCA), the Common Reporting Standard (CRS), and Mandatory Disclosure Rules, aims to ensure that ING is not involved in facilitating tax-related financial crime, such as harmful aggressive tax-avoidance schemes, on behalf of its customers.

Sanctions

It is ING's policy to take into consideration the applicable sanctions regimes as imposed by international authorities and by local mandatory sanctions law (as applicable). ING's policy generally prohibits relationships or transactions involving sanctioned persons and entities or comprehensively sanctioned countries, territories and their governments. This sometimes also means that ING's risk appetite may be stricter than legal obligations, and we may choose not to support certain customer relationships, business activities and transactions even if permitted by law.

ING continuously monitors external developments to remain proactive to new sanctions packages or updates to existing sanctions packages. Through 2024, geopolitical risk has grown (e.g. through the conflict in the Middle East and the continuation of Russia's invasion in Ukraine), and global sanctions regimes remained increasingly active, creating a complex regulatory and legislative environment. There has been an increasing focus on the potential circumvention of sanctions against Russia, and the roles of third countries and companies in facilitating any circumvention or undermining the sanctions' measures. This has prompted a concerted effort by governments to impose pressure on companies operating in these jurisdictions, and to prevent sanctions measures being sidestepped by targeted Russian parties. ING's sanctions programme is designed to comply with sanctions across the multiple jurisdictions in which ING has business operations.

As a result of Russia's continued occupation of Ukraine and the associated conflict, there has been a continued focus from the EU, US, and other governments to impose additional sanctions and combat the potential circumvention of sanctions against Russia. In addition to several new sanctions packages, there has been an increased focus on the roles of third countries and companies in facilitating the circumvention or undermining of such sanctions' measures. The EU has increased efforts to ensure that EU operators are adhering to the sanctions by implementing new reporting requirements and by implementing new rules to harmonise criminal offences and penalties for the violation and circumvention of EU sanctions. The EU also introduced the 'best efforts' requirements, which seek to hamper sanctions circumvention through a new requirement for EU parent companies to do their 'best efforts' to make their non-EU subsidiaries align with EU sanctions. The extent to which this aimed alignment can in fact be realised as an end-result depends on the applicable factual and legal context. Practical impossibilities or limitations, conflicting applicable laws (potentially including personal liability risks), and/or conflicting regulatory expectations could be complicating factors triggering challenges. An example of such challenges concerns the topic of information sharing by Russian subsidiaries with their EU parent companies, particularly where it relates to their local Russian client data. Under new Russian regulatory restrictions, Russian subsidiaries are locally prohibited from sharing such data, whereas EU parent companies are typically still expected to obtain such data as part of their group-level oversight.

Since February 2022, ING has taken measures to not engage in new Russian business and ING follows an active de-risking approach, aimed to reduce ING's overall exposure towards Russia, including measures to reduce operational risks and to further ringfence activities of ING (Bank) Eurasia JSC. ING expects the agreed sale of ING (Bank) Eurasia JSC to close in the third quarter of 2025.

As a result of frequent evaluation of the business from economic, strategic and risk-based perspectives, ING, with limited exception, does not engage in business involving certain countries, including Cuba, Iran, North Korea, Sudan, Syria and the Crimea region. ING has a policy not to enter into new relationships with clients from these countries and processes are in place to discontinue existing relationships involving these countries.

Evolving financial crime landscape

Financial crime continues to evolve, whether through technology, new and sophisticated techniques used by criminals, or the results of geopolitical events. This widespread digitalisation of the economy and use of AI has led to a reshaping of the methods used to launder and finance terrorism. Criminal groups have adopted and are misusing new technologies, AI, and anonymity-enhancing technologies, such as virtual currencies and mixers, to commit criminal activities.

ING is continuing to invest in new and innovative technological capabilities, enhance our cooperation with law-enforcement agencies, industry bodies and regulators, and develop intelligence and data-led collaborative solutions to detect and disrupt financial crime. In this context, this may at times include sharing information within ING to manage our financial crime risk exposure, in line with General Data Protection Regulation requirements and local privacy laws and regulations.

EU AML/CFT legislative package

European legislation continues to evolve with the aim of strengthening and standardising anti-money laundering (AML) and counter-terrorism financing (CTF) regulation. ING welcomes this harmonisation, which removes a degree of regulatory complexity. ING has actively participated through banking associations in assessing the potential impact of the AML legislative package on banks. The regulation (AMLR) and the EU agency (AMLA) that will coordinate national authorities to ensure the correct and consistent application of EU rules, will be fully in force by Q3 2027.

The earlier published report from the Dutch Central Bank (DNB) 'From Recovery to Balance' on the use of risk-based approaches and the related 'Industry Baselines' on KYC topics that were created with ING being involved, create a necessary step towards fighting financial crime through the enhanced application of a risk-based approach (RBA): focusing efforts on higher risks, while remaining within the boundaries of the applicable laws and regulations.

Public-private partnerships

We continue to work with our peers, regulators and law enforcement in public-private partnerships (PPPs) in our major markets, and on international level – through our Group-level participation in networks such as Europol's Financial Intelligence Public Private Partnership. We recognise that our risk management frameworks and controls benefit from having a direct dialogue with public partners as well as complementing our understanding of relevant and evolving financial crime threats and risks. Sharing and

applying these insights across the organisation helps us move beyond technical compliance and enhances our ability to meet regulatory obligations and protect our customers.

Conduct compliance and ethics

ING's product governance and conduct compliance risk management amplify that we aim to act in the interest of our customers. Focus areas include customer protection and transparency (referred to as customer centricity), market conduct (including market manipulation and abuse), anti-competitive conduct, and conflicts of interest. ESG- and ethics-related compliance risks, being risk drivers, are different by nature as they potentially have an overarching impact on other compliance risks.

Customer centricity

Customers are our reason for being and customer centricity is therefore key for ING. ING wants to ensure that its customers, particularly those that are vulnerable, are able to make well-informed decisions on the products and services used. In our effort to ensure ING's approach to customer centricity is carried out consistently throughout the organisation, local standards were complemented by an overarching global Customer Centricity Policy implemented in 2024. In this policy, we set central norms for retail and wholesale banking products (e.g. investments, mortgages and insurance) to meet customer needs on a continuous basis, from the creation of a product and throughout the full product lifecycle. By implementing a policy that manages the way in which we consider and address our customers, we have further enshrined the Orange Code and the Global Code of Conduct.

We aim to build on the Customer Centricity Policy in 2025 by enhancing our approach to social inclusion. We will support the business in the implementation of the EU Accessibility Act by setting minimum norms for the accessibility of products and services. Through an expanded customer centricity module in the product approval and review process, we reinforce that issues such as financial distress and accessibility will be taken into account structurally whenever we launch or review a product, ensuring ING aims to address customer needs.

ESG

We have integrated sustainability into the compliance risk management framework as a continuous reflection of ING's strategy to put sustainability at the heart of what we do. In 2024, we created the ESG & Ethics team in Group Compliance to ensure a structural approach to ESG-related compliance risks. While material environmental-related compliance risks are now an integral part of the bank's compliance processes, we continue with the translation of the social and governance-related topics. The role of Compliance in the fast-changing and evolving area of sustainability is expected to continue to develop further, alongside the other risk domains within ESG risk management.

Greenwashing has proven to be an important risk with various (legal) actions noted in the market. In 2024, we reviewed our portfolio of sustainable products to identify any potential greenwashing risks, and Compliance Quality Assurance reviews on this topic were performed in multiple ING entities. With the implementation of a Greenwashing Prevention Mandatory Instruction, we further enhance the management of greenwashing risks. Although we observe that the regulatory framework on ESG is maturing, we do expect substantial regulatory developments, setting further requirements for the prevention of greenwashing. Any such developments will be included in the compliance risk management framework.

Speak up and ethics

ING wants to create, facilitate and maintain an environment in which employees feel encouraged and supported to speak up at all times. Conduct ethics is about supporting and protecting our employees by means of (i) dealing with dilemmas; (ii) setting the right environment for ethical decisions and behaviours; and (iii) providing for an escalation/reporting process in case of concerns, and ensuring fair consequence management. For this we rely on our Orange Code, with the values and behaviours that guide us, the Global Code of Conduct – revised in 2024 – that prevents and protects employees from behaving unethically, and the whistleblowing framework in case of concerns.

In 2024, ING further enhanced the whistleblower process with explicit focus on anti-retaliation, fair consequence management, and deliberate after-care. A global cross-channel Speak up programme is in place to harmonise the different Speak up channels for undesirable behaviour.

Market conduct

Market conduct risk stems from behaviour that can negatively impact market integrity. ING has a global market abuse policy and control framework, as well as supplementary procedures that include personal account dealing, management of inside information and information barriers. In 2024, further steps were taken towards automating, standardising, and centralising our approach to personal account dealing, deal conflict clearance, and insider list management across the group.

Conflicts of interest

ING, being a large financial institution, is prone to multiple conflicts of interest, due to overlapping interests of different stakeholders as businesses, employees, customers, shareholders and society. In 2024, we updated the global conflicts of interest policy, including the related framework document, coming into effect in May 2025.

Anti-competitive conduct

Competition law impacts all areas of ING's business. It is ING's policy to adhere to competition laws and regulations that promote effective and fair competition, and which benefits and protects society, our clients and business partners, and our own business.

Data protection

At ING, data protection is at the core of our strategy and business operations. Our approach can be summarised as 'the right people use the right data for the right purpose'. We are bound by European and local data protection laws, which can differ from country to country. A group-wide, global, personal data protection policy is in place to enable a consistent approach to our way of processing personal data. In addition, we have implemented binding corporate rules within ING Group with the aim of ensuring appropriate safeguards for our internal data transfers.

Regulatory developments which potentially lead to emerging data protection risks are monitored and managed on an ongoing basis. In 2024, following early developments in the application of GenAI and based on the EU AI Act, ING launched a programme to assess potential impact on our way of working – especially with regard to future obligations and requirements to be embedded in our policies and frameworks.

Personal data

In line with the EU's General Data Protection Regulation (GDPR) and other applicable data protection requirements, we aim to process personal data for a specified business purpose in a fair and lawful manner, observing the rights and liberties of data subjects in scope of our activities. We aim to perform data protection impact assessments (DPIAs) and regular internal audits on the personal data processing that we do for clients and employees, including ING's technologies.

We strive to be transparent about our use of personal data from customers, employees, suppliers and business partners, who we share personal data with and why. It is our policy that our business entities, support functions, as well as third parties that we engage with, ensure that the data subject is granted a level of protection equivalent to that guaranteed by the GDPR, especially if personal data is transferred outside of the European economic area (EEA). Part of the data protection scope is that personal data is managed in a safe and secure manner, in line with applicable information security standards. More information can be found in the privacy statement on our corporate website.

Model risk

Introduction

Model risk is the risk of financial loss, regulatory fines, reputational damage, legal or regulatory sanctions resulting from decisions that are principally based in the output of models. Model risk can arise from errors in the development, implementation, use or interpretation of models, or from incomplete or wrong data etc., leading to inaccurate, non-compliant or misinterpreted model outputs.

Model lines of defence

ING's model risk and control structure is based on the three-model-lines-of-defence (MLoD) approach. This approach aims to provide a sound governance framework for model risk management by defining and implementing three different management layers with distinct roles and oversight responsibilities.

- The first MLoD is composed of the model owners, model users, data management and model development, and is accountable for the implementation of model risk controls which encompass model development, implementation, and use of the models as well as monitoring of models' performance.
- The second MLoD owns the model risk management framework, proposes the model risk appetite, provides challenge to model risk identification and assessment and provides an independent validation of models used within ING.
- The third MLoD is the internal audit function.

Model risk appetite (model RAS)

The model risk appetite is designed to determine the level of model risk ING is willing to accept in pursuit of its strategic objectives. Current model RAS metrics are focused on the most important models for ING: credit risk and other models with elevated supervisory attention. These metrics are reported to the MBB monthly.

Model risk management (MoRM)

The ING MoRM policy framework comprises the total set of measures and tools put in place to manage model risk. ING classifies models based on their criticality, financial materiality and complexity. The model classification determines the depth and extent of the applied model risk management activities, including model validation. Model validation is the independent confirmation that a model is valid for its intended use. Models are validated according to procedures applicable to key model types. These procedures are continuously being enhanced to keep up to date with regulatory, technical developments and industry trends.

ING models are developed using a variety of technologies, including AI. As such, ING MoRM has been assessing the requirements of the EU AI Act, designing an AI risk framework and consequently adapting the MoRM approach for AI models. Given the relevance of deploying such new technologies in a safe and secure way, ING has set up a Centre of Excellence for AI Risk Management that will reside within MoRM. Its purpose is to drive the AI risk strategy, centrally coordinate AI risk management activities across ING risk domains, advise on responsible AI use, and facilitate its scalable and responsible adoption.

On an aggregated level, model risk is monitored via analysis of data from the global model inventory, collected across the bank to manage ING model's landscape. Insights are reported to the MoRM Committee, MBB, and other stakeholders so senior management can make well-informed decisions on acceptance or further mitigation of model risk.

Business & strategy risk

Introduction

Business & strategy risk for ING has been defined as the risk inherent to strategy decisions, internal efficiency and the business environment. This risk can be expressed as the value or earnings loss in terms of volumes, margins, expenses and fee and commission income. Business risk is accounted for within the economic capital framework and calculated applying the variance-covariance methodology. This covers the risk that volume, margins, fee and commission income, operating expenses, and regulatory expenses/costs will deviate from the expected expenses and income over the horizon of the relevant activities.

Risk management

ING applies an explicit risk appetite statement regarding business risk, focusing on earnings stability and diversification of the business mix. The underlying economic capital risk types (expense risk, volume-margin risk and regulatory costs) are mitigated and managed via the financial performance of the bank and the business units. Through this process, the reported numbers are compared quarterly against financial projections and discussed continuously within different parts of the organisation.


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Consolidated statement of financial position

As at 31 December

in EUR million	2024	2023
Assets		
Cash and balances with central banks 2	70,353	90,214
Loans and advances to banks 3	21,770	16,709
Financial assets at fair value through profit or loss 4,6		
– Trading assets	72,897	60,229
– Non-trading derivatives	2,463	2,028
– Designated as at fair value through profit or loss	5,740	5,775
– Mandatorily at fair value through profit or loss	56,481	54,983
Financial assets at fair value through other comprehensive income 5,6	46,389	41,116
Securities at amortised cost 6	50,273	48,313
Loans and advances to customers 7	680,233	642,402
Investments in associates and joint ventures 8	1,679	1,509
Property and equipment 9	2,434	2,399
Intangible assets 10	1,334	1,198
Current tax assets	485	311
Deferred tax assets 33	1,069	1,280
Other assets 11	6,945	7,117
Total assets	**1,020,545**	**975,583**

	2024	2023
Liabilities		
Deposits from banks 12	16,723	23,257
Customer deposits 13	691,661	650,267
Financial liabilities at fair value through profit or loss 14		
– Trading liabilities	35,255	37,220
– Non-trading derivatives	2,101	2,019
– Designated as at fair value through profit or loss	49,543	55,400
Current tax liabilities	276	396
Deferred tax liabilities 33	287	184
Provisions 15	774	920
Other liabilities 16	12,369	13,667
Debt securities in issue 17	142,367	124,670
Subordinated loans 18	17,878	15,401
Total liabilities	**969,236**	**923,400**
Equity 19		
Share capital and share premium	17,148	17,151
Other reserves	-687	-2,763
Retained earnings	33,853	36,852
Shareholders' equity (parent)	**50,314**	**51,240**
Non-controlling interests	995	944
Total equity	**51,309**	**52,184**
Total liabilities and equity	**1,020,545**	**975,583**

References relate to the accompanying notes. These are an integral part of the Consolidated financial statements.

Consolidated statement of profit or loss

For the years ended 31 December

in EUR million	2024	2023	2022
Interest income using effective interest rate method	49,220	44,486	24,537
Other interest income	9,685	7,741	3,934
Total interest income	**58,905**	**52,227**	**28,470**
Interest expense using effective interest rate method	-34,889	-28,526	-10,952
Other interest expense	-8,993	-7,726	-3,762
Total interest expense	**-43,882**	**-36,252**	**-14,714**
Net interest income 20	**15,023**	**15,976**	**13,756**
Fee and commission income	5,604	5,109	5,085
Fee and commission expense	-1,596	-1,514	-1,499
Net fee and commission income 21	**4,008**	**3,595**	**3,586**
Valuation results and net trading income 22	3,407	2,910	1,501
Investment income 23	13	95	181
Share of result from associates and joint ventures 8	205	149	92
Impairment of associates and joint ventures 8	-35	-5	-192
Result on disposal of group companies	0	0	6
Net result on derecognition of financial assets measured at amortised	-2	3	-5
Other net income 24	-3	-147	-363
Total income	**22,615**	**22,575**	**18,561**

	2024	2023	2022
Addition to loan loss provisions	1,194	520	1,861
Staff expenses 25	7,184	6,725	6,152
Other operating expenses 26	4,937	4,839	5,047
Total expenses	**13,315**	**12,084**	**13,060**
Result before tax	**9,300**	**10,492**	**5,502**
Taxation 33	2,650	2,970	1,725
Net result	**6,650**	**7,521**	**3,777**
Net result attributable to:			
Non-controlling interests	258	235	102
Shareholders of the parent	6,392	7,287	3,674
	6,650	**7,521**	**3,777**
in EUR			
Earnings per ordinary share 28			
Basic earnings per ordinary share	1.98	2.05	1.02
Diluted earnings per ordinary share	1.98	2.04	1.01

References relate to the accompanying notes. These are an integral part of the Consolidated financial statements.

Consolidated statement of comprehensive income

For the years ended 31 December

in EUR million	2024	2023	2022
Net result (before non-controlling interests)	6,650	7,521	3,777
Other comprehensive income			
Items that will not be reclassified to the statement of profit or loss:			
Realised and unrealised revaluations property in own use	3	10	15
Remeasurement of the net defined benefit asset/liability	-16	-85	-19
Net change in fair value of equity instruments at fair value through other comprehensive income	664	-30	-126
Change in fair value of own credit risk of financial liabilities at fair value through profit or loss	-46	-39	165
Items that may subsequently be reclassified to the statement of profit or loss:			
Net change in fair value of debt instruments at fair value through other comprehensive income	-261	68	-428
Realised gains/losses on debt instruments at fair value through other comprehensive income reclassified to the statement of profit or loss	63	9	-26
Changes in cash flow hedge reserve	383	1,138	-3,158
Exchange rate differences	563	-85	436
Total other comprehensive income	**1,353**	**986**	**-3,140**
Total comprehensive income	**8,003**	**8,507**	**636**
Comprehensive income attributable to:			
Non-controlling interests	303	444	-190
Shareholders of the parent	7,700	8,064	826
	8,003	**8,507**	**636**

Each component of the other comprehensive income is presented after taxation. For the disclosure on the income tax effects on each component, reference is made to Note 33 'Taxation'.

Consolidated statement of changes in equity

in EUR million	Share capital and share premium	Other reserves	Retained earnings	**Shareholders' equity (parent)**	*Non-controlling interests*	**Total equity**
Balance as at 31 December 2023	**17,151**	**-2,763**	**36,852**	**51,240**	***944***	**52,184**
Net result		125	6,267	6,392	*258*	6,650
Other comprehensive income		1,308		1,308	*46*	1,353
Total comprehensive income net of tax		**1,433**	**6,267**	**7,700**	***303***	**8,003**
Dividends and other cash distributions 29			-4,124	-4,124	*-253*	-4,377
Share buyback programmes, commitment			-4,500	-4,500		-4,500
Share buyback programmes, repurchases of shares		-3,817	3,774	-43		-43
Share buyback programmes, cancellation of shares	-4	5,000	-4,996			0
Employee share-based compensation plans		43	1	45	*0*	45
Other changes in treasury shares		2		2		2
Transfers		-585	585			*0*
Other changes			-5	-5	*0*	-5
Balance as at 31 December 2024	**17,148**	**-687**	**33,853**	**50,314**	***995***	**51,309**

In 2024, ING Group updated the presentation of the Consolidated statement of changes in equity to simplify its structure and reduce duplication. Comparative figures have been updated accordingly.

References relate to the accompanying notes. These are an integral part of the Consolidated financial statements. Changes in individual Reserve components are presented in Note 19 'Equity'.

Consolidated statement of changes in equity – continued

in EUR million	Share capital and share premium	Other reserves	Retained earnings	**Shareholders' equity (parent)**	*Non-controlling interests*	**Total equity**
Balance as at 31 December 2022	**17,154**	**-2,189**	**34,944**	**49,909**	*504*	**50,413**
Impact of changes in accounting policies [1]			-45	-45	*-1*	-46
Balance as at 1 January 2023	**17,154**	**-2,189**	**34,899**	**49,863**	***503***	**50,367**
Net result		336	6,951	7,287	*235*	7,521
Other comprehensive income		777		777	*209*	986
Total comprehensive income net of tax		**1,113**	**6,951**	**8,064**	**444**	**8,507**
Dividends **29**			-2,668	-2,668	*-3*	-2,671
Share buyback programmes, commitment			-4,000	-4,000		-4,000
Share buyback programmes, repurchases of shares		-3,524	3,482	-42		-42
Share buyback programmes, cancellation of shares	-2	2,701	-2,699			*0*
Employee share-based compensation plans	0	41	-7	34	*0*	34
Other changes in treasury shares		-7		-7		-7
Transfers		-899	899			*0*
Other changes			-5	-5	*0*	-5
Balance as at 31 December 2023	**17,151**	**-2,763**	**36,852**	**51,240**	**944**	**52,184**

[1] Changes in policy following the adoption of IFRS 17 and change in policy for non-financial guarantees.

References relate to the accompanying notes. These are an integral part of the Consolidated financial statements. Changes in individual Reserve components are presented in Note 19 'Equity'.

Consolidated statement of changes in equity – continued

in EUR million	Share capital and share premium	Other reserves	Retained earnings	**Shareholders' equity (parent)**	*Non-controlling interests*	**Total equity**
Balance as at 31 December 2021	**17,144**	**-544**	**37,318**	**53,919**	**736**	**54,654**
Impact of IAS 29 on opening balance		627	-563	64		64
Balance as at 1 January 2022	**17,144**	**83**	**36,756**	**53,983**	**736**	**54,718**
Net result		161	3,513	3,674	102	3,777
Other comprehensive income		-2,848		-2,848	-292	-3,140
Total comprehensive income net of tax		**-2,687**	**3,513**	**826**	**-190**	**636**
Dividends and other cash distributions 29			-3,349	-3,349	-41	-3,390
Share buyback programmes, commitment			-1,583	-1,583		-1,583
Share buyback programmes, repurchases of shares		-1,721	1,721			0
Share buyback programmes, cancellation of shares	-2	2,124	-2,123			0
Employee share-based compensation plans	12		15	27	0	27
Other changes in treasury shares		4		4		4
Transfers		8	-8			0
Other changes			1	1	0	0
Balance as at 31 December 2022	**17,154**	**-2,189**	**34,944**	**49,909**	**504**	**50,413**

References relate to the accompanying notes. These are an integral part of the Consolidated financial statement. Changes in individual Reserve components are presented in Note 19 'Equity'.

Consolidated statement of cash flows

in EUR million, for the years ended 31 December		2024	2023	2022
Cash flows from operating activities				
Result before tax		9,300	10,492	5,502
Adjusted for:	– Depreciation and amortisation	673	674	711
	– Addition to loan loss provisions	1,194	520	1,861
	– Revaluations	-781	-2,835	4,711
	– Exchange rate differences and other	1,134	447	813
Taxation paid		-2,754	-2,700	-1,474
Changes in:	– Loans and advances to banks, not available on demand	-7,736	12,693	-5,837
	– Deposits from banks, not payable on demand	-7,818	-31,804	-26,976
	– Trading assets	-12,663	-3,359	-5,489
	– Trading liabilities	-1,964	-1,869	11,975
	– Loans and advances to customers	-34,401	-5,816	-19,297
	– Customer deposits	41,090	8,513	25,057
	– Non-trading derivatives	-54	2,409	-5,469
	– Assets designated at fair value through profit or loss	40	260	45
	– Assets mandatorily at fair value through profit or loss	274	-7,402	-4,143
	– Other assets	263	1,727	-2,866
	– Other financial liabilities at fair value through profit or loss	-7,800	4,391	9,886
	– Provisions and other liabilities	-542	2,320	-123
Net cash flow from/(used in) operating activities		**-22,544**	**-11,340**	**-11,112**
Cash flows from investing activities				
Investments and advances:	– Associates and joint ventures	-26	-55	-48
	– Financial assets at fair value through other comprehensive income	-21,091	-19,995	-18,806
	– Securities at amortised cost[1]	-110,052	-49,614	-24,651
	– Property and equipment	-332	-246	-231
	– Other investments	-383	-310	-198
Disposals and redemptions:	– Associates and joint ventures	107	164	58
	– Disposal of subsidiaries, net of cash disposed	0	0	7
	– Financial assets at fair value through other comprehensive income	16,949	11,913	14,526
	– Securities at amortised cost[1]	108,732	49,525	23,943
	– Property and equipment	50	57	83
	– Other investments	13	15	10
Net cash flow from/(used in) investing activities		**-6,033**	**-8,545**	**-5,307**
Cash flows from financing activities				
Proceeds from debt securities[1]		124,701	116,436	92,707
Repayments of debt securities[1]		-113,014	-90,574	-82,844
Proceeds from issuance of subordinated loans		4,603	2,225	983
Repayments of subordinated loans		-2,931	-2,894	-1,090
Repayments of principal portion of lease liabilities		-290	-291	-296
Purchase/sale of treasury shares		-3,817	-3,531	-1,717
Dividends paid		-3,879	-2,967	-3,093
Other financing		0	0	0
Net cash flow from/(used in) financing activities		**5,374**	**18,404**	**4,649**
Net cash flow		**-23,203**	**-1,481**	**-11,770**
Cash and cash equivalents at beginning of year		93,012	95,391	107,665
Effect of exchange rate changes on cash and cash equivalents		-740	-898	-504
Cash and cash equivalents at end of year		**69,069**	**93,012**	**95,391**

[1] Cash flows are reported on a gross basis and include investments and borrowings of short term securities.

Consolidated statement of cash flows – continued

Cash and cash equivalents			
in EUR million	2024	2023	2022
Treasury bills and other eligible bills included in securities at AC	37	0	1
Deposits from banks	-6,303	-5,132	-6,172
Loans and advances to banks	4,982	7,931	13,948
Cash and balances with central banks	70,353	90,214	87,614
Cash and cash equivalents at end of year	**69,069**	**93,012**	**95,391**

Cash and cash equivalents include deposits from banks and loans and advances to banks that are payable on demand.

Included in Cash and cash equivalents are minimum mandatory reserve deposits held at various central banks. Reference is made to Note 38 'Transfer of financial assets, assets pledged and received as collateral' for restrictions on Cash and balances with central banks. References relate to the accompanying notes. These are an integral part of the Consolidated financial statements.

Changes in liabilities arising from financing activities									
	Debt securities in issue			Subordinated Loans			Lease liabilities		
in EUR million	2024	2023	2022	2024	2023	2022	2024	2023	2022
Opening balance	124,670	95,918	91,784	15,401	15,786	16,715	1,162	1,174	1,220
Cash flows:									
Additions	124,701	116,436	92,707	4,603	2,225	983			
Redemptions / Disposals	-113,014	-90,574	-82,844	-2,931	-2,894	-1,090	-290	-291	-296
Non cash changes:									
Amortisation	1,098	764	312	28	34	30	27	28	15
Other	261	502	39	24	12	7	212	256	239
Changes in unrealised revaluations	1,139	2,680	-7,658	188	473	-1,470			
Foreign exchange movement	3,512	-1,057	1,577	565	-235	611	5	-4	-4
Closing balance	**142,367**	**124,670**	**95,918**	**17,878**	**15,401**	**15,786**	**1,116**	**1,162**	**1,174**

Part of Debt securities in issue and subordinated loans are subject to fair value hedge accounting. Hence, changes in unrealised revaluations represent fair value adjustments to the hedged item attributable to the hedged interest rate risk. Reference is made to the paragraph 'fair value hedge accounting' in Note 35 'Derivatives and hedge accounting'.

The table below presents the Interest and dividend received and paid.

in EUR million	2024	2023	2022
Interest received	57,200	51,029	28,105
Interest paid	-41,191	-33,734	-14,193
	16,009	**17,295**	**13,911**
Dividend received	235	205	229
Dividend paid	-3,879	-2,967	-3,093

Dividends received from associates and joint ventures are included in investing activities; interest received, interest paid and other dividends received are included in operating activities; and dividend paid is included in financing activities in the Consolidated statement of cash flows.

Notes to the Consolidated financial statements

1 Basis of preparation and material accounting policy information

1.1 Reporting entity and authorisation of the Consolidated financial statements

ING Groep N.V. (Naamloze Vennootschap) is a company domiciled in Amsterdam, the Netherlands. Commercial Register of Amsterdam, number 33231073. These Consolidated financial statements, as at and for the year ended 31 December 2024, comprise ING Groep N.V. (the Parent company) and its subsidiaries, together referred to as ING Group. ING Group is a global financial institution with a strong European base, offering a wide range of retail and wholesale banking services to customers.

The ING Group Consolidated financial statements, as at and for the year ended 31 December 2024, were authorised for issue in accordance with a resolution of the Executive Board on 3 March 2025. The Executive Board has the power to amend the financial statements as long as these are not adopted by the General Meeting of Shareholders. The General Meeting of Shareholders may decide not to adopt the financial statements, but may not amend these.

1.2 Basis of preparation of the Consolidated financial statements

The ING Group Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the relevant articles of Part 9 of Book 2 of the Dutch Civil Code.

IFRS as adopted by the EU are IFRS Standards and IFRS Interpretations as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC) with some limited modifications such as the temporary 'carve-out' from IAS 39 'Financial Instruments: Recognition and Measurement' (herein referred to as IFRS).

Under the EU carve-out, ING Group applies fair value hedge accounting to portfolio hedges of interest rate risk (macro hedging). For more information, reference is made to paragraph 1.5.4 'Derivatives and hedge accounting' of this note and to Note 35 'Derivatives and hedge accounting'.

The ING Group Consolidated financial statements have been prepared on a going concern basis and there are no significant doubts about the ability of ING Group to continue as a going concern.

The Consolidated financial statements are presented in euros and rounded to the nearest million, unless stated otherwise. Amounts may not add up due to rounding.

1.2.1 Presentation of Risk management disclosures

To improve transparency, reduce duplication, and present related information in one place, certain disclosures of the nature and extent of risks related to financial instruments required by IFRS 7 'Financial instruments: Disclosures' are included in the 'Risk management' section of the Annual Report.

These disclosures are an integral part of ING Group Consolidated financial statements and are indicated in the 'Risk management' section by the symbol (*). Chapters, paragraphs, graphs or tables within the 'Risk management' section that are indicated with this symbol in the respective headings or table header are considered to be an integral part of the Consolidated financial statements.

1.3 Changes to accounting policies and presentation

ING Group has consistently applied its accounting policies to all periods presented in these Consolidated financial statements. In 2024, ING Group updated the presentation of the Consolidated statement of changes in equity to simplify its structure and reduce duplication. Comparative figures have been updated accordingly. Furthermore, presentation in 'Note 30 Segments' was updated to reflect the clarified requirements for segment disclosures as issued by the IFRIC in an agenda decision issued in July 2024.

1.3.1 Changes in IFRS effective in 2024

The following amendments to IFRS became effective in the current reporting period (and have been EU endorsed) with no significant impact for ING Group:

- Amendments to IFRS 16 'Leases': Lease Liability in a Sale and Leaseback (issued in September 2022).
- Amendments to IAS 1 'Presentation of Financial Statements': Classification of Liabilities as Current or Non-current (issued in January 2020) and Non-current liabilities with Covenants (issued in October 2022).
- Amendments to IAS 7 'Statement of Cash flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements (issued in May 2023).

1.3.2 Upcoming changes in IFRS after 2024

ING Group has not early adopted any of the following Standards, interpretations or amendments that have been issued but are not yet effective, and is assessing their potential impact on the Group.

Effective in 2025 (endorsed by the EU):

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates': Lack of Exchangeability (issued in August 2023).

The implementation of the above amendments is expected to have no significant impact on ING Group's Consolidated financial statements when they become effective.

Effective in 2026 (not yet endorsed by the EU):

- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosure': Classification and Measurement of Financial Instruments (issued in May 2024).
- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosure': Contracts Referencing Nature-dependent Electricity (issued in December 2024).
- Annual Improvements to IFRS Accounting Standards: Volume 11 (issued in July 2024).

Effective in 2027 (not yet endorsed by the EU):

- New Standard IFRS 18 'Presentation and Disclosure in Financial Statements' (issued in April 2024).

In addition, in May 2024, the IASB also issued a new accounting Standard IFRS 19 'Subsidiaries without Public Accountability: Disclosures'. However, it is not applicable for the consolidated financial statements of ING Group.

1.4 Significant judgements and critical accounting estimates and assumptions

The preparation of the Consolidated financial statements requires management to make judgements in the process of applying its accounting policies and to use estimates and assumptions. The estimates and assumptions affect the reported amounts of the assets and liabilities and the amounts of the contingent assets and contingent liabilities at the balance sheet date, as well as reported income and expenses for the year. The actual outcome may differ from these estimates. The process of setting assumptions is subject to internal control procedures and approvals.

ING Group has identified areas that require management to make significant judgements and use critical accounting estimates and assumptions based on the information and financial data that may or may not change in future periods. These areas are:

- Loan loss provisions (financial assets) (refer to Note 1.5.6 'Impairment of financial assets');
- The determination of the fair values of financial assets and liabilities (refer to Note 1.5.3 for 'Fair values of financial assets and liabilities');
- Investment in associate - assessment of additional impairment losses or reversal of previous impairment losses (refer to Note 1.10 'Investments in associates and joint ventures); and
- Provisions (refer to Note 1.15 'Provisions, contingent liabilities and contingent assets').

In March 2024 ING repaid the final EUR 6 billion of its Targeted Longer-Term Refinancing Operations (TLTRO) III participation. As a result, accounting for TLTRO is no longer an area of significant judgement in 2024, while it was as such in 2023 and 2022.

1.5 Financial instruments

ING Group applies IFRS 9 'Financial Instruments' to the recognition, classification and measurement, and derecognition of financial assets and financial liabilities and the impairment of financial assets. ING Group applies the requirements of IAS 39 'Financial Instruments: Recognition and Measurement' for hedge accounting purposes.

1.5.1 Recognition and derecognition of financial instruments

Recognition of financial assets

Financial assets are recognised in the balance sheet when ING Group becomes a party to the contractual provisions of the instrument. For a regular way purchase or sale of a financial asset, trade date and settlement date accounting is applied, depending on the classification of the financial asset.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where ING Group has transferred the rights to receive the cash flows from the financial asset or assumed an obligation to pass on the cash flows and has transferred substantially all the risks and rewards of the asset. If ING Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it derecognises the financial asset if it no longer has control over the asset. The difference between the carrying amount of a financial asset that has been derecognised and the consideration received is recognised in profit or loss.

Recognition of financial liabilities

Financial liabilities are recognised on the date that the entity becomes a party to the contractual provisions of the instrument.

Derecognition of financial liabilities

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in profit or loss.

1.5.2 Classification and measurement of financial instruments

Financial assets

ING Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss); and
- those to be measured at amortised cost (AC).

At initial recognition, ING Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss (FVPL) are expensed in the statement of profit or loss.

Financial assets - Debt instruments

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows at initial recognition.

Business models

Business models are classified as Hold to Collect (HtC), Hold to Collect and Sell (HtC&S) or Other depending on how a portfolio of financial instruments as a whole is managed. ING Group's business models are based on the existing management structure of the bank, and refined based on an analysis of how businesses are evaluated and reported, how their specific business risks are managed, and on historic and expected future sales. Sales are permissible in a HtC business model when these are due to an increase in credit risk, take place close to the maturity date (where the proceeds from the sales approximate the collection of the remaining contractual cash flows), are insignificant in value (both individually and in aggregate) or are infrequent.

Contractual cash flows Solely Payments of Principal and Interest (SPPI)

The contractual cash flows of a financial asset are assessed to determine whether they represent SPPI. Interest includes consideration for the time value of money, credit risk and for other basic lending risks such as consideration for liquidity risk and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

In assessing whether the contractual cash flows are SPPI, ING Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Based on the entity's business model for managing the financial assets and the contractual terms of the cash flows, there are three measurement categories into which ING Group classifies its debt instruments:

- Amortised Cost (AC):
  Debt instruments that are held for collection of contractual cash flows under a HtC business model where those cash flows represent SPPI are measured at AC. Interest income from these financial assets is included in Interest income using the Effective Interest Rate (EIR) method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVOCI:
  Debt instruments that are held for collection of contractual cash flows and for selling the financial assets under a HtC&S business model, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are recognised in OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in Investment income or Other net income, based on the specific characteristics of the business model. Interest income from these financial assets is included in Interest income using the EIR method. Impairment losses are presented as a separate line item in the statement of profit or loss.
- FVPL:
  Debt instruments that do not meet the criteria for AC or FVOCI are measured at FVPL. This includes debt instruments that are held-for-trading (presented separately as Trading assets) and all other debt instruments that do not meet the criteria for AC or FVOCI (presented separately as Mandatorily at FVPL). ING Group may in some cases, on initial recognition, irrevocably designate a financial asset as classified and measured at FVPL. This is the case where doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise on assets measured at AC or FVOCI. Fair value movements on trading securities, trading loans and deposits (mainly reverse repo's) are presented fully within valuation result and net trading income. This also includes interest. The interest arising on financial assets designated as at FVPL is recognised in profit or loss and presented within Other interest income or Other interest expense in the period in which it arises. The interest arising on a debt instrument that is part of a hedge relationship, but not subject to hedge accounting, is recognised in profit or loss and presented within Other interest income or Other interest expense in the period in which it arises.

ING Group reclassifies debt instruments if, and only if, its business model for managing those financial assets changes. Such changes in business models are expected to be very infrequent. There have been no reclassifications during the reporting period.

Financial assets – Equity instruments

All equity investments are measured at fair value. ING Group applies the fair value through OCI option to investments which are considered strategic, consisting of investments that add value to ING Group's core banking activities.

There is no subsequent recycling of fair value gains and losses to profit or loss following the derecognition of investments if elected to be classified and measured as FVOCI. However, the cumulative gain or loss is transferred within equity to retained earnings on derecognition of such equity instruments. Dividends from such investments continue to be recognised in profit or loss as Investment income when ING Group's right to receive payments is established. Impairment requirements are not applicable to equity investments classified and measured as FVOCI.

Other remaining equity investments are measured at FVPL. All changes in the fair value are recognised in Valuation result and Net trading income in the Consolidated statement of profit or loss.

Financial liabilities

Financial liabilities are classified and subsequently measured at AC, except for financial guarantee contracts, derivatives and liabilities designated at FVPL. Financial liabilities classified and measured at FVPL are presented as follows:

- the amount of change in the fair value that is attributable to changes in own credit risk of the liability designated at FVPL is presented in OCI. Upon derecognition this Debit Valuation Adjustment (DVA) impact does not recycle from OCI to profit or loss;
- the remaining amount of change in the fair value is presented in profit or loss in 'Valuation results and net trading income'. Interest on financial liabilities at FVPL is also recognised in the valuation result, except for items voluntarily designated as FVPL, for which interest is presented within 'Other interest income (expense)'.

A financial guarantee contract is a contract that requires ING Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Such a contract is initially recognised at fair value and is subsequently measured at the higher of (a) the amount determined in accordance with impairment provisions of IFRS 9 'Financial instruments' (see section 'Impairment of financial assets') and (b) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition principle of IFRS 15 'Revenue from contracts with customers'.

Repurchase transactions and reverse repurchase transactions

Securities sold subject to repurchase agreements (repo's), securities lending and similar agreements continue to be recognised in the Consolidated statement of financial position. The counterparty liability is measured at FVPL (designated) and included in Other financial liabilities at FVPL if the asset is measured at FVPL. Otherwise, the counterparty liability is included in Deposits from banks, Customer deposits, or Trading, as appropriate.

Securities purchased under agreements to resell (reverse repos), securities borrowings and similar agreements are not recognised in the Consolidated statement of financial position. The consideration paid to purchase securities is recognised as Loans and advances to customers, Loans and advances to banks, Other financial assets at FVPL or Trading assets, as appropriate. The difference between the sale and repurchase price is treated as interest and amortised over the life of the agreement using the effective interest method for instruments that are not measured at FVPL.

1.5.3 Fair values of financial assets and liabilities

All financial assets and liabilities are recognised initially at fair value. The fair value of a financial instrument on initial recognition is generally its transaction price (that is, the fair value of the consideration given or received). However, if there is a material difference between the transaction price and the fair value of financial instruments whose fair value is based on a valuation technique using significant unobservable inputs, the entire 'day one' difference (a 'Day One Profit or Loss') is deferred. ING Group defers the Day One Profit or Loss relating to financial instruments classified as Level 3 and financial instruments with material unobservable inputs into CVA which are not necessarily classified as Level 3. The deferred Day One Profit or Loss is recognised in the statement of profit or loss over the life of the transaction until the transaction matures, or until the significant unobservable inputs become observable, or until the significant unobservable inputs become non-significant. In all other cases, ING Group recognises the difference as a gain or loss at inception.

Subsequently, except for financial assets and financial liabilities measured at amortised cost, all the other financial assets and liabilities are measured at fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It assumes that market participants would use and take into account the characteristics of the asset or liability when pricing the asset or liability. Fair values of financial assets and liabilities are based on unadjusted quoted market prices where available. Such quoted market prices are primarily obtained from exchange prices for listed financial instruments. Where an exchange price is not available, quoted prices in an active market may be obtained from independent market vendors, brokers, or market makers. In general, positions are valued at the bid price for a long position and at the offer price for a short position or are valued at the price within the bid-

offer spread that is most representative of fair value in the circumstances. In some cases where positions are marked at mid-market prices, a fair value adjustment is calculated.

For certain financial assets and liabilities, quoted market prices are not available. For such instruments, fair value is determined using valuation techniques. These range from discounting of cash flows to various valuation models, where relevant pricing factors including the market price of underlying reference instruments, market parameters (volatilities, correlations and credit ratings), and customer behaviour are taken into account. ING Group maximises the use of market observable inputs and minimises the use of unobservable inputs in determining the fair value. It can be subjective dependent on the significance of the unobservable input to the overall valuation. All valuation techniques used are subject to internal review and approval. Most data used in these valuation techniques are validated on a daily basis when possible.

When a group of financial assets and liabilities are managed on the basis of their net risk exposures, the fair value of a group of financial assets and liabilities are measured on a net portfolio level.

To include credit risk in fair value, ING Group applies both Credit and Debit Valuation Adjustments (CVA, DVA, also known as Bilateral Valuation Adjustments or BVA). Own issued debt and structured notes that are designated at FVPL are adjusted for ING Group's own credit risk by means of a DVA. To include the funding risk, ING Group applies an additional 'Funding Valuation Adjustment' (FVA) to the uncollateralised derivatives based on the market price of funding liquidity. ING Group also applies to certain positions other valuation adjustments to arrive at the fair value, such as Bid-Offer adjustments, Model Risk Adjustments and Collateral Valuation Adjustments (CollVA).

Significant judgements and critical accounting estimates and assumptions:

- Even if market prices are available, when markets are less liquid there may be a range of prices for the same security from different price sources. Selecting the most appropriate price requires judgement and could result in different estimates of fair value.
- Valuation techniques are subjective in nature and significant judgement is involved in establishing fair values for certain financial assets and liabilities. Valuation techniques involve various assumptions regarding pricing factors. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value.
- Price testing is performed to assess whether the process of valuation has led to an appropriate fair value of the position and to minimise the potential risks of economic losses due to incorrect or misused models.
- Assessing whether a market is active, and whether an input is observable and significant, requires judgement. ING Group categorises its financial instruments that are either measured in the statement of financial position at fair value or of which the fair value is disclosed, into a three-level hierarchy based on the observability and significance of the valuation inputs. The use of different approaches to assess whether a market is active, whether an input is observable, and whether an unobservable input is significant could produce different classification within the fair value hierarchy as well as potentially different deferral of the Day One Profit or Loss.
- Reference is made to Note 34 'Fair value of assets and liabilities' and to the 'Market risk' paragraph in the 'Risk management' section of the Annual Report for the basis of the determination of the fair value of financial instruments and related sensitivities.

1.5.4 Derivatives and hedge accounting

IFRS 9 includes an accounting policy choice to defer the adoption of IFRS 9 hedge accounting and to continue with hedge accounting under IAS 39. ING Group decided to exercise this accounting policy choice and did not adopt IFRS 9 hedge accounting as of 1 January 2018. Furthermore, ING Group applies fair value hedge accounting for portfolio hedges of interest rate risk (macro fair value hedges) in accordance with the EU carve-out version of IAS 39.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Fair values are obtained from quoted market prices in active markets, including market transactions and valuation techniques (such as discounted cash flow models and option pricing models), as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Fair value movements on derivatives are presented in profit or loss in 'Valuation result and net trading income', except for derivatives in either a formal hedge

relationship or so-called economic hedges that are not in a formal hedge accounting relationship where a component is presented separately in interest result in line with ING Group's risk management strategy.

Embedded derivatives are separated from financial liabilities and other non-financial contracts and accounted for as a derivative if, and only if:
1. the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
2. a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
3. the combined instrument is not measured at fair value with changes in fair value reported in profit or loss.

If an embedded derivative is separated, the host contract is accounted for as a similar free-standing contract.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. ING Group designates certain derivatives as hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge), hedges of highly probable future cash flows attributable to a recognised asset or liability or a forecast transaction (cash flow hedge), or hedges of a net investment in a foreign operation. Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

At the inception of the transaction, ING Group documents the relationship between hedging instruments and hedged items, its risk management objective, together with the methods selected to assess hedge effectiveness. ING Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items.

Fair value hedges
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit or loss, together with fair value adjustments to the hedged item attributable to the hedged risk. If the hedge relationship no longer meets the criteria for hedge accounting, the cumulative adjustment of the hedged item is, in the case of interest-bearing instruments, amortised through the statement of profit or loss over the remaining term of the original hedge or recognised directly when the hedged item is derecognised. For non-interest bearing instruments, the cumulative adjustment of the hedged item is recognised in the statement of profit or loss only when the hedged item is derecognised.

Cash flow hedges
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in the Other Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit or loss. Amounts accumulated in the Other Comprehensive Income are recycled to the statement of profit or loss in the periods in which the hedged item affects net result. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the Other Comprehensive Income at that time remains in the Other Comprehensive Income and is recognised when the forecast transaction is ultimately recognised in the statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in the Other Comprehensive Income is transferred immediately to the statement of profit or loss.

Net investment hedges
Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in the Other Comprehensive Income and the gain or loss relating to the ineffective portion is recognised immediately in the statement of profit or loss. Gains and losses accumulated in the Other Comprehensive Income are included in the statement of profit or loss when the foreign operation is disposed.

Benchmark rate reform – specific policies for hedges directly affected by the benchmark rate reform
As explained in the 'Impact of the benchmark rate reform' paragraph of the 'Risk management' section, a fundamental review of important interest rate benchmarks has been carried out, and is still ongoing for some of them (for instance, WIBOR).

Given that the benchmark rate reform may have various accounting implications, the IASB has undertaken a two-phase project. Phase 1 (issued in 2019) addresses those issues that affect financial reporting before the replacement of an existing benchmark. Phase 2 (issued in 2020) focuses on issues that may affect financial reporting when the existing benchmark rate is reformed or replaced.

Phase 1 amendments to IFRS allow ING Group to apply a set of temporary exceptions to continue hedge accounting even when there is uncertainty about contractual cash flows arising from the reform. Under these temporary exceptions, interbank-offered rates are assumed to continue unaltered for the purposes of hedge accounting until such time as the uncertainty is resolved.

More specifically, the following temporary reliefs are part of the Phase 1 amendments:

- Highly probable requirement for cash flow hedges
  When determining whether a forecast transaction is highly probable, it is assumed that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.
- Prospective assessment of hedge effectiveness
  When performing the prospective assessment it is assumed that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.
- Retrospective assessment of hedge effectiveness
  When performing the retrospective assessment, hedges are allowed to pass the assessment even if actual results are outside the 80-125% range, during the period of uncertainty arising from the benchmark rate reform.
- Designation of a component of an item as a hedged item
  For hedges of the benchmark component of interest rate risk affected by the reform, the separately identifiable requirement only needs to be demonstrated at the inception of such hedging relationships (including macro hedges).

The amendments are relevant given that ING Group hedges and applies hedge accounting to the benchmark interest rate exposure part of the benchmark rate reform. ING Group hedges are being progressively amended, where necessary, to incorporate the new benchmark rates. Temporary exceptions under Phase 1 continued to be relevant for ING Group as at 31 December 2024 (mainly for WIBOR hedges).

ING Group will completely cease to apply the amendments when this uncertainty is no longer present or when the hedging relationship is discontinued. Refer to note 'Risk management/ Impact of the benchmark rate reform' for the disclosures relating to the application of the amendments as part of Phase 1.

Phase 2 amendments require that hedge accounting continues on transition to risk free rates provided that the modifications made to financial instruments are those necessary to implement the benchmark rate reform and that the new basis for calculating cash flows is 'economically equivalent' to the previous basis. Particularly, Phase 2 amendments allow the continuation of hedging relationships, subject to amending their documentation to reflect changes in hedged instruments, hedging instruments, hedged risk, and/or the method for measuring effectiveness during the transition to the new benchmark rates. By applying these mandatory amendments, ING Group avoids hedge accounting discontinuations when modifying both hedged items and hedging instruments (and related hedge documentation) as a consequence of the benchmark rate reform that would otherwise be required in the absence of Phase 2 amendments. During 2024, Phase 2 continued to be relevant for ING Group when ING actually transitioned its financial instruments (designated in hedge accounting relationships) to the new benchmark rates.

More specifically, the following temporary reliefs are part of the Phase 2 amendments:
Relief from discontinuing hedging relationships

- Amendments in the hedge documentation as a consequence of changes required by the benchmark rate reform do not result in the discontinuation of the hedge relationship nor the designation of a new hedge relationship. The changes can be in the form of designating an alternative benchmark rate as a hedged risk, the description of the hedging instrument, the description of the hedged item, or the method to measure the effectiveness.
- When the hedged item is amended as a consequence of the benchmark rate reform (or if the hedge has previously been discontinued), amounts accumulated in the cash flow hedge reserve are deemed to be based on the Risk-Free Rate (RFR). This results in the release of the cash flow hedge reserve to profit or loss in the same period or periods in which the hedged cash flows that are now based on the RFR affect profit or loss.
- When the items within a designated group of hedged items are amended as a consequence of the benchmark rate reform, the hedging strategy remains and is not discontinued. As items within the hedged group transition at different times from the benchmark rates to RFRs, they are transferred to sub-groups of instruments that reference RFRs as the hedged risk. The existing benchmark rates remain designated as the hedged risk for the other sub-group of hedged items, until they are also updated to reference the new RFR. The usual hedge accounting requirements are applied to the hedge relationship in its entirety.
- For the assessment of retrospective hedge effectiveness, the cumulative fair value changes may be reset to zero when the exception to the retrospective assessment of the Phase 1 reliefs ends. This decision is made separately for each hedging relationship (i.e., on a hedge-by-hedge basis).
- Temporary relief from having to meet the separately identifiable requirement: a RFR is considered a separately identifiable risk component if it is reasonably expected to meet the separately identifiable requirement within 24 months from the date it is first designated as a non-contractually specified risk component (i.e. when the entity first designates the RFR as a non-contractually specified risk component). This relief applies to each RFR on a rate-by-rate basis.

As explained above, Phase 1 and Phase 2 benchmark rate amendments to IFRS provide specific hedge accounting reliefs that allow hedge accounting relationships to continue when the benchmark rate reform is ongoing. Phase 1 reliefs cease to apply when uncertainty arising from the benchmark rate reform is no longer present with respect to the timing and amount of the benchmark rate-based cash flows of the relevant instruments, or when the hedging instrument is discontinued. It is ING Group's policy to cease to apply Phase 1 reliefs when the applicable contract (either hedging instrument or hedged item) is actually modified. As a result, for these hedge accounting relationships the applicable Phase 1 reliefs ceased to apply and Phase 2 became applicable. Refer to note 'Risk management/Impact of the benchmark rate reform' for the disclosures relating to the application of the amendments as part of Phase 2.

Non-trading derivatives that do not qualify for hedge accounting

Derivative instruments that are used by ING Group as part of its risk management strategies, but which do not qualify for hedge accounting under ING Group's accounting policies, are presented as non-trading derivatives. Non-trading derivatives are measured at fair value with changes in the fair value taken to the statement of profit or loss.

1.5.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position, when ING Group has a current legally enforceable right to set off the recognised amounts and intends to either settle on a net basis or to realise the asset and settle the liability simultaneously. Offsetting is applied to derivatives, repurchase and reverse repurchase agreements and cash pooling agreements. A significant portion of offsetting is applied to derivatives and related cash margin balances, which are either directly cleared through central clearing parties or cleared through clearing members of central clearing parties. For more information, reference is made to Note 39 'Offsetting financial assets and liabilities'.

1.5.6 Impairment of financial assets

An Expected Credit Loss (ECL) model is applied to financial assets accounted for at AC or FVOCI such as loans, debt securities and lease receivables, as well as off-balance sheet items such as undrawn loan commitments, certain financial guarantees issued, and undrawn committed revolving credit facilities. Under the ECL model, ING Group calculates the ECL by considering on a discounted basis the cash shortfall it would incur in case of a default and multiplying the shortfall by the probability of a default occurring. The ECL is the sum of the probability-weighted outcomes. The ECL estimates are unbiased and include reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions. ECL is recognised on the balance sheet as loan loss provisions (LLP).

Three-stage approach

Financial assets are classified in one of the below three stages at each reporting date. A financial asset can move between Stages during its lifetime. The Stages are based on changes in credit quality since initial recognition and defined as follows:

- Stage 1
  Financial assets that have not had a significant increase in credit risk since initial recognition (i.e. no Stage 2 or 3 triggers apply). Assets are classified as Stage 1 upon initial recognition (with the exception of purchased or originated credit impaired (POCI) assets) and ECL is determined by the probability that a default occurs in the next 12 months (12 months ECL);
- Stage 2
  Financial assets showing a significant increase in credit risk since initial recognition. For assets in Stage 2, ECL reflects an estimate on the credit losses over the remaining maturity of the asset (lifetime ECL); or
- Stage 3
  Financial assets that are credit-impaired. Also for these assets, ECL is determined over the remaining maturity of the asset.

Significant increase in credit risk

ING Group established a framework, incorporating quantitative and qualitative indicators, to identify and assess significant increases in credit risk (SICR). This is used to determine the appropriate ECL Stage for each financial asset. Reference is made to the 'Criteria for identifying a significant increase in credit risk (SICR)' in the 'Risk management' section of the Annual Report.

An asset that is in Stage 2 will move back to Stage 1 when none of the above criteria are in place anymore. However, if the asset was moved to Stage 2 based on the forbearance status, then the asset stays in Stage 2 for at least 24 months. If the asset was classified as Stage 2 due to the '30 days past due' trigger, then the asset is moved back to Stage 1 only after three months from when the trigger no longer applies.

Credit-impaired financial assets (Stage 3)

Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment includes arrears of over 90 days on any material credit obligation, indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy or distressed restructuring. The definition of 'credit-impaired' under IFRS 9 (Stage 3) is aligned with the definition of 'default' used by ING Group for internal risk management purposes, which is also the definition used for regulatory purposes.

An asset (other than a POCI asset) that is in Stage 3 will move back to Stage 2 when, as at the reporting date, it is no longer considered to be credit-impaired, subject to certain probation periods. The asset will migrate back to Stage 1 when its credit risk at the reporting date is no longer considered to have increased significantly since initial recognition.

Macroeconomic scenarios

ING Group has established a quarterly process whereby forward-looking macroeconomics scenarios and probability weightings are developed for the purpose of ECL. ING Group applies data predominantly from a leading service provider enriched with the internal ING Group view. A baseline, up-scenario and down-scenario are determined to reflect an unbiased and probability-weighted ECL amount. As a baseline scenario, ING Group applies the market-neutral view combining consensus forecasts for economic variables such as unemployment rates, GDP growth, house prices, commodity prices, and short-term interest rates. Applying market consensus in the baseline scenario ensures unbiased estimates of the expected credit losses.

The alternative scenarios are based on observed forecast errors in the past, adjusted for the risks affecting the economy today and the forecast horizon. The probabilities assigned are based on the likelihoods of observing the three scenarios and are derived from confidence intervals on a probability distribution. The forecasts for the economic variables are adjusted on a quarterly basis.

The probability weights applied to each of the three scenarios
ING Group uses three macroeconomic scenarios when determining IFRS 9 ECL (baseline, upside and downside). The management approach used to determine the weights of each scenario and in selecting the parts of the distribution of forecast errors from which the weights are derived is disclosed in the 'Alternative Scenarios and Probability Weights' section. Additionally, this approach is detailed in the sensitivity analysis within the 'Risk Management' section of the Annual Report.

Measurement of ECL
ING Group applies a collective assessment method to measure ECL for Stage 1, Stage 2, and certain Stage 3 assets. Other credit-impaired assets subject to ECL measurement apply the individual assessment method.

Collectively assessed assets (Stages 1 to 3)
For collective assessed assets, ING Group applies a model-based approach. ECL is determined by, expressed simplistically, multiplying the probability of default (PD) with the loss given default (LGD) and exposure at default (EAD), adjusted for the time value of money. Assets that are collectively assessed are grouped on the basis of similar credit-risk characteristics, taking into account the loan type, industry, geographic location, collateral type, past due status and other relevant factors. These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated and the loss in case the debtor is not able to pay all amounts due.

For Stage 3 assets, the PD equals 100% and the LGD and EAD represent a lifetime view of the losses based on characteristics of defaulted facilities.

For the measurement of ECL, ING Group's expected credit loss models (PD, LGD, EAD) used for regulatory purposes have been adjusted. These adjustments include removing embedded prudential conservatism (such as floors) and converted through-the-cycle estimates to point-in-time estimates. The models assess ECL on the basis of forward-looking macroeconomic forecasts and other inputs. For most financial assets, the expected life is limited to the remaining maturity. For overdrafts and certain revolving credit facilities, such as credit cards, the maturity is estimated based on historical data as these do not have a fixed term or repayment schedule.

Individually assessed assets (Stage 3)
ING Group estimates ECL for individually significant credit-impaired financial assets within Stage 3 on an individual basis. ECL for these Individually assessed assets are determined using the discounted expected future cash flow method. To determine expected future cash flows, one or more scenarios are used. Each scenario is analysed based on the probability of occurrence and includes forward-looking information.

In determining the scenarios, all relevant factors impacting the future cash flows are taken into account. These include expected developments in credit quality, business and economic forecasts, and estimates of if/when recoveries will occur, taking into account ING Group's restructuring/recovery strategy.

The best estimate of ECL is calculated as the weighted-average of the shortfall (gross carrying amount minus discounted expected future cash flow using the original EIR) per scenario, based on best estimates of expected future cash flows. Recoveries can arise from, among other things, the repayment of the loan, collateral recovery and the sale of the asset. Cash flows from collateral and other credit enhancements are included in the measurement of ECL of the related financial asset when it is part of or integral to the contractual terms of the financial asset and the credit enhancement is not recognised separately. For the individual assessment, with granular (company- or asset-specific) scenarios, specific factors can have a larger impact on the future cash flows than macroeconomic factors.

When a financial asset is credit-impaired, interest income is no longer recognised based on the gross carrying amount of the asset. Instead, interest income is calculated by applying the original effective interest rate to the amortised cost of the asset, which is the gross carrying amount less the related loan loss provision.

Purchased or Originated Credit Impaired (POCI) assets
POCI assets are financial assets that are credit-impaired on initial recognition. Impairment on a POCI asset is determined based on lifetime ECL from initial recognition. POCI assets are recognised initially at an amount net of ECL and are measured at AC using a credit-adjusted effective interest rate. In subsequent periods, any changes to the estimated lifetime ECL are recognised in profit or loss. Favourable changes are recognised as an impairment gain if the lifetime ECL at the reporting date is lower than the estimated lifetime ECL at origination.

Write-off and debt forgiveness
Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovery and/or collectability of amounts due. The following events can lead to a write-off:

- After a restructuring has been completed and there is a high improbability of recovery of part of the remaining loan exposure (including partial debt forgiveness);
- In a bankruptcy liquidation scenario;
- After divestment or sale of a credit facility at a discount; and
- Specific fraud cases with no recourse options.

When a loan is uncollectable, it is written off against the related loan loss provision. Subsequent recoveries of amounts previously written off are recognised in 'Addition to loan loss provisions' in the Consolidated statement of profit or loss.

Debt forgiveness (or debt settlement) involves write-off, but also involves the forgiveness of a legal obligation, in whole or in part. This means that ING Group forfeits the legal right to recover the debt. As a result, the financial asset needs to be derecognised.

Presentation of ECL

ECL for financial assets measured at AC is deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the ECL is recognised in OCI, instead of deducting it from the carrying amount of the asset. ECL also reflects any credit losses related to the portion of the loan commitment that is expected to be drawn down over the remaining life of the instrument. The ECL on issued financial guarantee contracts, in scope of IFRS 9 and not measured at FVPL, is recognised as liabilities and presented in Other provisions. ECL are presented in profit or loss in Addition to loan loss provision.

Significant judgements and critical accounting estimates and assumptions:

The calculation of ECL requires a number of judgements and estimates. In particular:

- ING Group makes various assumptions about the **risk of default, the credit loss rates in case of a default and expected future cash flows**. For collective provisions, ING Group applies significant judgement when estimating modelled parameters such as PD, LGD and EAD, including the selection and calibration of relevant models. For Stage 3 individual provisioning, the determination and probabilities of restructuring and recovery scenarios, as well as the amount and timing of expected future cash flows, may be particularly subjective.

- **Forward-looking macroeconomic scenarios** used in impairment assessments are uncertain in nature. The use of alternate forward-looking macroeconomic scenarios can produce significantly different estimates of ECL. This is demonstrated in the sensitivity analysis in the 'Risk Management' section of the annual report, where the un-weighted ECL under each of the three scenarios for some significant portfolios is disclosed.

- When determining whether the credit risk on a financial asset has increased significantly **(criteria for identifying a significant increase in credit risk)**, ING Group considers reasonable and supportable information to compare the risk of default occurring at reporting date with the risk of a default occurring at initial recognition of the financial asset. Whilst judgement is required in applying a PD rating to each financial asset, there is significant judgement used in determining the Stage allocation PD banding thresholds. The process of comparing a financial asset's PD with the PD banding thresholds determines its ECL Stage. Assets in Stage 1 are allocated a 12-month ECL, and those in Stage 2 are allocated a lifetime ECL, and the difference is often significant. As such, the judgement made in assigning financial asset PDs and the PD banding thresholds constitutes a significant judgement. Analysis of the sensitivity associated with the assessment of a significant increase in credit risk is presented in the 'Risk Management' section of the Annual Report.

- Judgement is exercised in management's evaluation of whether there is objective evidence that exposures are credit-impaired.

- To reflect the risks that are not properly captured by the ECL models (including climate risk), a number of **management adjustments to the model-based ECL** were necessary as at 31 December 2024, which required significant judgement. Reference is made to the 'Management adjustments applied this reporting period' paragraph in the 'Risk management' section of the Annual Report.

1.5.7 Modification of financial instruments

In certain circumstances, ING Group grants borrowers postponement, reduction of loan principal and/or interest payments on a temporary period of time to maximise collection opportunities, and if possible, avoid default, foreclosure, or repossession. When such postponement, reduction of loan principal and/or interest payments are executed based on credit concerns, they are also referred to as forbearance (refer to the 'Risk Management' section of the Annual Report for more details) and require analysis on whether the contractual terms have been substantially modified or not. A similar assessment is needed when contractual terms are modified for reasons other than forbearance.

ING Group determines whether there has been a substantial modification using both quantitative and qualitative factors. If the modification results in a substantial modification of the terms of the loan, the original loan is derecognised and a new loan is recognised at fair value at the modification date. In case of a non-substantial modification, a modification gain or loss is recognised in profit or loss.

Benchmark rate reform – specific policies for modifications necessary to implement the benchmark rate reform

As explained in the 'Benchmark rate reform – specific policies for hedges directly affected by the benchmark rate reform' paragraph of section '1.5.4 Derivatives and hedge accounting', given that the benchmark rate reform may have various accounting implications, the IASB undertook a two-phase project. Apart from hedge accounting, Phase 2 amendments to IFRS relate to accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities due to the benchmark rate reform. Specifically, Phase 2 amendments require that the effective interest rate on debt financial instruments is adjusted, but only to the extent that the modifications made to financial instruments are those necessary to implement the benchmark rate reform and that the new basis for calculating cash flows is 'economically equivalent' to the previous basis. By applying these mandatory amendments, ING Group avoids recognising modification gains and losses on debt instruments that would otherwise be required in the absence of Phase 2 amendments (changes to debt instruments resulting from the benchmark rate reform are treated as a reset to the instrument's variable interest rate). Refer to note 'Risk management/Impact of the benchmark rate reform' for the disclosures relating to the application of the amendments as part of Phase 2.

1.5.8 Accounting for Targeted Longer-Term Refinancing Operations (TLTRO)

ING Group participated in the Targeted Longer-Term Refinancing Operations (TLTRO III), which mainly affected comparative periods as, in March 2024, ING repaid the final EUR 6 billion of its TLTRO III participation. ING Group considered TLTRO funding provided by the ECB to banks to be on market terms on the basis that the ECB has established a separate market with TLTRO programmes. They have specific terms which are different from other sources of funding available to banks, including those provided by the ECB. Consequently, the rate under TLTRO was considered to be a market conforming rate and TLTRO funding was recognised fully as a financial liability.

ING Group interpreted the whole rate set by the ECB under TLTRO as a floating rate on the financial liability, being the market rate for each specific period in time. This resulted in discrete rates for discrete interest periods over the life of TLTRO. The change in the applicable rate between interest periods was seen as a change in the floating rate and was accounted for prospectively. Similarly, if the ECB announced changes in the rate for the amounts already drawn under the existing TLTRO, then such changes also represented a change in a floating rate. Following this, such changes led to the recognition of an increased/decreased interest in the relevant period of life of the exposure, rather than by the recognition of an immediate modification gain or loss at the moment of the change of terms by the ECB. If the change related to the periods already passed, the impact for those past periods was recognised in profit or loss immediately. Reference is made to Note 12 'Deposits from banks' and to Note 20 'Net interest income' for the presentation of ING Group's participation in TLTRO programmes.

1.6 Consolidation

ING Group comprises ING Groep N.V. (the Parent Company), ING Bank N.V. and all other subsidiaries. Subsidiaries are entities controlled by ING Groep N.V. Control exists if ING Groep N.V. is exposed to or has rights to variable returns and has the ability to affect those returns through the power over the subsidiary.

For interests in structured entities, the existence of control requires judgement as these entities are designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. This judgement includes, for example, the involvement in the design of the structured entity, contractual arrangements that give rights to direct the structured entities' relevant activities and commitment to ensure that the structured entity operates as designed.

Transactions between ING Groep N.V. and its subsidiaries are eliminated on consolidation. Reference is made to Note 44 'Principal subsidiaries, investments in associates and joint ventures' for a list of principal subsidiaries and their statutory place of incorporation. A description of ING's activities involving structured entities is included in Note 44 'Structured entities'.

A list containing the information referred to in Section 379 (1), Book 2 of the Dutch Civil Code has been filed with the office of the Commercial Register of Amsterdam, in accordance with Section 379 (5), Book 2 of the Dutch Civil Code.

ING Groep N.V. and its Dutch group companies are subject to legal restrictions regarding the amount of dividends they can pay to their shareholders. The Dutch Civil Code contains the restriction that dividends can only be paid up to an amount equal to the excess of the company's own funds over the sum of the paid-up capital and reserves required by law. Certain Group companies are also subject to other restrictions in certain countries, in addition to the restrictions on the amount of funds that may be transferred in the form of dividends, or otherwise, to the parent company.

Furthermore, in addition to the restrictions regarding the minimum capital requirements that are imposed by industry regulators in the countries in which the subsidiaries operate, other limitations exist in certain countries.

1.7 Segment reporting

An operating segment is a distinguishable component of ING Group, engaged in providing products or services, whose operating results are regularly reviewed by the Executive Board of ING Group and the Management Board Banking (together they make up the Chief Operating Decision Maker (CODM)) who decide which resources to allocate to the segment and assess its performance. A geographical area is a distinguishable component of ING Group engaged in providing products or services within a particular economic environment that is subject to risks and returns that differ from those of segments operating in other economic environments.

The CODM reviews and assesses ING Group's performance primarily by line of business. As a result, ING identified five operating segments which are also disclosed as reportable segments. Additionally, the CODM receives information by geographical area based on the location of the office where transactions originate.

1.8 Hyperinflation accounting

Since the second quarter of 2022, Türkiye has been considered a hyperinflationary economy for accounting purposes. As ING Group has a subsidiary in Türkiye, ING Group has applied IAS 29 'Financial Reporting in Hyperinflationary Economies' to its operations since 2022 as if the economy in Türkiye had always been hyperinflationary. Given that ING Group presents its results in EUR, comparatives do not get restated. As a result, the impact of the first-time application of IAS 29, as well as the effect for that year, were both recognised in 2022. IAS 29 continued to be relevant for ING's operations in Türkiye in 2023 and 2024. Under IAS 29, the results of the operations in Türkiye should be stated in terms of the current purchasing power at the reporting date. For that, the consumer price index (CPI) as determined by the Turkish Statistical Institute was used. The CPI for Türkiye (2003=100) at 31 December 2024 was 2,684.55, at 31 December 2023 it was 1,859.38 and for 2022 it was 1,128.45 (movement 2024: 44.38%; movement 2023: 64.77%, movement 2022: 64.27%). The effect of such restatement for inflation in the current period of the statement of comprehensive income and the balance sheet has been recognised in the statement of profit or loss within 'Other net income' as a 'Net monetary gain or loss'. The net monetary loss for the period represents the loss of purchasing power by the net monetary position (monetary assets exceeding monetary liabilities) of ING Türkiye.

After the application of the above restatement procedures in Turkish Lira under IAS 29, the financial position and the results for the period of ING Türkiye were translated and presented in EUR at the exchange rate on 31 December 2024. For the statement of comprehensive income this is in contrast with the usual translation procedures where items of comprehensive income are translated at the exchange rate at the date of transaction. Furthermore, ING Group chose to present both the restatement effect resulting from restating ING Group's interest in the equity of ING Türkiye as required by IAS 29, and the translation effect from translating at a closing rate that differs from the previous closing rate, in the Currency translation reserve.

1.9 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of ING Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Consolidated financial statements are presented in euros, which is ING Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Exchange rate differences resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in equity as part of qualifying cash flow hedges or qualifying net investment hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange rate differences on non-monetary items, measured at fair value through profit or loss, are reported as part of the fair value gain or loss. Non-monetary items are retranslated at the date the fair value is determined. Exchange rate differences on non-monetary items measured at fair value through other comprehensive income are included in other comprehensive income and get accumulated in the revaluation reserve in equity.

Exchange rate differences in the statement of profit or loss are generally included in 'Valuation results and net trading income'. Reference is made to Note 22 'Valuation results and net trading income', which discloses the amounts included in the statement of profit or loss. Exchange rate differences relating to the disposal of debt and FVPL equity securities are considered to be an inherent part of the capital gains and losses recognised in Investment income. As mentioned below, in Group companies relating to the disposals of group companies, any exchange rate difference deferred in equity is recognised in the statement of profit or loss in 'Result on disposal of group companies'. Reference is also made to Note 19 'Equity', which discloses the amounts included in the statement of profit or loss.

Group companies

The results and financial positions of all group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions). However, under hyperinflation accounting, income and expenses of ING Türkiye are translated at the closing rate; and
- All resulting exchange rate differences are recognised in a separate component of equity.

On consolidation, exchange rate differences arising from the translation of a monetary item that forms part of the net investment in a foreign operation, and of borrowings and other instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, the corresponding exchange rate differences are recognised in the statement of profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the balance sheet date.

1.10 Investments in associates and joint ventures

Associates are all entities over which ING Group has significant influence but not control. Significant influence is the ability to participate in the financial and operating policies of the investee. It generally results from a shareholding of between 20% and 50% of the voting rights or through situations including, but not limited to one or more of the following:

- Representation on the board of directors;
- Participation in the policymaking process; and
- Interchange of managerial personnel.

Joint ventures are entities over which ING Group has joint control.

Investments in associates and joint ventures are initially recognised at cost and subsequently accounted for using the equity method of accounting.

ING Group's investment in associates and joint ventures (net of any accumulated impairment loss) includes goodwill identified on acquisition. ING Group's share of its associates and joint ventures post-acquisition profits or losses is recognised in the statement of profit or loss, and its share of post-acquisition changes in reserves is recognised in equity. The cumulative post-acquisition changes are adjusted against the carrying amount of the investment. When ING Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any long-term interests in the associate like uncollateralised loans that are neither planned nor likely to be settled in the foreseeable future, ING Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Unrealised gains on transactions between ING Group and its associates and joint ventures are eliminated to the extent of ING Group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless they provide evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by ING Group.

The recoverable amount, being the higher of fair value less cost of disposal and value in use, of the investment in associate and joint venture is determined when there is an indication of potential (reversal of) impairment. An impairment loss is recognised when the carrying amount of the investment exceeds its recoverable amount. Goodwill on acquisitions of interests in associates and joint ventures is not tested separately for impairment, but is assessed as part of the carrying amount of the investment. An impairment loss is subsequently reversed if there is indication of a reversal and there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed to the extent that the recoverable amount exceeds its carrying amount, but cannot exceed the original impairment loss.

The reporting dates of certain associates and joint ventures can differ from the reporting date of the Group, but by no more than three months.

Significant judgements and critical accounting estimates and assumptions:

Identification of impairment indicators as well as indicators of potential reversal of previous impairments of ING Group's investment in TMBThanachart Bank Public Company Limited (hereafter: TTB), an associate, requires significant judgement. When there is objective evidence of impairment or indicators that prior period impairment losses no longer exist or may have decreased, value in use (VIU) needs to be determined. Estimation of VIU involves significant estimates and management assumptions. See Note 8 'Investments in associates and joint ventures'.

1.11 Property and equipment

Property in own use

Land and buildings held for own use are stated at fair value at the balance sheet date. Depreciation is recognised on a straight-line basis over the estimated useful life (in general 20–50 years). On disposal, the related revaluation reserve is transferred to retained earnings.

Equipment
Equipment is stated at cost less accumulated depreciation and any impairment losses. The cost of the assets is depreciated on a straight line basis over their estimated useful lives, which are generally as follows: two to five years for data processing equipment, and four to ten years for fixtures and fittings.

Disposals of property and equipment
The difference between the proceeds on disposal and net carrying value is recognised in the statement of profit or loss under Other net income.

Right-of-use assets
ING Group as the lessee
A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a corresponding liability representing its obligation to make lease payments at the date at which the leased asset is available for use by ING Group. Each lease payment is allocated between the repayment of the liability and finance cost. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received and any initial direct costs and restoration costs.

The right-of-use asset is included in the statement of financial position line-item 'Property and equipment'. The lease liability is included in the statement of financial position line-item 'Other liabilities'. Refer to Note 9 'Property and equipment' and to Note 16 'Other liabilities'.

Subsequent to initial recognition, the right-of-use asset amortises using a straight-line method to the income statement over the life of the lease. The lease liability increases for the accrual of interest and decreases when payments are made. Any remeasurement of the lease liability due to a lease modification or other reassessment results in a corresponding adjustment to the carrying amount of the right-of-use asset.

