ING Credit Update 1Q2024

ING Investor Relations

2 May 2024

do your thing

Strong commercial performance

Growth in primary customers[1)]

99,000

- Continued growth in primary customers, driven by Germany and Romania
- On track to reach 17 mln primary customers by the end of 2025

Growth in core lending

€4.2 bln

- Continued signs of recovery of loan demand
- Strong performance in Retail Banking driven by growth in mortgages
- Growth in Wholesale Banking with a focus on capital efficiency

Growth in core deposits

€13.5 bln

- Strong growth of the deposit base, both in Retail Banking and Wholesale Banking
- Successful promotional campaigns in Germany, Poland and Italy

1) Includes private individuals only

Resulting in an excellent start of the year

Delivering value

Strong NII
+€5 mln
versus 4Q2023 excluding accounting asymmetry

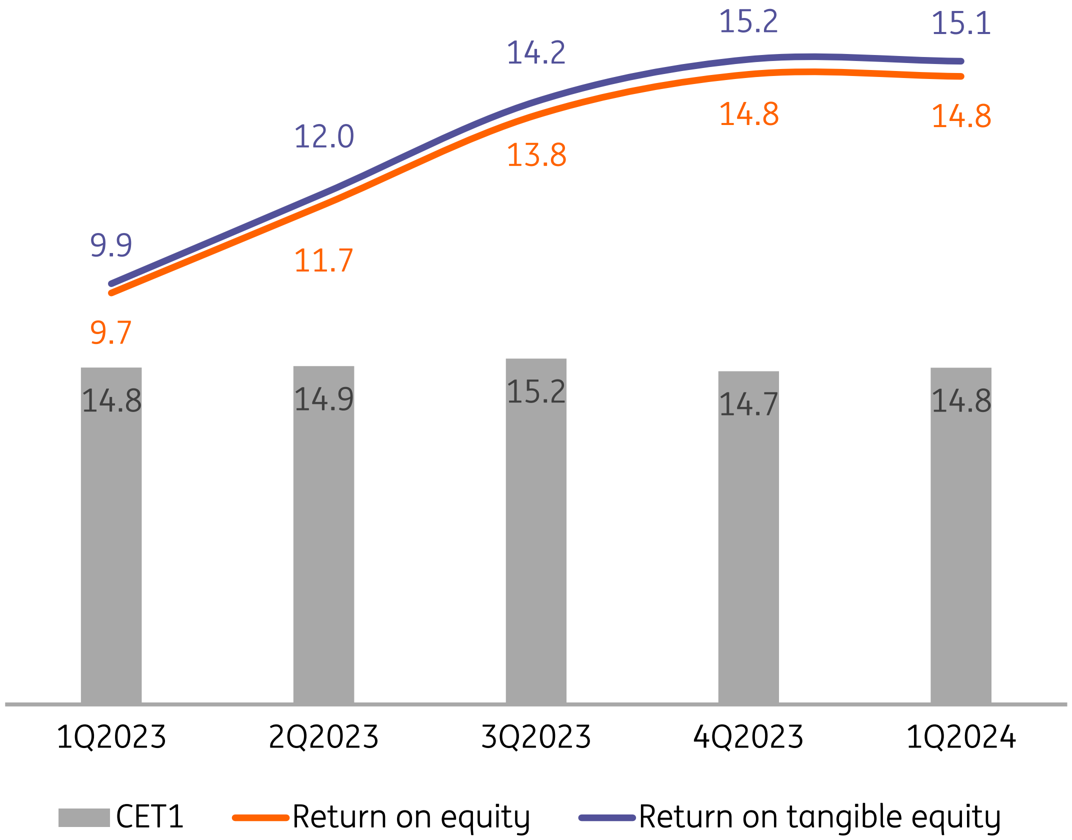
Double-digit fee income growth
+11%
versus 1Q2023

Operating costs on track[1)]
+5%
versus 1Q2023

Continued low risk costs
16 bps
well below through-the-cycle average

Increasing returns on strong capital base

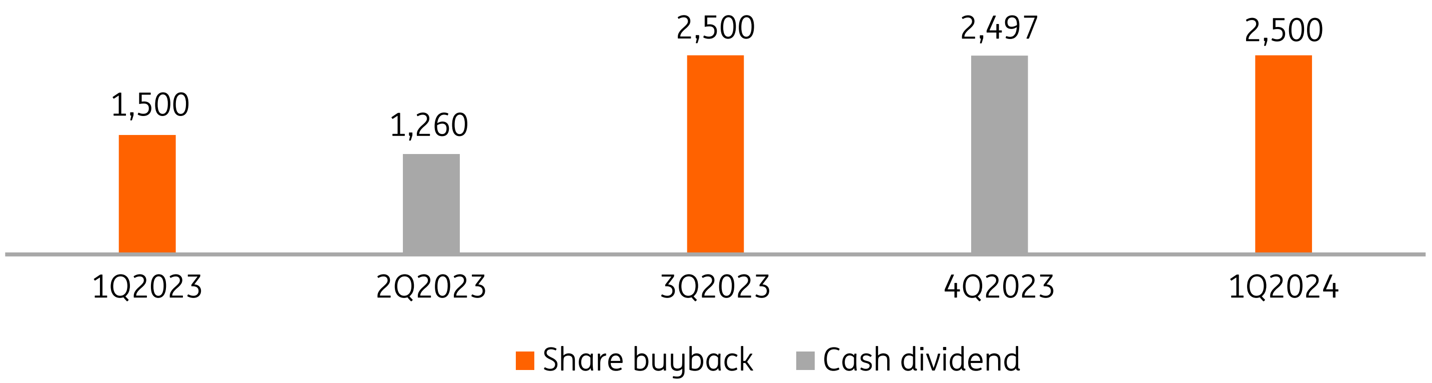
Return on (tangible) equity[2)] and CET1 ratio (in %)



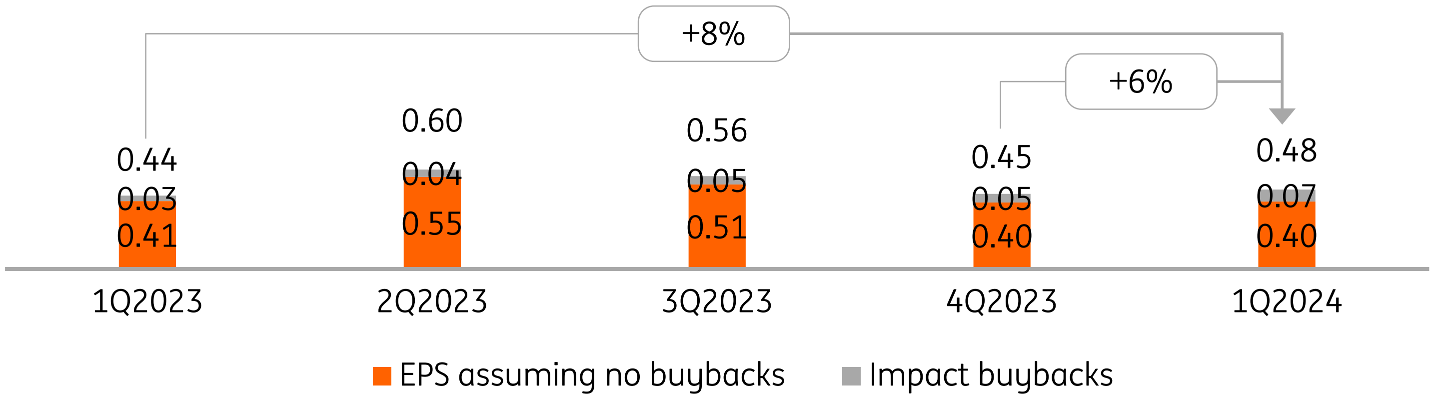
[1)] Expenses excluding regulatory costs and incidental items
[2)] ING Group four-quarter rolling return on equity is calculated using IFRS-EU shareholders' equity after excluding amounts reserved for future distribution

