

Technical Appendix – GRI/SASB, Environmental Programme and UNEP FI PRB

Global Reporting Initiative (GRI) Table

Standard	Disclosure	Chapter and section reference in ING Annual Report 2021 unless stated otherwise	Direct Answer or Reason for Omission
GRI 101: FOUNDATION (2016)			
GRI 102: GENERAL DISCLOSURES (2016)			
1. Organizational profile			
102-1	Name of the organization	Report front cover (p. 1)	
102-2	Activities, brands, products, and services	Introduction - ING at a glance (p. 5)	ING did not sell any banned or disputed products in 2021.
102-3	Location of headquarters	General Information (p. 406)	
102-4	Location of operations	Introduction - ING at a glance (p. 5) https://www.ing.com/About-us/Profile/ING-at-a-glance.htm	
102-5	Ownership and legal form	Corporate Governance - ING's Corporate Governance Structure (p. 217)	

102-6	Markets served	Introduction - ING at a glance (p. 5) https://www.ing.com/About-us/Profile/ING-at-a-glance.htm	
102-7	Scale of the organization	Strategy & Performance - Our people (p. 73-74) Strategy & Performance - Our performance (p. 65-71)	
102-8	Information on employees and other workers	Strategy & Performance - Our people (p. 73)	ING does not disclose the number of employees by employment contract or employment type, by gender since this is not used internally. ING does not have a significant portion of the organization's activities performed by workers who are not employees. We disclose information on our employees in the 'Our people' chapter.
102-9	Supply chain	https://www.ing.com/Sustainability/Our-own-operations/Working-with-suppliers.htm	As a financial services provider, the main elements of our supply chain are related to products and services that support our operations. These includes facility services and logistics, building maintenance and projects, IT systems – hardware and software, insurance, lease cars and business travel, marketing and communications support and other professional services. We disclose our policy and progress in the area of sustainable procurement on our website.

102-10	Significant changes to the organization and its supply chain	Strategy & Performance - A differentiating customer experience - Retail banking (p. 44) Strategy & Performance - A differentiating customer experience - Remote advice (p. 44) Corporate governance - Capital - Capital structure (p. 227) Risk management - Environmental, social and governance risk (p. 175-182)	
102-11	Precautionary Principle or approach	Risk Management - Environmental, social and governance risk (p. 175-182)	
102-12	External initiatives	https://www.ing.com/Sustainability/The-world-around-us-1/Memberships.htm	
102-13	Memberships of associations	World around us - Stakeholder engagement (p. 18)	-
		https://www.ing.com/Sustainability/The-world-around-us-1/Memberships.htm	-
2. Strategy			
102-14	Statement from senior decision-maker	In conversation with our CEO (p. 13-16)	
3. Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Strategy and performance - Our strategy (p. 26) Strategy and performance - Our people - Culture and capabilities: our core drivers (p. 75) https://www.ing.com/About-us/Profile/Values.htm	

4. Governance			
102-18	Governance structure	Corporate Governance - ING's Corporate Governance Structure (p. 217)	
		https://www.ing.com/About-us/Corporate-governance.htm https://www.ing.com/Sustainability/Sustainability-direction/Sustainability-governance.htm	
5. Stakeholder Engagement			
102-40	List of stakeholder groups	Strategy and performance - World around us - Stakeholder engagement, Understanding what matters most (p. 18-20)	
		https://www.ing.com/Sustainability/The-world-around-us-1/How-we-engage.htm	
102-41	Collective bargaining agreements		In previous years, ING reported percentages regarding collective bargaining agreements for The Netherlands. Our ambition is to report global percentages on this topic, but this is not yet available for 2021. Our aim is to include this information next year.
102-42	Identifying and selecting stakeholders	Strategy and performance - World around us - Stakeholder engagement, Understanding what matters most (p. 18-19) https://www.ing.com/Sustainability/The-world-around-us-1/How-we-engage.htm	