1.12 ING Group as lessor
When ING Group acts as a lessor, a distinction should be made between finance leases and operating leases. For ING Group as a lessor, these are mainly finance leases and are therefore not included in 'Property and equipment'. Instead, the present value of the lease payments is recognised as a receivable under Loans and advances to customers or Loans and advances to banks. The difference between the gross receivable and the present value of the receivable is unearned finance lease income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

1.13 Goodwill and other intangible assets
Impairment of goodwill and other non-financial assets
ING Group assesses at each reporting period whether there is an indication that a non-financial asset may be impaired. Irrespective of whether there is an indication of impairment, intangible assets with an indefinite useful life, including goodwill acquired in a business combination, and intangible assets not yet available for use, are tested annually for impairment. Goodwill is allocated to groups of cash generating units (CGUs) for the purpose of impairment testing. These groups of CGUs represent the lowest level at which goodwill is monitored for internal management purposes. Goodwill is tested for impairment by comparing the carrying value of the group of CGUs to the recoverable amount of that group of CGUs. Impairment of goodwill, if applicable, is included in the statement of profit or loss in Other operating expenses and is not subsequently reversed.

Computer software
Computer software that has been purchased or generated internally for own use is stated at cost less amortisation and any impairment losses. Amortisation is calculated on a straight-line basis over its useful life, which generally does not exceed five years. Amortisation is included in Other operating expenses.

1.14 Taxation
Income tax on the result for the year consists of current and deferred tax. Income tax is recognised in the statement of profit or loss but it is recognised directly in equity if the tax relates to items that are recognised directly in equity.

Uncertain tax positions are assessed continually by ING Group and in case it is probable that there will be a cash outflow, a current tax liability is recognised.

Deferred income tax
Deferred income tax is provided in full, using the liability method, for temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the Consolidated statement of financial position. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets and liabilities are not discounted.

Deferred tax assets are recognised when it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided for temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by ING Group and it is probable that the difference will not reverse in the foreseeable future. The tax effects of income-tax losses available for carry forward are recognised as an asset where it is probable that future taxable profits will be available, against which these losses can be utilised.

Fair value remeasurements of debt and equity instruments measured at FVOCI and cash flow hedges are recognised directly in equity. Deferred tax related to this fair value remeasurement is also recognised directly in equity and is subsequently recognised in the statement of profit or loss together with the deferred gain or loss.

1.15 Provisions, contingent liabilities and contingent assets

A provision is a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits. However, the timing or the amount is uncertain. Provisions are discounted when the effect of the time value of money is significant using a pre-tax discount rate.

Reorganisation provisions include employee termination benefits when ING Group is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

A liability is recognised for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the liability is recognised only upon reaching the specified minimum threshold.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ING Group, or a present obligation that arises from past events but is not recognised because it is either not probable that an outflow of economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the statement of financial position, but are rather disclosed in the notes unless the possibility of the outflow of economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ING Group. Contingent assets are recognised in the statement of financial position only when realisation of the income that arises from such an asset is virtually certain. Contingent assets are disclosed in the notes when an inflow of economic benefits is probable.

Significant judgements and critical accounting estimates and assumptions:

The recognition and measurement of provisions is an inherently uncertain process involving using judgement to determine when a present obligation exists and estimates regarding probability, amounts and timing of cash flows.

ING Group may become involved in governmental, regulatory, arbitration and legal proceedings and investigations, and may be subject to third-party claims. With or without reference to the above, ING Group may also offer compensation to certain of its customers. Judgement is required to assess whether a present obligation exists and to estimate the probability of an unfavourable outcome and the amount of potential loss. The degree of uncertainty and the method of making the accounting estimate depends on the individual case, its nature and complexity. Such cases are usually one of a kind. For the assessment of related provisions, ING Group consults with internal and external legal experts. Even taking into consideration legal experts' advice, the probability of an outflow of economic benefits can still be uncertain and the provision recognised can remain sensitive to the assumptions used. Reference is made to Note 15 'Provisions'. For proceedings where it is not possible to make a reliable estimate of the expected financial effect, that could result from the ultimate resolution of the proceedings, no provision is recognised, however disclosure is included in the financial statements, where relevant. Reference is made to Note 41 'Legal proceedings'.

Critical accounting estimates and assumptions for the reorganisation provision are in estimating the amounts and timing of cash flows as the announced transformation initiatives are implemented over a period of several years. Reference is made to Note 15 'Provisions'.

1.16 Irrevocable Payment Commitments on contributions to SRF and DGS

ING makes contributions to the Single Resolution Fund (SRF) and Deposit Guarantee Schemes (DGS). The annual contributions are paid in cash or, in some cases, partly using Irrevocable Payment Commitments (IPCs) that become payable if and when called. Cash contributions are accounted for as levies as described in section 1.15 above, while IPCs are disclosed as contingent liabilities in Note 41 'Contingent liabilities and commitments'. Cash collateral posted on IPCs to the SRF is accounted for as an interest bearing financial asset at amortised cost. Government bonds posted as collateral on IPCs to DGS continue to be recognised as assets of ING as securities at amortised cost.

1.17 Other liabilities

Defined benefit plans

The net defined benefit asset or liability recognised in the statement of financial position in respect of defined benefit pension plans is the fair value of the plan assets less the present value of the defined benefit obligation at the balance sheet date.

Changes in plan assets include mainly:

- Return on plan assets are recognised as staff costs in the statement of profit or loss. It is determined using a high quality corporate bond rate (identical to the discount rate used in determining the defined benefit obligation) at the start of the reporting period; and
- Remeasurements which are recognised in Other comprehensive income.

The defined benefit obligation is calculated by internal and external independent qualified actuaries through actuarial models and calculations using the projected unit credit method. This method considers expected future payments required to settle the obligation resulting from employee service in the current and prior periods, discounted using a high quality corporate bond rate. Inherent in these actuarial models are assumptions including discount rates, rates of increase in future salary and benefit levels, mortality rates, consumer price index and the expected level of indexation. The assumptions are based on available market data as well as management expectations and are updated regularly.

Changes in the defined benefit obligation include mainly:

- Service cost, which is recognised as staff costs in the statement of profit or loss;
- Interest expenses are recognised as staff costs in the Statement of profit or loss. It is determined using a high quality corporate bond rate at the start of the period;
- Remeasurements which are recognised in Other comprehensive income (equity) and not recycled to the Statement of profit or loss;
- Any past service cost relating to a plan amendment is recognised in profit or loss in the period of the plan amendment; and
- Gains and losses on curtailments and settlements are recognised in the Statement of profit or loss when the curtailment or settlement occurs.

The recognition of a net defined benefit asset in the Consolidated statement of financial position is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plans

For defined contribution plans, ING Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. ING Group has no further payment obligations once the contributions have been paid. The contributions are recognised as staff expenses in the profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Other post-employment obligations

Some group companies provide other post-employment benefits to former employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that for defined benefit pension plans.

1.18 Treasury shares

Treasury shares (own equity instruments bought back by ING Group or its subsidiaries) are deducted from Equity (Other reserves). No gain or loss is recognised in the statement of profit or loss when purchasing, selling or cancelling these shares. Treasury shares are not taken into account when calculating earnings per ordinary share or dividend per ordinary share as they are not considered to be outstanding.

Treasury shares can be purchased by ING as part of a share buyback programme. If a share buyback is executed by a broker and the agreement with the broker is irrevocable, ING has a contractual obligation to purchase its own shares that is unavoidable once it signs the agreement with the broker. This is the moment when ING recognises a financial liability measured at the present value of the redemption amount with a corresponding reduction in equity (Retained earnings). During the share buyback programme, ING settles this liability for the actual purchase price paid for the shares bought on a daily basis. Actual shares bought back and held by ING are presented as Treasury shares within Other reserves in equity.

1.19 Income recognition

Interest

Interest income and expense are recognised in the statement of profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, ING Group estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Interest results on instruments classified at Amortised Cost, assets measured at FVOCI and derivatives in a formal hedge accounting relationship are presented in 'Interest income (expense) using effective interest rate method'. Interest result on financial assets and liabilities voluntarily designated as at FVPL and derivatives in so-called economic hedges and instruments designated at fair value are presented in 'Other interest income (expense)'. Interest result on all other financial assets and liabilities at FVTPL is recognised in 'Valuation results and net trading income'.

Fees and commissions

Fees and commissions are generally recognised as the service is provided. Loan commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognised as an adjustment to the effective interest rate on the loan. Loan syndication fees are recognised as income when the performance obligation has been satisfied based on the particular contract and ING Group has retained no part of the loan package for itself or has retained a part at the same effective interest rate as the other participants. Commission and fees arising from negotiating, or participating in the negotiation of, a transaction for a third party – such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognised on completion of the underlying transaction. Portfolio and other management advisory and service fees are recognised based on the applicable service contracts as the service is provided. Asset management fees related to investment funds and investment contract fees are recognised on a pro-rata basis over the period the service is provided. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time. Fees received and paid between banks for payment services are classified as commission income and expenses.

Lease income

The proceeds from leasing out assets under operating leases are recognised on a straight-line basis over the life of the lease agreement. Lease payments received in respect of finance leases when ING Group is the lessor are divided into an interest component (recognised as interest income) and a repayment component based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

1.20 Expense recognition

Expenses are recognised in the statement of profit or loss as incurred or when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Fee and commission expenses generally result from contracts with ING service providers, who perform their service for ING Group's customers. Costs are generally presented as 'Commission expenses' if they are specific, incremental, directly attributable and identifiable to generate commission income.

Share-based payments

ING Group only engages in share-based payment transactions with its staff and directors. Share-based payment expenses are recognised as a staff expense over the vesting period. A corresponding increase in equity is recognised for equity-settled share-based payment transactions. A liability is recognised for cash-settled share-based payment transactions. The fair value of equity-settled share-based payment transactions are measured at the grant date, and the fair value of cash-settled share-based payment transactions are measured at each balance sheet date. Rights granted will remain valid until the expiry date, even if the share based payment scheme is discontinued. The rights are subject to certain conditions, including a pre-determined continuous period of service.

1.21 Earnings per ordinary share

Earnings per ordinary share is calculated on the basis of the weighted average number of ordinary shares outstanding. In calculating the weighted average number of ordinary shares outstanding:

- Own shares held by group companies are deducted from the total number of ordinary shares in issue;
- The computation is based on daily averages; and
- In case of exercised warrants, the exercise date is taken into consideration.

Diluted earnings per share data are computed as if all convertible instruments outstanding at year-end were exercised at the beginning of the period. It is also assumed that ING Group uses the assumed proceeds thus received to buy its own shares against the average market price in the financial year. The net increase in the number of shares resulting from the exercise is added to the average number of shares used to calculate diluted earnings per share.

1.22 Statement of cash flows

The statement of cash flows is prepared in accordance with the indirect method, distinguishing cash flows from operating, investing and financing activities. In the net cash flow from operating activities, the result before tax is adjusted for those items in the statement of profit or loss and changes in items per the statement of financial position, which do not result in actual cash flows during the year.

For the purposes of the statement of cash flows, Cash and cash equivalents include deposits from banks and loans and advances to banks that are on demand. Furthermore, it includes treasury bills and other eligible bills shorter than three months. Investments qualify as a cash equivalent if they are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash flows arising from foreign currency transactions are translated into the functional currency using the exchange rates at the date of the cash flows.

The net cash flow shown in respect of Loans and advances to customers relates only to transactions involving actual payments or receipts. The Addition to loan loss provision, which is deducted from the item Loans and advances to customers in the statement of financial position, has been adjusted accordingly from the result before tax and is shown separately in the statement of cash flows.

The difference between the Net cash flow in accordance with the statement of cash flows and the change between the opening and closing balance of Cash and cash equivalents in the statement of financial position is due to exchange rate differences and is presented separately in the cash flow statement.

Liabilities arising from financing activities are debt securities, lease liabilities and subordinated loans.

1.23 Parent company accounts

The parent company accounts of ING Groep N.V. are prepared in accordance with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. In accordance with subsection 8 of section 362, Book 2 of the Dutch Civil Code, the recognition and measurement principles applied in the Parent company accounts are the same as those applied in the Consolidated financial statements.

Notes to the Consolidated statement of financial position

2 Cash and balances with central banks

Cash and balances with central banks		
in EUR million	2024	2023
Amounts held at central banks [1]	68,708	88,627
Cash and bank balances	1,645	1,587
	70,353	**90,214**

1 Amounts held at central banks include an amount of EUR -14 million (2023: EUR -5 million) of Loan loss provisions.

Amounts held at central banks reflect on-demand balances. The movement reflects ING's active liquidity management.

Reference is made to Note 38 'Transfer of financial assets, assets pledged and received as collateral' for restrictions on amounts held at central banks.

3 Loans and advances to banks

Loans and advances to banks						
	Netherlands		Rest of the world		Total	
in EUR million	2024	2023	2024	2023	2024	2023
Loans and advances to banks	14,353	9,453	7,439	7,286	21,792	16,739
Loan loss provisions	-8	-11	-13	-18	-22	-30
	14,344	**9,441**	**7,426**	**7,268**	**21,770**	**16,709**

Loans and advances include balances of reverse repurchase transactions. For more information, refer to Note 4 'Financial assets at fair value through profit or loss'. Furthermore, it includes on-demand and term loans, and cash collateral transactions. Reference is made to Note 7 'Loans and advances to customers' for information on finance lease receivables included in Loans and advances to banks.

As at 31 December 2024 and at 31 December 2023, all loans and advances to banks are non-subordinated.

4 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss		
in EUR million	2024	2023
Trading assets	72,897	60,229
Non-trading derivatives	2,463	2,028
Designated at fair value through profit or loss	5,740	5,775
Mandatorily measured at fair value through profit or loss	56,481	54,983
	137,580	**123,015**

(Reverse) repurchase transactions

Financial assets at fair value through profit or loss include securities lending and sales and repurchase transactions with securities. At ING, these types of transactions are recognised in several lines in the statement of financial position depending on business model assessment and counterparty. Furthermore, for repurchase agreements, the gross amount of assets must be considered together with the gross amount of related liabilities, which are presented separately on the statement of financial position since IFRS does not always allow the netting of these positions in the statement of financial position. Netting is applicable to repurchase agreements that are governed by an established Global Master Repurchase Agreement (GMRA). This netting is restricted to transactions involving the same currency and maturity date, and must occur within the same legal entity. Reference is made to Note 39 'Offsetting financial assets and liabilities'.

Securities purchased under agreements to resell (reverse repos), securities borrowings and similar agreements are not recognised in the consolidated statement of financial position as the counterparty continues to be exposed to substantially all risks and rewards of the transferred security. Based on the business model assessment and counterparty, the consideration paid to purchase securities is recognised as Loans and advances to customers, Loans and advances to banks, financial assets mandatorily at FVPL or Trading assets.

Securities sold subject to repurchase agreements (repos), securities lending and similar agreements continue to be recognised in the consolidated statement of financial position as ING Group continues to be exposed to substantially all risks and rewards of the transferred financial asset. The counterparty liability is designated and measured at FVPL if the asset is measured mandatorily at FVPL. Otherwise, the counterparty liability is included in Deposits from banks, Customer deposits or Trading.

Reference is made to Note 38 'Transfer of financial assets, assets pledged and received as collateral' for information on transferred assets which were not derecognised.

ING Group's exposure to (reverse) repurchase transactions is included in the following lines in the statement of financial position:

Exposure to (reverse) repurchase agreements		
in EUR million	2024	2023
Reverse repurchase transactions		
Loans and advances to banks	10,777	5,251
Loans and advances to customers	3,471	499
Trading assets, loans and receivables	12,033	12,121
Loans and receivables mandatorily measured at fair value through profit or loss	53,393	51,536
	79,675	**69,407**
Repurchase transactions		
Deposits from banks	33	2,064
Customer deposits	1	97
Trading liabilities, funds on deposit	5,269	10,337
Funds entrusted designated and measured at fair value through profit or loss	38,420	45,729
	43,723	**58,227**

Trading assets

Trading assets by type		
in EUR million	2024	2023
Equity securities	20,717	15,412
Debt securities	10,080	6,907
Derivatives	29,805	25,680
Loans and receivables	12,295	12,231
	72,897	**60,229**

Trading assets include assets that are closely related to servicing the needs of the clients of ING Group. ING offers institutional clients, corporate clients, and governments products that are traded on the financial markets. A significant part of the derivatives in the trading portfolio is related to servicing corporate clients in their risk management to hedge, for example, currency or interest rate exposures. In addition, ING provides its customers access to equity and debt markets for issuing their own equity or debt securities (securities underwriting).

Reference is made to Note 14 'Financial liabilities at fair value through profit or loss' for information on trading liabilities.

Non-trading derivatives

Non-trading derivatives by type		
in EUR million	2024	2023
Derivatives used in		
- fair value hedges	617	716
- cash flow hedges	158	440
- hedges of net investments in foreign operations	82	100
Other non-trading derivatives	1,606	771
	2,463	**2,028**

Reference is made to Note 35 'Derivatives and hedge accounting' for information on derivatives designated in hedge accounting. Other non-trading derivatives mainly includes interest rate swaps, foreign exchange swaps, and cross currency swaps for which no hedge accounting is applied.

Designated at fair value through profit or loss

Designated at fair value through profit or loss by type		
in EUR million	2024	2023
Debt securities	4,718	4,470
Loans and receivables	1,022	1,306
	5,740	**5,775**

'Financial assets designated at fair value through profit or loss' is partly economically hedged by credit derivatives. The hedges do not meet the criteria for hedge accounting and the loans and debt securities are recorded at fair value to avoid an accounting mismatch. The maximum credit exposure of the loans and receivables and debt securities included in 'Financial assets designated at fair value through profit or loss' approximates its carrying value and amounts to EUR 5,740 million (2023: EUR 5,775 million). In 2024, the change in fair value of these loans and debt securities amounts EUR 5 million (2023: EUR -48 million).

ING has mitigated the credit risk exposure on part of the portfolio. The cost at initial recognition of the financial assets designated at fair value through profit or loss that are economically hedged by credit derivatives is EUR 3,797 million (31 December 2023: EUR 3,181 million) and the cumulative change in fair value attributable to changes in credit risk is EUR 173 million (31 December 2023: EUR 150 million).

The notional value of the related credit derivatives is EUR 3,807 million (2023: EUR 3,679 million). The cumulative change in fair value of the credit derivatives since the financial assets were first designated, amounts to EUR -214 million (2023: EUR -119 million) and the change for the current year is EUR -95 million (2023: EUR -122 million).

The changes in fair value attributable to changes in credit risk have been calculated by determining the changes in credit spread implicit in the fair value of loans and bonds issued by entities with similar credit characteristics.

Mandatorily at fair value through profit or loss

Mandatorily at fair value through profit or loss by type		
in EUR million	2024	2023
Equity securities	228	179
Debt securities	789	894
Loans and receivables	55,464	53,911
	56,481	**54,983**

Equity securities are individually insignificant for ING Group. For total exposure to debt securities, reference is made to Note 6 'Debt securities'. Loans and receivables include mainly reverse repurchase agreements.

5 Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income by type		
in EUR million	2024	2023
Equity securities	2,562	1,885
Debt securities [1]	42,219	38,281
Loans and advances [1]	1,608	951
	46,389	**41,116**

[1] Debt securities include an amount of EUR -12 million (2023: EUR -13 million) and the Loans and advances includes EUR -7 million (2023: EUR -8 million) of Loan loss provisions.

Exposure to equity securities

Equity securities designated as at fair value through other comprehensive income				
	Carrying value	Carrying value	Dividend income	Dividend income
in EUR million	2024	2023	2024	2023
Investment in Bank of Beijing	2,241	1,590	101	98
Other Investments	321	295	16	8
	2,562	**1,885**	**117**	**105**

As at 31 December 2024 ING holds approximately 13% (2023: 13%) of the shares of Bank of Beijing, a bank listed on the stock exchange of Shanghai. The stake in Bank of Beijing is part of the Corporate Line segment. As per regulatory requirements set by the China Banking and Insurance Regulatory Commission, ING, as a shareholder holding more than 5% of the shares, is required to supply additional capital when necessary. No request for additional capital was received in 2024 (2023: nil).

Changes in fair value through other comprehensive income

The following table presents changes in financial assets at fair value through other comprehensive income.

Changes in fair value through other comprehensive income financial assets						
	FVOCI equity securities		FVOCI debt instruments [1]		Total	
in EUR million	2024	2023	2024	2023	2024	2023
Opening balance as at 1 January	1,885	1,887	39,231	29,739	41,116	31,625
Additions	11	28	21,080	19,967	21,091	19,995
Amortisation			77	31	77	31
Transfers and reclassifications		5	1		1	5
Changes in unrealised revaluations [2]	605	68	-96	657	509	725
Impairments			2	-1	2	-1
Reversals of impairments			-7	6	-7	6
Disposals and redemptions	-1	-2	-16,906	-11,912	-16,907	-11,913
Exchange rate differences	62	-100	443	751	506	651
Other changes				-6		-6
Closing balance	**2,562**	**1,885**	**43,827**	**39,231**	**46,389**	**41,116**

[1] Fair value through other comprehensive income debt instruments includes both debt securities and loans and advances.
[2] Changes in unrealised revaluations of FVOCI debt instruments include changes on hedged items which are recognised in the statement of profit or loss. Reference is made to Note 19 'Equity' for details on the changes in revaluation reserve.

FVOCI equity securities

Exchange rate differences of EUR 62 million (31 December 2023: EUR -100 million) are mainly related to the stake in Bank of Beijing following the appreciation of CNY versus EUR. In 2024, changes in unrealised revaluations of equity securities are mainly related to a revaluation of the stake in Bank of Beijing of EUR 590 million (31 December 2023: EUR 77 million) following a change in the share price.

FVOCI debt instruments

In 2024, ING sold the remaining NNHB mortgages, amounting to EUR 263 million, to Nationale Nederlanden. ING agreed in 2012 to transfer a portfolio of NNHB mortgages to NN as part of the required restructuring of ING Group by the European Commission after having received state support during the global financial crisis (2008). The majority of these mortgages were not sold immediately but only at the interest reset date of these mortgages.

In 2024, interest rates in the shorter and longer tenors decreased which resulted in changes in unrealised revaluations of debt securities of EUR -96 million. During 2023 interest rates in the longer tenors decreased significantly resulting in unrealised revaluations of EUR 657 million.

Reference is made to Note 6 'Debt securities' for details on ING Group's total exposure to debt securities.

6 Debt securities

ING Group's exposure to debt securities is included in the following lines in the statement of financial position:

Exposure to debt securities

in EUR million	2024	2023
Debt securities at fair value through other comprehensive income	42,219	38,281
Debt securities at amortised cost	50,273	48,313
Debt securities at fair value through other comprehensive income and amortised cost	**92,493**	**86,594**
Trading assets	10,080	6,907
Debt securities designated and measured at fair value through profit or loss	4,718	4,470
Debt securities mandatorily measured at fair value through profit or loss	789	894
Total debt securities at fair value through profit or loss	**15,586**	**12,270**
	108,078	**98,864**

ING Group's total exposure to debt securities (excluding debt securities held in the trading portfolio) of EUR 97,999 million (31 December 2023: EUR 91,957 million) is specified as follows:

Debt securities by type of exposure

	Debt Securities at FVPL [1]		Debt Securities at FVOCI		Debt Securities at AC		Total	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Government bonds	289	362	24,757	20,988	22,734	24,050	47,780	45,400
Central bank bonds	444	446			2,900	2,043	3,344	2,489
Sub-sovereign, Supranationals and Agencies	1,027	1,354	11,513	11,587	15,445	14,639	27,985	27,580
Covered bonds			4,108	4,084	5,683	5,231	9,791	9,315
Corporate bonds	848	799	79	127	106	109	1,033	1,035
Financial institutions' bonds	2,141	1,645	980	483	139	186	3,261	2,314
ABS portfolio	757	758	794	1,025	3,281	2,077	4,832	3,860
	5,506	**5,363**	**42,231**	**38,293**	**50,288**	**48,335**	**98,026**	**91,991**
Loan loss provisions			-12	-13	-15	-22	-27	-34
Debt securities portfolio	**5,506**	**5,363**	**42,219**	**38,281**	**50,273**	**48,313**	**97,999**	**91,957**

[1] Debt securities at FVPL includes both debt securities designated - and mandatorily measured at fair value through profit or loss.

7 Loans and advances to customers

Loans and advances to customers by type

	Netherlands		Rest of the world		Total	
in EUR million	2024	2023	2024	2023	2024	2023
Loans and advances to public authorities	1,888	1,070	16,773	13,314	18,661	14,384
Residential mortgages	117,223	110,475	227,992	214,120	345,216	324,596
Other personal lending	5,007	5,036	31,789	31,535	36,797	36,571
Corporate Lending	66,921	62,677	218,473	209,795	285,393	272,472
	191,039	**179,258**	**495,027**	**468,764**	**686,066**	**648,023**
Loan loss provisions	-811	-830	-5,023	-4,791	-5,833	-5,621
	190,229	**178,429**	**490,004**	**463,973**	**680,233**	**642,402**

For details on credit quality and loan loss provisioning, refer to 'Risk management – Credit risk' – paragraphs 'Credit quality' and 'Loan loss provisioning'.

As at 31 December 2024 EUR 680,019 million (2023: EUR 642,209 million) of loans and advances to customers are non-subordinated.

Loans and advances to customers and, to a lesser extent, to banks include finance lease receivables which are detailed as follows:

Finance lease receivables [1]		
in EUR million	2024	2023
Maturities of gross investment in finance lease receivables		
- within 1 year	3,962	3,827
- between 1-2 years	2,961	2,742
- between 2-3 years	2,283	2,133
- between 3-4 years	1,577	1,475
- between 4-5 years	902	875
- more than 5 years	1,555	1,451
	13,240	**12,503**
Unearned future finance income on finance leases	-1,145	-1,040
Net investment in finance leases	**12,095**	**11,463**
Included in Loans and advances to banks	5	5
Included in Loans and advances to customers	12,091	11,459
	12,095	**11,463**

[1] The total loan loss provision for finance lease receivables is EUR 193 million (2023: EUR 160 million).

The finance lease receivables mainly relate to the financing of equipment and real estate for third parties where ING is the lessor and are mainly part of corporate lending. Interest income in 2024 on finance lease receivables amounts to EUR 522 million (2023: EUR 429 million).

8 Investment in associates and joint ventures

Investments in associates and joint ventures							
in EUR million 2024	Interest held (%)	Fair value of listed invest-ments	Balance sheet value	Total assets	Total liabilities	Total income	Total expenses
TMBThanachart Bank Public Company Limited	23 %	1,164	1,266	49,147	42,554	1,474	1,050
Other investments in associates and joint ventures			412				
			1,679				

Investments in associates and joint ventures							
in EUR million 2023	Interest held (%)	Fair value of listed invest-ments	Balance sheet value	Total assets	Total liabilities	Total income	Total expenses
TMBThanachart Bank Public Company Limited	23 %	976	1,128	46,666	40,776	1,386	943
Other investments in associates and joint ventures			381				
			1,509				

TMBThanachart Bank Public Company Limited
ING Group has a 23% investment in TMBThanachart Bank Public Company Limited (hereafter: TTB), a bank listed on the stock exchange of Thailand. TTB is providing products and services to wholesale, small and medium enterprise (SME), and retail customers. TTB is accounted for as an investment in associate based on the size of ING's shareholding and representation on the Board. TTB is part of the Corporate Line segment.

Other investments in associates and joint ventures
Included in Other investments in associates and joint ventures are mainly financial services and (non-) financial technology funds or vehicles operating predominantly in Europe, and are individually not significant to ING Group.

Significant influence for associates in which the interest held is below 20%, is based on the combination of ING Group's financial interest and other arrangements, such as participation in the Board of Directors.

The associates and joint ventures of ING are subject to legal and regulatory restrictions regarding the amount of dividends they can pay to ING. These restrictions are, for example, dependent on the laws in the country of incorporation for declaring dividends or as a result of minimum capital requirements that are imposed by industry regulators in the countries in which the associates and joint ventures operate.

In addition, the associates and joint ventures also consider other factors in determining the appropriate levels of equity needed. These factors and limitations include, but are not limited to, the rating agency and regulatory views, which can change over time.

Changes in Investments in associates and joint ventures		
in EUR million	2024	2023
Opening balance as at 1 January	1,509	1,500
Additions	26	55
Transfers	-7	0
Revaluations	0	4
Share of results	205	149
Dividends received	-91	-74
Disposals	-16	-89
Impairments	-35	-5
Exchange rate differences	87	-32
Other	0	
Closing balance	**1,679**	**1,509**

Share of results from associates and joint ventures of EUR 205 million (2023: EUR 149 million) as included in the table above is mainly attributable to our share in the results of TTB of EUR 123 million (2023: EUR 107 million) and our share in the result of an associate in Belgium of EUR 77 million following a one-off profit.

The total impairment losses of EUR 35 million relate to associates that are not individually significant.

Impairments and reversal thereof on the investment in TTB
Accumulated impairments on the investment in TTB of EUR 395 million (2023: EUR 395 million) were recognised in previous years. There is no impairment trigger observed as per 31 December 2024. A Value in Use ('VIU') was estimated following the prolonged increase of the quoted TTB share price over the original cost price of the investment and the sustained improved broker consensus outlook. As VIU did not exceed the carrying amount of the investment in TTB no reversal of impairment, was recognised.

Methodology
The recoverable amount is determined as the higher of the fair value less costs of disposal and VIU. Fair value less costs of disposal is based on observable share price. The VIU calculation uses discounted cash flow projections based on management's best estimates. VIU is derived using a Dividend Discount Model (DDM) where distributable equity, i.e. future earnings available to ordinary shareholders, is used as a proxy for future cash flows. The valuation looks at expected cash flows into perpetuity resulting in two main components to the VIU calculation:

- The estimation of future earnings over a 5-year forecast period; and
- the terminal value being the extrapolation of earnings into perpetuity applying a long-term growth rate. The earnings that are used for extrapolation represent the stable long-term financial results and position of TTB, i.e. a steady state. The terminal value comprises the majority of the total VIU.

Key assumptions used in the VIU calculation as at 31 December 2024
The VIU is determined using a valuation model which is subject to multiple management assumptions. The key assumptions, i.e. those to which the overall result is most sensitive to, are the following:

- Expected future earnings of TTB: Short- to medium-term expectations are based on forecasts derived from broker consensus. Longer-term and steady-state expectations into perpetuity are derived using reasonable and supportable assumptions capturing a combination of TTB specific and market data points; A capital maintenance charge is applied, which is management's forecast of the earnings that need to be withheld in order for TTB to meet target regulatory requirements over the forecast period;
- Discount rate (cost of equity): 10.96%, based on the capital asset pricing model (CAPM) calculated for TTB using current market data; and
- Terminal growth rate: 2.74% consistent with current long term government bond yield in Thailand as a proxy for a risk-free rate.

The model was evaluated for reasonably possible changes to key assumptions in the model. This reflects the sensitivity of the VIU to each key assumption on its own and it is possible that more than one favourable and/or unfavourable change may occur at the same time. The selected rates of reasonably possible changes to key assumptions are based on external analysts' forecasts and other relevant external data sources, which can change period to period. The sensitivity of the VIU to each key assumption is as follows:

- A favourable change of 10% in the cash flows would result in an increase in VIU of EUR 57 million, while an unfavourable change of -10% would result in a decrease in VIU of EUR -59 million;
- A favourable change of -1% in the discount rate would result in an increase in VIU of EUR 95 million, while an unfavourable change of 1% would result in a decrease in VIU of EUR -75 million;
- A favourable change of 1% in the terminal growth rate would result in an increase in VIU of EUR 68 million, while an unfavourable change of -1% would result in a decrease in VIU of EUR -53 million;

9 Property and equipment

Property and equipment by type

in EUR million	2024	2023
Property in own use	758	616
Equipment:		
- Data processing equipment	218	213
- Other equipment	426	492
Right- of- use assets:		
- ROU property	895	972
- ROU cars	124	97
- ROU other leases	13	9
	2,434	**2,399**

Changes in property and equipment

	Property in own use		Equipment		Right-of-use assets		Total	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance as at 1 January	616	681	705	689	1,078	1,076	2,399	2,446
Additions	92	4	240	241	141	279	473	525
Transfers	83	-1	-78	-4	-4	-4	1	-9
Depreciation	-11	-12	-204	-204	-242	-246	-457	-461
Impairments[1]	-9	-19	-10	-10	-4	-12	-23	-41
Reversals of impairments[1]	5	10					5	10
Remeasurements	5	4			75	9	80	13
Disposals	-36	-47	-14	-10	-18	-20	-68	-78
Exchange rate differences	13	-4	5	4	8	-4	25	-5
Closing balance	**758**	**616**	**643**	**705**	**1,033**	**1,078**	**2,434**	**2,399**
Cost price	871	753	3,027	3,140	1,933	1,851	5,831	5,744
Accumulated depreciation	-298	-305	-2,376	-2,430	-1,098	-904	-3,772	-3,639
Accumulated impairments	-97	-99	-8	-6	-31	-32	-136	-136
Accumulated revaluation surplus	282	267					282	267
Accumulated remeasurement					229	163	229	163
Net carrying value	**758**	**616**	**643**	**705**	**1,033**	**1,078**	**2,434**	**2,399**

[1] Impairments and reversals of impairments of property and equipment are presented as Other operating expenses in the statement of Profit or Loss.

ING considers valuations from third-party experts in determining the fair values of property in own use. The vast majority of the land and buildings were appraised during 2024. Property in own use purchase costs amounted to EUR 871 million (2023: EUR 753 million). Cost or the purchase price less accumulated depreciation and impairments would have been EUR 476 million (2023: EUR 350 million) had property in own use been valued at cost instead of at fair value.

The reported impairment losses of EUR -23 million (2023: EUR -41 million) mainly result from the closure of branches and unfavourable office market developments.

10 Intangible assets

Changes in intangible assets

	Goodwill		Software		Other		Total	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance as at 1 January	469	464	727	636	2	2	1,198	1,102
Additions	6		43	64	1		50	64
Capitalised expenses			324	246			324	246
Amortisation			-215	-213			-216	-213
Impairments [1]			-12	-5			-12	-5
Exchange rate differences	1	5	8	2			9	7
Disposals			-9	-10			-9	-10
Changes in the composition of the group and other changes			-10	8		1	-10	8
Closing balance	**476**	**469**	**855**	**727**	**3**	**2**	**1,334**	**1,198**
Gross carrying amount	476	469	2,986	2,646	8	8	3,471	3,123
Accumulated amortisation			-2,079	-1,876	-4	-4	-2,084	-1,879
Accumulated impairments			-52	-43	-2	-2	-53	-45
Net carrying value	**476**	**469**	**855**	**727**	**3**	**2**	**1,334**	**1,198**

[1] Impairments of intangible assets are presented within Other operating expenses in the statement of Profit or Loss.

Goodwill

Goodwill is allocated to groups of cash generating units (CGUs) as follows:

Goodwill allocation to group of CGUs

in EUR million	Method used for recoverable amount	Discount rate	Terminal growth rate	Goodwill	Goodwill
Group of CGUs				2024	2023
Retail Netherlands	Value in use	7.81 %	2.00 %	30	30
Retail Germany	Value in use	7.77 %	2.00 %	356	349
Retail Poland	Value in use	9.30 %	2.50 %	76	75
Retail Romania	Value in use	11.45 %	3.00 %	15	15
				476	**469**

Impairment testing

Goodwill is tested for impairment annually in the fourth quarter by comparing the recoverable amount of each goodwill-carrying CGU with its carrying amount. The key assumptions used in the calculation of the recoverable amounts are included in the table above. Furthermore, ING Group tests goodwill whenever a triggering event is identified. In 2024, no triggering events were identified.

At the annual impairment test in the fourth quarter, the recoverable amount exceeds the carrying value of the CGUs as at 31 December 2024 and therefore no impairment is required (31 December 2023: nil).

Methodology

The recoverable amount is determined as the higher of the fair value less costs of disposal and Value in Use (VIU). The VIU calculation is based on a Dividend Discount model using three-year management-approved plans, updated for expected changes in the macroeconomic environment. When estimating the VIU of a CGU, local conditions and requirements determine the capital requirements, discount rates, and terminal growth rates. These local conditions and requirements determine the ability to upstream excess capital and profits to ING Group. The discount rate calculation includes other inputs such as equity market premium, country risk premium, and long term inflation which are based on market sources and management's judgement. The long-term growth rate is based on the long-term inflation rate obtained from market sources. The impacts of climate risk are included to the extent that they are observable in discount rates and assets prices.

Sensitivity of key assumptions

Key assumptions in the goodwill impairment test model are the projected locally available cash flows (based on local capital requirements and projected profits), discount rates (cost of equity), and long-term growth rates.

The recoverable amounts of the CGUs are sensitive to the above key assumptions. A decrease in the available cash flows of 10%, an increase in the discount rate of 1 percent point or a reduction of the future growth rate to zero are considered reasonably possible changes in key assumptions. If the aforementioned changes occur to one of the above key assumptions holding the other key assumptions constant, goodwill of the remaining CGUs will continue to be recoverable.

Software

Software includes internally developed software amounting to EUR 768 million (2023: EUR 628 million).

Software is reviewed for indicators of impairment. Irrespective of whether there is an indication of impairment, software under development is tested annually for impairment. In 2024, individually immaterial items were impaired for an amount of EUR 12 million (31 December 2023: EUR 5 million).

11 Other assets

Other assets by type

in EUR million	2024	2023
Net defined benefit assets	568	554
Investment properties	19	14
Property development and obtained from foreclosures	18	32
Prepayments	413	438
Accrued assets	499	523
Amounts to be settled	3,550	3,869
Other	1,879	1,687
	6,945	**7,117**

Disclosures in respect of Net defined benefit assets are provided in Note 32 'Pensions and other post-employment benefits'.

Amounts to be settled include primarily transactions not settled at the balance sheet date. The nature of these transactions is short term and they are expected to settle shortly after the closing date of the balance sheet. Other relates to various receivables in the normal course of business, including short-term receivables from mortgages issued to notary accounts pending transfer to customers and other amounts receivable from customers.

12 Deposits from banks

Deposits from banks by type

	Netherlands		Rest of the world		Total	
in EUR million	2024	2023	2024	2023	2024	2023
Non-interest bearing	5	3	166	174	171	177
Interest bearing	5,845	7,803	10,707	15,277	16,553	23,080
	5,850	**7,806**	**10,873**	**15,451**	**16,723**	**23,257**

Deposits from banks include non-subordinated deposits and repurchase transactions. For more information on reverse repurchase transaction, refer to Note 4 'Financial assets at fair value through profit or loss'.

In 2023, deposits from banks included ING's participation in the Targeted Longer-Term Refinancing Operations (TLTRO) of EUR 6.0 billion, which was fully repaid in March 2024.

13 Customer deposits

Customer deposits

in EUR million	2024	2023
Current accounts / Overnight deposits	227,827	221,773
Savings accounts	354,560	334,287
Time deposits	107,695	92,154
Other	1,579	2,053
	691,661	**650,267**

Current accounts / Overnight deposits, Saving accounts and Time deposits include balances with individuals, respectively EUR 107,068 million (2023: EUR 107,711 million), EUR 324,134 million (2023: EUR 305,734 million) and EUR 56,599 million (2023: EUR 46,762 million).

Customer deposits by type

	Netherlands		Rest of the world		Total	
in EUR million	2024	2023	2024	2023	2024	2023
Non-interest bearing	26	239	27,142	25,316	27,168	25,556
Interest bearing [1]	237,395	232,539	427,098	392,172	664,493	624,711
	237,421	**232,779**	**454,240**	**417,488**	**691,661**	**650,267**

[1] Interest bearing includes current accounts which are not remunerated. However ING holds the contractual right to revise the rates.

14 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss

in EUR million	2024	2023
Trading liabilities	35,255	37,220
Non-trading derivatives	2,101	2,019
Designated at fair value through profit or loss	49,543	55,400
	86,900	**94,638**

Trading liabilities

Trading liabilities by type

in EUR million	2024	2023
Equity securities	467	1,156
Debt securities	3,185	2,492
Funds on deposit	5,437	10,443
Derivatives	26,166	23,129
	35,255	**37,220**

Non-trading derivatives

Non-trading derivatives by type

in EUR million	2024	2023
Derivatives used in:		
- fair value hedges	79	113
- cash flow hedges	573	458
- hedges of net investments in foreign operations	117	92
Other non-trading derivatives	1,332	1,356
	2,101	**2,019**

Reference is made to Note 35 'Derivatives and hedge accounting' for information on derivatives used for hedge accounting.

Other non-trading derivatives mainly include interest-rate swaps, foreign-exchange swaps and cross-currency swaps for which no hedge accounting is applied.

Designated at fair value through profit or loss

Designated at fair value through profit or loss by type		
in EUR million	2024	2023
Debt securities	9,844	8,672
Funds entrusted	39,577	46,633
Subordinated liabilities	122	95
	49,543	**55,400**

As at 31 December 2024, the change in the fair value of financial liabilities designated at fair value through profit or loss attributable to changes in credit risk is EUR 17 million on a cumulative basis (2023: EUR -34 million). This change has been determined as the amount of change in fair value of the financial liability that is not attributable to changes in market conditions that gave rise to market risk (i.e. mainly interest-rate risk based on yield curves).

The amount that ING Group is contractually required to pay at maturity to the holders of financial liabilities designated at fair value through profit or loss excluding repurchase agreements (part of funds entrusted) is EUR 11,376 million (2023: EUR 9,957 million).

Funds entrusted include mainly repurchase agreements. For more information on repurchase transactions, refer to Note 4 'Financial assets at fair value through profit or loss'.

15 Provisions

Provisions by type		
in EUR million	2024	2023
Reorganisation provisions	201	231
Litigation provisions	288	193
Other provisions	139	355
	628	**779**
Loan loss provisions for guarantees	146	142
	774	**920**

Changes in provisions								
	Reorganisation		Litigation		Other provisions		Total	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance as at 1 January	231	418	193	150	355	455	779	1,022
Additions [1]	146	207	116	78	26	39	288	325
Interest								
Releases [1]	-4	-34	-15	-26	-46	-22	-64	-82
Utilised	-163	-356	-31	-23	-196	-11	-390	-389
Exchange rate differences		-1	1	1	-1	-3		-4
Other changes	-10	-3	25	13	1	-104	16	-94
Closing balance	**201**	**231**	**288**	**193**	**139**	**355**	**628**	**779**

[1] Additions to provisions and unused amounts released are presented in Note 26 'Other operating expenses' in the Statement of Profit or Loss.

As at 31 December 2024, amounts expected to be settled within 12 months in provisions amount to EUR 574 million (2023: EUR 720 million). The amounts included are based on best estimates with regard to amounts and timing of cash flows required to settle the obligation.

Reorganisation provisions

The additions in 2024 mainly relate to restructuring activities in Belgium, the Netherlands, and at head office. In 2023, the additions to the reorganisation provisions mainly relate to restructuring activities in Belgium, Poland, and the Netherlands.

These initiatives are implemented over a period of several years and the estimate of the reorganisation provisions is inherently uncertain.

Litigation provisions

Reference is made to Note 41 'Legal proceedings' for developments in litigation provisions.

Other provisions

In 2024, the utilisations in the Other provisions mainly relate to the provision for the compensation of Dutch retail customers for past interest charges that did not sufficiently track market rates. This provision of EUR 180 million was recognized in 2021 and subsequently had been increased by EUR 75 million in 2023.

In 2023, ING Group voluntarily changed its accounting policy for non-financial guarantees that are subject to contractual indemnification rights from IAS 37 principles to loan commitment accounting under IFRS 9. The

change from IAS 37 to IFRS 9 resulted in derecognition of the existing IAS 37 provision of EUR 109 million as per 1 January 2023 and recognition of a provision for expected credit losses of EUR 151 million for non-financial guarantees as per 1 January 2023 (EUR 42 million pre-tax impact on Equity at the beginning of 2023). This change is included in Other changes in the movement table.

For details and changes on loan loss provisioning, refer to 'Risk management – Credit risk' paragraph 'Loan loss provisioning'.

16 Other liabilities

Other liabilities by type		
In EUR million	2024	2023
Net defined benefit liability	152	164
Other post-employment benefits	38	30
Other staff-related liabilities	784	719
Other taxation and social security contributions	899	641
Rents received in advance	14	14
Costs payable	1,764	2,170
Amounts to be settled	4,290	6,509
Lease liabilities	1,116	1,162
Other	3,311	2,258
	12,369	**13,667**

Disclosures in respect of Net defined benefit liabilities are provided in Note 32 'Pensions and other post-employment benefits'. Other staff-related liabilities includes vacation leave provisions, jubilee provisions, disability/illness provisions, and liabilities related with variable compensations.

Lease liabilities relate to right-of-use assets. Disclosures regarding right-of-use assets are provided in Note 9 'Property and equipment'. The total cash outflow for leases in 2024 was EUR 290 million (2023: EUR 291 million).

Amounts to be settled include primarily transactions not settled at the balance sheet date. The nature of these transactions is short term and have settled after the closing date of the balance sheet. The line Other relates mainly to amounts payable to customers. It also includes the remaining EUR 1,275 million (2023: EUR 538 million) obligation related with share buyback programme and an additional cash dividend liability of EUR 423 million (2023: EUR nil).

17 Debt securities in issue

Debt securities in issue relate to debentures and other issued debt securities with either fixed interest rates or interest rates based on floating interest rate levels, such as certificates of deposit and accepted bills issued by ING Group, except for subordinated items. Debt securities in issue do not include debt securities presented as Financial liabilities at fair value through profit or loss. ING Group does not have debt securities that are issued on terms other than those available in the normal course of business.

Debt securities in issue – maturities		
In EUR million	2024	2023
Fixed rate debt securities		
Within 1 year	27,333	31,255
More than 1 year but less than 2 years	13,085	7,855
More than 2 years but less than 3 years	10,857	13,361
More than 3 years but less than 4 years	13,300	10,265
More than 4 years but less than 5 years	12,201	11,924
More than 5 years	30,640	26,987
Total fixed rate debt securities	**107,416**	**101,645**
Floating rate debt securities		
Within 1 year	26,262	17,871
More than 1 year but less than 2 years	2,821	226
More than 2 years but less than 3 years	1,939	2,624
More than 3 years but less than 4 years	117	880
More than 4 years but less than 5 years	902	
More than 5 years	2,910	1,423
Total floating rate debt securities	**34,951**	**23,025**
Total debt securities	**142,367**	**124,670**

Reference is made to the consolidated statement of cash flows for further information on issuances, redemptions and non-cash movements.

18 Subordinated loans

Subordinated loans		
In EUR million	2024	2023
Subordinated loans	17,878	15,401

Subordinated loans are bonds issued by ING Groep N.V. and its subsidiaries to raise Tier 1 and Tier 2 (CRR-eligible) capital. Under IFRS these securities are classified as liabilities, and for regulatory purposes they are considered as capital.

In 2024 ING Groep N.V. issued USD 1.25 billion 8.00% Perpetual AT1 Contingent Convertible Capital Securities in February, EUR 1.25 billion 4.38% Fixed Rate Subordinated Tier 2 Notes in May, EUR 1.25 billion 4.25% Fixed Rate Subordinated Tier 2 Notes in August and USD 1 billion 7.25% Perpetual AT1 Contingent Convertible Capital Securities in September.

In 2024 ING Türkiye issued USD 150 million 8.50% Fixed Rate Subordinated Tier 2 Notes in September.

In 2024 ING Groep N.V. redeemed USD 1.25 billion 6.75% Perpetual AT1 Contingent Convertible Capital Securities in April, EUR 750 million 2.50% Fixed Subordinated Tier 2 notes in February and EUR 1 billion 1.63% Fixed Subordinated Tier 2 notes in September on their first call dates.

Reference is made to the consolidated statement of cash flows for further information on issuances and redemptions.

The average interest rate on subordinated loans is 4.59% (2023: 4.44%).

19 Equity

Total equity			
In EUR million	2024	2023	2022
Share capital and share premium			
- Share capital	31	35	37
- Share premium	17,116	17,116	17,116
	17,148	**17,151**	**17,154**
Other reserves			
- Revaluation reserve: Equity securities at FVOCI	1,816	1,152	1,187
- Revaluation reserve: Debt instruments at FVOCI	-479	-277	-339
- Revaluation reserve: Cash flow hedge	-1,693	-2,058	-3,055
- Revaluation reserve: Credit liability	-15	31	70
- Revaluation reserve: Property in own use	161	178	176
- Net defined benefit asset/liability remeasurement reserve	-333	-317	-232
- Currency translation reserve	-1,986	-2,527	-2,395
- Share of associates and joint ventures and other reserves	2,607	3,047	3,603
- Treasury shares	-765	-1,994	-1,205
	-687	**-2,763**	**-2,189**
Retained earnings	33,853	36,852	34,944
Shareholders' equity (parent)	50,314	51,240	49,909
Non-controlling interests	995	944	504
Total equity	**51,309**	**52,184**	**50,413**

Adjustments for hyperinflation

ING applies IAS 29 'Hyperinflation' on its investment in Türkiye since 2022. The IAS 29 indexation impact on equity was EUR 50 million (2023: EUR 54 million; 2022: EUR 100 million) of which EUR 202 million (2023: EUR 284 million; 2022: EUR 1,011 million) in the currency translation reserve, EUR 0 million (2023: EUR 0 million; 2022: EUR -563 million) in retained earnings, EUR 4 million (2023: EUR 3 million; 2022: EUR -17 million) in revaluation reserves and EUR -156 million (2023: EUR -234 million; 2022: EUR -331 million) in profit or loss.

Share capital and share premium

Share capital

	Ordinary shares (par value EUR 0.01)					
	Number x 1,000			In EUR million		
	2024	2023	2022	2024	2023	2022
Authorised share capital	9,142,000	9,142,000	9,142,000	91	91	91
Unissued share capital	5,994,609	5,643,806	5,415,461	60	56	54
Issued share capital	**3,147,391**	**3,498,194**	**3,726,539**	**31**	**35**	**37**

Changes in issued share capital

	Ordinary shares (par value EUR 0.01)	
	Number x 1,000	In EUR million
Issued share capital as at 31 December 2021	3,904,065	39
Issue of shares	2,935	
Cancellation of shares	-180,461	-2
Issued share capital as at 31 December 2022	**3,726,539**	**37**
Issue of shares	5	
Cancellation of shares	-228,350	-2
Issued share capital as at 31 December 2023	**3,498,194**	**35**
Cancellation of shares	-350,803	-4
Issued share capital as at 31 December 2024	**3,147,391**	**31**

In 2022, shares were issued in order to fund obligations arising from share-based employee incentive programmes. As from 2023 these shares are repurchased from the market. The cancellation of shares relates to the shares purchased under the share buyback programmes (reference is made to 'Ordinary shares held by ING Group (treasury shares)').

As at 31 December 2024 ING Groep N.V. has issued USD 8,750 million (2023: USD 7,750 million; 2022: USD 6,750 million) Perpetual Additional Tier 1 Contingent Convertible Capital Securities which can, in accordance with their terms and conditions, convert by operation of law into ordinary shares if the conditions (when the Group CET1 ratio has fallen below 7.00%) to such a conversion are fulfilled. As a result of this conversion, the issued share capital can increase by up to 982 million (2023: 864 million; 2022: 750 million) ordinary shares. Reference is made to Note 18 'Subordinated loans'.

Ordinary shares

All ordinary shares are registered. No share certificates have been issued. The par value of ordinary shares is EUR 0.01. The authorised ordinary share capital of ING Groep N.V. currently consists of 9,142 million ordinary shares. As at 31 December 2024, 3,147 million ordinary shares were issued and fully paid.

Ordinary shares held by ING Group (Treasury shares)

As at 31 December 2024, 51.1 million ordinary shares (2023: 154.6 million; 2022: 107.4 million) of ING Groep N.V. with a par value of EUR 0.01 are held by ING Groep N.V. or its subsidiaries.

Share premium

In EUR million	2024	2023	2022
Opening balance	17,116	17,116	17,105
Issue of shares			12
Closing balance	**17,116**	**17,116**	**17,116**

Revaluation reserves

Changes in revaluation reserve: Equity securities and Debt instruments at FVOCI

	Equity securities at FVOCI			Debt instruments at FVOCI		
In EUR million	2024	2023	2022	2024	2023	2022
Opening balance	1,152	1,187	1,282	-277	-339	92
Unrealised revaluations	664	-35	-118	-265	53	-406
Realised gains/losses transferred to the statement of profit or loss				62	9	-25
Realised revaluations transferred to retained earnings	0	1	23			
Closing balance	**1,816**	**1,152**	**1,187**	**-479**	**-277**	**-339**

Equity securities at FVOCI

In 2024, the unrealised revaluation of EUR 664 million (2023: EUR -35 million; 2022: EUR -118 million) includes revaluation of shares in Bank of Beijing for EUR 652 million (2023: EUR -24 million; 2022: EUR -86 million).

Changes in cash flow hedge and credit liability reserve

	Cash flow hedge			Credit liability		
In EUR million	2024	2023	2022	2024	2023	2022
Opening balance	-2,058	-3,055	-153	31	70	-80
Changes in credit liability reserve				-46	-39	165
Unrealised revaluations	365	997	-2,901			
Realised revaluations transferred to retained earnings						-15
Closing balance	**-1,693**	**-2,058**	**-3,055**	**-15**	**31**	**70**

Cash flow hedge

ING mainly hedges floating rate lending with interest rate swaps. Due to a decrease in forward interest rates in 2024, the interest rate swaps had a positive revaluation of EUR 365 million which is recognised in the cash flow hedge reserve.

Changes in Property in own use reserve

In EUR million	2024	2023	2022
Opening balance	178	176	208
Impact of IAS 29 on opening balance [1]			-20
Unrealised revaluations	3	10	15
Realised revaluations transferred to retained earnings	-20	-8	-26
Closing balance	**161**	**178**	**176**

[1] Impact of application of hyperinflation accounting under IAS 29.

Net defined benefit asset/liability remeasurement reserve

Reference is made to Note 32 'Pensions and other post-employment benefits'.

Currency translation reserve

Changes in currency translation reserve

In EUR million	2024	2023	2022
Opening balance	-2,527	-2,395	-3,483
Impact of IAS 29 on opening balance[1]			647
Unrealised revaluations	-222	183	-7
Realised gains/losses transferred to the statement of profit or loss	1		4
Exchange rate differences	763	-316	444
Closing balance	**-1,986**	**-2,527**	**-2,395**

[1] Impact of application of hyperinflation accounting under IAS 29.

Unrealised revaluations relates to changes in the value of hedging instruments that are designated as net investment hedges. The hedging strategy is to protect the CET1 ratio against adverse impact from exchange rate fluctuations. The net increase of unrealised revaluations and Exchange rate differences of EUR 541 million is related to several currencies including USD (EUR 354 million), TRY (EUR 148 million including EUR 202 million IAS 29 indexation effect), GBP (EUR 75 million), PLN (EUR 18 million), CHF (EUR -10 million), AUD (EUR -35 million), RUB (EUR -47 million), THB (EUR 31 million), CNY (EUR 3 million) and other currencies (EUR 4 million).

Share of associates and joint ventures and other reserves

Changes in share of associates, joint ventures and other reserves

In EUR million	2024	2023	2022
Opening balance	3,047	3,603	3,416
Result for the year	125	336	161
Transfer to/from retained earnings	-565	-892	26
Closing balance	**2,607**	**3,047**	**3,603**

The Share of associates, joint ventures and other reserves includes non-distributable profits from associates and joint ventures of EUR 940 million (2023: EUR 815 million; 2022: EUR 797 million). Other reserves includes a statutory reserve of EUR 897 million (2023: EUR 1,602 million; 2022: EUR 2,264 million) related to the former Stichting Regio Bank and the former Stichting Vakbondsspaarbank SPN and a legal reserve of EUR 768 million (2023: EUR 628 million; 2022: EUR 540 million) related to internally developed software. The transfer to retained earnings of EUR -565 million includes the release of the Regio bank and Vakbondsspaarbank SPN reserve of EUR -830 million (2023:EUR -998 million; 2022: EUR 0 million) against regulatory expenses which are recognised in the statement of profit or loss.

Treasury shares

Changes in treasury shares

	In EUR million			Number x 1,000		
	2024	**2023**	**2022**	**2024**	**2023**	**2022**
Opening balance	-1,994	-1,205	-1,612	154,571	107,395	128,301
Purchased/sold for trading purposes	2	-7	4	-211	464	-312
Purchased under staff share plans	-43	-42		3,319	3,156	
Distributed under staff share plans	43	41		-3,343	-3,106	
Purchased under Share buyback programme	-3,774	-3,482	-1,721	247,584	275,013	159,866
Cancelled Share buyback programme	5,000	2,701	2,124	-350,803	-228,350	-180,461
Closing balance	**-765**	**-1,994**	**-1,205**	**51,117**	**154,571**	**107,395**

In 2024 ING Group initiated three share buyback programmes and completed one from 2023:

- EUR 2,500 million, commencing on 3 November 2023 and completed by February 2024. A total of 195 million shares have been repurchased at an average effective price of EUR 12.83 per share. The shares have been cancelled in April 2024;
- EUR 50 million, commencing on 4 March 2024 and completed by 5 March 2024. A total of 3 million shares have been repurchased at an average price of EUR 12.99 per share and for a total consideration of EUR 43 million. The purpose of the share repurchase programme was to meet obligations under the share-based compensation plans;
- EUR 2,500 million, commencing on 2 May 2024 and completed by October 2024. A total of 156 million shares have been repurchased at an average effective price of EUR 16.03 per share. The shares have been cancelled in November and December 2024;
- EUR 2,000 million, commencing on 31 October 2024 and expected to be completed before 30 April 2025. As per 31 December 2024 a total of 50 million shares have been repurchased at an average price of EUR 14.97 per share and for a total consideration of EUR 756 million. ING has the intention to cancel these shares in June 2025.

Retained earnings

Changes in retained earnings

In EUR million	**2024**	**2023**	**2022**
Opening balance	36,852	34,944	37,318
Impact on opening balance[1]		-45	-563
Transfer to/from other reserves	585	899	-8
Result for the year	6,267	6,951	3,513
Dividend and other distributions	-4,124	-2,668	-3,349
Employee share plans	1	-7	15
Share buybacks and other changes	-5,728	-3,222	-1,984
Closing balance	**33,853**	**36,852**	**34,944**

[1] In 2023, changes in policy following the adoption of IFRS 17 and change in policy for non-financial guarantees. In 2022, impact of application of hyperinflation accounting under IAS 29.

Dividend and other distributions

In 2024, a cash dividend of EUR 3,626 million (2023: EUR 2,668 million; 2022: EUR 2,178 million) and in January 2025 an additional cash distribution of EUR 498 million (2023: EUR 0 million; 2022: EUR 1,171 million) were paid to the shareholders of ING Group. For further information, reference is made to Note 29 'Dividend per ordinary share'.

Share buybacks and other changes

Share buybacks and other changes includes an amount of EUR -5,723 million (2023: EUR -3,217 million; 2022: EUR -1,983 million), which corresponds to the purchase and cancellation of treasury shares purchased under the share buyback programmes.

Ordinary shares - Restrictions with respect to dividend and repayment of capital

The following equity components cannot be freely distributed: Revaluation reserves, Net defined benefit asset/liability remeasurement reserve, Currency translation reserve, Share of associates and joint ventures reserve and Other reserves including the reserve related to the former Stichting Regio Bank and the former Stichting Vakbondsspaarbank SPN.

ING Groep N.V. is subject to legal restrictions regarding the amount of dividends it can pay to the holders of its ordinary shares. Pursuant to the Dutch Civil Code, dividends can only be paid up to an amount equal to the excess of the company's own funds over the sum of the paid-up capital and reserves required by law.

Moreover, ING Groep N.V.'s ability to pay dividends is dependent on the dividend payment ability of its subsidiaries, associates and joint ventures. ING Groep N.V. is legally required to create a non-distributable reserve insofar as profits of its subsidiaries, associates and joint ventures are subject to dividend payment restrictions which apply to those subsidiaries, associates and joint ventures themselves.

Non-distributable reserves, determined in accordance with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code, from ING Group's subsidiaries, associates and joint ventures are as follows:

Non-distributable reserves			
In EUR million	2024	2023	2022
ING Bank	5,672	6,727	8,408
Other	0	0	0
Non-distributable reserves	**5,672**	**6,727**	**8,408**

In addition to the legal and regulatory restrictions on distributing dividends from subsidiaries, associates and joint ventures to ING Groep N.V. there are various other considerations and limitations that are taken into account in determining the appropriate levels of equity in the Group's subsidiaries, associates and joint ventures. These considerations and limitations include, but are not restricted to, minimum capital requirements that are imposed by industry regulators in the countries in which the subsidiaries, associates and joint ventures operate, or other limitations which may exist in certain countries and may or may not be temporary in nature. It is not possible to disclose a reliable quantification of these limitations. Without prejudice to the authority of the Executive Board to allocate profits to reserves and to the fact that the ordinary shares are the most junior securities issued by ING Groep N.V., no specific dividend payment restrictions with respect to ordinary shares exist.

Furthermore, ING Groep N.V. is subject to legal restrictions with respect to repayment of capital to holders of ordinary shares. Pursuant to the Dutch Civil Code, capital may only be repaid if none of ING Groep N.V.'s creditors opposes such a repayment within two months following the announcement of a resolution to that effect.

Cumulative preference shares (not issued)
Pursuant to the Articles of Association of ING Groep N.V. the authorised cumulative preference share capital consists of 4.6 billion cumulative preference shares, of which none have been issued. The par value of these cumulative preference shares is EUR 0.01. A right to acquire cumulative preference shares has been granted to Stichting Continuïteit ING (ING Continuity Foundation).

The cumulative preference shares rank before the ordinary shares in entitlement to dividend and to distributions upon liquidation of ING Groep N.V.

The dividend on the cumulative preference shares will be equal to a percentage, calculated on the amount compulsorily paid up or yet to be paid up. This percentage shall be equal to the average of the euro short-term rate (€STR) as calculated by the European Central Bank during the financial year for which the distribution is made; this percentage being weighted on the basis of the number of days for which it applies, and increased by 2.585 percentage points.

If, and to the extent that, the profit available for distribution is not sufficient to pay the dividend referred to above in full, the shortfall will be made up from the reserves insofar as possible. If, and to the extent that, the dividend distribution cannot be made from the reserves, the profits earned in subsequent years shall first be used to make up the shortfall before any distribution may be made on shares of any other category.

ING Groep N.V.'s Articles of Association make provision for the cancellation of cumulative preference shares. Upon cancellation of cumulative preference shares and upon liquidation of ING Groep N.V., the amount paid up on the cumulative preference shares will be repaid together with the accrued dividend as well as any dividend shortfall in preceding years, insofar as this shortfall has not yet been made up. No specific dividend payment restrictions with respect to the cumulative preference shares exist.

Notes to the Consolidated statement of profit or loss

20 Net interest income

Net interest income[1]

in EUR million	2024	2023	2022
Interest income on loans[2]	33,892	31,849	19,424
Interest income on debt securities at amortised cost	1,204	877	591
Interest income on financial assets at fair value through OCI	1,481	1,078	511
Interest income on non-trading derivatives (hedge accounting)	12,644	10,682	4,011
Total interest income using effective interest rate method	**49,220**	**44,486**	**24,537**
Interest income on financial assets at fair value through profit or loss	6,343	4,934	1,444
Interest income on non-trading derivatives (no hedge accounting)	3,168	2,637	2,390
Interest income other	173	171	100
Total other interest income	**9,685**	**7,741**	**3,934**
Total interest income	**58,905**	**52,227**	**28,470**

	2024	2023	2022
Interest expense on deposits[3]	15,116	11,955	4,439
Interest expense on debt securities in issue	5,254	4,014	1,722
Interest expense on subordinated loans	753	708	648
Interest expense on non-trading derivatives (hedge accounting)	13,767	11,849	4,144
Total interest expense using effective interest rate method	**34,889**	**28,526**	**10,952**
Interest expense on financial liabilities at fair value through profit or loss	5,479	4,410	1,237
Interest expense on non-trading derivatives (no hedge accounting)	3,308	3,131	2,411
Interest expense on lease liabilities	27	28	15
Interest expense other	178	157	98
Total other interest expense	**8,993**	**7,726**	**3,762**
Total interest expense	**43,882**	**36,252**	**14,714**
Net interest income	**15,023**	**15,976**	**13,756**

1 Table has been updated to a more aggregated view for presentation purposes and comparatives have been adjusted accordingly. Negative interest on assets and liabilities is no longer presented separately. Furthermore, interest expense on deposits from customers and banks is now presented on a combined basis within Interest expense on deposits. Refer to footnote 2 and 3.
2 Includes interest income on loans to customers and banks, cash balances as well as negative interest on liabilities. Negative interest on liabilities amounted to EUR 7 million (2023: EUR 19 million; 2022: EUR 887 million).
3 Includes interest paid on deposits from customers and banks, and negative interest on assets. Negative interest on assets amounted to EUR 1 million (2023: EUR nil; 2022: EUR 285 million).

In 2022, a one-off adjustment was recorded in interest income on loans regarding the credit moratoria in Poland (EUR -343 million).

Due to prevalent rates during the comparative years, Negative interest on liabilities includes the ECB funding rate benefit from the TLTRO III programme of EUR 314 million in 2022, while for 2024 Interest expense on deposits includes interest paid under the TLTRO III programme of EUR 59 million (2023: EUR 557 million). The funding under this programme was fully repaid during the first quarter of 2024.

The ECB funding rate benefit in 2022 caused the discontinuation of the fair value hedge accounting relationship on TLTRO III, impacting net interest income of 2022 for an amount of EUR -483 million.

21 Net fee and commission income

Net fee and commission income			
in EUR million	2024	2023	2022
Fee and commission income			
Payment Services	2,219	2,062	1,888
Securities business	734	584	632
Insurance and other broking	594	529	682
Portfolio management	699	625	600
Lending business	650	602	556
Financial guarantees and other commitments	454	459	496
Other fee and commission income	255	248	232
Total fee and commission income	**5,604**	**5,109**	**5,085**
Fee and commission expenses			
Payment Services	756	704	600
Securities business	147	128	160
Distribution of products	475	480	555
Other fee and commission expenses	218	202	184
Total fee and commission expenses	**1,596**	**1,514**	**1,499**
Net fee and commission income	**4,008**	**3,595**	**3,586**

Payment services fees are earned for providing services for deposit accounts and cards, cash management and transaction processing including interchange. Securities fees and commissions are fees for securities brokerage and securities underwriting. Portfolio management fees include fees earned for asset management activities, fiduciary and related activities in which ING holds or invests assets on behalf of its customers. Fees and commissions from lending (syndication) business include income earned for lending advisory, origination, underwriting and loan commitments which are not part of the effective interest rate. Financial guarantees and other commitments fees and commissions are earned from bank guarantees, letters of credit and other trade finance related products, factoring and leasing. Fees paid for distribution of products are all fees paid for the distribution of ING's products and services through external providers.

Reference is made to Note 30 'Segments', which includes net fee and commission income, as reported to the Executive Board and the Management Board Banking, disaggregated by line of business and by geographical segment.

22 Valuation results and net trading income

Valuation results and net trading income			
in EUR million	2024	2023	2022
Securities trading results	996	873	-356
Derivatives trading results	207	116	11
Other trading results	336	273	71
Change in fair value of derivatives relating to			
- fair value hedges	-766	-3,028	5,265
- cash flow hedges (ineffective portion)	35	48	20
- other non-trading derivatives	1,923	563	1,164
Change in fair value of assets and liabilities (hedged items)	750	2,962	-5,150
Valuation results on assets and liabilities designated at FVPL (excluding trading)	32	-128	439
Foreign exchange transactions results	-105	1,230	38
	3,407	**2,910**	**1,501**

In general, the fair value movements are influenced by changes in the market conditions, such as stock prices, credit spreads, interest rates and currency exchange rates.

Net trading income relates to trading assets and trading liabilities, which include assets and liabilities that are classified under IFRS as Trading but are closely related to servicing the needs of the clients of ING. ING offers products that are traded on the financial markets to institutional clients, corporate clients, and governments. ING's trading books are managed based on internal limits and comprise a mix of products with results which could be offset. A significant part of the derivatives in the trading portfolio are related to servicing corporate clients in their risk management to hedge for example currency or interest rate exposures. From a risk perspective, the gross amount of trading assets must be considered together with the gross amount of trading liabilities, which are presented separately on the statement of financial position. However, IFRS does not always allow the netting of these positions in the statement of financial position. Reference is made to Note 4 'Financial assets at fair value through profit or loss' and Note 14 'Financial liabilities at fair value through profit or loss' for information on trading assets and trading liabilities respectively.

Securities trading results include the results of market making in instruments such as government securities, equity securities, corporate debt securities, money-market instruments. Derivatives trading results include the results of derivatives such as interest rate swaps, options, futures, and forward contracts. Trading gains and losses relating to trading securities still held as at 31 December 2024 amount to EUR 20 million (2023: EUR 160 million; 2022: EUR -157 million). The majority of the risks involved in security and currency trading

are economically hedged with derivatives. The securities trading results are partly offset by results on these derivatives. The result of these derivatives is included in Derivatives trading results.

Other trading results include the results of trading loans and funds entrusted.

Foreign-exchange transactions results include gains and losses from spot and forward contracts, options, futures, and translated foreign currency assets and liabilities. The result on currency trading is included in foreign exchange transactions results.

'Valuation results and net trading income' include the fair value movements on derivatives (used for both hedge accounting and economically hedging exposures) as well as the changes in the fair value of assets and liabilities included in hedging relationships as hedged items. In 2024, fluctuations in interest rate had a significant impact on the fair value changes of other non-trading derivatives, as well as the fair value changes of both the derivatives and the hedged items designated in fair value hedges. Reference is made to Note 35 'Derivatives and hedge accounting' for information on derivatives used for hedge accounting.

Furthermore, derivatives trading results are also impacted by fair value movements arising from changes in credit spreads (CVA and DVA), bid offer spreads, model risk and incremental cost of funding on derivatives (FVA and CollVA). Refer to Note 34 'Fair value of assets and liabilities' for information on these valuation adjustments.

23 Investment income

Investment income			
in EUR million	2024	2023	2022
Dividend income	117	105	149
Realised gains/losses on disposal of debt instruments measured at FVOCI	-104	-11	32
Income from and fair value gains/losses on investment properties			-1
	13	**95**	**181**

In 2024, 2023 and 2022 dividend income mainly consists of dividend received from ING's equity stake in Bank of Beijing.

24 Other net income

In 2024, Other net income of EUR -3 million (2023: EUR -147 million; 2022: EUR -363 million) includes EUR -159 million (2023: EUR -244 million; 2022: EUR -333 million) net monetary loss reflecting the IAS 29 hyperinflation impact in Türkiye related to the indexation of Türkiye's statement of financial position and statement of profit or loss with an offsetting effect in the currency translation reserve. Other net income in 2024 also includes EUR 53 million receivable related to a prior insolvency of a financial institution in the Netherlands and a result of EUR 21 million on the sale of the remaining NNHB mortgages. Furthermore, it includes the positive recovery of defaulted receivables of EUR 27 million (2023 EUR 25 million; 2022 EUR 32 million).

Other net income as per 31 December 2022 includes an amount of EUR -307 million loss recognised to unwind a macro fair value hedge of deposits, which led to a timing difference with expected fair value. Furthermore, it includes the proceeds of the agreement with Boursorama after our exit from the retail banking market in France of EUR 125 million and a gain of EUR 67 million from a legacy entity in Retail Belgium.

25 Staff expenses

Staff expenses			
in EUR million	2024	2023	2022
Salaries	4,906	4,559	4,145
Pension costs and other staff-related benefit costs	455	418	390
Social security costs	690	635	584
Share-based compensation arrangements	45	31	26
External employees	720	776	738
Education	49	50	47
Other staff costs	319	256	222
	7,184	**6,725**	**6,152**

Share-based compensation arrangements include EUR 45 million (2023: EUR 31 million; 2022: EUR 25 million) relating to equity-settled share-based payment arrangements. Cash-settled share-based payment arrangements were terminated in 2023.

Number of employees									
	Netherlands			Rest of the world			Total		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Total average number of internal employees at full time equivalent basis	14,821	14,449	14,488	46,301	44,985	43,081	61,121	59,434	57,569

Remuneration of senior management, Executive Board and Supervisory Board

Reference is made to Note 45 'Related parties'.

Share plans

ING grants various types of share awards, namely deferred and upfront shares, which form part of the variable remuneration offering via the Long-term Sustainable Performance Plan (LSPP). The entitlement to the LSPP share awards is granted conditionally. If the participant remains in employment for an uninterrupted period between the grant date and the vesting date, the entitlement becomes unconditional, with the exception of the upfront shares which are immediately vested upon grant. Upfront and deferred shares awarded to the Executive Board and Management Board members of ING Group as well as identified staff, have a retention obligation that must be adhered to upon vesting, typically a minimum retention of 12 months applies for staff and up to 60 months for Board. ING has the authority to apply a holdback to awarded but unvested shares and a clawback to vested shares.

The share awards granted in 2024 relate to the performance year 2023. In 2024, 59,490 share awards (2023: 52,693; 2022: 55,651) were granted to the members of the Executive Board of ING Groep N.V., and 121,504 share awards (2023: 172,103; 2022: 137,506) were granted to the Management Board Banking. To senior management and other employees 4,248,400 share awards (2023: 3,244,951; 2022: 2,913,926) were granted.

In 2024 and 2023, shares are bought back from the market to fund share plans. In 2022 the obligations with regard to share plans were funded by newly issued shares at the discretion of ING Group.

Changes in share awards

	Share awards (in numbers)			Weighted average grant date fair values (in euros)		
	2024	2023	2022	2024	2023	2022
Opening balance as at 1 January	3,897,800	3,699,555	3,674,672	8.81	7.97	7.60
Granted	4,429,394	3,469,747	3,107,083	13.75	9.71	8.99
Vested	-3,343,429	-3,113,115	-2,962,698	12.29	8.83	8.60
Forfeited	-128,223	-158,387	-119,502	10.73	8.54	7.63
Closing balance	**4,855,542**	**3,897,800**	**3,699,555**	10.88	8.81	7.97

As at 31 December 2024, there were 4,855,542 share awards outstanding (2023: 3,897,800; 2022: 3,699,555). These all are related to equity-settled share-based payment arrangements, as cash-settled share-based payment arrangements were terminated in 2023.

The fair value of share awards granted is recognised as an expense under Staff expenses and is allocated over the vesting period of the share awards. The fair value calculation takes into account the current share prices, expected volatilities and the dividend yield of ING shares.

As at 31 December 2024, total unrecognised compensation costs related to share awards amount to EUR 25 million (2023: EUR 15 million; 2022: EUR 13 million). These costs are expected to be recognised over a weighted average period of 2.0 years (2023: 2.0 years; 2022: 1.9 years).

26 Other operating expenses

Other operating expenses

in EUR million	2024	2023	2022
Regulatory costs	882	1,042	1,250
Audit and non-audit services	43	36	31
IT related expenses	1,048	948	818
Advertising and public relations	441	369	331
External advisory fees	321	299	310
Office expenses	277	289	273
Travel and accommodation expenses	126	125	91
Contributions and subscriptions	133	122	109
Postal charges	39	36	31
Depreciation of property and equipment	457	461	485
Amortisation of intangible assets	216	213	226
(Reversals of) impairments of property and equipment	18	32	19
(Reversals of) impairments of intangible assets	13	6	60
Addition to / (unused amounts reversed of) provision for reorganisations	142	173	170
Addition to / (unused amounts reversed of) other provisions	76	70	117
Other	704	617	726
	4,937	**4,839**	**5,047**

Reference is made to Note 9 'Property and equipment' for (reversals of) impairments of property and equipment and Note 10 'Intangible assets' for (reversals of) impairments of intangible assets.