Increasingly attractive shareholder return

Historical distributions to shareholders (in € mln)



Increasing earnings per share (in €)



Attractive shareholder return

- €2.5 bln buyback announced on the back of strong capital generation
  - Structurally increasing earnings per share and dividend per share
- We have capacity to continue providing an attractive shareholder return
  - Pro forma CET1 ratio of 14.1%
  - €5 bln CET1 capital in excess of our target of ~12.5% by the end of 2025
- Size of potential next steps will depend on capital generation going forward
  - The impact from the implementation of Basel IV on our CET1 ratio is expected to be ~20 bps, among others related to ORWA
  - Periodical methodology changes and strategies taken regarding IRB model landscape will continue to have a positive or negative effect on CRWA

Good progress on our strategy execution

Our purpose	**Empowering people to stay a step ahead in life and in business**	
Our strategic priorities	**A superior customer experience**	**Sustainability at the heart**
1Q2024 highlights	62% mobile-only customers	Introduction of sustainable alternatives for Retail products in several markets
	Launch of a new safety feature in the banking app in the Netherlands	€24.7 bln sustainable volume mobilised
	Introduction of an instant overdraft product for Business Banking clients in Romania	Publications on nature and human rights that outline our progress
	Portfolio insights tool (real-time) for Wholesale Banking clients	

Themes Capital Markets Day - 17 June London

Strategy update

Capital allocation

Financial targets

Growth initiatives

Operational leverage

Business profile

Well-diversified business mix

Retail Banking

- Focus on earning the primary relationship
- Technology to offer a differentiating experience to our customers
- Distribution increasingly through mobile devices which requires simple product offering

Market Leaders
Netherlands, Belgium, Luxembourg

Challengers
Australia, Germany, Italy, Spain

Growth Markets
Poland, Romania, Türkiye

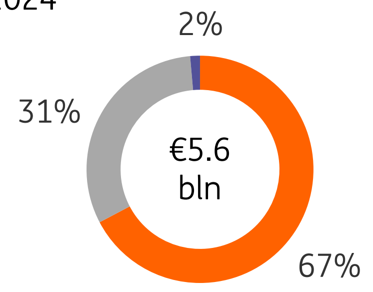
Wholesale Banking International Network

Wholesale Banking

- We offer value to corporate clients and financial institutions through:
  - Our global reach, with local experts
  - Our sector expertise
  - Our leadership in sustainability

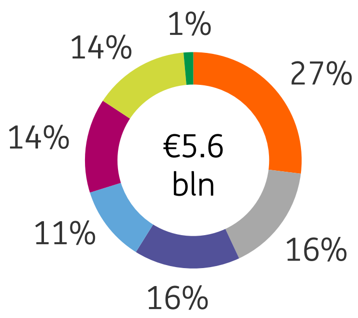
Total income

1Q2024



Total income

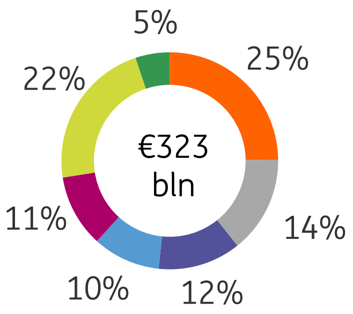
1Q2024



Netherlands
Belgium
Other Challengers
Growth Markets
Corporate Line and Other

RWA (end of period)

1Q2024



Germany
WB Rest of World

Our strategy, with a focus on execution certainty

Purpose

Empowering people to stay a step ahead in life and in business

Strategic priorities

- A superior customer experience
- Sustainability at the heart

Enablers

- Seamless digital services
- Scalable Tech & Operations
- Safe & secure
- Our people

Our focus SDGs[1)] are reflected in our Sustainability Direction

Environment

Climate action

Empowering our clients[2)]

- We aim to steer the most carbon-intensive parts of our lending portfolio towards net-zero by 2050
- Co-develop new sector methodologies for net-zero steering
- Grow our Sustainable Finance business
- Provide sustainable products and services
- Help clients manage climate and nature risks and opportunities

Transparency

- Disclosure aligned with the TCFD and NZBA Frameworks

Improving our own footprint

- Reducing scope 1, 2 and 3 CO2e emissions from our own operations
- Sustainable procurement standards

Social

Financial health

Empowering our customers[3)] by focusing on:

- Financial inclusion by making bank products accessible
- Helping to get a grip on everyday finances and plan for the future

Empowering communities by investing in programmes focusing on:

- Future-proof employment
- Financial capabilities
- Social enterprises

Human rights

UN Guiding Principles prioritisation and due diligence

- Environmental and social risk (ESR) framework and dedicated human rights policy
- Client engagement on human rights
- Human rights are included in the Know Your Supplier (KYS) questionnaire

Transparency

- Disclosure aligned with UNGP Reporting Framework

For more information please visit: www.ing.com/Sustainability/Sustainability-direction.htm

[1)] Sustainable Development Goals (SDGs) set by the United Nations General Assembly

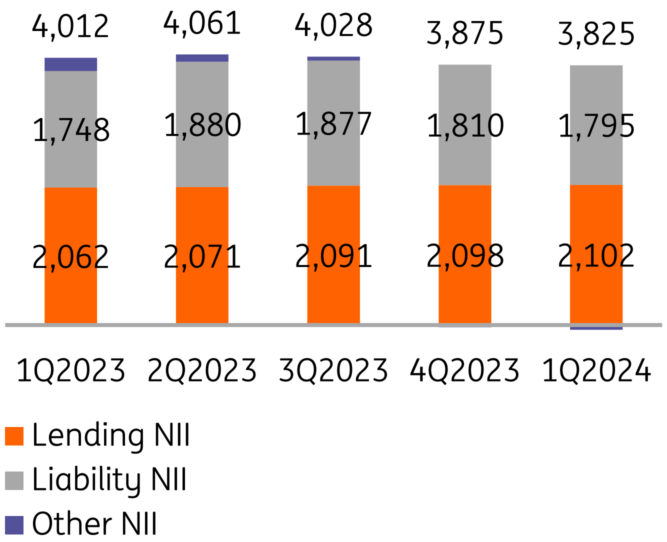
[2)] Society is transitioning to a low-carbon economy. So are our clients, and so is ING. We finance a lot of sustainable activities, but we still finance more that's not. Follow our progress on www.ing.com/climate

[3)] ING is a signatory of the United Nations Commitment to Financial Health and Inclusion. See how we are progressing on Financial health | ING