102-43	Approach to stakeholder engagement	Strategy and performance - World around us - Stakeholder engagement, Understanding what matters most (p. 18-19)	
102-44	Key topics and concerns raised	<p>Strategy and performance - World around us - Stakeholder engagement, Understanding what matters most (p. 18-19)</p> <p>Strategy and performance - World around us - Materiality matrix (p. 20)</p> <p>Stakeholder engagement case: agri commodities and the threat of deforestation (p. 23)</p> <p>Stakeholder engagement case: oil and gas in the Amazon (p. 30)</p> <p>Stakeholder engagement case: palm oil due diligence (p. 38)</p> <p>Case study: payments service providers and transparency (p. 40)</p> <p>Case study: balancing customer needs and financial wellbeing (p. 45)</p>	
6. Reporting practice			
102-45	Entities included in the consolidated financial statements	Consolidated annual accounts (p. 352-354)	
102-46	Defining report content and topic Boundaries	<p>Introduction - About this report (p. 3)</p> <p>Strategy and performance - World around us - Understanding what matters most (p. 18-20)</p>	
102-47	List of material topics	Strategy and performance -World around us - Materiality matrix (p. 20)	

102-48	Restatements of information		ING has no restatements to report.
102-49	Changes in reporting	Strategy and performance - World around us - Understanding what matters most (p. 18) In conversation with our CEO (p. 13)	
102-50	Reporting period	Introduction - About this report - Our approach to integrated reporting (p. 3)	
102-51	Date of most recent report	Introduction - About this report - Our approach to integrated reporting (p. 3)	
102-52	Reporting cycle	Introduction - About this report - Our approach to integrated reporting (p. 3)	
102-53	Contact point for questions regarding the report	Introduction - About this report - Who this report is for (p.3)	
102-54	Claims of reporting in accordance with the GRI Standards	Introduction - About this report - Reporting guidelines (p. 4)	
102-55	GRI content index	GRI Content Index	
102-56	External assurance	Introduction - About this report - Assurance (p. 4) Strategy and performance - Assurance report of the independent auditor (p. 87 - 88) Corporate Governance - External auditor (p. 232) https://www.ing.com/About-us/Corporate-governance/Auditors.htm	
Topic Specific Standards			
All GRI Standards used to report on material topics are the 2016 version.			
Material topic: Environmental and social due diligence			

<p>103-1 103-2 103-3</p>	<p>Management Approach</p>	<p>Strategy and performance - Our strategy - Sustainability (p. 29) Strategy and performance - How we make a difference - Steering our portfolio (p. 35) Strategy and performance - Our business - Sustainable business - Managing climate and environmental risks (p. 62) Risk management - Environmental, social and governance risk (p. 176-182) https://www.ing.com/MediaEditPage/2021-Climate-Report.htm</p>	
<p>ING</p>	<p>ESR Framework</p>	<p>Introduction - Value Creation Model (p. 8-9) Risk management - Environmental, social and governance risk - The ESR Framework (p. 176-182)</p>	
<p>Material topic: Sustainable finance</p>			
<p>103-1 103-2 103-3</p>	<p>Management approach</p>	<p>Strategy and performance - Our strategy - Sustainability (p. 29) Strategy and performance - How we make a difference - Contributing to a healthy planet (p. 33) Strategy and performance - Our business - Sustainable business (p. 56) Strategy and performance - How we make a difference - Steering our portfolio (p. 35) https://www.ing.com/MediaEditPage/2021-Climate-Report.htm https://www.ing.com/Sustainability/Sustainable-business/Terra-approach.htm</p>	

ING	Amount invested in climate finance	Non-financial performance highlights (p. 7) Strategy and performance - Our business - Sustainable business - Accelerating the green economy (p. 60-61)	
ING	Amount invested in social impact finance	Non-financial performance highlights (p. 7) Strategy and performance - Our business - Sustainable business - Accelerating the green economy (p. 60-61)	
ING	Sustainable investment services	Non-financial performance highlights (p. 7) Strategy and performance - Our business - Sustainable business - Sustainable investment services (p. 63)	
ING	Number of sustainability improvement loans and green loans	Strategy and performance - Our business - Sustainable business - Financing the transition (p. 60) Strategy and performance - Our business - Sustainable business - Accelerating the green economy (p. 60-61)	
Material topic: Ethics & Compliance			