For further information on addition to (unused amounts reversed of) provision for reorganisations refer to Note 15 'Provisions' and for further information on addition to (unused amounts reversed of) other provisions refer to Note 15 'Provisions' and Note 41 'Legal proceedings'.

Regulatory costs

Regulatory costs represent contributions to the Deposit Guarantee Schemes (DGS), the Single Resolution Fund (SRF), local bank taxes and local resolution funds. Included in Regulatory costs for 2024, are contributions to DGS of EUR 230 million (2023: EUR 320 million; 2022: EUR 425 million) mainly related to the Netherlands, Germany, Belgium and Poland and contributions to the SRF and local resolution funds of EUR 35 million (2023: EUR 251 million; 2022: EUR 354 million). In 2024 local bank taxes increased by EUR 145 million from EUR 472 million in 2023 to EUR 617 million (2022: EUR 470 million).

27 Audit fees

Total audit and non-audit services include the following fees for services provided by the Group's auditor.

Fees of Group's auditors			
in EUR million	2024	2023	2022
Audit fees	33	29	27
Audit related fees	4	1	
Total[1 2]	**37**	**30**	**27**

1 The Group's auditors did not provide any non-audit services.
2 The increase in fees was caused by fees for the limited assurance engagement on compliance of the Sustainability Statement with CSRD, one-off additional audit procedures and inflation.

Fees as disclosed in the table above relate to the network of the Group's auditors and are the total fees charged for the period excluding VAT.

28 Earnings per ordinary share

Earnings per ordinary share									
	Amount (in EUR million)			Weighted average number of ordinary shares outstanding during the period (in millions)			Per ordinary share (in EUR)		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Basic earnings	6,392	7,287	3,674	3,228.7	3,562.9	3,619.1	1.98	2.05	1.02
Basic earnings from continuing operations	**6,392**	**7,287**	**3,674**				**1.98**	**2.05**	**1.02**
Effect of dilutive instruments:									
Share plans				0.0	2.4	5.2			
				0.0	**2.4**	**5.2**			
Diluted earnings	6,392	7,287	3,674	3,228.7	3,565.3	3,624.3	1.98	2.04	1.01
Diluted earnings from continuing operations	**6,392**	**7,287**	**3,674**				**1.98**	**2.04**	**1.01**

Earnings per ordinary share is calculated on the basis of the weighted average number of ordinary shares outstanding. In calculating the weighted average number of ordinary shares outstanding, own shares held by group companies (including share buyback programmes) are deducted from the total number of ordinary shares in issue.

Dilutive instruments

Diluted earnings per share is calculated as if the share plans outstanding at the end of the period had been exercised at the beginning of the period and assuming that the cash received from dilutive instruments (if any) is used to buy own shares against the average market price during the period. The net increase in the number of shares resulting from exercising share plans is added to the average number of shares used for the calculation of diluted earnings per share.

29 Dividend per ordinary share

Dividends to shareholders of the parent

Dividends on ordinary shares:	Per ordinary share (in EUR)	Total (in EUR million)
In respect of 2022		
- Interim dividend, paid August 2022	0.170	636
- Final dividend, paid May 2023	0.389	1,408
Total dividend in respect of 2022	**0.559**	**2,044**
In respect of 2023		
- Interim dividend, paid August 2023	0.350	1,260
- Final dividend, paid May 2024	0.756	2,497
Total dividend in respect of 2023	**1.106**	**3,757**
In respect of 2024		
- Interim dividend, paid August 2024	0.350	1,129
- Final dividend declared	0.710	2,145
Total dividend in respect of 2024	**1.060**	**3,274**

On 25 April 2024, the Annual General Meeting of shareholders ratified the total dividend of EUR 1.106 per ordinary share of which EUR 0.35 per share was paid as an interim cash dividend during August 2023. The final dividend of EUR 0.756 per ordinary share was paid entirely in cash.

In October 2024 an additional cash distribution of EUR 0.161 per share was declared to shareholders of ING Group and EUR 498 million was paid in January 2025 (2023: nil 2022: EUR 1,171 million, EUR 0.31 per share).

The Board has proposed to pay a final cash dividend over 2024 of EUR 0.710 per share. This is subject to approval by shareholders at the Annual General Meeting in April 2025.

ING Groep N.V. is required to withhold tax of 15% on dividends paid. Reference is made to Note 19 'Equity' for further information on share buyback programmes and other distributions.

Segment reporting

30 Segments

ING Group's segments are based on the internal reporting structure by lines of business.

The Executive Board of ING Group and the Management Board Banking (together the Chief Operating Decision Maker (CODM)) set the performance targets, and approve and monitor the budgets prepared by the business lines. Business lines formulate strategic, commercial, and financial plans in conformity with the strategy and performance targets set by the CODM.

Recognition and measurement of segment results are in line with the accounting policies as described in Note 1 'Basis of preparation and material accounting policy information'. The results for the period for each reportable segment are after intercompany and intersegment eliminations and are those reviewed by the CODM to assess performance of the segments. Corporate expenses are allocated to business lines based on time spent by head office personnel, the relative number of staff, or on the basis of income, expenses and/or assets of the segment. Interest income per segment is reported as net interest income because management relies primarily on net (rather than gross) interest revenue to assess the performance of the segments.

The following table specifies the segments by line of business and the main sources of income of each of the segments:

Specification of the main sources of income of each of the segments by line of business

Segments by line of business	Main source of income
Retail Netherlands	Income from products and services provided to private individuals, business banking clients and private banking clients in the Netherlands. The main products and services offered are daily banking, lending, savings, investments and insurance.
Retail Belgium	Income from products and services provided to private individuals, business banking clients and private banking clients in Belgium and Luxembourg. The main products and services offered are similar to those in the Netherlands.
Retail Germany	Income from products and services provided to private individuals, business banking clients and private banking clients in Germany. The main products and services offered are similar to those in the Netherlands.
Retail Other	Income from products and services provided to private individuals, business banking clients and private banking clients in the other retail countries. The main products and services offered are similar to those in the Netherlands.
Wholesale Banking	Income from wholesale banking activities, of which the main products are lending, payments & cash management, working capital solutions, trade finance, financial markets, corporate finance and treasury.

Specification of geographical split of the segments

Geographical split of the segments	Main countries
The Netherlands	
Belgium	Including Luxembourg
Germany	
Other Challengers [1]	Australia, Italy, Spain and Portugal
Growth Markets [1]	Poland, Romania and Türkiye
Wholesale Banking Rest of World	Other countries in Europe & Middle East, Americas, Asia
Other	Corporate Line

[1] In 2022, ING discontinued its retail activities in France (Other Challengers) and the Philippines (Growth Markets).

ING Group monitors and evaluates the performance of ING Group at a consolidated level and by segment. The Executive Board and the Management Board Banking consider this to be relevant to an understanding of the Group's financial performance, because it allows investors to understand the primary method used by management to evaluate the Group's operating performance and make decisions about allocating resources.

ING Group reconciles the total segment results to the total result using Corporate Line. The Corporate Line includes capital management activities, as ING Group applies a system of capital charging for its banking

operations in order to create a comparable basis for the results of business units globally, irrespective of the business units' book equity and the currency they operate in.

Corporate Line includes certain other income and expenses that are not allocated to the banking businesses. Furthermore, as from 2022, results in the Corporate Line have been impacted by the application of hyperinflation accounting in the consolidation of our subsidiary in Türkiye (IAS 29). Total income for Corporate Line in 2024 amounted to EUR 378 million compared with EUR 450 million in 2023. This included a hyperinflation accounting impact of EUR -117 million in 2024 versus EUR -179 million in 2023. Excluding hyperinflation accounting impact, total income declined by EUR 134 million, mainly attributable to a lower net interest income from Treasury, partly offset by the recognition of a EUR 53 million receivable related to a prior insolvency of a financial institution in the Netherlands (recorded in other income). Operating expenses for Corporate Line were EUR 533 million, 1.7% down from EUR 542 million in 2023. Expenses in 2024 included a hyperinflation impact of EUR 35 million, EUR 25 million of restructuring costs, EUR 22 million for a one-off CLA related payment to our staff in the Netherlands and a EUR 21 million litigation provision. Expenses in 2023 had included a hyperinflation impact of EUR 48 million and EUR 51 million that had been provisioned.

The information presented in this note is in line with the information presented to the Executive Board of ING Group and Management Board Banking. This note does not provide information on the types of products and services from which each reportable segment derives its revenues, as this is not reported internally and is therefore not readily available.

ING Group Total

12 month period	2024			2023			2022		
in EUR million	ING Bank	Other	Total ING Group	ING Bank	Other	Total ING Group	ING Bank	Other	Total ING Group
Income									
Net interest income	14,749	275	15,023	15,809	166	15,976	13,745	11	13,756
Net fee and commission income	4,002	6	4,008	3,586	9	3,595	3,586		3,586
Total investment and other income	3,584		3,584	3,006	-1	3,005	1,215	4	1,219
– of which share of result from associates and joint ventures	170		170	144		144	-101		-101
– of which revaluations and trading income	3,407	1	3,407	2,910		2,910	1,503	-1	1,501
Total income	**22,334**	**281**	**22,615**	**22,401**	**174**	**22,575**	**18,546**	**16**	**18,561**
Expenditure									
Operating expenses	12,116	5	12,121	11,563	1	11,564	11,193	6	11,199
– of which Regulatory expenses	882		882	1,042		1,042	1,250		1,250
Addition to loan loss provisions	1,194		1,194	520		520	1,861		1,861
Total expenses	**13,310**	**5**	**13,315**	**12,083**	**1**	**12,084**	**13,053**	**6**	**13,060**
Result before taxation	**9,025**	**275**	**9,300**	**10,318**	**173**	**10,492**	**5,493**	**9**	**5,502**
Taxation	2,580	71	2,650	2,926	44	2,970	1,723	2	1,725
Non-controlling interests	258		258	235		235	102		102
Net result[1]	**6,187**	**205**	**6,392**	**7,157**	**129**	**7,287**	**3,667**	**7**	**3,674**

[1] Net result reflects the net result attributable to shareholders of the parent.

Segments

12 month period	2024							2023							2022						
in EUR million	Retail Nether-lands	Retail Belgium	Retail Germany	Retail Other	Wholesale Banking	Corporate Line	Total	Retail Nether-lands	Retail Belgium	Retail Germany	Retail Other	Wholesale Banking	Corporate Line	Total	Retail Nether-lands	Retail Belgium	Retail Germany	Retail Other [1]	Wholesale Banking	Corporate Line	Total
Income																					
Net interest income	3,027	1,959	2,647	3,817	3,259	315	15,023	3,096	2,063	2,862	3,437	4,028	489	15,976	2,888	1,668	1,666	2,725	4,260	550	13,756
Net fee and commission income	1,049	603	433	609	1,317	-3	4,008	959	502	357	519	1,259	-1	3,595	892	511	437	535	1,217	-6	3,586
Total investment and other income	835	189	-173	263	2,405	66	3,584	945	117	-67	277	1,771	-38	3,005	417	-32	69	377	849	-460	1,219
– of which share of result from associates and joint ventures		81		8	-36	118	170				7	31	107	144		1		5	18	-125	-101
– of which revaluations and trading income	810	81	-160	253	2,478	-55	3,407	898	61	-57	264	1,730	13	2,910	327	113	57	200	952	-148	1,501
Total income	**4,910**	**2,751**	**2,906**	**4,688**	**6,981**	**378**	**22,615**	**5,001**	**2,683**	**3,152**	**4,233**	**7,057**	**450**	**22,575**	**4,196**	**2,147**	**2,172**	**3,637**	**6,325**	**84**	**18,561**
Expenditure																					
Operating expenses	2,124	1,811	1,303	2,792	3,558	533	12,121	2,135	1,852	1,243	2,479	3,313	542	11,564	2,115	1,786	1,140	2,509	3,114	535	11,199
– of which Regulatory expenses	114	206	88	261	212	1	882	212	211	96	252	271		1,042	250	244	93	369	293		1,250
Addition to loan loss provisions	-8	134	149	291	627	1	1,194	5	169	119	313	-92	5	520	67	139	131	302	1,220	2	1,861
Total expenses	**2,117**	**1,944**	**1,452**	**3,083**	**4,185**	**534**	**13,315**	**2,140**	**2,022**	**1,362**	**2,792**	**3,222**	**547**	**12,084**	**2,182**	**1,924**	**1,271**	**2,812**	**4,334**	**537**	**13,060**
Result before taxation	**2,793**	**807**	**1,455**	**1,605**	**2,796**	**-156**	**9,300**	**2,861**	**661**	**1,790**	**1,441**	**3,836**	**-97**	**10,492**	**2,014**	**223**	**901**	**825**	**1,991**	**-453**	**5,502**
Taxation	723	210	505	381	693	138	2,650	740	182	631	359	900	158	2,970	540	72	202	254	581	76	1,725
Non-controlling interests			1	221	35		258				174	61		235			3	47	52	1	102
Net result[2]	**2,070**	**597**	**949**	**1,002**	**2,068**	**-294**	**6,392**	**2,121**	**479**	**1,159**	**908**	**2,875**	**-255**	**7,287**	**1,474**	**151**	**696**	**525**	**1,358**	**-530**	**3,674**

[1] In 2022, ING discontinued its retail activities in France (Other Challengers) and the Philippines (Growth Markets).
[2] Net result reflects the net result attributable to shareholders of the parent.

Geographical split of the segments

12 month period	2024								2023								2022							
in EUR million	Nether-lands	Belgium	Ger-many	Other Challen gers	Growth markets	Wholesale Banking Rest of World	Other	Total	Nether-lands	Belgium	Ger-many	Other Challen gers	Growth markets	Wholesale Banking Rest of World	Other	Total	Nether-lands	Belgium	Ger-many	Other Challen gers [1]	Growth markets [1]	Wholesale Banking Rest of World	Other	Total
Income																								
Net interest income	3,063	2,478	3,182	2,131	2,409	1,448	312	15,023	3,773	2,712	3,375	2,121	1,961	1,548	486	15,976	3,782	2,065	2,126	1,842	1,462	1,933	546	13,756
Net fee and commission income	1,329	832	484	337	445	585	-3	4,008	1,239	715	400	285	384	573	-1	3,595	1,171	714	494	290	375	548	-6	3,586
Total investment and other income	1,889	207	-188	27	408	1,167	74	3,584	1,627	145	-81	21	487	829	-25	3,005	577	-14	94	182	386	449	-455	1,219
– of which share of result from associates and joint ventures	-45	87			8		120	170	31				7		107	144	16	1			5		-123	-101
– of which revaluations and trading income	1,916	119	-191	2	403	1,217	-58	3,407	1,568	95	-83	4	479	841	6	2,910	453	174	65	3	377	532	-103	1,501
Total income	**6,282**	**3,517**	**3,478**	**2,495**	**3,262**	**3,200**	**382**	**22,615**	**6,639**	**3,573**	**3,694**	**2,427**	**2,833**	**2,950**	**460**	**22,575**	**5,531**	**2,765**	**2,714**	**2,314**	**2,223**	**2,930**	**84**	**18,561**
Expenditure																								
Operating expenses	3,026	2,170	1,512	1,454	1,759	1,669	531	12,121	3,065	2,195	1,437	1,320	1,495	1,509	544	11,564	3,001	2,120	1,318	1,380	1,426	1,418	536	11,199
– of which Regulatory expenses	159	228	90	61	260	83	1	882	296	243	103	92	207	101		1,042	357	283	99	88	324	98		1,250
Addition to loan loss provisions	42	148	222	188	214	378	1	1,194	-111	139	35	166	189	96	5	520	181	230	460	140	230	618	2	1,861
Total expenses	**3,068**	**2,319**	**1,734**	**1,642**	**1,973**	**2,047**	**532**	**13,315**	**2,954**	**2,334**	**1,472**	**1,486**	**1,683**	**1,605**	**549**	**12,084**	**3,182**	**2,350**	**1,778**	**1,519**	**1,657**	**2,036**	**538**	**13,060**
Result before taxation	**3,213**	**1,198**	**1,744**	**853**	**1,289**	**1,153**	**-149**	**9,300**	**3,685**	**1,239**	**2,222**	**941**	**1,149**	**1,345**	**-89**	**10,492**	**2,349**	**415**	**936**	**795**	**567**	**894**	**-454**	**5,502**
Retail Banking	2,793	807	1,455	534	1,071			6,660	2,861	661	1,790	649	792			6,753	2,014	223	901	547	278			3,964
Wholesale Banking	420	391	289	319	218	1,153	7	2,796	824	577	432	292	357	1,345	8	3,836	335	192	34	248	288	894		1,991
Corporate Line							-156	-156							-97	-97							-453	-453
Result before taxation	**3,213**	**1,198**	**1,744**	**853**	**1,289**	**1,153**	**-149**	**9,300**	**3,685**	**1,239**	**2,222**	**941**	**1,149**	**1,345**	**-89**	**10,492**	**2,349**	**415**	**936**	**795**	**567**	**894**	**-454**	**5,502**
Taxation	847	308	563	272	256	267	137	2,650	909	349	723	282	225	335	148	2,970	658	114	297	258	153	186	60	1,725
Non-controlling interests			1		256			258					234			235			3		98		1	102
Net result [2]	**2,367**	**889**	**1,179**	**581**	**777**	**886**	**-286**	**6,392**	**2,776**	**889**	**1,499**	**659**	**690**	**1,011**	**-237**	**7,287**	**1,691**	**301**	**636**	**537**	**316**	**708**	**-515**	**3,674**

[1] In 2022, ING discontinued its retail activities in France (Other Challengers) and the Philippines (Growth Markets).
[2] Net result reflects the net result attributable to shareholders of the parent.

31 Information on geographical areas

ING Group's business lines operate in different geographical areas: the Netherlands, Belgium, Germany, Rest of Europe and Rest of the World. The geographical analyses are based on the location of the office from which the transactions are originated and do not include countries where ING only has representation offices. The Netherlands is ING Group's country of domicile.

In order to increase ING Group's tax transparency, additional financial information on a per country basis has been included in this disclosure: Tax paid represents all income tax paid to and/or received from tax authorities in the current year, irrespective of the fiscal year to which these payments or refunds relate. Total assets by country do not include intercompany balances and reconcile to the total assets in the consolidated statement of financial position of ING Group.

ING Group is subject to top-up tax (Global Anti-Base Erosion Model Rules (Pillar Two)) in relation to its operations in countries where the effective tax rate falls below 15%. This includes Switzerland, Ireland and Bulgaria as a result of their lower nominal tax rates, as well as Singapore, where special local tax rates for certain types of income reduce the effective tax rate.

ING Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred. The total top-up tax that is expected to be paid by ING Group per jurisdiction over 2024 amounts to EUR 9.5 million.

Overview Top up tax to be paid per jurisdiction

Country	Top-up tax (EUR million)
Singapore[1]	6.5
Ireland[2]	2.1
Bulgaria[2]	0.6
Switzerland[2]	0.3
	9.5

1 Booked and to be paid in the Netherlands.
2 Booked and to be paid locally.

The table below provides additional information, for the years 2024, 2023 and 2022 respectively, on names of principal subsidiaries and branches, the nature of main activities and the average number of employees on a full-time equivalent basis by country/tax jurisdiction.

Additional information by country

Geographical area	Country/Tax jurisdiction	Name of principal subsidiary	Main (banking) activity	Average number of employees at full-time equivalent basis			Total income			Total assets			Result before tax			Taxation			Tax paid		
				2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Netherlands	Netherlands	ING Bank N.V.	Wholesale / Retail	14,821	14,449	14,488	4,898	5,545	5,033	299,988	292,815	308,886	1,106	1,818	1,076	441	557	419	589	601	376
Belgium	Belgium	ING België N.V.	Wholesale / Retail	5,994	6,392	6,582	3,274	3,246	2,353	137,225	128,437	127,085	1,266	1,209	286	325	339	81	272	169	152
	Luxembourg	ING Luxembourg S.A.	Wholesale / Retail	887	939	927	492	608	422	13,942	14,392	18,351	215	349	180	54	89	45	116	40	37
Germany	Germany	ING DiBa A.G.	Wholesale / Retail	5,460	5,499	5,573	3,848	3,931	2,815	172,828	168,991	161,997	2,119	2,467	1,039	686	807	328	663	904	189
Rest of Europe	Poland [1]	ING Bank Slaski S.A	Wholesale / Retail	11,575	11,677	11,130	2,620	2,350	1,652	56,090	52,134	45,598	1,313	1,236	544	280	286	143	231	136	-23
	Spain	Branch of ING Bank N.V.	Wholesale / Retail	1,692	1,576	1,439	1,230	1,165	877	35,912	33,083	32,262	555	541	299	176	128	98	185	114	101
	Italy	Branch of ING Bank N.V.	Wholesale / Retail	1,235	1,190	1,118	514	438	345	16,448	14,836	14,152	120	133	63	38	55	22	16	19	2
	Romania [1]	Branch of ING Bank N.V.	Wholesale / Retail	4,282	3,971	3,580	749	690	584	12,937	11,496	10,555	401	396	324	67	61	51	76	55	67
	Türkiye	ING Bank A.S.	Wholesale / Retail	2,795	2,973	3,076	142	14	64	4,897	4,770	5,400	-110	-232	-143	18	-20	65	5	29	79
	UK	Branch of ING Bank N.V.	Wholesale	741	722	692	811	758	693	59,615	50,572	46,066	249	510	286	52	131	81	70	101	58
	Switzerland	Branch of ING Bank N.V.	Wholesale	300	292	277	228	248	290	9,086	8,501	9,513	104	137	182	16	19	25	29	52	45
	France [2,3]	Branch of ING Bank N.V.	Wholesale	194	194	600	241	252	372	7,819	8,322	8,934	4	122	44	4	33	12	9	7	22
	Ireland	Branch of ING Bank N.V.	Wholesale	119	82	72	135	83	66	3,593	3,907	2,773	102	71	28	15	9	3	12	8	6
	Czech Republic	Branch of ING Bank N.V.	Wholesale	122	134	137	77	76	78	3,382	3,191	3,192	37	33	38	8	6	6	4	10	13
	Hungary	Branch of ING Bank N.V.	Wholesale	128	127	120	63	85	82	2,179	1,893	1,993	6	35	38	3	7	5	9	9	2
	Russia	ING Bank (Eurasia) Z.A.O.	Wholesale	236	259	272	139	136	246	764	925	2,783	99	151	128	19	31	9	21	20	21
	Slovakia [1]	Branch of ING Bank N.V.	Wholesale	1,489	1,347	1,129	22	20	15	612	618	391	8	11	-1	3	2	1	4	2	0
	Portugal	Branch of ING Bank N.V.	Wholesale	11	10	11	23	17	15	815	620	689	18	12	9	4	3	3	4	2	2
	Ukraine	PJSC ING Bank Ukraine	Wholesale	92	91	91	45	53	45	651	590	385	29	44	9	14	22	2	25	7	2
	Bulgaria	Branch of ING Bank N.V.	Wholesale	64	61	60	27	23	15	570	530	436	13	11	1	2	1	0	2	1	0
	Austria	Branch of ING Bank N.V.	Wholesale	20	17	17	10	9	19	394	383	261	-2	-4	9	0	-1	2	0	1	3

1 Includes significant number of FTEs in relation to global services provided.
2 Public subsidies received, as defined in article 89 of the CRD IV, amounts to EUR 0.1 million (2023: EUR 0.2 million; 2022: EUR 0.1 million).
3 In 2022, ING exited from the retail banking markets in France and the Philippines.

Additional information by country (continued)

Geographical area	Country/Tax jurisdiction	Name of principal subsidiary	Main (banking) activity	Average number of employees at full-time equivalent basis			Total income			Total assets			Result before tax			Taxation			Tax paid		
				2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Rest of the World	Australia	ING Bank (Australia) Ltd.	Wholesale / Retail	1,994	1,820	1,556	994	1,033	948	53,895	52,734	52,728	460	572	557	142	174	172	195	185	135
	USA	ING Financial Holdings Corp.	Wholesale	659	603	586	1,277	1,124	892	65,197	66,143	65,024	759	654	413	195	185	115	175	183	135
	Singapore	Branch of ING Bank N.V.	Wholesale	572	576	565	474	354	354	34,593	26,816	25,701	333	172	105	44	24	14	24	13	21
	Japan	Branch of ING Bank N.V.	Wholesale	32	32	31	42	40	30	9,570	14,267	5,128	25	17	20	5	7	7	4	10	-1
	South Korea	Branch of ING Bank N.V.	Wholesale	86	86	78	86	92	86	8,050	6,167	7,989	32	39	47	7	9	12	7	24	7
	Hong Kong	Branch of ING Bank N.V.	Wholesale	100	104	103	76	101	82	3,512	4,378	4,343	24	-18	-33	4	-2	-5	0	0	0
	Taiwan	Branch of ING Bank N.V.	Wholesale	37	37	35	27	39	33	3,507	2,597	3,578	4	0	-16	1	1	-5	3	0	4
	China	Branch of ING Bank N.V.	Wholesale	78	78	76	29	18	30	1,935	998	1,181	-5	-12	4	-1	2	5	0	-9	13
	Philippines [1,3]	Branch of ING Bank N.V.	Wholesale	5,290	4,079	3,098	16	10	10	477	403	381	14	1	-39	3	2	8	3	2	2
	United Arab Emirates	Branch of ING Bank N.V.	Wholesale	12	11	10	0	-2	-1	1	1	1	0	-3	-1	0	0	0	0	0	0
	Sri Lanka	Branch of ING Hubs B.V.	Global services	5	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Brazil	ING ADMINISTRAÇÃO LTDA.	In run-off / liquidation	0	2	30	4	18	17	63	73	57	3	17	9	25	0	1	1	4	5
	Mexico	ING Consulting, S.A. de C.V.	In run-off / liquidation	0	0	6	0	0	0	0	0	1	0	0	-2	0	0	0	0	0	0
	Canada	Payvision Canada Services Ltd.	Dissolved in 2023		0	0		0	0		0	0		0	0		0	0		0	0
	Macau	Payvision Macau Ltd.	Liquidated in 2022			0			0			0			0			0			0
	Indonesia	PT ING Securities Indonesia	Liquidated in 2022			0			0			0			0			0			0
	Malaysia	Branch of ING Bank N.V.	Closed in 2022			0			0			1			0			0			0
	Mauritius	ING Mauritius Investment I	Liquidated in 2022			0			0			0			0			0			0
Total				**61,121**	**59,434**	**57,569**	**22,615**	**22,575**	**18,561**	**1,020,545**	**975,583**	**967,817**	**9,300**	**10,492**	**5,502**	**2,650**	**2,970**	**1,725**	**2,754**	**2,700**	**1,474**

[1] Includes significant number of FTEs in relation to global services provided.
[3] In 2022, ING exited from the retail banking markets in France and the Philippines.

2024
The higher tax charge of 40% in the Netherlands (compared to the statutory rate of 25.8%) was mainly caused by the non-deductible Dutch bank tax (EUR 246 million) and other non-deductible expenses.

The positive tax charge reported for ING Türkiye with respect to its loss was mainly caused by the non-deductibility for tax purposes of the accounting loss based on hyperinflation accounting.

The high tax charge in Brazil is caused by tax corrections prior periods in connection with the run-off of our Brazilian operations.

ING has taken on no new business with Russian companies in 2024, has scaled down operations and has taken actions to separate the business from ING's networks and systems. On 28 January 2025, ING announced that it has reached an agreement on the sale of its business in Russia to Global Development JSC. For further information, reference is made to Note 47 'Subsequent events '.

2023
The higher tax charge of 31% in the Netherlands (compared to the statutory rate of 25.8%) was mainly caused by the non-deductible Dutch bank tax (EUR 189 million) and other non-deductible expenses.

The lower tax charge in Spain was caused by a tax refund (EUR 43 million) regarding previous years.

ING continued reducing Russian-related exposure during 2023, the local results on a standalone basis were positively impacted by releases of loan loss provisions following improved macroeconomic indicators and decrease in exposures following sales and repayments.

The lower negative tax charge reported for ING Türkiye with respect to its loss was mainly caused by the non deductibility for tax purposes of the accounting loss based on hyperinflation accounting.

2022
The higher tax charge of 39% in the Netherlands (compared to the statutory rate of 25.8%) was mainly caused by the non-deductible Dutch bank tax (EUR 179 million) and the non-deductible impairments regarding goodwill ING Türkiye (EUR 32 million) and TTB (EUR 165 million).

The higher positive tax charge of Türkiye combined with an accounting loss based on hyperinflation accounting was mainly caused by the non deductibility of this loss for tax purposes.

Since the Russian invasion of Ukraine, our strategy is no new business with Russian clients, including Russian-owned entities outside of Russia, and to get existing Russia-related credit exposures repaid as quickly as possible. These exposures are booked in various countries and totalled EUR 6.7 billion, published on 4 March 2022. Remaining at risk for ING Group at year-end 2022 is EUR 0.3 billion local equity and EUR 2.5 billion credit exposures booked outside of Russia. In 2022, ING's results in connection with Russia-related credit exposures declined significantly, as we have recognized EUR 0.5 billion risk costs related to these exposures. The local results on a standalone basis were higher compared to 2021. This was driven by the high local interest-rate environment and increased rouble inflow from existing, predominantly non-Russian, clients. Under local law and banking regulations, ING Russia must accept these rouble inflows. Furthermore, the local result before tax expressed in EUR (EUR 128 million) was positively impacted by the appreciation of the rouble against the euro for an amount of EUR 80 million throughout 2022. Going forward, we will continue to actively reduce our Russia-related credit exposure.

The higher tax charge in Poland is mainly caused by non-deductible regulatory and other costs.

Additional notes to the consolidated financial statements

32 Pensions and other post-employment benefits

Most group companies sponsor defined contribution pension plans. The assets of all ING Group's defined contribution plans are held in independently administered funds. Contributions, including the defined contribution plan in the Netherlands, are principally determined as a percentage of remuneration. These plans do not give rise to provisions in the statement of financial position, other than relating to short-term timing differences included in other assets and in other liabilities.

ING Group maintains defined benefit retirement plans in some countries. These plans provide benefits that are related to the remuneration and service of employees upon retirement. The benefits in some of these plans are subject to various forms of indexation. The indexation is, in some cases, at the discretion of management; in other cases it is dependent upon the sufficiency of plan assets.

Annual contributions are paid to the funds at a rate necessary to adequately finance the accrued liabilities of the plans calculated in accordance with local legal requirements. Plans in all countries are designed to comply with applicable local regulations governing investments and funding levels.

ING Group provides other post-employment benefits to certain former employees. These post-employment benefits are primarily discounts on ING products.

Defined contribution plans

ING, as part of the labour agreements with its employees, sponsors a number of defined contribution plans. ING's obligation is limited to contributions which are agreed in advance and also includes employee contributions. The most significant plans are in the Netherlands and Belgium. The employer's contribution is recognised as an expense which amounted in 2024 to EUR 423 million (2023: EUR 391 million).

Defined benefit retirement plans

Statement of financial position - Net defined benefit asset/liability

Plan assets and defined benefit obligation per country

	Plan assets		Defined benefit obligation		Funded Status	
in EUR million	2024	2023	2024	2023	2024	2023
The Netherlands	325	331	415	426	-90	-95
United States	250	257	235	245	15	12
United Kingdom	1,206	1,257	751	790	455	467
Belgium	513	516	450	473	63	43
Other countries	341	317	368	353	-26	-37
Funded status (Net defined benefit asset/liability)	**2,636**	**2,678**	**2,219**	**2,288**	**416**	**390**
Presented as:						
- Other assets					568	554
- Other liabilities					-152	-164
					416	**390**

The most recent (actuarial) valuations of the plan assets and the present value of the defined benefit obligation were carried out as at 31 December 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were determined using the projected unit credit method.

Changes in the fair value of plan assets for the period were as follows:

Changes in fair value of plan assets		
in EUR million	2024	2023
Opening balance as at 1 January	2,678	2,637
Interest income	106	115
Remeasurements: Return on plan assets excluding amounts included in interest income	-118	-8
Employer's contribution	23	28
Participants contributions	4	4
Benefits paid	-128	-119
Effect of curtailment or settlement	-8	
Exchange rate differences	79	22
Closing balance	**2,636**	**2,678**
Actual return on the plan assets	**-12**	**107**

As at 31 December 2024, the defined benefit plans did not hold any direct investments in ING Groep N.V. (2023: nil). During 2024 and 2023, there were no purchases or sales of assets between ING and the pension funds.

ING does not manage the pension funds and thus receives no compensation for fund management. The pension funds have not engaged ING in any swap or derivative transactions to manage the risk of the pension funds.

No plan assets are expected to be returned to ING Group during 2025.

Changes in the present value of the defined benefit obligation and other post-employment benefits for the period were as follows:

Changes in defined benefit obligation and other post-employment benefits				
	Defined benefit obligation		Other post-employment benefits	
in EUR million	2024	2023	2024	2023
Opening balance as at 1 January	2,288	2,159	30	29
Current service cost	28	27	1	1
Interest cost	87	92	3	2
Remeasurements: Actuarial gains and losses arising from changes in demographic assumptions	-3	-9		
Remeasurements: Actuarial gains and losses arising from changes in financial assumptions	-94	127	5	1
Participants' contributions	3	3		
Benefits paid	-132	-123	-1	-1
Past service cost	1	1		
Effect of curtailment or settlement	-9			
Exchange rate differences and other changes	51	12	1	-2
Closing balance	**2,219**	**2,288**	**38**	**30**

Amounts recognised directly in Other comprehensive income were as follows:

Changes in the net defined benefit assets/liability remeasurement reserve		
in EUR million	2024	2023
Opening balance as at 1 January	-317	-232
Remeasurement of plan assets	-118	-8
Actuarial gains and losses arising from changes in demographic assumptions	3	9
Actuarial gains and losses arising from changes in financial assumptions	94	-127
Taxation and Exchange rate differences	5	40
Total Other comprehensive income movement for the year	**-16**	**-85**
Closing balance	**-333**	**-317**

In 2024, the EUR -118 million (2023: EUR -8 million) of remeasurements of plan assets, that is recognised as a loss in other comprehensive income, is driven by yield changes on investments.

The EUR 94 million (2023: EUR -127 million) of actuarial gains arising from changes in financial assumptions in the calculation of the defined benefit obligation is mainly due to an increase in discount rates.

The accumulated amount of remeasurements recognised directly in Other comprehensive income is EUR -447 million (EUR -333 million after tax) as at 31 December 2024 (2023: EUR -397 million; EUR -317 million after tax).

Amounts recognised in the statement of profit or loss related to pension and other staff-related benefits are as follows:

Pension and other staff-related benefit costs

	Net defined benefit asset/liability			Other post-employment benefits			Total		
in EUR million	2024	2023	2022	2024	2023	2022	2024	2023	2022
Current service cost	28	27	33	1	1	1	29	28	34
Past service cost	1	1				-1	1	1	
Net Interest cost	-19	-23	-8	3	2	1	-16	-21	-6
Effect of curtailment or settlement	-1						-1		
Defined benefit plans	**9**	**5**	**26**	**4**	**3**	**2**	**13**	**8**	**27**
Defined contribution plans							423	391	364
Pension and other post-employment benefits							**435**	**399**	**392**
Other staff-related benefits							20	19	-2
Pension and other staff-related benefits							**455**	**418**	**390**

Determination of the net defined benefit asset/liability

The net defined benefit asset/liability is reviewed and adjusted annually. The assumptions used in the determination of the net defined benefit asset/liability and the Other post-employment benefits include discount rates, mortality rates, expected rates of salary increases (excluding promotion increases), and indexation. The rates used for salary developments, interest discount factors, and other adjustments reflect country-specific conditions.

The key assumption in the determination of the net defined benefit asset/liability is the discount rate. The discount rate is the weighted average of the discount rates that are applied in different regions where ING Group has defined benefit pension plans (weighted by the defined benefit obligation). The discount rate is based on a methodology that uses market yields on high quality corporate bonds of the specific regions with durations matching the pension liabilities as key input. Market yields of high quality corporate bonds reflect the yield on corporate bonds with an AA rating for durations where such yields are available. An extrapolation is applied in order to determine the yield to the longer durations for which no AA-rated corporate bonds are available. As a result of the limited availability of long-duration AA-rated corporate bonds, extrapolation is an important element of the determination of the discount rate. The weighted average discount rate applied for net defined benefit asset/liability for 2024 was 4.4% (2023: 4.0%) based on the pension plan in the Netherlands, Germany, Belgium, the United States of America, and the United Kingdom. The average discount rate applied for Other post-employment benefits in 2024 was 5.7% (2023: 5.2%).

Sensitivity analysis of key assumptions

ING performs sensitivity analyses on the most significant assumptions: discount rates, mortality, expected rate of salary increase, and indexation. The sensitivity analysis has been carried out under the assumption that the changes occurred at the end of the reporting period.

The sensitivity analysis calculates the financial impact on the defined benefit obligation of an increase or decrease of the weighted averages of each significant actuarial assumption with all other assumptions held constant. In practice, this is unlikely to occur, and some changes of the assumptions may be correlated. Changes to mortality, expected rate of salary increase, and indexation would have no material impact on the defined benefit obligation. The most significant impact would be from a change in the discount rate. An increase or decrease in the discount rate of 1.0% creates an impact on the defined benefit obligation of EUR 212 million (increase) and EUR 253 million (decrease), respectively.

Expected cash flows

ING Group's subsidiaries should fund the cost of the entitlements expected to be earned on a yearly basis.

For 2025, the expected contributions to defined benefit pension plans are EUR 48 million.

The benefit payments for defined benefit and other post-employment benefits expected to be made by the plan between 2025-2029 are estimated to be between EUR 145 million and EUR 156 million per year. From 2029 to 2033, the total payments made by the plan are expected to be EUR 768 million.

33 Taxation

Statement of financial position – Deferred tax

Deferred taxes are recognised on all temporary differences under the liability method using tax rates applicable in the jurisdictions in which ING Group is subject to taxation.

Changes in deferred tax

in EUR million **2024**	Net liability (-) Net asset (+) opening balance	Change through equity	Change through net result	Exchange rate differences	Changes in the composition of the group and other changes	Net liability (-) Net asset (+) ending balance
Financial assets at FVOCI	63	71	-8			126
Financial assets and liabilities at FVPL	-3		-28	12		-19
Depreciation	-13		-9			-22
Cash flow hedges	502	-138		-1		363
Pension and post-employment benefits	-33	6	1	-5	-1	-32
Other provisions	48		12	1	1	62
Loans and advances	475		-49			427
Unused tax losses carried forward	209		-128	3		85
Other	-154	-41	-9	-5	1	-208
Total	**1,096**	**-102**	**-219**	**6**	**0**	**781**
Presented in the statement of financial position as:						
– Deferred tax liabilities	-184					-287
– Deferred tax assets	1,280					1,069
	1,096					**781**

The above table shows netted deferred tax amounts related to right-of-use assets and lease liabilities included in the row 'Other', and includes a deferred tax amount for right-of-use assets of EUR 178 million (2023: EUR 195 million and 2022: EUR 205 million) and a deferred tax amount for lease liabilities of EUR 197 million (2023: EUR 217 million and 2022: EUR 231 million).

The deferred tax on cash flow hedges relate to floating rate lending with interest rate swaps. Due to decreased (longer-term) interest rate yield curve in 2024 there was a positive revaluation of the cash flow hedge through other comprehensive income. This resulted in a decline in the deferred tax asset by EUR -138 million compared to the decline in deferred tax assets in 2023 by EUR -251 million due to the decline in the interest yield curve. The deferred tax asset in cash flow hedges decreased from EUR 502 million in 2023 to EUR 363 million in 2024.

The deferred tax on Loans and advances changes through net result in 2024 EUR -49 million (2023: EUR -140 million) relates mainly to valuation changes of collectively assessed expected credit losses.

Unused tax losses carried forward declined by EUR 124 million mainly due to realised results on derivatives used in Cash flow hedging which in previous years led to a tax loss in Poland.

The deferred tax changes through equity - Other in 2024 of EUR -41 million (2023:EUR 13 million) is due to FX developments following the USD appreciation and the application of IAS 29 Hyperinflation in Türkiye, and also due to the decline in the Credit Liability Reserve due to credit spread tightening.

Changes in deferred tax

in EUR million 2023	Net liability (-) Net asset (+) opening balance	Change through equity	Change through net result	Exchange rate differences	Changes in the composition of the group and other changes	Net liability (-) Net asset (+) ending balance
Financial assets at FVOCI	80	-10	-3	-4		63
Financial assets and liabilities at FVPL	28		-44	13		-3
Depreciation	-13		-6	3	4	-13
Cash flow hedges	752	-251		1		502
Pension and post-employment benefits	-54	31	-7	-4		-33
Other provisions	59		-12	-3	4	48
Loans and advances	612	8	-140	-6	2	475
Unused tax losses carried forward	327		-128	11	-1	209
Other	-251	13	90	-2	-4	-154
Total	**1,539**	**-209**	**-249**	**10**	**5**	**1,096**
Presented in the statement of financial position as:						
– deferred tax liabilities	-257					-184
– deferred tax assets	1,796					1,280
	1,539					**1,096**

Deferred tax in connection with unused tax losses carried forward

in EUR million	2024	2023
Total unused tax losses carried forward	1,345	1,870
Unused tax losses carried forward not recognised as a deferred tax asset	951	815
Unused tax losses carried forward recognised as a deferred tax asset	**394**	**1,055**
Average tax rate	21.6%	19.9 %
Deferred tax asset	85	209

Total unused tax losses carried forward analysed by expiry terms

	No deferred tax asset recognised		Deferred tax asset recognised	
in EUR million	2024	2023	2024	2023
Within 1 year				
More than 1 year but less than 5 years	135	126	14	633
More than 5 years but less than 10 years	9	9	66	2
More than 10 years but less than 20 years				
Unlimited	808	681	313	421
	951	**815**	**394**	**1,055**

Deferred tax assets are recognised for temporary deductible differences, for tax losses carried forward and unused tax credits only to the extent that realisation of the related tax benefit is probable.

Breakdown of certain net deferred tax asset positions by jurisdiction

in EUR million	2024	2023
Poland		244
Slovakia		1
China	9	2
Australia	1	1
Hong Kong	5	8
United States of America	1	
Türkiye	40	41
Taiwan	10	11
	66	**308**

The table above includes a breakdown of certain net deferred tax asset positions by jurisdiction for which the utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences whilst the related entities have incurred losses in either the current or the preceding year.

In 2024 as in 2023, ING Bank Slaski (Poland) realised a tax profit following the value changes of the cash flow hedge derivatives which are settled net via a central clearing party, whereas in the years before, ING Bank Slaski incurred a tax loss following the large value changes of the cash flow hedge derivatives. In 2024 ING Slaski utilised the tax assets related to the 2023 unused tax losses carried forward.

At 31 December 2024 and 2023, ING Group had no significant temporary differences associated with the parent company's investments in subsidiaries and associates as any economic benefit from those investments will not be taxable at parent company-level.

Statement of profit or loss – Taxation

Taxation by type

	Netherlands			Rest of the world			Total		
in EUR million	2024	2023	2022	2024	2023	2022	2024	2023	2022
Current taxation	454	601	498	1,977	2,121	1,510	2,432	2,722	2,008
Deferred taxation	-13	-45	-79	232	293	-204	219	249	-283
	441	**556**	**419**	**2,210**	**2,414**	**1,306**	**2,650**	**2,970**	**1,725**

Reconciliation of the weighted average statutory income tax rate to ING Group's effective income tax rate

in EUR million	2024	2023	2022
Result before tax from continuing operations	9,300	10,492	5,502
Weighted average statutory tax rate	25.1 %	25.5 %	24.8 %
Weighted average statutory tax amount	**2,333**	**2,678**	**1,365**
Permanent differences affecting current tax			
Participation exemption	-87	-43	-64
Other income not subject to tax	-64	-68	-40
Expenses not deductible for tax purposes	424	398	403
Current tax from previously unrecognised amounts	-1	1	10
State and local taxes	77	99	68
Adjustments to prior periods	-34	-72	-29
Differences affecting deferred tax			
Impact on deferred tax from change in tax rates	-1	2	5
Deferred tax benefit from previously unrecognised amounts	-1	-30	-3
Write-off/reversal of deferred tax assets	4	4	10
Effective tax amount	**2,650**	**2,970**	**1,725**
Effective tax rate	**28.5 %**	**28.3 %**	**31.4 %**

The effective tax rate of 28.5% in 2024 is higher than the weighted average statutory tax rate This is mainly caused by the impact in 2024 of the following non-deductible items for income tax purposes: hyperinflation accounting loss in Türkiye, interest expenses, and bank- and local taxes in various countries. State and local taxes mainly relate to Base Erosion and anti-Abuse Tax (BEAT) in the United States of America and top-up Tax based on Global Anti-Base Erosion Model Rules (Pillar Two).

The effective tax rate of 28.3% in 2023 was higher than the weighted average statutory tax rate. This is mainly caused by the impact in 2023 of the following non-deductible items for income tax purposes: hyperinflation accounting loss in Türkiye, interest expenses, and bank- and local taxes in various countries. Adjustments to prior periods mainly relate to a tax refund in Spain.

The effective tax rate of 31.4% in 2022 was higher than the weighted average statutory tax rate. This is mainly caused by the impact in 2022 of the following non-deductible items for income tax purposes: hyperinflation accounting loss in Türkiye, impairments on TTB, and interest expenses in various countries.

Equity - Other comprehensive income

Income tax related to components of other comprehensive income

in EUR million	2024	2023	2022
Unrealised revaluations of financial assets at fair value through other comprehensive income and other revaluations	100	-7	140
Realised gains/losses transferred to the statement of profit or loss (reclassifications from equity to profit or loss)	-29	-3	8
Changes in cash flow hedge reserve	-138	-251	875
Remeasurement of the net defined benefit asset/liability	6	31	6
Changes in fair value of own credit risk of financial liabilities at fair value through profit or loss	5	2	19
Exchange rate differences and other	-46	19	-141
Total income tax related to components of other comprehensive income	**-102**	**-209**	**907**

34 Fair value of assets and liabilities

a) Valuation methods

The estimated fair values represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is a market-based measurement, which is based on assumptions that market participants would use and takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability.

Fair values of financial assets and liabilities are based on quoted prices in active market where available. When such quoted prices are not available, the fair value is determined by using valuation techniques.

b) Valuation control framework

The valuation control framework covers the product approval process (PARP), pricing, market data assessment and independent price verification (IPV), valuation adjustments, model use, fair value hierarchy and day one profit or loss. Valuation processes are governed by various governance bodies, including Local Parameter Committees, the Global Valuation and Impairment Committee, the Market Data Committee and the Valuation Model Committee. All relevant committees meet on a regular basis (monthly/quarterly), where the agenda covers the aforementioned valuation controls.

The Global Valuation and Impairment Committee is responsible for the oversight and the approval of the outcome of impairments (other than loan loss provisions) and valuation processes. It oversees the quality and coherence of valuation methodologies and performance. The Valuation Model Committee is responsible for the approval of all valuation models used for the Fair valuation (IFRS) and Prudent Valuation (CRR) of positions measured at fair value. The Local Parameter Committee discusses the valuation results and monitors the performance of the valuation activities carried out on local or regional level. The Global Financial Markets Parameter Committee reviews the consolidated valuation outcome and resulting P&L for Financial Market products, targeting a globally consistent treatment across Financial Markets. The Market Data Committee is responsible for the approval of the market data used in valuation.

c) Valuation adjustments

Valuation adjustments are an integral part of the fair value. They are the adjustments to the output from a valuation technique in order to appropriately determine a fair value in accordance with IFRS13. ING considers various fair value adjustments including Bid-Offer adjustments, Model Risk adjustments, Bilateral Valuation Adjustments (BVA, consisting of Credit Valuation Adjustments or CVA, and Debit valuation Adjustments or DVA), Collateral Valuation Adjustment (CollVA) and Funding Valuation Adjustment (FVA).

For financial instruments where the fair value at initial recognition is based on one or more significant unobservable inputs, a difference between the transaction price and the fair value resulting from the internal valuation process can occur. Such difference is referred to as Day One Profit or Day One Loss (hereafter: DOP). ING defers material DOP of instruments with significant unobservable valuation inputs, which are the financial instruments classified as Level 3 and financial instruments with material unobservable inputs into CVA which are not necessarily classified as Level 3. The DOP is amortised over the life of the instrument, or until the significant unobservable inputs become observable, or until the significant unobservable inputs become non-significant. Both the impact on the profit and loss in 2024 and the DOP reserve is disclosed in the below table.

Deferred Day One Profit or Loss Reserve

The table below summarises the movement in the aggregate DOP not recognised when financial instruments were initially recognised, because of the use of valuation techniques for which not all the inputs were market observable data.

Deferred day one profit or loss reserve		
in EUR million	2024	2023
Opening balance at 1 January	-90	-108
DOP deferred on new transactions during the period	-62	-83
DOP recognised in the statement of profit or loss during the period:		
– of which release	27	85
– of which amortisation and exchange differences	32	15
Closing balance at 31 December	**-94**	**-90**

The following table presents the model reserves for financial assets and liabilities.

Valuation adjustment reserves on financial assets and liabilities		
in EUR million	2024	2023
Deferred Day One Profit or Loss	-94	-90
Own credit adjustments	-17	34
Bid/Offer	-130	-154
Model Risk	-33	-26
CVA	-123	-131
DVA	50	55
CollVA	-3	-4
FVA	-64	-68
Other valuation adjustments	2	0
Total Valuation Adjustments	**-412**	**-385**

Own Credit Adjustment
Own issued debt and structured notes that are designated at fair value through profit or loss are adjusted for ING's own credit risk by means of DVA.

Bid-Offer Adjustment
For positions priced based upon mid-market input parameters, Bid-Offer adjustments are required in order to reflect the valuation of that position based on bid price or offer price. In practice this adjustment accounts for the difference in valuation from 'mid to bid' and 'mid to offer' for long and short exposures respectively. In principle, assets are valued at the bid prices and liabilities are valued at the offer price. For certain assets or liabilities, where a market-quoted price is not available, the price used is the fair value that is most representative within the bid-offer spread.

Model Risk Adjustment
Financial instruments that are valued using a valuation model can be subject to model risk. Model risk is the risk of possible financial loss resulting from a pricing model or model-based parameter deficiencies and/or uncertainties.

Bilateral Valuation Adjustments (Credit and Debit Valuation Adjustments)
Bilateral Valuation Adjustment is the valuation adjustment reflecting the counterparty credit risk of derivative contracts. It has a bilateral nature, where both the counterparty's credit risk (i.e. Credit Valuation Adjustment or CVA) and ING's own credit risk (Debit Valuation Adjustment or DVA) are taken into account:

- CVA is the fair value adjustment applicable to derivative instruments to account for the possibility that the counterparty defaults (i.e. it is the market value of the counterparty's credit risk).
- DVA is the fair value adjustment applicable to derivative instruments to account for the possibility that ING defaults (i.e. it is the market value of ING's credit risk).

The calculation of CVA and DVA on derivatives is based on their expected exposures, and the counterparties' and ING's risk of default, taking into account the collateral agreements as well as netting agreements. The counterparties' risk of default is measured by probability of default and expected loss given default, which is based on market information including credit default swap (CDS) spreads. Where counterparty CDS spreads are not available, relevant proxy spreads are used. Additionally, wrong-way risk (which occurs when the probability of default by the counterparty increases or decreases when ING's exposure to the counterparty increases (decreases)) and right-way risk (which occurs when the probability of default by the counterparty increases (decreases) when ING's exposure to the counterparty decreases (increases)) are included in the adjustment.

Collateral Valuation Adjustment (CollVA)
Collateral Valuation Adjustment is a fair valuation adjustment applied on derivative instruments to capture specific features of CSA (Credit Support Annex) with a counterparty that the regular OIS discounting framework does not capture. Non-standard CSA features may include deviations in relation to the currencies in which ING posts or receives collateral, deviations in the remuneration rate on collateral which may pay lower or higher rate than the overnight rate or even no interest at all; other deviations can be posting securities rather than cash as collateral.

Funding Valuation Adjustment (FVA)
Funding Valuation Adjustment (FVA) is a fair valuation adjustment applied on derivative instruments to address the asymmetry in funding costs or funding benefits between collateralised and uncollateralised derivative portfolios. This adjustment is based on the expected exposure profiles of the uncollateralised or partially collateralised OTC derivatives and market-based funding spreads.

Other Valuation Adjustments
This pertains to other valuation adjustments that are immaterial to ING. Most of the balance consists of the Market Price Uncertainty (MPU) adjustment in fair value, which accounts for the price uncertainty risk inherent in the valuation inputs to fair value.

d) Fair value hierarchy
ING Group has categorised its financial instruments that are either measured in the statement of financial position at fair value or of which the fair value is disclosed, into a three level hierarchy based on the observability of the valuation inputs. Highest priority is retained to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to valuation techniques supported by unobservable inputs.

Transfers into and transfers out of fair value hierarchy levels are made on a quarterly basis at the end of the reporting period.

Level 1 – (Unadjusted) quoted prices in active markets
This category includes financial instruments whose fair value is determined directly by reference to (unadjusted) quoted prices in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer markets, brokered markets, or principal to principal markets. Those prices represent actual and regularly occurring market transactions with sufficient frequency and volume to provide pricing information on an ongoing basis. Transfers out of Level 1 into Level 2 or Level 3 occur when ING Group establishes that markets are no longer active and therefore (unadjusted) quoted prices no longer provide reliable pricing information.

Level 2 – Valuation technique supported by observable inputs
This category includes financial instruments whose fair value is based on market observable inputs, either directly or indirectly, other than quoted prices included within Level 1. The fair value for financial instruments in this category can be determined by reference to quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, inputs other than quoted prices that are observable or market-corroborated inputs. ING analyses how the prices are derived and determines whether the prices are liquid tradable prices or model-based consensus prices taking various data as inputs.

For financial instruments that do not have a reference price available, fair value is determined using a valuation technique (e.g., a model), where inputs in the model are taken from an active market or are observable, such as interest rates and yield curves observable at commonly quoted intervals, implied volatilities, and credit spreads.

Instruments where inputs are unobservable are classified in this category, provided that the impact of those unobservable inputs on the overall valuation is insignificant. The notion of significant is particularly relevant for the distinction between Level 2 and Level 3 assets and liabilities, as the significance assessment of the valuation input on the entire fair value measurement will determine whether the instrument should be classified as Level 2 or Level 3. Expert judgement is required on the significance assessment approach.

Level 3 – Valuation technique supported by unobservable inputs
This category includes financial instruments whose fair value is determined using a valuation technique for which a significant part of the overall valuation is driven by unobservable valuation inputs. Where valuation inputs are unobservable, the Group must use the best information available to value the instruments. This may require internally derived inputs taking into account market participants' assumptions that are reasonably available, including assumptions on the risk inherent in a particular valuation technique used to measure fair value and the risk inherent in the inputs to the valuation technique. Unobservable inputs may include, among others, volatility, correlation, spreads to discount rates, default rates, recovery rates, prepayment rates, and certain credit spreads.

Financial instruments at fair value

The fair values of the financial instruments were determined as follows:

Methods applied in determining fair values of financial assets and liabilities (carried at fair value)

	Level 1		Level 2		Level 3		Total	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Financial Assets								
Financial assets at fair value through profit or loss								
- Equity securities	20,789	15,438	15	3	141	150	20,945	15,590
- Debt securities	7,485	4,825	4,596	4,081	3,505	3,364	15,586	12,270
- Derivatives	1	39	31,792	27,134	475	535	32,268	27,708
- Loans and receivables	0	0	62,168	63,316	6,614	4,131	68,782	67,446
	28,275	**20,302**	**98,571**	**94,533**	**10,734**	**8,179**	**137,580**	**123,015**
Financial assets at fair value through other comprehensive income								
- Equity securities	2,292	1,622	0	0	270	263	2,562	1,885
- Debt securities	39,859	35,848	2,360	2,433	0	0	42,219	38,281
- Loans and receivables	0	0	1,608	275	0	676	1,608	951
	42,151	**37,470**	**3,967**	**2,707**	**270**	**938**	**46,389**	**41,116**
Financial liabilities								
Financial liabilities at fair value through profit or loss								
– Debt securities	1,455	1,088	8,445	7,635	67	47	9,966	8,770
– Deposits	0	0	45,014	57,063	0	13	45,014	57,076
– Trading securities	3,631	3,604	12	41	10	0	3,653	3,645
– Derivatives	45	41	27,528	24,437	694	670	28,267	25,148
	5,131	**4,733**	**80,998**	**89,175**	**770**	**729**	**86,900**	**94,638**

The following methods and assumptions were used by ING Group to estimate the fair value of the financial instruments:

Equity securities

Instrument description: Equity securities include stocks and shares, corporate investments and private equity investments.
Valuation: If available, the fair values of publicly traded equity securities and private equity securities are based on quoted market prices. In the absence of active markets, fair values are estimated by analysing the investee's financial position, result, risk profile, prospect, price, earnings comparisons and revenue multiples. Additionally, reference is made to valuations of peer entities where quoted prices in active markets are available. For equity securities, best market practice will be applied using the most relevant valuation method. All non-listed equity investments, including investments in private equity funds, are subject to a standard review framework which ensures that valuations reflect the fair values.
Fair value hierarchy: The majority of equity securities are publicly traded, and quoted prices are readily and regularly available. Hence, these securities are classified as Level 1. Equity securities which are not traded in active markets mainly include corporate investments, fund investments and other equity securities and are classified as Level 3.

Debt securities

Instrument description: Debt securities include government bonds, financial institutions bonds and Asset-backed securities (ABS).
Valuation: Where available, fair values for debt securities are generally based on quoted market prices. Quoted market prices are obtained from an exchange market, dealer, broker, industry group, pricing service, or regulatory service. The quoted prices from non-exchange sources are reviewed on their tradability of market prices. If quoted prices in an active market are not available, fair value is based on an analysis of available market inputs, which include consensus prices obtained from one or more pricing services. Furthermore, fair values are determined by valuation techniques discounting expected future cash flows using market interest rate curves, referenced credit spreads, maturity of the investment, and estimated prepayment rates where applicable.
Fair value hierarchy: Government bonds and financial institution bonds are generally traded in active markets. Where quoted prices are readily and regularly available, they are classified as Level 1. The remaining positions are classified as Level 2 or Level 3 depending on the trading activity and observability of prices. Asset backed securities for which no active market is available and a wide discrepancy in quoted prices exists, are classified as Level 3.

Derivatives

Instrument description: Derivative contracts can either be exchange-traded or over the counter (OTC). Derivatives include interest rate derivatives, FX derivatives, credit derivatives, equity derivatives and commodity derivatives.

Valuation: The fair value of exchange-traded derivatives is determined using quoted market prices in an active market and are classified as Level 1 of the fair value hierarchy. For instruments that are not actively traded, fair values are estimated based on valuation techniques. OTC derivatives and derivatives trading in an inactive market are valued using valuation techniques. The valuation techniques and inputs depend on the type of derivatives and the nature of the underlying instruments. The principal techniques used to value these instruments are based on, among others, discounted cash flows, option pricing models and Monte Carlo simulations. These valuation models calculate the present value of expected future cash flows, based on 'no-arbitrage' principles. The models are commonly used in the financial industry and inputs to the validation models are determined from observable market data where possible. Certain inputs may not be observable in the market, but can be determined from observable prices via valuation model calibration procedures. These inputs include prices available from exchanges, dealers, brokers or providers of pricing, yield curves, credit spreads, default rates, recovery rates, dividend rates, volatility of underlying interest rates, equity prices, and foreign currency exchange rates and reference is made to quoted prices, recently executed trades, independent market quotes and consensus data, where available. For uncollateralised OTC derivatives, ING applies Credit Valuation Adjustment to correctly reflect the counterparty credit risk in the valuation and Debit Valuation Adjustments to reflect the credit risk of ING for its counterparty. In addition, for these derivatives ING applies Funding Valuation Adjustment. See sections CVA/DVA and FVA in section c) Valuation Adjustments for more details regarding the calculation.

Fair value hierarchy: The majority of the derivatives are priced using observable inputs and are classified as Level 2. Derivatives for which the input cannot be implied from observable market data are classified as Level 3.

Loans and receivables

Instrument description: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables carried at fair value include trading loans, being securities lending and similar agreement comparable to collateralised lending, syndicated loans, loans expected to be sold and receivables with regards to reverse repurchase transactions.
Valuation: The fair value of loans and receivables is generally estimated by discounting expected future cash flows using a discount rate that reflects credit risk, liquidity, and other current market conditions. The fair value of mortgage loans is estimated by taking into account prepayment behaviour.
Fair value hierarchy: Loans and receivables are predominantly classified as Level 2. Loans and receivables for which current market information about similar assets to use as observable, corroborated data for all significant inputs into a valuation model is not available, are classified as Level 3.

Financial liabilities at fair value through profit and loss

Instrument description: Financial liabilities at fair value through profit and loss include debt securities and debt instruments, primarily comprised of structured notes, which are held at fair value under the fair value option. Besides that, they include derivative contracts and repurchase agreements.
Valuation: The fair values of securities in the trading portfolio and other liabilities at fair value through profit or loss are based on quoted market prices, where available. For those securities not actively traded, fair

values are estimated based on internal discounted cash flow valuation techniques using interest rates and credit spreads that apply to similar instruments.
Fair value hierarchy: The majority of the derivatives and debt instruments are classified as Level 2. Derivatives and debt instruments for which the input cannot be derived from observable market data are classified as Level 3.

e) Transfers between Level 1 and 2

As a consequence of change in observable inputs, ING recorded a EUR 0.8 billion transfer from Level 2 to Level 1 in debt securities measured at fair value through other comprehensive income. No significant transfers from Level 1 to Level 2 were recorded in the reporting period 2024.

f) Level 3: Valuation techniques and inputs used

Financial assets and liabilities in Level 3 include both assets and liabilities for which the fair value was determined using (i) valuation techniques that incorporate unobservable inputs as well as (ii) quoted prices which have been adjusted to reflect that the market was not actively trading at or around the balance sheet date. Unobservable inputs are inputs which are based on ING's own assumptions about the factors that market participants would use in pricing an asset or liability, developed based on the best information available in the circumstances. Unobservable inputs may include volatility, correlation, spreads to discount rates, default rates and recovery rates, prepayment rates, and certain credit spreads. Valuation techniques that incorporate unobservable inputs are sensitive to the inputs used.

Of the total amount of financial assets classified as Level 3 as at 31 December 2024 of EUR 11.0 billion (31 December 2023: EUR 9.1 billion), an amount of EUR 9.6 billion (87.2%) (31 December 2023: EUR 7.0 billion, being 76.7%) is based on unadjusted quoted prices in inactive markets. As ING does not generally adjust quoted prices using its own inputs, there is no significant sensitivity to ING's own unobservable inputs.

Furthermore, Level 3 financial assets include EUR 0.1 billion (31 December 2023: EUR 0.3 billion) which relates to financial assets that are part of structures that are designed to be fully neutral in terms of market risk. Such structures include various financial assets and liabilities for which the overall sensitivity to market risk is insignificant. Whereas the fair value of individual components of these structures may be determined using different techniques and the fair value of each of the components of these structures may be sensitive to unobservable inputs, the overall sensitivity is by design not significant.

The remaining EUR 1.3 billion (31 December 2023: EUR 1.8 billion) of the fair value classified in Level 3 financial assets is established using valuation techniques that incorporate certain inputs that are unobservable.

Of the total amount of financial liabilities classified as Level 3 as at 31 December 2024 of EUR 0.8 billion (31 December 2023: EUR 0.7 billion), an amount of EUR 0.6 billion (75.7%) (31 December 2023: EUR 0.4 billion, being 50.0%) is based on unadjusted quoted prices in inactive markets. As ING does not generally adjust quoted prices using its own inputs, there is no significant sensitivity to ING's own unobservable inputs.

Furthermore, Level 3 financial liabilities include EUR 0.1 billion (31 December 2023: EUR 0.3 billion) which relates to financial liabilities that are part of structures that are designed to be fully neutral in terms of market risk. As explained above, the fair value of each of the components of these structures may be sensitive to unobservable inputs, but the overall sensitivity is by design not significant.

The remaining EUR 0.1 billion (31 December 2023: EUR 0.1 billion) of the fair value classified in Level 3 financial liabilities is established using valuation techniques that incorporates certain inputs that are unobservable.

The table below provides a summary of the valuation techniques, key unobservable inputs and the lower and upper range of such unobservable inputs, by type of Level 3 asset/liability. The lower and upper range mentioned in the overview represent the lowest and highest variance of the respective valuation input as actually used in the valuation of the different financial instruments. Amounts and percentages stated are unweighted. The range can vary from period to period subject to market movements and change in Level 3 position. Lower and upper bounds reflect the variability of Level 3 positions and their underlying valuation inputs in the portfolio, but do not adequately reflect their level of valuation uncertainty. For valuation uncertainty assessment, reference is made to section Sensitivity analysis of unobservable inputs (Level 3).

Valuation techniques and range of unobservable inputs (Level 3)

	Assets		Liabilities		Valuation techniques	Significant unobservable inputs	Lower range		Upper range	
In EUR million	2024	2023	2024	2023			2024	2023	2024	2023
At fair value through profit or loss										
Debt securities	3,504	3,364	10	0	Price based	Price (%)	0%	0%	120%	122%
						Price (price per share)	327	97	520	236
					Present value techniques	Credit spread (bps)	n.a.	94	n.a.	94
						Price (%)	95.85%	n.a.	100%	n.a.
Equity securities	141	150			Price based	Price (price per share)	0	0	5,475	5,457
Loans and advances	1,565	2,298	0	13	Price based	Price (%)	0%	0%	107%	117%
					Present value techniques	Credit spread (bps)	576	1	629	12
						Prepayment rate (%)	2%	n.a.	100%	n.a.
(Reverse) repos	5,050	1,832			Present value techniques	Interest rate (%)	2%	n.a.	2%	n.a.
Structured notes			67	47	Price based	Price (%)	93%	88%	104%	96%
					Option pricing model	Equity volatility (%)	n.a.	9%	n.a.	23%
						Equity/Equity correlation	0.7	0.8	0.7	0.9
						Equity/FX correlation	n.a.	-0.2	n.a.	0.6
						Dividend yield (%)	n.a.	0%	n.a.	4%
					Present value techniques	Credit spreads (bps)	n.a.	100	n.a.	101
						Prepayment rate (%)	99.59%	n.a.	100.09%	n.a.
Derivatives										
– Rates	413	283	389	301	Option pricing model	Interest rate volatility (bps)	n.a.	1	n.a.	3
					Present value techniques	Reset spread (%)	2%	n.a.	2%	n.a.
						Prepayment rate (%)	n.a.	0%	n.a.	0%
– FX	6	2	8	3	Option pricing model	Implied volatility (%)	2%	3%	15%	18%
– Credit	39	216	241	343	Present value techniques	Credit spread (bps)	0	3	91	149
					Price based	Price (%)	0%	0%	100%	100%
– Equity	10	20	47	17	Option pricing model	Equity volatility (%)	7%	12%	81%	75%
						Equity/Equity correlation	0.0	0.2	1.0	1.0
						Equity/FX correlation	-0.6	-0.5	0.6	1.0
						Dividend yield (%)	0%	0%	33%	14%
					Price based	Price (%)	n.a.	0%	n.a.	21%
– Other	6	14	9	7	Option pricing model	Commodity volatility (%)	13.1%	11%	61%	94%
						Com/FX correlation	-0.40	n.a.	-0.25	n.a.
					Price based	Price (commodity)	68	n.a.	68	n.a.
At fair value through other comprehensive income										
– Loans and advances		676			Price based	Price (%)	n.a.	85%	n.a.	96%
– Equity	270	263			Present value techniques	Credit spread (bps)	5.67	5.2	5.76	5.2
						Interest rate (%)	1.5%	4%	3.5%	4%
						Payout ratio (%)	70%	n.a.	90%	n.a.
					Price based	Price (%)	122%	122%	122%	122%
Total	**11,005**	**9,118**	**770**	**729**						

[1] The abbreviation n.a. stands for not applicable or not available.

Price
For securities where market prices are not available, fair value is measured by comparison with observable pricing data from similar instruments. Prices of 0% are distressed to the point that no recovery is expected, while prices significantly in excess of 100% or par are expected to pay a yield above current market rates.

Credit spreads
Credit spread is the premium above a benchmark interest rate required by the market participant to accept a lower credit quality. Higher credit spreads indicate lower credit quality and a lower value of an asset.

Volatility
Volatility is a measure for variation of the price of a financial instrument or other valuation input over time. Volatility is one of the key inputs in option pricing models. Typically, the higher the volatility, the higher value of the option. Volatility varies by the underlying reference (equity, commodity, foreign currency and interest rates), by strike, and maturity of the option. The minimum level of volatility is 0% and there is no theoretical maximum.

Correlation
Correlation is a measure of dependence between two underlying references which is relevant for valuing derivatives and other instruments having more than one underlying reference. High positive correlation (close to 1) indicates a strong positive (statistical) relationship, where underliers move, everything else equal, into the same direction. The same holds for a high negative correlation.

Interest rate
An interest rate is the amount of interest due per period, as a proportion of the amount lent, deposited, or borrowed.

Reset spread
Reset spreads are key inputs to mortgage-linked prepayment swaps valuation. Reset spread is the future spread at which mortgages will re-price at interest rate reset dates.

Dividend yield
Dividend yield is an important input for equity option pricing models showing how much dividends a company is expected to pay out each year relative to its share price. Dividend yields are generally expressed as an annualised percentage of share price.

Payout ratio
Dividend payout ratio is an input that shows the percentage of dividends a company is expected to pay out each year relative to its net income.

Prepayment rate
Prepayment rate is a key input to mortgage and loan valuation. Prepayment rate is the estimated rate at which mortgage borrowers will repay their mortgages early, e.g. 5% per year. Prepayment rate and reset spread are key inputs to mortgage-linked prepayment swaps valuation.

Level 3: Changes during the period

Changes in Level 3 Financial assets

	Trading assets		Non-trading derivatives		Financial assets mandatorily at FVPL		Financial assets designated at FVPL		Financial assets at FVOCI		Total	
In EUR million	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance as at 1 January	848	873	286	421	3,499	1,849	3,547	3,492	938	891	9,118	7,526
Realised gain/loss recognised in the statement of profit or loss during the period [1]	-175	235	-38	-142	294	-33	-54	-383		0	28	-322
Revaluation recognised in other comprehensive income during the period [2]									-3	-6	-3	-6
Purchase of assets	486	1,246	198	76	4,424	2,208	1,600	873	154	331	6,862	4,735
Sale of assets	-111	-889	-257	-55	-1,605	-1,109	-10	-138	-418	-243	-2,402	-2,433
Maturity/settlement	-140	-1,005	-7	-15	-294	-576	-988	-292	-20	-22	-1,449	-1,910
Reclassifications	0	0	0	0	0	723	0	0	0	5	0	728
Transfers into Level 3	370	879	0	0	615	981	30	1	0	0	1,014	1,860
Transfers out of Level 3	-454	-459	-114	0	-1,214	-534	-3	0	-384	0	-2,169	-994
Exchange rate differences	0	-31	0	0	5	-9	-2	-9	9	-10	12	-59
Changes in the composition of the group and other changes	0	0	0	0	-1	0	0	2	-5	-8	-6	-6
Closing balance	**824**	**848**	**68**	**286**	**5,721**	**3,499**	**4,121**	**3,547**	**270**	**938**	**11,005**	**9,118**

[1] Net gains/losses were recorded as 'Valuation results and net trading income' in the statement of profit or loss. The total amounts includes EUR -41 million (2023: EUR 316 million) of unrealised gains and losses recognised in the statement of profit or loss.
[2] Revaluation recognised in other comprehensive income is included on the line 'Net change in fair value of debt instruments at fair value through other comprehensive income'.

In 2024 and 2023, transfers into and out of Level 3 of financial assets mandatorily at fair value mainly relate to (long- term) reverse repurchase transactions for which the valuation being significantly impacted by unobservable inputs and no longer significantly impacted by unobservable inputs, respectively.

In 2024, the transfer into Level 3 trading assets consisted of cross currency swap trades, which were transferred to Level 3 as a result of the valuation being significantly impacted by unobservable inputs. Conversely, the transfer out of Level 3 in trading assets and non-trading derivatives primarily involved derivative instruments, as their valuations were no longer significantly impacted by unobservable inputs.

In 2024, the transfer out of Level 3 of financial assets at FVOCI relates to HtC&S portfolio transferred to Level 2 resulting from change in methodology.

In 2023, the transfer into Level 3 trading assets is mainly driven by debt securities that are part of a structure transferred into level 3 due to market illiquidity which decreased observability for an input.

Changes in Level 3 Financial liabilities

	Trading liabilities		Non-trading derivatives		Financial liabilities designated as at fair value through profit or loss		Total	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance as at 1 January	382	229	301	449	47	54	729	732
Realised gain/loss recognised in the statement of profit or loss during the period[1]	-104	224	-98	-151	-5	-2	-206	72
Additions	55	53	190	72	29	18	274	142
Redemptions	-12	-102	-209	-53	0	-2	-222	-156
Maturity/settlement	-15	-13	-7	-16	-4	-1	-26	-30
Transfers into Level 3	364	40	0	0	34	32	399	72
Transfers out of Level 3	-33	-49	-111	0	-34	-54	-179	-102
Exchange rate differences	0	0	0	0	0	0	0	0
Closing balance	**637**	**382**	**67**	**301**	**67**	**47**	**770**	**729**

[1] Net gains/losses were recorded as 'Valuation results and net trading income' in the statement of profit or loss. The total amount includes EUR -206 million (2023: EUR 72 million) of unrealised gains and losses recognised in the statement of profit or loss.

In 2024, the transfers into Level 3 mainly consisted of trading liabilities attributed to cross currency swap trades transferred into Level 3 as a result of the valuation being significantly impacted by unobservable inputs. The transfers out of Level 3 for non-trading derivatives are driven by interest rate swap trades, which were reclassified out of Level 3 as their valuations were no longer influenced by significantly unobservable inputs.

In 2023, transfers of financial liabilities into and out of Level 3 mainly consisted of structured notes, measured as designated at fair value through profit or loss. The structured notes were transferred out of Level 3 as the valuation was no longer impacted by significantly unobservable inputs.

g) Recognition of unrealised gains and losses in Level 3

Amounts recognised in the statement of profit or loss relating to unrealised gains and losses during the year that relate to Level 3 assets and liabilities are included in the line item 'Valuation results and net trading income' in the statement of profit or loss.

h) Level 3: Sensitivity analysis of unobservable inputs

Where the fair value of a financial instrument is determined using inputs which are unobservable and which have a more than insignificant impact on the fair value of the instrument, the actual value of those inputs at the balance date may be drawn from a range of reasonably possible alternatives. In line with market practice, the upper and lower bounds of the range of alternative input values reflect a level of valuation certainty. The actual levels chosen for the unobservable inputs in preparing the financial statements are consistent with the valuation methodology used for fair valued financial instruments.

In practice, valuation uncertainty is measured and managed per exposure to individual valuation inputs (i.e. risk factors) at portfolio-level across different product categories. Where the disclosure looks at individual Level 3 inputs, the actual valuation adjustments may also reflect the benefits of portfolio offsets.

This disclosure does not attempt to indicate or predict future fair value movement. The numbers in isolation give limited information as in most cases these Level 3 assets and liabilities should be seen in combination with other instruments (for example as a hedge) that are classified as Level 2.