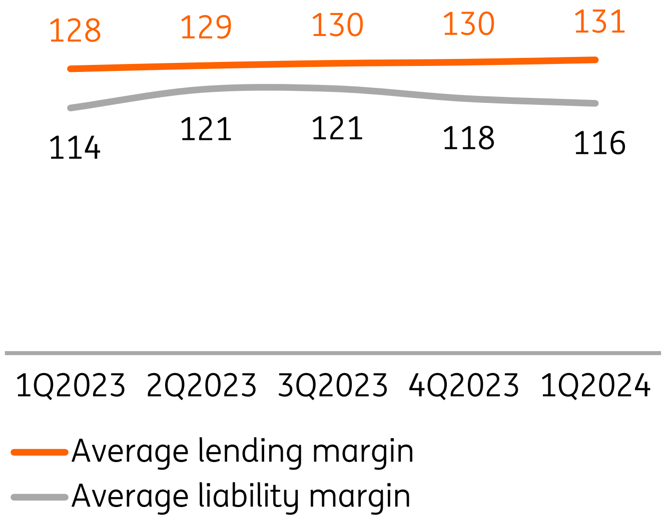
1Q2024 results

Resilient net interest income from lending and liabilities

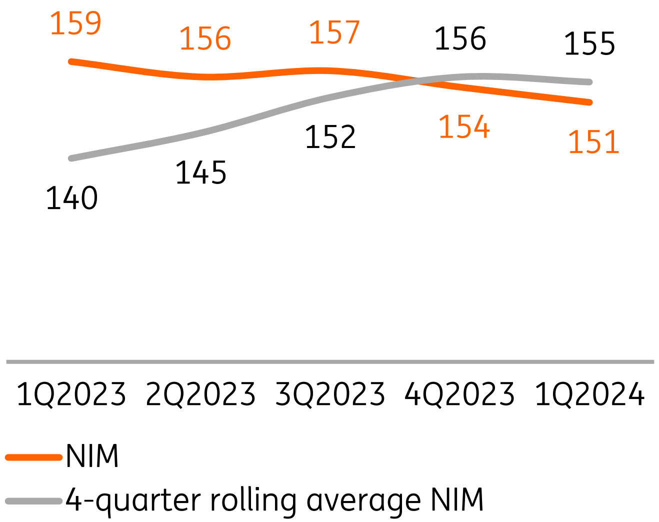
Net interest income (in € mln)



Lending and liability margin (in bps)



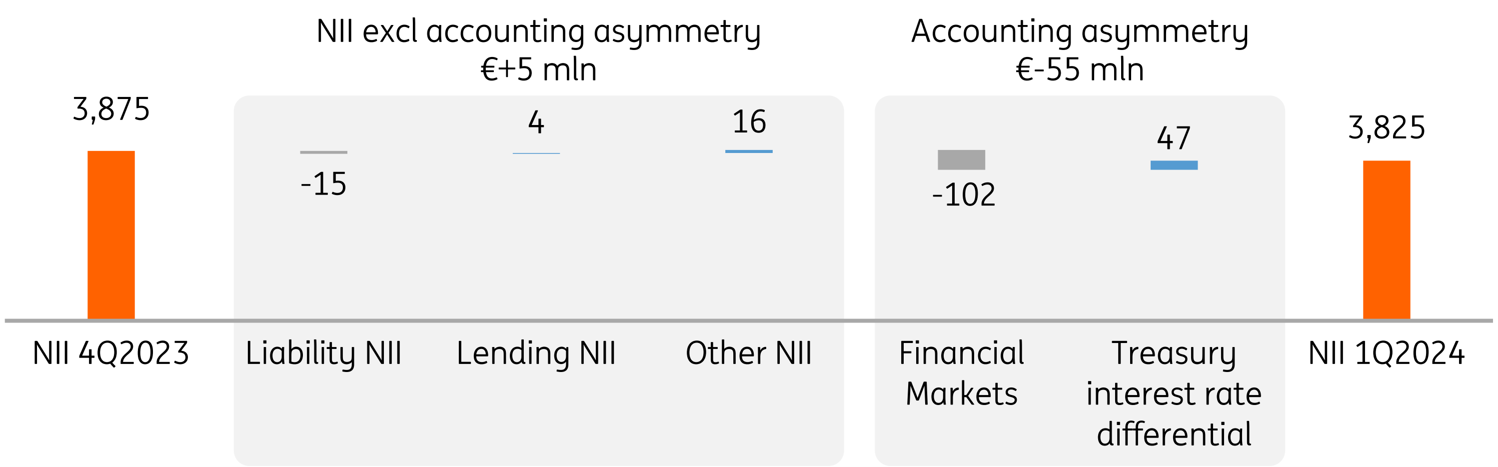
Net interest margin (in bps)



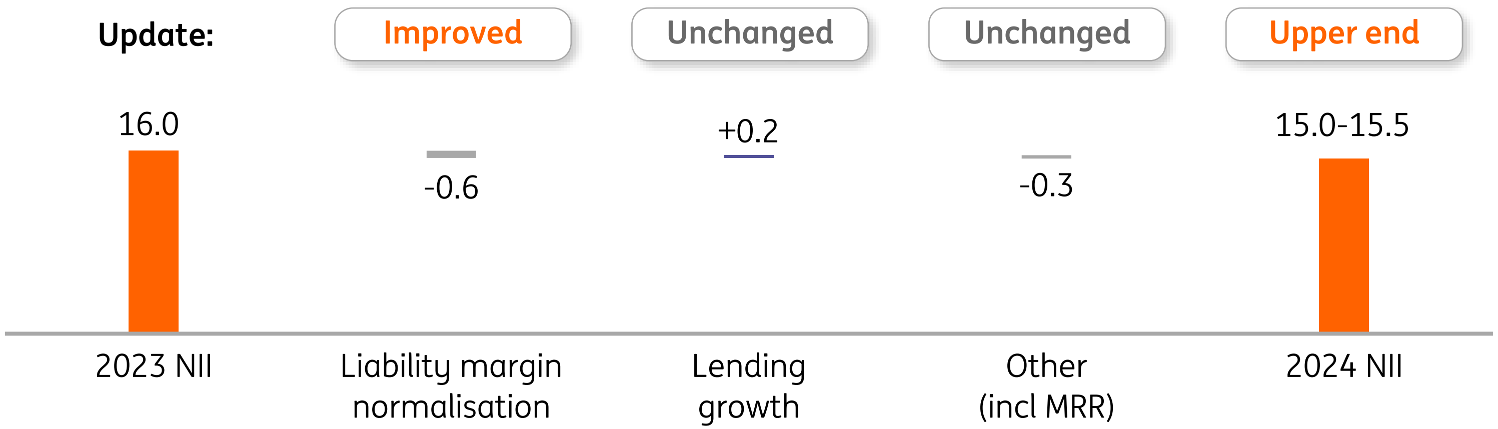
- Resilient net interest income from lending and liabilities with margins holding up well
- NIM decreased by 3 bps to 151 bps, mainly attributable to lower net interest income for Financial Markets

Net interest income drivers for 2024 have improved

1Q2024 NII development (in € mln)



2024 NII illustrative scenario (in € bln) (as disclosed with 4Q2023 results)



Key developments

- Accounting asymmetry increased by €55 mln, with the negative impact on NII more than offset in other income

Comparison versus 4Q2023 scenario

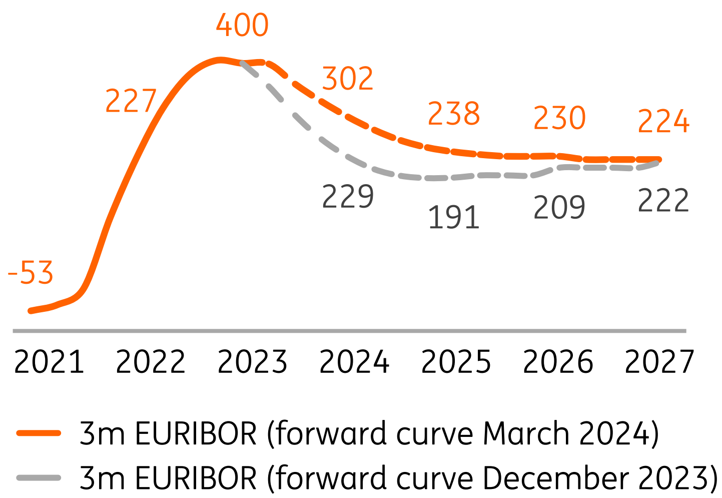
- Liability NII holding up better
- Lending growth in line
- Full-year impact from accounting asymmetry assumed to be stable