103-1 103-2 103-3	Management Approach	Strategy and performance - Our strategy - Our operating environment - Culture and ethics (p. 24) Strategy and performance - Our strategy - Safe, secure and compliant bank (p. 26-27) Strategy and performance - How we make a difference - Safe, secure and compliant bank (p. 38-41) Risk management (p. 98-101)	
GRI 205: Anti-corruption (2016)			
205-1	Operations assessed for risks related to corruption	Risk management - Compliance risk - Bribery and Corruption (p. 188)	
ING	Orange Code	Strategy and performance - World around us - Culture and ethics (p. 24) Strategy and performance - Our people - Culture and capabilities: our core drivers (p. 75-76)	
ING	KYC training	Strategy and performance - Our strategy - Safe, secure and compliant bank (p. 26-27) Strategy and performance - How we make a difference - Know your customer (p. 39)	
Material topic: Risk management			
103-1 103-2 103-3	Management approach	Strategy and performance - Our strategy - Safe, secure and compliant bank (p. 26-27) Risk management (p. 90)	
ING	Risk Appetite Framework	Corporate governance - Risk committee (p. 209-210) Risk Management - Risk Appetite Framework (p. 101-102)	
ING	ESR Framework	Introduction - Value Creation Model (p. 8-9) Risk management - Environmental, social and governance risk - The ESR Framework (p. 175-182)	

Material topic: Data privacy and security			
103-1 103-2 103-3	Management approach	Strategy and performance - Our strategy - Safe, secure and compliant bank (p. 26-27) Strategy and performance - How we make a difference - Safe, secure and compliant bank (p. 38) Risk management - Cybercrime, Data risk management (p. 93) Risk management - Non-financial risk - Cybercrime and fraud (p. 184)	
GRI 418 Customer Privacy (2016)			
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	Strategy and performance - How we make a difference - Safe, secure and compliant bank - Cybercrime resilience and fraud management (p. 40)	
ING	Description of preventive measures in place for organisational resilience	Strategy and performance - How we make a difference - Safe, secure and compliant bank (p. 38-41) Strategy and performance - Our people - Culture and capabilities: our core drivers (p. 75)	
ING	Number of cybersecurity incidents	Strategy and performance - How we make a difference - Safe, secure and compliant bank - Cybercrime resilience and fraud management (p. 40)	
Material topic: Fair and transparent products			

103-1 103-2 103-3	Management approach	Introduction - Value Creation Model (p. 8-9) World around us - Understanding what matters most (p.18-20)	ING currently does not have a performance indicator for this material topic as this is a new material topic. This will be constructed in more detail in 2022.
Material topic: Financial performance			
103-1 103-2 103-3	Management approach	Strategy and performance - Our business - Healthy business (p. 48) Strategy and performance - Our performance (p. 65-71) Consolidated annual accounts (p. 240-306)	
GRI 201 Economic Performance (2016)			
201-1 (2016)	Direct economic value generated and distributed	Consolidated annual accounts (p. 240-306) Strategy and performance - How we make a difference - Our value creation model (p. 32)	
Material topic: Financial inclusion			
103-1 103-2 103-3	Management approach	World around us - Understanding what matters most (p.18-20) Strategy and performance - How we make a difference - Contributing to financial health (p. 36-37) Strategy and performance - Our business - Financial health (p. 47-48) Strategy and performance - Our people - Inclusion (p. 78)	

ING	Feeling of financial empowerment	Introduction - Value Creation Model (p. 8-9) Strategy & Performance - How we make a difference - Contributing to financial health (p. 36-37)	
Material topic: Diversity, inclusion and equity			
103-1 103-2 103-3	Management approach	Strategy and performance - Our people - Diversity and inclusion (p. 76-79) Corporate governance - Diversity & competence matrix (p. 215) Corporate governance - Executive board - Composition and diversity (p. 214) Corporate governance - Supervisory board - Composition and diversity (p. 218)	
GRI 401 Employment (2016)			
405-1	Diversity of governance bodies and employees	Strategy and performance - Our people (p. 74) Corporate governance - Diversity & competence matrix (p. 215) Corporate governance - Executive board - Composition and diversity (p. 222) Corporate governance - Supervisory board - Composition and diversity (p. 213-214)	
ING	Steering on our 70% principle to stimulate gender, nationality and age group diversity in teams	Strategy and performance - Our people - Diversity and inclusion - How are we doing? (p. 76)	
ING	% Male-female ratio in management	Strategy and performance - Our people - Diversity and inclusion - Diversity at the top (p. 76-77)	
Material topic: Customer experience			