The valuation uncertainty in the table below is broken down by related risk class rather than by product. The possible impact of a change of unobservable inputs in the fair value of financial instruments where unobservable inputs are significant to the valuation is as follows:

Sensitivity analysis of Level 3 instruments

	Positive fair value movements from using reasonable possible alternatives		Negative fair value movements from using reasonable possible alternatives	
in EUR million	2024	2023	2024	2023
Equity (equity derivatives, structured notes)	21	18	-20	-9
Interest rates (Rates derivatives, FX derivatives)	5	3	0	0
Credit (Debt securities, Loans, structured notes, credit derivatives)	2	45	-27	-54
Loans and advances	0	3	0	-17
	28	**69**	**-47**	**-80**

i) Financial instruments not measured at fair value

The following table presents the estimated fair values of the financial instruments not measured at fair value in the statement of financial position.

Methods applied in determining fair values of financial assets and liabilities (carried at amortised cost)

	Carrying Amount		Carrying amount presented as fair value[1]		Level 1		Level 2		Level 3		Total fair value	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Financial Assets												
Loans and advances to banks	21,770	16,709	3,195	2,722			15,614	11,430	2,957	2,511	21,766	16,662
Loans and advances to customers	680,233	642,402	18,291	15,681			18,626	14,602	630,493	593,098	667,410	623,381
Securities at amortised cost	50,273	48,313			42,871	40,041	2,908	4,277	2,523	1,693	48,303	46,010
	752,276	**707,424**	**21,486**	**18,403**	**42,871**	**40,041**	**37,149**	**30,308**	**635,973**	**597,302**	**737,479**	**686,053**
Financial liabilities												
Deposits from banks	16,723	23,257	4,348	3,764			8,208	15,066	3,943	3,968	16,499	22,799
Customer deposits	691,661	650,267	582,387	556,060			61,916	52,486	46,984	41,063	691,287	649,609
Debt securities in issue[2]	142,367	124,670			79,254	62,197	61,651	42,606	2,000	20,450	142,905	125,253
Subordinated loans	17,878	15,401			17,968	15,050	389	311			18,357	15,361
	868,630	**813,594**	**586,735**	**559,824**	**97,221**	**77,248**	**132,164**	**110,469**	**52,927**	**65,482**	**869,048**	**813,022**

1 In accordance with IFRS and for the purpose of this disclosure, the carrying amount of financial instruments with an immediate on demand feature is presented as fair value.
2 In 2023, debt securities included a commercial paper issued classified as Level 3. Following a change in valuation technique in 2024, it transferred to Level 2.

The aggregation of the fair values presented above does not represent, and should not be construed as representing, the underlying value of ING Group. These fair values were calculated for disclosure purposes only. The carrying amount of financial instruments presented in the above table includes, when applicable, the fair value hedge adjustment, this explains why (for these cases) the carrying amount approximates fair value.

Loans and advances to banks

For short-term receivables from banks, carrying amounts represent a reasonable estimate of the fair value. The fair value of long-term receivables from banks is estimated by discounting expected future cash flows using a discount rate based on specific available market data, such as interest rates and appropriate spreads, that reflects current credit risk or quoted bonds.

Loans and advances to customers

For short-term loans, carrying amounts represent a reasonable estimate of the fair value. The fair value of long-term loans is estimated by discounting expected future cash flows using a discount rate that reflects current credit risk, current interest rates, and other current market conditions where applicable. The fair value of mortgage loans is estimated by taking into account prepayment behaviour. Loans with similar characteristics are aggregated for calculation purposes.

Securities at amortised cost

Where available, fair values for debt securities are generally based on quoted market prices. Quoted market prices are obtained from an exchange market, dealer, broker, industry group, pricing service, or regulatory service. The quoted prices from non-exchange sources are reviewed on their tradability of market prices. If quoted prices in an active market are not available, fair value is based on an analysis of available market inputs, which include consensus prices obtained from one or more pricing services. Furthermore, fair values are determined by valuation techniques discounting expected future cash flows using market interest rate curves, referenced credit spreads, maturity of the investment, and estimated prepayment rates where applicable.

Deposits from banks
For short-term payables to banks, carrying amounts represent a reasonable estimate of the fair value. The fair value of long-term payables to banks is estimated by discounting expected future cash flows using a discount rate based on available market interest rates and appropriate spreads that reflect ING's own credit risk.

Customer deposits
In the current interest rate environment, there is significant embedded value in our on-demand deposits. However, for the purpose of this disclosure and in accordance with IFRS, the carrying amounts of deposits with an immediate on demand feature are presented as fair value.

The fair value of deposits with fixed contractual terms has been estimated based on discounting future cash flows using the interest rates currently applicable to deposits of similar maturities.

Debt securities in issue
The fair value of debt securities in issue is generally based on quoted market prices, or if not available, on estimated prices by discounting expected future cash flows using a current market interest rate and credit spreads applicable to the yield, credit quality and maturity.

Subordinated loans
The fair value of publicly traded subordinated loans are based on quoted market prices when available. Where no quoted market prices are available, fair value of the subordinated loans is estimated using discounted cash flows based on interest rates and credit spreads that apply to similar instruments.

35 Derivatives and hedge accounting

Use of derivatives
ING uses derivatives for economic hedging purposes to manage its asset and liability portfolios and structural risk positions. The primary objective of ING's hedging activities is to manage the risks which arise from structural imbalances in the duration and other profiles of its assets and liabilities. The objective of economic hedging is to enter into positions with an opposite risk profile to an identified risk exposure to reduce that exposure. The main risks which are being hedged are interest rate risk and foreign currency exchange rate risk. These risks are primarily hedged with interest rate swaps, cross currency swaps and foreign exchange forwards/swaps.

ING uses credit derivatives to manage its economic exposure to credit risk, including total return swaps and credit default swaps, to sell or buy protection for credit risk exposures in the loan, investment, and trading portfolios. Hedge accounting is not applied in relation to these credit derivatives.

Hedge accounting
Derivatives that qualify for hedge accounting under IFRS are classified and accounted for in accordance with the nature of the instrument hedged and the type of IFRS hedge accounting model that is applicable. The three models applicable under IFRS are: fair value hedge accounting, cash flow hedge accounting, and hedge accounting of a net investment in a foreign operation. How and to what extent these models are applied are described under the relevant headings below. The company's detailed accounting policies for these three hedge models are set out in paragraph 1.5 'Financial instruments' of Note 1 'Basis of preparation and material accounting policy information'.

The benchmark rate reform
Reference is made to note 'Risk management / The impact of the benchmark rate reform' for information on how ING is managing the transition to alternative benchmark rates and ING's progress in completing the transition with respect to derivatives in hedge accounting relationships.

Fair value hedge accounting
ING's fair value hedges principally consist of interest rate swaps that are used to protect against changes in the fair value of fixed-rate instruments due to movements in market interest rates. ING's approach to managing market risk, including interest rate risk, is discussed in 'Risk management –Market risk'. ING's exposure to interest rate risk is disclosed in paragraph 'Interest rate risk in banking book'.

ING Group designates specific non-contractual risk components of hedged items. This is usually determined by designating benchmark interest rates such as EURIBOR, SOFR, SONIA or TONAR, between others, because the fair value of a fixed-rate instrument varies directly in response to changes in its benchmark interest rate.

By using derivative financial instruments to hedge exposures to changes in interest rates, ING also exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged item. ING minimises counterparty credit risk in derivative instruments by clearing most of the derivatives through Central Clearing Counterparties. In addition, ING only enters into transactions with high-quality counterparties and requires posting collateral.

ING applies fair value hedge accounting on micro level in which one hedged item is hedged with one or multiple hedging instruments as well as on macro level whereby a portfolio of items is hedged with multiple hedging instruments. For these macro hedges of interest rate risk, ING applies the EU 'carve-out'. The EU 'carve-out' for macro hedging enables a group of derivatives (or proportions) to be viewed in combination and jointly designated as the hedging instrument and removes some of the limitations in fair value hedge accounting relating to hedging core deposits and under-hedging strategies. In retail operations, exposure on retail funding (savings and current accounts) and retail lending (mortgages) is initially offset. The remaining

exposure is hedged in a portfolio hedge, using the EU carve-out, in which a portion of the retail lending portfolio and core deposits are designated as a hedged item for hedge accounting purposes.

For portfolio hedges the fair value is projected based on contractual terms and other variables including prepayment expectations. These projected fair values of the portfolios form the basis for identifying the notional amount subject to interest rate risk that is designated under fair value hedge accounting.

Micro fair value hedge accounting is mainly applied on issued debt securities and purchased debt instruments for hedging interest rate risk.

Before fair value hedge accounting is applied, ING determines whether an economic relationship between the hedged item and the hedging instrument exists based on an evaluation of the quantitative characteristics of these items and the hedged risk that is supported by quantitative analysis. ING considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. ING evaluates whether the fair value of the hedged item and the hedging instrument respond similarly to similar risks. In addition, ING is mainly using regression analysis to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item.

For the macro hedge on the loan portfolio, ING follows a dynamic hedging strategy. This means that on a monthly basis, based on the new portfolio projection, the hedging relationship is renewed. From an operational point of view, the existing hedging relationship is adjusted based on the new portfolio projection and additional hedging instruments are added to the hedging relationship.

ING uses the following derivative financial instruments in a fair value hedge accounting relationship:

Gross carrying value of derivatives designated under fair value hedge accounting

in EUR million	Assets 2024	Liabilities 2024	Assets 2023	Liabilities 2023
As at 31 December				
Hedging instrument on interest rate risk				
– Interest rate swaps	26,963	24,107	32,612	27,350
– Other interest derivatives	207	23	284	34
Hedging instrument on FX rate risk				
– Cross currency swaps	12	3		

The derivatives used for fair value hedge accounting are included in the statement of financial position line-item 'Financial assets at fair value through profit or loss – Non-trading derivatives' for EUR 617 million (2023: EUR 716 million) respectively 'Financial liabilities at fair value through profit or loss – Non-trading derivatives' EUR 79 million (2023: EUR 113 million). The difference between the gross carrying value as presented in the table and the net carrying value as presented in the statement of financial position is due to offsetting with other derivatives and collaterals paid or received.

For our main currencies the average fixed rate for interest rate swaps used in fair value hedge accounting are 1.69% (2023: 1.32%) for EUR and 4.22% (2023: 3.93%) for USD.

The following table shows the net notional amount of derivatives designated in fair value hedging, split into the maturity of the instruments. The net notional amounts presented in the table are a combination of payer (-) and receiver (+) swaps.

Maturity derivatives designated in fair value hedging

in EUR million	Less than 1 month	1 to 3 months	3 to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years	Total
As at 31 December 2024									
Hedging instrument on interest rate risk									
– Interest rate swaps	43	1,224	4,308	15,305	2,179	4,580	3,259	-51,039	-20,140
– Other interest derivatives	-4	29	182	248	91	-193	121	383	858
Hedging instrument on FX rate risk									
– Cross currency swaps	-142	-60	-98						-299
As at 31 December 2023									
Hedging instrument on interest rate risk									
- Interest rate swaps	-670	253	8,381	4,156	3,193	-800	7,559	-58,679	-36,609
– Other interest derivatives		25	190	116	302	250	-144	974	1,712

Gains and losses on derivatives designated under fair value hedge accounting are recognised in the statement of profit or loss. The effective portion of the fair value change on the hedged item is also recognised in the statement of profit or loss in 'Valuation results and net trading income'. As a result, only the net accounting ineffectiveness has an impact on the net result.

Hedged items included in a fair value hedging relationship

	Carrying amount of the hedged items		Accumulated amount of fair value hedge adjustment on the hedged item included in the carrying amount of the hedged item		Change in fair value of the hedged item for measuring ineffectiveness for the period	Change in fair value hedging instruments for the period	Hedge ineffectiveness recognised in the statement of profit or loss gain (+) / loss (-)
in EUR million	Assets	Liabilities	Assets	Liabilities			
As at 31 December 2024							
Interest rate risk and FX rate risk							
– Debt securities at fair value through other comprehensive income	35,119		n/a		269		
– Loans at FVOCI			n/a		1		
– Loans and advances to customers	73,364		-5,177		1,771		
– Debt instruments at amortised cost	13,802		-179		49		
– Debt securities in issue		83,669		-2,234	-1,139		
– Subordinated loans		17,131		-665	-188		
– Customer deposits and other funds on deposit		29		-1	-14		
– Discontinued hedges			1,851	-5			
Total	**122,285**	**100,828**	**-3,505**	**-2,906**	**750**	**-766**	**-17**
As at 31 December 2023							
Interest rate risk and FX rate risk							
– Debt securities at fair value through other comprehensive income	31,224		n/a		1,224		
– Loans at FVOCI	5		n/a		1		
– Loans and advances to customers	78,787		-7,104		4,705		
– Debt instruments at amortised cost	8,272		-205		234		
– Debt securities in issue		70,280		-3,383	-2,680		
– Subordinated loans		14,643		-834	-473		
– Customer deposits and other funds on deposit		1,527		-17	-49		
– Discontinued hedges			2,285	3			
Total	**118,287**	**86,450**	**-5,024**	**-4,230**	**2,962**	**-3,028**	**-66**

During 2024, the interest rate movements significantly affected the fair value changes of both the derivatives and the hedged items designated in fair value hedges. However, no material hedging relationship was discontinued as a result of the interest rate movements in 2024. Refer to note 22 'Valuation results and net trading income'.

In addition, the net decrease in hedged items is mainly due to higher volumes in debt securities in issue designated in hedge accounting. Discontinued hedges mainly relate to the transfer of derivatives from UK-based clearing houses to EU-based clearing houses related to Brexit in 2020.

The main sources of ineffectiveness are:

- differences in maturities of the hedged item(s) and hedging instrument(s);
- different interest rate curves applied to discount the hedged item(s) and hedging instrument(s);
- differences in timing of cash flows of the hedged item(s) and hedging instrument(s).

Additionally, for portfolio (macro) fair value hedges of ING's fixed rate mortgage portfolio, ineffectiveness also arises from the disparity between expected and actual prepayments (prepayment risk).

There were no other sources of significant ineffectiveness in these hedging relationships.

Cash flow hedge accounting

ING applies cash flow hedge accounting on a micro and macro level. ING's cash flow hedges mainly consist of interest rate swaps and cross-currency swaps that are used to protect against the exposure to variability in future cash flows on non-trading assets and liabilities that bear interest at variable rates or are expected to be refunded or reinvested in the future. The amounts and timing of future cash flows, representing both principal and interest flows, are projected for each portfolio of financial assets and liabilities, based on contractual terms and other variables including estimates of prepayments. These projected cash flows form the basis for identifying the notional amount subject to interest rate risk or foreign currency exchange rate risk that is designated under cash flow hedge accounting.

ING's approach to manage market risk, including interest rate risk and foreign currency exchange rate risk, is discussed in 'Risk management – Market risk'. ING determines the amount of the exposures to which it applies hedge accounting by assessing the potential impact of changes in interest rates and foreign currency exchange rates on the future cash flows from its floating-rate assets and liabilities. This assessment is performed using analytical techniques.

As noted above for fair value hedges, by using derivative financial instruments to hedge exposures to changes in interest rates and foreign currency exchange rates, ING exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged items. This exposure is managed similarly to that for fair value hedges.

Gains and losses on the effective portions of derivatives designated under cash flow hedge accounting are recognised in Other Comprehensive Income. Interest cash flows on these derivatives are recognised in the statement of profit or loss in 'Net interest income' consistent with the manner in which the forecasted cash flows affect the net result. The gains and losses on ineffective portions of such derivatives are recognised immediately in the statement of profit or loss in 'Valuation results and net trading income'.

ING determines an economic relationship between the cash flows of the hedged item and the hedging instrument based on an evaluation of the quantitative characteristics of these items and the hedged risk that is supported by quantitative analysis. ING considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. ING evaluates whether the cash flows of the hedged item and the hedging instrument respond similarly to the hedged risk, such as the benchmark interest rate of foreign currency. In addition, a regression analysis is performed to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item.

ING uses the following derivative financial instruments in a cash flow hedge accounting relationship:

Gross carrying value of derivatives used for cash flow hedge accounting				
	Assets	Liabilities	Assets	Liabilities
in EUR million	2024	2024	2023	2023
As at 31 December				
Hedging instrument on interest rate risk				
– Interest rate swaps	10,635	12,814	11,839	14,051
Hedging instrument on FX rate risk				
– Cross currency swaps	472	339	324	39
Hedging instrument on combined interest and FX rate risk				
– Cross currency interest rate swaps		10	57	

The derivatives used for cash flow hedge accounting are included in the statement of financial position line-item 'Financial assets at fair value through profit or loss – Non-trading derivatives' EUR 158 million (2023: EUR 440 million) respectively 'Financial liabilities at fair value through profit or loss – Non-trading derivatives' EUR 573 million (2023: EUR 458 million). The difference between the gross carrying value as presented in the table and the net carrying value as presented in the statement of financial position is due to offsetting with other derivatives and collaterals paid or received.

For the main currencies the average fixed rate for interest rate swaps used in cash flow hedge accounting are 1.79% (2023: 1.26%) for EUR, 4.37% (2023: 4.09%) for PLN, 3.99% (2023: 4.33%) for USD and 3.29% (2023: 2.80%) for AUD. The average currency exchange rates for cross currency swaps used in cash flow hedge accounting is for EUR/USD 1.03 (2023: 0.98) and for EUR/AUD 1.52 (2023: 1.58).

The following table shows the net notional amount of derivatives designated in cash flow hedging split into the maturity of the instruments. The net notional amounts presented in the table are a combination of payer (+) and receiver (-) swaps.

Maturity derivatives designated in cash flow hedging

in EUR million	Less than 1 month	1 to 3 months	3 to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years	Total
As at 31 December 2024									
Hedging instrument on interest rate risk									
– Interest rate swaps	-1,805	-768	-10,590	-13,389	-10,551	-6,040	-4,522	-3,222	-50,886
Hedging instrument on FX rate risk									
– Cross currency swaps		-241	-972	122	-1,029	-262	-238	-999	-3,619
Hedging instrument on combined interest and FX rate risk									
– Cross currency interest rate swaps			-25		-1,283	-1,578			-2,887
As at 31 December 2023									
Hedging instrument on interest rate risk									
– Interest rate swaps	-214	184	-8,557	-18,551	-6,636	-7,246	-4,896	-3,384	-49,300
Hedging instrument on FX rate risk									
– Cross currency swaps		249	1,029	-932	503	-683	167	-693	-362
Hedging instrument on combined interest and FX rate risk									
– Cross currency interest rate swaps				-24	-1,232	-1,479			-2,736

The following table shows the cash flow hedge accounting impact on profit or loss and comprehensive income:

Cash flow hedging – impact of hedging instruments on the statement of profit or loss and other comprehensive income

in EUR million	Change in value of hedged item used for calculating hedge ineffectiveness for the period	Carrying amount cash flow hedge reserve at the end of the reporting period[1]	Amount reclassified from CFH reserve to profit or loss[2]	Change in value of hedging instrument recognised in OCI for the period	Hedge ineffective-ness recognised in the statement of profit or loss, gain (+) / loss (-)
As at 31 December 2024					
Interest rate risk on:					
– Floating rate lending	-668	-2,850	496		
– Floating rate borrowing	114	125	-425		
– Other	1	1			
– Discontinued hedges		89	-51		
Total interest rate risk	**-553**	**-2,635**	**20**	**526**	**39**
FX rate risk on:					
– Floating rate lending	-79	-55	-121		
– Floating rate borrowing	12	5	-37		
– Other					
– Discontinued hedges			-4		
Total FX risk	**-67**	**-51**	**-162**	**220**	**-3**
Combined interest and FX rate risk on:					
– Floating rate lending	70	72	-68		
– Floating rate borrowing					
– Other					
– Discontinued hedges					
Total combined interest and FX risk	**70**	**72**	**-68**	**-3**	**-2**
Total cash flow hedge	**-550**	**-2,614**	**-209**	**743**	**35**

Cash flow hedging – impact of hedging instruments on the statement of profit or loss and other comprehensive income

in EUR million	Change in value of hedged item used for calculating hedge ineffectiveness for the period	Carrying amount cash flow hedge reserve at the end of the reporting period[1]	Amount reclassified from CFH reserve to profit or loss[2]	Change in value of hedging instrument recognised in OCI for the period	Hedge ineffective-ness recognised in the statement of profit or loss, gain (+) / loss (-)
As at 31 December 2023					
Interest rate risk on:					
– Floating rate lending	-2,694	-3,545	590		
– Floating rate borrowing	933	151	-497		
– Other					
– Discontinued hedges		194	-150		
Total interest rate risk	**-1,760**	**-3,200**	**-57**	**1,654**	**58**
FX rate risk on:					
– Floating rate lending	27	-42	-185		
– Floating rate borrowing	-25	1	-33		
– Other					
– Discontinued hedges		7	-5		
Total FX risk	**2**	**-35**	**-223**	**200**	**-12**
Combined interest and FX rate risk on:					
– Floating rate lending	-20	78	-46		
– Floating rate borrowing			1		
– Other					
– Discontinued hedges			-1		
Total combined interest and FX risk	**-20**	**78**	**-46**	**68**	**2**
Total cash flow hedge	**-1,778**	**-3,157**	**-325**	**1,922**	**48**

1 The carrying amount is the gross amount, excluding tax adjustments.
2 The amounts are reclassified to Net interest income - interest income and/or expense on non-trading derivatives (hedge accounting).

In 2024 and 2023 there are no amounts reclassified from CFH reserve to profit or loss for cash flows that are no longer expected to occur.

The increase in the carrying amount of the cash flow hedge reserve is driven by the interest rate movements. No material hedging relationship was discontinued as a result of the interest rate movements in 2024.

The main sources of ineffectiveness for cash flow hedges are:

- differences in timing of cash flows of the hedged item(s) and hedging instrument(s);
- mismatches in reset frequency between hedged item and hedging instrument.

The following table shows the movement of the cash flow hedge reserve:

Movement cash flow hedge reserve

in EUR million	2024	2023
Opening balance	-2,058	-3,055
Value changes recognised in OCI	743	1,922
Amounts recycled to profit or loss	-209	-325
Income tax	-140	-381
Exchange rate and other changes	-14	-103
Adjustment for non controlling interest	-14	-116
Movement for the year	**365**	**997**
Ending balance	**-1,693**	**-2,058**

Hedges of net investments in foreign operations

A foreign currency exposure arises from a net investment in subsidiaries that have a different functional currency from the presentation currency of ING. The risk arises from the fluctuation in spot exchange rates between the functional currency of the subsidiaries and ING's presentation currency, which causes the amount of the net investment to vary in the consolidated financial statements of ING. This risk may have a significant impact on ING's financial statements. ING's policy is to hedge these exposures only when these are expected to have a significant impact on the regulatory capital ratios of ING and its subsidiaries.

ING's net investment hedges principally consist of derivatives (including currency forwards and swaps) and non-derivative financial instruments such as foreign currency denominated funding. When the hedging instrument is foreign currency-denominated debt, ING assesses effectiveness by comparing past changes in the carrying amount of the debt that are attributable to a change in the spot rate with past changes in the investment in the foreign operation due to movement in the spot rate (the offset method).

Gains and losses on the effective portions of derivatives designated under net investment hedge accounting are recognised in Other Comprehensive Income. The balance in equity is recognised in the statement of profit or loss when the related foreign subsidiary is disposed. The gains and losses on ineffective portions are recognised immediately in the statement of profit or loss in 'Valuation results and net trading income'.

ING has the following derivative financial instruments used for net investment hedging:

Gross carrying value of derivatives used for net investment hedging

in EUR million	Assets 2024	Liabilities 2024	Assets 2023	Liabilities 2023
As at 31 December				
– FX forwards and Cross currency swaps	82	117	100	92

The derivatives used for net investment hedge accounting are included in the statement of financial position line-item 'Financial assets at fair value through profit or loss – Non-trading derivatives' EUR 82 million (2023: EUR 100 million) respectively 'Financial liabilities at fair value through profit or loss – Non trading derivatives' EUR 117 million (2023: EUR 92 million).

For ING's main currencies the average exchange rates used in net investment hedge accounting for 2024 are EUR/USD 1.08 (2023: 1.08), EUR/PLN 4.31 (2023: 4.54), EUR/AUD 1.64 (2023: 1.63) and EUR/THB 38.00 (2023: 37.65).

The following table shows the notional amount of derivatives designated in net investment hedging split into the maturity of the instruments:

Maturity derivatives designated in net investment hedging

in EUR million	Less than 1 month	1 to 3 months	3 to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years	Total
As at 31 December 2024									
– FX forwards and cross currency swaps	-8,681	-4,158	-76						-12,916
As at 31 December 2023									
– FX forwards and Cross currency swaps	-6,009	-4,576	-87						-10,672

The effect of the net investment hedge accounting in the statement of profit or loss and other comprehensive income is as follows:

Net investment hedge accounting – Impact on statement of profit or loss and other comprehensive income

in EUR million	Change in value of hedged item used for calculating hedge ineffectiveness for the period	Carrying amount net investment hedge reserve at the end of the reporting period[1]	Hedged item affected statement of profit or loss	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in the statement of profit or loss, gain(+) / Loss(-)
As at 31 December 2024					
Investment in foreign operations	295	-95	0	-295	0
Discontinued hedges		302	0		
As at 31 December 2023					
Investment in foreign operations	-183	123	0	183	0
Discontinued hedges		263	0		

[1] The carrying amount is the gross amount, excluding tax adjustments.

36 Assets by contractual maturity

Amounts presented by contractual maturity are the amounts as presented in the statement of financial position and are discounted cash flows. Reference is made to 'Risk Management – Funding and liquidity risk'.

Assets by contractual maturity

in EUR million	Less than 1 month [1]	1-3 months	3-12 months	1-5 years	Over 5 years	Maturity not applicable	Total
2024							
Cash and balances with central banks	70,353						70,353
Loans and advances to banks	16,826	1,254	1,322	1,759	610		21,770
Financial assets at fair value through profit or loss							
– Trading assets	22,154	8,044	14,501	16,006	12,192		72,897
– Non-trading derivatives	602	368	465	356	672		2,463
– Mandatorily at fair value through profit or loss	30,002	11,263	7,222	5,931	1,835	228	56,481
– Designated as at fair value through profit or loss	145	198	1,070	2,110	2,217		5,740
Financial assets at fair value through other comprehensive income							
– Equity securities						2,562	2,562
– Debt securities	365	456	2,027	18,064	21,307		42,219
– Loans and advances	2	4	94	871	637		1,608
Securities at amortised cost	2,075	2,646	5,729	22,838	16,985		50,273
Loans and advances to customers	53,672	26,456	61,544	216,035	322,526		680,233
Other assets [2]	5,488	590	1,058	697	1,107	5,006	13,946
Total assets	**201,683**	**51,279**	**95,030**	**284,666**	**380,089**	**7,796**	**1,020,545**
2023							
Cash and balances with central banks	90,214						90,214
Loans and advances to banks	11,985	1,021	1,744	1,527	431		16,709
Financial assets at fair value through profit or loss							
– Trading assets	17,000	7,363	11,448	13,216	11,201		60,229
– Non-trading derivatives	138	80	297	613	900		2,028
– Mandatorily at fair value through profit or loss	32,835	12,040	5,303	3,587	1,040	179	54,983
– Designated as at fair value through profit or loss	550	200	792	2,092	2,141		5,775
Financial assets at fair value through other comprehensive income							
– Equity securities						1,885	1,885
– Debt securities	579	232	2,021	13,686	21,763		38,281
– Loans and advances		3	41	619	287		951
Securities at amortised cost	2,220	1,142	6,667	22,540	15,744		48,313
Loans and advances to customers	49,633	21,298	57,516	206,438	307,517		642,402
Other assets [2]	5,658	257	1,088	1,146	1,020	4,645	13,813
Total assets	**210,812**	**43,636**	**86,917**	**265,465**	**362,045**	**6,709**	**975,583**

[1] Includes assets on demand.
[2] Includes assets such as current and deferred tax assets as presented in the consolidated statement of the financial position. Additionally, assets are included in that position where maturities are not applicable such as property and equipment and investments in associates and joint ventures. Due to their nature, non-financial assets consist mainly of assets expected to be recovered after more than 12 months.

37 Liabilities and off-balance sheet commitments by maturity

The tables below include all liabilities and off-balance sheet commitments by maturity, based on contractual, undiscounted cash flows. These balances are included in the maturity analysis as follows:

- Perpetual liabilities are included in the column 'Maturity not applicable'.
- Derivative liabilities are included on a net basis if cash flows are settled net. For other derivative liabilities the contractual gross cash flow payable is included.
- Undiscounted future coupon interest on financial liabilities payable is included in a separate line and in the relevant maturity bucket.
- Non-financial liabilities are included based on a breakdown of the amounts per statement of financial position, per expected maturity.
- Loans and other credit-related commitments are classified on the basis of the earliest date they can be drawn down.

ING Group's expected cash flows on some financial liabilities vary significantly from contractual cash flows. Principal differences are in demand deposits from customers that are expected to remain stable or increase and in unrecognised loan commitments that are not all expected to be drawn down immediately. Reference is made to the liquidity risk paragraph in 'Risk Management – Funding and liquidity risk' for a description on how liquidity risk is managed.

Liabilities and off-balance sheet commitments by maturity

in EUR million

2024	Less than 1 month [1]	1–3 months	3–12 months	1–5 years	Over 5 years	Maturity not applicable	Adjustment [2]	Total
Deposits from banks	9,104	1,367	2,085	1,637	2,484		47	16,723
Customer deposits	610,184	23,312	49,284	4,448	2,081		2,352	691,661
Financial liabilities at fair value through profit or loss								
– Other trading liabilities	5,790	230	313	1,325	1,465		-34	9,089
– Trading derivatives	2,631	2,367	3,730	7,641	5,499		4,298	26,166
– Non-trading derivatives	419	57	-36	711	149		801	2,101
– Designated at fair value through profit or loss	32,644	5,842	1,798	5,097	4,367	34	-239	49,543
Debt securities in issue	1,949	18,610	33,037	55,221	34,857		-1,307	142,367
Subordinated loans					9,962	8,415	-499	17,878
Lease liabilities	20	44	162	607	328		-45	1,116
Financial liabilities	**662,741**	**51,829**	**90,375**	**76,688**	**61,191**	**8,448**	**5,374**	**956,646**
Other liabilities [3]	7,718	530	3,371	502	470			12,591
Total liabilities	**670,459**	**52,359**	**93,745**	**77,190**	**61,661**	**8,448**	**5,374**	**969,236**
Coupon interest due on financial liabilities	2,284	1,603	5,903	10,191	8,137	514		28,632
Contingent liabilities in respect of								
– Discounted bills								
– Guarantees	26,355			3	550			26,908
– Irrevocable letters of credit	16,388							16,388
Guarantees issued by ING Groep N.V.	210							210
Irrevocable facilities	175,000	9	15	143	56			175,222
	217,953	**9**	**15**	**146**	**606**			**218,728**

1 Includes liabilities on demand.
2 This column reconciles the contractual undiscounted cash flows on financial liabilities to the statement of financial position values. The adjustments mainly relate to the impact of discounting and fair value hedge adjustments, and for derivatives, to the fact that the contractual cash flows are presented on a gross basis (unless the cash flows are actually settled net).
3 Includes Other liabilities, Current and deferred tax liabilities, and Provisions as presented in the Consolidated statement of financial position.

Liabilities and off-balance sheet commitments by maturity

in EUR million

2023	Less than 1 month [1]	1–3 month	3–12 months	1–5 years	Over 5 years	Maturity not applicable	Adjustment [2]	Total
Deposits from banks	9,294	7,800	2,074	1,898	2,002		189	23,257
Customer deposits	583,335	19,510	40,976	3,585	1,931		930	650,267
Financial liabilities at fair value through profit or loss								
– Other trading liabilities	10,981	697	545	1,003	897		-36	14,087
– Trading derivatives	2,292	2,243	5,148	10,204	7,110		-3,865	23,132
– Non-trading derivatives	505	96	139	1,002	355		-78	2,019
– Designated at fair value through profit or loss	29,856	12,754	5,442	3,834	3,546	25	-57	55,400
Debt securities in issue	3,442	10,801	34,882	47,134	31,196		-2,786	124,670
Subordinated loans					9,104	6,988	-691	15,401
Lease liabilities	17	45	175	627	359		-61	1,162
Financial liabilities	**639,722**	**53,946**	**89,381**	**69,286**	**56,500**	**7,014**	**-6,455**	**909,394**
Other liabilities [3]	9,739	619	2,829	399	420			14,006
Total liabilities	**649,462**	**54,565**	**92,209**	**69,685**	**56,920**	**7,014**	**-6,455**	**923,400**
Coupon interest due on financial liabilities	1,047	1,653	6,014	10,007	5,030	402		24,153
Contingent liabilities in respect of								
– Discounted bills	2							2
– Guarantees	27,340			4	550			27,894
– Irrevocable letters of credit	14,925							14,925
Guarantees issued by ING Groep N.V.	197							197
Irrevocable facilities	166,361	12	63	314	60			166,810
	208,825	**12**	**63**	**318**	**610**			**209,828**

1 Includes liabilities on demand.
2 This column reconciles the contractual undiscounted cash flows on financial liabilities to the statement of financial position values. The adjustments mainly relate to the impact of discounting and fair value hedge adjustments, and for derivatives, to the fact that the contractual cash flows are presented on a gross basis (unless the cash flows are actually settled net).
3 Includes Other liabilities, Current and deferred tax liabilities, and Provisions as presented in the Consolidated statement of financial position.

38 Transfer of financial assets, assets pledged and received as collateral

Financial assets pledged as collateral

The financial assets pledged as collateral consist primarily of mortgages pledged to secure covered bonds and securitisations, deposits from the Dutch Central Bank and other banks, as well as debt and equity securities used in securities lending or sale and repurchase transactions. They serve to secure margin accounts and are used for other purposes required by law. Pledges are generally conducted under terms that are usual and customary for collateralised transactions including standard sale and repurchase agreements, securities lending and borrowing and derivatives margining. The financial assets pledged are as follows:

Financial assets pledged as collateral		
in EUR million	2024	2023
Banks		
– Cash and balances with central banks	397	322
– Loans and advances to banks	2,211	3,305
Financial assets at fair value through profit or loss	28,905	23,641
Financial assets at fair value through OCI	3,037	1,896
Securities at amortised cost	3,184	2,672
Loans and advances to customers	67,706	73,860
Other assets	503	357
	105,944	**106,052**

In some jurisdictions ING Bank N.V. has an obligation to maintain a reserve with central banks. As at 31 December 2024, the minimum mandatory reserve deposits with various central banks amount to EUR 11,648 million (2023: EUR 11,653 million).

Financial assets received as collateral

The financial assets received as collateral that can be sold or repledged in absence of default by the owner of the collateral consists of securities obtained through reverse repurchase transactions and securities borrowing transactions.

These transactions are generally conducted under standard market terms for most repurchase transactions and the recipient of the collateral has an unrestricted right to sell or repledge it, provided that the collateral (or equivalent collateral) is returned to the counterparty at term.

Financial assets received as collateral		
in EUR million	2024	2023
Total received collateral available for sale or repledge at fair value		
– equity securities	22,815	33,234
– debt securities	140,285	119,908
of which sold or repledged at fair value		
– equity securities	12,024	20,526
– debt securities	90,708	86,448

Transfer of financial assets

The majority of ING's financial assets that have been transferred, but do not qualify for derecognition, are debt and equity instruments used in securities lending or sale and repurchase transactions.

Transfer of financial assets not qualifying for derecognition								
	Securities lending				Sale and repurchase			
	Equity		Debt		Equity		Debt	
in EUR million	2024	2023	2024	2023	2024	2023	2024	2023
Transferred assets at carrying amount								
Financial assets at fair value through profit or loss	4,141	3,894	3		7,273	7,357	16,929	11,780
Financial assets at fair value through other comprehensive income			603	328			1,956	470
Loans and advances to customers								2,396
Securities at amortised cost			635	431			819	465
Associated liabilities at carrying amount[1]								
Financial liabilities at fair value through profit or loss	n/a	n/a	n/a	n/a	7,005	11,010	11,901	9,467

[1] The table includes the associated liabilities which are reported after offsetting, compared to the gross positions of the encumbered assets.

The table above does not include assets transferred to consolidated securitisation entities as the related assets remain recognised in the consolidated statement of financial position. Transferred financial assets that are derecognised in their entirety are mentioned in Note 44 'Structured entities'.

39 Offsetting financial assets and liabilities

The following tables include information about rights to offset and the related arrangements. The amounts included consist of all recognised financial instruments that are presented net in the statement of financial position under the IFRS netting criteria (legal right to offset and intention to settle net or to realise the asset and settle the liability simultaneously) and amounts presented gross in the statement of financial position but subject to enforceable master netting arrangements or similar arrangements.

At ING Group, amounts that are offset mainly relate to derivatives transactions, sale and repurchase agreements, securities lending agreements and cash pooling arrangements. A significant portion of offsetting is applied to OTC derivatives which are cleared through central clearing parties.

Related amounts not offset in the statement of financial position include transactions where:

- The counterparty has an offsetting exposure and a master netting or similar arrangement is in place with a right to offset only in the event of default, insolvency or bankruptcy, or the offsetting criteria are otherwise not satisfied; and
- In the case of derivatives and securities lending or sale and repurchase agreements, cash and non-cash collateral has been received or pledged to cover net exposure in the event of a default or other predetermined events. The effect of Over-collateralization is excluded.

The net amounts resulting after offsetting are not intended to represent ING's actual exposure to counterparty risk, as risk management employs a number of credit risk mitigation strategies in addition to netting and collateral arrangements. Reference is made to the Risk Management Credit risk' section 'Credit risk mitigation'.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

in EUR million 2024		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amount	Amounts not subject to enforceable netting arrangements	Statement of financial position total [1]
					Financial instruments	Cash and financial instruments received as collateral			
Statement of financial position line item	**Financial instrument**								
Loans and advances to banks [2]	Reverse repurchase, securities borrowing and similar agreements	3,752	-31	3,721		3,683	38	7,057	10,777
	Other								
		3,752	**-31**	**3,721**		**3,683**	**38**	**7,057**	**10,777**
Financial assets at fair value through profit or loss									
Trading and Non-trading	Reverse repurchase, securities borrowing and similar agreements	98,679	-49,365	49,315	219	48,676	420	16,112	65,426
	Derivatives [3]	93,034	-66,877	26,157	17,598	3,643	4,916	6,111	32,268
		191,713	**-116,241**	**75,472**	**17,818**	**52,319**	**5,336**	**22,222**	**97,694**
Loans and advances to customers [4]	Reverse repurchase, securities borrowing and similar agreements	4,444	-1,216	3,228		3,191	37	243	3,471
	Cash pools	237,248	-234,838	2,410	65	1,730	615		2,410
		241,691	**-236,053**	**5,638**	**65**	**4,921**	**652**	**243**	**5,881**
Other items where offsetting is applied in the statement of financial position [5]		6,666	-6,284	382	79		303		382
Total financial assets		**443,822**	**-358,609**	**85,213**	**17,962**	**60,922**	**6,329**	**29,522**	**114,735**

1 'The statement of financial position total' is the sum of 'Net amounts of financial assets presented in the statement of financial position' and 'Amounts not subject to enforceable master netting arrangements'.
2 At 31 December 2024, the total amount of 'Loans and advances to banks' excluding repurchase agreements is EUR 10,992 million which is not subject to offsetting.
3 Derivative assets and derivative liabilities include certain exchange traded future and option positions with the same underlying.
4 At 31 December 2024, the total amount of 'Loans and advances to customers' excluding repurchase agreements is EUR 676,762 million of which the net cash pool position of EUR 2,410 million is subject to offsetting.
5 Other items include amounts to be settled with Central Clearing Counterparties regarding securities and derivatives transactions and are included in 'Other Assets – Amounts to be settled' for EUR 3,550 million in the statement of financial position, of which EUR 382 million is subject to offsetting as at 31 December 2024.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

in EUR million 2023		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amount	Amounts not subject to enforceable netting arrangements	Statement of financial position total [1]
					Financial instruments	Cash and financial instruments received as collateral			
Statement of financial position line item	**Financial instrument**								
Loans and advances to banks [2]	Reverse repurchase, securities borrowing and similar agreements	1,840	-29	1,811		1,811		3,440	5,251
	Other								
		1,840	**-29**	**1,811**		**1,811**		**3,440**	**5,251**
Financial assets at fair value through profit or loss									
Trading and Non-trading	Reverse repurchase, securities borrowing and similar agreements	76,304	-34,738	41,566	235	41,063	268	22,091	63,657
	Derivatives	105,928	-83,312	22,617	14,868	2,915	4,834	5,091	27,708
		182,232	**-118,049**	**64,183**	**15,103**	**43,977**	**5,102**	**27,182**	**91,365**
Loans and advances to customers [3]	Reverse repurchase, securities borrowing and similar agreements							499	499
	Cash pools	236,233	-234,617	1,616	41	1,217	358		1,616
		236,233	**-234,617**	**1,616**	**41**	**1,217**	**358**	**499**	**2,115**
Other items where offsetting is applied in the statement of financial position [4]		7,124	-6,428	695	21		675		695
Total financial assets		**427,428**	**-359,124**	**68,305**	**15,165**	**47,005**	**6,135**	**31,121**	**99,425**

1 'The statement of financial position total' is the sum of 'Net amounts of financial assets presented in the statement of financial position' and 'Amounts not subject to enforceable master netting arrangements'.
2 At 31 December 2023, the total amount of 'Loans and advances to banks' excluding repurchase agreements is EUR 11,458 million which is not subject to offsetting.
3 At 31 December 2023, the total amount of 'Loans and advances to customers' excluding repurchase agreements is EUR 641,903 million of which the net cash pool position of EUR 1,616 million is subject to offsetting.
4 Other items include amounts to be settled with Central Clearing Counterparties regarding securities and derivatives transactions and are included in 'Other Assets – Amounts to be settled' for EUR 3,869 million in the statement of financial position, of which EUR 695 million is subject to offsetting as at 31 December 2023.

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

in EUR million 2024		Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amount	Amounts not subject to enforceable netting arrangements	Statement of financial position total [1]
					Financial instruments	Cash and financial instruments pledged as collateral			
Statement of financial position line item	**Financial instrument**								
Deposits from banks [2]	Repurchase, securities lending and similar agreements	64	-31	33		33			33
	Other	62	-62						
		126	**-93**	**33**		**33**			**33**
Customer deposits [4]	Repurchase, securities lending and similar agreements	1,214	-1,214					1	1
	Cash pools	251,655	-234,838	16,817	21		16,796		16,817
		252,868	**-236,052**	**16,817**	**21**		**16,796**	**1**	**16,818**
Financial liabilities at fair value through profit or loss									
Trading and Non-trading	Repurchase, securities lending and similar agreements	81,384	-49,365	32,019	219	31,669	130	11,670	43,689
	Derivatives [3]	89,386	-67,731	21,655	17,639	2,745	1,272	6,612	28,267
		170,769	**-117,095**	**53,674**	**17,858**	**34,414**	**1,402**	**18,282**	**71,956**
Other items where offsetting is applied in the statement of financial position [5]		**5,609**	**-5,368**	**242**	**83**		**159**		**242**
Total financial liabilities		**429,373**	**-358,608**	**70,765**	**17,962**	**34,447**	**18,357**	**18,283**	**89,049**

1 'The statement of financial position total' is the sum of 'Net amounts of financial liabilities presented in the statement of financial position' and 'Amounts not subject to enforceable master netting arrangements'.
2 At 31 December 2024, the total amount of 'Deposits from banks' excluding repurchase agreements is EUR 16,690 million of which EUR 0 million is subject to offsetting.
3 Derivative assets and derivative liabilities include certain exchange traded future and option positions with the same underlying.
4 At 31 December 2024, the total amount of 'Customers deposits' excluding repurchase agreements is EUR 691,660 million of which the net cash pool position of EUR 16,817 million is subject to offsetting.
5 Other items include amounts to be settled with Central Clearing Counterparties regarding securities and derivatives transactions and are included in 'Other Liabilities – Amounts to be settled' for EUR 4,290 million in the statement of financial position, of which EUR 242 million is subject to offsetting as at 31 December 2024.

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

in EUR million 2023		Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related amounts not offset in the statement of financial position		Net amount	Amounts not subject to enforceable netting arrangements	Statement of financial position total [1]
					Financial instruments	Cash and financial instruments pledged as collateral			
Statement of financial position line item	**Financial instrument**								
Deposits from banks [2]	Repurchase, securities lending and similar agreements	29	-29					2,064	2,064
	Other	290	-290						
		319	**-319**					**2,064**	**2,064**
Customer deposits [3]	Repurchase, securities lending and similar agreements								
	Cash pools	249,734	-234,617	15,116	13		15,103		15,116
		249,734	**-234,617**	**15,116**	**13**		**15,103**		**15,116**
Financial liabilities at fair value through profit or loss									
Trading and Non-trading	Repurchase, securities lending and similar agreements	76,581	-34,738	41,844	235	41,653	-44	14,222	56,065
	Derivatives	101,218	-82,677	18,541	14,881	3,455	204	6,607	25,148
		177,799	**-117,415**	**60,384**	**15,117**	**45,108**	**160**	**20,829**	**81,213**
Other items where offsetting is applied in the statement of financial position [4]		**7,285**	**-6,773**	**512**	**35**		**477**		**512**
Total financial liabilities		**435,137**	**-359,124**	**76,013**	**15,165**	**45,108**	**15,740**	**22,892**	**98,905**

1 'The statement of financial position total' is the sum of 'Net amounts of financial liabilities presented in the statement of financial position' and 'Amounts not subject to enforceable master netting arrangements'.
2 At 31 December 2023, the total amount of 'Deposits from banks' excluding repurchase agreements is EUR 21,193 million of which EUR 0 million is subject to offsetting.
3 At 31 December 2023, the total amount of 'Customers deposits' excluding repurchase agreements is EUR 650,170 million of which the net cash pool position of EUR 15,116 million is subject to offsetting.
4 Other items include amounts to be settled with Central Clearing Counterparties regarding securities and derivatives transactions and are included in 'Other Liabilities – Amounts to be settled' for EUR 6,509 million in the statement of financial position, of which EUR 512 million is subject to offsetting as at 31 December 2023.

40 Contingent liabilities and commitments

In the normal course of business, ING Group is party to activities where risks are not reflected in whole or in part in the consolidated financial statements. In response to the needs of its customers, the Group offers financial products related to loans. These products include traditional off-balance sheet credit-related financial instruments.

Contingent liabilities and commitments		
in EUR million	2024	2023
Contingent liabilities in respect of		
– Discounted Bills		2
– Guarantees	26,908	27,894
– Irrevocable letters of credit	16,388	14,925
	43,296	**42,821**
Guarantees issued by ING Groep N.V.	210	197
Irrevocable facilities	175,222	166,810
	218,728	**209,828**

Guarantees relate both to credit and non-credit substitute guarantees. Credit substitute guarantees are guarantees given by ING Group in respect of credit granted to customers by a third party. Many of them are expected to expire without being drawn on and therefore do not necessarily represent future cash outflows.

Irrevocable letters of credit mainly secure payments to third parties for a customer's foreign and domestic trade transactions in order to finance a shipment of goods. ING Group's credit risk in these transactions is limited since these transactions are collateralised by the commodity shipped and are of a short duration.

Irrevocable facilities mainly constitute unused portions of irrevocable credit facilities granted to corporate clients. Many of these facilities are for a fixed duration and bear interest at a floating rate. ING Group's credit risk and interest rate risk in these transactions is limited. The unused portion of irrevocable credit facilities is partly secured by customers' assets or counter-guarantees by the central governments and other public sector entities under the regulatory requirements. Irrevocable facilities also include commitments made to purchase securities to be issued by governments and private issuers.

As at 31 December 2024, ING Groep N.V. guarantees various US dollar debentures (that mature on 2026 and 2036) which were issued by a subsidiary of Voya Financial Inc. In accordance with the Shareholder's agreement, the net exposure of ING Groep N.V. as at 31 December 2024 and as at 31 December 2023 was nil, as the outstanding principal amount of the US dollar debentures was fully covered with collateral of EUR 219 million (2023: EUR 205 million) pledged by Voya Financial Inc.

In addition to the items included in contingent liabilities, ING Group has issued certain guarantees as a participant in collective arrangements of national banking funds and as a participant in required collective guarantee schemes which apply in different countries.

ING Bank N.V. provided a guarantee to the German Deposit Guarantee Fund ('Einlagensicherungsfonds' or ESF) under section 5 (10) of the by-laws of this fund, where ING Bank N.V. indemnifies the Association of German Banks Berlin against any losses it might incur as result of actions taken with respect to ING Germany. The ESF is a voluntary collective guarantee scheme for retail savings and deposits in excess of EUR 100,000.

ING uses Irrevocable Payment Commitments (IPCs) for a part of its contributions to the Single Resolution Fund (SRF). ING Group has EUR 346 million of IPCs outstanding to the SRF as at 31 December 2024 (31 December 2023: EUR 346 million). No IPCs were provided to the SRF during 2024 (2023: EUR 63 million). No IPCs were called by the SRF in 2024 (2023: nil). Cash collateral provided to the SRF is equal to the outstanding amount of IPCs.

ING also uses IPCs for a part of its contributions to the Deposit Guarantee Scheme in Germany. Contingent liabilities for such outstanding IPCs amount to EUR 309 million as at 31 December 2024 (31 December 2023: EUR 273 million). Of these, EUR 35 million of IPCs were provided to the DGS during 2024 (2023: EUR 36 million). No IPCs were called by the DGS in 2024 (2023: nil). ING posted government bonds as collateral for the total nominal amount of EUR 336 million as at 31 December 2024 (31 December 2023: EUR 319 million).

Furthermore we refer to Note 41 'Legal proceedings' for any contingent liabilities in respect of legal proceedings.

41 Legal proceedings

ING Group and its consolidated subsidiaries are involved in governmental, regulatory, arbitration and legal proceedings and investigations in the Netherlands and in a number of foreign jurisdictions, including the U.S., involving claims by and against them which arise in the ordinary course of their businesses, including in connection with their activities as lenders, broker-dealers, underwriters, issuers of securities and investors and their position as employers and taxpayers. In certain of such proceedings, very large or indeterminate amounts are sought, including punitive and other damages. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened governmental, regulatory, arbitration and legal proceedings and investigations, ING is of the opinion that the proceedings and investigations set out below may have or have in the recent past had a significant effect on the financial position, profitability or reputation of the ING and/or the ING and its consolidated subsidiaries.

Settlement agreement: On 4 September 2018, ING announced that it had entered into a settlement agreement with the Dutch Public Prosecution Service relating to previously disclosed investigations regarding various requirements for client on-boarding and the prevention of money laundering and corrupt practices. Following the entry into the settlement agreement, ING has experienced heightened scrutiny from authorities in various countries. ING is also aware, including as a result of media reports, that other parties may, among other things, seek to commence legal proceedings against ING in connection with the subject matter of the settlement. Certain parties filed requests with the Court of Appeal in The Netherlands to reconsider the prosecutor's decision to enter into the settlement agreement with ING and not to prosecute ING or (former) ING employees. In December 2020, the Court of Appeal issued its final ruling. In this ruling the prosecutors' decision to enter into the settlement agreement with ING was upheld, making the settlement final. However, in a separate ruling, the Court ordered the prosecution of ING's former CEO. In December 2024, the Dutch Public Prosecution Service announced that they will ask the Court's approval not to prosecute ING's former CEO.

Litigation by investors: In February and March 2024, ING and certain (former) board members were served with a writ of summons for litigation in The Netherlands on behalf of investors who claim to have suffered financial losses in connection with ING's disclosures on historic shortcomings in its financial economic crime policies, related risk management and control systems, the investigation by and settlement with the Dutch authorities in 2018 and related risks for ING. We do not agree with the allegations and will defend ourselves against these and the claimed damages of EUR 587 million. In February 2025, ING and the (former) board members have filed their statement of defense against the allegations. Separately, but relating to the same matters, in July 2024 another group of investors claiming to have suffered financial losses requested disclosure of certain ING documents and to question witnesses. ING has subsequently filed its response to the requests made with the court. We follow IFRS rules for taking legal provisions and would disclose material amounts in this regard if and when applicable - which currently is not the case.

Findings regarding AML processes: As previously disclosed, after its September 2018 settlement with Dutch authorities concerning anti-money laundering matters, and in the context of significantly increased attention on the prevention of financial economic crime, ING has experienced heightened scrutiny by authorities in various countries. The interactions with such regulatory and judicial authorities have included, and can be expected to continue to include, onsite visits, information requests, investigations and other enquiries. Such interactions, as well as ING's internal assessments in connection with its global enhancement programme, have in some cases resulted in satisfactory outcomes, and also have resulted in, and may continue to result in, findings, or other conclusions which may require appropriate remedial actions by ING, or may have other consequences. ING intends to continue to work in close cooperation with authorities as it seeks to improve its management of non-financial risks in terms of policies, tooling, monitoring, governance, knowledge and behaviour.

In January 2022, a Luxembourg investigating judge informed ING Luxembourg that he intends to instruct the relevant prosecutor to prepare a criminal indictment regarding alleged shortcomings in the AML process at ING Luxembourg. In November 2024, the Court decided to refer the case to the 'Tribunal Correctionnel' for alleged shortcomings in a limited number of individual client files. ING Luxembourg filed an appeal against this procedural decision. It is currently not possible to determine how this matter will be resolved or the timing of any such resolution, ING does not expect a financial outcome of this matter to have a material effect.

ING's subsidiary Payvision was the subject of a criminal investigation by Dutch authorities regarding money laundering and various requirements of the Dutch act on Anti-Money Laundering and Counter Terrorist Financing, focusing on the period from 1 January 2015 up to and including April 2020. Payvision cooperated with such investigation. In October 2021, the phasing out of Payvision was announced. The phasing out of activities and the transfer of customers to a new service provider were completed in 2022. At the request of Payvision, its license has been withdrawn. In April 2024, the Dutch authorities closed the investigation, without charges against Payvision, but with the issuance of a penalty order against two former directors of Payvision.

ING continues to take steps to enhance its management of compliance risks and embed stronger awareness across the whole organisation. These steps are part of the global 'know your customer' (KYC) programme and set of initiatives, which includes enhancing KYC files and working on various structural improvements in compliance policies, tooling, monitoring, governance, knowledge and behaviour.

Tax cases: Because of the geographic spread of its business, ING may be subject to tax audits, investigations and procedures in numerous jurisdictions at any point in time. Although ING believes that it has adequately provided for all its tax positions, the ultimate resolution of these audits, investigations and procedures is uncertain and may result in liabilities which are materially different from the amounts recognised.

Litigation regarding products of a former subsidiary in Mexico: Proceedings in which ING is involved include complaints and lawsuits concerning the performance of certain interest sensitive products that were sold by a former subsidiary of ING in Mexico.

Claims regarding accounts with predecessors of ING Bank Türkiye: ING Bank Türkiye has received numerous claims from (former) customers of legal predecessors of ING Bank Türkiye. The claims are based on offshore accounts held with these banks, which banks were seized by the Savings Deposit Insurance Fund ("SDIF") prior to the acquisition of ING Bank Türkiye in 2007 from OYAK. Pursuant to the acquisition contract, ING Bank Türkiye can claim compensation from SDIF if a court orders ING Bank Türkiye to pay amounts to the offshore account holders. SDIF has made payments to ING Bank Türkiye pursuant to such compensation requests, but filed various lawsuits to receive those amounts back. In April 2022, the Turkish Supreme Court decided that the prescription period for the offshore account holders' compensation claims starts on the transfer date of the account holders to the offshore accounts. As of January 2025, three lawsuits have been finalized in favour of ING Bank Türkiye with the Turkish Supreme Court's verdict, which are likely to be precedent decisions for the other ongoing files.

In 2024 SDIF initiated enforcement procedures against ING Bank Türkiye, based on the decision in April 2022 by the Turkish Supreme Court referred to above. SDIF alleges that this decision means that ING Bank Türkiye has to return certain payments made by SDIF regarding the offshore depositors' receivables cases, as the statute of limitations had already expired.

At this moment it is not possible to assess the outcome of these procedures nor to provide an estimate of the (potential) financial effect of these claims.

Interest rate derivatives claims: In the past a uniform recovery framework for Dutch SME clients with interest rate derivatives was established by a committee of independent experts appointed by the Dutch Ministry of Finance. In the context of this recovery framework most claims have been settled, however ING is still involved in several legal proceedings in the Netherlands with respect to interest rate derivatives that were sold to clients in connection with floating interest rate loans in order to hedge the interest rate risk of the loans. These proceedings are based on several legal grounds, depending on the facts and circumstances of each specific case, inter alia alleged breach of duty of care, insufficient information provided to the clients on the product and its risks and other elements related to the interest rate derivatives that were sold to clients. In some cases, the court has ruled in favour of the claimants and awarded damages, annulled the interest rate derivative or ordered repayment of certain amounts to the claimants. In one case, the business client filed an appeal in cassation with the Dutch Supreme Court in January 2024. In December 2024, the Supreme Court rejected such appeal. As there are only two lawsuits still pending, we do not expect that these cases will have a significant impact in the future.

Interest surcharges claims: ING received complaints and was involved in litigation with certain individuals in the Netherlands regarding increases in interest surcharges with respect to several credit products, including but not limited to commercial property. ING has reviewed the relevant product portfolio. The provision previously taken has been reversed for certain of these complaints. All claims are dealt with individually. Thus far, the courts have ruled in favour of ING in each case, ruling that ING was allowed to increase the interest surcharge based upon the essential obligations in the contract. In a relevant case the Dutch Supreme Court ruled in favour of another Dutch bank, addressing the question whether or not a bank is allowed to increase interest surcharges unilaterally. The Dutch Supreme Court ruled affirmatively and referred the case to the Court of Appeal in The Hague. The Court of Appeal also ruled in favour of the Dutch bank in October 2022 and this ruling has been confirmed by the Dutch Supreme Court in its ruling of 22 December 2023. ING will continue to deal with all claims individually. In the last pending case against ING, the claimant filed an appeal in cassation with the Dutch Supreme Court in April 2024. The Supreme Court rejected the appeal in cassation in February 2025. There are no other lawsuits related to client surcharges on the Euribor rates of so-called Euroflex loans. We therefore do not expect that this issue will have a significant impact in the future.

Mortgage expenses claims: ING Spain has received claims and is involved in procedures with customers regarding reimbursement of expenses associated with the formalisation of mortgages. In most first instance court proceedings the expense clause of the relevant mortgage contract has been declared null and ING Spain has been ordered to reimburse all or part of the applicable expenses. Since 2018, the Spanish Supreme Court and the European Court of Justice ("CJEU") have issued rulings setting out which party should bear notary, registration, agency, and stamp duty costs. In January 2021, the Spanish Supreme Court ruled that valuation costs of mortgages, signed prior to 16 June 2019, the date the new mortgage law entered into force, should be borne by the bank. Media attention for the statute of limitations applicable to the right to claim reimbursement of costs resulted in an increased number of claims at the beginning of 2021. In June 2021, the Spanish Supreme Court published a press release stating its decision to ask the CJEU for a preliminary ruling regarding the criteria that should be applied to determine the date from which the action for claiming the reimbursement of mortgage expenses is considered to be expired. In January 2024, the CJEU ruled that the limitation period for the judicial claim for reimbursement of expenses cannot begin to run from a Supreme Court decision declaring the clause null and void, nor from the moment of the payment of the expenses. The CJEU indicated that it is up to national case-law to determine the criterion that should be applied for the calculation of the limitation period. In April 2024, the CJEU ruled that it was not against European Union laws that the period of prescription began to be calculated from the moment the clause was declared null. Following the CJEU approach, on 14 June 2024 the Spanish Supreme Court issued its final decision stating in short that the 5-year period to claim the reimbursement of costs can only begin from the date each individual clause is declared null by a judge. The Spanish Supreme Court also leaves a small door open for banks in case they can demonstrate that a specific individual indeed had knowledge of the unfairness of the clause before that moment. ING is reviewing the best way to address the latest developments.

ING Spain was also included, together with other Spanish banks, in three class actions filed by customer associations. In one of the class actions an agreement was reached with the association. In another class action the association withdrew from the proceedings. With respect to the third class action, ING filed an appeal asking the Spanish Court of Appeal to determine that the ruling of the court of first instance is only applicable to the consumers that were part of the case. The National Court has revoked the ruling and declared that the consumers will not be able to initiate an action for compensation based on the first instance ruling, as the claimant association intended. This last decision is not yet final, as it has been appealed in the Supreme Court.

A provision has been established in the past and has been adjusted where appropriate.

Imtech claims: In January 2018, ING Bank received a claim from Stichting ImtechClaim.nl and Imtech Shareholders Action Group B.V. on behalf of certain (former) shareholders of Imtech. In March 2018, ING Bank received another claim on the same subject matter from the Dutch Association of Stockholders (Vereniging van Effectenbezitters, "VEB"). In 2022, these claimants reiterated and further substantiated their claim in a letter to ING. Each of the claimants allege inter alia that shareholders they represent were misled by the prospectus of the rights issues of Imtech in July 2013 and October 2014. Underwriters, including ING are held liable by these claimants for the damages that shareholders would have suffered. ING responded to these claimants denying any and all responsibility in relation to the allegations made in the relevant letters. In March 2024, Imtech trustees, VEB and other parties entered into a settlement agreement that contained a release for claims regarding this subject matter. This release, by way of third-party clause, applies to ING as well. The other claimants (one of which is now dissolved) are not party to this agreement and at this moment it is not possible to assess whether the remaining claims would lead to any court case and what the outcome of such court cases would be.

Claims regarding mortgage loans in Swiss franc in Poland: ING Poland is a defendant in several lawsuits with retail customers who took out mortgage loans indexed to the Swiss franc. Such customers have alleged that the mortgage loan contract contains abusive clauses. One element that the court is expected to consider in determining whether such contracts contain abusive clauses is whether the rules to determine the exchange rate used for the conversion of the loan from Polish zloty to Swiss franc are unambiguous and verifiable. In December 2020, the Polish Financial Supervision Authority (PFSA) proposed that lenders offer borrowers voluntary out-of-court settlements on foreign-currency mortgage disputes, with mortgages indexed to Swiss franc serving as a reference point. In February 2021, ING Poland announced its support for this initiative and in October 2021 began offering the settlements to the borrowers following the PFSA's proposal. In October 2022, a hearing of the European Court of Justice ("CJEU") was held inter alia on the question whether, after cancellation of a contract regarding a Swiss franc loan by a court, banks may still charge interests for the amount borrowed under such loan prior to cancellation.

In June 2023 the CJEU issued a ruling. It ruled that under EU law when a loan agreement indexed to the Swiss franc is declared null and void, banks cannot claim any remuneration (i.e. interest) for the duration the principal amount was available to the customer. The customer, however, may assert claims against banks in addition to reimbursement of interest and instalments previously paid to the bank. In September and December 2023, the CJEU issued rulings providing further clarity on the limitation period and about the question of when a contract clause can be considered unfair. In April 2024, the Polish Supreme Court issued a ruling stating that if it is impossible to establish a binding foreign currency exchange rate for the parties in the indexed or denominated loan agreement, the agreement is also not binding in other respects. ING has recorded a portfolio provision. In October and November 2024, seven new preliminary questions were referred to the CJEU which focus on the claims of banks in a situation of annulment of a credit agreement.

Certain Consumer Credit Products: In October 2021, ING announced that it would offer compensation to its Dutch retail customers in connection with certain revolving consumer loans with variable interest rates that allegedly did not sufficiently follow market rates. This announcement was made in response to several rulings by the Dutch Institute for Financial Disputes (Kifid) regarding similar products at other banks. ING has recognized a provision of EUR 180 million in 2021 for compensation and costs in connection with this matter. On 22 December 2021, ING announced that it reached an agreement with the Dutch Consumers' Association (Consumentenbond) on the compensation methodology for revolving credits. Based on a Kifid ruling regarding similar products, ING has amended its previously announced compensation scheme by also compensating interest on interest. In the third quarter of 2022, ING increased its provision for this matter by EUR 75 million. In the fourth quarter of 2022, ING and the Dutch Consumers' Association reached an agreement on the compensation of customers who have had an overdraft facility or a revolving credit card with a variable interest rate. ING has started compensating such customers in line with Kifid rulings about revolving credits including 'interest-on-interest'-effect in these cases. Timelines for compensation vary depending on customer and product segmentation and are dependent on the availability of data. In 2024 the compensation process was expedited. The compensation process is still ongoing.

Climate litigation: In January 2024, Friends of the Earth Netherlands (Milieudefensie) announced that it holds ING liable for alleged contribution to climate change and threatens to initiate legal proceedings against ING. In January 2025, Milieudefensie sent a new letter in which it reiterated its threat to initiate legal proceedings against ING, but revised its demands. If necessary, ING will defend its science-based climate approach in court.

Russian claims: Several ING entities have received claims from, and are involved in litigation with, certain Russia-linked entities. They claim the payment of principal or interest or other amounts that they have not received pursuant to sanctions. Claims are also made related to the settlement of contracts that have been terminated after sanctions were imposed. In at least one case, the claimant seized assets in Russia of ING entities. We do not agree with these claims, as they do not comply with the underlying contracts or applicable laws, including sanctions. We follow IFRS rules for taking legal provisions and would disclose material amounts in that regard if and when applicable which currently is not the case.

42 Consolidated companies and businesses acquired and divested

Acquisitions and divestments

There were no significant acquisitions in 2024, 2023 or 2022, and there was no significant divestment in 2024 and 2023.

Divestments 2022

ING announced at 13 December 2022 that it had sold its interest (80%) in Intersoftware Holding BV to the Sky Group/ DIAS and realised a transaction result of EUR 11.0 million which consisted of a profit of EUR 7.0 on sale of InterSoftware Holding BV and the release of the redemption liability of EUR 3.0 million.

43 Principal subsidiaries, investments in associates and joint ventures

For the majority of ING's principal subsidiaries, ING Groep N.V. has control because it either directly or indirectly owns more than half of the voting power. For subsidiaries in which the interest held is below 50%, control exists based on the combination of ING's financial interest and its rights from other contractual arrangements which result in control over the operating and financial policies of the entity.

For each of the subsidiaries listed, the voting rights held equal the proportion of ownership interest, and consolidation by ING is based on the majority of ownership.

For the principal investments in associates and joint ventures ING Group has significant influence but not control. Significant influence generally results from a shareholding of between 20% and 50% of the voting rights, but also the ability to participate in the financial and operating policies through situations including, but not limited to one or more of the following:

- Representation on the board of directors;
- Participation in the policymaking process; and
- Interchange of managerial personnel.

The principal subsidiaries, investments in associates and joint ventures of ING Groep N.V. and their statutory place of incorporation or primary place of business are as follows:

Principal subsidiaries, investments in associates and joint ventures

Subsidiary	Statutory place of Incorporation	Country of operation	Proportion of ownership and interest held by the group 2024	2023
ING Bank N.V.	Amsterdam	the Netherlands	100 %	100 %
Bank Mendes Gans N.V.[3]	Amsterdam	the Netherlands		100 %
ING Belgium S.A./N.V.	Brussels	Belgium	100 %	100 %
ING Luxembourg S.A.	Luxembourg City	Luxembourg	100 %	100 %
ING DiBa AG	Frankfurt am Main	Germany	100 %	100 %
ING Bank Slaski S.A.[1]	Katowice	Poland	75 %	75 %
ING Financial Holdings Corporation	Delaware	United States of America	100 %	100 %
ING Bank A.S.	Istanbul	Türkiye	100 %	100 %
ING Bank (Australia) Ltd	Sydney	Australia	100 %	100 %
ING Commercial Finance B.V.	Amsterdam	the Netherlands	100 %	100 %
ING Groenbank N.V.[3]	Amsterdam	the Netherlands		100 %
Investments in associates and joint ventures				
TMBThanachart Bank Public Company Ltd[2]	Bangkok	Thailand	23 %	23 %

1 The shares of the non-controlling interest stake of 25% are listed on the Warsaw Stock Exchange, for summarised financial information we refer to Note 31 'Information on geographical areas'
2 Reference is made to Note 8 'Investment in associates and joint ventures'.
3 In 2024, Bank Mendes Gans N.V. and ING Groenbank N.V merged with ING Bank N.V.

44 Structured entities

ING Group's activities involve transactions with various structured entities (SE) in the normal course of its business. A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. ING Group's involvement in these entities varies and includes both debt financing and equity financing of these entities as well as other relationships. Based on its accounting policies, ING establishes whether these involvements result in no significant influence, significant influence, joint control or control over the structured entity.

The structured entities over which ING can exercise control are consolidated. ING may provide support to these consolidated structured entities as and when appropriate. However, this is fully reflected in the consolidated financial statements of ING Group as all assets and liabilities of these entities are included and off-balance sheet commitments are disclosed.

ING's activities involving structured entities are explained below in the following categories:
1. Consolidated ING originated securitisation programmes;
2. Consolidated ING originated Covered bond programme (CBC);
3. Consolidated ING sponsored Securitisation programme (Mont Blanc);
4. Unconsolidated Securitisation programme; and
5. Other structured entities.

1. Consolidated ING originated securitisation programmes

ING Group enters into liquidity management securitisation programmes in order to obtain funding and improve liquidity. Within the programme ING Group sells ING-originated assets to a structured entity. The underlying exposures include residential mortgages and SME loans in the Netherlands, Belgium, Spain, Italy, Australia and Germany.

The structured entity issues securitised notes (traditional securitisations) which are eligible collateral for central bank liquidity purposes. In most programmes ING Group acts as investor of the securitised notes. ING Group continues to consolidate these structured entities if it is deemed to control the entities.

The structured entity issues securitisation notes in two or more tranches, of which the senior tranche obtains a high rating (AAA or AA) by a rating agency. The retained tranche can subsequently be used by ING Group as collateral in the money market for secured borrowings.

ING Group originated various securitisations, and as at 31 December 2024, these consisted of EUR 74 billion (2023: EUR 67 billion) of senior and subordinated notes, of which EUR 4 billion (2023: EUR 2 billion) were issued externally. The underlying exposures are residential mortgages and SME loans. Apart from the third party funding, these securitisations did not impact ING Group's Consolidated statement of financial position and profit or loss.

In 2024, there are no non-controlling interests as part of the securitisation structured entities that are significant to ING Group.

2. Consolidated ING originated covered bond programme (CBC)

ING Group has entered into a covered bond programme. Under the covered bond programme, ING issues bonds. The payment of interest and principal is guaranteed by the ING administered structured entities, ING Covered Bond Company B.V., ING SB Covered Bond Company B.V. and ING SB2 Covered Bond Company B.V. In order for these entities to fulfil their guarantee, ING legally transfers mainly Dutch mortgage loans originated by ING. Furthermore, ING offers protection against deterioration of the mortgage loans. The entities are consolidated by ING Group.

Covered bond programme

	Fair value pledged mortgage loans	
in EUR million	2024	2023
Dutch Covered Bond programmes	27,172	27,148
Diba Mortgage Pfandbriefe	15,050	18,276
ING Belgium Residential Pandbrieven Programme	9,024	7,347
IBAL Covered Bond	3,676	3,781
ING Bank Hipoteczny CBP	602	544
	55,524	**57,096**

For the covered bond programme, third-party investors in securities issued by the structured entity have recourse to the assets of the entity and to the assets of ING Group.

3. Consolidated ING sponsored Securitisation programme (Mont Blanc)

In the normal course of business, ING Group structures financing transactions for its clients by assisting them in obtaining sources of liquidity by selling the clients' receivables or other financial assets to a Special Purpose Vehicle (SPV). The senior positions in these transactions may be funded by the ING administered multi-seller Asset Backed Commercial Paper (ABCP) conduit Mont Blanc Capital Corp. (rated A-1/P-1). Mont Blanc Capital Corp. funds itself externally in the ABCP markets.

ING Group facilitates these transactions by acting as administrative agent, swap counterparty and liquidity provider to Mont Blanc Capital Corp. ING Group also provides support facilities (i.e. liquidity) backing the transactions funded by the conduit. The types of asset currently in the Mont Blanc conduit include trade receivables, consumer finance receivables, car leases and residential mortgages.

ING Group supports the ABCP programmes by providing Mont Blanc Capital Corp. with short-term liquidity facilities. Once drawn these facilities bear normal credit risk. The liquidity facilities provided to Mont Blanc are EUR 3,119 million (2023: EUR 2,268 million). The drawn liquidity amount is nil as at 31 December 2024 (2023: nil).

The standby liquidity facilities are reported under irrevocable facilities. All facilities, which vary in risk profile, are granted to the Mont Blanc Capital Corp. subject to normal ING Group credit and liquidity risk analysis procedures. The fees received for services provided and for facilities are charged subject to market conditions.

4. Unconsolidated Securitisation programme

In 2013 ING transferred financial assets (mortgage loans) for an amount of EUR 2 billion to a special purpose vehicle (SPV). The transaction resulted in full derecognition of the financial assets from ING's statement of financial position. Following this transfer ING continues to have two types of ongoing involvement in the transferred assets: as counterparty to the SPE of a non-standard interest rate swap, which is recognised as a non-trading derivative, and as servicer of the transferred assets. ING has an option to unwind the transaction by redeeming all notes at their principal outstanding amount, in the unlikely event of changes in accounting and/or regulatory requirements that significantly impact the transaction. The fair value of the swap held by ING at 31 December 2024 amounted to EUR -11 million (2023: EUR -26 million); fair value changes on this swap recognised in the statement of profit or loss in 2024 were EUR 14 million (2023: EUR 14 million). Service fee income recognised, for the role as administrative agent, in the statement of profit or loss in 2024 amounted to EUR 1 million (2023: EUR 1 million). The cumulative income recognised in profit or loss since derecognition amounts to EUR 20 million (2023: EUR 19 million).

5. Other structured entities

In the normal course of business, ING Group enters into transactions with structured entities as counterparty. Predominantly in its structured finance operations, ING can be instrumental in facilitating the creation of these structured entity counterparties. These entities are generally not included in the consolidated financial statements of ING Group, as ING facilitates these transactions as administrative agent by providing structuring, accounting, funding, lending, and operation services.

ING Group offers various investment fund products to its clients. ING Group does not invest in these investment funds for its own account nor acts as the fund manager.

45 Related parties

In the normal course of business, ING Group enters into various transactions with related parties. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. Related parties of ING Group include, among others, its associates, joint ventures, key management personnel, and various defined benefit and contribution plans. For post-employment benefit plans, reference is made to Note 32 'Pensions and other post-employment benefits'. Transactions between related parties include rendering or receiving of services, leases, transfers under finance arrangements and provisions of guarantees or collateral. All transactions with related parties took place at conditions customary in the market. There are no significant provisions for doubtful debts or individually significant bad debt expenses recognised on outstanding balances with related parties.

Associates and joint ventures

Transactions with ING Group's main associates and joint ventures

	Associates		Joint ventures	
in EUR million	2024	2023	2024	2023
Assets	142	121		
Liabilities	263	424	10	1
Off-balance sheet commitments	23	20		
Income received	16	10		
Expenses paid	2	3		

Assets, liabilities, commitments, and income related to Associates and joint ventures result from transactions which are executed as part of the normal Banking business. Dividends received by associates and joint ventures are included in Note 8 'Investment in associates and joint ventures'.

Key management personnel compensation

The Executive Board of ING Groep N.V., the Management Board Banking and the Supervisory Board are considered Key Management personnel of ING. In 2024, 2023 and 2022, the three members of the Executive Board of ING Groep N.V. were also members of the Management Board Banking.

Transactions with key management personnel, including their compensation are included in the tables below.