- 2024 NII to end up at the upper end of the range

Continued strong liability NII in a lower rate environment

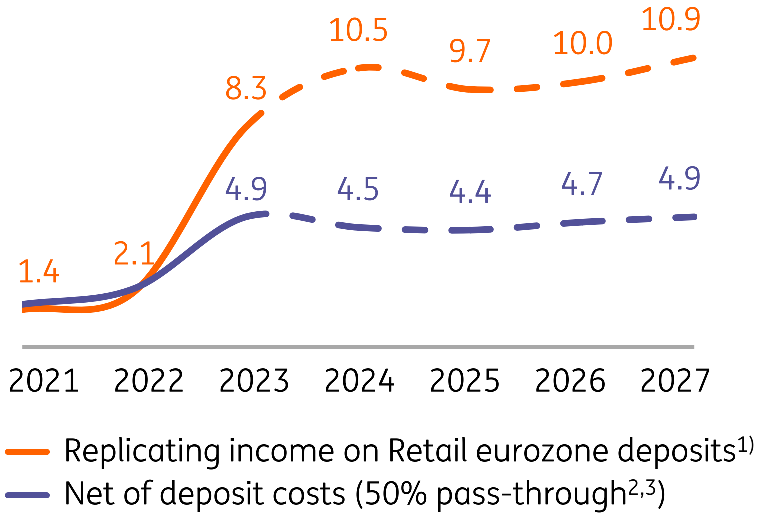
Interest rates expected to moderate

Implied interest rates, end-of-period, in bps



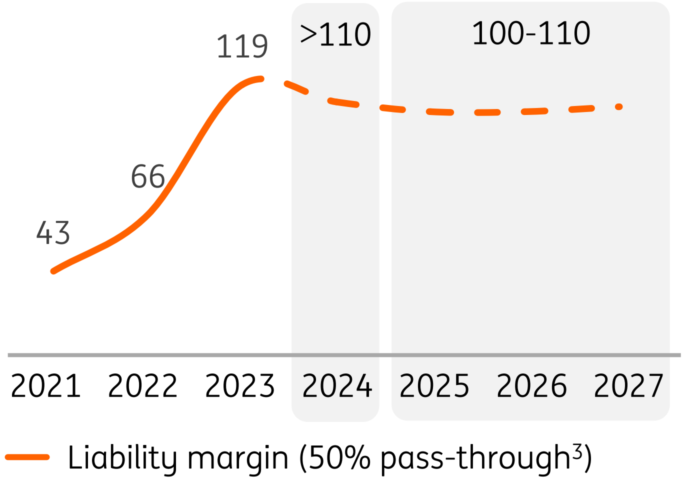
Strong Retail eurozone liability NII is preserved in a lower rate environment

Interest income in € bln



Total liability margin to stabilise at a higher level

Average liability margin in bps



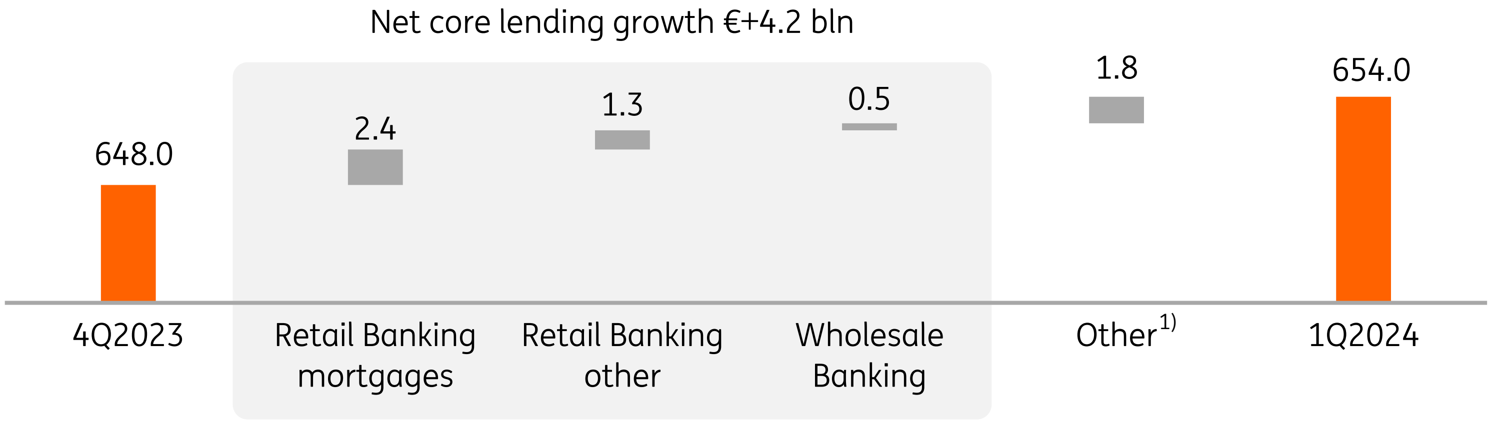
- The illustrative scenario assumes 3-4% of annual deposit growth
- Every 10 bps of pass-through on savings and term deposits has an impact of ~€0.4 bln on NII

- The total liability margin covers
  - RB eurozone (€~480 bln)
  - RB non-eurozone (€~90 bln)
  - WB excl. FM (€~60 bln)

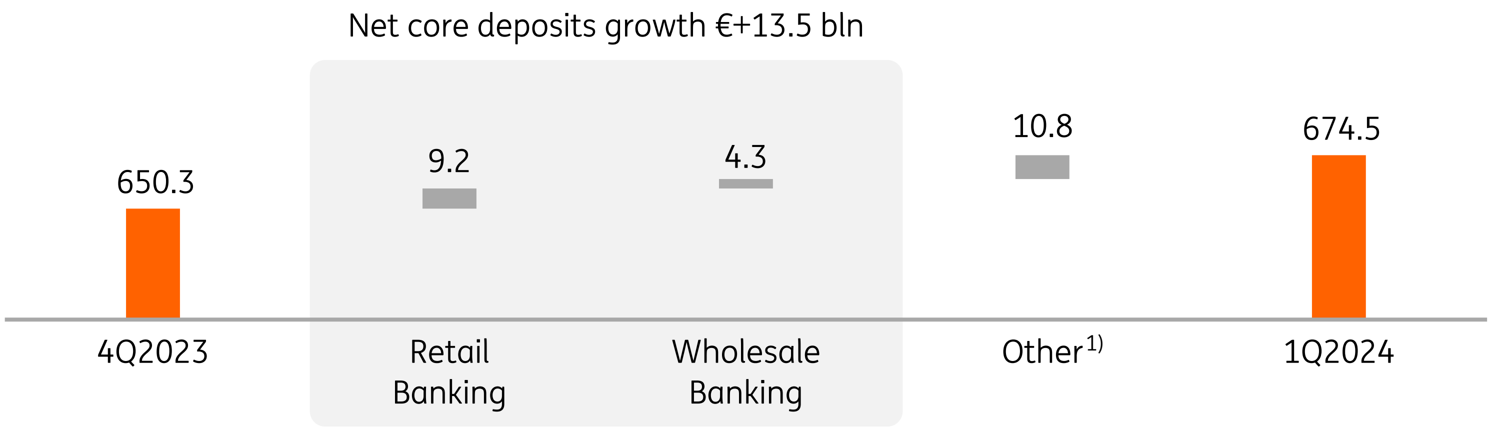
1) Based on the March 2024 forward curve
2) Pass-through percentages represent total deposit costs on savings, term deposits and current accounts (~30% in 1Q2024, ~28% in 4Q2023, ~24% in 3Q2023, ~19% in 2Q2023, ~12% in 1Q2023)
3) 50% pass-through scenario Retail eurozone: 2024 based on maintaining current client rates; 2025 based on average pass-through of 40%, 2026 of 45% and 2027 of 50%

Continuation of commercial momentum in 1Q2024

Customer lending (in € bln)



Customer deposits (in € bln)