103-1 103-2 103-3	Management approach	Strategy and performance - Our strategy - Data-driven digitalisation (p. 28-29) Strategy and performance - Our business - A differentiating customer experience (p. 43), Earning the primary relationship (p. 52)	
ING	Number of primary customers	Strategy and performance - Our business - Earning the primary relationship (p. 52)	
ING	Net Promotor Score	Strategy and performance - Our business - Earning the primary relationship - Measuring customer satisfaction (p. 52)	
Material topic: Digitalisation			
103-1 103-2 103-3		Strategy and performance - Our strategy - Data-driven digitalisation (p. 28-29) Strategy and performance - Our business - A differentiating customer experience (p. 43) Strategy and performance - Our business - Digitalisation (p. 50-52)	
ING	% of customer contact that is digital	Strategy and performance - Our business - A differentiating customer experience - Retail banking (p. 44)	
ING	% mobile interactions	Strategy and performance - Our strategy - Data-driven digitalisation (p. 28-29)	
ING	% of growth in contactless mobile payment volumes	Strategy and performance - Our business - A differentiating customer experience - Retail banking (p. 44) Strategy and performance - Our strategy - Data-driven digitalisation (p. 28-29)	

Sustainability Accounting Standards Board (SASB) Table

Disclosure Topic	Accounting Metric	Metric Code	Disclosure reference
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	FN-CB-550a.1.	ING Bank Additional Pillar III Report 2021 - Navigation map
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	FN-CB-550a.2	ING Group Annual Report 2021 - Risk management - Stress testing (p. 103)
			ING Group Annual Report 2021 - Risk management - Environmental, social and governance risk (p. 175-182)
			ING Group Annual Report 2021 - Risk Management - Environmental, social and governance risk - Climate risk management (p. 178)
			ING ESR Framework
			ING Climate Report 2021 - Scenario analysis
Incorporation of ESG Factors in Credit Analysis	Commercial and industrial credit exposure, by industry	FN-CB-410a.1	ING Group Annual Report 2021 - Risk management - Credit risk portfolio per business line (p. 114) framework;
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	FN-CB-4101a.2	ING Group Annual Report 2021 - Our business - Sustainable business (p. 56)
			ING Group Annual Report 2021 - Risk management - Environmental, social and governance risk (p. 175-182)
			ING Equator Principles reporting
ING ESR Framework			
Our stance on ESG topics			

			ING Climate Report 2021
Data security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	FN-CB-230a.1	ING Group Annual Report 2021 - How we make a difference - Cybercrime resilience and fraud management (p. 40-41)
	Description of approach to identifying and addressing data security risks	FN-CF-230a.2	ING Group Annual Report 2021 - How we make a difference - Cybercrime resilience and fraud management (p. 40-41)
			ING Group Annual Report 2021 - Risk management - Cybercrime, Data risk management (p. 93)
			ING Group Annual Report 2021 - Our people - Culture and capabilities: our core drivers (p. 75-76)
Financial Inclusion and Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB-240a.1	ING does not disclose this figure. Since financial inclusion is a new material topic, more detailed information will be included in 2022.
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	FN-CB-240a.2	
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	ING Group Annual Report 2021 - How we make a difference - Supporting financial health in the community (p. 36)

Business ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	FN-CB-510a.1	ING Group Annual Report 2021 - Consolidated financial statements - Note 46 Legal proceedings (p. 348)
	Description of whistleblower policies and procedures	FN-CB-510a.2	ING Bank Additional Pillar III Report 2021 - Whistleblower Strategy & Performance - Compliance risk - Culture & Ethics (p. 24) ING Whistleblower Policy ING complaints procedure

Environmental programme

We measure and manage the impact of our operations through our environmental programme. The environmental impact of our operations mainly consists of energy use in buildings and IT systems, business travel, waste and water.