Key management personnel compensation (Executive Board and Management Board Banking)

2024 in EUR thousands	Executive Board of ING Groep N.V.	Management Board Banking [1]	Total
Fixed Compensation			
– Base salary	4,388	3,598	7,987
– Collective fixed allowances [2]	1,033	790	1,823
– Pension costs	84	95	179
– Severance benefits			
Variable compensation			
– Upfront cash	0	609	609
– Upfront shares	302	609	911
– Deferred cash	0	914	914
– Deferred shares	453	914	1,367
– Other emoluments [3]	306	418	724
Total compensation	**6,566**	**7,948**	**14,513**

1 Excluding members of the Management Board Banking that are also members of the Executive Board of ING Groep N.V.
2 The collective fixed allowances consist of two savings allowances applicable to employees in the Netherlands; an individual savings allowance of 3.5% and a collective savings allowance to compensate for the loss of pension benefits with respect to salary in excess of EUR 137,800.
3 This includes expatriate allowances (such as housing, school/tuition fees and international health insurances, if applicable); banking and insurance benefits from ING (on the same terms as for other employees of ING in the Netherlands); tax and financial planning services to ensure compliance with the relevant legislative requirements; and the use of a company car or driver service.

Key management personnel compensation (Executive Board and Management Board Banking)

2023 in EUR thousands	Executive Board of ING Groep N.V.	Management Board Banking [1]	Total
Fixed Compensation			
– Base salary	4,220	4,200	8,420
– Collective fixed allowances [2]	1,002	887	1,889
– Pension costs	78	107	185
– Severance benefits		734	734
Variable compensation			
– Upfront cash		598	598
– Upfront shares	293	598	891
– Deferred cash		897	897
– Deferred shares	439	897	1,336
– Other emoluments [3]	344	487	832
Total compensation	**6,376**	**9,405**	**15,782**

1 Excluding members of the Management Board Banking that are also members of the Executive Board of ING Groep N.V.
2 The collective fixed allowances consist of two savings allowances applicable to employees in the Netherlands; an individual savings allowance of 3.5% and a collective savings allowance to compensate for the loss of pension benefits with respect to salary in excess of EUR 128,810.
3 This includes expatriate allowances (such as housing, school/tuition fees and international health insurances, if applicable); banking and insurance benefits from ING (on the same terms as for other employees of ING in the Netherlands); tax and financial planning services to ensure compliance with the relevant legislative requirements; reimbursement of costs under the Directors & Officers indemnity provided by ING; and the use of a company car or driver service.

Key management personnel compensation (Executive Board and Management Board Banking)

2022 in EUR thousands	Executive Board of ING Groep N.V.	Management Board Banking [1]	Total
Fixed Compensation			
– Base salary	4,220	4,969	9,189
– Collective fixed allowances [2]	1,011	1,073	2,084
– Pension costs	70	116	186
– Severance benefits		932	932
Variable compensation			
– Upfront cash		803	803
– Upfront shares	268	803	1,071
– Deferred cash		1,204	1,204
– Deferred shares	401	1,204	1,605
– Other emoluments [3]	296	638	934
Total compensation	**6,266**	**11,742**	**18,008**

1 Excluding members of the Management Board Banking that are also members of the Executive Board of ING Groep N.V.
2 The collective fixed allowances consist of two savings allowances applicable to employees in the Netherlands; an individual savings allowance of 3.5% and a collective savings allowance to compensate for loss of pension benefits with respect to salary in excess of EUR 114,866.
3 This includes amongst others: housing, school/tuition fees, international health insurance, relocation costs and tax and financial planning.

ING indemnifies the members of the EB against direct financial losses in connection with claims from third parties filed, or threatened to be filed, against them by virtue of their service as a member of the EB, as far as permitted by law, on the conditions laid down in the Articles of Association and their commission contract. ING has taken out liability insurance for the members of the EB.

In accordance with the Articles of Association ING indemnifies the members of the Supervisory Board as far as legally permitted against direct financial losses in connection with claims from third parties filed or threatened to be filed against them by virtue of their service as a member of the Supervisory Board.

Key management personnel compensation is generally included in Staff expenses in the statement of profit or loss. The total remuneration of the Executive Board and Management Board Banking is disclosed in the table above. Under IFRS, certain components of variable remuneration are not recognised in the statement of profit or loss directly, but are allocated over the vesting period of the award. The comparable amount recognised in Staff expenses in 2024 relating to the fixed expenses of 2024 and the vesting of variable remuneration of earlier performance years, is EUR 12 million in 2024 (2023: EUR 14 million; 2022: EUR 14 million).

The table below shows the total of fixed remuneration, expense allowances and attendance fees for the Supervisory Board in 2024, 2023 and 2022.

Key management personnel compensation (Supervisory Board)

in EUR thousands	2024	2023	2022
Total compensation	1,191	1,152	1,048

Loans and advances to key management personnel

As at 31 December 2024 Loans and advances outstanding to key management personnel amounted to EUR 1.1 million (2023: EUR 1.7 million) with an average interest rate of 2.1% (2023: 2.1%) and loan commitments to key management personnel amounted to EUR 145 thousand (2023: EUR 138 thousand). Total interest received in 2024 on these loans and advances amounted to EUR 28 thousand (2023: EUR 30 thousand).

These loans and advances and loan commitments (1) were made in the ordinary course of business, (2) were granted on conditions that are comparable to those of loans and advances granted to all employees and (3) did not involve more than the normal risk of collectability or present other unfavourable features.

Deposits outstanding to key management personnel

As at 31 December 2024 Deposits outstanding from key management personnel amounted to EUR 15.8 million (2023: EUR 13.9 million). Total interest paid in 2024 on these deposits amounted to EUR 324 thousand (2023: EUR 197 thousand).

ING shares held by key management personnel

Number of ING Groep N.V. shares to key management personnel

	ING Groep N.V. shares	
in numbers	2024	2023
Executive Board members	152,652	128,241
Management Board Banking	343,055	262,507
Supervisory Board members	5,295	5,295

46 Capital management

Capital management strategy

Group Treasury (GT) is responsible for maintaining the adequate capitalisation of ING Group and ING Bank entities to manage the risk associated with ING's business activities. This involves not only managing, planning and allocating capital within ING Group, ING Bank and its various entities, but also executing necessary capital market transactions, term (capital) funding and risk management transactions. ING takes an integrated approach to assess the adequacy of its capital position in relation to its risk profile and operating environment. This means GT takes into account both regulatory and internal, economic-based metrics and requirements as well as the interests of key stakeholders, such as customers, shareholders and rating agencies.

ING applies the following main capital definitions:

- Common equity Tier 1 capital (CET1) is defined as shareholders' equity less regulatory adjustments. CET1 capital divided by risk-weighted assets equals the CET1 ratio.
- Tier 1 capital is defined as CET1 capital plus Additional Tier 1 (hybrid) securities and other regulatory adjustments. Tier 1 capital divided by risk-weighted assets equals the Tier 1 capital ratio.
- Total capital is Tier 1 capital plus subordinated Tier 2 liabilities and regulatory adjustments. Total capital divided by risk-weighted assets equals the Total capital ratio.
- ING's fully loaded CET1 ratio target is built on the CET1 requirements specified for ING, potential increase in the regulatory requirement of the countercyclical buffer, the potential impact of a standardised and pre-determined stress scenario and available mitigating actions, and general uncertainties.
- Leverage ratio (LR) is defined as Tier 1 capital divided by the leverage exposure.
- Minimum Required Eligible Liabilities (MREL)/ Total Loss Absorbing Capacity (TLAC) is Total capital plus senior unsecured bonds and amortisations. MREL/ TLAC ratios are based on both risk-weighted assets and leverage exposure.

Dividend and distribution policy

ING's distribution policy is a pay-out ratio of 50% of resilient net profit. Resilient net profit is defined as net profit adjusted for significant items not linked to the normal course of business. The 50% pay-out may be in the form of cash, or a combination of cash and share repurchases, with the majority in cash. Additional distributions to be considered periodically, taking into account alternative opportunities, macro-economic circumstances and the outcome of our capital planning. Prerequisite for a distribution is a CET1 ratio of at least prevailing Maximum Distributable Amount (MDA) level after distribution.

For further information on dividend and other distributions, reference is made to Note 'Dividend per share' and Note 'Equity'.

Capital position as per 31 December 2024

ING Group capital position according to CRR II / CRD V		
in EUR million	2024	2023
Shareholders' equity [1]	50,314	51,240
- Interim profits not included in CET1 capital	-2,152	-2,504
- Other adjustments	-2,902	-1,880
Regulatory adjustments	-5,054	-4,384
Available common equity Tier 1 capital	**45,260**	**46,856**
Additional Tier 1 securities	7,965	6,983
Regulatory adjustments additional Tier 1	66	59
Available Tier 1 capital	**53,291**	**53,898**
Supplementary capital Tier 2 bonds [2]	9,852	9,115
Regulatory adjustments Tier 2	50	40
Available Total capital	**63,194**	**63,052**
Risk weighted assets	333,708	319,169
Common equity Tier 1 ratio	**13.6 %**	**14.7 %**
Tier 1 ratio	16.0 %	16.9 %
Total capital ratio	18.9 %	19.8 %

1 Shareholders' equity is determined in accordance with IFRS-EU.
2 All T2 securities are CRR/CRD V-compliant for 2024.

In accordance with the applicable regulation, credit and operational risk models used in the capital ratios calculations are not audited.

Regulatory requirements

Capital adequacy and the determination of required regulatory capital are based on the guidelines developed by the Basel Committee on Banking Supervision (the Basel Committee) and the European Union Directives, as implemented by the Dutch Central Bank and the ECB for supervisory purposes. In 2010, the Basel Committee issued new solvency and liquidity requirements that superseded Basel II, implemented in the European Union (EU) via Capital Requirements Regulation (CRR) / Capital Requirements Directive (CRD). In

accordance with the CRR the minimum Pillar 1 capital requirements applicable to ING Group are: a CET1 ratio of 4.5%, a Tier 1 ratio of 6.0% and a Total capital ratio of 8.0% of risk-weighted assets.

The overall SREP CET1 requirement (including buffer requirements) for ING Group at a consolidated level decreased during 2024, mainly due to a reduction of the O-SII (other systemically important institutions) buffer requirement and was 10.76% at the end of December 2024. This requirement is the sum of a 4.5% Pillar I requirement, a 0.93% Pillar II requirement, a 2.5% capital conservation buffer (CCB), a 0.83% countercyclical buffer (CCyB) and a 2.0% O-SII (Other Systemically Important Institutions) buffer that is set separately for Dutch systemic banks by the Dutch Central Bank (De Nederlandsche Bank). This requirement excludes the Pillar II guidance, which is not disclosed. ING met the externally imposed regulatory capital requirements in 2024.

ING's fully loaded CET1 requirement stood at 10.88% in 4Q2024 (4Q2023: 10.76%), which is higher than the prevailing CET1 ratio requirement as a result of countercyclical buffers that will become effective over the coming quarters.

The MDA trigger level stood at 10.76% in 4Q2024 for CET1, 12.57% for Tier 1 Capital and 14.98% for Total capital. These MDA levels are in line with the application of Art.104a in CRD V, which allows ING to partly fulfil the total Pillar II requirement (1.65%) with Additional Tier 1 and Tier 2 capital. An MDA requirement on the leverage ratio of 3.5% applies to ING Group. In the event that ING Group breaches an MDA level, ING may face restrictions on dividend payments, coupons on AT1 securities and payment of variable remuneration.

47 Subsequent events

On January 28, 2025 ING announced that it has reached an agreement on the sale of its business in Russia to Global Development JSC, a Russian company owned by a Moscow-based financial investor with a background in factoring services. This transaction will effectively end ING's activities in the Russian market. Under the terms of the agreement, Global Development will acquire all shares of ING Bank (Eurasia) JSC, taking over all Russian onshore activities and staff. Global Development intends to continue to serve customers in Russia under a new brand. The transaction, which has been preceded by extensive due diligence, is subject to various regulatory approvals and is expected to be closed in the third quarter of 2025.

ING has taken on no new business with Russian companies, has scaled down operations and has taken actions to separate the business from ING's networks and systems.

ING estimates a negative impact to the Result on disposal of Group companies of EUR 0.7 billion post tax. This includes an estimated book loss of EUR 0.4 billion, representing the expected difference between the sale price and the book value of the business. It also includes an estimated negative impact of EUR 0.3 billion from recycling the currency translation adjustment net of the Net Investment hedge reserve through P&L, that is currently booked in equity for past changes of the value of ING Bank (Eurasia) JSC as a result of changes in exchange rates.

On 2 March 2025, ING agreed with a minority shareholder to acquire their 17.6% stake in Van Lanschot Kempen N.V. Per the agreement, ING has directly acquired 7.2% with the remainder of the transaction subject to regulatory approval. Together with ING's existing stake of 2.7%, ING is expected to hold a total of 20.3% after completion of the transaction.

There are no other subsequent events to report other than those already disclosed in Note 41 'Legal proceedings' of the consolidated financial statements.

Authorisation of Consolidated Financial Statements

Amsterdam, 3 March 2025

The Supervisory Board

K.K. (Karl) Guha, chairperson
A.M.G. (Mike) Rees, vice-chairperson
J. (Juan) Colombás
M. (Margarete) Haase
L.J. (Lodewijk) Hijmans van den Bergh
H.A.H. (Herman) Hulst
H.H.J.G. (Harold) Naus
A. (Alexandra) Reich
H.W.P.M.A. (Herna) Verhagen

The Executive Board

S.J.A. (Steven) van Rijswijk, CEO and chairperson
T. (Tanate) Phutrakul, CFO
L. (Ljiljana) Čortan, CRO



Parent company financial statements

Parent company statement of financial position

As at 31 December before appropriation of result

in EUR million	2024	2023
Assets		
Investments in group companies 2	42,798	40,243
Fixed assets	**42,798**	**40,243**
Receivables from group companies 3	77,739	70,524
Other assets	16	11
Current assets	**77,755**	**70,535**
Total assets	**120,553**	**110,778**

	2024	2023
Equity 4		
Share capital	31	35
Share premium	17,116	17,116
Legal and statutory reserves	78	0
Other reserves	27,950	28,398
Unappropriated result	5,138	5,691
Total equity	**50,314**	**51,240**
Liabilities		
Subordinated loans 5	18,522	16,330
Debenture loan 6	49,751	42,569
Other non-current liabilities 6	0	0
Non-current liabilities	**68,273**	**58,899**
Other liabilities 6	1,966	639
Current liabilities	1,966	639
Total equity and liabilities	**120,553**	**110,778**

References relate to the accompanying notes. These form an integral part of the Parent company financial statements.

Parent company statement of profit or loss

For the years ended 31 December

in EUR million	2024	2023
Staff expenses 7	0	0
Other expenses 8	8	7
Total expenses	**8**	**7**
Interest and other financial income 9	2,497	2,003
Valuation results	0	0
Interest and other financial expenses 10	-2,217	-1,828
Net interest and other financial income	**281**	**174**
Result before tax	**273**	**167**
Taxation 11	70	43
Result after tax	**202**	**124**
Result from group companies and participating interests after taxation 12	6,190	7,163
Net result	**6,392**	**7,287**

References relate to the accompanying notes. These form an integral part of the Parent company financial statements.

Parent company statement of changes in equity

in EUR million	Share capital	Share premium	Legal and statutory reserves	Other reserves	Unappropriated results	Total
Balance as at 31 December 2023	**35**	**17,116**	**0**	**28,398**	**5,691**	**51,240**
Net result			125		6,267	6,392
Amounts net of tax directly recognised in equity			1,308			1,308
Dividends				-498	-3,626	-4,124
Share buyback programmes, commitment				-4,500		-4,500
Share buyback programmes, cancellation of shares	-4			4		
Employee share-based compensation plans				2		2
Other changes in treasury shares				2		2
Transfers			-1,354	4,548	-3,194	
Other changes				-5		-5
Balance as at 31 December 2024	**31**	**17,116**	**78**	**27,950**	**5,138**	**50,314**

Changes in individual components are presented in Note 4 'Equity'.

Parent company statement of changes in equity – continued

in EUR million	Share capital	Share premium	Legal and statutory reserves	Other reserves	Unappropriated results	Total
Balance as at 31 December 2022	**37**	**17,116**	**0**	**29,875**	**2,880**	**49,909**
Net result			336		6,951	7,287
Amounts net of tax directly recognised in equity			777			777
Dividends					-2,668	-2,668
Share buyback programmes, commitment				-4,000		-4,000
Share buyback programmes, cancellation of shares	-2			2		
Employee share-based compensation plans				-7		-7
Other changes in treasury shares				-7		-7
Transfers			-1,113	2,585	-1,472	
Other changes				-50		-50
Balance as at 31 December 2023	**35**	**17,116**	**0**	**28,398**	**5,691**	**51,240**

Changes in individual components are presented in Note 4 'Equity'.

Notes to the parent company financial statements

1 Basis of presentation

ING Groep N.V. is a company domiciled in Amsterdam, the Netherlands, and is registered at the Commercial Register of Amsterdam under number 33231073.

The Parent company financial statements of ING Groep N.V. are prepared in accordance with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code. In accordance with subsection 8 of section 362, Book 2 of the Dutch Civil Code, the recognition and measurement principles applied in these Parent company financial statements are the same as those applied in the Consolidated financial statements. Reference is made to Note 1 'Basis of preparation and material accounting policy information' of the Consolidated financial statements. In 2024, ING Group updated the presentation of the Consolidated statement of changes in equity to simplify its structure and reduce duplication. Comparative figures have been updated accordingly.

Investments in Group companies are accounted for in the Parent company accounts according to the equity method. In addition to the notes to these financial statements, further information is included in the notes to the consolidated financial statements.

A list containing the information referred to in Section 379 (1), Book 2 of the Dutch Civil Code has been filed with the office of the Commercial Register of Amsterdam, in accordance with Section 379 (5), Book 2 of the Dutch Civil Code.

The parent company financial statements are presented in euros and rounded to the nearest million, unless stated otherwise. Amounts may not add up due to rounding.

Parent company equity and related reserves

The total amount of equity in the Parent company financial statements equals Shareholders' equity (parent) in the consolidated financial statements. Certain components within equity are different as a result of the following presentation differences between the parent company accounts and consolidated accounts:

- Unrealised revaluations within consolidated Group companies, presented in Other reserves - Revaluation reserve in the consolidated accounts, are presented in the Share of participating interests reserve in the parent company accounts.
- The reserve for cash flow hedges within consolidated Group companies, presented in Other reserves – Revaluation reserve in the consolidated accounts, is included in the Share of participating interests reserve in the parent company accounts on a net basis.
- Foreign currency translation on consolidated Group companies, presented in Other reserves - Currency translation reserve in the consolidated accounts, is presented in the Share of participating interests reserve in the parent company accounts.

A legal reserve is carried at an amount equal to the share in the results of participating interests since their first inclusion at net asset value less the amount of profit distributions to which rights have accrued between the date of first inclusion and the balance sheet date. Profits related to that period which can be repatriated to the Netherlands without restriction are likewise deducted from the Share of participating interests reserve.

Notes to the parent company statements of financial positions

2 Investments in Group companies

Investments in group companies

	2024		2023	
in EUR million	Interest held (%)	Statement of financial position value	Interest held (%)	Statement of financial position value
ING Bank N.V., the Netherlands	100 %	42,734	100 %	40,180
Other		64		64
		42,798		**40,243**

Changes in investments in group companies

in EUR million	2024	2023
Opening balance	40,243	42,600
Revaluations	1,350	757
Results	6,190	7,163
Dividends and other cash distributions	-4,986	-10,269
	42,796	**40,250**
Changes in ING Groep N.V. shares held by Group companies	2	-7
Closing balance	**42,798**	**40,243**

3 Receivables from Group companies

in EUR million	2024	2023
Receivables from Group companies	77,739	70,524
	77,739	**70,524**

Receivables from Group companies include EUR 18,523 million subordinated loans provided by ING Groep N.V. to ING Bank N.V. (2023: EUR 16,330 million). As at 31 December 2024 an amount of EUR 74,789 million (2023: EUR 60,398 million) is expected to be settled after more than one year from the balance sheet date.

4 Equity

Equity

in EUR million	2024	2023
Share capital	31	35
Share premium	17,116	17,116
Legal and statutory reserves	78	0
Other reserves	27,950	28,398
Unappropriated result	5,138	5,691
Total equity	**50,314**	**51,240**

Share capital

Share capital

	Ordinary shares (par value EUR 0.01)			
	Number x 1,000		Amount in EUR million	
	2024	2023	2024	2023
Authorised share capital	9,142,000	9,142,000	91	91
Unissued share capital	5,994,609	5,643,806	60	56
Issued share capital	**3,147,391**	**3,498,194**	**31**	**35**

Changes in issued share capital

	Ordinary shares (par value EUR 0.01)	
	Number x 1,000	Amount in EUR million
Issued share capital as at 31 December 2022	**3,726,539**	**37**
Issue of shares	5	
Cancellation of shares	-228,350	-2
Issued share capital as at 31 December 2023	**3,498,194**	**35**
Cancellation of shares	-350,803	-4
Issued share capital as at 31 December 2024	**3,147,391**	**31**

The cancellation of shares relates to the shares purchased under the share buyback programmes.

Share premium

No changes in 2024 and 2023.

Legal and statutory reserves

Changes in share of participating interests reserves		
in EUR million	2024	2023
Opening balance	0	0
Unrealised revaluations Equity and Debt instruments and other	336	-20
Realised gains/losses transferred to the statement of profit or loss	62	11
Changes in cash flow hedge reserve	365	997
Changes in net defined benefit asset/liability remeasurement reserve	-16	-85
Exchange rate differences	541	-132
Other changes	-1,210	-770
Closing balance	**78**	**0**

The Share of participating interests reserve includes the following components: Reserve for non-distributable retained earnings of participating interests of EUR 2,607 million (2023: EUR 3,047 million), Revaluation reserve of participating interests of EUR -2,196 million (2023: EUR -3,500 million) and Net defined benefit asset/liability remeasurement reserve of EUR -333 million (2023: EUR -317 million).

Due to a decrease in forward interest rates in 2024, the interest rate swaps had a positive revaluation of EUR 365 million recognised in the cash flow hedge reserve which is presented as part of Share of participating interests reserve in the parent company financial statements.

As at 31 December 2024, the Share of participating interests reserve includes an amount of EUR 897 million (2023: EUR 1,602 million) related to the former Stichting Regio Bank and the former Stichting Vakbondsspaarbank SPN. The movement includes an addition of EUR 125 million (2023: EUR 336 million) out of net profit minus the utilisation of EUR 830 million (2023: EUR 998 million), included in the line Changes in the composition of the group and other changes.

Changes in the value of hedging instruments that are designated as net investment hedges, are included in 'Exchange rate differences'.

Due to negative revaluations, the share of participating interest reserve was negative in 2023 (EUR -770 million, 2022: EUR -984 million) which is not allowed under Dutch law and is replenished out of, or subsequently released to, retained earnings, included in the line Other changes.

Other reserves

Changes in retained earnings		
in EUR million	2024	2023
Opening balance	30,391	31,080
Transfer from Unappropriated result	3,194	1,472
Employee share plans	1	-7
Other cash distributions	-498	
Share buyback programme	-5,723	-3,217
Other changes	1,349	1,063
Closing balance	**28,715**	**30,391**

Changes in Treasury shares				
	Amount in EUR million		Number x 1,000	
	2024	2023	2024	2023
Opening balance	-1,994	-1,205	154,571	107,395
Purchased/sold for trading	2	-7	-211	464
Purchased for employee share based benefit programme	-43	-42	3,319	3,156
Distributed under the share-based benefit programme	43	41	-3,343	-3,106
Purchases Share buyback programme	-3,774	-3,482	247,584	275,013
Cancellation share buyback shares	5,000	2,701	-350,803	-228,350
Closing balance	**-765**	**-1,994**	**51,117**	**154,571**

Changes in unappropriated result

in EUR million	2024	2023
Opening balance	5,691	2,880
Paid final dividend over prior year	-2,497	-1,408
Transfer to retained earnings	-3,194	-1,472
Net result for the period	6,267	6,951
Paid interim dividend	-1,129	-1,260
Closing balance	**5,138**	**5,691**

The Share of participating interests reserve cannot be freely distributed. Retained earnings can be freely distributed, except for an amount equal to the negative balance in each of the components of the Share of participating interests reserve. Unrealised gains and losses on derivatives, other than those used in cash flow hedges, are presented in the statement of profit or loss and are therefore part of Retained earnings and are not included in Share of participating interests reserve. The total amount of non-distributable reserves, in accordance with the financial reporting requirements per Part 9 of Book 2 of the Dutch Civil Code, is EUR 5,672 million (2023: EUR 6,696 million).

In 2024, ING Groep N.V. paid an amount of EUR 3,626 million of cash dividend to its shareholders, consisting of a final dividend over 2023 of EUR 2,497 million (EUR 0.756 per share) and an interim dividend over 2024 of EUR 1,129 million (EUR 0.350 per share).

In 2024 ING initiated three share buyback programmes and completed one from 2023:

- EUR 2,500 million, commencing on 3 November 2023 and completed by February 2024. A total of 195 million shares have been repurchased at an average effective price of EUR 12.83 per share. The shares were cancelled in April 2024;
- EUR 50 million, commencing on 4 March 2024 and completed by 5 March 2024. A total of 3 million shares have been repurchased at an average price of EUR 12.99 per share and for a total consideration of EUR 43 million. The purpose of the share repurchase programme was to meet obligations under the share-based compensation plans;
- EUR 2,500 million, commencing on 2 May 2024 and completed by October 2024. A total of 156 million shares have been repurchased at an average effective price of EUR 16.03 per share. The shares were cancelled in November and December 2024;
- EUR 2,000 million, commencing on 31 October 2024 and expected to be completed before 30 April 2025. As per 31 December 2024 a total of 50 million shares have been repurchased at an average price of EUR 14.97 per share and for a total consideration of EUR 756 million. ING has the intention to cancel these shares in June 2025.

Reference is made to Note 19 'Equity' in the ING Group Consolidated financial statements for additional information, including restrictions with respect to dividend and repayment of capital.

5 Subordinated loans

Subordinated loans

in EUR million					Statement of financial position value	
Interest rate	**Year of issue**	**Due date**	**Notional amount in original currency**		**2024**	**2023**
AT1 securities						
7.250%	2024	Perpetual	USD	1,000	969	
8.000%	2024	Perpetual	USD	1,250	1,213	
7.500%	2023	Perpetual	USD	1,000	970	909
4.250%	2021	Perpetual	USD	1,000	965	904
3.875%	2021	Perpetual	USD	1,000	967	905
4.875%	2020	Perpetual	USD	750	726	679
5.750%	2019	Perpetual	USD	1,500	1,456	1,363
6.750%	2019	Perpetual	USD	1,250		1,147
6.500%	2015	Perpetual	USD	1,250	1,223	1,145
				Total AT1 securities	**8,487**	**7,050**
Tier 2 bonds						
4.250%	2024	26 August 2035	EUR	1,250	1,265	
4.375%	2024	15 August 2034	EUR	1,250	1,265	
5.000%	2023	20 February 2035	EUR	500	519	518
6.250%	2023	20 May 2033	GBP	750	941	895
4.125%	2022	24 August 2033	EUR	1,000	1,011	1,010
1.000%	2021	16 November 2032	EUR	1,000	998	997
0.875%	2021	9 June 2032	EUR	500	501	500
2.125%	2020	26 May 2031	EUR	1,500	1,517	1,516
1.000%	2019	13 November 2030	EUR	1,000	1,000	999
2.000%	2018	22 March 2030	EUR	750	762	760
1.625%	2017	26 September 2029	EUR	1,000		1,003
4.000%	2017	14 September 2032	USD	100	98	92
4.250%	2017	23 June 2032	USD	160	158	148
1.150%	2017	14 June 2029	JPY	12,000		77
2.500%	2017	15 February 2029	EUR	750		766
				Total Tier 2 bonds	**10,035**	**9,280**
				Total Subordinated loans	**18,522**	**16,330**

As at 31 December 2024, ING Groep N.V. has issued USD 8,750 million (2023: USD 7,750 million) Perpetual Additional Tier 1 Contingent Convertible Capital Securities which can, in accordance with their terms and conditions, convert by operation of law into ordinary shares if the conditions (when the Group CET1 ratio has fallen below 7.00%) to such a conversion are fulfilled. As a result of this conversion, the issued share capital can increase by up to 982 million (2023: 864 million) ordinary shares. Reference is made to the ING Group Consolidated financial statements, Note 18 'Subordinated loans' and Note 19 'Equity'.

6 Other liabilities

Other liabilities by type

in EUR million	2024	2023
Debenture loans	49,751	42,569
Other liabilities	0	0
Non-Current Other Liabilities	**49,751**	**42,569**
Amounts owed to group companies	72	56
Other amounts owed and accrued liabilities	1,893	584
Other Liabilities	**1,966**	**639**

Debenture loans

in EUR million

Interest rate	Year of issue	Due date	2024	2023
3.750%	2024	3 September 2035	1,255	
3.500%	2024	3 September 2030	1,509	
4.875%	2024	2 October 2029	609	
3.375%	2024	19 November 2032	1,000	
5.335%	2024	19 March 2030	1,468	
5.550%	2024	19 March 2035	1,467	
3.875%	2024	12 August 2029	1,264	
4.000%	2024	12 February 2035	1,282	
1.503%	2023	7 December 2029	153	159
1.878%	2023	7 December 2033	97	101
6.083%	2023	11 September 2027	1,228	1,151
6.114%	2023	11 September 2034	1,226	1,149
variable	2023	11 September 2027	484	453

Debenture loans

in EUR million

Interest rate	Year of issue	Due date	2024	2023
4.500%	2023	23 May 2029	1,536	1,535
4.750%	2023	23 May 2034	1,531	1,530
4.875%	2022	14 November 2027	1,257	1,256
5.250%	2022	14 November 2033	1,005	1,004
3.869%	2022	28 March 2026	1,219	1,142
4.017%	2022	28 March 2028	1,218	1,141
4.252%	2022	28 March 2033	973	912
variable	2022	28 March 2026	483	452
1.250%	2022	16 February 2027	1,514	1,511
1.750%	2022	16 February 2031	1,515	1,513
1.876%	2022	24 February 2034	76	76
2.125%	2022	23 May 2026	1,519	1,517
5.000%	2022	30 August 2026	369	350
0.125%	2021	29 November 2025		1,248
0.875%	2021	29 November 2030	747	746
0.975%	2021	14 February 2034	101	101
1.726%	2021	1 April 2027	1,066	998
2.727%	2021	1 April 2032	726	680
variable	2021	1 April 2027	392	367
0.250%	2021	1 February 2030	1,494	1,492
1.125%	2021	7 December 2028	963	914
0.375%	2021	29 September 2028	1,494	1,490
1.400%	2020	1 July 2026	972	909
0.250%	2020	18 February 2029	1,245	1,242
2.755%	2019	3 September 2031	86	90
0.100%	2019	3 September 2025		1,000
4.050%	2019	9 April 2029	972	911
3.550%	2019	9 April 2024		912
1.625%	2019	21 March 2029	139	139
1.998%	2019	19 March 2031	46	46
1.074%	2019	21 February 2029	130	135

Debenture loans

in EUR million

Interest rate	Year of issue	Due date	2024	2023
0.810%	2019	21 February 2024		570
3.000%	2019	18 February 2026	1,239	1,177
5.000%	2019	31 January 2031	81	84
3.920%	2019	23 January 2029	66	69
2.125%	2019	10 January 2026	1,020	1,019
3.399%	2018	28 December 2030	73	69
1.169%	2018	13 December 2028	118	123
3.790%	2018	13 December 2030	128	134
5.000%	2018	5 June 2029	105	108
2.500%	2018	15 November 2030	1,501	1,500
4.625%	2018	6 January 2026	1,233	1,155
4.550%	2018	2 October 2028	1,217	1,140
2.000%	2018	20 September 2028	1,504	1,502
1.125%	2018	14 February 2025	1,010	1,008
3.950%	2017	29 March 2027	1,461	1,369
1.375%	2017	11 January 2028	1,011	1,010
8.183%	2007	1 June 2035	158	160
			49,751	**42,569**

The amount of debentures held by Group companies as at 31 December 2024 is EUR 10 million (2023: nil).

Notes to the Parent company statement of profit or loss

7 Staff expenses

ING Groep N.V. has no employees.

Remuneration of Senior Management, Executive Board and Supervisory Board

The information on share-based payment plans and remuneration of the members of the Executive Board and the Supervisory Board is included in the Consolidated financial statements. Reference is made to Note 45 'Related parties'.

8 Other expenses

in EUR million	2024	2023
External advisory fees	6	6
Other	2	1
	8	7

9 Interest and other financial income

in EUR million	2024	2023
Interest income	2,491	1,994
Other financial income	6	9
	2,497	**2,003**

Included in Interest and other financial income is EUR 2,491 million (2023: EUR 1,994 million) related to Group companies.

10 Interest and other financial expenses

in EUR million	2024	2023
Interest expenses	-2,216	-1,828
Other financial expenses	0	0
	-2,217	**-1,828**

Included in Interest and other financial expenses is EUR 0 million (2023: EUR 8 million) related to Group companies.

11 Taxation

Reconciliation of the weighted average statutory income tax rate to ING Groep N.V.'s effective income tax rate		
in EUR million	2024	2023
Result before tax	273	167
Nominal statutory tax rate	25.8 %	25.8 %
Nominal statutory tax amount	70	43
Permanent differences affecting current tax		
Expenses not deductible for tax purposes	0	0
Effective tax amount	**70**	**43**
Effective tax rate	**25.8 %**	**25.9 %**

12 Result from Group companies and participating interest after taxation

in EUR million	2024	2023
Result from group companies	6,190	7,163
	6,190	**7,163**

13 Other

Fees for audit and non-audit services

Reference is made to the ING Group Consolidated financial statements, Note 27 'Audit fees' for disclosures related to fees for audit and non-audit services.

Guarantees

Reference is made to the ING Group Consolidated financial statements, Note 40 'Contingent liabilities and commitments' for disclosures related to issued guarantees.

Claim agreements

In the ordinary course of business ING Group has entered into a number of agreements whereby ING Group are provided indemnifications related to the sale of our past businesses and agreements whereby ING Group made detailed arrangements regarding the allocation and handling of claims.

Fiscal unity

ING Groep N.V. forms a fiscal unity with several Dutch banking entities for corporation tax purposes. ING Groep N.V., ING Bank N.V. and its banking subsidiaries that form part of the fiscal unity are jointly and severally liable for taxation payable by the fiscal unity. Settlements of corporate income tax paid or received are executed by ING Bank N.V.

14 Proposed appropriation of results

For 2024 the Executive Board has, in alignment with ING's distribution policy to pay out 50% of resilient net profit and with the approval of the Supervisory Board, proposed a cash dividend of EUR 1.06 per ordinary share. In August 2024, an interim dividend of EUR 0.35 per ordinary share was paid. Therefore, a final dividend of EUR 0.71 per ordinary share remains. The final dividend will be paid entirely in cash after ratification of the proposal by the General Meeting of Shareholders.

in EUR million	2024
Net result	**6,392**
Addition to reserves pursuant to Article 37 (4) of the Articles of Association	3,118
At the disposal of the General Meeting of Shareholders pursuant to Article 37 (5) of the Articles of Association	3,274

15 Subsequent events

On January 28, 2025 ING announced that it has reached an agreement on the sale of its business in Russia to Global Development JSC, a Russian company owned by a Moscow-based financial investor with a background in factoring services. This transaction will effectively end ING's activities in the Russian market. Under the terms of the agreement, Global Development will acquire all shares of ING Bank (Eurasia) JSC, taking over all Russian onshore activities and staff. Global Development intends to continue to serve customers in Russia under a new brand. The transaction, which has been preceded by extensive due diligence, is subject to various regulatory approvals and is expected to be closed in the third quarter of 2025.

ING has taken on no new business with Russian companies, has scaled down operations and has taken actions to separate the business from ING's networks and systems.

ING estimates a negative impact to the Result on disposal of Group companies of EUR 0.7 billion post tax. This includes an estimated book loss of EUR 0.4 billion, representing the expected difference between the sale price and the book value of the business. It also includes an estimated negative impact of EUR 0.3 billion from recycling the currency translation adjustment net of the Net Investment hedge reserve through P&L, that is currently booked in equity for past changes of the value of ING Bank (Eurasia) JSC as a result of changes in exchange rates.

On 2 March 2025, ING agreed with a minority shareholder to acquire their 17.6% stake in Van Lanschot Kempen N.V. Per the agreement, ING has directly acquired 7.2% with the remainder of the transaction subject to regulatory approval. Together with ING's existing stake of 2.7%, ING is expected to hold a total of 20.3% after completion of the transaction.

There are no other subsequent events to report other than those already disclosed in Note 41 'Legal proceedings' of the Consolidated financial statements.

Authorisation of Parent company financial statements

Amsterdam, 3 March 2025

The Supervisory Board

K.K. (Karl) Guha, chairperson
A.M.G. (Mike) Rees, vice-chairperson
J. (Juan) Colombás
M. (Margarete) Haase
L.J. (Lodewijk) Hijmans van den Bergh
H.A.H. (Herman) Hulst
H.H.J.G. (Harold) Naus
A. (Alexandra) Reich
H.W.P.M.A. (Herna) Verhagen

The Executive Board

S.J.A. (Steven) van Rijswijk, CEO and chairperson
T. (Tanate) Phutrakul, CFO
L. (Ljiljana) Čortan, CRO



Other information and appendices

Independent auditor's report

To: the General Meeting of Shareholders and the Supervisory Board of ING Groep N.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of ING Groep N.V. as at 31 December 2024 and of its result and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of ING Groep N.V. as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2024 of ING Groep N.V. (the 'Company' or 'ING Group') based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1 the consolidated statement of financial position as at 31 December 2024;
2 the following consolidated statements for 2024: the statement of profit or loss, the statements of comprehensive income, changes in equity and cash flows; and
3 the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1 the parent company statement of financial position as at 31 December 2024;
2 the parent company statement of profit or loss and the statement of changes in equity for 2024; and
3 the notes comprising the basis of preparation and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of ING Groep N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations, climate-related risks and the key audit matters was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Summary

Materiality
• Group materiality of EUR 350 million (2023: EUR 300 million). • 3.8% of profit before tax (2023: 2.9% of profit before tax).

Group audit
• 72% of profit before tax covered by audit procedures performed by component auditors. • 90% of total assets covered by audit procedures performed by component auditors.

Risk of material misstatements related to Fraud, Non-compliance with laws and regulations, Going concern and Climate-related risks

- Fraud risks: presumed risk of management override of controls and the risk of management override over the collective loan loss provisioning identified and incorporated in our audit response.
- Non-compliance with laws and regulations (NOCLAR) risks: our risk assessment procedures related to NOCLAR risks did not result in the identification of a risk of material misstatement.
- Going concern risks: no going concern risks identified.
- Climate risks: our risk assessment procedures related to climate-related risks did not result in the identification of a risk of material misstatement.

Key audit matters

- Assessment of expected credit losses on loans and advances to customers and loans and advances to banks.
- User access and change management.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 350 million (2023: EUR 300 million). The materiality is determined with reference to profit before tax and represents 3.8% (2023: 2.9%) of that balance. We consider profit before tax as the most appropriate benchmark based on our assessment of the general information needs of the users of the financial statements and given the fact that ING Group is a profit-oriented listed entity. When planning our audit at the beginning of the financial year, we determine materiality based on forecasted profit before tax and reassess its appropriateness based on actual profit before tax. The increase in materiality, both in the absolute amount and as a percentage of the benchmark, compared to 2023 reflects a consistent higher level of profit before tax over the last two years. With profit before tax being at a higher level for a sustained number of years, we concluded increasing materiality to be appropriate. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Audit Committee of the Supervisory Board that misstatements identified during our audit in excess of EUR 17.5 million (2023: EUR 15 million) would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

ING Group is at the head of a group of components. The financial information of this group is included in the consolidated financial statements of ING Group.

ING Group is structured in six segments: Retail Netherlands, Retail Belgium, Retail Germany, Retail Other, Wholesale Banking and Corporate Line, each comprising of multiple legal entities and/or covering different countries. Because we are ultimately responsible for the group audit, we are responsible for directing, supervising and performing the group audit. In this respect, we have determined the nature and extent of audit procedures to be carried out for group entities or so-called components.

This year, we applied the revised group auditing standard in our audit of the financial statements. The revised standard emphasises the role and responsibilities of the group auditor. The revised standard contains new requirements for the identification and classification of components, scoping, and the design and performance of audit procedures across the group. As a result, we determine coverage differently and comparisons to prior period coverage figures are not meaningful.

We performed risk assessment procedures throughout our audit to determine which of ING Group's components are likely to include risks of material misstatement to ING Group's financial statements. To appropriately respond to those assessed risks, we planned and performed further audit procedures, either at component level or centrally. Across 16 countries we identified 25 components associated with a risk of material misstatement. For 20 out of these 25 components we involved component auditors. We as group auditor audited the remaining components.

In supervising and directing our component auditors, we:

- We held our annual planning conference in The Netherlands, for all components in scope of the group audit. Our component auditors were directly informed by ING's senior management on current developments.
- Held risk assessment discussions with the component auditors to obtain their input to identify matters relevant to the group audit.
- All components in scope for group reporting are audited by KPMG member firms. We sent detailed audit instructions to all component auditors, covering significant areas such as the identified risks of material misstatement on a group level and further set out the information that is required to be reported to the group audit team. We received written communication about the results of the work performed at component level.

- We set component performance materiality levels considering the component's size and risk profile. Component materiality ranges from EUR 35 million to EUR 125 million, based on the mix of their relative size and the nature of the risks of material misstatements identified for the components, in order to reduce aggregation risk to an acceptable level.
- We held conference calls and/or had remote meetings with the audit teams of our components and attended closing meetings with management for components in The Netherlands, Belgium and Germany. During these meetings and calls, the planning, risk assessment, procedures performed, findings and observations reported to the group auditor were discussed in detail and any further work deemed necessary by the group audit team was then performed.
- Inspected the work performed by component auditors in the Netherlands, Belgium, Germany, Poland and the United States and evaluated the appropriateness of audit procedures performed and conclusions drawn from the audit evidence obtained, and the relation between communicated findings and work performed. In our inspection we mainly focused on expected credit losses on loans and advances to customers as well as procedures performed to address the risk of management override.

The consolidation of the financial information of components in the group, the disclosures in the financial statements and certain accounting topics that are performed on a group level were further covered by the group audit team. Procedures performed by the group audit team included, but were not limited to, substantive procedures with respect to equity and certain elements of the expected credit loss provisioning process.

We have performed audit procedures for 72% of Group profit before tax and 90% of Group total assets. At group level, we assessed the aggregation risk in the remaining financial information and concluded that there is less than reasonable possibility of a material misstatement.

We consider that the scope of our group audit forms an appropriate basis for our audit opinion. Through performing the procedures mentioned above we obtained sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the financial statements as a whole.

Audit response to the risk of fraud and non-compliance with laws and regulations

Introduction

In chapters 'Strategy, business model and value creation' and 'Risk management - Non-financial risk and Compliance risk' of the annual report and note 41 of the financial statements, the Executive Board describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations. In the Supervisory Board report the assessment in respect of these topics is described.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance.

Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing procedures, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management, the Audit Committee of the Supervisory Board and other relevant functions, such as Internal Audit, Legal Counsel and Compliance. We corroborated these inquiries with the results of our inspection of correspondence with relevant supervisory authorities and regulators. We have also incorporated elements of unpredictability in our audit, such as making changes to our high-risk criteria that we applied to journal entry testing, varying the timing of audit procedures including testing of controls and involved forensic specialists in our audit procedures.

Non-compliance with laws and regulations

As a result, from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

- fraud, corruption and anti-bribery law (reflecting the Company's significant and geographically diverse nature of operations and clients);
- data protection law (reflecting the processing of sensitive data inherent to the Company's business activities);
- prudential and supervision regulations (reflecting the Company's nature of operations);
- anti-money laundering and anti-terrorist financing law (reflecting the Company's involvement in a number of ongoing investigations by national competent authorities);
- sanction law (reflecting the Company's significant and geographically diverse nature of operations and clients); and
- anti-competition law (reflecting the Company's involvement in a number of ongoing investigations by national competition authorities).

Our procedures did not result in the identification of a reportable risk of material misstatement in respect of non-compliance with laws and regulations.

Fraud risk

We assessed the presumed fraud risk on revenue recognition as not significant as the accounting of interest income and commission income is based on automatically generated accruals based on static data taken from the source systems and therefore contains routine transactions not subject to management judgement. Furthermore, the contracts used in the financial sector generally use standardised definitions which reduce the complexity of revenue recognition to a low level.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit and responded as follows:

- *Management override of controls (presumed fraud risk)*

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively, such as reporting fictitious journal entries.

We evaluated the design and the implementation and tested the operating effectiveness of internal controls that mitigate fraud risks, such as processes related to journal entries and estimates related to loan loss provisions. We also performed a data analysis of high-risk journal entries and evaluated key estimates and judgments for bias by the Company's management.

Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified journal entry, including testing of transactions back to source information.

- *Management override of collective loan loss provisioning (ECL)*

With respect to the risk and responses in regards of fraud in relation to management override of Expected Credit Loss (ECL) provision results, we refer to the Key audit matter 'Assessment of Expected Credit Losses on loans and advances to customers and loans and advances to banks'.

Our evaluation of procedures performed in relation to fraud and non-compliance with laws and regulations did not result in an additional key audit matter. Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

We communicated our risk assessment, audit responses and results to the Executive Board and the Audit Committee of the Supervisory Board.

Audit response to going concern

As explained on page 233 of the financial statements, the Executive Board has performed its going concern assessment and has not identified a going concern risk. To assess the Executive Board's assessment, we have performed, inter alia, the following procedures:

- we considered whether the Executive Board's assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we considered whether the developments in interest and inflation rates, geopolitical uncertainty and risks of disruption due to innovation and the emergence of new competitors from the technology sector indicate a going concern risk;
- we analysed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks; and
- we inspected regulatory correspondence to obtain an understanding of the Company's capital and liquidity position, that underpins management's assessment of the going concern assumption for financial reporting.

The outcome of our risk assessment procedures on the going concern assessment, including our consideration of findings from our audit procedures on other areas, did not give reason to perform additional audit procedures on the Executive Board's going concern assessment.

Audit response to climate-related risks

In planning our audit, we considered the potential impact of risks arising from climate change on the Company's business and its financial statements. The Company has set out its commitments and ambitions relating to climate change in the chapters 'Strategy, business model and value creation' ('Sustainability at the heart'), 'Sustainability Statement' and 'Risk management' ('Environmental, social and governance risk') of the annual report. The Company aims to reach net zero in its own operations, to steer the most carbon-intensive parts of the loan portfolio towards net zero by 2050 or sooner, and to finance and advise specific clients in line with a net- zero economy.
Management assessed, against the background of the Company's business and operations, how climate-related risks and opportunities and the Company's own commitments and ambitions could have a significant impact on its business or could impose the need to modify its strategy and operations. Management has considered the impact of both transition and physical risks on the financial statements in accordance with the applicable financial reporting framework, more specifically the impact on expected credit losses on loans and advances, as described in the section 'Risk management – Climate and environmental risks in IFRS9 models' of the annual report.

Management prepared the financial statements, including considering whether the implications from climate-related risks and commitments and ambitions and the current and/or anticipated financial effects relating to sustainability matters as disclosed in the Sustainability Statement have been appropriately accounted for and disclosed. As part of our audit, we performed a risk assessment of the impact of climate-related risk and the Company's commitments and ambitions in respect of climate change on the financial statements and our audit approach.

In doing this we performed the following:

- To understand management's processes:
  - we performed an analysis of the external environment and obtained an understanding of relevant sustainability themes and issues relevant for the Company;
  - we made inquiries with the Executive Board, other senior management, members of the ESG Committee and the Audit Committee of the Supervisory Board;
  - We have inspected minutes (such as of the Executive Board, the Management Board Banking and the Supervisory Board) and documents relevant for assessing the climate- related risks in the audit;
  - we inspected regulatory correspondence to obtain an understanding of how climate risk impact financial reporting;
  - we gained an understanding whether any current and/or future regulations may impact ING, such as greenhouse gas emission regulations, potential increases in taxes on certain products and future climate reporting obligations; and
  - we gained an understanding of the Company's Net Zero alignment pathways, including the intermediate target setting for 2030.

- The Company has disclosed that it has prepared its Sustainability Statement in accordance with the European Sustainability Reporting Standards (ESRS). We have read, and considered as part of our risk assessment, this Sustainability Statement, which includes information over material sustainability matters relating to material impacts, risks and opportunities relating to climate change. As part of this, we have read and considered the information reported over the connectivity of the Sustainability Statement with the financial statements, more specifically relating to the current financial effects of sustainability matters, such as the impact on expected credit losses on loans and advances as included in the section 'Financial effects and resilience of ING's strategy and business model' on page 106 of the annual report;

- We have evaluated climate related fraud risk factors, such as management board remuneration being linked to climate related KPIs. This did not result in an additional key audit matter;

- We performed specific inquiries with the Legal Counsel on any climate risk related allegations and claims against the Company;

- We used our credit risk modelling experts to assist in gaining understanding how climate- related risks are of impact on the expected credit loss estimation, including the credit risk models, as determined by the Company.

Based on our risk assessment procedures, we did not identify a risk of material misstatement specific to climate-related risk, including on the determination of expected credit losses on loans and advances, and thus no further audit response was considered necessary.

Furthermore, we have read the 'Other information', including the information over material sustainability matters relating to material impacts, risks and opportunities relating to climate change as included in the annual report and considered whether such information contains material inconsistencies with the financial statements or our knowledge obtained through the audit, in particular as described above and our knowledge obtained otherwise.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Audit Committee of the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

Assessment of expected credit losses on loans and advances to customers and loans and advances to banks

Description

As discussed in the Credit Risk section on pages 169-196 and in Note 3 and Note 7 in the consolidated financial statements, the loans and advances to customers amount to EUR 680 billion and loans and advances to banks amount to EUR 22 billion as at 31 December 2024. These loans and advances are measured at amortised cost, less expected credit losses ('ECL') of EUR 6 billion. For collectively determined ECL, management uses models that estimate expected credit losses using three components: probability of default ('PD'), loss given default ('LGD') and exposure at default ('EAD'). Management applied forward looking economic scenarios with associated weights. Relevant macroeconomic factors include the gross domestic product ('GDP'), house price index ('HPI') and unemployment rate. The recent economic conditions are outside the bounds of historical experience used to develop ECL model methodologies and result in greater uncertainties to estimate ECLs. These uncertainties are considered by management in their assessment of whether judgemental overlays to model-based provisions need to be applied. For individually determined provisions, management estimates ECL using the amount and timing of future expected recovery scenarios and applying probability weights if more than one recovery scenario is present.

Our response

We identified the assessment of ECL on loans and advances to customers and loans and advances to banks as a critical audit matter because of the significant and complex auditor judgement and specialised skills and knowledge required to evaluate the following elements of the overall ECL estimate:

- The judgements used to develop the model-driven PD and LGD parameters.
- The use of forward-looking macroeconomic forecasts in ECL, including GDP, HPI and unemployment rate.
- The consistent identification and application of criteria for significant increase in credit risk ('SICR').
- The determination of management overlays to the modelled ECL due to the volatility and uncertainty in the economic environment combined with the delay in which the models capture emerging risks.
- The determination of the amount and timing of expected future recovery cash flows for individual loan provision assessments for impaired loans and advances and the probability weights applied in the presence of more than one recovery scenario.

The following are the primary procedures we performed to address this key audit matter.

- We evaluated the design and tested the operating effectiveness of certain internal controls related to the estimation of ECL for loans and advances to customers and loans and advances to banks. This included controls relating to the selection of key assumptions (including PD, LGD and macroeconomic forecasts), review and authorisation of model outputs, governance and monitoring of the ECL process, determination of credit risk ratings, the estimation of future recovery cash flows of individual loan loss provisions and associated scenario weights assigned and the determination of management overlays to the modelled ECL.
- We involved credit risk professionals with specialised skills and knowledge who assisted in evaluating the assumptions used to determine the PD and LGD parameters in models used by the Company to determine the collective provisions, including the evaluation of the recalibrated and redeveloped credit risk models. This included reperforming back-testing of certain models to evaluate the current model performance and evaluation of the identification of SICR in loans and advances by challenging the scope of management's criteria used in staging assessments, consistent application of the thresholds applied within each criterion, and the ability of staging criteria to identify SICR prior to loans and advances being credit impaired. In addition, the credit risk professionals assisted in testing management overlays recorded, including an overlay related to interest-only residential mortgages in the Netherlands.
- We involved economic professionals with specialised skills and knowledge, who assisted in assessing the Company's methodology to determine the macroeconomic forecasts used in determining the ECL. We tested the reasonableness of management's forecasts against other external benchmarks and our own internal forecasts.
- We involved valuation and credit risk professionals with specialised skills and knowledge, who assisted in assessing the methodologies, cash flows and collateral values used in expected future recovery cash flow assessments of individual loan loss provisions for impaired loans and advances and in challenging management's use of recovery scenarios and expected cash flows by comparing against industry trends and comparable benchmarks and recalculating recovery amounts.

Our observation

Based on our procedures performed, we found management's overall assessment relating to the valuation of loans and advances to customers and banks within an acceptable range and adequately disclosed in Note 3 and Note 7 of the consolidated financial statements.

User access and change management

Description

ING Group is highly dependent on its IT environment for the continuity of operations and reliability of financial reporting. The IT environment of ING Group evolves over time, which includes the implementation of tooling to support automated control execution related to user access and change management of IT assets. We consider general IT controls, and in particular user access and change management controls, that support the effective operations of automated controls a key audit matter.

Our response

Our audit approach relies to a large extent on the operating effectiveness of automated controls, which are dependent on user access and change management general IT controls to operate effectively. With the support of IT-auditors, who are an integral part of the audit team, we test the design, implementation and operating effectiveness of automated controls and general IT controls for applications, databases, operating systems, the network layer and automated tooling. The general IT controls include access provisioning, design of access rights, timely removal of user access rights, high privileged user access and monitoring, access to deploy changes and the testing and approval of changes prior to implementation.

Our audit procedures identified deficiencies in high privileged user access and monitoring, including access to modify configurations, deploy code and/or change data. These deficiencies were similar to prior year and management implemented a programme to remediate these deficiencies during the year. Since these deficiencies were open during (parts of) the year, we performed additional procedures to respond to the risk of unauthorised and/or unintentional access or changes to automated controls and/or data. These procedures included testing compensating controls implemented by management and additional substantive procedures.

Our observation

Our testing of controls and additional substantive procedures did not identify unauthorised user activities in the systems relevant to financial reporting which would have required us to significantly expand the extent of our planned detailed testing.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Executive Board is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We were initially appointed by the General Meeting of Shareholders as auditor of ING Groep N.V. on 11 May 2015, as of the audit for the year 2016 and have operated as statutory auditor ever since that financial year. We have been reappointed by the General Meeting of Shareholders on 24 April 2023 to continue to serve ING Group as its external auditor for the financial years 2024 and 2025.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

Services rendered

For the period to which our statutory audit relates, in addition to this audit, we have provided the following services to the Company and its controlled undertakings:

- agreed-upon procedures and assurance engagements for the benefit of external stakeholders, largely driven by regulatory requirements and ING Group's voluntary preparation of a Sustainability Statement in accordance with the ESRS in anticipation of the transposition of the CSRD into Dutch law.

European Single Electronic Format (ESEF)

ING Group has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in XHTML format, including the (partly) marked-up consolidated financial statements as included in the reporting package by ING Group, complies in all material respects with the RTS on ESEF.

The Executive Board is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby the Executive Board combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF. We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting). Our examination included among others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF; and
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the Executive Board and the Supervisory Board for the financial statements

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Executive Board is responsible for such internal control as the Executive Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Executive Board, under supervision of the Supervisory Board, is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Executive Board should prepare the financial statements using the going concern basis of accounting unless the Executive Board either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The Executive Board should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in the appendix of this auditor's report. This description forms part of our auditor's report.

Utrecht, 3 March 2025

KPMG Accountants N.V.

P.A.M. de Wit RA

Appendix:
Description of our responsibilities for the audit of the financial statements

Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board;
- concluding on the appropriateness of the Executive Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Limited assurance report on the Sustainability Statement

To: the Supervisory Board of ING Groep N.V.

Our conclusion

We have performed a limited assurance engagement on the Sustainability Statement 2024 of ING Groep N.V. ('ING Group') based in Amsterdam, the Netherlands. The Sustainability Statement includes the sections 'General information', 'Environment', 'Social' and 'Governance', and the chapter 'Sustainability information, included in the section 'Other information and appendices' ('the Appendix'), as well as the information incorporated in the Sustainability Statement by reference ('the Sustainability Statement').

Based on the procedures performed and the assurance evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not, in all material respects:

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the Double Materiality Assessment process carried out by ING Group to identify the information reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).

Basis for our conclusion

We performed our limited assurance engagement on the Sustainability Statement in accordance with Dutch law, including Dutch Standard 3810N 'Assurance-opdrachten inzake duurzaamheidsverslaggeving' (Assurance engagements relating to sustainability reporting) which is a specified Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information'. Our responsibilities under this standard are further described in the section 'Our responsibilities for the assurance engagement for the Sustainability Statement' section of our report.

We are independent of the ING Group in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Emphasis of matters

Emphasis on the Double Materiality Assessment Process

The disclosure 'Business model and Strategy' provides insights into ING Group's methodology for the Double Materiality Assessment ('DMA') and how the outcome of its DMA relates to ING Group's material impacts, risks and opportunities and how it interacts with its strategy and business model.

The DMA outcome may change over time and responds to and may trigger changes in business model and strategy, financing activities, business relationships, societal and geopolitical developments and financial and non-financial risks. The DMA may also be impacted in time by sector specific standards to be adopted. The Sustainability Statement may therefore not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important.

Emphasis on the most significant uncertainties affecting the quantitative metrics and monetary amounts

We draw attention to the paragraph 'Uncertainties and estimations' within the section 'General information' of the Sustainability Statement. This disclosure sets out that the Sustainability Statement has been prepared in a context where a certain degree of uncertainty remains, amongst others attributed to external factors. While the regulations are evolving and markets are adapting, ING Group is faced with a challenge with regards to data availability that requires the use of estimates, averages, proxies, assumptions or a combination of these. In the Appendix to the Sustainability Statement ING Group included more information on the estimation uncertainty per reported metric. The comparability of sustainability information between entities and over time may be affected by the lack of historical information and industry practices in accordance with the ESRS. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

Our conclusion is not modified in respect to these matters.

Limitations to the scope of our assurance engagement

In reporting forward-looking information in accordance with the ESRS, the Executive Board of ING Group is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by ING Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events

and actions that have not yet occurred and may never occur. We do not provide assurance on the achievability of this forward-looking information.

The references to external sources or websites in the sustainability information are not part of the sustainability information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect to these matters.

Comparative information not subject to assurance procedures

As ING Group published its Sustainability Statement in accordance with the ESRS for the first time in 2024, no reasonable or limited assurance procedures have been performed on the Sustainability Statement of prior year. Consequently, the comparative sustainability information and thereto related disclosures for the period 1 January 2024 up to 31 December 2024 have not been subject to reasonable or limited assurance procedures.

Our conclusion is not modified in respect to this matter.

Description of responsibilities regarding the Sustainability Statement

Responsibilities of the Executive Board and Supervisory Board for the Sustainability Statement

The Executive Board is responsible for the preparation of the Sustainability Statement in accordance with the ESRS, including the DMA process carried out by ING Group as the basis for the Sustainability Statement and disclosure of material impacts, risks and opportunities in accordance with the ESRS. As part of the preparation of the Sustainability Statement, the Executive Board is responsible for compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). The Executive Board is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the ING Group's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of a Sustainability Statement that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the sustainability reporting process including the DMA process carried out by ING Group.

Our responsibilities for the assurance engagement for the Sustainability Statement

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of sustainability information. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

A further description of our responsibilities for the assurance engagement on the Sustainability Statement is included in the appendix of this assurance report. This description forms part of our assurance report.

Utrecht, 3 March 2025

KPMG Accountants N.V.

P.A.M. de Wit RA

Appendix:

Description of our responsibilities for the assurance engagement on the Sustainability Statement

Appendix

Description of our responsibilities for the assurance engagement on the Sustainability Statement

We apply the quality management requirements pursuant to the Nadere voorschriften kwaliteitsmanagement (regulations for quality management) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our limited assurance engagement included among others:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of ING Group, its activities and the value chain and its key intangible resources in order to assess the DMA process carried out by the ING Group as the basis for the Sustainability Statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with the ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, ING Group's processes for gathering and reporting entity-related and value chain information, the information systems and ING Group's risk assessment process relevant to the preparation of the Sustainability Statement and for identifying the ING Group's activities, determining eligible and aligned economic activities and prepare the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), without obtaining assurance evidence about the implementation, or testing the operating effectiveness, of controls.
- Assessing the DMA process carried out by ING Group and identifying and assessing areas of the Sustainability Statement, including the disclosures provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise ('selected disclosures'). We designed and performed further limited assurance procedures aimed at assessing that the Sustainability Statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the DMA process in the Sustainability Statement made by the Executive Board appears consistent with the process carried out by ING Group.
- Based on our professional judgement we determined materiality levels for each relevant part of the Sustainability Statement. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and the ING Group.
- Performing analytical review procedures on quantitative information in the Sustainability Statement, including consideration of data and trends in the information submitted for consolidation at corporate level.
- Assessing whether ING Group's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. We considered data and trends, however, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate management's estimates.
- Analysing, on a limited sample basis, relevant internal and external documentation available to ING Group (including publicly available information or information from actors throughout its value chain) for selected disclosures.
- Reading the other information in the Annual Report to identify material inconsistencies, if any, with the Sustainability Statement.
- Considering whether:
  - The disclosures provided to address the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) for each of the environmental objectives, reconcile with the underlying records of ING Group and are consistent or coherent with the Sustainability Statement;
  - The disclosures provided to address the reporting requirements provided for in Article 8 of the Regulation (EU) 2020/852 (Taxonomy Regulation) appear reasonable, in particular whether the eligible economic activities meet the cumulative conditions to qualify as aligned and whether the technical screening criteria are met; and
  - The key performance indicator disclosures have been defined and calculated in accordance with the Taxonomy reference framework as defined in Appendix 1 Glossary of Terms of the CEAOB Guidelines on limited assurance on sustainability reporting adopted on 30 September 2024, and in compliance with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), including the format in which the activities are presented.
- Considering the overall presentation, structure and the fundamental qualitative characteristics of information (relevance and faithful representation: complete, neutral and accurate) reported in the Sustainability Statement, including the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation).
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether the Sustainability Statement as a whole, is free from material misstatements and prepared in accordance with the ESRS.

Limited assurance report on selected non-financial indicators

To: the Supervisory Board of ING Groep N.V.

Our Conclusion

We have performed a limited assurance engagement on selected non-financial indicators for the year ended 31 December 2024 as included in the table on page 357 of the 2024 Annual Report of ING Groep N.V. ('the Company') based in Amsterdam, The Netherlands.

Based on the procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the selected non-financial indicators in the accompanying annual report are not, in all material respects, prepared in accordance with the applicable criteria as included in the section 'Criteria'.

The selected non-financial indicators consist of the following:
- Primary customers;
- Mobile primary customers;
- Mobile preferred channel;
- Net promoter score (NPS) Retail Banking;
- Net promoter score Wholesale Banking;
- Digi Index score;
- Channel Availability Wholesale Banking;
- ING private cloud (IPC) adaption ratio;
- Shared engineering adaption ratio;
- Use of touchpoint platform;
- Number of inbound calls reduction;
- Emissions of our own operations.

Basis for our conclusion

We performed our limited assurance engagement on the selected non-financial indicators in accordance with Dutch law, including including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten) (assurance engagements other than audits or reviews of historical financial information (attestation engagements)). This engagement is aimed to obtain limited assurance.

Our responsibilities under this standard are further described in the section 'Our responsibilities for the assurance engagement on selected non-financial indicators section of our report.

We are independent of ING Groep N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Criteria

The reporting criteria used for the preparation of the selected non-financial indicators are the applied internal reporting criteria as disclosed in 'Definitions and context on the non-financial indicators', as a part of 'Other information and appendices' (pages 357 and 358) of the 2024 Annual Report.

The selected non-financial indicators need to be read and understood together with the criteria applied.

Materiality

Based on our professional judgement we determined materiality levels for each of the selected non-financial indicators. When evaluating our materiality levels, we have taken into account quantitative and qualitative aspects as well as the relevance of information for both stakeholders and the Company.

We agreed with the Supervisory Board that misstatements which are identified during the limited assurance engagement and which in our view must be reported on quantitative or qualitative grounds, would be reported to them.

Limitations to the scope of our assurance engagement

The selected non-financial indicators include prospective information such as ambitions, strategy, plans, expectations and estimates. Inherent to prospective information, the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information.

The references to external sources or websites in the selected non-financial indicators are not part of the selected non-financial indicators itself as reviewed by us. We therefore do not provide assurance on this information.

Our conclusion is not modified in respect to these matters.

Responsibilities of the Executive Board and Supervisory Board for the selected non-financial indicators

The Executive Board is responsible for the preparation and fair presentation of the selected non-financial indicators in accordance with the criteria as included in the section 'Criteria'. The Executive Board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of stakeholders, considering applicable law and regulations related to reporting.

Furthermore, the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of the selected non-financial indicators that are free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the selected non-financial indicators reporting process of ING Groep N.V.

Our responsibilities for the assurance engagement on the selected non-financial indicators

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of the selected non-financial indicators. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

We apply the 'Nadere Voorschriften Kwaliteitssystemen' (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our assurance engagement included among others:

- Performing an analysis of the external environment and obtaining an understanding of how it may impact the selected non-financial indicators, and the characteristics of the ING Groep N.V.
- Evaluating the appropriateness of the criteria applied, their consistent application and related disclosures of the selected non-financial indicators. This includes the evaluation of the Company's materiality assessment and the reasonableness of estimates made by the Executive Board.
- Obtaining through inquiries a general understanding of the internal control environment, the reporting processes, the information systems and the entity's risk assessment process relevant to the preparation of the selected non-financial indicators, without obtaining assurance information about the implementation or testing the operating effectiveness of controls.
- Identifying areas of the selected non-financial indicators where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise.
- Designing and performing further assurance procedures aimed at determining the plausibility of the selected non-financial indicators responsive to this risk analysis. These procedures consisted amongst others of:
  - obtaining inquiries from management and/or relevant staff at group (and local) level responsible for the strategy, policy and results of the selected non-financial indicators;
  - obtaining inquiries from relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the selected non-financial indicators;
  - reviewing the suitability of assumptions and sources from third parties used for the calculation of the non-financial indicators;
  - obtaining assurance evidence that the selected non-financial indicators reconcile with underlying records of the Company;
  - reviewing, on a limited test basis, relevant internal and external documentation;
- Reading the information in the Annual Report which is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the selected non-financial indicators.
- Considering the overall presentation and balanced content of the selected non-financial indicators.
- Considering whether the selected non-financial indicators are clearly and adequately disclosed in accordance with applicable criteria.

We communicate with the Executive Board and Supervisory Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Utrecht, 3 March 2025

KPMG Accountants N.V.

P.A.M de Wit RA

Appendix to the Executive Board report

The following appendices are related to the information as presented in our Executive Board report, including the 'Sustainability Statement', and aim to provide the reader of the report with more detailed information, context and definitions. They provide definitions for the identified targets and, when applicable, more elaborate contextualisation and technical information on the methodologies, assumptions and estimates used. The information is an integral part of the Executive Board report and should be read alongside the disclosures presented therein.

Contents

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Definitions and context on the non-financial indicators

This section of the appendix aims to provide the reader details on the non-financial indicators (NFI's), in scope of the limited assurance of our external auditor (KPMG). These NFI's are presented throughout the strategy, business model and value creation section.

Non-financial indicators	2024	2023
Primary customers (mln)	16.2	15.3
Mobile primary customers (mln)	14.4	13.3
Mobile preferred channel	84 %	79 %
Net promoter score Retail Banking	number one in five retail markets	number one in five retail markets
Net promoter score Wholesale Banking	74	72
Digi index score	77.2 %	71.2 %
Channel availability wholesale banking		
– Inside business payments	99.82 %	100 %
– Inside business connect	100 %	100 %
ING private cloud adaption ratio	67 %	63 %
Shared engineering adaption ratio	85 %	63 %
Use of touchpoint platform	75 %	64 %
Number of inbound calls reduction	26 %	18 %
Emissions of our own operations (kt CO2e)	27	29

Primary customers

Retail customers (private individuals only) having an active payment account with recurrent income and at least one other active product category on the reporting date.

Mobile primary customers

Primary retail customers who have at least one mobile interaction in the quarter with ING. A mobile interaction is defined as a login to the mobile app or through the website via a mobile device (m-site).

Mobile preferred channel

This represents the percentage of customers who predominantly use mobile to interact with us versus other channels such as interactions via our website, call centres and branches. Mobile represents the logins (contacts) to the mobile app and those logins to the m-site (mobile device login through the website) done by retail operative private individual customers in a quarter.

Net promoter score

The net promoter score is a measure for customer satisfaction and loyalty. The measure is derived from the survey question on the scale from 0 (not at all) to 10 (extremely likely): 'How likely is it that you would recommend a product or brand to a friend, family member or colleague?' (RB) and 'how likely are you to recommend ING to a colleague or business partner?' (WB). The score is calculated as the difference between the percentage of promoters (who rate ING as 9 or 10), and detractors (rating ING with a score of 6 or below).

Digi index score

The basis of Digi Index concerns the straight through process (STP) percentage of the volume of a customer journey handled without any manual intervention. The STP is calculated for 33 global processes for our Retail countries (the Netherlands, Belgium, Germany, Luxembourg, Poland, Spain, Italy, Romania, Türkiye and Australia), covering processes such as daily banking, insurance, investments, KYC, lending, mortgage and saving value chains. The processes are aligned and consistent throughout these countries. Each quarter, every country reports the STP rate of the 33 global customer journeys. The STP is calculated with the use of automated scripts, which run per process. The country digi index score is calculated by taking the average of those journeys' STP rates. The overall ING Digi Index rate concerns a weighted average and considers both the country STP rates as well as the active customer numbers per country. A customer is considered active when the account has at least one active product category by reporting date.

Channel Availability

Retail Banking[1]

Retail Banking Channel Availability represents the availability of the channel in Belgium, Germany and the Netherlands. The availability of the three countries is weighted using the number of primary bank customers per country. For the definition of primary bank customers, see the description further on in this chapter. The average availability is calculated during the service window of the critical channels Mobile & Internet. The service window in Belgium and the Netherlands, also referred to as 'prime time', is 6:30h to 1:00h. The service window in Germany is 0:00h to 24:00h (7x24) excluding agreed maintenance. The channels are considered 'available' when the basic functionalities are operational, meaning that customers can log in, view balances and initiate payment transactions. To measure the availability of the channel, we have in place different types of monitoring. In Belgium and the Netherlands, we trigger a script every five minutes from an external environment that imitates customer behaviour using the channel to test if the functionality is available from a customer point of view. In Germany, we monitor the status and performances of the IT systems, applications and processes. Based on this measurement, the availability of the channels for our customers within the service window is calculated. In addition to this, there are different types of monitoring in place for our channels and applications for health checking and alerting.

[1] Channel availability Retail Banking is in scope of the Limited assurance report on the Sustainability Statement of KPMG

Wholesale Banking

Wholesale Banking Channel Availability measures the availability of the channels Inside Business Payments and Inside Business Connect.

- Inside Business Payments (IBP) is an online banking solution that helps customers manage their ING or third-party bank accounts globally. IBP is measured as available when during the service window, the customer can log in and use all the payment functionalities (e.g. is able to select all payment-formats and countries; initiate and sign payments; reporting). The service window is 0:00h – 24:00h (7x24) excluding agreed pre-announced maintenance. IBP is available when the synthetic monitoring system and/or customer interaction proves it is possible to initiate and sign a payment as well as lookup transactions.
- Inside Business Connect (IBC) offers a safe and reliable solution for automated processing of large transaction volumes or automated receipt of various reports. It enables a host-to-host connection between the customer's IT system and ING. IBC is available when the synthetic monitoring system or/and customer interaction proves it is possible to send in a file. The service window is 0:00h – 24:00h (7x24) excluding the explicit maintenance window (Sun 00:00 – 06:00) or agreed pre-announced maintenance window.

ING Private Cloud (IPC) adaption ratio

The adoption ratio is based on physical cores and measures how much of the global ING-owned infrastructure workloads is running on IPC. The adoption ratio is calculated as the percentage of physical cores in IPC from the total physical cores in ING globally. The IPC adoption ratio focuses on private cloud only. Public cloud is out of scope because public cloud CPUs are per definition not owned by IPC and can therefore not be measured nor included in the IPC adoption ratio.

Shared engineering adaption ratio

OnePipeline is our global service that supports the end-to-end engineering journey from (business) idea to deploying working code in a production environment. We measure OnePipeline's adoption ratio by the number of applications onboarded to the pipeline (used to develop and deploy to production), compared to the total number of applications registered in our IT management platform across all ING entities. We exclude those applications where a pipeline is not applicable, such as nocode or SaaS applications. Deployment of applications onboarded to OnePipeline can also be done in a way that was not accounted for in the existing measurement and reporting of the adoption ratio.

Use of touchpoint platform

Touchpoint is part of our banking technology platform. It provides a set of reusable shared services, freeing up capacity for engineers to create more value for customers and employees. The usage percentage of the Touchpoint Authentication service is calculated by dividing the 'total number of Touchpoint-enabled unique authentications' by the 'total number of unique authentications'. The unique authentications concern authentications of customers and employees in Retail countries and within Wholesale Banking.

Number of inbound calls reduction

This KPI measures the incoming contacts from customers that have been answered by a contact-centre agent. This excludes the calls that have been abandoned during their journey in the service menu, or when waiting in a queue with an agent. To ensure a complete view, this KPI includes contacts from all inbound-channels calls, emails, chat, social (1-to1) and messaging. Inbound calls (contacts) are the end-result of many different bank-wide initiatives aiming to provide the customer with the means to solve their questions on their own. All retail countries, and daily banking, insurance, investments, lending, mortgage, and savings product journey chains are in scope. Before 2021, the areas in scope of the contact centre varied across countries and consisted of different products, channels and self-service capabilities. As a result, all volume-reduction data was updated retrospectively (starting H1 2021) to be able to monitor progress consistently.

Emissions of our own operations (kt CO2e)

Our methodology and calculations regarding our scope 1, 2 and 3 emissions currently within our operational boundary and inventory, are in line with guidance provided by the GHG Protocol. This is measured in tonnes of CO_2 equivalents (CO2e) and expressed as both Tonnes and Kilotonnes. Scope 1 comprises the emissions from sources controlled by us, including our usage of natural gas, heating oil and diesel. Scope 2 refers to the emissions from the generation of purchased electricity, heat and steam. Scope 3 includes the emissions from business travel, specifically from air, car and train travel. Notes on methodology:

1. We use the operational control method to delineate our organisational boundary. Currently, this includes the primary subsidiaries of ING Bank. The reporting excludes fixed-asset investments, franchises, incorporated and non-incorporated joint-ventures and partnerships. Emissions from several major sub-leased buildings are included in the reporting.
2. For natural gas, heating oil and diesel, we use emission factors from DEFRA2022. For electricity generation, we use emission factors from the International Energy Agency (IEA). For district heating, we use country-specific factors, informed by MLC (formerly GaBi), and in the case of Poland by the country office (providing an average factor of each location and the different district heating factors that apply across the geography).
3. For air travel, we gather information on short-haul (<785km), medium-haul (785-3700), and long-haul (>3700km) distances, and apply emission factors from DEFRA2022 while we continue to review our data and methodology for air travel. This distance classification changed this year from last year's short haul (<450km), medium haul (450-1600km) and long haul (>1600km), following the implementation of an updated classification. When hauls are unknown, an average is used.
4. Emissions from car travel include lease-, pool- and business travel with private cars, and available information on taxi travel undertaken for business-related activities. As lease cars are also used by employees for private purposes, we assume (based on sample statistics from an ING internal survey) that 30 percent of all kilometers driven in lease cars are for business purposes. For car travel, we apply bespoke emission factors provided by the suppliers of lease vehicles and, if not provided in some markets, DEFRA2022 emission factors are used. We currently apply emission factors for car travel using an average of car types.