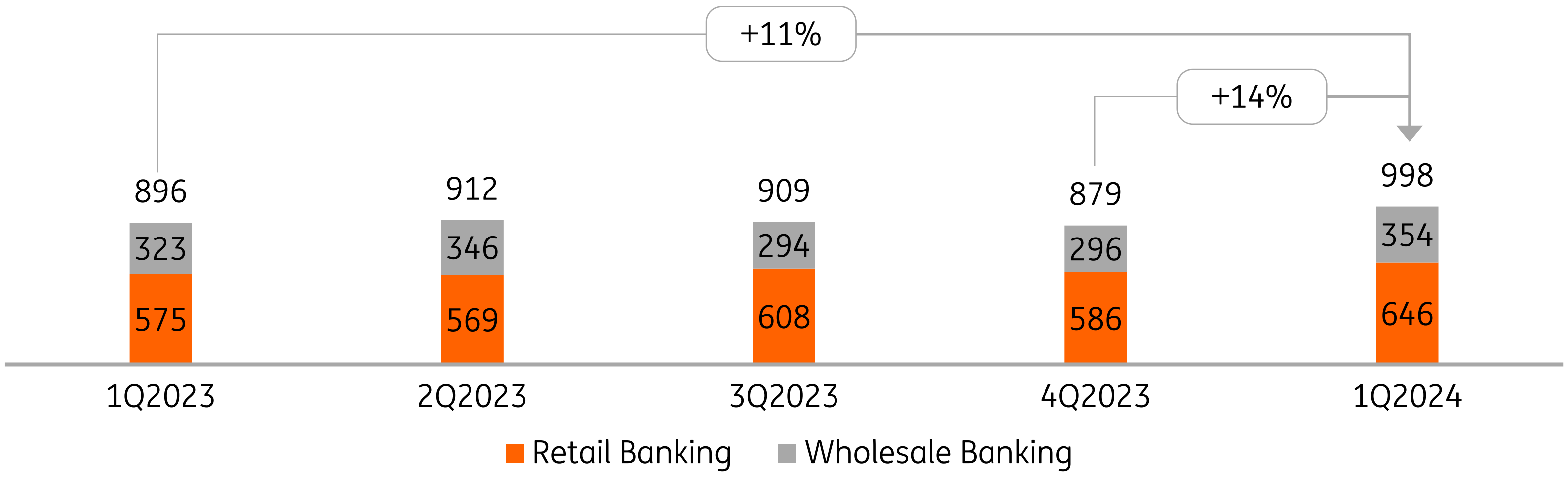
Main drivers

- Strong growth in customer lending
  - Growth in Retail Banking driven by strong performance in mortgages, primarily in the Netherlands and Germany
  - In Wholesale Banking, growth was driven by Lending and Financial Markets
- Deposit base increased significantly
  - Growth in Retail Banking driven by another successful promotional campaign in Germany
  - Inflow in Wholesale Banking mainly in Financial Markets and Bank Mendes Gans

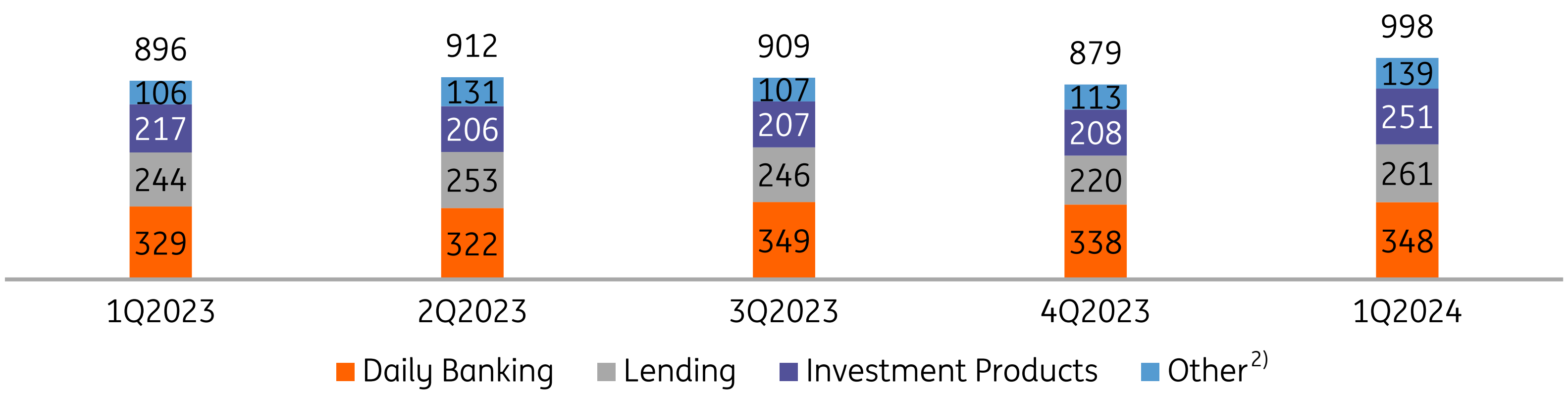
[1)] Other includes movements in the Treasury and run-off portfolios as well as currency impacts

Double-digit fee income growth

Net fee & commission income per business line (in € mln)[1]



Net fee & commission income per product category (in € mln)



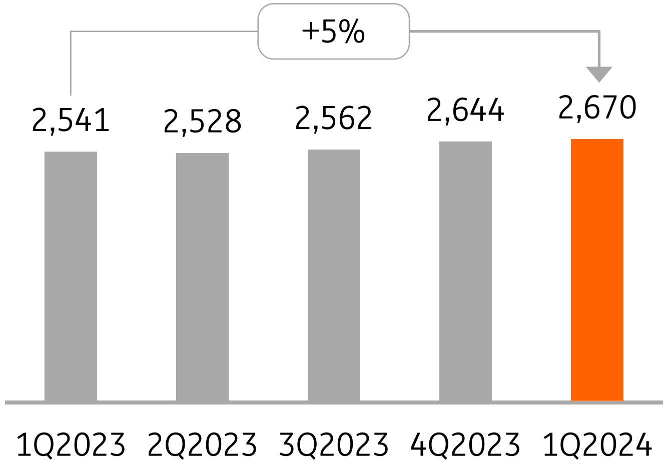
Main drivers

- Double-digit fee income growth in 1Q2024, exceeding our target range
- Roughly half of the growth was driven by resilient revenue generation and effectiveness of our fee structures
  - Growth in the number of customers
  - Increase in daily banking fees
  - Lower fees paid to independent brokers in Belgium
- Furthermore, we saw increased appetite for Investments Products and higher corporate deal flow
  - Normalising trading activity and a higher level of AuM in Retail Banking
  - Higher deal flow in Global Capital Markets in Wholesale Banking

[1] Totals including Corporate Line
[2] Other includes insurance products and Financial Markets

Increase in operating expenses offset by lower regulatory costs

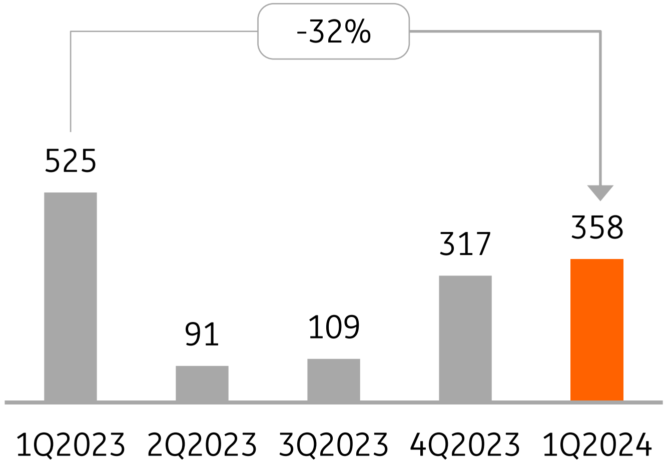
Operating expenses (in € mln)[1)]