Breakdown of electricity consumption						
	2021	2020	2019	2021	2020	2019
Coverage (% of employees)	99	99	99	99	99	99
	MWH x 1000			kilotonne CO2e		
Non-Renewable electricity	-	-	4	-	-	3
Renewable electricity	178	194	215	-	-	-
Total electricity	178	194	219	-	-	3

Breakdown of other energy consumption						
	2021	2020	2019	2021	2020	2019
Coverage (% of employees)	98	99	99	98	99	99
	GJ X 1000			kilotonne CO2e		
Natural gas	162	190	180	9	12	11
Fuel oil	4	3	5	0.3	0.2	0.4
District heating	97	81	79	4	4	4
Total other energy ¹	263	273	263	14	16	16

1 The Total energy is the sum of all other energy types used. The total can deviate from the sum of all categories due to rounding-up to gigajoules.

Kilometres and carbon emissions through business travel ¹						
	2021	2020	2019	2021	2020	2019
Coverage (% of employees)	98	99	99	98	99	99
	KM x 1 million			kilotonne CO2e		
Travel KMs	54	68	206	6	8	23

1 Business travel comprises travel by air and by road for business purpose only.

Carbon emissions ¹			
	2021	2020	2019
Coverage (% of employees)	99	99	99
in kilotonne CO ₂ e			
Total actual carbon ¹	20	24	42
Total extrapolated carbon	20.5	25	44
Total actual carbon Scope 1 ²	9	12	12
Total actual carbon Scope 2 ³	4	4	7
Total actual carbon Scope 3 ⁴	6	8	23

1 The carbon total is the sum of scope 1, 2 and 3 emissions. The total can deviate from the sum of all categories due to rounding-up to kilotonnes. Our calculation methodology and scope are defined in ING's non-financial data reporting protocol.

2 Scope 1 comprises emissions from our use of natural gas and fuel oil.

3 Scope 2 comprises emissions from our use of non-renewable electricity and district heating.

4 Scope 3 comprises emissions from our business travel by air and car.


Data quality improved in 2021 with the inclusion of our Shared Services location in Poland reporting.

Residual waste ¹			
	2021	2020	2019
Coverage (% of employees)	99	99	99
in tonnes			
Total	1,065	1,366	2,370

1 Residual waste is the difference between total and recycled waste.

Water consumption			
	2021	2020	2019
Coverage (% of employees)	96	91	94
in thousands of m ³			
Total	194	366	500

UNEP FI Principles for Responsible Banking

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
 <p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>ING is a Netherlands-based global financial institution with a strong European base. Our 57,000+ employees serve around 38 million customers, corporate clients and financial institutions in over 40 countries. In our retail banking business, which includes the business banking segment, we offer (individuals, small to medium-sized businesses and mid-corporates) a full range of products and services covering payments, savings, insurance, investments and secured and unsecured lending. In wholesale banking, we provide corporate clients and financial institutions with advisory value propositions such as specialised lending, tailored corporate finance, sustainable and sustainability-linked financing, and debt and equity market solutions, as well as payments and cash management and trade and treasury services.</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → ING at a glance • ING Group 2021 Annual Report → Our business • ING.COM → About us → Profile → ING at a glance
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to</p>	<p>Through ING's approach to sustainability in the areas of climate action and financial health, and through the customers and projects we finance, we contribute to following the Sustainable</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → How we make a difference • ING Group 2021 Annual Report → Environmental, social and governance risk