Alternative performance measures

Our financial information is prepared in accordance with IFRS as detailed in the financial statements of our Annual Report. In addition, in the discussion of our financial performance, we use a number of alternative performance measures, including resilient net profit, net core lending and deposits growth. Resilient net profit is defined as net profit adjusted for significant items not linked to the normal course of business, reference is made to 'Capital Management' for a reconciliation. We consider net core lending and deposits growth as useful information to track our real commercial growth in customer balances. It measures the development of our customer lending and deposits adjusted for currency impacts and changes in the Treasury and run-off portfolios. The tables below show how these measures can be reconciled to the nearest IFRS measure.

Customer lending and Net core lending growth by business line

	Retail Netherlands			Retail Belgium			Retail Germany			Retail Other			Wholesale Banking			Corporate Line			Total		
in EUR billion	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change
Customer lending IFRS-EU [1]	**164.3**	**152.8**	**11.4**	**98.3**	**94.3**	**4.0**	**110.2**	**102.9**	**7.3**	**117.2**	**109.8**	**7.4**	**195.8**	**188.0**	**7.8**	**0.3**	**0.3**	**0.0**	**686.1**	**648.0**	**38.0**
Exclude: FX impact			0.0			0.0			0.0			0.9			-4.7						-3.8
Exclude: Treasury, run-off portfolios and other			-1.9			-0.4			-2.9			-0.2			-1.3			0.0			-6.6
Net core lending growth			**9.6**			**3.7**			**4.4**			**8.2**			**1.8**			**0.0**			**27.7**

1 Loans and advances to customers excluding loan loss provision.

Customer deposits and Net core deposits growth by business line

	Retail Netherlands			Retail Belgium			Retail Germany			Retail Other			Wholesale Banking			Corporate Line			Total		
in EUR billion	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change	2024	2023	change
Customer deposits IFRS-EU	**200.7**	**199.7**	**1.0**	**97.1**	**91.2**	**5.9**	**151.1**	**143.6**	**7.5**	**163.2**	**151.0**	**12.1**	**79.6**	**64.8**	**14.9**	**0.0**	**0.0**	**0.0**	**691.7**	**650.3**	**41.4**
Exclude: FX impact			0.0			0.0			0.0			0.6			-0.4						0.3
Exclude: Treasury, run-off portfolios and other			4.0			0.5			0.0			-0.1			1.3			0.0			5.7
Net core deposits growth			**5.0**			**6.4**			**7.5**			**12.7**			**15.8**			**0.0**			**47.4**

Customer lending and Net core lending growth by business line

	Retail Netherlands			Retail Belgium			Retail Germany			Retail Other			Wholesale Banking			Corporate Line			Total		
in EUR billion	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change
Customer lending IFRS-EU [1]	**152.8**	**153.6**	**-0.7**	**94.3**	**91.7**	**2.6**	**102.9**	**98.3**	**4.6**	**109.8**	**108.2**	**1.6**	**188.0**	**189.5**	**-1.6**	**0.3**	**0.2**	**0.1**	**648.0**	**641.5**	**6.5**
Exclude: FX impact			0.0			0.0			0.0			0.3			2.6						2.9
Exclude: Treasury, run-off portfolios and other			3.0			-1.2			-2.9			2.4			-2.2			-0.1			-0.9
Net core lending growth			**2.3**			**1.4**			**1.7**			**4.3**			**-1.2**			**0.0**			**8.6**

1 Loans and advances to customers excluding loan loss provision.

Customer deposits and Net core deposits growth by business line

	Retail Netherlands			Retail Belgium			Retail Germany			Retail Other			Wholesale Banking			Corporate Line			Total		
in EUR billion	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change	2023	2022	change
Customer deposits IFRS-EU	**199.7**	**201.1**	**-1.4**	**91.2**	**91.5**	**-0.3**	**143.6**	**135.9**	**7.7**	**151.0**	**137.7**	**13.3**	**64.8**	**74.5**	**-9.8**	**0.0**	**0.0**	**0.0**	**650.3**	**640.8**	**9.5**
Exclude: FX impact			0.0			0.0			0.0			-0.4			0.3						-0.1
Exclude: Treasury, run-off portfolios and other			-0.2			-1.0			0.8			0.0			1.5			0.0			1.2
Net core deposits growth			**-1.6**			**-1.3**			**8.5**			**12.9**			**-7.9**			**0.0**			**10.6**

Sustainability information

Reference index sustainability information

This reference index serves as a navigational tool, guiding stakeholders to the respective sections where the disclosure requirements of the applicable ESRSs are covered. It also provides an overview of our progress towards the implementation of the ESRSs. In the table below, we explain where we have applied phased-in provisions or where a disclosure requirement is not applicable.

Reference index table

Requirement	Description	Art.	Reference	Pages	Remarks
General disclosure requirements - ESRS 2					
BP-1	General basis for preparation of the sustainability statement		General information - Basis for preparation	94	
BP-2	Disclosures in relation to specific circumstances		General information - Basis for preparation	94	
			Appendix to the Executive Board report	356	
GOV-1	The role of the administrative, management and supervisory bodies	20. a,c 21. a,c 21. d 23. a,b	Diversity and competence matrix	45	Incorporated by reference
		20. b 22. c(i) 22. d	SB Committee meetings and composition	40	Incorporated by reference
		21. b	Works councils	91	Incorporated by reference
		21. e 22. b 22. c(i)	Corporate governance	48	Incorporated by reference
		21. c 22. a 23. a,b	Our leadership and corporate governance	36	Incorporated by reference
		22. c(ii)	Our sustainability governance	103	Incorporated by reference
		22. c(iii)	Business model and strategy	96	Incorporated by reference
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	26 a, c	ESG Committee	42	Incorporated by reference
		26. b	Our sustainability governance	103	
GOV-3	Integration of sustainability-related performance in incentive schemes	29.a, c, e	2024 Executive Board performance management and reward process	67	Incorporated by reference
		29.b	2024 Executive Board performance and remuneration	69	Incorporated by reference
			table: 6. 2025 Target areas	79	Incorporated by reference
		29.d	table: 1. 2024 variable remuneration outcomes	69	Incorporated by reference
			table: 6. 2025 Target areas	79	Incorporated by reference

Reference index table

Requirement	Description	Art.	Reference	Pages	Remarks
GOV-4	Statement on due diligence				
	– Embedding due diligence in governance, strategy and business model		How we create value	15	Incorporated by reference
			Validation of the outcome through stakeholder engagement	100	
			Environmental, social and governance risk	211	Incorporated by reference
	– Engaging with key stakeholders in key steps of the due diligence		Validation of the outcome through stakeholder engagement	100	
	– Identifying and assessing adverse impacts		Our double materiality assessment	97	
	– Taking actions to address these adverse impacts		E1 Climate change - policies, actions and performance	127	
			E4 Biodiversity and ecosystems - policies, actions and performance	131	
			S1 Own workforce - policies, actions and performance	137	
			S4 Consumers and end users - policies, actions and performance	145	
			G1 Business conduct - policies, actions and performance	149	
	– Tracking the effectiveness of these efforts and communicating		E1 Climate change - policies, actions and performance	127	
			E4 Biodiversity and ecosystems - policies, actions and performance	131	
			S1 Own workforce - policies, actions and performance	137	
			S4 Consumers and end users - policies, actions and performance	145	
			G1 Business conduct - policies, actions and performance	149	
GOV-5	Risk management and internal controls over sustainability reporting	36.a	Internal control over sustainability reporting	101	
		36.b-e	Risk management Internal control framework	164	Incorporated by reference
SBM-1	Strategy, business model and value chain	40.a-(i-ii) 40.e, f, g	ING at a glance	13	Incorporated by reference
		40.a-(iii)	Workforce characteristics	138	
		40.b,c			Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
		40.a-(iv) 40.d 41			Disclosures deemed not applicable to ING specifically or as a financial institution
		42.a,b	How we create value	15	Incorporated by reference
		42.c	Our value chain	96	
SBM-2	Interests and views of stakeholders	45.a	How we create value	15	
		45.b	Validation of the outcome through stakeholder engagement	100	
		45.c			No amendments have been made
		45.d	Approval by the management boards and Supervisory Board	100	

Reference index table

Requirement	Description	Art.	Reference	Pages	Remarks
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	48.a	Material impacts, risks and opportunities	102	
		48.b-d,f	E1 Identified impacts, risks and opportunities	105	
			E4 Identified impacts, risks and opportunities	130	
			S1 Identified impacts, risks and opportunities	136	
			S4 Identified impacts, risks and opportunities	144	
			G1 Identified impacts, risks and opportunities	149	
		48.e			Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
		48.h			No entity specific disclosures reported
		48.g	Our double materiality assessment	97	No entity specific disclosures reported
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	53.a-d,f,h	Our process to identify impacts, risks and opportunities	98	
		53.e	Environmental, social and governance risk	211	
		53.g	Overview of external data sources	367	
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	56	List of datapoints in cross-cutting and topical standards that derive from other EU legislation	380	
		57			Climate change is deemed material, hence this disclosure requirement is not applicable
		59	Reporting on the material impacts, risks and opportunities	101	
MDR-P	Policies adopted to manage material sustainability matters		E1 Climate change - policies, actions and performance	127	
			E4 Biodiversity and ecosystems - policies, actions and performance	131	
			S1 Own workforce - policies, actions and performance	137	
			S4 Consumers and end users - policies, actions and performance	145	
			G1 Business conduct - policies, actions and performance	149	
MDR-A	Actions and resources in relation to material sustainability matters		E1 Climate change - policies, actions and performance	127	
			E4 Biodiversity and ecosystems - policies, actions and performance	131	
			S1 Own workforce - policies, actions and performance	137	
			S4 Consumers and end users - policies, actions and performance	144	
			G1 Business conduct - policies, actions and performance	149	
MDR-M	Metrics in relation to material sustainability matters		E1 Our Terra approach	109	
			E1 Climate change - policies, actions and performance	127	
			E4 Biodiversity and ecosystems - policies, actions and performance	131	
			S1 Own workforce - policies, actions and performance	137	
			S4 Consumers and end users - policies, actions and performance	145	
			G1 Business conduct - policies, actions and performance	149	

Reference index table

Requirement	Description	Art.	Reference	Pages	Remarks
MDR-T	Tracking of effectiveness of policies and actions through targets		E1 Our Terra approach	109	
			E1 Climate change - policies, actions and performance	127	
			E4 Biodiversity and ecosystems - policies, actions and performance	131	
			S1 Own workforce - policies, actions and performance	137	
			S4 Consumers and end-users - policies, actions and performance	145	
			G1 Business conduct - policies, actions and performance	149	
Environment - E1 Climate					
GOV-3	Integration of sustainability-related performance in incentive schemes		table: 1. 2024 variable remuneration outcomes	69	Incorporated by reference
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		General information - Business model and strategy	96	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		Process to identify impacts, risks and opportunities	98	
E1-1	Transition plan for climate change mitigation		Our transition plan	107	
E1-2	Policies related to climate change mitigation and adaptation		E1 Climate change - policies, actions and performance	127	
E1-3	Actions and resources in relation to climate change policies		E1 Climate change - policies, actions and performance	127	
E1-4	Targets related to climate change mitigation and adaptation		Our transition plan	107	
E1-5	Energy consumption and mix				Based on our DMA outcome, where energy consumption and mix is not material, this requirement is not applicable
E1-6	Gross scopes 1, 2, 3 and total GHG emissions		Financed Emissions per asset class	124	Based on our DMA outcome, our own operations have not been deemed material.
E1-7	GHG removals and GHG mitigation projects financed through carbon credits				ING does not have carbon credits and does not apply carbon offsetting
E1-8	Internal carbon pricing				ING does not apply internal carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	66.a 67.c	Climate risk and the resiliency of our lending book	368	
		64-65 66.b-d 67.a,b,d,e 68-70			Disclosure partly omitted due to application of ESRS 1 transitional provision / phase-in
Environment - E4 Biodiversity and ecosystems					
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		General information - Business model and strategy	96	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		Process to identify impacts, risks and opportunities	98	
E4-1	Transition plan and consideration of biodiversity and ecosystem in strategy and business model [3]		E4 Biodiversity and ecosystems - identified impacts, risks and opportunities	130	ING currently does not have a transition plan. ING's strategy is explained in the referred section.
			Our nature strategy	130	
E4-2	Policies related to biodiversity and ecosystems		E4 Biodiversity and ecosystems - policies, actions and performance	131	
E4-3	Actions and resources related to biodiversity and ecosystems		E4 Biodiversity and ecosystems - policies, actions and performance	131	
E4-4	Targets related to biodiversity and ecosystems				ING currently does not have targets on biodiversity and ecosystems

Reference index table

Requirement	Description	Art.	Reference	Pages	Remarks
E4-5	Impact metrics related to biodiversity and ecosystems				Based on our DMA outcome, our own operations have not been deemed material
E4-6	Anticipated effects from biodiversity- and ecosystems-related risks and opportunities				Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
Social - S1 Own workforce					
SBM-2	Interests and views of stakeholders		Validation of the outcome through stakeholder engagement	100	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		General information - Business model and strategy	96	
S1-1	Policies related to own workforce		S1 Own workforce - policies, actions and performance	137	
S1-2	Processes for engaging with own workforce and workers' representatives about impacts		Processes for engaging with own workforce and workers' representatives about impacts	136	
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns		S1 Own workforce - policies, actions and performance	137	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		S1 Own workforce - policies, actions and performance	137	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		S1 Own workforce - policies, actions and performance	137	
S1-6	Characteristics of the undertaking's employees		Workforce characteristics	138	
S1-7	Characteristics of non-employee workers in the undertaking's own workforce				Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
S1-8	Collective bargaining coverage and social dialogue				Based on our DMA outcome, this requirement is not applicable
S1-9	Diversity metrics	66.a	Unlocking our people's full potential	24	Incorporated by reference
		66.b	Workforce characteristics	138	
S1-10	S1-10 Adequate wages				Based on our DMA outcome, this requirement is not applicable
S1-11	S1-11 Social protection				Based on our DMA outcome, this requirement is not applicable
S1-12	S1-12 Persons with disabilities				Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
S1-13	S1-13 Training and skills development metrics				Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
S1-14	S1-14 Health and safety metrics				Based on our DMA outcome, this requirement is not applicable
S1-15	S1-15 Work-life balance metrics				Disclosure omitted due to application of ESRS 1 transitional provision / phase-in
S1-16	S1-16 Compensation metrics (pay gap and total compensation)		Actions and targets on gender diversity	140	
S1-17	S1-17 Incidents, complaints and severe human rights impacts		Whistleblower Policy	142	
Social - S4 Consumers and end-users					
SBM-2	Interests and views of stakeholders		Validation of the outcome through stakeholder engagement	100	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		General information - Business model and strategy	96	

Reference index table					
Requirement	**Description**	**Art.**	**Reference**	**Pages**	**Remarks**
S4-1	Policies related to consumers and end-users		S4 Consumers and end-users - policies, actions and performance	145	
S4-2	Processes for engaging with own consumers and end-users about impact		S4 Consumer and end-users - identified impacts, risks and opportunities	144	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		Complaints and remediation process	145	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions		S4 Consumers and end-users - policies, actions and performance	144	
S4-5	S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		S4 Consumers and end-users - policies, actions and performance	145	
Governance - G1 Business conduct					
GOV-1	The role of the administrative, management and supervisory bodies		Our sustainability governance	103	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		Process to identify impacts, risks and opportunities	98	
G1-1	Business conduct policies and corporate culture		G1 Business conduct - policies, actions and performance	149	
G1-2	Management of relationships with suppliers				Based on our DMA outcome, this requirement is not applicable
G1-3	Prevention and detection of corruption and bribery		Anti-bribery and corruption policy	152	
G1-4	Incidents of corruption or bribery		Anti-bribery and corruption policy	152	
G1-5	Political influence and lobbying activities				Based on our DMA outcome, this requirement is not applicable
G1-6	Payment practices				Based on our DMA outcome, this requirement is not applicable

Technical notes to the double materiality assessment

Execution of the double materiality assessment

The below overview shows which sustainability matters were assessed for each value chain in the double materiality assessment.

Overview of relevant sustainability matters assessed per value chain

		Value chain segment					
	ESRS Topics simplified	Supply chain	Own operations	Wholesale Banking	Business Banking	Retail Banking	Treasury & other investments
E	**E1** Climate change	✓	✓	✓	✓	✓	✓
	E2 Pollution	✓	✓	✓	✓	✓	✓
	E3 Water & marine resources	✓	✓	✓	✓	✓	✓
	E4 Biodiversity & ecosystems	✓	✓	✓	✓	✓	✓
	E5 Circular economy	✓	✓	✓	✓	✓	✓
S	**S1** Own workforce	n/a	✓	n/a	n/a	n/a	n/a
	S2 Workers in the value chain	✓	n/a	✓	✓	n/a	✓
	S3 Affected communities	✓	✓	✓	✓	n/a	✓
	S4 Consumers & end-users	✓	n/a	✓	✓	✓	✓
G	**G1** Business conduct	n/a	✓	n/a	n/a	n/a	n/a

✓ In scope of assessment **n/a** Topic not applicable to the value chain segment

Assessment of financial materiality

Depending on the value chain segment and the data availability, financial materiality for risks can be enhanced further by using scenario and/or context analyses:

- For WB, BB and Real Estate (residential mortgages lending) to assess impact on transition risk, choice of scenario analyses and approach leverages on ING's Climate Stress Test (ESG Risk Section). Two scenarios from Oxford Economics (OE) are used both for a short-term (up to three years) and a long-term (up to 10 years) horizon, being the Net Zero (NZ)[1] and Delayed Transition (DT[2]) scenarios, respectively. Both scenarios are used to assess the impact of increases in carbon price and therefore energy costs. Customers who would not be able to sustain such costs are seen as having a higher risk of defaulting.
- For WB, BB and Real Estate (residential mortgages lending) to asses the impact of physical risk, a forward-looking exercise (in line with the EBA PIII ESG disclosure) is applied, based on RCP 8.5 extreme climate scenario[3], assuming a potential temperature increase of 4 degrees Celsius or more above the pre-industrial baseline. Physical risk hazards may threaten revenue-generating facilities and impair the borrower's ability to service their loan repayment. In addition, for real estate lending, financial materiality can arise due to the impact on customer property, which can be damaged, destroyed and/or impaired due to the borrower's ability to service their loan repayments.
- Business conduct on own operations: ING performed several inherent risk assessments aligned with the identified material sub-topics and utilised context analysis. These assessments are based on the various policies outlined in the 'Governance' section.
  - For the assessment of corporate culture, and corruption and bribery, internal inherent risk assessments were used.
  - For the protection of whistleblowers, internal data on whistleblowing concerns was used.
  - For political engagement and lobbying activities, as well as relationships with suppliers, internal data leveraging on actual events and incidents was used.

Materiality assessment of other environmental matters

Following the general approach, business activities were screened based on external data sources to identify actual and potential impacts, risks and opportunities (IROs) for biodiversity and ecosystems, pollution, marine resources, resource inflows, resource outflows and waste in our value chain. As a financial institution, we operate in urban developed areas, which minimises our interaction with biodiversity-sensitive areas. Therefore, our operations are not expected to lead to the deterioration of natural habitats or the disturbance of protected species, and no biodiversity mitigation measures are required.

The assessment of biodiversity and ecosystems includes the drivers of biodiversity loss, the impacts on the state of species, and the extent and condition of ecosystems as well as impacts and dependencies on ecosystem services. The main direct drivers of biodiversity and ecosystems change are pressures that unequivocally influence biodiversity and ecosystems. They are climate change, pollution, land-use change, freshwater-use change and sea-use change, direct exploitation of organisms and invasive alien species. The state of species encompasses the notion of species' importance (population size) and their integrity (extinction risk) that widely vary across locations on Earth.

For the purpose of the identification and assessment of environmental matters (E2-E5), ING follows the general steps of the LEAP approach, as well as the recommendations of the Task Force on Nature-related

1 Net-Zero (NZ): transition is assumed to happen immediately since reporting date.
2 Delayed transition (DT): transition occurs later in the scenario, 6/7 years from reporting date, and it serves as a "base" scenario for the short term.
3 RCP8.5 was chosen to ensure the conservative management of physical risk within the most severe IPCC scenario, aligning also with ING's adherence to CSRD and EU guidelines on high-emission scenarios.

Financial Disclosures (TNFD). As nature-related impacts and dependencies are the ultimate sources of the environmental transition and physical risks, the assessment of the environmental risk is designed as follows. The assessment of the environmental transition risks corresponds to the evaluation of the environmental impacts. The assessment of the environmental physical risks corresponds to the evaluation of the environmental dependencies.

Systemic risks, such as ecosystem collapse risk and aggregated risk, are considered as part of the data sources used for the assessment. ING assesses the 'Impacts on the extent and condition of ecosystems' from UNEP-FI, which is described as the ability of an industry 'to protect, restore and promote sustainable use of terrestrial and non-terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss' (and the impact could be positive or negative). ING uses the 'Impacts on ecosystem services' with the BIA-GBS metrics. They describe the changes caused by corporate businesses to biodiversity loss. The severity of the driver impact on nature is expressed in Mean Species Abundance (MSA) that reflects the biodiversity intactness.

Overview of external data sources

The DMA leverages on renowned external data sources, whose reliability is supported by scientific research, consistent with known benchmarks, business standards and formats. Additionally, internal data (risk- and HR-related), voluntary reports (human rights report, Climate Progress Update) and other external regulatory disclosures are used. All data is subject to quality checks, in particular with regard to completeness, uniqueness, integrity, accuracy and timeliness. To assess sectors' association with negative impacts and dependency on the various sustainability matters, multiple data sources are used, as summarised in the below table per sustainability matter.

ESRS topic	Impact	Dependency
E1 - Climate change	Climate change mitigation: – ENCORE – UNEP-FI – PCAF – EU High impact climate sectors	Climate change adaptation: – ENCORE – Eurostat – ING assessment
E2 - Pollution	– Encore – UNEP-FI	ENCORE
E3 - Water	– Encore – UNEP-FI	ENCORE
E4 - Biodiversity and ecosystems	– Encore – BIA-GBS – + as for direct drivers above	ENCORE
E5 - Circular economy	– Encore – UNEP-FI	ENCORE
S1 - Own workforce	UNEP-FI	-
S2 - Workers in the value chain	UNEP-FI	-
S3 - Affected communities	UNEP-FI	-
S4 - Consumers and end-users	UNEP-FI	-
G1 - Business conduct	-	-

The definitions of the data sources are as follows:

- UNEP-FI (United Nations Environmental Program Finance Initiative): the Radar Impact Analysis Tool is designed to provide a means to holistically understand the sustainability matters financial institutions may be impacting, positively or negatively, through the products and services rendered to their customers. Used to assess sectors' association with negative impacts and dependencies on the sustainability matters.
- ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): Using sector research and expert interviews, the dataset describes how production processes impact and depend on nature, and how environmental changes can lead to risks for businesses and financial institutions.
- BIA-GBS (Biodiversity Impact Analytics – Global): A model that measures the biodiversity impact in Mean Species Abundance (MSAAppb* intensity) for the direct drivers of biodiversity loss.
- EU high impact climate sectors: The ESRS refers to 'high climate impact sectors' (see Disclosure Requirement E1-5, paragraph 38): "High climate impact sectors are those listed in NACE Sections A to H and Section L (as defined in Commission Delegated Regulation (EU) 2022/1288)", also known as SFDR.
- Eurostat: The annual enterprise statistics for special aggregates of activities Eurostat (2023) is a compilation of statistics providing a comprehensive overview of the economic landscape. It is provided by Eurostat and uses the NACE Rev. 2 classification to detail the different statistics by sectors and industries.
- Partnership for Carbon Accounting Financials (PCAF) is a global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments.

Climate risk and the resiliency of our lending book

Physical risk

In accordance with ESRS, stating that the required information is in line with the PIII ESG reporting, we disclose the PIII ESG template 5 - exposures subject to physical risk. The information presented in the below table should be supplemented with time horizons in which the physical risk materialises and per respective location. However, this is not feasible due to compatibility issues between the PIII ESG Template 5 and ESRS E1-9 disclosure requirements on time horizons (loan maturity buckets vs monetary amount and proportion of assets at material physical risk over short-, medium-, and long-term periods) and location (location of significant asset vs location of activity and collateral). Further guidance is anticipated from the expected ESRS sector-specific requirements. The gross carrying amount subject to physical risk hazards is assessed using two methodologies, 1) based on location and 2) based on sector of activity. Both methodologies are a forward-looking exercise based on the RCP 8.5 extreme climate scenario, assuming a potential temperature increase of 4 degrees Celsius above the pre-industrial baseline. The split of methodology was implemented to better capture the physical risk for counterparties based in multiple locations or when location data is unavailable, due to a single location being a reasonable characterisation of the physical risk for some counterparties. Larger counterparties, may have multiple locations which have varying financial importance. Hence, a new sector-based approach was developed to better capture the physical risk for larger counterparties.

- For the location-based methodology, physical risk sensitivity is defined based on the location of the real estate collateral of a loan, or on the location of the revenue generating facility of the respective borrower. If this information is not available, we use proxies to estimate the sector sensitivity percentage based on known location data.
- For each climate-related physical risk, the hazards are evaluated over different time horizons and aggregated into three categories, namely exposures sensitive to impacts from climate change events that are (1) chronic, (2) acute or (3) both. The classification of the physical risk comes from renowned external data providers in the form of location maps.
- For the sector-based methodology, the current best proxy of exposure of each counterparty to physical risk is used. This proxy of the potential exposures that may be affected, on average, by physical risk uses sector of operation and physical risk transmission channels as opposed to head office location for the assessment. Physical risk is assessed in relationship to various maturity brackets using the actual maturity of the book. Moreover, as the sector-based methodology considers how counterparties may be affected by a range of acute and chronic physical risks either directly or through their supply chain, physical risk exposure for these counterparties is deemed to be a combination of acute and chronic physical risk. The classification of the physical risk comes from renowned external data providers in the form of sector analysis.

Indicators of potential climate change physical risk: Exposures subject to physical risk[1]

In EUR million	Gross carrying amount	of which exposures sensitive to impact from climate change physical events						
		Breakdown by maturity bucket				of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events
		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years			
Agriculture, forestry and fishing	3,161	375	350	74	6	662	87	57
Mining and quarrying	7,504	646	332	368	0	347	52	947
Manufacturing	47,791	5,009	1,401	672	17	5,025	183	1,890
Electricity, gas, steam and air conditioning supply	19,888	1,720	1,622	2,734	228	2,799	53	3,452
Water supply; sewerage, waste management and remediation activities	2,867	51	15	18	0	3	10	72
Construction	10,025	3,048	822	660	9	4,045	121	374
Wholesale and retail trade; repair of motor vehicles and motorcycles	35,837	2,714	688	338	8	2,311	484	953
Transportation and storage	25,148	1,630	1,188	540	1	1,409	526	1,425
Accommodation and food service activities	2,201	105	43	11	0	42	56	62

[1] The classification of the sectors are based on NACE. Some sectors may include loans collateralised by immovable properties and can be double counted in this table.

Information and communication	16,915	548	221	96	1	520	125	220
Professional, scientific and technical activities	6,714	999	663	747	46	2,368	58	29
Administrative and support service activities	13,364	1,019	440	166	1	1,371	176	79
Public administration and defence; compulsory social security	1,803	104	119	761	72	1,048	1	7
Education	239	22	18	50	1	83	7	1
Human health and social work activities	5,971	182	161	251	8	489	88	25
Arts, entertainment and recreation	788	70	31	11	1	76	13	24
Other service activities	830	38	34	107	5	172	8	3
Loans collateralised by residential immovable property	357,527	192	241	801	1,854	2,095	986	6
Loans collateralised by commercial immovable property	67,638	325	135	42	8	229	280	1
Repossessed collaterals	2							

Resilience assessment

Our resilience as a bank is described in 'Environment' section. The statements there are supported by our resilience analysis in light of CSRD which was finalised in November 2024 and covered the following scope:

- Our scenario analyses for physical and transition risk whereby the scope of the value chain, approach and time horizons are in line with Climate Stress Testing and PIII ESG.
- Our current financial effect assessment for transition risk covering all material value chain segments whereby the approach and time horizons are in line with IFRS9 PMA.
- Our anticipated financial effects assessment for transition and physical risk covering all material value chain segments whereby the approach and time horizons are in line with PIII ESG.
- The expectation of the regulator on the impact of transition risk on economic sectors such as the EPBD and the uncertainty the translation into local legislation brings to our CRE and RRE portfolios. Another example is the ECB expectation that key economic sectors are not to be stigmatized by abrupt changes in policies, technology (transition risk), meaning the impact in the short-term may not be substantial.
- Our mitigation measures in place for physical risk
- Our Terra strategy for transition risk. For the approach and time horizons for the respective sectors, see our transition plan.

Transition risk - Energy efficiency of our collaterals

As described in our 'Environment' section we deem the energy efficiency of our collaterals as a transition risk. The overview below based on Pillar III ESG Template 2, provides the gross carrying amount of loans collateralised with immovable property and of repossessed real estate collaterals with a breakdown by EPC label of the collateral.

Indicators of potential climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

		Level of energy efficiency (EPC label of collateral)							
In EUR million	**Gross carrying amount**	**A**	**B**	**C**	**D**	**E**	**F**	**G**	**Without EPC label**
Loans collateralised by commercial immovable property	64,377	5,752	1,695	1,721	895	368	247	289	53,410
Loans collateralised by residential immovable property	357,259	24,935	10,433	14,962	7,742	9,127	4,655	4,811	280,594
Collateral obtained by taking possession: residential and commercial immovable properties	2	0	0	0	0	0	0	0	2
Total	**421,638**	**30,687**	**12,128**	**16,683**	**8,637**	**9,495**	**4,902**	**5,100**	**334,006**

Technical notes to the sector transition plan

Scenario and baseline recalculation policy

We undertake to systematically review and update Terra targets, as we aim to align with the most recent developments in climate science. As a rule, the scenarios that we use for target-setting in Terra will be reviewed by the relevant committee on an annual basis to assess if there are significant changes that would trigger a recalculation of the target(s), such as a 10 percent deviation of the new scenario compared to the scenario in use. Regardless of the yearly changes to the underlying scenarios, Terra targets are updated at least every three years to align with the latest science. We also intend to dynamically update the Terra baselines when relevant to maintain consistency. Relevant events triggering an update of the baselines and of associated targets could be: (a) structural changes in our portfolio, such as mergers, acquisitions or divestments; (b) changes in calculation methodologies, significant improvements in data accuracy, or discovery of material errors; or (c) changes in the categories or activities included in the scope of our targets; and the other factors with regards to the scope and reporting boundaries.

For this sustainability statement ING generally uses financial outstanding per year-end 2024 with emission data from 2023 to calculate the 2024 emission intensity. Exceptions are discussed in the relevant sectors.

Power Generation

Methodology and scenario/pathway

To measure our portfolio performance, we apply the PACTA emissions-intensity based methodology, which measures the alignment by the emissions-intensity metric expressed in kg CO_2e/MWh and covers direct emissions (scope 1) for CO_2, CH_4, and N_2O. We cover all on-balance/funded term loans and revolving credit facilities to assets and companies in specific NAICS codes that generate electricity. We have set our targets against the IEA Net Zero by 2050 scenario, published by the IEA in their World Energy Outlook (2023)

Data vendors, data quality and limitations

Asset Impact offers a database with comprehensive data points, linking physical assets in the real economy and their activities and emissions to companies and securities. We have matched the emissions intensity data of Asset Impact for 100 percent of our clients in scope of the portfolio and perform data quality checks on both client-level and asset-level data files received from Asset Impact. These checks include verifying methodology, tracking changes, and conducting year-on-year comparisons on asset numbers, capacity, and emission intensity. Any significant deviations are investigated further, with explanations provided by Asset Impact

Upstream oil & gas

Methodology and scenario/pathway

For our outstanding target we apply the PACTA methodology as presented in the PACTA methodology application paper. The applied methodology is an economic-activity approach based on an absolute reduction in fossil-fuel financing. The scope is on-balance/funded term loans and revolving credit facilities to companies involved in crude petroleum or natural gas extraction activities. We also disclose an additional metric expressed in absolute emissions for upstream oil & gas in million t CO_2e covering CO_2 and CH_4. For our absolute emissions disclosure, we use the PCAF Methodology. For target setting, we applied the IEA NZE scenario published by the IEA in the Net Zero by 2050 – Analysis – IEA report (October 2023). The combined oil and gas supply (in EJ) declines over time by -35 percent in 2030 vs 2019, according to the IEA NZE advanced economies scenario – which translates into a 50 percent reduction in absolute scope 1, 2 and 3 emissions. Hence, we set our outstanding exposure and absolute emissions targets based on this trajectory. Following COP28 in Dubai (2023), ING also announced it will phase out the financing of upstream oil & gas to zero by 2040.

Over the reporting period of 2023, we reclassified five integrated oil & gas companies to our Terra mid- and downstream sector, as the majority of their activities are in mid- and downstream and we mainly finance their mid- and downstream activities. We also exclude a small number of letters of credits and guarantees within the exposure to align with our financed emissions calculations. At the same time, we expanded our upstream coverage by including upstream oil & gas companies with an outstanding of less than €10 million, removing a previously set exclusion threshold.

Data vendor, data quality and limitations

For the measurement of our target related to our outstandings, we don't require a third-party data vendor as the metric is our outstanding amount in our financial system. For our financed emissions disclosure, we make use of the PCAF database and external data providers CDP and Asset Impact to estimate our clients' scope 1, 2 and 3 emissions. Due to the lack of accuracy and lack of reported scope 3 downstream data, we derive our own in-house scope 3 downstream proxy for upstream oil & gas companies from the full Asset Impact databases. We first extract scope 1, 2 and 3 emission data from the database, calculate the ratio between them, and apply this ratio to Scope 1 & 2 emissions of our upstream oil & gas clients to determine scope 3 downstream emissions. We also conduct an annual review of the applied ratio to ensure accuracy over time.

Mid- and downstream oil & gas

Methodology and scenario/pathway

As there is no specific methodology to set targets on oil & gas mid- and downstream activities of banks, we have built our own approach based on the convergence approach (i.e. Sectoral Decarbonization Approach) of the Science Based Targets initiative (SBTi). Our approach concentrates on the operational performance (scopes 1 & 2) of our clients in line with the IEA's report on the operational emissions of the oil & gas industry (May 2023). For refineries, we currently cover only scope 1 emissions. The IEA's NZE scenario is expressed in 'kg CO_2 equivalent' which means it includes both CO_2 and CH_4 (methane) emissions in its modeling.

The target metric we have chosen for mid- and downstream is emissions-based intensity, measured in kg CO_2e per barrel of oil equivalent (boe). The reference scenario and emissions data for alignment benchmarking is the International Energy Agency's Net Zero Emissions by 2050 Scenario (NZE), published in the World Energy Outlook special report 'Emissions from Oil and Gas Operations in Net Zero Transitions' (May 2023). In fact, in its report, the IEA provided emissions intensity reduction pathways in the NZE scenario separately for oil and gas, split between upstream and downstream (whereby the IEA's downstream scope largely mirrors ING's mid- and downstream categorisation). In its scenario, the IEA envisions a 15 percent reduction in emissions intensity for oil and a 45 percent reduction in emissions intensity for gas in mid- and downstream in 2030 compared to 2022. In this special report, the IEA models the emissions intensity reduction up to 2030 only. However, based on the IEA NZE report we assume that the emissions intensity is net zero in 2050. Taking these reduction pathways, we combined this pathway data, resulting in a combined target of a 24 percent reduction in emissions intensity for mid- and downstream oil and gas in 2030 compared to 2022. The combined emissions intensity reduction target was calculated by weighting the emissions intensity reduction of both oil and gas by their respective production volumes. As multiple clients have operations in both oil and gas, we decided to use this combined target of -24 percent in 2030 compared to 2022.

The scope of our mid- and downstream oil & gas target involves companies with NAICS codes in processing, (pipeline) transport, storage, handling, liquefaction and refining. FPSOs (Offshore Oil and Gas Production Services) integrate both upstream and downstream activities given that they extract oil, process and store it onboard, and deliver the partially-treated crude oil to tankers for transport. However, for energy sector portfolio management and client coverage purposes, ING includes FPSOs in the scope of its mid- and downstream activities coverage. The product scope is on-balance/funded term loans and revolving credit facilities. Trade and Commodity Finance (TCF) transactions with mid- and downstream oil & gas clients, involving oil & gas, are not included as these transactions are covered through a separate GHG accounting and target-setting approach for TCF. Additionally, the scenario used does not include petrochemical manufacturing activities and petrol/filling stations, which are respectively classified under the chemicals and buildings industries codes. Therefore, for consistency purposes, they are not included in the scope of this target.

Data vendor, data quality and limitations

With the support of Rystad Energy, an independent research and business intelligence company from whom we procure data and research, we are able to assess the emissions intensities of our mid- and downstream portfolio clients, using their latest available emissions data (i.e. for 2022). The emission intensities of our clients have been calculated as follows:

- Emissions intensity from the Rystad database has been used when there was a match with the financed assets (47 percent of the exposure in our portfolio). For refineries, scope 2 emissions at asset level were not available, and so we only cover scope 1.
- For integrated oil & gas companies, we used emission data directly from Rystad.
- For petroleum bulk station and terminals, we used the average emissions intensity reported by three clients
- For the rest of our clients we used the weighted-average emissions intensity from the Rystad database for the corresponding sector activities (53 percent) of the exposure in our portfolio.

We perform data quality checks for the mid- and downstream oil & gas sector by reviewing Rystad's methodology and data delivery and ensuring data format consistency. We conduct sample tests on Methane/CO_2 ratios, check year-on-year emissions volatility, and follow up on material discrepancies. High-level checks and deep dives are performed on assets with significant emissions volatility, with explanations sought from Rystad for any deviations.

Cement

Methodology and scenario/pathway

We apply the PACTA methodology whereby alignment for the cement sector is measured by an emissions intensity metric expressed in t CO_2 / t cement which covers the scope 1 and 2 emissions that occurred during the cement manufacturing process. We cover all on-balance/funded term loans and revolving credit facilities to cement manufacturing companies within the relevant NAICS codes. We have matched the emissions data of Asset Impact to 100 percent of our portfolio. Since 2023, we have applied the IEA NZE scenario published by the IEA in the World Energy Outlook report (2023).

Data vendor, data quality and limitations

Like other Katowice Banks, we have been collaborating with Asset Impact to assess the emissions intensity of our cement portfolio, by connecting their emissions-intensity data to our cement clients (or their affiliates). Asset Impact offers a database with comprehensive data coverage, and applies a clear methodology for creating their emissions data at asset- and company-level. We perform data quality checks for the cement sector by observing and cross-checking the Asset Impact dataset with previous versions, identifying deviations, and seeking clarifications from Asset Impact. We conduct deep dives into discrepancies, trend analyses, and check whether new clients are in scope. The data we use to measure our emission intensities is still subject to continuous improvements. For this reason, some of our measurements may require recalculations based on newly available, more accurate or more granular data in the future. We are aware that data sets have limitations, leading to the risk that they contain inaccuracies, and incorrect or incomplete data, which could impact our reporting.

In 2024, methodology improvements and changes in the data inputs used to calculate the final data provided by Asset Impact determined a recalculation of previously reported data for the years 2020 (base year), 2021 and 2022, as well as a recalculation of our convergence pathway and 2030 target.

Steel

Methodology and scenario/pathway

The methodology that we apply is the Sustainable STEEL Principles. This framework was developed by RMI and a working group of five globally active financial institutions, led by ING. Following the guidance provided by the Sustainable STEEL Principles and the fixed boundary approach, we cover scope 1, 2, and parts of scope 3 emissions of the companies in scope. ING discloses the SSP Alignment Score as well as the emissions intensity (t CO_2 / t steel) of the portfolio. The SSP Alignment Score is calculated based on a company's emissions intensity and the percentage of scrap used by the company. The IEA NZE pathway used by the SSP refers to the scenario published by the IEA in the Net Zero by 2050 – Analysis – IEA report (May 2021).

We follow the SSP financial product scope. We cover all the mandatory and optional financial products to steel manufacturing companies in line with the SSP methodology. Our outstanding in the steel sector includes all lending products, such as term loans, revolving credit facilities, guarantees, letters of credit, etc. from our steel manufacturing clients based on their specific NAICS codes. We select in-scope clients based on the NAICS codes advised by the SSP, which we identified as relevant and in-line with the methodology. We also cover all tenors, including the ones shorter than one year. For clients backed by parent guarantees, we have excluded outstanding exposures below €1 million. These financings equate to around 0.1 percent of our total in-scope outstanding for the steel sector and are, therefore, not material. We follow the SSP guidance to measure the climate alignment of our portfolio and will update our approach if and once Sustainable STEEL Principles is updated to accommodate inclusion of not yet operational greenfield projects.

Data vendor, data quality and limitations

The selected third-party data vendor under the Sustainable STEEL Principles is the data vendor CRU. It offers a database with asset-level production, emissions intensity, and scrap rate data, which can be linked to companies. We have matched the asset/company-level data of CRU with our portfolio. In total 96 percent of our portfolio (i.e. our total of around €2 billion of outstanding in scope) can be directly matched.

We perform data quality checks for the steel sector by comparing the current dataset with the previous year's dataset to identify anomalies. We investigate significant changes in emissions intensity, and follow up with CRU for clarifications. Historical data comparisons are also conducted to ensure consistency, and emissions-intensity changes for key clients are analysed and validated with market trends.

Automotive

Methodology and scenario/pathway

The methodology we applied is the emissions intensity approach described in detail in the PACTA methodology application paper. Following the PACTA methodology, we cover clients' scope 3 category 11 CO_2 emissions (use of sold products) in kg CO_2 per vehicle kilometer (vkm). For target setting, we applied the International Energy Agency's Net Zero by 2050 scenario based on the IEA World Energy Outlook 2021. Alignment for the automotive sector is measured by the emissions-intensity metric expressed in kg CO_2/vkm. The portfolio covers all on-balance/funded term loans and revolving credit facilities to original equipment manufacturer (OEM) companies that manufacture light duty vehicles.

Data vendor, data quality and limitations

We have been collaborating with Asset Impact to assess the emissions intensity of our automotive portfolio, by connecting Asset Impact's emissions intensity to our automotive clients. Asset Impact offers a database with comprehensive data coverage for the automotive sector. It applies a clear methodology for creating its emissions data at company-level and it is transparent on its data limitations. Some companies are matched to parent entities if the client itself is not listed in the Asset Impact dataset. We have matched the emissions data of Asset Impact to 100 percent of our portfolio. We perform data quality checks for the automotive sector by investigating production volume and CO_2 emissions intensity variances for the top clients. We conduct high-level sense checks, year-on-year volatility analysis, and follow up on discrepancies with Asset Impact. Additionally, we perform peer benchmarking and external data sample checks to demonstrate that the data is reasonable within the broader context of industry benchmarks.

Aviation

Methodology and scenario/pathway

We apply the Pegasus Guidelines which were published in 2024 by the Center for Climate Aligned Finance at RMI together with a dedicated working group of global financial institutions and industry leaders. The methodology is designed to help financial institutions measure their aviation portfolio's performance and is consistent with current SBTi and NZBA guidance. We applied the Mission Possible Partnership Prudential Scenario (MPP PRU) to measure the alignment of the portfolio. We have selected 2023 as the base year, because it is a year unaffected by disruptions from Covid-19, in line with SBTi requirements. The Pegasus Guidelines prescribe a bespoke pathway based on the MPP PRU scenario that accounts for a ratio of passenger to freight in a bank's portfolio. Depending on the exposure related to freight operations, the pathway must be adjusted to account for freight's inherently lower emissions intensity.

In the Pegasus Guidelines, alignment for the aviation sector is measured by the emissions intensity metric expressed in g CO_2e/revenue tonne kilometre (RTK). The Pegasus Guidelines account for clients' well-to-wake scope 1 and parts of scope 3 CO_2e emissions[1] covering CO_2, CH_4, and N_2O. Well-to-wake covers the emissions from the aviation fuel production process, delivery and combustion in use. Our metric is in terms of CO_2e to account for the non-CO_2 emissions from the lifecycle of jet fuel in line with the Pegasus guidelines.

Our in-scope aviation portfolio consists of committed amounts of on-balance/funded term loans and revolving credit facilities to all aircraft, airlines and lessors that we finance, with the exception of those for which there are no matches in the emission factor database provided by Cirium.

Data vendor, data quality and limitations

ING uses Cirium to provide aircraft-, airline- and lessor-level information. Cirium offers a comprehensive database linking aircraft to airlines and their flight cycles, distances and exact fuel consumption. We also perform data quality checks for the aviation sector by assessing data for aircraft financing, airlines, and lessors. We identify outliers based on key criteria such as emissions intensity and fuel consumption, and perform variance analyses on new aircraft and top 10 aircraft by flights and distance. Data reliability is ensured through follow-ups with the data vendor and documentation.

Shipping

Methodology and scenario/pathway

We applied the DNV 1.5°C Initiative methodology[2], which is consistent with the Poseidon Principles Technical Guidance for the shipping sector. The main objective of the 1.5°C Initiative is to develop a trajectory for shipping that is net zero, aligned with 1.5°C and based on realistic industry scenarios. The Initiative is spearheaded by classification society Det Norske Veritas (DNV) with 11 signatory banks of the Poseidon Principles, including ING. The intensity metric is the Annual Efficiency Ratio (AER) for vessels which considers dead weight tonnage or gross tonnage as a measure of their capacity depending on the vessel type. It is compared against the 1.5°C Initiative trajectory for the vessel-type for a given year, to arrive at the alignment delta for each vessel. The portfolio alignment delta is the sum of the weighted average of each vessel's alignment delta using the corresponding debt outstanding for the vessel as a weighting factor. Our in-scope shipping portfolio consists of loans and guarantees secured by vessels as per Poseidon Principles Technical Guidance, based on the actual 2023 emissions. The emissions boundaries of this sector are scope 1 (CO_2, CH_4, N_2O), for vessels above 5,000 gross tonnage.

Data vendor, data quality and limitations

The shipping sector obtains actual, verified data from the clients for each financed vessel. No estimates or data from external vendors are used. For this, the sector leverages on the IMO's Data Collection System (IMO DCS) which is a regulatory framework through which all vessels are required to submit their annual fuel consumptions and distance travelled to enable carbon intensity to be measured. Every such annual report from each vessel is verified by a recognised organisation (RO), which has been authorised in line with the requirements set by the IMO.

With each client submission, we obtain a Statement of Compliance (SOC) issued by the flag state which confirms that the requirements of the IMO DCS have been met. Additionally, the shipping team requests a Fuel Oil Consumption Record(FOCR) authorised by the RO to cross-check the submissions made by the clients. To supplement the regulatory controls, the shipping sector team conducts a variation analysis of alignment deltas and an outlier analysis to identify values above set thresholds. These observations are then evaluated by verifying the underlying data against the FOCR and/or identifying factors that explain the variation using shipping platforms. Where the analysis results so demand, the shipping sector team reaches out to the clients to seek further clarification.

[1] For airline clients, fuel burned is part of their scope 1 emissions and for lessors, fuel burned is part of their scope 3 category 13
[2] ING continues to report its climate alignment as required by the Poseidon Principles: https://www.poseidonprinciples.org/finance/wp-content/uploads/2024/11/Poseidon-Principles-Annual-Disclosure-Report-2024.pdf

Commercial real estate (CRE)

Methodology and scenario/pathway

We measure our portfolio emissions intensity following the GHG accounting guidance from PCAF and CRREM (Carbon Risk Real Estate Monitor). In alignment with the NZBA Real Estate White Paper, we use a balance sheet approach to aggregate portfolio emissions intensity. We compare our CO_2e intensity (in kg CO_2e / m^2) which converges towards 2050 with the CRREM 1.5°C GHG pathways (v.2.02, published January 2023), which are developed by CRREM in collaboration with the Science Based Targets initiative (SBTi). A weighted portfolio pathway is calculated based on the outstanding amounts per country and building type. We cover both scope 1 and scope 2 emissions (CO_2, HFC and PFC) of each building (including the electricity consumption of tenants). Following the latest CRREM methodology, emissions from transmission and distribution (T&D) losses of purchased energy are out of scope. Our portfolio reporting covers only income- producing assets for both our Wholesale Banking Real Estate (WB RE) and our Business Banking Real Estate for the Netherlands (RE BB NL).

Data vendor, data quality and limitations

For WB RE, proxy data from Moody's, in combination with PCAF emission factors, is used to determine the emissions intensity per building, and loan-to-value is used to determine the attribution factor. Then, the portfolio is measured in accordance with the balance sheet approach. Relatively small portfolios in Poland, Luxembourg, and Portugal totalling EUR 2.2 billion are not in scope of reporting due to data access challenges. For other countries, approximately EUR 3 billion of outstanding has been excluded from the analysis due to missing emissions data (e.g. Australia) or asset area information.

RE BB NL collaborates with CFP Green Buildings to design and execute its sustainability strategy. The CFP model plays a role in our internal and external sustainability calculations. Around 7 percent of the Netherlands' portfolio is left out of scope, as there was no data available, or the data quality was insufficient.

We perform automated data quality checks on data received from Moody's, using Oracle Data Integrator (ODI). These checks identify discrepancies or errors, ensuring data accuracy and reliability. Issues such as missing information and mismatched EPC labels are addressed, with further checks performed after Moody's enriches the data.

We performed a review and independent model validation (MV) of CFP's data and models. This validation assessed governance, methodology, implementation, and sanity checks on external data. We engage with CFP to address findings and considered the data as reliable, but agree on actions plans for further improvement.

Residential real estate (RRE)

Methodology and scenario/pathway

We compare our CO_2e intensity (in kg CO_2e / m^2) with the CRREM 1.5°C pathways (v.2.02, combined for single and multifamily homes, published January 2023). We cover both scope 1 and scope 2 emissions (CO_2, HFC and PFC). When aggregating the calculated emissions intensities to portfolio level, we apply a weighting factor in our calculations over the loan-to-value (at origination) ratio, as per the guidance of PCAF and the Science Based Targets initiative (SBTi). To measure the emissions intensity of our global portfolio, we calculate the weighted average of each country's emissions intensity based on the number of homes we finance in each of the countries in scope. Our portfolio covers five of our largest mortgage markets (i.e. the Netherlands, Germany, Poland, Spain, Belgium) covering approximately 85 percent of our mortgages book in terms of value.

Country-specific methodological updates are as follows:

In the Netherlands, we updated the emission factors per property type and EPC label, by making use of the most recent household energy use data. Regarding the EPC label data, we have switched from Calcasa to CFP as the EPC data provider for registered and proxy EPC labels, as well as many additional relevant data attributes.

In Germany, for our 2024 calculation, we applied our proxy model to approximately 80 percent of our portfolio. From 2024 onwards, homeowners are required to provide an EPC label in the mortgage application process. This will allow for more accurate reporting in the future as we will continuously increase the EPC label coverage within our portfolio and thus the accuracy of our calculation and proxy model.

In Belgium we continued to increase the amount of real EPC data collected. In addition, the financed emissions calculation for RRE has been improved to (1) reflect the accurate/complete amount of outstanding and (2) increase the completeness of assets taken into the scope. The coverage of assets, now covered by actual data or our proxy calculations, is approximately 99 percent of the properties.

In Spain we continue to receive EPC data through Sociedad de Tasación (SdT). From the second quarter of 2024, new mortgages are required to provide EPC labels while for existing mortgages, we increased coverage from 51 percent to 68.6 percent through an agreement with Deyde Datacentric which maps the entire building stock of Spain with real and proxy EPCs.

In Poland we recalculated emissions for 2022-2023 as we introduced methodology changes to better align with PCAF. For that, we updated data on the energy consumption of households as published by the Central Statistical Office in Poland. In 2024, we increased the coverage of EPC data in our portfolio (amounting to 21 percent in 2024).

Data vendor, data quality and limitations
When external data sources are used, we always use the most reliable and latest data available, in most cases from governmental sources. For most countries we also use data from external data providers. This data contains assumptions and has not been audited. Due to data availability, for some countries we are unable to analyse the full 100 percent of the portfolio. In those cases, we assume the remaining part of the portfolio has the same average emissions intensity as the part that was analysed.

Technical note to financed emissions

We calculate our absolute financed emissions using the PCAF's Global GHG Accounting and Reporting Standard for the Financial Industry. Financed emissions for certain parts of our portfolios are calculated using sector-specific emission factors. These factors approximate emissions when self-reported client data is unavailable. During the calculation process, we employ different industry classifications to identify each client's sector. We then select appropriate emission factors to estimate financed emissions across scope 1, 2, and 3 upstream and downstream. For Retail Banking, we use factors at NACE Rev. 2 classification, an official industry classifier in the EU. For Wholesale Banking, equity investments, and corporate bonds, we rely on factors based on the NAICS 2017 classifier. This aligns with our use of NAICS for our internal sector classification in Wholesale Banking. Calculation of financed emissions relied on external data sources that provide actual or approximated client emissions:

- CDP database (2023 dataset for reporting period 2022/23) that contains self-reported emissions of companies that disclose their ESG data using an annual CDP questionnaire and modelled emissions of those companies, that have not disclosed certain categories deemed relevant.
- PCAF emission factors database that contains economic activity-based factors for approximating GHG emissions based on a company's revenue and asset. For scope 3 downstream, PCAF does not provide asset-based or revenue based proxies. ING calculates in-house scope 3 downstream asset-based and revenue-based proxies based on the CDP (2023 dataset for reporting period 2022/23) dataset.

We have scored the data quality of our emissions data following the data quality scoring in PCAF's Global GHG Accounting and Reporting Standard. We present the weighted average data quality score per asset class or sector. As per the PCAF standard, data quality score 1 and 2 relate to high-quality data coming from a company's disclosure or actual asset-level data. Score 3 relates to medium-quality using estimates based on physical data, whereas data quality 4 and 5 relate to low-quality data, i.e. based on revenue or sector average proxies.

By applying PCAF methodology to calculate financed emissions, we use the emissions data currently available to ING and appropriate for each asset class. Except for verified or unverified emissions collected from the borrower or investee company directly via the Carbon Disclosure Project (CDP), the primary source of emissions data across asset classes is emission factors provided by the PCAF database. In September 2023, PCAF issued an updated database. However, we continued to use the initial PCAF database (2020) as it provides more granular and relevant data. The new release of the PCAF database provides emission factors for only three regions and at a higher level of industry classification codes, making it less appropriate for our reporting. For commercial and residential real estate, we use property type-, country-specific data and emission factors. Next to emissions data, we source financial data (EVIC data) from S&P Capital IQ to measure the financed emissions of listed companies in our portfolio, in line with PCAF methodology. When aggregating the financed emissions of our business loans, Sector NACE T "Activities of households as employers: Undifferentiated goods- and services-producing activities of households for own use" is excluded as we do not consider this to fall under business loan category as defined by PCAF.

Our data vendors have procedures and methodologies in place to perform checks and controls on their data. When receiving the data from our providers, we perform data quality reviews and plausibility checks, including the assessment of historical trends, which in some cases lead to the removal of outliers. The data processes and models of our data vendors are not audited, which means that regardless of their checks and controls, data limitations may still exist. Although we perform our own procedures, we cannot fully mitigate the risk of applying inaccurate, incorrect and/or incomplete data.

Technical notes to the EU Taxonomy reporting

The EU Taxonomy reporting is prepared according to the prudential consolidated of ING Group N.V., excluding loan loss provisions. For more information, see Note 1 'Basis of preparation and material accounting policy information'.

The allocation of the gross book values to the respective product groups is based on the requirements of the regulatory financial reporting (FinRep), according to IFRS and the customer group allocation used therein. The gross carrying amounts are the original carrying amounts of financial instruments before deduction of impairments or depreciation

Scope of assets

Below you will find our scope of relevant assets.

Residential mortgage portfolio

Our loans collateralised by residential immovable property are related to the CCM activity 7.7: the acquisition and ownership of buildings. We have assessed the loans collateralised by residential immovable property to the respective technical screening criteria and minimum safeguard as dictated by the EU Taxonomy Regulation. In short, the technical screening criteria are as follows:

Substantial contribution criteria of 7.7

- Buildings built before 2021 should either have an Energy Performance Certificate (EPC) class A or the building should be within the top 15 percent of the national or regional building stock for residential buildings expressed as operational Primary Energy Demand (PED).
  - To obtain information on the EPCs, we make use of either national or regional databases, or bilaterally obtain EPC labels from our clients dependent on the country.
  - The top 15 percent most energy-efficient residential buildings are defined differently per country.
- For buildings built after 2021, the PED needs to be at least 10 percent lower than the threshold set for nearly zero-energy building (NZEB) requirements.
  - Per country, the NZEB thresholds transposed in national law can vary dependent on, for example, building type and geographic location. In all countries the collaterals are assessed to these respective thresholds based on their EPC labels.

Do No Significant Harm (DNSH) adaptation

The DNSH adaptation criteria dictate that a climate and vulnerability assessment should be performed for the respective collateral. In line with the criteria, we use the location of the collateral and perform an assessment based on the most recent and available climate maps. We expect this to improve with the maturity of the regulation and market-wide implementation.

Minimum Safeguards (MS)

In principle the application of MS is only relevant in case of an undertaking carrying out an economic activity and therefore not directly applicable for households. However, in line with the Commission Notice of 8 November 2024[1], MS assessments are required for undertakings providing goods and services to households. Therefore the MS check is required for mortgages provided for the purchase of a newly built house/ apartment directly from a non-private individual. The commission notice was published in draft in December 2023 and therefore deemed only applicable prospectively, i.e. for new loans as of 1 January 2024. At this stage, ING had not yet implemented the MS check and therefore does not report such new loans as aligned.

Financial and non-financial exposures subject to CSRD

Unknown use of proceed exposures

Unknown use of proceed exposures refers to financial instruments where the specific allocation of funds is not predetermined, such as general-purpose loans and advances, general-purpose debt securities, and equity holdings. For such exposures, our outstanding gross carrying amounts are weighted with the EU taxonomy KPIs reported by our counterparties that are subject to CSRD. We use both the turnover as well as the capital expenditure (Capex) KPIs from our counterparties. The counterparties can be both financial as well as non-financial corporates. We use Bloomberg as a service to obtain the most recently available data from company reports.

As of this reporting period, the scope has been extended from direct counterparties subject to CSRD to all counterparties in a CSRD group. Within this new scope, financial undertakings should use the EUT KPIs of the subsidiary disclosed by its parent or ultimate parent or, where the EUT KPIs of the subsidiary are not available, the KPIs of the closest reporting parent.

Known use of proceed exposures

Known use of proceed exposures refers to financial instruments where the specific allocation of funds is predetermined, like bonds and loans where the funds raised are specifically allocated to environmentally sustainable projects such as sustainable loans (e.g. project finance) or green bonds. The exposures will be reported as taxonomy-aligned to the extent that the proceeds qualify.

[1] C/2024/6691 COMMISSION NOTICE on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice)

For sustainable loans, ING uses the WB Sustainable Deal Assessment (SDA) to capture the sustainable details of these exposures. The EU Taxonomy is part of this assessment. Currently, eligibility and substantial contribution are assessed via the SDA. For Special Purpose Vehicles we apply a look-through approach on a best-effort basis to see if its parent or ultimate parent is subject to CSRD.

For green bonds, we perform an assessment on whether the proceeds of the bond are used exclusively for projects that contribute to environmental objectives and can be considered taxonomy eligible or aligned. We check whether the bond is issued under the EU Green Bond Standard or whether the issuer undertakes its full EU Taxonomy alignment in its Green Bond Framework and Allocation Report, with confirmation from an independent verifier with an assurance statement. Currently, we only have only identified eligibility.

Assets under management

The assets under management for which we perform our discretionary portfolio management (DPM) are included. To establish alignments of fund-in funds situations, we apply a look-through approach on a best-effort basis and use Bloomberg to match the companies with their respective company reported KPIs. Only counterparties subject to CSRD and their subsidiaries and SPVs are included.

Financial guarantees

Financial guarantees are included to the extent that the counterparties are subject to CSRD and their respective subsidiaries and SPVs.

Limitations and data sources

EU taxonomy regulations and interpretation thereof are still evolving which may result in fluctuations of our EU Taxonomy-disclosed figures (GAR) going forward. This is demonstrated for example by the publication of the Commission Notice of 8 November 2024[1].

Besides the limitations as described in our scope of assets, we are unable to fulfil the technical screening criteria due to data quality and regulatory unclarities for our household portfolio such as renovation loans and related measures (CCM 7.2-7.6) or motor vehicle loans (CCM 6.5).

We make use of external data to determine eligibility and alignment for assets on our balance sheet. For the main category of EU Taxonomy-aligned assets (residential mortgages), the most important external data relates to energy usage and energy labels. The availability of this data and the related methodologies differ per country and are subject to change. For unknown use of proceed exposures to financial and non-financial corporates subject to CSRD, we use KPIs on turnover and Capex from Bloomberg, which Bloomberg is collecting based on public disclosures by our counterparties. ING recognises limitations on the data availability and quality of audited company-reported EU taxonomy information. Such limitations can for example be by incorrectly reporting in the respective templates which may lead to reporting of lower eligibility than aligned, or reporting the same KPI for multiple environmental goals by (non-) financial counterparties. ING only complemented this data where improvements are evident.

[1] C/2024/6691 COMMISSION NOTICE on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice).

Definitions of our environment, social and governance metrics

Fossil-fuel exposure

As part of the energy disclosure, we have reported our exposure to fossil fuel. Fossil fuel consists of oil & gas and is managed in accordance with its value chain, of which we report on upstream, mid- and downstream oil & gas and Trade Commodity Finance. The reported outstandings on our Trade Commodity Finance portfolio relate to the commodity itself, e.g. oil barrels. The reported outstandings for both energy and Trade Finance are reported in line with our credit risk portfolios. These portfolios are defined by industry codes (NAICS) for financial reporting which are based on the primary activity of our clients.

Upstream oil & gas is defined by four types of activities:

- Exploration – geological surveys, including seismic imaging and analyses and drilling of exploration wells.
- Development – design, construction and commissioning of infrastructure required to produce oil and/or gas from discovered reserves.
- Production – maximising recovery from a field through continuous investments.
- Abandonment – decommissioning and removal of infrastructure in an efficient way that minimises the impact on the environment.

Mid- and downstream oil & gas is defined by six activities:

- Processing of crude products.
- Storage.
- Transportation – including pipelines and infrastructure to transport gas.
- Refineries – processing oils into fuels such as gasoline, diesel and kerosene.
- Petrochemical industry – processing of oil and gas into, among other things, plastics, building materials and fertilisers.
- Marketing of end products.

Coal-fired power generation

With respect to the financing of coal-fired power generation (power plants), in December 2017 the goal of ‘close to zero’ by the end of 2025 was sharpened in the coal policy in support of the transition to a low carbon economy. The definition of 'close to zero' refers to a maximum level of 5 percent, based on the outstandings at the time of target setting (EUR 452 million).

Renewable power generation

Renewable power generation financing reflects the amount ING commits to clients for new financing of renewable energy (mainly solar and wind). After closing these transactions, as part of ING’s balance sheet and exposure management, ING may decide to (partly) distribute to third parties, meaning that the effective ING facility amount can be lower than the commitment amount measured under this KPI.

Sustainable finance volume mobilised in Wholesale Banking

To accelerate our Wholesale Banking clients' transition to net zero by 2050, we have an ambition to mobilise EUR 150 billion of volume by 2027. The following product categories are included in the metric:

- Sustainability-linked loan products
- Green, social and sustainability loans
- Sustainable structured finance transactions
- Green, social, transition and sustainability bonds and sustainability-linked bonds
- Green and sustainability-linked Schuldscheine
- Sustainable asset-backed securities (ABS)
- Sustainability-linked derivatives
- Sustainability-linked commercial paper
- Green and social commercial paper
- Sustainability-linked receivables finance program
- Green receivables finance program
- Sustainable supply-chain finance (SCF)
- Sustainability-linked guarantee
- Green guarantee
- Sustainable investments
- Scorecard transactions
- Advisory propositions for sustainable activities

The commitment makes a distinction between transactions where we are the ESG lead (such as ESG coordinator or in an ESG structuring role) and transactions where we do not fulfil such a role (like when we are part of a consortium of banks). In cases where we have the ESG lead role for a loan, we record the pro-rata share (in cases where there are multiple ESG leads) of the total transaction, and if we merely participate, we only take our share into account. This methodology has been selected to reflect that if we are the ESG lead for a transaction, we can pro-actively engage with our clients on their sustainability strategy, so our potential impact is more significant compared to a participating role. In more detail:

- Loan products: for loans such as sustainability-linked loans, green loans and scorecard transactions, in case we:
  - only participate in a transaction with no ESG role, we limit ourselves to our own commitment;
  - fulfil an ESG lead role by structuring and/or coordinating the ESG debt structure, we reflect (our pro-rata share in) the full transaction given that we mobilised the transaction for our client.
    - For example: in a revolving credit facility (RCF) with a limit of €1 billion where ING has a final take of €100 million. The nature of RCFs is that they are fluctuating and therefore can be fully or partially drawn by the client at any time depending on their liquidity needs throughout the year. Therefore, we record the RCF limit, where we differentiate between our role as a participant and as an ESG coordinator.

  - If we are a participant only: we register our final take of €100 million in the €1 billion limit.
  - If we are the ESG coordinator: we register the entire €1 billion in case we are sole ESG coordinator, and our pro-rata share in case there are multiple ESG coordinators, to reflect our efforts of supporting our clients in their transition by addressing key ESG topics.
- Capital markets products: for the bonds we record in accordance with the role we take:
  - ESG lead role: if we are the ESG structurer or coordinator we take our pro-rata share of the full transaction, as we believe it properly reflects our contribution to support our clients to achieve their sustainability transition. (For the avoidance of doubt: if we are the sole ESG structurer/coordinator we register the entire transaction, but if for example we are a joint structurer/coordinator with another bank, we only register the pro-rata part of the transaction as volume mobilised);
  - Other roles: when we do not fulfil the ESG lead role, we only register our share of the bond, where we make a distinction between passive bookrunner roles and active bookrunner roles.
- Derivatives: for sustainable derivatives such as interest-rate swaps, we record the full notional amount hedged with ING. To prevent double counting, we exclude from the total any sustainable derivatives used to hedge sustainability-linked loans (or other securities) already included in our total.
- Transaction services products follow the same reporting protocol as loan products.
- Sustainable investments: for financing solutions provided by our Sustainable Investments team (equity and subordinated debt solutions), we report ING's final take in the transaction at closing.
- Advisory propositions for sustainable activities: we are increasingly asked to provide tailored ESG advice to our clients and we also address ESG-related topics as a key part of our client engagements. When we provide such advice related to a financial transaction not yet captured as an ESG bond, loan or derivative, to avoid double counting we report:
  - the full transaction when we are the sole ESG adviser;
  - the pro-rata share if we fulfilled a joint ESG advisory mandate.

Gender pay gap

The gender pay gap consists of two types of gaps, the unadjusted and the adjusted gender pay gap.

The unadjusted gender pay gap is the difference, expressed as a percentage, between the mean hourly rate of men and women across a workforce. The unadjusted gender pay gap will not be adjusted for other factors that may have an impact on the remuneration of staff (e.g. calculated independently of, for example, the position of the staff members and their experience).

Adjusted gender pay gap is the unadjusted gender pay gap, decomposed into three components to gain insight into the gap. Two main gap drivers are structural differences in base salary between countries and systemic differences in characteristics between male and female employees as two distinct groups, mostly due to the over- or underrepresentation of male or females within a group characteristic. After eliminating the aforementioned two effects, the unexplained gap remains. This unexplained portion of the gap can be due to bias or missing data. It is also called the adjusted gender pay gap. The two-fold Oaxaca-Blinder (statistical) decomposition model is applied to decompose the unadjusted gender pay gap into explained and unexplained components of the gap per variable.

Average remuneration is the sum of base salary, fixed allowances and variable remuneration divided by the number of employees.

Significant location is every country/entity with at least 250 internal employees.

Headcount breakdown by region, gender and age group

Headcount breakdown by region, gender and age group describes the demographics of ING's internal staff per 31 December 2024 (total number of active employees and gender distribution) displayed by specific geographical and contract type segmentation. Information is presented by location (top countries with highest population and regions) and type of working agreement (permanent and temporary staff, full-time and part-time). Age segments on the total ING population is presented in clusters of 30; 30 to 50; and over 50.

Percentage of women in senior management positions

Percentage of women in senior management positions shows gender representation in the highest management roles at ING, globally. The value is calculated by counting the reported gender of individuals performing roles labelled between grades 22 and 27, both included, of the Global Job Architecture (GJA) scale. The GJA scale ranges between 0 (N/A) to 27 and covers all job types performed within ING below MBB-level, with 27 being the highest possible value.

Employee turnover percentage

Employee turnover percentage is expressed as a ratio between the total number of leavers in a 12-month period against the average total headcount of each month over the same period. Turnover figures include internal and permanent employees only. 'Leavers' consist of all individuals for which their employment agreement with ING group is terminated and do not count transfers between ING legal entities.

High Risk Roles

A High Risk Role (HRR) is defined by the activity that the ING employee undertakes and is identified when one or more of the following criteria is met: a) significant level of AB&C compliance accountability, b) significant involvement in AB&C higher risk activities, or c) specific AB&C risk and control owners. For example: employees within the first and second line of defence directly responsible for the development or oversight of Anti Bribery & Corruption policies, mandatory instructions, procedures, and controls required to manage the risk.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation including information if these datapoints are material and where they are reported.

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	Material / Non-material	Page and Paragraph Reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		not material	Corporate governance
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		not material	Composition of Executive Board, Management Board Banking and Supervisory Board
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1					
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6)Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		not material	Definitions of our environment, social and governance metrics
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	material	Our transition plan
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		material	
ESRS E1-4 GHG emissions-reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		material	Our transition plan
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				not material	
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				not material	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				not material	

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	Material / Non-material	Page and Paragraph Reference
ESRS E1-6 Gross scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		material	Financed emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		not material[1]	
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	not material[2]	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II			
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			material	Climate risk and the resiliency of our lending book
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).					material	Climate risk and the resiliency of our lending book
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			material	Climate risk and the resiliency of our lending book
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		material	Identified impacts, risks and opportunities
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				not material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				not material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				not material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				not material	

[1] ING deems this metric not relevant to credit institutions. We do disclose the Economic Emission Intensity metric as recommended by PCAF, see our financed emissions tables.
[2] ING does not have carbon credits and does not apply carbon offsetting.

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	Material / Non-material	Page and Paragraph Reference
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				not material	
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				not material	
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				material	Technical notes to the double materiality assessment
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				material	Policies, actions and performance
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				material	Policies, actions and performance
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				material	Policies, actions and performance
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				material	Policies, actions and performance
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				not material	
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				material	Diversity and inclusion policy
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		material	Diversity and inclusion policy
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				not material	
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				not material	
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				material	Whistleblower policy
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				not material	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		material	Unadjusted gender pay gap
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				material	Remuneration ratio
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				material	Whistleblower policy
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		material	Our actions against violence and harassment in the workplace

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	Material / Non-material	Page and Paragraph Reference
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				not material	
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				not material	
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				not material	
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				not material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				material	Policies, actions and performance
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		material	Customer centricity policy
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				material	Policies, actions and performance
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				material	Anti-bribery and corruption policy
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				material	Whistleblower policy
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		material	Anti-bribery and corruption policy
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				material	Anti-bribery and corruption policy

EU Taxonomy - Mandatory templates for the KPIs of Credit Institutions

In the following pages, we present the mandatory templates from the EU Taxonomy Regulation (EU Taxonomy) as published in the Official Journal (Regulation (EU) 2020/852 of 18 June 2020) of the European Commission (EC). Based on our industry type and exposures we have through our clients, we have several mandatory templates in scope for EU Taxonomy reporting:

1. Templates for the KPIs of Credit Institutions;
2. Templates for Nuclear Energy and Fossil gas-related activities for our balance sheet;
3. Templates for Nuclear Energy and Fossil gas-related activities for our Assets Under Management (AUM).

The templates for the KPIs of Credit Institutions will reflect all six environmental objectives, whereby the disclosures this year only covers eligibility for activities under the Environmental Delegated Act and the amended Climate Delegated Act. We have voluntarily included a limited number of exposures of taxonomy alignment and enabling figures for these activities when such company reported information was available from our counterparties. The templates for Nuclear Energy and Fossil gas-related activities will cover the environmental objectives of climate change mitigation and climate change adaptation.

The templates only include figures when there is a value to report relevant after rounding; fields which are (rounded to) zero are presented as blank field. In case a field is not applicable, this is indicated with n/a.

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets million EUR	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	**Green asset ratio (GAR) stock**	**57,633**	**7 %**	**7 %**	**82 %**	**42 %**	**18 %**
		Total environmentally sustainable activities	**KPI**	**KPI**	**% coverage (over total assets)**	**% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2. of Annex V)**	**% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)**
Additional KPIs	GAR (flow)	6,138	2 %	3 %	70 %	51 %	30 %
	Trading book*	n/a	n/a	n/a			
	Financial guarantees	0.26	0.3 %	0.5 %			
	Assets under management	570	10 %	15 %			
	Fees and commissions income*	n/a	n/a	n/a			

* Fees and Commissions and Trading Book KPIs shall only apply starting 2026.
*** % of assets covered by the KPI over banks´ total assets
**** based on the Turnover KPI of the counterparty
***** based on the CapEx KPI of the counterparty

The calculations in this template for assets under management and financial guarantees have been revised based on latest insight compared to last reporting year.