Main drivers

- Cost increase in 1Q2024 below our 2024 outlook
- Growth mainly due to the impact of inflation on staff expenses and higher VAT

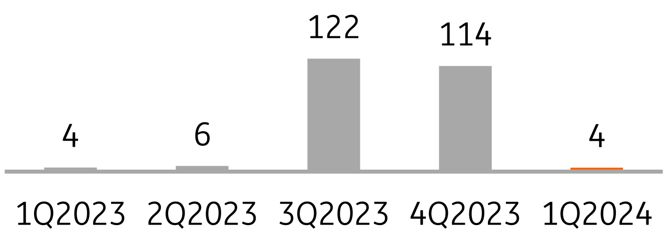
Regulatory costs (in € mln)



Main drivers

- Regulatory costs seasonally higher in the first quarter
- Decrease year-on-year as no contribution is required to the SRF in the eurozone in 2024

Incidental items (in € mln)[2)]



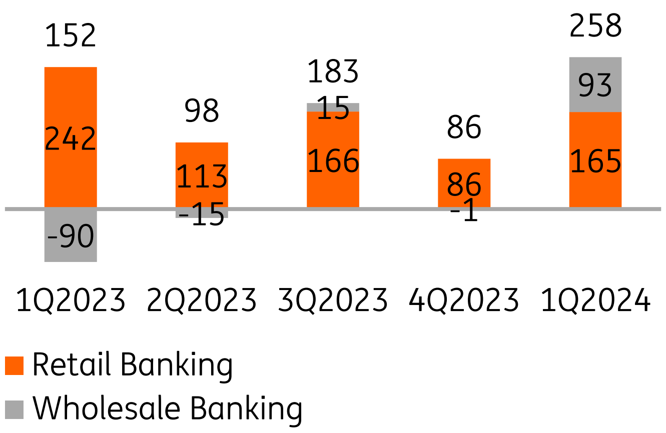
Main drivers

- Incidental expense items reflected hyperinflation accounting impacts on expenses
- No restructuring costs in 1Q2024

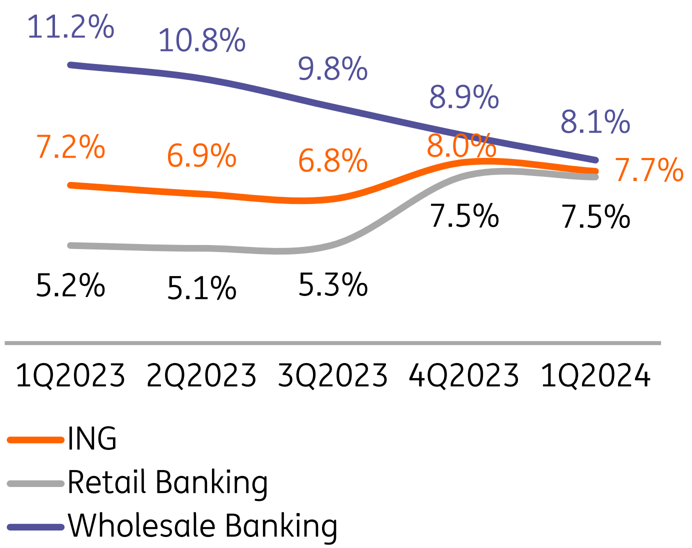
[1)] Excluding regulatory costs and incidental items
[2)] Incidental expenses as included in volatile items on slide 47

Low risk costs reflecting high quality and resilience of the loan book

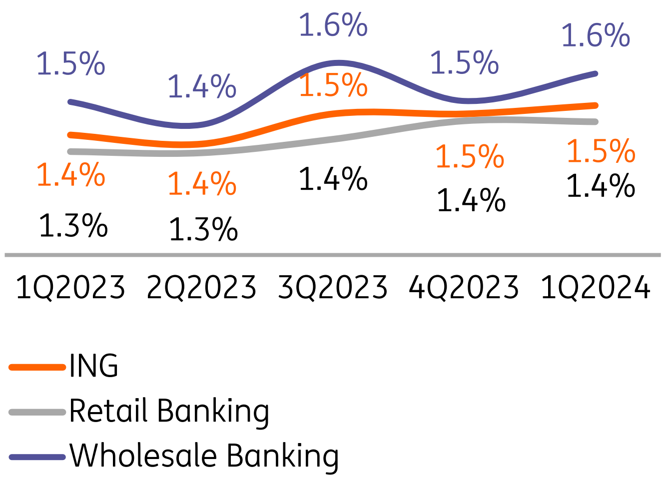
Risk costs per business line (in € mln)[1]



Stage 2 ratio



Stage 3 ratio



- Risk costs were €258 mln, or 16 bps of average customer lending, well below the through-the-cycle average of ~25 bps
- Wholesale Banking risk costs included additions for a number of unrelated files that were newly provisioned in Stage 3 and a net release in Stage 1 and 2, triggered by an update of the macroeconomic indicators and a reduction of overlays[2]
- Retail Banking risk costs were mostly driven by Business Banking and consumer loans while mortgages continue to perform well
- Stage 2 ratio decreased, as Stage 2 credit outstandings declined driven by repayments and a few individual files moving to Stage 3
- Stage 3 ratio remained stable at 1.5%

[1] Totals including Corporate Line
[2] Total stock of management overlays of €533 mln in 1Q2024

2024 outlook

	1Q2024 achievements
Total income[1,2]	+0.3%
Fee income[1]	+11.4%
Cost/income ratio[3]	51.0%
CET1 ratio	14.8%
Return on equity[3,4]	14.8%

2024 outlook[5]

- Total income to remain strong in a positive rate environment, however somewhat below the level of 2023
- Fee growth of 5-10%
- Total cost growth of ~3%[6]
- CET1 ratio to converge towards our ~12.5% target by 2025
- Return on equity of >12%

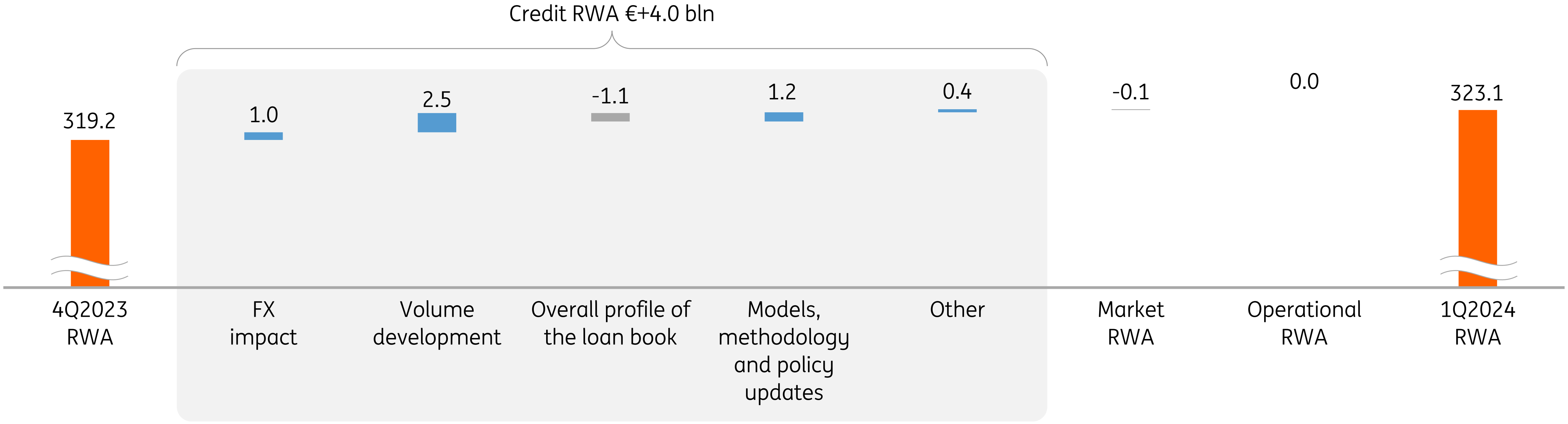
ING Capital Markets Day on 17 June 2024

[1] Year-on-year comparison
[2] Total income excluding incidental income items (corresponding with 'other volatile income items' as presented on slide 47)
[3] Based on 4 quarter rolling average
[4] Return on equity is calculated using IFRS EU shareholders' equity after excluding amounts reserved for future distribution
[5] The targets, outlook and trends are forward-looking statements that are based on management's current expectations and are subject to change, including as a result of the factors described under the section entitled 'Important Legal Information' in this document. ING assumes no obligation to publicly update or revise these forward-looking statements, whether as a result of new information or for any other reason
[6] Excluding potential incidental items