<p>align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>Development Goals (SDGs) of the United Nations: decent work and economic growth (goal 8), reduced inequalities (goal 10), responsible consumption and production (goal 12) and climate action (goal 13).</p> <p>Our climate approach is closely aligned with the climate goals of the Paris Agreement, as well as the objectives of the European Commission's Green Deal. In August 2021, we joined the Net-Zero Banking Alliance and through our Terra approach, now aim to steer our loan book towards in line with a scenario keeping the rise in global temperatures to 1.5 degrees Celsius rather than well below 2 degrees to achieve net-zero greenhouse gas emissions well before 2050 rather than by 2070.</p> <p>ING endorses the recommendations of the Financial Stability Board's (FSB) Task Force on Climate-Related Financial Disclosures. (TCFD). See our integrated climate report on ING.com for ING's progress on implementing the 11 TCFD recommended disclosures.</p> <p>ING's ESR policy framework helps us make transparent choices about how, where and with whom we do business. In 2021, we updated the ESR Framework as part of the three-year mandatory comprehensive review cycle.</p> <p>ING ultimately contributes to the SDGs by making choices in financing, what we don't finance, what</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → How we create value • ING.COM → Sustainability → Sustainability direction → Climate action → Integrated climate report • ING.COM → Sustainability → Our Stance • ING.COM → Sustainability → Sustainability direction • ING.COM → Sustainability → Sustainable business → Environmental and social risk management • ING.COM → Sustainability → The world around us → sustainable development goals • ING.COM → Sustainability → The world around us → UN Environment Programme FI • ING.COM → Sustainability → Our own operations → Environmental performance • ING.COM → Sustainability → Sustainable business → Circular Economy • ING.COM → Sustainability → Sustainability Direction → Climate action • ING.COM → Sustainability → Sustainability Direction → Financial health • ING.COM → Sustainability → Our Stance → Human Rights • ING.COM → Sustainability → Sustainable business → Biodiversity • INGWB.com → Strategic Finance and Advisory → Sustainable Finance
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we do finance, and what we finance under certain conditions. The ESR policy framework guides us on the 'no' and the "certain conditions" part, our sustainability objectives such as the one on climate alignment guide what we do finance (the "redirecting financing flows" from the Paris Agreement, article 2C) and also our Sustainable Finance ambitions feed into this by financing sustainable change.



Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

<p>2.1 Impact Analysis: <i>Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:</i></p> <p>a) <u>Scope</u>: The bank’s core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) <u>Scale of Exposure</u>: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) <u>Context & Relevance</u>: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) <u>Scale and intensity/salience of impact</u>: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank’s activities and provision of products and services.</p>	<p>Our SDG focus areas are formed by our exposure and impact opportunities.</p> <p>In 2021, we conducted an extensive materiality analysis to address new trends and changing stakeholder concerns. This included a stakeholder dialogue event and interviews with senior management, as well as internal and external surveys. The material topics are reviewed and approved by the Executive Board.</p> <p>We apply strict social, ethical and environmental criteria in our financing and investment policies. Every client and transaction is assessed, monitored and evaluated against the requirements of our environmental and social risk (ESR) framework.</p> <p>In 2021, we continued developing a tool for analysing salient human rights risks within our portfolio, (forced labour, child labour and land-related issues). We piloted the tool with clients and collectd comprehensive feedback from both internal and external stakeholders.</p> <p>In 2021, we also completed the first phase in our climate risk identification process. This included finalising and implementing the methodology for our heatmap process which were extended to also cover our physical risks</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → World around us • ING Group 2021 Annual Report → How we create value • ING.COM → Sustainability → Sustainability direction → Climate action → Integrated climate report • ING.COM → Sustainability → The world around us → sustainable development goals • ING.COM → Sustainability → Sustainability direction • ING.COM → Sustainability → Sustainability Direction → Sustainable business- → Terra approach
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<p>(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> ▪ Identified and disclosed its areas of most significant (potential) positive and negative impact ▪ Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p>and applying these to the majority of both Wholesale and retail business lending.</p> <p>Our Terra approach focuses on the sectors in our loan book that are responsible for most global GHG emissions.</p>	
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

ING meets the requirement under this principle.

2.2 Target Setting

Show that the bank has set and published a minimum of two **Specific, Measurable** (can be qualitative or quantitative), **Achievable, Relevant** and **Time-bound** (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

1. We are currently working on incorporating our updated ambition into our Terra approach and aim to have the steps and intermediate targets needed for a net-zero pathway for all nine sectors by end-2022.
2. Our aim is to reduce financing to upstream oil and gas by 12% by 2025 (from the around €4 billion we loaned the industry in 2019).
3. As of 1 January 2022, we will be required under new Dutch legislation, the Gender Diversity Act, to set 'appropriate and ambitious' targets for improving gender diversity on our MBB and at senior management level and to report annually on our progress.