1. Assets for the calculation of GAR based on Turnover

	Million EUR	Disclosure reference date T																												
		Total [gross] carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)						Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)								
					Of which Use of Proceeds	Of which transi-tional	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which enabling				Of which Use of Proceeds	Of which transi-tional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	401,996	364,943	57,513	55,195	549	1,055	1,361	106		27	54	6		5	1,425	8		2	171	1			58				368,011	57,633	55,195	549	1,089
2	**Financial undertakings**	**28,340**	**7,423**	**462**		**78**	**142**	**235**	**46**		**2**					**128**				**33**								7,818	**508**		**78**	**144**
3	Credit institutions	24,490	6,028	311		32	52	98	2		1					1												6,127	313		32	53
4	Loans and advances	13,182	3,080	212		27	48	70	1							1												3,151	213		27	48
5	Debt securities, including UoP	11,257	2,945	99		4	4	28	1																			2,973	100		4	5
6	Equity instruments	51	3																									3				
7	Other financial corporations	3,850	1,395	150		47	90	136	44		1					127				33								1,691	195		47	91
8	of which investment firms	87	19																									19				
9	Loans and advances	82	19																									19				
10	Debt securities, including UoP																															
11	Equity instruments	5																														
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings	73																														
17	Loans and advances	73																														
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	**22,704**	**6,612**	**1,856**		**470**	**913**	**1,126**	**60**		**25**	**10**	**6**		**5**	**1,297**	**8**		**2**	**138**	**1**			**58**				9,241	**1,930**		**470**	**945**
21	Loans and advances	22,608	6,600	1,850		470	907	1,120	60		25	10	6		5	1,297	8		2	138	1			58				9,223	1,924		470	939
22	Debt securities, including UoP	97	12	6			6	6																				18	6			6
23	Equity instruments																															
24	**Households**	**348,580**	**348,580**	**55,195**	**55,195**																							**348,580**	**55,195**	**55,195**		
25	of which loans collateralised by residential immovable property	**348,580**	348,580	55,195	55,195																							348,580	55,195	55,195		
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	**2,371**	**2,328**									**43**																**2,371**				
29	Housing financing	2,304	2,304																									2,304				
30	Other local government financing	67	24									43																67				
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**2**																														
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	435,688																														
33	**Financial and Non-financial undertakings**	**336,082**																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	174,530																														
35	Loans and advances	163,768																														
36	of which loans collateralised by commercial immovable property	37,578																														

	Million EUR	Total [gross] carrying amount	Disclosure reference date T																												
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)								
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
37	of which building renovation loans																														
38	Debt securities	10,410																													
39	Equity instruments	352																													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	161,552																													
41	Loans and advances	151,547																													
42	Debt securities	7,624																													
43	Equity instruments	2,381																													
44	**Derivatives**	28,890																													
45	**On demand interbank loans**	3,194																													
46	**Cash and cash-related assets**	1,645																													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	65,878																													
48	**Total GAR assets**	**837,686**	**364,943**	**57,513**	**55,195**	**549**	**1,055**	**1,361**	**106**		**27**	**54**	**6**		**5**	**1,425**	**8**		**2**	**171**	**1**			**58**				**368,011**	**57,633**	**55,195**	**549**	**1,089**
49	**Assets not covered for GAR calculation**	**188,816**																													
50	**Central governments and Supranational issuers**	**67,386**																													
51	**Central banks exposure**	**78,339**																													
52	**Trading book**	**43,092**																													
53	**Total assets**	**1,026,503**																													
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	77	3																								3				
55	Assets under management	5,723	1,298	483		7	350	351	1		1	6	1			307	83		3	47	2			85				2,093	570		7	355
56	Of which debt securities	1,919	615	165		3	121	95				2				53	11		1	34				60				859	177		3	122
57	Of which equity instruments	3,804	683	318		4	230	255	1		1	4	1			254	72		3	13	1			25				1,234	393		4	234

	Million EUR	Disclosure reference date T-1																												
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
	GAR - Covered assets in both numerator and denominator																													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	356,726	337,798	53,856	52,728	298	172	3	3																	337,802	53,859	52,728	298	172
2	**Financial undertakings**	**14,567**	**4,397**																							**4,397**				
3	Credit institutions	14,351	4,397																							4,397				
4	Loans and advances	7,327	2,185																							2,185				
5	Debt securities, including UoP	7,024	2,211																							2,211				
6	Equity instruments																													
7	Other financial corporations	216																												
8	of which investment firms	63																												
9	Loans and advances	58																												
10	Debt securities, including UoP																													
11	Equity instruments	5																												
12	of which management companies																													
13	Loans and advances																													
14	Debt securities, including UoP																													
15	Equity instruments																													
16	of which insurance undertakings	70																												
17	Loans and advances	70																												
18	Debt securities, including UoP																													
19	Equity instruments																													
20	**Non-financial undertakings**	**12,423**	**3,713**	**1,087**		**298**	**172**	**3**	**3**																	**3,716**	**1,091**		**298**	**172**
21	Loans and advances	12,257	3,712	1,087		298	172	3	3																	3,716	1,090		298	172
22	Debt securities, including UoP	163	1	1																						1	1			
23	Equity instruments	3																												
24	**Households**	**329,617**	**329,617**	**52,728**	**52,728**																					**329,617**	**52,728**	**52,728**		
25	of which loans collateralised by residential immovable property	**329,617**	329,617	52,728	52,728																					329,617	52,728	52,728		
26	of which building renovation loans																													
27	of which motor vehicle loans																													
28	**Local governments financing**	**119**	**71**	**41**																						**71**	**41**			
29	Housing financing																													
30	Other local government financing	119	71	41																						71	41			
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**3**																												
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	417,605																												
33	**Financial and Non-financial undertakings**	**339,343**																												
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	181,720																												
35	Loans and advances	168,250																												
36	of which loans collateralised by commercial immovable property	48,442																												
37	of which building renovation loans	1,838																												
38	Debt securities	13,176																												

	Million EUR	Total [gross] carrying amount	Disclosure reference date T-1																												
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)								
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling					Of which Use of Proceeds	Of which transi-tional	Of which enabling
39	Equity instruments	294																													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	157,622																													
41	Loans and advances	149,994																													
42	Debt securities	5,871																													
43	Equity instruments	1,758																													
44	**Derivatives**	22,797																													
45	**On demand interbank loans**	2,722																													
46	**Cash and cash-related assets**	1,587																													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	51,157																													
48	**Total GAR assets**	**774,335**	**337,799**	**53,856**	**52,728**	**298**	**172**	**3**	**3**																			**337,802**	**53,859**	**52,728**	**298**	**172**
49	**Assets not covered for GAR calculation**	**206,944**																													
50	**Central governments and Supranational issuers**	**77,603**																													
51	**Central banks exposure**	**94,792**																													
52	**Trading book**	**34,549**																													
53	**Total assets**	**981,279**																													
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	19																													
55	Assets under management	37,004	305	154		7	113	9	9																			313	162		7	113
56	Of which debt securities	677	97	27		2	12	3	3																			101	30		2	12
57	Of which equity instruments	36,327	208	127		4	102	5	5																			213	132		4	102

1. Assets for the calculation of GAR based on Capex

	Million EUR	Disclosure reference date T																												
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
	GAR - Covered assets in both numerator and denominator																													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	401,996	367,480	59,390	55,195	698	1,897	1,907	95		11	64	14		7	855	9		1	150	2			2				370,458	59,511	55,195	698	1,916
2	**Financial undertakings**	**28,340**	**7,550**	**684**		**143**	**286**	**477**	**49**		**6**					**65**												**8,092**	**733**		**143**	**292**
3	Credit institutions	24,490	6,017	398		43	121	115	2																			6,132	401		43	122
4	Loans and advances	13,182	3,061	293		37	112	84	2																			3,145	295		37	112
5	Debt securities, including UoP	11,257	2,927	100		6	9	31																				2,958	100		6	9
6	Equity instruments	51	29	5																								29	5			
7	Other financial corporations	3,850	1,534	286		100	165	362	47		6					65												1,961	332		100	171
8	of which investment firms	87	19																									19				
9	Loans and advances	82	19																									19				
10	Debt securities, including UoP																															
11	Equity instruments	5																														
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings	73																														
17	Loans and advances	73																														
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	**22,704**	**9,022**	**3,512**		**555**	**1,610**	**1,430**	**46**		**5**	**21**	**14**		**7**	**790**	**9**		**1**	**150**	**2**			**2**				**11,414**	**3,583**		**555**	**1,624**
21	Loans and advances	22,608	9,009	3,502		555	1,601	1,420	46		5	21	14		7	790	9		1	150	2			2				11,392	3,573		555	1,615
22	Debt securities, including UoP	97	12	10			9	10																				22	10			9
23	Equity instruments																															
24	**Households**	**348,580**	**348,580**	**55,195**	**55,195**																							**348,580**	**55,195**	**55,195**		
25	of which loans collateralised by residential immovable property	**348,580**	348,580	55,195	55,195																							348,580	55,195	55,195		
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	**2,371**	**2,328**									**43**																**2,371**				
29	Housing financing	2,304	2,304																									2,304				
30	Other local government financing	67	24									43																67				
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**2**																														
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	435,688																														
33	**Financial and Non-financial undertakings**	**336,082**																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	174,530																														
35	Loans and advances	163,768																														
36	of which loans collateralised by commercial immovable property	37,578																														

	Million EUR	Total [gross] carrying amount	Disclosure reference date T																												
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)								
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
37	of which building renovation loans																														
38	Debt securities	10,410																													
39	Equity instruments	352																													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	161,552																													
41	Loans and advances	151,547																													
42	Debt securities	7,624																													
43	Equity instruments	2,381																													
44	**Derivatives**	28,890																													
45	**On demand interbank loans**	3,194																													
46	**Cash and cash-related assets**	1,645																													
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	65,878																													
48	**Total GAR assets**	**837,686**	**367,480**	**59,390**	**55,195**	**698**	**1,897**	**1,907**	**95**		**11**	**64**	**14**		**7**	**855**	**9**		**1**	**150**	**2**			**2**				**370,458**	**59,511**	**55,195**	**698**	**1,916**
49	**Assets not covered for GAR calculation**	**188,816**																													
50	**Central governments and Supranational issuers**	**67,386**																													
51	**Central banks exposure**	**78,339**																													
52	**Trading book**	**43,092**																													
53	**Total assets**	**1,026,503**																													
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	77	28																								28				
55	Assets under management	5,723	1,939	808		27	474	453	6		3	22				130	53		1	34	3			10				2,588	870		27	478
56	Of which debt securities	1,919	815	292		11	185	149	2		1	9				30	20			25	1			7				1,035	314		11	186
57	Of which equity instruments	3,804	1,124	516		17	288	305	4		2	13				100	34		1	9	3			2				1,553	556		17	292

	Million EUR	Disclosure reference date T-1																									
		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	356,726	339,138	54,462	52,728	383	387	7	7																	339,146	54,470	52,728	383	387
2	**Financial undertakings**	**14,567**	**4,294**																							**4,294**				
3	Credit institutions	14,351	4,284																							4,284				
4	Loans and advances	7,327	2,070																							2,070				
5	Debt securities, including UoP	7,024	2,214																							2,214				
6	Equity instruments																													
7	Other financial corporations	216	10																							10				
8	of which investment firms	63																												
9	Loans and advances	58																												
10	Debt securities, including UoP																													
11	Equity instruments	5																												
12	of which management companies																													
13	Loans and advances																													
14	Debt securities, including UoP																													
15	Equity instruments																													
16	of which insurance undertakings	70																												
17	Loans and advances	70																												
18	Debt securities, including UoP																													
19	Equity instruments																													
20	**Non-financial undertakings**	**12,423**	**5,156**	**1,694**		**383**	**387**	**7**	**7**																	**5,163**	**1,701**		**383**	**387**
21	Loans and advances	12,257	5,156	1,694		383	387	7	7																	5,163	1,701		383	387
22	Debt securities, including UoP	163																												
23	Equity instruments	3																												
24	**Households**	**329,617**	**329,617**	**52,728**	**52,728**																					**329,617**	**52,728**	**52,728**		
25	of which loans collateralised by residential immovable property	**329,617**	329,617	52,728	52,728																					329,617	52,728	52,728		
26	of which building renovation loans																													
27	of which motor vehicle loans																													
28	**Local governments financing**	**119**	**71**	**41**																						**71**	**41**			
29	Housing financing																													
30	Other local government financing	119	71	41																						71	41			
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	**3**																												
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	417,605																												
33	**Financial and Non-financial undertakings**	**339,343**																												
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	181,720																												
35	Loans and advances	168,250																												
36	of which loans collateralised by commercial immovable property	48,442																												
37	of which building renovation loans	1,838																												
38	Debt securities	13,176																												

	Million EUR	Total [gross] carrying amount	Disclosure reference date T-1																											
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)								
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling							
39	Equity instruments	294																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	157,622																														
41	Loans and advances	149,994																														
42	Debt securities	5,871																														
43	Equity instruments	1,758																														
44	**Derivatives**	22,797																														
45	**On demand interbank loans**	2,722																														
46	**Cash and cash-related assets**	1,587																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	51,157																														
48	**Total GAR assets**	**774,335**	**339,139**	**54,462**	**52,728**	**383**	**387**	**7**	**7**																			**339,146**	**54,470**	**52,728**	**383**	**387**
49	**Assets not covered for GAR calculation**	**206,944**																														
50	**Central governments and Supranational issuers**	**77,603**																														
51	**Central banks exposure**	**94,792**																														
52	**Trading book**	**34,549**																														
53	**Total assets**	**981,279**																														
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	19																														
55	Assets under management	37,004	524	250		8	149	12	12																			536	261		8	149
56	Of which debt securities	677	163	44		3	18	1	1																			164	45		3	18
57	Of which equity instruments	36,327	362	206		5	132	11	11																			372	217		5	132

2. GAR sector information based on Turnover

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
1	0150 - Mixed farming																												
2	0161 - Support activities for crop production																												
3	0510 - Mining of hard coal																												
4	0610 - Extraction of crude petroleum																												
5	0729 - Mining of other non-ferrous metal ores																												
6	0811 - Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate	81	1																							81	1		
7	0812 - Operation of gravel and sand pits; mining of clays and kaolin																												
8	0910 - Support activities for petroleum and natural gas extraction																												
9	1032 - Manufacture of fruit and vegetable juice																												
10	1039 - Other processing and preserving of fruit and vegetables																												
11	1041 - Manufacture of oils and fats																												
12	1051 - Operation of dairies and cheese making																												
13	1061 - Manufacture of grain mill products																												
14	1071 - Manufacture of bread; manufacture of fresh pastry goods and cakes																												
15	1081 - Manufacture of sugar	2	2																							2	2		
16	1082 - Manufacture of cocoa, chocolate and sugar confectionery																												
17	1083 - Processing of tea and coffee																												
18	1089 - Manufacture of other food products n.e.c.	1	1																							1	1		
19	1091 - Manufacture of prepared feeds for farm animals																												
20	1101 - Distilling, rectifying and blending of spirits																												
21	1105 - Manufacture of beer																												
22	1106 - Manufacture of malt																												
23	1107 - Manufacture of soft drinks; production of mineral waters and other bottled waters																												
24	1310 - Preparation and spinning of textile fibres																												
25	1395 - Manufacture of non-wovens and articles made from non-wovens, except apparel																												
26	1396 - Manufacture of other technical and industrial textiles																												
27	1511 - Tanning and dressing of leather; dressing and dyeing of fur	4	1															1								4	1		
28	1629 - Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials																												
29	1711 - Manufacture of pulp	1	1																							1	1		
30	1712 - Manufacture of paper and paperboard																												
31	1721 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard																												
32	1722 - Manufacture of household and sanitary goods and of toilet requisites																												
33	1729 - Manufacture of other articles of paper and paperboard																												
34	1812 - Other printing																												

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
35	1920 - Manufacture of refined petroleum products	199	142											4												203	142		
36	2011 - Manufacture of industrial gases																												
37	2014 - Manufacture of other organic basic chemicals	3																								3			
38	2015 - Manufacture of fertilisers and nitrogen compounds	20																								20			
39	2020 - Manufacture of pesticides and other agrochemical products																												
40	2030 - Manufacture of paints, varnishes and similar coatings, printing ink and mastics																												
41	2041 - Manufacture of soap and detergents, cleaning and polishing preparations																												
42	2042 - Manufacture of perfumes and toilet preparations																												
43	2051 - Manufacture of explosives																												
44	2059 - Manufacture of other chemical products n.e.c.	36																1								37			
45	2110 - Manufacture of basic pharmaceutical products																	59				55				114			
46	2120 - Manufacture of pharmaceutical preparations																												
47	2211 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	25	12																							26	12		
48	2222 - Manufacture of plastic packing goods													13	3											15	3		
49	2229 - Manufacture of other plastic products																												
50	2311 - Manufacture of flat glass	2	2																							2	2		
51	2313 - Manufacture of hollow glass	1	1																							1	1		
52	2319 - Manufacture and processing of other glass, including technical glassware																												
53	2351 - Manufacture of cement	3																								3			
54	2352 - Manufacture of lime and plaster																												
55	2361 - Manufacture of concrete products for construction purposes	1	1																							1	1		
56	2363 - Manufacture of ready-mixed concrete																												
57	2391 - Production of abrasive products																												
58	2399 - Manufacture of other non-metallic mineral products n.e.c.	2	1																							2	1		
59	2410 - Manufacture of basic iron and steel and of ferro-alloys	1,733	285			349								65												2,147	285		
60	2420 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel																												
61	2442 - Aluminium production	1	1			1																				2	1		
62	2445 - Other non-ferrous metal production	15	15																							15	15		
63	2451 - Casting of iron																												
64	2452 - Casting of steel																												
65	2454 - Casting of other non-ferrous metals																												
66	2511 - Manufacture of metal structures and parts of structures	3	1											1												4	1		
67	2512 - Manufacture of doors and windows of metal	4	4																							4	4		
68	2521 - Manufacture of central heating radiators and boilers																												
69	2529 - Manufacture of other tanks, reservoirs and containers of metal	10																								10			
70	2550 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy																												

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
71	2561 - Treatment and coating of metals	7																								7			
72	2573 - Manufacture of tools	24	24																							24	24		
73	2593 - Manufacture of wire products, chain and springs	19	17																							19	17		
74	2599 - Manufacture of other fabricated metal products n.e.c.																												
75	2611 - Manufacture of electronic components																												
76	2612 - Manufacture of loaded electronic boards																												
77	2620 - Manufacture of computers and peripheral equipment																												
78	2630 - Manufacture of communication equipment					1																				1			
79	2640 - Manufacture of consumer electronics																												
80	2651 - Manufacture of instruments and appliances for measuring, testing and navigation	10	9							4	4															14	13		
81	2660 - Manufacture of irradiation, electromedical and electrotherapeutic equipment																												
82	2711 - Manufacture of electric motors, generators and transformers																												
83	2712 - Manufacture of electricity distribution and control apparatus	2	1																							2	1		
84	2731 - Manufacture of fibre optic cables																												
85	2740 - Manufacture of electric lighting equipment	26	16							1				24	2											50	18		
86	2790 - Manufacture of other electrical equipment	87	87			4																				91	87		
87	2811 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	22	22																							22	22		
88	2813 - Manufacture of other pumps and compressors																												
89	2814 - Manufacture of other taps and valves	2																								2			
90	2825 - Manufacture of non-domestic cooling and ventilation equipment																												
91	2829 - Manufacture of other general-purpose machinery n.e.c.	8												958												966			
92	2830 - Manufacture of agricultural and forestry machinery																												
93	2891 - Manufacture of machinery for metallurgy	1				1																				1			
94	2892 - Manufacture of machinery for mining, quarrying and construction																												
95	2893 - Manufacture of machinery for food, beverage and tobacco processing																												
96	2899 - Manufacture of other special-purpose machinery n.e.c.																												
97	2910 - Manufacture of motor vehicles	592	51			1	1							4												597	52		
98	2920 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers																												
99	2931 - Manufacture of electrical and electronic equipment for motor vehicles																												
100	2932 - Manufacture of other parts and accessories for motor vehicles	92	14																							93	14		
101	3020 - Manufacture of railway locomotives and rolling stock	1	1																							1	1		
102	3030 - Manufacture of air and spacecraft and related machinery	63																								63			
103	3091 - Manufacture of motorcycles	9	1																							9	1		
104	3099 - Manufacture of other transport equipment n.e.c.																												
105	3109 - Manufacture of other furniture																												
106	3250 - Manufacture of medical and dental instruments and supplies	5												8				71								84			

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
107	3299 - Other manufacturing n.e.c.	207	69			82								8				1								297	69		
108	3320 - Installation of industrial machinery and equipment																												
109	3511 - Production of electricity	324	39			87								1												413	39		
110	3512 - Transmission of electricity	325	224			225																				549	224		
111	3513 - Distribution of electricity	388	313							1	1			3	3			1	1							392	317		
112	3514 - Trade of electricity																												
113	3521 - Manufacture of gas	67	63																							68	63		
114	3530 - Steam and air conditioning supply																												
115	3600 - Water collection, treatment and supply	5	3							2				1												8	4		
116	3700 - Sewerage																												
117	3811 - Collection of non-hazardous waste																												
118	3821 - Treatment and disposal of non-hazardous waste	1																								1			
119	3822 - Treatment and disposal of hazardous waste																												
120	3832 - Recovery of sorted materials																												
121	4110 - Development of building projects																												
122	4120 - Construction of residential and non-residential buildings	36	14			3				1				2												42	14		
123	4213 - Construction of bridges and tunnels																												
124	4221 - Construction of utility projects for fluids																												
125	4222 - Construction of utility projects for electricity and telecommunications	32	16																							32	16		
126	4291 - Construction of water projects																												
127	4299 - Construction of other civil engineering projects n.e.c.	1	1			1																				3	1		
128	4312 - Site preparation																												
129	4321 - Electrical installation	44	29																							44	29		
130	4322 - Plumbing, heat and air-conditioning installation																												
131	4329 - Other construction installation																												
132	4332 - Joinery installation																												
133	4333 - Floor and wall covering																												
134	4339 - Other building completion and finishing																												
135	4399 - Other specialised construction activities n.e.c.																												
136	4511 - Sale of cars and light motor vehicles	18	2																							18	2		
137	4519 - Sale of other motor vehicles	24																								24			
138	4520 - Maintenance and repair of motor vehicles																												
139	4531 - Wholesale trade of motor vehicle parts and accessories																												
140	4532 - Retail trade of motor vehicle parts and accessories																												
141	4612 - Agents involved in the sale of fuels, ores, metals and industrial chemicals																												
142	4615 - Agents involved in the sale of furniture, household goods, hardware and ironmongery																												
143	4618 - Agents specialised in the sale of other particular products																												
144	4619 - Agents involved in the sale of a variety of goods																												

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
145	4621 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	22	21											5												27	21		
146	4633 - Wholesale of dairy products, eggs and edible oils and fats																												
147	4634 - Wholesale of beverages																												
148	4636 - Wholesale of sugar and chocolate and sugar confectionery																												
149	4638 - Wholesale of other food, including fish, crustaceans and molluscs																												
150	4639 - Non-specialised wholesale of food, beverages and tobacco																												
151	4641 - Wholesale of textiles																												
152	4642 - Wholesale of clothing and footwear																												
153	4643 - Wholesale of electrical household appliances																												
154	4646 - Wholesale of pharmaceutical goods																	3				2				5			
155	4647 - Wholesale of furniture, carpets and lighting equipment																												
156	4649 - Wholesale of other household goods																												
157	4651 - Wholesale of computers, computer peripheral equipment and software																												
158	4652 - Wholesale of electronic and telecommunications equipment and parts																												
159	4662 - Wholesale of machine tools																												
160	4666 - Wholesale of other office machinery and equipment	1	1											1												2	1		
161	4669 - Wholesale of other machinery and equipment	10	5			10								31												50	5		
162	4671 - Wholesale of solid, liquid and gaseous fuels and related products	63	14																							63	14		
163	4672 - Wholesale of metals and metal ores																												
164	4673 - Wholesale of wood, construction materials and sanitary equipment																												
165	4674 - Wholesale of hardware, plumbing and heating equipment and supplies																												
166	4675 - Wholesale of chemical products																												
167	4711 - Retail sale in non-specialised stores with food, beverages or tobacco predominating					15																				15			
168	4719 - Other retail sale in non-specialised stores																												
169	4729 - Other retail sale of food in specialised stores																												
170	4730 - Retail sale of automotive fuel in specialised stores																												
171	4741 - Retail sale of computers, peripheral units and software in specialised stores																												
172	4742 - Retail sale of telecommunications equipment in specialised stores																												
173	4743 - Retail sale of audio and video equipment in specialised stores																												
174	4752 - Retail sale of hardware, paints and glass in specialised stores																												
175	4754 - Retail sale of electrical household appliances in specialised stores																												
176	4759 - Retail sale of furniture, lighting equipment and other household articles in specialised stores																												
177	4764 - Retail sale of sporting equipment in specialised stores																												
178	4771 - Retail sale of clothing in specialised stores																												
179	4772 - Retail sale of footwear and leather goods in specialised stores																												

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
180	4773 - Dispensing chemist in specialised stores																												
181	4774 - Retail sale of medical and orthopaedic goods in specialised stores																												
182	4776 - Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores																												
183	4778 - Other retail sale of new goods in specialised stores																												
184	4799 - Other retail sale not in stores, stalls or markets																												
185	4920 - Freight rail transport	116	65			45								4												165	65		
186	4931 - Urban and suburban passenger land transport																												
187	4932 - Taxi operation																												
188	4941 - Freight transport by road	86	19			56								1												143	19		
189	4950 - Transport via pipeline																												
190	5020 - Sea and coastal freight water transport	72				71																				143			
191	5040 - Inland freight water transport	22	8			22																				43	8		
192	5110 - Passenger air transport	5																								5			
193	5121 - Freight air transport																												
194	5210 - Warehousing and storage																												
195	5221 - Service activities incidental to land transportation	7	2			6								3												17	2		
196	5222 - Service activities incidental to water transportation																												
197	5223 - Service activities incidental to air transportation	57	4																							57	4		
198	5224 - Cargo handling																												
199	5229 - Other transportation support activities	1				1																				2			
200	5310 - Postal activities under universal service obligation	6	2			2																				8	2		
201	5320 - Other postal and courier activities	29	10																							29	10		
202	5510 - Hotels and similar accommodation																												
203	5610 - Restaurants and mobile food service activities																												
204	5621 - Event catering activities																												
205	5629 - Other food service activities																												
206	5630 - Beverage serving activities																												
207	5811 - Book publishing																												
208	5813 - Publishing of newspapers																												
209	5819 - Other publishing activities					2																				2			
210	5829 - Other software publishing																												
211	5911 - Motion picture, video and television programme production activities					11								1												11			
212	5920 - Sound recording and music publishing activities																												
213	6020 - Television programming and broadcasting activities																												
214	6110 - Wired telecommunications activities	187	114			4								80												272	114		
215	6120 - Wireless telecommunications activities	6	5			17	17																			25	23		
216	6190 - Other telecommunications activities	3	2			7	7																			11	9		
217	6201 - Computer programming activities	550	1																							550	1		

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
218	6202 - Computer consultancy activities																												
219	6203 - Computer facilities management activities	1																								1			
220	6209 - Other information technology and computer service activities																												
221	6311 - Data processing, hosting and related activities																									1			
222	6399 - Other information service activities n.e.c.																												
223	6411 - Central banking	1																								1			
224	6419 - Other monetary intermediation	3																								3			
225	6420 - Activities of holding companies																												
226	6430 - Trusts, funds and similar financial entities	12	12																							12	12		
227	6491 - Financial leasing																												
228	6492 - Other credit granting	1																								1			
229	6499 - Other financial service activities, except insurance and pension funding n.e.c.	12	2																							12	2		
230	6810 - Buying and selling of own real estate																												
231	6820 - Renting and operating of own or leased real estate	417	24			73	34							2												492	58		
232	6831 - Real estate agencies																												
233	6920 - Accounting, bookkeeping and auditing activities; tax consultancy																												
234	7010 - Activities of head offices	1																1								2			
235	7021 - Public relations and communication activities																												
236	7022 - Business and other management consultancy activities																												
237	7111 - Architectural activities																												
238	7112 - Engineering activities and related technical consultancy	3																								4			
239	7120 - Technical testing and analysis																												
240	7211 - Research and experimental development on biotechnology																												
241	7311 - Advertising agencies																												
242	7320 - Market research and public opinion polling																												
243	7490 - Other professional, scientific and technical activities n.e.c.																												
244	7711 - Renting and leasing of cars and light motor vehicles	283	39											74												358	39		
245	7712 - Renting and leasing of trucks																												
246	7732 - Renting and leasing of construction and civil engineering machinery and equipment																												
247	7739 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	1												1												2			
248	7740 - Leasing of intellectual property and similar products, except copyrighted works																												
249	7810 - Activities of employment placement agencies																												
250	7820 - Temporary employment agency activities																												
251	7830 - Other human resources provision																												
252	7911 - Travel agency activities	1																								1			
253	7912 - Tour operator activities																												
254	8010 - Private security activities																												

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
255	8110 - Combined facilities support activities																												
256	8121 - General cleaning of buildings																												
257	8122 - Other building and industrial cleaning activities																												
258	8129 - Other cleaning activities																												
259	8211 - Combined office administrative service activities																												
260	8220 - Activities of call centres																												
261	8291 - Activities of collection agencies and credit bureaus																												
262	8299 - Other business support service activities n.e.c.	33	16			26																				60	16		
263	8531 - General secondary education																												
264	8559 - Other education n.e.c.																												
265	8610 - Hospital activities																												
266	8621 - General medical practice activities																												
267	8690 - Other human health activities	3				2								2												7			
268	8710 - Residential nursing care activities																												
269	8730 - Residential care activities for the elderly and disabled																												
270	9311 - Operation of sports facilities																												
271	9321 - Activities of amusement parks and theme parks																												
272	9499 - Activities of other membership organisations n.e.c.																												
273	9522 - Repair of household appliances and home and garden equipment																												
274	9609 - Other personal service activities n.e.c.																												

2. GAR sector information based on Capex

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
1	0150 - Mixed farming																												
2	0161 - Support activities for crop production																												
3	0510 - Mining of hard coal																												
4	0610 - Extraction of crude petroleum																												
5	0729 - Mining of other non-ferrous metal ores	5				5																				9			
6	0811 - Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate	103	22																							103	22		
7	0812 - Operation of gravel and sand pits; mining of clays and kaolin																												
8	0910 - Support activities for petroleum and natural gas extraction	1																								1			
9	1032 - Manufacture of fruit and vegetable juice																												
10	1039 - Other processing and preserving of fruit and vegetables	13				13																1				27			
11	1041 - Manufacture of oils and fats																												
12	1051 - Operation of dairies and cheese making																												
13	1061 - Manufacture of grain mill products																												
14	1071 - Manufacture of bread; manufacture of fresh pastry goods and cakes																												
15	1081 - Manufacture of sugar	5	5																							5	5		
16	1082 - Manufacture of cocoa, chocolate and sugar confectionery																												
17	1083 - Processing of tea and coffee																												
18	1089 - Manufacture of other food products n.e.c.	17	4			12				1				2												32	4		
19	1091 - Manufacture of prepared feeds for farm animals																												
20	1101 - Distilling, rectifying and blending of spirits																												
21	1105 - Manufacture of beer	3																								3			
22	1106 - Manufacture of malt																												
23	1107 - Manufacture of soft drinks; production of mineral waters and other bottled waters																												
24	1310 - Preparation and spinning of textile fibres																												
25	1395 - Manufacture of non-wovens and articles made from non-wovens, except apparel																												
26	1396 - Manufacture of other technical and industrial textiles																												
27	1511 - Tanning and dressing of leather; dressing and dyeing of fur	8																								8			
28	1629 - Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials																												
29	1711 - Manufacture of pulp	1	1																							1	1		
30	1712 - Manufacture of paper and paperboard																												
31	1721 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard																												
32	1722 - Manufacture of household and sanitary goods and of toilet requisites																												
33	1729 - Manufacture of other articles of paper and paperboard																												
34	1812 - Other printing																												

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
35	1920 - Manufacture of refined petroleum products	533	446											10												543	447		
36	2011 - Manufacture of industrial gases																												
37	2014 - Manufacture of other organic basic chemicals	4	2																							4	2		
38	2015 - Manufacture of fertilisers and nitrogen compounds	165	2																							165	2		
39	2020 - Manufacture of pesticides and other agrochemical products																												
40	2030 - Manufacture of paints, varnishes and similar coatings, printing ink and mastics	5																								5			
41	2041 - Manufacture of soap and detergents, cleaning and polishing preparations	21	1											7												29	1		
42	2042 - Manufacture of perfumes and toilet preparations	1																								1			
43	2051 - Manufacture of explosives																												
44	2059 - Manufacture of other chemical products n.e.c.	27												3				6								36			
45	2110 - Manufacture of basic pharmaceutical products	22				3								5				50								80			
46	2120 - Manufacture of pharmaceutical preparations																												
47	2211 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	28	13			28																				56	13		
48	2222 - Manufacture of plastic packing goods	1	1			1								5	4											7	4		
49	2229 - Manufacture of other plastic products	2	2																							2	2		
50	2311 - Manufacture of flat glass	2	2																							2	2		
51	2313 - Manufacture of hollow glass	1	1																							1	1		
52	2319 - Manufacture and processing of other glass, including technical glassware																												
53	2351 - Manufacture of cement	4	1																							4	1		
54	2352 - Manufacture of lime and plaster																												
55	2361 - Manufacture of concrete products for construction purposes	1	1																							1	1		
56	2363 - Manufacture of ready-mixed concrete	1																								1			
57	2391 - Production of abrasive products																												
58	2399 - Manufacture of other non-metallic mineral products n.e.c.	2	2																							2	2		
59	2410 - Manufacture of basic iron and steel and of ferro-alloys	1,401	193			283								15												1,699	193		
60	2420 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel																												
61	2442 - Aluminium production	3	3			2																				5	3		
62	2445 - Other non-ferrous metal production	124	124																							124	124		
63	2451 - Casting of iron																												
64	2452 - Casting of steel																												
65	2454 - Casting of other non-ferrous metals																												
66	2511 - Manufacture of metal structures and parts of structures	2												1												2			
67	2512 - Manufacture of doors and windows of metal	34	34																							34	34		
68	2521 - Manufacture of central heating radiators and boilers																												
69	2529 - Manufacture of other tanks, reservoirs and containers of metal	10																								10			
70	2550 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy																												

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
71	2561 - Treatment and coating of metals	7																								7			
72	2573 - Manufacture of tools	28	28																							28	28		
73	2593 - Manufacture of wire products, chain and springs	23	15																							23	15		
74	2599 - Manufacture of other fabricated metal products n.e.c.																												
75	2611 - Manufacture of electronic components	4																								4			
76	2612 - Manufacture of loaded electronic boards																												
77	2620 - Manufacture of computers and peripheral equipment																												
78	2630 - Manufacture of communication equipment					2																				2			
79	2640 - Manufacture of consumer electronics																												
80	2651 - Manufacture of instruments and appliances for measuring, testing and navigation	6	6							7	6															13	13		
81	2660 - Manufacture of irradiation, electromedical and electrotherapeutic equipment																												
82	2711 - Manufacture of electric motors, generators and transformers																												
83	2712 - Manufacture of electricity distribution and control apparatus	1	1																							1	1		
84	2731 - Manufacture of fibre optic cables																												
85	2740 - Manufacture of electric lighting equipment	35	19							1				12	1											48	19		
86	2790 - Manufacture of other electrical equipment	65	65			4																				69	65		
87	2811 - Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	21	21																							21	21		
88	2813 - Manufacture of other pumps and compressors																												
89	2814 - Manufacture of other taps and valves	1																								1			
90	2825 - Manufacture of non-domestic cooling and ventilation equipment																												
91	2829 - Manufacture of other general-purpose machinery n.e.c.	202												290												493			
92	2830 - Manufacture of agricultural and forestry machinery																									1			
93	2891 - Manufacture of machinery for metallurgy	3				1																				4			
94	2892 - Manufacture of machinery for mining, quarrying and construction																												
95	2893 - Manufacture of machinery for food, beverage and tobacco processing																												
96	2899 - Manufacture of other special-purpose machinery n.e.c.																												
97	2910 - Manufacture of motor vehicles	611	108			140	2																			751	110		
98	2920 - Manufacture of bodies (coachwork) for motor vehicles; manufacture of trailers and semi-trailers																												
99	2931 - Manufacture of electrical and electronic equipment for motor vehicles																												
100	2932 - Manufacture of other parts and accessories for motor vehicles	119	35			35																				154	35		
101	3020 - Manufacture of railway locomotives and rolling stock	1	1																							1	1		
102	3030 - Manufacture of air and spacecraft and related machinery	53				1																				54			
103	3091 - Manufacture of motorcycles	9	1																							9	1		
104	3099 - Manufacture of other transport equipment n.e.c.																												
105	3109 - Manufacture of other furniture																												
106	3250 - Manufacture of medical and dental instruments and supplies	92												39				32								163			

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
107	3299 - Other manufacturing n.e.c.	276	127			162								1				1								440	127		
108	3320 - Installation of industrial machinery and equipment																												
109	3511 - Production of electricity	396	114			129								1												526	114		
110	3512 - Transmission of electricity	325	224			5																				330	224		
111	3513 - Distribution of electricity	585	466							7	7			4	4			2	2							598	478		
112	3514 - Trade of electricity																												
113	3521 - Manufacture of gas	223	194																							223	194		
114	3530 - Steam and air conditioning supply																												
115	3600 - Water collection, treatment and supply	6	3							3				1				1	1							11	4		
116	3700 - Sewerage																												
117	3811 - Collection of non-hazardous waste																												
118	3821 - Treatment and disposal of non-hazardous waste	1																								1			
119	3822 - Treatment and disposal of hazardous waste																												
120	3832 - Recovery of sorted materials																												
121	4110 - Development of building projects																												
122	4120 - Construction of residential and non-residential buildings	30	7			2				2				1												35	7		
123	4213 - Construction of bridges and tunnels																												
124	4222 - Construction of utility projects for electricity and telecommunications	33	17																							33	17		
125	4291 - Construction of water projects																												
126	4299 - Construction of other civil engineering projects n.e.c.	1	1			2																				3	1		
127	4312 - Site preparation																												
128	4321 - Electrical installation	40	13																							40	13		
129	4322 - Plumbing, heat and air-conditioning installation																												
130	4329 - Other construction installation																												
131	4332 - Joinery installation																												
132	4333 - Floor and wall covering																												
133	4339 - Other building completion and finishing																												
134	4399 - Other specialised construction activities n.e.c.																												
135	4511 - Sale of cars and light motor vehicles	20	6																							20	6		
136	4519 - Sale of other motor vehicles	25	2																							25	2		
137	4520 - Maintenance and repair of motor vehicles																												
138	4531 - Wholesale trade of motor vehicle parts and accessories	19	15																							19	15		
139	4532 - Retail trade of motor vehicle parts and accessories	3	2																							3	2		
140	4612 - Agents involved in the sale of fuels, ores, metals and industrial chemicals																												
141	4615 - Agents involved in the sale of furniture, household goods, hardware and ironmongery																												
142	4618 - Agents specialised in the sale of other particular products																												
143	4619 - Agents involved in the sale of a variety of goods																												

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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
144	4621 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	247	231											7												254	231		
145	4633 - Wholesale of dairy products, eggs and edible oils and fats																												
146	4634 - Wholesale of beverages																												
147	4636 - Wholesale of sugar and chocolate and sugar confectionery																												
148	4638 - Wholesale of other food, including fish, crustaceans and molluscs	16	3											14				14								44	3		
149	4639 - Non-specialised wholesale of food, beverages and tobacco	26												26				26								79			
150	4641 - Wholesale of textiles																												
151	4642 - Wholesale of clothing and footwear																												
152	4643 - Wholesale of electrical household appliances																												
153	4646 - Wholesale of pharmaceutical goods	4																2								7			
154	4647 - Wholesale of furniture, carpets and lighting equipment																												
155	4649 - Wholesale of other household goods					2																				2			
156	4651 - Wholesale of computers, computer peripheral equipment and software																												
157	4652 - Wholesale of electronic and telecommunications equipment and parts	1	1																							1	1		
158	4662 - Wholesale of machine tools																												
159	4666 - Wholesale of other office machinery and equipment	2	1											1												2	1		
160	4669 - Wholesale of other machinery and equipment	10	1			10								2												23	1		
161	4671 - Wholesale of solid, liquid and gaseous fuels and related products	295	263			10																				306	263		
162	4672 - Wholesale of metals and metal ores	7																								8			
163	4673 - Wholesale of wood, construction materials and sanitary equipment																												
164	4674 - Wholesale of hardware, plumbing and heating equipment and supplies																												
165	4675 - Wholesale of chemical products																												
166	4711 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	252	24			77								31												359	24		
167	4719 - Other retail sale in non-specialised stores																												
168	4725 - Retail sale of beverages in specialised stores																												
169	4729 - Other retail sale of food in specialised stores																												
170	4730 - Retail sale of automotive fuel in specialised stores																												
171	4741 - Retail sale of computers, peripheral units and software in specialised stores																												
172	4742 - Retail sale of telecommunications equipment in specialised stores																												
173	4743 - Retail sale of audio and video equipment in specialised stores																												
174	4752 - Retail sale of hardware, paints and glass in specialised stores	25	2																							25	2		
175	4754 - Retail sale of electrical household appliances in specialised stores																												
176	4759 - Retail sale of furniture, lighting equipment and other household articles in specialised stores																												
177	4764 - Retail sale of sporting equipment in specialised stores	2				2																				4			
178	4771 - Retail sale of clothing in specialised stores																												

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
179	4772 - Retail sale of footwear and leather goods in specialised stores																												
180	4773 - Dispensing chemist in specialised stores																												
181	4774 - Retail sale of medical and orthopaedic goods in specialised stores																												
182	4776 - Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores																												
183	4778 - Other retail sale of new goods in specialised stores																												
184	4799 - Other retail sale not in stores, stalls or markets																												
185	4920 - Freight rail transport	141	90			44	3							25												210	93		
186	4931 - Urban and suburban passenger land transport																												
187	4932 - Taxi operation																												
188	4941 - Freight transport by road	137	40			49								15				15								216	40		
189	4950 - Transport via pipeline																												
190	5020 - Sea and coastal freight water transport	72				71																				143			
191	5040 - Inland freight water transport	25	4			25																				49	4		
192	5110 - Passenger air transport	5																								5			
193	5121 - Freight air transport																												
194	5210 - Warehousing and storage	1				1								1												2			
195	5221 - Service activities incidental to land transportation	6	1			6								4												16	1		
196	5222 - Service activities incidental to water transportation																												
197	5223 - Service activities incidental to air transportation	115	13			111								99												325	13		
198	5224 - Cargo handling																												
199	5229 - Other transportation support activities	132				1																				133			
200	5310 - Postal activities under universal service obligation	7	3			1																				8	3		
201	5320 - Other postal and courier activities	27	13																							27	14		
202	5510 - Hotels and similar accommodation																												
203	5610 - Restaurants and mobile food service activities	3																								3			
204	5621 - Event catering activities																												
205	5629 - Other food service activities																												
206	5630 - Beverage serving activities																												
207	5811 - Book publishing																												
208	5813 - Publishing of newspapers																												
209	5819 - Other publishing activities					7																				7			
210	5829 - Other software publishing	18	11																							18	11		
211	5911 - Motion picture, video and television programme production activities	1				20								1												22	1		
212	5920 - Sound recording and music publishing activities																												
213	6020 - Television programming and broadcasting activities	12												8												20			
214	6110 - Wired telecommunications activities	285	233			10								79												375	233		
215	6120 - Wireless telecommunications activities	21	18			2	2							1												25	21		
216	6190 - Other telecommunications activities	9	7			1	1							1												11	7		

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
217	6201 - Computer programming activities	399	57											8												407	58		
218	6202 - Computer consultancy activities	1																								1			
219	6203 - Computer facilities management activities	1																								1			
220	6209 - Other information technology and computer service activities																												
221	6311 - Data processing, hosting and related activities																									1			
222	6399 - Other information service activities n.e.c.																												
223	6411 - Central banking	1																								1			
224	6419 - Other monetary intermediation	3																								3			
225	6420 - Activities of holding companies																												
226	6430 - Trusts, funds and similar financial entities																												
227	6491 - Financial leasing																												
228	6492 - Other credit granting	1																								1			
229	6499 - Other financial service activities, except insurance and pension funding n.e.c.	12	2																							12	2		
230	6810 - Buying and selling of own real estate																												
231	6820 - Renting and operating of own or leased real estate	413	34			63	32							52												528	66		
232	6831 - Real estate agencies																												
233	6920 - Accounting, bookkeeping and auditing activities; tax consultancy																												
234	7010 - Activities of head offices	1																1								2			
235	7021 - Public relations and communication activities																												
236	7022 - Business and other management consultancy activities																												
237	7111 - Architectural activities																												
238	7112 - Engineering activities and related technical consultancy	22																								22			
239	7120 - Technical testing and analysis																												
240	7211 - Research and experimental development on biotechnology																												
241	7311 - Advertising agencies																												
242	7320 - Market research and public opinion polling																												
243	7490 - Other professional, scientific and technical activities n.e.c.																												
244	7711 - Renting and leasing of cars and light motor vehicles	355	77			24																				380	77		
245	7712 - Renting and leasing of trucks																												
246	7732 - Renting and leasing of construction and civil engineering machinery and equipment																												
247	7739 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	1																								1			
248	7740 - Leasing of intellectual property and similar products, except copyrighted works																												
249	7810 - Activities of employment placement agencies																												
250	7820 - Temporary employment agency activities																												
251	7830 - Other human resources provision																												
252	7911 - Travel agency activities	21																								21			
253	7912 - Tour operator activities																												

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
254	8010 - Private security activities																												
255	8110 - Combined facilities support activities																												
256	8121 - General cleaning of buildings																												
257	8122 - Other building and industrial cleaning activities																												
258	8129 - Other cleaning activities																												
259	8211 - Combined office administrative service activities																												
260	8220 - Activities of call centres																												
261	8291 - Activities of collection agencies and credit bureaus																												
262	8299 - Other business support service activities n.e.c.	48	27			26								1												76	27		
263	8531 - General secondary education																												
264	8559 - Other education n.e.c.																												
265	8610 - Hospital activities																												
266	8621 - General medical practice activities																												
267	8690 - Other human health activities	18				31	4							17												66	4		
268	8710 - Residential nursing care activities																												
269	8730 - Residential care activities for the elderly and disabled																												
270	9311 - Operation of sports facilities																												
271	9321 - Activities of amusement parks and theme parks																												
272	9499 - Activities of other membership organisations n.e.c.																												
273	9522 - Repair of household appliances and home and garden equipment																												
274	9609 - Other personal service activities n.e.c.																												

3. KPI Stock based on Turnover[1]

	% (compared to total covered assets in the denominator)	Disclosure reference date T																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Propor-tion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transiti-onal	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	90.78 %	14.31 %	13.73 %	0.14 %	0.26 %	0.34 %	0.03 %		0.01 %	0.01 %				0.35 %				0.04 %				0.01 %				91.55 %	14.34 %	13.73 %	0.14 %	0.27 %	39.16 %
2	**Financial undertakings**	26.19 %	1.63 %		0.28 %	0.50 %	0.83 %	0.16 %		0.01 %					0.45 %				0.12 %								27.59 %	1.79 %		0.28 %	0.51 %	2.76 %
3	Credit institutions	24.61 %	1.27 %		0.13 %	0.21 %	0.40 %	0.01 %																			25.02 %	1.28 %		0.13 %	0.22 %	2.39 %
4	Loans and advances	23.37 %	1.61 %		0.21 %	0.37 %	0.53 %	0.01 %							0.01 %												23.91 %	1.62 %		0.21 %	0.37 %	1.28 %
5	Debt securities, including UoP	26.16 %	0.88 %		0.04 %	0.04 %	0.25 %	0.01 %																			26.41 %	0.89 %		0.04 %	0.04 %	1.10 %
6	Equity instruments	5.30 %	0.20																								5.30 %	0.20 %				
7	Other financial corporations	36.25 %	3.90 %		1.21 %	2.33 %	3.54 %	1.15 %		0.04 %					3.29 %				0.86 %								43.94 %	5.06 %		1.21 %	2.37 %	0.38 %
8	of which investment firms	22.21 %	0.02																								22.21 %	0.02 %				0.01 %
9	Loans and advances	23.55 %	0.02																								23.55 %	0.02 %				0.01 %
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies	22.58 %	17.15 %		0.20 %	7.83 %	0.73 %	0.45 %							0.01 %												23.32 %	17.60 %		0.20 %	7.83 %	
13	Loans and advances	22.58 %	17.15 %		0.20 %	7.83 %	0.73 %	0.45 %							0.01 %												23.32 %	17.60 %		0.20 %	7.83 %	
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings	0.02 %	0.02 %			0.01 %																					0.02 %	0.02 %			0.01 %	0.01 %
17	Loans and advances	0.02 %	0.02 %			0.01 %																					0.02 %	0.02 %			0.01 %	0.01 %
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	29.12 %	8.18 %		2.07 %	4.02 %	4.96 %	0.26 %		0.11 %	0.05 %	0.02 %		0.02 %	5.71 %	0.04 %		0.01 %	0.61 %				0.25 %				40.70 %	8.50 %		2.07 %	4.16 %	2.21 %
21	Loans and advances	29.19 %	8.18 %		2.08 %	4.01 %	4.95 %	0.26 %		0.11 %	0.05 %	0.02 %		0.02 %	5.74 %	0.04 %		0.01 %	0.61 %				0.25 %				40.79 %	8.51 %		2.08 %	4.15 %	2.20 %
22	Debt securities, including UoP	12.67 %	6.33 %			5.70 %	6.33 %																				19.00 %	6.33 %			5.70 %	0.01 %
23	Equity instruments																															
24	**Households**	100.00 %	15.83 %	15.83 %																							100.00 %	15.83 %	15.83 %			33.96 %
25	of which loans collateralised by residential immovable property	100.00 %	15.83 %	15.83 %																							100.00 %	15.83 %	15.83 %			33.96 %
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	98.17 %									1.83 %																100.00 %					0.23 %
29	Housing financing	100.00 %																									100.00 %					0.22 %
30	Other local government financing	35.39 %									64.61 %																100.00 %					0.01 %
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	21.88 %																									21.88 %					
32	**Total GAR assets**	43.57 %	6.87 %	6.59 %	0.07 %	0.13 %	0.16 %	0.01 %			0.01 %				0.17 %				0.02 %				0.01 %				43.93 %	6.88 %	6.59 %	0.07 %	0.13 %	81.61 %

[1] The calculations in this template for both reporting year 2023 as 2024 for proportion of total assets covered has been revised based on latest insight.

% (compared to total covered assets in the denominator)		Disclosure reference date T- 1																									
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transiti-onal	Of which enabling	
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	94.7 %	15.1 %	14.8 %	0.1 %	0.1 %																			94.7 %	15.1 %	14.8 %	0.1 %	0.1 %	36.4 %
2	**Financial undertakings**	30.2 %																							30.2 %					1.5 %
3	Credit institutions	30.6 %																							30.6 %					1.5 %
4	Loans and advances	29.8 %																							29.8 %					0.8 %
5	Debt securities, including UoP	31.5 %																							31.5 %					0.7 %
6	Equity instruments																														
7	Other financial corporations																														
8	of which investment firms	0.1 %																							0.1 %					
9	Loans and advances	0.1 %					0.1 %	0.1 %																	0.1 %	0.1 %				
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**	29.9 %	8.8 %		2.4 %	1.4 %																			29.9 %	8.8 %		2.4 %	1.4 %	1.3 %
21	Loans and advances	30.3 %	8.9 %		2.4 %	1.4 %																			30.3 %	8.9 %		2.4 %	1.4 %	1.3 %
22	Debt securities, including UoP	0.3 %	0.3 %																						0.3 %	0.3 %				
23	Equity instruments																														
24	**Households**	100.0 %	16.0 %	16.0 %																					100.0 %	16.0 %	16.0 %			33.6 %
25	of which loans collateralised by residential immovable property	100.0 %	16.0 %	16.0 %																					100.0 %	16.0 %	16.0 %			33.6 %
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**	60.0 %	34.4 %																						60.0 %	34.4 %				
29	Housing financing																														
30	Other local government financing	60.0 %	34.4 %																						60.0 %	34.4 %				
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	13.8 %																							13.8 %					
32	**Total GAR assets**	43.6 %	7.0 %	6.8 %																					43.6 %	7.0 %	6.8 %			78.9 %

3. KPI Stock based on Capex[1]

	% (compared to total covered assets in the denominator)	Disclosure reference date T																									
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transiti-onal	Of which enabling	Propor-tion of total assets covered
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	91.41 %	14.77 %	13.73 %	0.17 %	0.47 %	0.47 %	0.02 %			0.02 %				0.21 %				0.04 %								92.15 %	14.80 %	13.73 %	0.17 %	0.48 %	39.16 %
2	**Financial undertakings**	26.64 %	2.41 %		0.50 %	1.01 %	1.68 %	0.17 %		0.02 %					0.23 %												28.55 %	2.59 %		0.50 %	1.03 %	2.76 %
3	Credit institutions	24.57 %	1.63 %		0.17 %	0.50 %	0.47 %	0.01 %																			25.04 %	1.64 %		0.17 %	0.50 %	2.39 %
4	Loans and advances	23.22 %	2.22 %		0.28 %	0.85 %	0.64 %	0.01 %																			23.86 %	2.24 %		0.28 %	0.85 %	1.28 %
5	Debt securities, including UoP	26.00 %	0.89 %		0.05 %	0.08 %	0.28 %																				26.27 %	0.89 %		0.05 %	0.08 %	1.10 %
6	Equity instruments	57.20 %	10.50 %		0.10 %																						57.20 %	10.50 %		0.10 %		
7	Other financial corporations	39.84 %	7.42 %		2.61 %	4.29 %	9.40 %	1.21 %		0.15 %					1.69 %												50.93 %	8.63 %		2.61 %	4.43 %	0.38 %
8	of which investment firms	22.21 %	0.02 %																								22.21 %	0.02 %				0.01 %
9	Loans and advances	23.55 %	0.02 %																								23.55 %	0.02 %				0.01 %
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies	69.98 %	64.14 %		0.10 %	17.30 %	0.75 %	0.32 %		0.10 %					0.01 %												70.73 %	64.46 %		0.10 %	17.40 %	
13	Loans and advances	69.98 %	64.14 %		0.10 %	17.30 %	0.75 %	0.32 %		0.10 %					0.01 %												70.73 %	64.46 %		0.10 %	17.40 %	
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings	0.02 %	0.02 %			0.01 %																					0.02 %	0.02 %			0.01 %	0.01 %
17	Loans and advances	0.02 %	0.02 %			0.01 %																					0.02 %	0.02 %			0.01 %	0.01 %
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	39.73 %	15.47 %		2.44 %	7.09 %	6.30 %	0.20 %		0.02 %	0.09 %	0.06 %		0.03 %	3.48 %	0.04 %			0.66 %	0.01 %			0.01 %				50.27 %	15.78 %		2.44 %	7.15 %	2.21 %
21	Loans and advances	39.85 %	15.49 %		2.45 %	7.08 %	6.28 %	0.20 %		0.02 %	0.09 %	0.06 %		0.03 %	3.49 %	0.04 %			0.66 %	0.01 %			0.01 %				50.39 %	15.81 %		2.45 %	7.14 %	2.20 %
22	Debt securities, including UoP	12.49 %	10.24 %			9.65 %	10.24 %																				22.73 %	10.24 %			9.65 %	0.01 %
23	Equity instruments																															
24	**Households**	100.00 %	15.83 %	15.83 %																							100.00 %	15.83 %	15.83 %			33.96 %
25	of which loans collateralised by residential immovable property	100.00 %	15.83 %	15.83 %																							100.00 %	15.83 %	15.83 %			33.96 %
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	98.17 %									1.83 %																100.00 %					0.23 %
29	Housing financing	100.00 %																									100.00 %					0.22 %
30	Other local government financing	35.39 %									64.61 %																100.00 %					0.01 %
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	21.88 %																									21.88 %					
32	**Total GAR assets**	43.87 %	7.09 %	6.59 %	0.08 %	0.23 %	0.23 %	0.01 %			0.01 %				0.10 %				0.02 %								44.22 %	7.10 %	6.59 %	0.08 %	0.23 %	81.61 %

[1] The calculations in this template for both reporting year 2023 as 2024 for proportion of total assets covered has been revised based on latest insight.

	% (compared to total covered assets in the denominator)	Disclosure reference date T-1																									
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transiti-onal	Of which enabling	Propor-tion of total assets covered
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	95.07 %	15.27 %	14.78 %	0.11 %	0.11 %																			95.07 %	15.27 %	14.78 %	0.11 %	0.11 %	36.35 %
2	**Financial undertakings**	29.48 %																							29.48 %					1.48 %
3	Credit institutions	29.85 %																							29.85 %					1.46 %
4	Loans and advances	28.26 %																							28.26 %					0.75 %
5	Debt securities, including UoP	31.52 %																							31.52 %					0.72 %
6	Equity instruments																														
7	Other financial corporations	4.60 %																							4.60 %					0.02 %
8	of which investment firms	0.11 %																							0.11 %	0.01 %				0.01 %
9	Loans and advances	0.12 %																							0.12 %	0.01 %				0.01 %
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies	1.39 %	0.02 %																						1.39 %	0.02 %					
13	Loans and advances	1.39 %	0.02 %																						1.39 %	0.02 %					
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														0.01 %
17	Loans and advances																														0.01 %
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**	41.50 %	13.63 %		3.08 %	3.11 %	0.06 %	0.06 %																	41.56 %	13.69 %		3.08 %	3.11 %	1.27 %
21	Loans and advances	42.06 %	13.82 %		3.13 %	3.16 %	0.06 %	0.06 %																	42.12 %	13.88 %		3.13 %	3.16 %	1.25 %
22	Debt securities, including UoP	0.09 %	0.09 %																						0.09 %	0.09 %				0.02 %
23	Equity instruments																														
24	**Households**	100.00 %	16.00 %	16.00 %																					100.00 %	16.00 %	16.00 %			33.59 %
25	of which loans collateralised by residential immovable property	100.00 %	16.00 %	16.00 %																					100.00 %	16.00 %	16.00 %			33.59 %
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**	60.04 %	34.35 %																						60.04 %	34.35 %				0.01 %
29	Housing financing																														
30	Other local government financing	60.04 %	34.35 %																						60.04 %	34.35 %				0.01 %
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	13.79 %																							13.79 %					
32	**Total GAR assets**	43.80 %	7.03 %	6.81 %	0.05 %	0.05 %																			43.80 %	7.03 %	6.81 %	0.05 %	0.05 %	78.91 %

4. GAR KPI Flow based on Turnover

	% (compared to flow of total eligible assets)	Disclosure reference date T																									
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	74.14 %	8.68 %	6.90 %	0.37 %	0.80 %	0.75 %	0.07 %			0.06 %				0.20 %				0.03 %								75.19 %	8.75 %	6.90 %	0.37 %	0.81 %	18.50 %
2	**Financial undertakings**	24.97 %	1.49 %		0.19 %	0.31 %	1.08 %	0.33 %		0.01 %					0.04 %				0.01 %								26.10 %	1.82 %		0.19 %	0.33 %	3.66 %
3	Credit institutions	24.94 %	1.46 %		0.20 %	0.18 %	0.55 %	0.01 %							0.01 %												25.49 %	1.47 %		0.20 %	0.18 %	3.32 %
4	Loans and advances	24.08 %	1.61 %		0.22 %	0.20 %	0.66 %	0.01 %							0.01 %												24.76 %	1.62 %		0.22 %	0.21 %	2.73 %
5	Debt securities, including UoP	28.92 %	0.75 %		0.06 %	0.05 %	0.03 %	0.01 %		0.01 %																	28.94 %	0.76 %		0.06 %	0.05 %	0.58 %
6	Equity instruments																														
7	Other financial corporations	25.34 %	1.83 %		0.13 %	1.63 %	6.22 %	3.39 %		0.11 %					0.33 %				0.07 %								31.97 %	5.22 %		0.13 %	1.73 %	0.34 %
8	of which investment firms																														
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**	27.50 %	9.87 %		2.17 %	4.88 %	3.52 %	0.01 %		0.01 %	0.02 %				1.28 %	0.02 %		0.02 %	0.21 %								32.52 %	9.90 %		2.17 %	4.90 %	2.80 %
21	Loans and advances	27.50 %	9.87 %		2.17 %	4.88 %	3.52 %	0.01 %		0.01 %	0.02 %				1.28 %	0.02 %		0.02 %	0.21 %								32.52 %	9.90 %		2.17 %	4.90 %	2.80 %
22	Debt securities, including UoP																														
23	Equity instruments																														
24	**Households**	100.00 %	10.60 %	10.60 %																							100.00 %	10.60 %	10.60 %			12.03 %
25	of which loans collateralised by residential immovable property	100.00 %	10.60 %	10.60 %																							100.00 %	10.60 %	10.60 %			12.03 %
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**										100.00 %																100.00 %					0.01 %
29	Housing financing																														
30	Other local government financing										100.00 %																100.00 %					0.01 %
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																														
32	**Total GAR assets**	19.62 %	2.30 %	1.82 %	0.10 %	0.21 %	0.20 %	0.02 %			0.02 %				0.05 %				0.01 %								19.90 %	2.32 %	1.82 %	0.10 %	0.21 %	69.92 %

4. GAR KPI Flow based on Capex

	% (compared to flow of total eligible assets)	Disclosure reference date T																											
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	75.66 %	10.07 %	6.90 %	0.46 %	1.43 %	0.82 %	0.08 %		0.01 %	0.07 %				0.27 %				0.06 %								76.88 %	10.15 %	6.90 %	0.46 %	1.44 %	18.50 %
2	**Financial undertakings**	24.66 %	1.99 %		0.25 %	0.69 %	1.51 %	0.35 %		0.04 %					0.47 %												26.63 %	2.33 %		0.25 %	0.73 %	3.66 %
3	Credit institutions	24.64 %	1.70 %		0.26 %	0.32 %	0.67 %	0.01 %																			25.31 %	1.71 %		0.26 %	0.32 %	3.32 %
4	Loans and advances	23.69 %	1.87 %		0.29 %	0.36 %	0.79 %	0.01 %																			24.48 %	1.89 %		0.29 %	0.36 %	2.73 %
5	Debt securities, including UoP	29.12 %	0.89 %		0.09 %	0.12 %	0.08 %	0.01 %																			29.20 %	0.90 %		0.09 %	0.13 %	0.58 %
6	Equity instruments																														
7	Other financial corporations	24.79 %	4.75 %		0.20 %	4.28 %	9.60 %	3.56 %		0.43 %					4.97 %												39.37 %	8.31 %		0.20 %	4.71 %	0.34 %
8	of which investment firms																														
9	Loans and advances																														
10	Debt securities, including UoP																														
11	Equity instruments																														
12	of which management companies																														
13	Loans and advances																														
14	Debt securities, including UoP																														
15	Equity instruments																														
16	of which insurance undertakings																														
17	Loans and advances																														
18	Debt securities, including UoP																														
19	Equity instruments																														
20	**Non-financial undertakings**	37.98 %	18.43 %		2.73 %	8.55 %	3.46 %	0.05 %		0.02 %	0.03 %				1.17 %	0.01 %		0.01 %	0.38 %				0.01 %				43.03 %	18.49 %		2.73 %	8.58 %	2.80 %
21	Loans and advances	37.98 %	18.43 %		2.73 %	8.55 %	3.46 %	0.05 %		0.02 %	0.03 %				1.17 %	0.01 %		0.01 %	0.38 %				0.01 %				43.03 %	18.49 %		2.73 %	8.58 %	2.80 %
22	Debt securities, including UoP																														
23	Equity instruments																														
24	**Households**	100.00 %	10.60 %	10.60 %																							100.00 %	10.60 %	10.60 %			12.03 %
25	of which loans collateralised by residential immovable property	100.00 %	10.60 %	10.60 %																							100.00 %	10.60 %	10.60 %			12.03 %
26	of which building renovation loans																														
27	of which motor vehicle loans																														
28	**Local governments financing**										100.00 %																100.00 %					0.01 %
29	Housing financing																														
30	Other local government financing										100.00 %																100.00 %					0.01 %
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																														
32	**Total GAR assets**	20.02 %	2.67 %	1.82 %	0.12 %	0.38 %	0.22 %	0.02 %			0.02 %				0.07 %				0.02 %								20.34 %	2.69 %	1.82 %	0.12 %	0.38 %	69.92 %

5. KPI Off balance sheet exposures based on Turnover

	% (compared to total eligible off-balance sheet assets)	Disclosure reference date T																									
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which transi-tional	Of which enabling		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling	
1	Financial guarantees (FinGuar KPI)	3.5 %	0.3 %		0.02 %	0.3 %	0.3 %								0.2 %				0.8 %	0.03 %		0.01 %	1.5 %				4.0 %	0.3 %		0.02 %	0.3 %
2	Assets under management (AuM KPI)	22.7 %	8.4 %		0.1 %	6.1 %	6.1 %	0.02 %		0.02 %	0.1 %	0.01 %			5.4 %	1.45 %		0.06 %	0.8 %	0.03 %		0.01 %	1.5 %				36.6 %	10.0 %		0.1 %	6.2 %

5. KPI Off balance sheet exposures based on Capex

	% (compared to total eligible off-balance sheet assets)	Disclosure reference date T																									
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
			Of which Use of Proceeds	Of which transi-tional	Of which enabling		Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling	
1	Financial guarantees (FinGuar KPI)	36.1 %	0.5 %		0.01 %	0.4 %	0.4 %								0.4 %				0.6 %	0.06 %		0.01 %	0.2 %				36.9 %	0.5 %		0.01 %	0.4 %
2	Assets under management (AuM KPI)	33.9 %	14.1 %		0.5 %	8.3 %	7.9 %	0.1 %		0.1 %	0.4 %				2.3 %	0.93 %		0.02 %	0.6 %	0.06 %		0.01 %	0.2 %				45.2 %	15.2 %		0.5 %	8.4 %

EU Taxonomy: Mandatory templates for Nuclear Energy and Fossil gas-related activities

Template 1 Nuclear- and fossil gas-related activities		
Row	**Nuclear energy-related activities**	
10	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
20	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
30	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas-related activities	
40	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
50	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
60	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 Taxonomy-aligned economic activities (denominator) - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.02		0.02			
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.01		0.01			
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	146.42	0.02	146.42	0.02		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.01		0.01			
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.64		0.64			
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.56		0.56			
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	57,471	6.86	57,365	6.85	106	0.01
8	**Total applicable KPI**	**148**	**0.02**	**148**	**0.02**		

Template 2 Taxonomy-aligned economic activities (denominator) - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.02		0.02			
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	21.04		21.04			
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	119.37	0.01	119.33	0.01	0.03	
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7.72		7.72			
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.06		3.06			
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	10.23		10.23			
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	59,324	7.08	59,229	7.07	95	0.01
8	**Total applicable KPI**	**161**	**0.02**	**161**	**0.02**		

Template 3 Taxonomy-aligned economic activities (numerator) - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.11		0.11			
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.28		0.28			
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	450.60	0.78	450.60	0.78		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	10.10	0.02	10.10	0.02		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1.14		1.14			
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	57,156	99.20	57,050	99.01	106	0.18
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**57,618**	**100.00**	**57,513**	**99.82**	**106**	**0.18**

Template 3 Taxonomy-aligned economic activities (numerator) - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.45		0.45			
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	52.63	0.09	52.63	0.09		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	358.01	0.60	358.01	0.60		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	9.15	0.02	9.15	0.02		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	4.55	0.01	4.55	0.01		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	18.09	0.03	18.09	0.03		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	59,042	99.26	58,948	99.10	95	0.16
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**59,485**	**100.00**	**59,390**	**99.84**	**95**	**0.16**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.97		0.97			
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.16		1.16			
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	42.17	0.01	42.17	0.01		
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	32.92		32.92			
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.52		0.52			
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	308,608	36.84	307,353	36.69	1,255	0.15
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**308,685**	**36.85**	**307,430**	**36.70**	**1,255**	**0.15**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.60		0.60			
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.79		0.79			
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	22.88		22.56		0.32	
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	23.86		23.86			
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.25		1.25			
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	309,852	36.99	308,041	36.77	1,811	0.22
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**309,902**	**36.99**	**308,090**	**36.78**	**1,812**	**0.22**

Template 5 Taxonomy non-eligible economic activities - Turnover

	Economic activities		
Row	in EUR million	amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	6.19	
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.17	
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	22.55	
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	29.10	
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.79	
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	6.25	
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	471,314	56.26
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	**471,383**	**56.27**

Template 5 Taxonomy non-eligible economic activities - Capex

	Economic activities		
Row	in EUR million	amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.98	
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	123.31	0.01
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	16.56	
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9.35	
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.07	
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	468,147	55.89
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	**468,299**	**55.90**

EU Taxonomy: Mandatory templates for Nuclear Energy and Fossil gas-related activities - Assets under Management (AUM)

Template 1 Assets under Management (AUM) Nuclear- and fossil gas-related activities		
Row	**Nuclear energy-related activities**	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas-related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 AUM Taxonomy-aligned economic activities (denominator) - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.14		0.14			
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.55	0.06	3.55	0.06		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.98	0.02	0.98	0.02		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.46	0.01	0.46	0.01		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.11		0.11			
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.11		0.11			
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	478.89	8.37	477.51	8.34	1.38	0.02
8	**Total applicable KPI**	**5**	**0.09**	**5**	**0.09**		

Template 2 AUM Taxonomy-aligned economic activities (denominator) - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.10		0.03		0.07	
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.77	0.07	1.85	0.03	1.92	0.03
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.43	0.03	1.42	0.02	0.01	
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.57	0.03	1.49	0.03	0.08	
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.09		0.04		0.05	
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.24				0.24	
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	806	14.08	803	14.03	3	0.06
8	**Total applicable KPI**	**7**	**0.13**	**5**	**0.08**	**2**	**0.04**

Template 3 AUM Taxonomy-aligned economic activities (numerator) - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2.01	0.42	2.01	0.42		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	24.19	5.00	24.19	5.00		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.08	0.02	0.08	0.02		
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.72	0.15	0.72	0.15		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.34	0.07	0.34	0.07		
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.25	0.05	0.25	0.05		
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	457	94.30	455	94.01	1	0.28
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**484**	**100.00**	**483**	**99.72**	**1**	**0.28**

Template 3 AUM Taxonomy-aligned economic activities (numerator) - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1.54	0.19	1.54	0.19		
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	17.45	2.15	17.45	2.15		
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2.47	0.30	2.18	0.27	0.29	0.04
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3.08	0.38	3.08	0.38		
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.18	0.02	0.13	0.02	0.05	0.01
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	789	96.96	783	96.31	5	0.65
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**813**	**100.00**	**808**	**99.31**	**6**	**0.69**

Template 4 AUM Taxonomy-eligible but not taxonomy-aligned economic activities - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.03		0.03			
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.46	0.04	2.46	0.04		
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	21.73	0.38	21.73	0.38		
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.83	0.07	3.83	0.07		
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.71	0.01	0.71	0.01		
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.08		0.08			
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,135	19.83	786	13.73	349	6.10
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,164**	**20.34**	**815**	**14.24**	**349**	**6.10**

Template 4 AUM Taxonomy-eligible but not taxonomy-aligned economic activities - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR million	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.26		0.11		0.15	
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.85	0.03	1.85	0.03		
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7.81	0.14	7.75	0.14	0.06	
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.62	0.01	0.62	0.01		
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.15		0.15			
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.04				0.04	
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,568	27.41	1,121	19.59	448	7.82
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**1,579**	**27.59**	**1,131**	**19.77**	**448**	**7.82**

Template 5 AUM Taxonomy non-eligible economic activities - Turnover

	Economic activities		
Row	in EUR million	amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.07	
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	40.29	0.70
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.13	
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.07	
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5.83	0.10
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4,029	70.39
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**4,075**	**71.20**

Template 5 AUM Taxonomy non-eligible economic activities - Capex

	Economic activities		
Row	in EUR million	amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.29	0.01
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.80	0.05
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.12	
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.01	
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	158.08	2.76
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3,169	55.38
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**3,331**	**58.20**

Articles of Association - Appropriation of results

Appropriation of results

The result is appropriated pursuant to Article 37 of the Articles of Association of ING Groep N.V. The Company may make distributions to the extent permitted by law after adoption of the financial statements by the Executive and Supervisory Boards. The Executive Board, subject to approval of the Supervisory Board, determines what part of the result remaining after application of the provisions of article 37.3 is to be appropriated to reserves and that the remaining part of the result shall be at the disposal of the General Meeting. The General Meeting, on a motion of the Executive Board with approval of the Supervisory Board may resolve to distribute from the reserves to ordinary shareholders a dividend or other form of distribution to the registered shareholders on a date determined by the Executive Board and approved by the Supervisory Board.

Risk factors

Summary of risk factors

The following is a summary of the principal risk factors that could have a material adverse effect on the reputation, business activities, financial condition, results and prospects of ING. Please carefully consider all of the information discussed in this section 'Risk factors' for a detailed description of these risks.

Risks related to financial conditions, market environment and general economic trends

- Our revenues and earnings are affected by the volatility and strength of the economic, business, liquidity, funding and capital markets environments of the various geographic regions in which we conduct business, as well as by changes in customer behaviour in these regions, and an adverse change in any one region could have an impact on our business, results and financial condition.
- Inflation and deflation scenarios, as well as interest rate volatility and changes may adversely affect our business, results and financial condition.
- The default of a major market participant could disrupt the markets and may have an adverse effect on our business, results and financial condition.
- Continued risk of political instability and fiscal uncertainty around the globe, as well as ongoing volatility in the financial markets and the economy generally have adversely affected, and may continue to adversely affect, our business, results and financial condition.
- Market conditions, including those observed over the past few years, may increase the risk of loans being impaired and have a negative effect on our results and financial condition.
- Discontinuation of interest rate benchmarks may negatively affect our business, results and financial condition.
- We may incur losses due to failures of banks falling under the scope of resolution funding or deposit schemes.

Risks related to the regulation and supervision of the Group

- Non-compliance with laws and/or regulations could result in fines and other liabilities, penalties or consequences for us, which could materially affect our business and reputation and reduce our profitability.
- Changes in laws and/or regulations governing financial services or financial institutions or the application of such laws and/or regulations may increase our operating costs and limit our business activities.
- We are subject to additional legal and regulatory risk in certain countries with less developed or less predictable legal and regulatory frameworks or the supervision thereof.
- We are subject to the regulatory supervision of the ECB and other regulators and public bodies with extensive supervisory and investigatory powers.
- Failure to meet minimum capital and other prudential regulatory requirements as applicable to us from time to time may have a material adverse effect on our business, results and financial condition and on our ability to make payments on certain of our securities.
- Our US commodities and derivatives business is subject to CFTC and SEC regulation under the Dodd-Frank Act.
- We are subject to the EU recovery and resolution regime and several other bank recovery and resolution regimes that include statutory write-down and conversion as well as other powers, which remain subject to significant uncertainties as to the scope and impact on us.

Risks related to litigation, enforcement proceedings and investigations and to changes in tax laws

- We may be subject to litigation, enforcement proceedings, investigations or other regulatory actions, and adverse publicity.
- We are subject to different tax regulations in each of the jurisdictions where we conduct business, and are exposed to changes in tax laws and risks of non-compliance resulting in proceedings or investigations with respect to tax laws.
- Our reputation could be harmed and we could be subject to enforcement actions, fines and penalties if we fail to comply with our obligations under tax laws and regulations.
- ING is exposed to the risk of claims from customers or stakeholders who feel misled or treated unfairly because of advice or information received.

Risks related to the Group's business and operations

- ING may be unable to meet internal or external targets, ambitions, aims or expectations or requirements with respect to ESG-related matters.
- ING may be unable to adapt its products and services to meet changing customer behaviour and demand, including as a result of ESG-related matters.
- ING's business and operations are exposed to transition risks related to climate change.
- ING's business and operations are exposed to physical risks, including as a direct result of climate change.
- Operational and IT risks, such as systems disruptions or failures, breaches of security, human error, changes in operational practices, inadequate controls including in respect of third parties with which we do business or outbreaks of communicable diseases may adversely impact our reputation, business and results.
- We are subject to increasing risks related to cybercrime and compliance with cybersecurity regulation.
- Because we operate in highly competitive markets, including our home market, we may not be able to increase or maintain our market share, which may have an adverse effect on our results.

- We may not always be able to protect our intellectual property developed in our products and services and may be subject to infringement claims, which could adversely impact our core business, inhibit efforts to monetise our internal innovations and restrict our ability to capitalise on future opportunities.
- The inability of counterparties to meet their financial obligations or our inability to fully enforce our rights against counterparties could have a material adverse effect on our results.
- Ratings are important to our business for a number of reasons, and a downgrade or a potential downgrade in our credit ratings could have an adverse impact on our results and net results.
- An inability to retain or attract key personnel may affect our business and results.
- We may incur further liabilities in respect of our defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations, including as a result of differences between actual results and underlying actuarial assumptions and models.

Risks related to the Group's risk management practices

- Risks relating to our use of quantitative models to model client behaviour for the purposes of our calculations may adversely impact our results and reputation.
- We may be unable to manage our risks successfully through derivatives.