Capital

Risk-weighted assets increased in 1Q2024

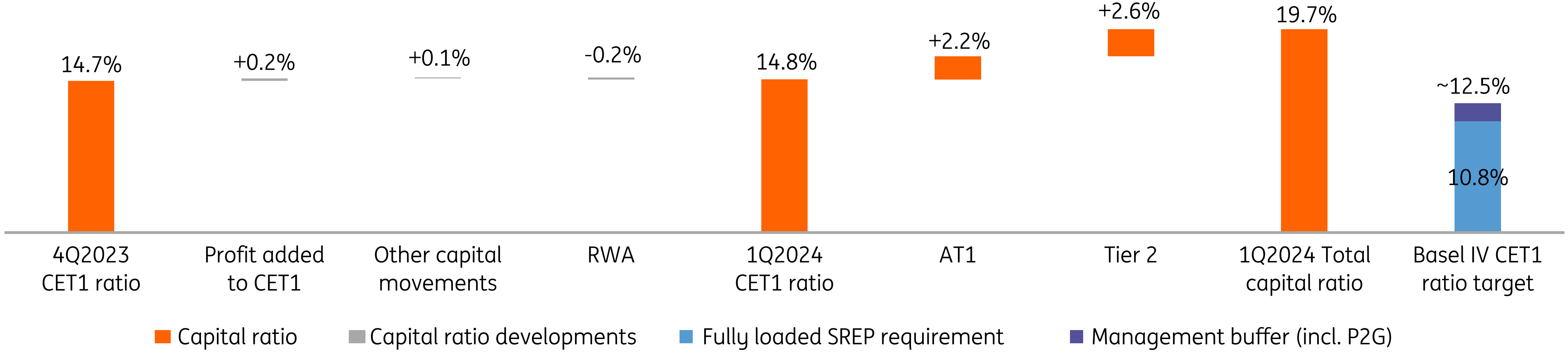
Risk-weighted assets development (in € bln)



- In 1Q2024, RWA increased by €3.9 bln to €323.1 bln, including €+1.0 bln of FX impact on credit RWA
- Credit RWA excluding FX impacts increased by €3.0 bln, driven by an increase in exposure and model changes, partly offset by changes in the overall profile of the loan book
- Market RWA decreased by €-0.1 bln. Operational RWA remained stable

CET1 ratio increased to 14.8%. Pro forma CET1 ratio at 14.1% when adjusted for the announced €2.5 bln share buyback

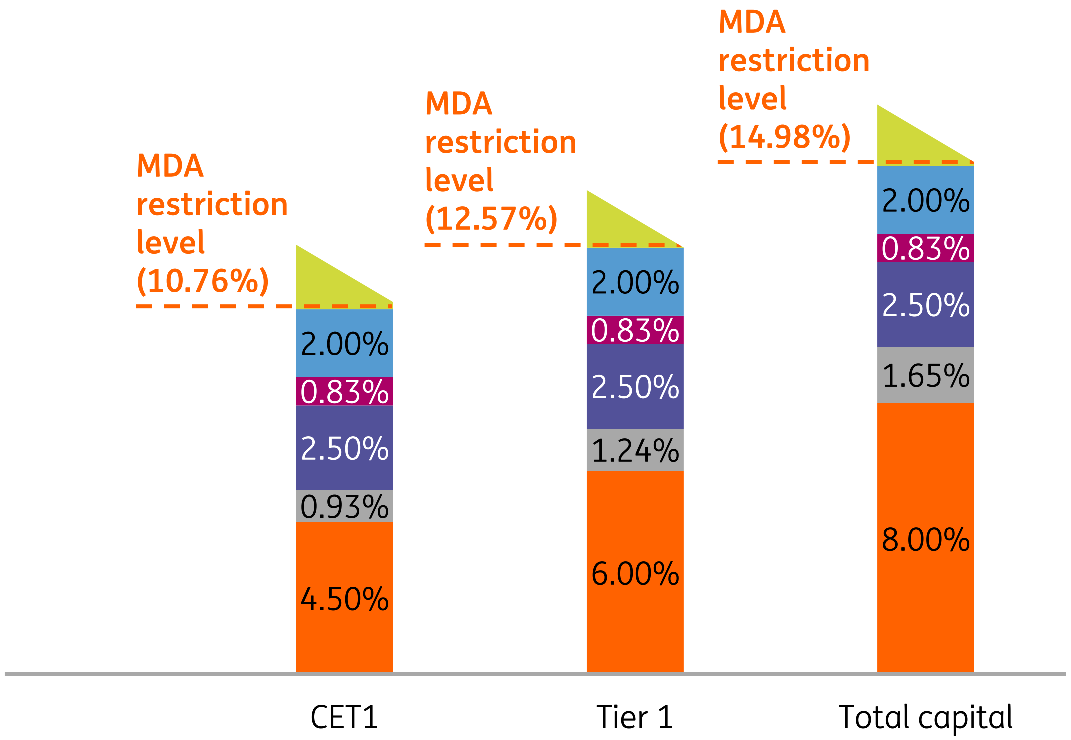
Total capital ratio development (in %)



- The CET1 ratio increased to 14.8%, driven by strong capital generation
- At the end of 1Q2024, there was €3,319 mln reserved outside of CET1 capital for future distribution, of which the final cash dividend over 2023 of €0.756 per share (amounting to €2,497 mln) will be paid on 3 May 2024
- In order to converge the CET1 ratio to our target level by the end of 2025, we will distribute an additional €2.5 bln in the form of a share buyback which will commence on 2 May 2024. The pro forma CET1 ratio is 14.1% when adjusted for the additional distribution
- The AT1 ratio remained stable at 2.2%, as the issuance of a US$1.25 bln AT1 instrument in February 2024 was offset by the call of a US$1.25 bln AT1 instrument in 1Q2024
- The Tier 2 ratio decreased from 2.9% to 2.6%, mainly as a result of the €750 mln redemption of a Tier 2 instrument

Buffer to MDA remains strong

ING Group fully loaded SREP requirements



	CET1	Tier 1	Total capital
Buffer to MDA	**4.07% or €13.2 bln**	**4.49% or €14.5 bln**	**4.69% or €15.2 bln**