- ING Group 2021 Annual Report → Our business
- ING Group 2021 Annual Report → Our People
- ING Group 2021 Annual Report → Environmental, social and governance risk
- ING.COM → Sustainability → Sustainability direction → Climate action → Integrated climate report

<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</p>		
<p>ING meets the requirement under this principle.</p>		
<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<ol style="list-style-type: none"> 1. We will continue to monitor and report our progress towards aligning our portfolio with our updated climate commitment of 1.5 degrees or net zero in 2050 (following the NZBA). To measure our progress, Terra uses the most appropriate methodology available per sector, given that each has its own transition pathway, and that some sectors are further along on their journeys. 2. To measure our progress we use the 2DII PACTA 'economic activities' 	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → Our business • ING Group 2021 Annual Report → Our People • ING.COM → Sustainability → Sustainability direction → Climate action → Integrated climate report

	<p>methodology, which has two metrics to identify the carbon intensity of the Energy sector. For 'power generation' the alignment metric we use is emissions intensity. For 'fossil fuels' (coal, oil & gas) we use the 'portfolio financing trend', which requires an absolute reduction in the financing of primary energy production by reducing the size of our upstream oil & gas and thermal coal mining portfolios.</p> <p>3. ING will use the new global job architecture (GJA) classification introduced at end-2021 when reporting on gender diversity and will disclose on women in management from levels 22 and above.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>ING meets the requirement under this principle.</p>		
<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p>Show that your bank has implemented the actions it had previously defined to meet the set target.</p> <p>Or explain why actions could not be implemented / needed to be changed and how</p>	<p>Of the nine sectors in scope for Terra, five – power generation, automotive, residential real estate, shipping and fossil fuel – were on track with existing climate-alignment pathways in 2020. Steel, cement and commercial real estate are all within 5% of their scenario and we consider these sectors able to improve their performance in the short term. Aviation was not on track. Covid-19 had an</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → Our business • ING Group 2021 Annual Report → Our People • ING.COM → Sustainability → Sustainability direction → Climate action → Integrated climate report

<p>your bank is adapting its plan to meet its set target.</p> <p><i>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</i></p>	<p>extraordinary impact on the sector in 202 when restriction on international travel led to a significant reduction in absolute emissions but also impacted efficiency owing to the global fall in passenger loads.</p> <p>At MBB level, 25% of our leaders are women (33% in 2020). However, in 2021, board roles for operations and technology were separated, increasing the number of MBB members from seven to eight.</p>	<ul style="list-style-type: none"> • ING.COM → Sustainability → Sustainability Direction → Sustainable business- → Terra approach
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets

ING meets the requirement under this principle



Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

<p>3.1 <i>Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</i></p>	<p>Terra is an engagement-driven approach supporting existing clients' transition pathways. ING can engage business clients using the Terra Climate Alignment Dashboards (CAD).</p> <p>Our ESR policy outlines minimum requirements for new clients and improvement targets for existing clients.</p> <p>When it comes to financial health, we're embedding our activities directly into our core business where we can make a more tangible</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → Our strategy • ING Group 2021 Annual Report → Our business • ING Group 2021 Annual Report → How we make a difference • ING.COM → Sustainability → Sustainability direction → Climate action → Integrated climate report
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	<p>impact on our customers. We're also bringing our community support closer to home through our new community investment programme.</p> <p>In 2021, we continued developing a tool for analysing salient human rights risks within our portfolio, (forced labour, child labour and land-related issues). We piloted the tool with clients and collected comprehensive feedback from both internal and external stakeholders.</p>	<ul style="list-style-type: none"> • ING.COM → Sustainability → Sustainable business → Environmental and social risk policies • ING.COM → Sustainability → Sustainability Direction → Financial health
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>ING engages Wholesale Banking clients in sectors with material impacts on the environment and society. An overview of these sectors is available in our ESR framework.</p> <p>ING maintains a Wholesale Banking engagement platform on sustainable finance.</p> <p>We think our biggest impact on improving financial health can be made through our products and services by equipping our customers with actionable insights, innovative tools and real-time information to make better smarter financial choices now and in the future.</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → Our business • ING.COM → Sustainability → Sustainable business → Environmental and social risk policies • ING.COM → Sustainability → Sustainability Direction → Financial health



Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 *Describe* which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

We contribute to international initiatives such as various work tracks within the United Nations Environment Programme Finance Initiative (UNEP FI), the Net-Zero Banking Alliance and the Science-Based Targets Initiative. ING is a member of platforms such as the Equator Principles Association and we seek external alignment and validation of our sustainability priorities by endorsing international frameworks such as the UN Global Compact and applying standards such as the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. An overview of partnerships, memberships and endorsements is available at [ing.com](https://www.ing.com).