Risks related to the Group's liquidity and financing activities

- We depend on the capital and credit markets, as well as customer deposits, to provide the liquidity and capital required to fund our operations, and adverse conditions in the capital and credit markets, or significant withdrawals of customer deposits, may negatively impact our liquidity, borrowing and capital positions, as well as increase the cost of liquidity, borrowings and capital.
- As a holding company, ING Groep N.V. is dependent for liquidity on payments from its subsidiaries, many of which are subject to regulatory and other restrictions on their ability to transact with affiliates.

Additional risks relating to ownership of ING shares

- Holders of ING shares may experience dilution of their holdings and may be impacted by any share buyback programme.
- Because we are incorporated under the laws of the Netherlands and many of the members of our Supervisory and Executive Boards and our officers reside outside of the United States, it may be difficult to enforce judgements of US courts against ING or the members of our Supervisory Board and Executive Board or our officers.

Risk factors

Any of the risks described below could have a material adverse effect on the business activities, financial condition, results and prospects of ING as well as ING's reputation. ING may face a number of the risks described below simultaneously and some risks described below may be interdependent. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and investors should carefully consider all of the risk factors set out in this section. Additional risks of which the Company is not presently aware, or that are currently viewed as immaterial, could also affect the business operations of ING and have a material adverse effect on ING's business activities, financial condition, results and prospects. The market price of ING shares or other securities could decline due to any of those risks including the risks described below, and investors could lose all or part of their investments.

Although the most material risk factors have been presented first within each category, the order in which the remaining risk factors are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to our business, results, financial condition and prospects.

Risks related to financial conditions, market environment and general economic trends

Our revenues and earnings are affected by the volatility and strength of the economic, business, liquidity, funding and capital markets environments of the various geographic regions in which we conduct business, as well as by changes in customer behaviour in these regions, and an adverse change in any one region could have an impact on our business, results and financial condition.

Because ING is a multinational banking and financial services corporation, with a global presence and serving 40 million customers, corporate clients and financial institutions in 38 countries, ING's business, results and financial condition may be significantly impacted by turmoil and volatility in the worldwide financial markets or in the particular geographic areas in which we operate. In Retail Banking, our products include savings, payments, investments, loans and mortgages. In Wholesale Banking, we provide specialised lending, tailored corporate finance, debt and equity market solutions, payments & cash management, trade and treasury services. Negative developments in relevant financial markets and/or countries or regions have in the past had and may in the future have a material adverse impact on our business, results and financial condition, including as a result of the potential consequences listed below.

Factors such as inflation or deflation, interest rates, securities prices, credit spreads, liquidity spreads, exchange rates, consumer spending, changes in customer behaviour, climate change, business investment, real estate values and private equity valuations, government spending, the volatility and strength of the capital markets, geopolitical events and trends, supply chain disruptions, shortages, terrorism, pandemics and epidemics (such as the recent Covid-19 pandemic) or other widespread health emergencies all impact the business and economic environment and, ultimately, our solvency, liquidity and the amount and profitability of business we conduct in a specific geographic region. Some of these risks are often experienced globally as well as in specific geographic regions and are described in greater detail below under the headings: 'Inflation and deflation scenarios, as well as interest rate volatility and changes may adversely affect our business, results and financial condition'; 'Market conditions, including those observed over the

past few years may increase the risk of loans being impaired and have a negative effect on our results and financial condition'; and 'Continued risk of political instability and fiscal uncertainty, as well as ongoing volatility in the financial markets and the economy generally have adversely affected, and may continue to adversely affect, our business, results and financial condition'. All of these are factors in local and regional economies as well as in the global economy, and we may be affected by changes in any one of these factors in any one country or region, and more if more of these factors occur simultaneously and/or in multiple countries or regions or on a global scale.

In case one or more of the factors mentioned above adversely affects the profitability of our business, this might also result, among other things, in the following:

- inadequate reserves or provisions, in relation to which losses could ultimately be realised through profit and loss and shareholders' equity;
- the write-down of tax assets impacting net results and/or equity;
- impairment expenses related to goodwill and other intangible assets, impacting our net result and equity; and/or
- movements in risk-weighted assets for the determination of required capital.

In particular, we are exposed to financial, economic, market and political conditions in the Benelux countries and Germany, from which we derive a significant portion of our revenues in both Retail Banking and Wholesale Banking, and which could present risks of economic downturn. Though less material, we also derive substantial revenues in the following geographic regions: United States, Türkiye, Poland and the remainder of Eastern Europe, Southern Europe, East Asia (primarily Singapore among others) and Australia. In an economic downturn affecting some or all of these jurisdictions, we expect that higher unemployment, lower family income, lower corporate earnings, higher corporate and private debt defaults, lower business investments and lower consumer spending would adversely affect the demand for banking products, and that ING may need to increase its reserves and provisions, each of which may result in overall lower earnings. Securities prices, real estate values and private equity valuations may also be adversely impacted, and any such losses would be realised through profit and loss and shareholders' equity. We also offer a number of financial products that expose us to risks associated with fluctuations in interest rates, securities prices, corporate and private default rates, the value of real estate assets, exchange rates and credit spreads. As a result, their impact may continue to affect our business. We also have wholesale banking activities in both Russia and Ukraine, as well as investments in Russia, some of which are denominated in local currency. In response to Russia's invasion of Ukraine, the international community imposed various punitive measures, including sanctions, capital controls, restrictions on SWIFT access and restrictions on central bank activity. These measures and Russia's response thereto have significantly impacted, and may continue to significantly impact, Russia's economy, our activities in Russia and our activities involving Russian-owned parties. They have contributed to heightened instability in global markets and increased inflation due in part to supply chain constraints, as well as higher energy and commodity prices. Should prices remain elevated for an extended period, most businesses and households would be negatively impacted, and our business in Russia and Ukraine, as well as our broader business, may be adversely affected, including through spill-over risk to the entire wholesale banking portfolio (e.g. commodities financing, energy and utilities and energy-consuming clients).

On 28 January 2025, ING announced that it has reached an agreement on the sale of its business in Russia to Global Development JSC, a Russian company owned by a Moscow-based financial investor with a background in factoring services. This transaction will effectively end ING's activities in the Russian market. Under the terms of the agreement, Global Development will acquire all shares of ING Bank (Eurasia) JSC, taking over all Russian onshore activities and staff. Global Development intends to continue to serve customers in Russia under a new brand. The transaction, which has been preceded by extensive due diligence, is subject to various regulatory approvals and is expected to be closed in the third quarter of 2025.

Environmental and/or climate risks have also directly and indirectly impacted ING without significant financial impact, for example through, among other things, losses suffered as a result of extreme weather events, the impact of climate-related transition risk on the risk and return profile or value of security or operations of certain categories of customer to which ING has exposure. In addition, these risks may also increase ING's reputational and litigation risk if the economic activity that ING supports is not in line with community expectations or ING's external commitments or legal or regulatory requirements (this includes, but is not limited to, greenwashing risk).

For further information on ING's exposure to particular geographic areas, see Note 31 'Information on geographical areas' to the consolidated financial statements.

Inflation and deflation scenarios, as well as interest rate volatility and changes may adversely affect our business, results and financial condition.

In general, both inflation and deflation may influence consumers' spending habits, affecting the economic activity and consequently our core revenue stream (e.g. in terms of overall financial health of borrowers and loan demand, and collateral management, among other things). Furthermore, inflation and deflation may have repercussions on interest rate spreads, and therefore on the profitability of traditional banking activities. Overall, both inflation and deflation can pose significant challenges, impacting our ability to generate revenue, manage risk, and maintain a stable financial position.

Furthermore, a significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may:

- result in impairment charges to equity securities that we hold in our investment portfolios and reduced levels of unrealised capital gains available to us which would reduce our net income, and;
- lower the value of our equity investments impacting our capital position.

Central banks have started easing their policy and further rates cuts are likely. However, they have also reiterated their commitment to keep policy rates sufficiently restrictive, and therefore undertaken further measures during the course of 2025 in order to keep inflation at a lower level compared to previous years.

Changes in interest rates may impact our business. In case of increased interest rates, we may:

- experience a decrease of the estimated fair value of certain fixed income securities that we hold in our investment portfolios, resulting in:
  - reduced levels of unrealised capital gains available to us, which could negatively impact our solvency position and net income, and/or
  - a decrease in collateral values;
- face an increased withdrawal of certain savings products, particularly those with fixed rates below market rates;
- be required, as an issuer of securities, to pay higher interest rates on debt securities that we issue in the financial markets from time to time to finance our operations, which would increase our interest expenses and reduce our results;
- experience further customer defaults as interest rate rises flow through into payment stress for lower credit quality customers.

On the other hand, a decrease in prevailing interest rates may lead to lower interest income from loans and investments, reduced profitability of traditional banking activities, and potential declines in the value of certain fixed income securities we hold in our investment portfolio, as well as negatively affecting our business in other ways, including leading to:

- lower interest rates, which can compress the net interest income margins because of a potential reduction in the interest income earned from loans;
- lower earnings over time on investments, as reinvestments will earn lower rates;
- increased prepayment or redemption of mortgages and fixed maturity securities in our investment portfolios, as well as increased prepayments of corporate loans. This as borrowers seek to borrow at lower interest rates potentially combined with lower credit spreads. Consequently, we may be required to reinvest the proceeds into assets at lower interest rates;
- lower profitability as the result of a decrease in the spread between client rates earned on assets and client rates paid on savings, current account and other liabilities;
- higher costs for certain derivative instruments that may be used to hedge certain of our product risks;
- lower profitability since we may not be able to fully track the decline in interest rates in our savings rates;
- lower profitability since we may not always be entitled to impose surcharges to customers to compensate for the decline in interest rates;
- lower profitability since we may have to pay a higher premium for the defined contribution scheme in the Netherlands for which the premium paid is dependent on interest rate developments and the Dutch Central Bank's (DNB) methodology for determining the ultimate forward rate;
- lower interest rates that may cause asset margins to decrease, thereby lowering our results. This may, for example, be the consequence of increased competition for investments as result of the low rates, thereby driving margins down; and/or
- (depending on the position) a significant collateral posting requirement associated with our interest rate hedge programs, which could materially and adversely affect liquidity and our profitability.

In addition, given the volatility in inflation and related volatility in interest rates, a failure to accurately anticipate inflation on an ongoing basis and factor it into our product pricing assumptions may result in the mispricing of our products, which could materially and adversely impact our results.

Each of the preceding risks, should they materialise, may adversely affect our business, results and financial condition.

The default of a major market participant could disrupt the markets and may have an adverse effect on our business, results and financial condition.

Within the financial services industry, the severe distress or default of any one institution (including sovereigns and central counterparties (CCPs)) could lead to defaults by, or the severe distress of, other market participants. While prudential regulation may reduce the probability of a default by a major financial institution, the actual occurrence of such a default could have a material adverse impact on ING. Such distress of, or default by, a major financial institution could disrupt markets or clearance and settlement systems and lead to a chain of defaults by other financial institutions, since the commercial and financial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Also, the perceived lack of creditworthiness of a sovereign or a major financial institution (or a default by any such entity) may lead to market-wide liquidity problems and losses or defaults by us or by other institutions. This risk is also referred to as 'systemic risk' and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom we interact on a daily basis, and financial instruments of sovereigns in which we invest. Systemic risk could impact ING directly, by exposing it to material credit losses on transactions with defaulting counterparties or indirectly by significantly reducing the available market liquidity on which ING and its lending customers depend to fund their operations and/or leading to a write-down of loans or securities held by ING. In addition, ING may also be faced with additional open market risk for which hedging or mitigation strategies may not be available or effective (either by hedges eliminated by defaulting counterparties, or reduce market liquidity). Systemic risk could have a material adverse effect on our ability to raise new funding and on our business, results and financial condition. In addition, such distress or failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

Continued risk of political instability and fiscal uncertainty around the globe, as well as ongoing volatility in the financial markets and the economy generally have adversely affected, and may continue to adversely affect, our business, results and financial condition.

Our global business and results are materially affected by conditions in the global capital markets and the economy generally. In Europe, there are continuing concerns over weaker economic conditions, levels of unemployment in certain countries, including tariffs or other trade barriers introduced by the United States and responses to those trade barriers, the availability and cost of credit, as well as credit spreads. In addition, geopolitical issues, including trade tensions between the US and China, increasing protectionism between key countries, and issues with respect to North Korea and the Middle East, may all contribute to adverse developments in the global capital markets and the economy generally. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the US and its trading partners, especially China, could result in a global economic slowdown and long-term changes to global trade. In addition, Russia's invasion of Ukraine and related international response measures have had, and are expected to continue to have, a negative impact on regional and global economic conditions, including heightened instability in global markets and increased inflation due in part to supply chain constraints, as well as higher energy and commodity prices. Should prices remain elevated for an extended period, most businesses and households would be negatively impacted, and our business in Russia and Ukraine, as well as our broader business, may be adversely affected, including through spill-over risk to our entire Wholesale Banking portfolio, in areas such as commodities financing, energy and utilities and energy-consuming clients

Moreover, there is a risk that an adverse credit event at one or more European sovereign debtors (including a credit rating downgrade or a default) could trigger a broader economic downturn in Europe and elsewhere. In addition, the confluence of these and other factors has resulted in volatile foreign exchange markets. International equity markets have also continued to experience heightened volatility and turmoil. These events, market upheavals and continuing risks, including high levels of volatility, may have an adverse effect on our results, in part because we have a large investment portfolio.

There is also continued uncertainty over the long-term outlook for the tax, spending and borrowing policies of the US, the future economic performance of the US within the global economy and any potential future budgetary restrictions in the US, with a potential impact on a future sovereign credit ratings downgrade of the US government, including the rating of US Treasury securities. A downgrade of US Treasury securities could also impact the ratings and perceived creditworthiness of instruments issued, insured or guaranteed by institutions, agencies or instrumentalities directly linked to the US government. US Treasury securities and other US government-linked securities are key assets on the balance sheets of many financial institutions and are widely used as collateral by financial institutions to meet their day-to-day cash flows in the short-term debt market. The impact of any further downgrades to the sovereign credit rating of the US government or a default by the US government on its debt obligations would create broader financial turmoil and uncertainty, which would weigh heavily on the global financial system and could consequently result in a significant adverse impact to the Group's business and operations.

In many cases, the markets for investments and instruments have been and remain illiquid, and issues relating to counterparty credit ratings and other factors have exacerbated pricing and valuation uncertainties. Valuation of such investments and instruments is a complex process involving the consideration of market transactions, pricing models, management judgement and other factors, and is also impacted by external factors, such as underlying mortgage default rates, interest rates, rating agency actions and property valuations. Historically these factors have resulted in, among other things, valuation and impairment issues in connection with our exposures to European sovereign debt and other investments.

Any of these general developments in global financial and political conditions could negatively impact our business, results and financial condition in future periods.

Discontinuation of interest rate benchmarks may negatively affect our business, results and financial condition.

Changes to major interest rate benchmarks may negatively affect our business, including the level of net interest revenue. Financial markets have historically relied on Interbank Offered Rates (IBORs) benchmarks, such as the London Interbank Offered Rate (LIBOR), the Euro Over Night Index Average (EONIA) and the Euro Interbank Offered Rate (EURIBOR). While some interest rate benchmarks have been reformed and will continue to exist, such as EURIBOR, others such as EONIA and LIBOR have been replaced by recommended alternative rates. EONIA ceased to be published on 3 January 2022, and was succeeded by €STR. GBP, JPY, CHF and EUR LIBOR ceased in 2021/2022, and USD LIBOR ceased on 30 June 2023. Synthetic rates of certain GBP and USD LIBOR rates are available for a limited time to facilitate the transition of remaining legacy transactions.

In 2022 the Polish National Working Group published a roadmap indicating that the market should be prepared for a cessation of, among others, the WIBOR reference rate. It is expected that the reform will be completed by the end of 2027, with the offering of financial products using the new benchmark (WIRON) to progress gradually in 2023 and 2024.

The discontinuation of WIBOR, CDOR and other local benchmarks in the future could result in a number of risks for the Group, its customers, and the financial services industry more widely. These risks include legal risks and costs in relation to changes required to documentation for existing transactions and for clients' contracts. In addition to the heightened conduct and operational risks, the process of adopting new reference rates may expose the Group to an increased level of financial risk, such as potential earnings volatility resulting from contract modifications and changes in hedge accounting relationships.

ING continues to monitor market developments and reform plans for other rates to anticipate the impact on our customers and any related risks.

Market conditions, including those observed over the past few years, may increase the risk of loans being impaired and have a negative effect on our results and financial condition.

We are exposed to the risk that our borrowers (including sovereigns) may not repay their loans according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. We may see adverse changes in the credit quality of our borrowers and counterparties, for example, as a result of their inability to refinance their indebtedness or in the case of a decline in financial performance. Adverse changes in the credit quality of our borrowers and/or decreasing collateral values would result in increased capital requirements and provisions, and any deterioration of market conditions may lead to increasing delinquencies, defaults and insolvencies across a range of sectors. This may lead to impairment charges on loans and other assets, higher costs and additions to loan loss provisions. A significant increase in the size of our provision for loan losses could have a material adverse effect on our business, results and financial condition.

If we are significantly exposed to a concentrated set of customers or counterparties, an adverse event affecting these parties could lead to increased losses for the Group, and adversely affect our business, results and financial condition.

We may incur losses due to failures of banks falling under the scope of resolution funding or deposit schemes.

While prudential regulation is intended to minimise the risk of bank failures, in the event such a failure occurs, given our size, we may incur significant compensation payments to be made under the Dutch Deposit Guarantee Scheme (DGS), which we may be unable to recover from the bankrupt estate, and therefore the consequences of any future failure of such a bank could be significant to ING. Such costs and the associated costs to be borne by us may have a material adverse effect on our results and financial condition. On the basis of the EU Directive on deposit guarantee schemes, ING pays quarterly risk-weighted contributions into a DGS-fund. The Dutch DGS-fund reached its intended target size of 0.8 percent of all deposits guaranteed under the DGS, in July 2024. Further, quarterly risk-weighted contributions are only required when individual and / or collective covered deposits show an increase in a quarter. In case of failure of a Dutch bank, depositor compensation is paid from the DGS-fund. If the available financial means of the fund are insufficient, Dutch banks, including ING, may be required to pay extraordinary ex-post contributions not exceeding 0.5 percent of their covered deposits per calendar year. In exceptional circumstances, and with the consent of the competent authority, higher contributions may be required. However, extraordinary ex-post contributions may be temporarily deferred if, and for so long as, they would jeopardise the solvency or liquidity of a bank. Depending on the size of the failed bank, the available financial means in the DGS-fund, and the required additional financial means, the impact of the extraordinary ex-post contributions on ING may be material.

Since 2015, the EU has been discussing the introduction of a pan-European deposit guarantee scheme (EDIS), which would (partly) replace or complement national compensation schemes. As of the date of this report, negotiations regarding EDIS have stalled and no such scheme has been introduced.

On 18 April 2023, the European Commission published its proposals for the revision of the common framework for bank crisis management and deposit insurance (CMDI) that focuses on small and medium-sized banks, but will affect banks in the EU. The CMDI framework consists of the Bank Recovery and Resolution Directive (BRRD), the Single Resolution Mechanism (SRMR) and the Deposit Guarantee Schemes Directive (DGSD). The European Parliament adopted its first-reading reports on the proposals in April 2024. The Council agreed on a negotiating mandate for the revision of the CMDI on 19 June 2024. With this agreement, the Council is ready to negotiate with the European Parliament on the final form of this legislative proposal. The revision of the CMDI framework is part of the debate on the completion of the Banking Union and in particular its third and missing pillar EDIS.

Risks related to the regulation and supervision of the Group

Non-compliance with laws and/or regulations could result in fines and other liabilities, penalties or consequences for us, which could materially affect our business and reputation and reduce our profitability.

ING has faced, and in the future may continue to face, the consequences of non-compliance with applicable laws and regulations, including the potential initiation of regulatory investigations or legal proceedings. For additional information on legal proceedings, see Note 41 ‘Legal proceedings’ in the consolidated financial statements. There are potential risks in areas where applicable regulations may be unclear, subject to multiple interpretations or under development; where regulations may conflict with one another; or where regulators revise their previous guidance or courts overturn previous rulings. These could result in our failure to comply with applicable standards. Regulators and other authorities have the power to initiate investigations and/or administrative or judicial proceedings against us, which may result, among other things, in suspension or revocation of our licences, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary measures, which could materially harm our results and financial condition as well as ING’s reputation. If we fail, or appear to fail to properly address, any of these matters, our reputation may be harmed and we may be exposed to additional legal risk, which in turn may increase the size and number of claims and damages brought against us or subject us to enforcement actions, fines and penalties.

Furthermore, as a financial institution, we are exposed to the risk of unintentional involvement in criminal activity in connection with financial economic crimes, including the circumvention of sanctions, money laundering and the funding of terrorist and other criminal activities. The failure or perceived failure by us to comply with legal and regulatory requirements with respect to financial economic crimes may result in adverse publicity, claims and allegations, litigation and regulatory investigations and sanctions, which may have a material adverse effect on our business, results, financial condition and/or prospects in any given period. For further discussion on the impact of litigation, enforcement proceedings, investigations or other regulatory actions with respect to financial economic crimes, see 'We may be subject to litigation, enforcement proceedings, investigations or other regulatory actions, and adverse publicity' below.

Changes in laws and/or regulations governing financial services or financial institutions or the application of such laws and/or regulations may increase our operating costs and limit our business activities.

We are subject to detailed banking laws and financial regulations in the jurisdictions in which we conduct business. The regulations governing the industries in which we operate has become more extensive and complex, while also attracting supervisory scrutiny. Compliance with current and new laws and regulations is resource-intensive and may materially increase our operating costs. Moreover, these regulations are designed to protect our customers, markets and society as a whole and can limit or redirect our activities, among others, through stricter net capital, market conduct and transparency requirements and restrictions on the businesses in which we can operate or invest.

Our revenues and profitability and those of our industry have been and continue to be affected by requirements relating to capital, additional loss-absorbing capacity, leverage, minimum liquidity and long-term funding levels, resolution and recovery planning requirements, derivatives clearing and margin rules and levels of regulatory oversight, as well as restrictions on which and, if permitted, how certain business activities may be carried out by financial institutions.

We are subject to additional legal and regulatory risk in certain countries with less developed or less predictable legal and regulatory frameworks or the supervision thereof.

In certain countries where we operate or where our clients reside, judicial and dispute resolution systems may be less effective. As a result, in the event of a breach of contract, we have experienced in the past and may continue to have difficulties in making and enforcing claims against contractual counterparties and, if claims are made against us, we have experienced in the past and may continue to encounter difficulties in mounting a defence against such allegations. If we become party to legal proceedings in a market with an insufficiently developed judicial system, it could have an adverse effect on our operations and net results. For additional information on legal proceedings, see Note 41 'Legal proceedings' in the consolidated financial statements.

In addition, as a result of our operations in certain countries, we are subject to risks of possible nationalisation, expropriation, price controls, exchange controls and other restrictive government actions, as well as the outbreak of hostilities and/or war, in these markets. In particular, we have wholesale banking activities in both Russia and Ukraine, as well as investments in Russia, some of which are denominated in local currency. Furthermore, the current economic environment in certain countries in which we operate may increase the likelihood for regulatory initiatives to enhance consumer protection or to protect homeowners from foreclosures. Any such regulatory initiative could have an adverse impact on our ability to protect our economic interest, for instance in the event of defaults on residential mortgages.

We are subject to the regulatory supervision of the ECB and other regulators and public bodies with extensive supervisory and investigatory powers.

In its capacity as the principal prudential supervisor in the EU, the ECB has extensive supervisory and investigatory powers, including the ability to issue requests for information, to conduct regulatory investigations and on-site inspections, and impose monetary and other sanctions. For example, under the Single Supervisory Mechanism (SSM), the relevant (national) competent authorities, including the ECB, can conduct stress tests and have the discretionary power to impose capital surcharges on financial institutions for risks not otherwise recognised in risk-weighted assets or other surcharges depending on the individual situation of the bank, and take or require other measures, such as restrictions on or changes to the Group's business. Competent authorities may also prohibit the Group from making dividend payments to shareholders or distributions to holders of its regulatory capital instruments if the Group fails to comply with regulatory requirements, in particular with regard to supervisory measures, minimum capital requirements (including buffer requirements) or with liquidity requirements, or if there are deficiencies in its governance and risk management processes. A failure to comply with prudential or conduct regulations may have a material adverse effect on the Group's business, results and financial condition.

Failure to meet minimum capital and other prudential regulatory requirements as applicable to us from time to time may have a material adverse effect on our business, results and financial condition and on our ability to make payments on certain of our securities.

ING is subject to a variety of regulations that require us to comply with minimum requirements for capital (own funds) and additional loss-absorbing capacity, as well as for liquidity, and to comply with leverage restrictions. In addition, such capital, liquidity and leverage requirements and their application and interpretation may change. Any changes may require us to maintain more capital or to raise a different type of capital by disqualifying existing capital instruments from continued inclusion in regulatory capital, requiring replacement with new capital instruments that meet the new criteria. Sometimes changes are introduced subject to a transitional period during which the new requirements are being phased in, gradually progressing to a fully phased-in, or fully-loaded, application of the requirements.

Any failure to comply with these requirements, or to adapt to changes in such requirements, may have a material adverse effect on our business, results and financial condition, and may require us to seek additional capital. Failures to meet minimum capital or other prudential requirements may also result in ING being prohibited from making payments on certain of our securities. Because implementation phases and transposition into EU or national regulation where required may often involve a lengthy period, the impact of changes in capital, liquidity and leverage regulations on our business, results and financial condition, and on our ability to make payments on certain of our securities, is often unclear.

Our US commodities and derivatives business is subject to CFTC and SEC regulation under the Dodd-Frank Act.

Our affiliate ING Capital Markets LLC is registered with the Commodity Futures Trading Commission (CFTC) as a swap dealer and is subject to CFTC regulation pursuant to Title VII of the US Dodd-Frank Wall Street Reform

and Consumer Protection Act (Dodd-Frank). Operating as a swap dealer requires compliance with CFTC regulatory requirements, which may be burdensome, impose additional compliance costs and could adversely affect the profitability of this business, as well as exposing ING to the risk of non-compliance with these regulations.

ING Capital Markets LLC is also registered with the SEC as a security-based swap dealer. Operating as a security-based swap dealer requires compliance with SEC regulatory requirements, which may be burdensome, impose additional compliance costs and could adversely affect the profitability of this business, as well as exposing ING to the risk of non-compliance with these regulations. While most of these SEC requirements apply to ING Capital Markets LLC, in addition to its CFTC swap dealer requirements, SEC rules have permitted an Alternative Compliance Mechanism that allows for compliance, subject to eligibility requirements, with CFTC capital and margin rules applying to swap dealers in lieu of SEC capital and margin rules applying to security-based swap dealers. ING Capital Markets LLC has elected to use the Alternative Compliance Mechanism. However, should ING Capital Markets LLC in the future be ineligible for the Alternative Compliance Mechanism, it would be subject to SEC security-based swap dealer rules for margin, capital, and related financial reporting instead of the CFTC swap dealer rules which could be more capital-intensive.

Any of the foregoing factors, and any further regulatory developments with respect to commodities and derivatives, could have a material impact on our business, results and financial condition.

We are subject to the EU recovery and resolution regime and several other bank recovery and resolution regimes that include statutory write-down and conversion as well as other powers, which remains subject to significant uncertainties as to scope and impact on us.

We are subject to several recovery and resolution regimes, including the Single Resolution Mechanism (SRM) and the Bank Recovery and Resolution Directive (BRRD) as implemented in national legislation such as the Dutch Financial Supervision Act. The SRM applies to banks that are supervised by the ECB under the SSM, with the aim of ensuring an orderly resolution of failing banks at minimum cost for taxpayers and the real economy. The BRRD establishes a common framework for the recovery and resolution of banks within the European Union, with the aim of providing supervisory authorities and resolution authorities with common tools and powers to address banking crises pre-emptively to safeguard financial stability and minimise taxpayers' exposure to losses. Any application of statutory write-down and conversion or other powers would not be expected to constitute an event of default under our securities entitling holders to seek repayment. If any of these powers were to be exercised in respect of ING, there could be a material adverse effect on both ING and on holders of ING securities, including through a material adverse effect on credit ratings and/or the price of our securities. Investors in our securities may lose their investment if resolution measures are taken under current or future regimes.

Risks related to litigation, enforcement proceedings and investigations and to changes in tax laws

We may be subject to litigation, enforcement proceedings, investigations or other regulatory actions, and adverse publicity.

We are involved in governmental, regulatory, arbitration and legal proceedings and investigations involving claims by and against us which arise in the ordinary course of our businesses, including in connection with our activities as financial services provider, employer, investor and taxpayer. As a financial institution, we are subject to specific laws and regulations governing financial services and/or financial institutions. See 'Changes in laws and/or regulations governing financial services or financial institutions or the application of such laws and/or regulations may increase our operating costs and limit our activities' and 'Our US commodities and derivatives business is subject to CFTC and SEC regulation under the Dodd-Frank Act' above. Financial reporting irregularities involving other large and well-known companies, possible findings of government authorities in various jurisdictions which are investigating several processes, notifications made by whistleblowers, increasing regulatory and law enforcement scrutiny of 'know your customer' anti-money laundering regulations, tax evasion, prohibited transactions with countries or persons subject to sanctions, and bribery or other anti-corruption measures and anti-terrorist-financing procedures and their effectiveness, regulatory investigations of the banking industry, and litigation that arises from the failure or perceived failure by us to comply with legal, regulatory, tax and compliance requirements could result in adverse publicity and reputational harm, lead to increased regulatory supervision, affect our ability to attract and retain customers and employees and maintain access to the capital markets, result in cease and desist orders, claims, enforcement actions, fines and civil and criminal penalties, other disciplinary action or have other material adverse effects on us in ways that are not predictable. With respect to sanctions, Russia's continued occupation of Ukraine and the associated conflict has seen successive significant sanctions packages imposed and continued focus of the EU, US, and other governments on the potential circumvention of sanctions against Russia, and the roles of third countries and companies in facilitating the circumvention or undermining of such sanctions' measures. The EU's additional measures combating sanctions circumvention has led to focus on several locations as potential diversion hubs. While various sanctions include grace periods before full compliance is required, there is no guarantee that ING will be able to implement all required procedures within the applicable grace periods. In addition, some claims and allegations may be brought by or on behalf of a class and claimants may seek large or indeterminate amounts of damages, including compensatory, liquidated, treble and punitive damages. Our reserves for litigation liabilities may prove to be inadequate. Claims and allegations, should they become public, need not be well founded, true or successful to have a negative impact on our reputation. In addition, press reports and other public statements that assert some form of wrongdoing could result in inquiries or investigations by regulators, legislators and law enforcement officials, and responding to these inquiries and investigations, regardless of their ultimate outcome, is time consuming and expensive. Adverse publicity claims and allegations, litigation and regulatory investigations and sanctions have had in the past and may continue to have in the future a material adverse effect on our business, results, financial condition and/or prospects.

We are subject to different tax regulations in each of the jurisdictions where we conduct business, and are exposed to changes in tax laws and risks of non-compliance resulting in proceedings or investigations with respect to tax laws.
Changes in tax laws (including case law) and tax treaties (including the termination thereof) could increase our taxes and our effective tax rates and could materially impact our tax receivables and liabilities as well as deferred tax assets and deferred tax liabilities, which could have a material adverse effect on our business, results and financial condition. Changes in tax laws could also make certain ING products less attractive, which could have adverse consequences for our businesses and results.

Because of the geographic spread of its business, ING may be subject to tax audits, investigations and procedures in numerous jurisdictions at any point in time. Although we believe that we have adequately provided for all our tax positions, the ultimate resolution of these audits, investigations and procedures may result in liabilities which are different from the amounts recognised. In addition, increased bank taxes in countries where the Group is active result in increased taxes on ING's banking operations, which could negatively impact our operations, financial condition and liquidity.

Our reputation could be harmed and we could be subject to enforcement actions, fines and penalties if we fail to comply with our obligations under tax laws and regulations.
Due to the nature of its business, ING is subject to various provisions of EU, US, and other local tax laws in relation to its customers. These include, amongst others, the Foreign Account Tax Compliance Act (FATCA), which requires ING to provide certain information for the US Internal Revenue Service (IRS); the Qualified Intermediary (QI) requirements, which require withholding tax on certain US-source payments; and the Common Reporting Standards (CRS) which requires ING to provide certain information to local tax authorities. Failure to comply with these requirements and regulations could harm our reputation and could subject the Group to enforcement actions, fines and penalties, which could have a material adverse effect on our business, reputation, revenues, results, financial condition and prospects.

ING is exposed to the risk of claims from customers or stakeholders who feel misled or treated unfairly because of advice or information received.
Our products and services, including banking products and advice services for third-party products are exposed to claims from customers who might allege that they have received insufficient advice or misleading information from advisers (both internal and external) as to which products were most appropriate for them, or that the terms and conditions of the products, the nature of the products or the circumstances under which the products were sold, were misrepresented to them. When new financial products are brought to the market, it is ING's policy to engage in a multidisciplinary product approval process in connection with the development and distribution of such products, including production of appropriate marketing and communication materials. Notwithstanding these processes, customers have made in the past and may continue to make in the future claims against ING if the products do not meet their expectations, either at the purchase/execution of the product and/or through the life of the product. Customer protection regulations, as well as changes in interpretation and perception by both the public at large and governmental authorities of acceptable market practices, influence customer expectations.

Products distributed through person-to-person sales forces have a higher exposure to such claims as the sales forces may provide face-to-face financial planning and advisory services. Complaints may also arise if customers feel that they have not been treated reasonably or fairly, or that the duty of care has not been complied with. While a considerable amount of time and resources have been invested in reviewing and assessing historical sales practices and products that were sold in the past, and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historical sales practices have been or will be identified, nor that any issues already identified will not be more widespread than presently estimated.

The negative publicity associated with any sales practices, any compensation payable in respect of any such issues and regulatory changes resulting from such issues, have had and could have a material adverse effect on our reputation, business, results, financial condition and prospects. For additional information regarding legal proceedings or claims, see Note 41 'Legal proceedings' to the consolidated financial statements.

Risks related to the Group's business and operations

ING may be unable to meet internal or external targets, ambitions, aims or expectations or requirements with respect to ESG-related matters.
Environmental, Social and Governance (ESG) is an area of significant and increased public dialogue and focus for governments and regulators, investors, ING's customers and employees, and other stakeholders or third parties (e.g. non-governmental organisations or NGOs). As a result, an increasing number of laws, regulations and legislative actions have been introduced to address ESG-related matters, including in relation to the financial sector's operations and strategy. Such ESG-related matters may relate to climate change, sustainability, diversity, equity and inclusion (DEI) or other ESG-related matters. Such recent regulations include the EU Sustainable Finance Disclosure Regulation (SFDR), EU Taxonomy regulation and EU Green Bond Standards, which broadly focus on disclosure obligations, standardised definitions and classification frameworks for environmentally sustainable activities, and the EU Corporate Sustainability Reporting Directive (CSRD), which requires certain companies, including ING, to disclose information on what they see as the risks and opportunities arising from environmental, social and governance issues, and on the impact of their activities on people and the environment. Similarly, the SEC climate-related disclosure rules could require disclosure of climate-related information and the State of California's legislation requires broad disclosure of greenhouse gas emissions and other climate-related information.

National or international regulatory actions or developments may also result in financial institutions coming under increased pressure from internal and external stakeholders regarding the management and disclosure of their ESG risks and related lending and investment activities. ING may from time to time establish ESG-related initiatives, adopt reporting frameworks and announce several targets, ambitions or aims in

connection with the conduct of its business and operations. However, these goals may change from time to time and, ultimately, there is no guarantee that ING will be able to implement such initiatives or meet such targets, ambitions or aims within anticipated timeframes, or at all. Our ability to achieve any ESG-related initiatives, targets, ambitions, aims or expectations and to accurately report performance or developments with respect to such initiatives, targets, aims or expectations is subject to numerous risks, many of which are outside of our control, including the evolving legal environment, regulatory requirements for the tracking and reporting of standards or disclosures, the actions of suppliers, partners, and other third parties, and data that is outside of ING's control.

Our stakeholders may hold differing views on ESG-related matters, including DEI, which may result in negative attention in traditional and social media or a negative perception of our response to concerns regarding these matters. In addition, we may also face potentially conflicting supervisory directives as certain US regulatory and non-US authorities have prioritized ESG-related issues while Congress and certain US state governments have signalled pursuing potentially conflicting priorities. These circumstances, among others, may result in pressure from investors, unfavourable reputational impacts, including inaccurate perceptions or a misrepresentation of our actual ESG-related practices and diversion of management's attention and resources. Any failure, or perceived failure, by us to adhere to our public statements, comply fully with developing interpretations of ESG-related laws and regulations, including with respect to DEI-related matters, or meet evolving and varied stakeholder expectations and standards could negatively impact our reputation or result in legal and enforcement proceedings against ING. For instance, Friends of the Earth Netherlands (*Milieudefensie*) reiterated in January 2025 that it holds ING liable for alleged contribution to climate change and threatened to initiate legal proceedings against ING.

Any of these factors may have an adverse impact on ING's reputation and brand value, or on ING's business, financial condition and operating results.

ING may be unable to adapt its products and services to meet changing customer behaviour and demand, including as a result of ESG-related matters.

Customers or other counterparties may increasingly assess sustainability or other ESG-related matters in their economic decisions. For instance, customers may choose investment products or services based on sustainability or other ESG criteria or may look at a financial institution's ESG-related lending strategy when choosing to make deposits. At the same time, there also exists 'anti-ESG' sentiment among certain stakeholders, including governmental authorities, and we may face scrutiny, reputational risk, product boycotts, lawsuits or market access restrictions from these parties regarding our ESG-related initiatives, including with respect to DEI matters. To remain competitive and to safeguard its reputation, ING is required to continuously adapt its business strategy, products and services to respond to emerging, increasing or changing sustainability and other ESG-related demands from customers, investors and other stakeholders. However, there is no guarantee that ING's current or future products or services will meet applicable ESG-related regulatory requirements, customer preferences or investor expectations.

ING's business and operations are exposed to transition risks related to climate change.

The transition to a low-carbon or net-zero economy gives rise to risks and uncertainties associated with climate change-related laws, regulations and oversight, changing or new technologies, and shifting customer sentiment. For instance, ING may be required to change its lending portfolio to comply with new climate change-related regulations and other ESG-related demands from customers, investors and other stakeholders. As a result, it might be unable and unwilling to lend to certain prospective customers, or lead to the termination of certain existing relationships with certain customers. This could result in claims or legal challenges from such customers against ING. At the same time, there also exists 'anti-ESG' sentiment among certain stakeholders, and we may face scrutiny, reputational risk, product boycotts, lawsuits or market access restrictions from these parties regarding our ESG-related initiatives. This transition may also adversely impact the business and operations of ING's customers and other counterparties. Further, there is a risk that changing community standards and market expectations could lead to a reduction in demand and a decline in valuations for certain assets, which may affect the value of collateral we hold or the financial strength of certain of our portfolios. If ING fails to adequately factor in such risks in its lending or other business decisions, ING could be exposed to losses.

The low-carbon or net-zero transition may also require ING to modify or implement new compliance systems, internal controls and procedures or governance frameworks. The integration and automation of internal governance, compliance, and disclosure and reporting frameworks across ING could lead to increased operational costs for ING and other execution and operational risks. The implementation cost of these systems may especially be higher in the near term as ING seeks to adapt its business, or address overlapping, duplicative or conflicting regulatory or other requirements in this fast-developing area. Furthermore, ING's ongoing aim to implement appropriate systems, controls and frameworks increasingly requires ING to develop adequate climate change-related risk assessment and modelling capabilities (as there is currently no standard approach or methodology available), and to collect customer, third-party or other data. There are significant risks and uncertainties inherent in the development of new risk modelling methodologies and the collection of data, potentially resulting in systems or frameworks that could be inadequate, inaccurate, incomplete or susceptible to incorrect customer, third-party or other data.

Any delay, change or failure in developing, implementing or meeting ING's climate change-related commitments and regulatory requirements may have a material adverse impact on our business, financial condition, operating results and reputation, and lead to climate change or ESG-related investigations, enforcement proceedings or litigation.

ING's business and operations are exposed to physical risks, including as a direct result of climate change.

ING's business and operations are exposed to the impacts of physical risks arising from climate and weather-related events, including heatwaves, droughts, flooding, storms, rising sea levels, other extreme weather events or natural disasters, and to the impacts of physical risks arising from environmental degradation, including the loss of biodiversity, water or resource scarcity, pollution or waste management. Such physical

risks have disrupted in the past and could continue in the future to disrupt ING's business continuity and operations or impact ING's premises or property portfolio, as well as its customers' property, business or other financial interests. These risks could potentially result in impairing asset values, financial losses, declining creditworthiness of customers and increased defaults, delinquencies, write-offs and impairment charges in ING's portfolio, etc. In particular, changing climate patterns resulting in more frequent and extreme weather events, such as the severe flooding that occurred in Spain in October 2024 or the severe flooding in Germany in mid-2024, could lead to unexpected business interruptions or losses for ING or its customers.

Furthermore, ING's ongoing aim to implement appropriate systems, controls and frameworks increasingly requires ING to develop adequate physical risk assessment and modelling capabilities (as there is currently no standard approach or methodology available), and to collect customer, third-party or other data. There are significant risks and uncertainties inherent in the development of new risk modelling methodologies and the collection of data, potentially resulting in systems or frameworks that could be inadequate, inaccurate, incomplete or susceptible to incorrect customer, third-party or other data.

For a description of physical risks to our operations and business other than resulting from natural disasters as a result of climate change, see 'Operational and IT risks, such as system disruptions or failures, breaches of security, cyber attacks, human error, changes in operational practices, inadequate controls including in respect of third parties with which we do business or outbreaks of communicable diseases may adversely impact our reputation, business and results' below.

Operational and IT risks, such as systems disruptions or failures, breaches of security, human error, changes in operational practices, inadequate controls including in respect of third parties with which we do business or outbreaks of communicable diseases may adversely impact our reputation, business and results.

Operational and IT risks are inherent to our business. Our clients depend on our ability to process and report a large number of transactions efficiently and accurately. In addition, we routinely transmit, receive and store personal, confidential and proprietary information electronically. Losses can result from inadequately trained or skilled personnel, IT failures (including due to a cyber attack), inadequate or failed internal control processes and systems (including, as the role of artificial intelligence in the finance industry and in our business increases, any errors as a result of incomplete, inaccurate, or otherwise flawed outputs from the algorithms and data sets utilised), regulatory breaches, human errors, employee misconduct, including fraud, or from natural disasters or other external events that interrupt normal business operations. Such losses may adversely affect our reputation, business and results.

We depend on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. The equipment and software used in our computer systems and networks may not always be capable of processing, storing or transmitting information as expected. Despite our business continuity plans and procedures, certain of our computer systems and networks may have insufficient recovery capabilities in the event of a malfunction or loss of data. We are consistently managing and monitoring our IT risk profile globally. ING is subject to increasing regulatory requirements including EU General Data Protection Regulation (GDPR) and EU Payment Services Directive (PSD2) and the new Digital Operational Resilience Act (DORA) which entered into force in January 2025. Failure to appropriately manage and monitor our IT risk profile could affect our ability to comply with these regulatory requirements, to securely and efficiently serve our clients or to timely, completely or accurately process, store and transmit information, and may adversely impact our reputation, business and results. For further description of the particular risks associated with cybercrime, which is a specific risk to ING as a result of its strategic focus on technology and innovation, see 'We are subject to increasing risks related to cybercrime and compliance with cybersecurity regulation' below.

In addition, as finance industry participants are increasingly incorporating artificial intelligence into their processes and systems, the risk of data and information leaks is correspondingly increasing. Our or our customers' sensitive, proprietary, or confidential information could be leaked, disclosed, or revealed as a result of or in connection with our or our third-party providers' use of generative or other artificial intelligence technologies. Any such information that we input into a third-party generative or other artificial intelligence or machine learning platform could be revealed to others, including if information is used to train the third party's artificial intelligence models. Additionally, where an artificial intelligence model ingests personal information and makes connections using such data, those technologies may reveal other sensitive, proprietary, or confidential information generated by the model.

Widespread outbreaks of communicable diseases may impact the health of our employees, increasing absenteeism, or may cause a significant increase in the utilisation of health benefits offered to our employees, either or both of which could adversely impact our business. Further, a significant portion of our staff continue to work from home on a full- or part-time basis, which may raise operational risks, including with respect to information security, data protection, availability of key systems and infrastructure integrity. In addition, other events including unforeseeable and/or catastrophic events can lead to an abrupt interruption of activities, and our operations may be subject to losses resulting from such disruptions. Losses can result from destruction or impairment of property, financial assets, trading positions, and the loss of key personnel. If our business continuity plans are not able to be implemented, are not effective or do not sufficiently take such events into account, losses may increase further.

We are subject to increasing risks related to cybercrime and compliance with cybersecurity regulation.

Like other financial institutions and global companies, we are regularly the target of cyber attacks, which is a specific risk to ING as a result of its strategic focus on technology and innovation. In particular, threats from Distributed Denial of Service (DDoS), targeted attacks (also called Advanced Persistent Threats) and ransomware have intensified worldwide, and attempts to gain unauthorised access and the sophistication of techniques used for such attacks is increasing. Cyber threats are constantly evolving and the techniques used in these attacks change, develop and evolve rapidly, including the use of emerging technologies, such as advanced forms of artificial intelligence and quantum computing. The new cyber risks introduced by these changes in technology require us to devote significant attention to the identification, assessment and analysis of the risks and the implementation of corresponding preventative measures. We have faced, and expect to continue to face, an increasing number of cyber attacks (both successful and unsuccessful) as we have further digitalised. This includes the continuing expansion of our mobile- and other internet-based products and services, as well as our usage and reliance on cloud technology.

Cybersecurity, the use and safeguarding of customer data and data privacy have become the subject of increasing legislative and regulatory focus. The EU's second Payment Services Directive (PSD2), GDPR, DORA and the Cyber Resilience Act are examples of such regulations. The resilience of financial institutions against ransomware attacks is now a subject of the yearly stress test executed by the ECB. In certain locations where ING is active, there are additional local regulatory requirements and legislation on top of EU regulations that must be followed for business conducted in that jurisdiction. Some of these legislations and regulations may be conflicting due to local regulatory interpretations. We may become subject to new legislation or regulation concerning cybersecurity, security of customer data in general or the privacy of information we may store or maintain. Compliance with such new legislation or regulation could increase the Group's compliance cost. Failure to comply with new and existing legislation or regulation could harm our reputation and could subject the Group to enforcement actions, fines and penalties.

ING may be exposed to the risks of misappropriation, unauthorised access, computer viruses or other malicious code, cyber attacks and other external attacks or internal breaches for purposes of misappropriating assets or sensitive information, corrupting data, or impairing operational performance, each of which could have a security impact. These events could also jeopardise our confidential information or that of our clients or our counterparties. These events can potentially result in financial loss and harm to our reputation, hinder our operational effectiveness, result in regulatory censure, compensation costs or fines resulting from regulatory investigations and could have a material adverse effect on our business, reputation, revenues, results, financial condition and prospects. Even when we are successful in defending against cyber attacks, such defence may consume significant resources or impose significant additional costs on ING.

Over 95 percent of our customers now interact with us via digital channels only. This increased reliance on digital banking and remote working may increase the risk of cybersecurity breaches, loss of personal data and related reputational risk. If any of these risks were to materialise that may adversely affect our business, results and financial condition.

Because we operate in highly competitive markets, including our home market, we may not be able to increase or maintain our market share, which may have an adverse effect on our results.

There is substantial competition in the Netherlands and the other countries in which we do business for the types of wholesale banking, retail banking, investment banking and other products and services we provide. Customer loyalty and retention can be influenced by several factors, including brand recognition, reputation, relative service levels, the prices and attributes of products and services, scope of distribution, credit ratings and actions taken by existing or new competitors (including non-bank or financial technology competitors). A decline in our competitive position as to one or more of these factors could adversely impact our ability to maintain or further increase our market share, which would adversely affect our results. Such competition is most pronounced in our more mature markets of the Netherlands, Belgium, the rest of Western Europe and Australia. In recent years, however, competition in emerging markets, such as Asia and Central and Eastern Europe, has also increased as large financial services companies from more developed countries have sought to establish themselves in markets which are perceived to offer higher growth potential, and as local institutions have become more sophisticated and competitive and proceeded to form alliances, mergers or strategic relationships with some of our competitors. The Netherlands is our largest market. Our main competitors in the banking sector in the Netherlands are ABN AMRO Bank and Rabobank.

Competition could also increase due to new entrants (including non-bank and financial technology competitors) in the markets that may have new operating models that are not burdened by potentially costly legacy operations and that are subject to reduced regulation. New entrants may rely on new technologies, advanced data and analytic tools, lower cost to serve, less extensive oversight from regulators compared to the frameworks established in respect of traditional banks and/or faster processes to challenge traditional banks. Developments in technology have also accelerated the use of new business models, and ING may not be successful in adapting to this pace of change or may incur significant costs in adapting its business and operations to meet such changes. For example, new business models have been observed in retail payments, consumer and commercial lending (such as peer-to-peer lending), foreign exchange and low-cost investment advisory services. In particular, the emergence of disintermediation in the financial sector resulting from new banking, lending and payment solutions offered by rapidly evolving incumbents, challengers and new entrants, in particular with respect to payment services and products, and the introduction of disruptive technology may impede our ability to grow or retain our market share and impact our revenues and profitability.

Increasing competition in the markets in which we operate (including from non-banks and financial technology competitors) may significantly impact our results if we are unable to match the products and services offered by our competitors. Future economic turmoil may accelerate additional consolidation activity. Over time, certain sectors of the financial services industry have become more concentrated, as institutions involved in a broad range of financial services have been acquired by or merged into other firms or have declared bankruptcy. These developments could result in our competitors gaining greater access to capital and liquidity, expanding their ranges of products and services, or gaining geographic diversity. We may experience pricing pressures as a result of these factors in the event that some of our competitors seek to increase market share by reducing prices, which may have a material adverse impact on our business, results and financial condition.

We may not always be able to protect our intellectual property developed in our products and services and may be subject to infringement claims, which could adversely impact our core business, inhibit efforts to monetise our internal innovations and restrict our ability to capitalise on future opportunities.

In the conduct of our business, we rely on a combination of contractual rights with third parties and copyright, trademark, trade name, patent and trade secret laws to establish and protect our intellectual property, which we develop in connection with our products and services. Third parties may infringe or misappropriate our intellectual property. We may have to litigate to enforce and protect our copyrights, trademarks, trade names, patents, trade secrets and know-how or to determine their scope, validity or enforceability. In that event, we may be required to incur significant costs, and our efforts may not prove successful. The inability to secure or protect our intellectual property assets could have an adverse effect on our core business and our ability to compete, including through the monetisation of our internal innovations.

We may also be subject to claims made by third parties for (i) patent, trademark or copyright infringement, (ii) breach of copyright, trademark or licence usage rights, or (iii) misappropriation of trade secrets. Any such claims and any resulting litigation could result in significant expense and liability for damages. If we were found to have infringed or misappropriated a third-party patent or other intellectual property right (including where we or a third party have used generative artificial intelligence outputs based on data for which the generative model may not have had consent), we could in some circumstances be enjoined from providing certain products or services to our customers or from utilising and benefiting from certain methods, processes, copyrights, trademarks, trade secrets or licences. Alternatively, we could be required to enter into costly licensing arrangements with third parties or to implement a costly workaround. Any of these scenarios could have a material adverse effect on our business and results and could restrict our ability to pursue future business opportunities.

The inability of counterparties to meet their financial obligations or our inability to fully enforce our rights against counterparties could have a material adverse effect on our results.

Third parties that have payment obligations to ING, or obligations to return money, securities or other assets, may not pay or perform under their obligations. These parties include the issuers and guarantors (including sovereigns) of securities we hold, borrowers under loans originated, reinsurers, customers, trading counterparties, securities lending and repurchase counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing houses and other financial intermediaries. Defaults by one or more of these parties on their obligations to us due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, continuing low oil or other commodity prices, operational failure or other factors, or even rumours about potential defaults by one or more of these parties or regarding a severe distress of the financial services industry generally, could have a material adverse effect on our results, financial condition and liquidity. Given the high level of interdependence between financial institutions, we are and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of sovereigns and other financial services institutions. This is particularly relevant to our franchise as an important and large counterparty in equity, fixed income and foreign exchange markets, including related derivatives.

We routinely execute a high volume of transactions, such as unsecured debt instruments, derivative transactions and equity investments with counterparties and customers in the financial services industry, including brokers and dealers, commercial and investment banks, mutual and hedge funds, insurance companies, institutional clients, futures clearing merchants, swap dealers, and other institutions, resulting in large periodic settlement amounts, which may result in us having significant credit exposure to one or more of such counterparties or customers. As a result, we could face concentration risk with respect to liabilities or amounts we expect to collect from specific counterparties and customers. We are exposed to increased counterparty risk as a result of recent financial institution failures and weakness and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations. As a result of the Russian invasion of Ukraine and related international response measures, including sanctions and capital controls, we may be exposed to an increased risk of default of counterparties located in Russia and Ukraine, counterparties of which the ultimate parent is located in Russia or may be considered effectively controlled or influenced through Russian involvement, and other counterparties in sectors affected by the response measures. Also, liquidity or currency controls enforced by the Russian central bank may impact Russian companies' ability to pay. In addition, we have counterparty exposure to Russian entities in connection with foreign exchange derivatives for future receipt of foreign currencies against the Russian rouble (RUB). Remaining at risk for ING at year-end 2024 is €1.0 billion of credit exposures booked outside of Russia and €550 million with clients in Ukraine. A default by, or even concerns about the creditworthiness of, one or more of these counterparties or customers or other financial services institutions could therefore have an adverse effect on our results or liquidity.

With respect to secured transactions, our credit risk may be exacerbated when the collateral held by us cannot be liquidated or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to us. We also have exposure to a number of financial institutions in the form of unsecured debt instruments, derivative transactions and equity investments. For example, we hold certain hybrid regulatory capital instruments issued by financial institutions which permit the issuer to cancel coupon payments on the occurrence of certain events or at their option. The ECB has indicated that, in certain circumstances, it may require these financial institutions to cancel payment. If this were to happen,

we expect that such instruments may experience ratings downgrades and/or a drop in value and we may have to treat them as impaired, which could result in significant losses. There is no assurance that losses on, or impairments to the carrying value of, these assets would not materially and adversely affect our business, results or financial condition.

In addition, we are subject to the risk that our rights against third parties may not be enforceable in all circumstances, including sanction risk. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations we hold could result in losses and/or adversely affect our ability to rehypothecate or otherwise use those securities or obligations for liquidity purposes. A significant downgrade in the credit ratings of our counterparties could also have a negative impact on our income and risk weighting, leading to increased capital requirements. While in many cases we are permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral we are entitled to receive and the value of pledged assets. Also in this case, our credit risk may also be exacerbated when the collateral we hold cannot be liquidated at prices sufficient to recover the full amount of the loan or derivative exposure due to us, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those experienced during the financial crisis of 2008. The termination of contracts and the foreclosure on collateral may subject us to claims. Bankruptcies, downgrades and disputes with counterparties as to the valuation of collateral tend to increase in times of market stress and illiquidity. Any of these developments or losses could materially and adversely affect our business, results, financial condition, and/or prospects.

Ratings are important to our business for a number of reasons, and a downgrade or a potential downgrade in our credit ratings could have an adverse impact on our results and net results.
Credit ratings represent the opinions of rating agencies regarding an entity's ability to repay its indebtedness. Our credit ratings are important to our ability to raise capital and funding through the issuance of debt and to the cost of such financing. In the event of a downgrade, the cost of issuing debt will increase, having an adverse effect on our net results. Certain institutional investors may also be obliged to withdraw their deposits from ING following a downgrade, which could have an adverse effect on our liquidity. They can also have lower risk appetite for our debt notes, leading to lower purchases of (newly issued) debt notes. We have credit ratings from S&P, Moody's Investor Service and Fitch Ratings. Each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and may decide on a downgrade at any time.

As rating agencies continue to evaluate the financial services industry, it is possible that rating agencies will heighten the level of scrutiny that they apply to financial institutions, increase the frequency and scope of their credit reviews, request additional information from the companies that they rate and potentially adjust upward the capital and other requirements employed in the rating agency models for maintenance of certain ratings levels. It is possible that the outcome of any such review of us would have additional adverse ratings consequences, which could have a material adverse effect on our results and financial condition. We may need to take actions in response to changing standards or capital requirements set by any of the rating agencies, which could cause our business and operations to suffer. We cannot predict what additional actions rating agencies may take, or what actions we may take in response to the actions of rating agencies.

Furthermore, ING's assets are risk-weighted. Downgrades of these assets could result in a higher risk-weighting, which may result in higher capital requirements. This may impact net earnings and the return on capital, and may have an adverse impact on our competitive position.

An inability to retain or attract key personnel may affect our business and results.
ING Group relies to a considerable extent on the quality of its senior management, such as members of the executive committee, and management in the jurisdictions which are material to ING's business and operations. The success of ING Group's operations is dependent, among other things, on its ability to attract and retain highly qualified personnel. Competition for key personnel in most countries in which ING Group operates, and globally for senior management, is intense. ING Group's ability to attract and retain key personnel, in senior management and in particular areas such as technology and operational management, client relationship management, finance, risk and product development, is dependent on a number of factors, including prevailing market conditions and compensation packages offered by companies competing for the same talent.

The increasing restrictions on, and public and political scrutiny of, remuneration (especially in the Netherlands), may continue to have an impact on existing ING Group remuneration policies and individual remuneration packages for personnel. For example, under the EU's amended Shareholder Rights Directive, known as SRD II, which came into effect on 10 June 2019, ING is required to hold a shareholder binding vote on ING's Executive Board remuneration policy and Supervisory Board remuneration policy at least every four years. Furthermore, the shareholders have an advisory vote on ING's remuneration report annually. This may restrict our ability to offer competitive compensation compared with companies (financial and/or non-financial) that are not subject to such restrictions and it could adversely affect ING Group's ability to retain or attract key personnel, which, in turn, may affect our business and results.

We may incur further liabilities in respect of our defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations, including as a result of differences between actual results and underlying actuarial assumptions and models.
ING Group companies operate various defined benefit retirement plans covering the post-employment benefits of a number of our employees. The liability recognised in our consolidated balance sheet in respect of our defined benefit plans is the present value of the defined benefit obligations at the balance sheet date, less the fair value of each plan's assets, together with adjustments for unrecognised actuarial gains and losses and unrecognised past service costs. We determine our defined benefit plan obligations based on internal and external actuarial models and calculations using the projected unit credit method. Inherent in these actuarial models are assumptions, including discount rates, rates of increase in future salary and benefit levels, mortality rates and the consumer price index. These assumptions are based on available market data and are updated annually. Nevertheless, the actuarial assumptions may differ significantly

from actual results due to changes in market conditions, economic and mortality trends and other assumptions. Any changes in these assumptions could have a significant impact on our present and future liabilities and costs associated with our defined benefit plans.

Risks related to the Group's risk management practices

Risks relating to our use of quantitative models to model client behaviour for the purposes of our calculations may adversely impact our results and reputation.

We use quantitative methods, systems or approaches that apply statistical, economic, financial, or mathematical theories, techniques and assumptions to process input data into quantitative estimates. Errors in the development, implementation, use or interpretation of such models, or from incomplete or incorrect data, can lead to inaccurate, noncompliant or misinterpreted model outputs, which may adversely impact our results and reputation. In addition, we use assumptions to model client behaviour for risk calculations in our banking books. Assumptions are used to determine the interest rate risk profile of savings and current accounts and to estimate the embedded option risk in loans and investment portfolios. Assumptions based on past client behaviour may not always be a reliable indicator of future behaviour. The use of different assumptions to determine client behaviour could have a material adverse effect on the calculated risk figures and, ultimately, our future results or reputation. Furthermore, we may be subject to risks related to changes in laws and regulations (e.g. with reference to client rates, prepayment compensation, etc.) governing the risk management practices of financial institutions. For further information, see 'Risks related to the regulation and supervision of the Group – Changes in laws and/or regulations governing financial services or financial institutions or the application of such laws and/or regulations may increase our operating costs and limit our activities' above. As noted there, regulation of the industries in which we operate is becoming increasingly more extensive and complex, while also attracting supervisory scrutiny. Compliance failures may lead to changes in the laws and regulations governing the risk management practices and materially increase our operating costs.

We may be unable to manage our risks successfully through derivatives.

We employ various economic hedging strategies with the objective of mitigating the market risks that are inherent in our business and operations. These risks include currency fluctuations, changes in the fair value of our investments, the impact of interest rates, equity markets and credit spread changes, the occurrence of credit defaults and changes in client behaviour. We seek to control these risks by, among other things, entering into a number of derivative instruments, such as swaps (e.g. CCY, IR, etc.), options, futures and forward contracts, including, from time to time, macro hedges for parts of our business, either directly as a counterparty or as a credit support provider to affiliate counterparties. Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate us from risks associated with those fluctuations. Our hedging strategies also rely on assumptions and projections regarding our assets, liabilities, general market factors and the creditworthiness of our counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, our hedging activities may not have the desired beneficial impact on our results or financial condition. Poorly designed strategies or improperly executed transactions could actually increase our risks and losses. Hedging strategies involve transaction costs and other costs, and if we terminate a hedging arrangement, we may also be required to pay additional costs, such as transaction fees or breakage costs. There have been periods in the past, and it is likely that there will be periods in the future, during which we have incurred or may incur losses on transactions, possibly significant, after taking into account our hedging strategies. Further, the nature and timing of our hedging transactions could actually increase our risk and losses. Hedging instruments we use to manage product and other risks might not perform as intended or expected, which could result in higher realised or unrealised losses, such as credit value adjustment risks or unexpected P&L effects, and unanticipated cash needs to collateralise or settle such transactions. Adverse market conditions can limit the availability and increase the costs of hedging instruments, and such costs may not be recovered in the pricing of the underlying products being hedged. In addition, hedging counterparties may fail to perform their obligations, resulting in unhedged exposures and losses on positions that are not collateralised. As such, our hedging strategies and the derivatives that we use or may use may not adequately mitigate or offset the risks they intend to cover, and our hedging transactions may result in losses.

Our hedging strategy additionally relies on the assumption that hedging counterparties remain able and willing to provide the hedges required by our strategy. Increased regulation, market shocks, worsening market conditions, and/or other factors that affect or are perceived to affect the financial condition, liquidity and creditworthiness of ING may reduce the ability and/or willingness of such counterparties to engage in hedging contracts with us and/or other parties, affecting our overall ability to hedge our risks and adversely affecting our business, results and financial condition.

Risks related to the Group's liquidity and financing activities

We depend on the capital and credit markets, as well as customer deposits, to provide the liquidity and capital required to fund our operations, and adverse conditions in the capital and credit markets, or significant withdrawals of customer deposits, may negatively impact our liquidity, borrowing and capital positions, as well as increase the cost of liquidity, borrowings and capital.

Adverse capital market conditions may negatively impact our cost of borrowed funds and our ability to borrow on a secured and unsecured basis, thereby impacting our ability to support and/or grow our businesses. Furthermore, although interest rates are still relatively low by historical standards and have remained so since the financial crisis of 2008, interest rates were recently raised resulting in increased funding costs due in part due to the withdrawal of perceived government support of financial institutions in the event of future financial crises. Financing costs could remain higher as result of this perception, even if rates are lowered again in the upcoming years. In addition, liquidity in the financial markets has also been negatively impacted as market participants and market practices adjust to newer and more comprehensive regulations.

We require liquidity to fund new and ongoing business, to pay our operating expenses and interest on our debt as well as dividends on our capital stock, maintain our securities lending activities and replace maturing liabilities. Without sufficient liquidity, we will be forced to curtail our operations and our business will suffer. The principal sources of our funding include a variety of short- and long-term instruments, including deposit funds, repurchase agreements, commercial paper, medium- and long-term debt, subordinated debt securities, capital securities and shareholders' equity.

In addition, as we rely on customer deposits to fund our business and operations, the confidence of customers in financial institutions may be tested in a manner that may adversely impact our liquidity and capital position. Consumer confidence in financial institutions may, for example, decrease due to ING's or our competitors' failure to communicate to customers the terms of, and the benefits and risks to customers of, complex or high-fee financial products. Reduced customer confidence could have an adverse effect on our liquidity and capital position through the withdrawal of deposits, as well as on our revenues and total financial results. As a significant percentage of our customer deposit base is originated via internet banking, a loss of customer confidence may result in a rapid withdrawal of deposits over the internet.

In the event that our current resources do not satisfy our liquidity requirements, we may need to seek additional financing. The availability of additional financing will depend on a variety of factors, such as market conditions, the general availability of credit, the volume of trading activities, the overall availability of credit to the financial services industry, our credit rating and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of our long- or short-term financial prospects. See also under the heading 'Ratings are important to our business for a number of reasons, and a downgrade or a potential downgrade in our credit ratings could have an adverse impact on our results and net results'. Similarly, our access to funding may be limited if regulatory authorities or rating agencies take negative actions against us. If our internal sources of liquidity prove to be insufficient, there is a risk that we may not be able to successfully obtain additional financing on favourable terms, or at all. Any actions we might take to access financing may, in turn, cause rating agencies to re-evaluate our ratings.

Disruptions, uncertainty or volatility in the capital and credit markets may also limit our access to capital. Such market conditions may in the future limit our ability to raise additional capital to support business growth, to counterbalance the consequences of losses, or to meet increased regulatory capital and rating agency capital requirements. This could force us to (i) delay raising capital, (ii) reduce, cancel or postpone payment of dividends on our shares, (iii) reduce, cancel or postpone interest payments on our other securities, (iv) issue capital of different types or under different terms than we would otherwise, or (v) incur a higher cost of capital than in a more stable market environment. This would have the potential to decrease both our profitability and our financial flexibility. Our results, financial condition, cash flows, regulatory capital and rating agency capital positions could be materially adversely affected by disruptions in the financial markets.

Furthermore, regulatory liquidity requirements in certain jurisdictions in which we operate remain stringent, undermining our efforts to maintain centralised management of our liquidity. This may continue to cause trapped pools of liquidity and capital, resulting in inefficiencies in the cost of managing our liquidity and solvency, and hinder our efforts to integrate our balance sheet. An example of such trapped liquidity includes our operations in Germany where German regulations impose separate liquidity requirements that restrict ING's ability to move a liquidity surplus out of the German subsidiary.

As a holding company, ING Groep N.V. is dependent for liquidity on payments from its subsidiaries, many of which are subject to regulatory and other restrictions on their ability to transact with affiliates.

ING Groep N.V. is a holding company and, therefore, depends on dividends, distributions and other payments from its subsidiaries to fund dividend payments to its shareholders and to fund all payments on its obligations, including debt service obligations.

ING Groep N.V.'s ability to obtain funds to meet its obligations depends on legal and regulatory restrictions applicable to ING Groep N.V.'s subsidiaries. Many of ING Groep N.V.'s direct and indirect subsidiaries, including certain subsidiaries of ING Bank N.V., may be subject to laws that restrict dividend payments, as well as requirements with respect to capital and liquidity levels. For example, certain local governments and regulators have taken steps and may take further steps to 'ring fence' or impose minimum internal total loss-absorbing capacity on the local affiliates of a foreign financial institution to protect clients and creditors of such affiliates in the event of financial difficulties involving such affiliates or the broader banking group. Increased local regulation and supervision have therefore limited and may in the future further limit the ability to move capital and liquidity among affiliated entities and between ING Groep N.V. and its direct and indirect subsidiaries; limit the flexibility to structure intercompany and external activities of ING as otherwise deemed most operationally efficient, and increase in the overall level of capital and liquidity required by ING on a consolidated basis.

Lower earnings of a local entity may also reduce the ability of such local entity to make dividends and distributions to ING Groep N.V. Other restrictions, such as restrictions on payments from subsidiaries or limitations on the use of funds in client accounts, may also apply to distributions to ING Groep N.V. from its subsidiaries.

ING Groep N.V. has also in the past guaranteed and may in the future continue to guarantee the payment obligations of some of its subsidiaries, including ING Bank N.V.. Any such guarantees may require ING Groep N.V. to provide substantial funds or assets to its subsidiaries or the creditors or counterparties of these subsidiaries at a time when the guaranteed subsidiary is in need of liquidity to fund its own obligations.

Finally, ING Groep N.V., as the resolution entity of ING, has an obligation to remove impediments to resolution and to improve resolvability. Regulatory authorities have required and may continue to require ING to increase capital or liquidity levels at the level of the resolution entity or at particular subsidiaries. This may result in, among other things, the issuance of additional long-term debt issuance at the level of ING Groep N.V. or particular subsidiaries.

Additional risks relating to ownership of ING shares

Holders of ING shares may experience dilution of their holdings and may be impacted by any share buyback programme.

ING's AT1 Securities may, under certain circumstances, convert into equity securities. Such conversion would dilute the ownership interests of existing holders of ING shares and such dilution could be substantial. Additionally, any conversion, or the anticipation of the possibility of a conversion, could depress the market price of ING shares. Furthermore, we may undertake future equity offerings with or without subscription rights. In case of equity offerings without subscription rights, holders of ING shares may suffer dilutions. In case of equity offerings with subscription rights, holders of ING shares in certain jurisdictions, however, may not be entitled to exercise such rights unless the rights and the related shares are registered or qualified for sale under the relevant legislation or regulatory framework. Holders of ING shares in these jurisdictions may suffer dilution of their shareholding should they not be permitted to, or otherwise chose not to, participate in future equity offerings with subscription rights.

Any share repurchases could affect the price of our ordinary shares, ADSs or other securities and increase trading price volatility. The existence of a share buyback programme could also cause the price of our ordinary shares, ADSs or other securities to be higher than it would be in the absence of such a share buyback programme, and could potentially reduce the market liquidity of our ordinary shares, ADSs or other securities. There can be no assurance that any share buybacks will enhance shareholder value because the market price of our ordinary shares or ADSs may decline below the levels at which we repurchase any ordinary shares or ADSs.

In addition, ING cannot guarantee that any future share buyback programme will be fully consummated. The timing and amount of share repurchases pursuant to a share buyback programme will depend upon a number of factors, including market, business conditions, and the trading price of the our ordinary shares or ADSs. A share buyback programme may also be suspended or terminated at any time, and any such suspension or termination could negatively affect the trading price of, increase trading price volatility of or reduce the market liquidity of our ordinary shares, ADSs or other securities. Additionally, a share buyback programme could diminish our cash reserves, which may impact our ability to finance future growth and to pursue possible future strategic opportunities.

Because we are incorporated under the laws of the Netherlands and many of the members of our Supervisory and Executive Boards and our officers reside outside of the United States, it may be difficult to enforce judgments of US courts against ING or the members of our Supervisory Board and Executive Board or our officers.

Most of our Supervisory Board members, our Executive Board members and some of the experts named in this Annual Report, as well as many of our officers are persons who are not residents of the United States, and most of our and their assets are located outside the United States. As a result, investors may not be able to serve process on those persons within the United States or to enforce in the United States judgments obtained in US courts against us or those persons based on the civil liability provisions of the US securities laws.

Investors also may not be able to enforce judgments of US courts under the US federal securities laws in courts outside the United States, including the Netherlands. The United States and the Netherlands do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States based on civil liability, whether or not predicated solely upon the US federal securities laws, would not be enforceable in the Netherlands unless the underlying claim is re-litigated before a Dutch court. However, under current practice, the courts of the Netherlands may be expected to render a judgment in accordance with the judgment of the relevant US court, provided that such judgment (i) is a final judgment and has been rendered by a court which has established its jurisdiction on the basis of internationally accepted grounds of jurisdiction, (ii) has not been rendered in violation of elementary principles of fair trial, (iii) is not contrary to the public policy of the Netherlands, and (iv) is not incompatible with (a) a prior judgment of a Netherlands court rendered in a dispute between the same parties, or (b) a prior judgment of a foreign court rendered in a dispute between the same parties, concerning the same subject matter and based on the same cause of action, provided that such prior judgment is not capable of being recognised in the Netherlands. It is uncertain whether this practice extends to default judgments as well.

Based on the foregoing, there can be no assurance that US investors will be able to enforce against us or members of our board of directors, officers or certain experts named herein who are residents of the Netherlands or countries other than the United States any judgments obtained in US courts in civil and commercial matters, including judgments under the US federal securities laws.

In addition, there is doubt as to whether a Dutch court would impose civil liability on us, the members of our board of directors, our officers or certain experts named herein in an original action predicated solely upon the US federal securities laws brought in a court of competent jurisdiction in the Netherlands against us or such members, officers or experts, respectively.

Disclaimer

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to a number of factors, including, without limitation: (1) changes in general economic conditions and customer behaviour, in particular economic conditions in ING's core markets, including changes affecting currency exchange rates and the regional and global economic impact of the invasion of Russia into Ukraine and related international response measures (2) changes affecting interest rate levels (3) any default of a major market participant and related market disruption (4) changes in performance of financial markets, including in Europe and developing markets (5) fiscal uncertainty in Europe and the United States (6) discontinuation of or changes in 'benchmark' indices (7) inflation and deflation in our principal markets (8) changes in conditions in the credit and capital markets generally, including changes in borrower and counterparty creditworthiness (9) failures of banks falling under the scope of state compensation schemes (10) non-compliance with or changes in laws and regulations, including those concerning financial services, financial economic crimes and tax laws, and the interpretation and application thereof (11) geopolitical risks, political instabilities and policies and actions of governmental and regulatory authorities, including in connection with the invasion of Russia into Ukraine and the related international response measures (12) legal and regulatory risks in certain countries with less developed legal and regulatory frameworks (13) prudential supervision and regulations, including in relation to stress tests and regulatory restrictions on dividends and distributions (also among members of the group) (14) ING's ability to meet minimum capital and other prudential regulatory requirements (15) changes in regulation of US commodities and derivatives businesses of ING and its customers (16) application of bank recovery and resolution regimes, including write down and conversion powers in relation to our securities (17) outcome of current and future litigation, enforcement proceedings, investigations or other regulatory actions, including claims by customers or stakeholders who feel misled or treated unfairly, and other conduct issues (18) changes in tax laws and regulations and risks of non-compliance or investigation in connection with tax laws, including FATCA (19) operational and IT risks, such as system disruptions or failures, breaches of security, cyber-attacks, human error, changes in operational practices or inadequate controls including in respect of third parties with which we do business and including any risks as a result of incomplete, inaccurate, or otherwise flawed outputs from the algorithms and data sets utilized in artificial intelligence (20) risks and challenges related to cybercrime including the effects of cyber attacks and changes in legislation and regulation related to cybersecurity and data privacy, including such risks and challenges as a consequence of the use of emerging technologies, such as advanced forms of artificial intelligence and quantum computing (21) changes in general competitive factors, including ability to increase or maintain market share (22) inability to protect our intellectual property and infringement claims by third parties (23) inability of counterparties to meet financial obligations or ability to enforce rights against such counterparties (24) changes in credit ratings (25) business, operational, regulatory, reputation, transition and other risks and challenges in connection with climate change, diversity, equity and inclusion and other and ESG-related matters, including data gathering and reporting and also including managing the conflicting laws and requirements of governments, regulators and authorities with respect to these topics (26) inability to attract and retain key personnel (27) future liabilities under defined benefit retirement plans (28) failure to manage business risks, including in connection with use of models, use of derivatives, or maintaining appropriate policies and guidelines (29) changes in capital and credit markets, including interbank funding, as well as customer deposits, which provide the liquidity and capital required to fund our operations, and (30) the other risks and uncertainties detailed in the most recent Annual Report of ING Groep N.V. (including the Risk Factors contained therein) and ING's more recent disclosures, including press releases, which are available on ing.com.

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