- [ING.COM](https://www.ing.com) → Sustainability → The world around us → How we engage;
- [ING.COM](https://www.ing.com) → Sustainability → The world around us → Memberships;
- [ING.COM](https://www.ing.com) → Sustainability → The world around us → UN Environment Programme FI



Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

Responsibility for ING's sustainability targets lies with the Executive Board and Management Board Banking, as well as the individual board members responsible for the business areas that specific targets relate to. For the wider ESG-related targets as from 2022, overall responsibility will also be with these boards.

The global head of Sustainability currently reports directly to the Management Board Banking member responsible for Wholesale Banking.

Climate governance is through ING's Climate Change Committee (CCC), chaired by the CRO, and co-chaired by the Management Board Banking member responsible for Wholesale Banking. It further comprises a number of board members and senior managers from the Wholesale and Retail businesses. The CCC is advised by an internal Climate Expert Group (CEG) comprising experts from the Wholesale Banking front office, global Sustainability, and Risk.

- ING Group 2021 Annual Report → Corporate Governance
- ING.COM → Sustainability → Sustainability Direction → Sustainability governance

<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>ING's ESG performance determines part of the Executive Team's variable compensation.</p> <p>The ESR team provides training (both in-person and via webinars) to hundreds of colleagues around the world every year in risk, front office, KYC and compliance teams, so that ESR knowledge is built on and spread.</p> <p>Moreover, all employees are encouraged to contribute to sustainable impact through sustainability-focused training which are available on ING's learning platform (MyLearning). ING also encourages colleagues to follow the "sustainability boost", which is a three-day learning programme to activate employees to contribute to our sustainability objectives. In addition, employees are motivated to include a sustainability objective in their year plan as a stretch ambition if they don't contribute already to this in their role.</p>	<ul style="list-style-type: none"> • ING Group 2021 Annual Report → Environmental, social and governance risk • ING Group 2021 Annual Report → How we make a difference • ING.COM → About us → Corporate Governance → Remuneration → Executive Board remuneration (policy) • ING.COM → Investor relations → Presentations → ESG presentation 2021
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<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>Oversight of the Principles for Responsible Banking implementation has been integrated into our sustainability governance, meaning that it is now a board-level mandate. ING has signed commitment of the Net-Zero Banking Alliance whose implementation is ultimately covered by the same governance structure; the CCC oversees the day-to-day implementation while the MBB is ultimately responsible (Board-level KPI).</p>	<ul style="list-style-type: none"> • ING.COM → Sustainability → Sustainability Direction → Sustainability governance
<p>Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</p>		
<p>ING meets the requirement under this principle.</p>		



Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

1.1 Progress on Implementing the Principles

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

We are currently working on incorporating our updated climate ambition (net zero in 2050) into our Terra approach and aim to have the steps and intermediate targets needed for a net-zero pathway for all nine sectors by end-2022.

In 2021, we continued developing a tool for analysing salient human rights risks within our portfolio, (forced labour, child labour and land-related issues). We piloted the tool with clients and collected comprehensive feedback from both internal and external stakeholders. We also developed a roadmap for embedding human rights data into a portfolio view of risks; the action that comes from this will help us

- ING Group 2021 Annual Report → Our business
- ING Group 2021 Annual Report → How we make a difference
- ING.COM → Sustainability → Sustainability Direction → Financial health

	<p>prioritise and focus our due diligence.</p> <p>As a result of our financial health activities, 72.2% of our customer base felt financially empowered by ING in 2021 (71% in 2020). More details on the scope and reporting methodology can be found on ing.com.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking</p>		
<p>ING meets the requirement under this principle.</p>		