P1R P2R CCB CCyB SiFi P2G

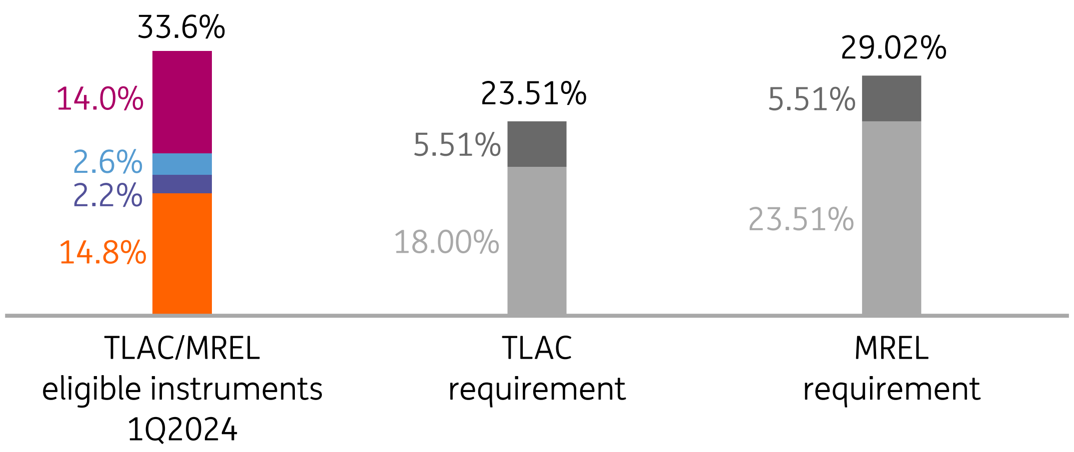
- ING Group's Pillar 2 additional own funds requirement (P2R) was lowered as of 2024 by 10 bps to 165 bps, based on the 2023 Supervisory Review and Evaluation Process (SREP)
- Fully loaded CET1 requirement is 10.76%
  - 4.50% Pillar 1 Requirement (P1R)
  - 0.93% Pillar 2 Requirement (P2R)
  - 2.50% Capital Conservation Buffer (CCB)
  - 0.83% Countercyclical Buffer (CCyB)[1)]
  - 2.00% Systemically Important Financial Institutions Buffer (SiFi)
- Fully loaded Tier 1 requirement is 12.57%
  - 0.31%-point of P2R can be filled with AT1
- Fully loaded Total Capital requirement is 14.98%
  - 0.41%-point of P2R can be filled with Tier 2

[1)] CCyB requirement of 0.83% on a fully loaded basis and 0.51% as per 1Q2024

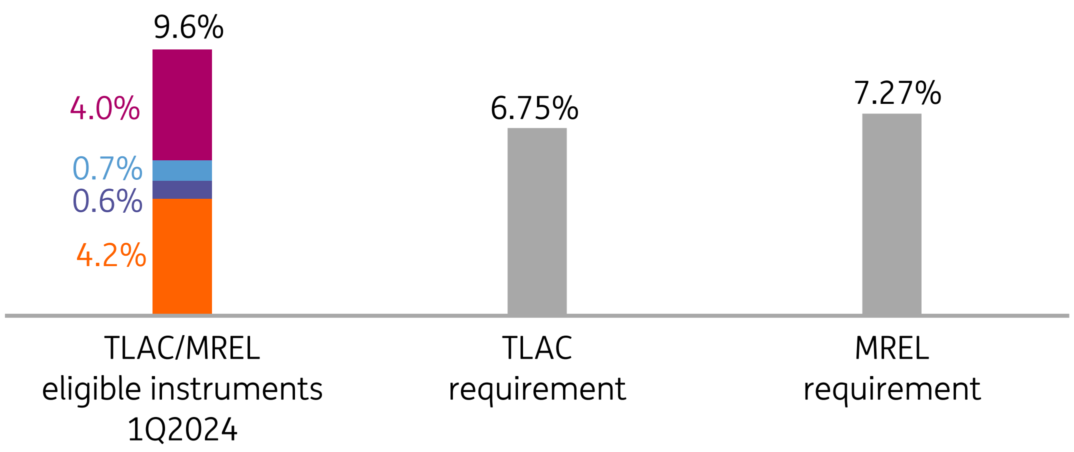
Funding & liquidity

Comfortably meeting TLAC and MREL requirements

TLAC/MREL as percentage of RWA



TLAC/MREL as percentage of leverage exposure



CET1 AT1 T2 HoldCo Senior TLAC / MREL requirement Combined buffer requirement

- ING follows a Single Point of Entry (SPE) resolution strategy and issues TLAC/MREL eligible instruments from its resolution entity ING Groep N.V.
- RWA-based MREL is the most constraining requirement for ING. As per 1Q2024, ING amply meets the TLAC and MREL requirements with a ratio of 33.6% of RWA and 9.6% of leverage exposure (LR)

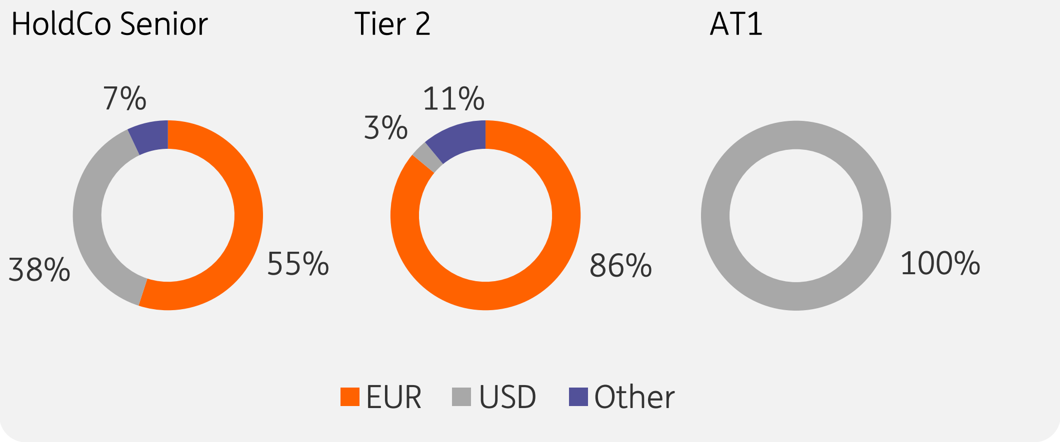
Long-term debt maturity ladder and issuance guidance

Issuance guidance 2024

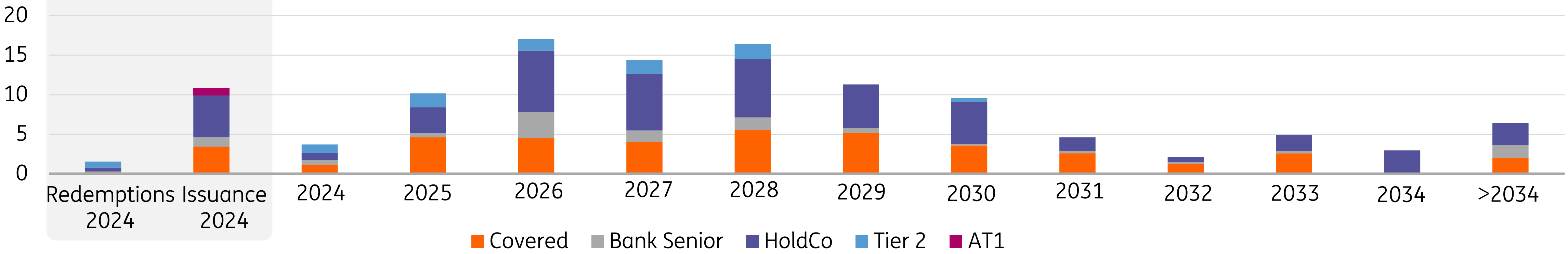
Guidance for 2024 issuance is:

- ~€6-8 bln in HoldCo Senior, of which ~€5.3 bln has been issued in 1Q2024
- ~€7-9 bln of Secured issuance (including RMBS) from various entities, of which €3.5 bln has been issued in Covered bond format in 1Q2024
- OpCo Senior could be issued opportunistically for internal ratio management and general corporate funding purposes
- This is all subject to balance sheet developments throughout the year

Currency split of outstandings as per 31 March 2024



Long-term debt maturity ladder as per 31 March 2024 (in € bln)[1)]

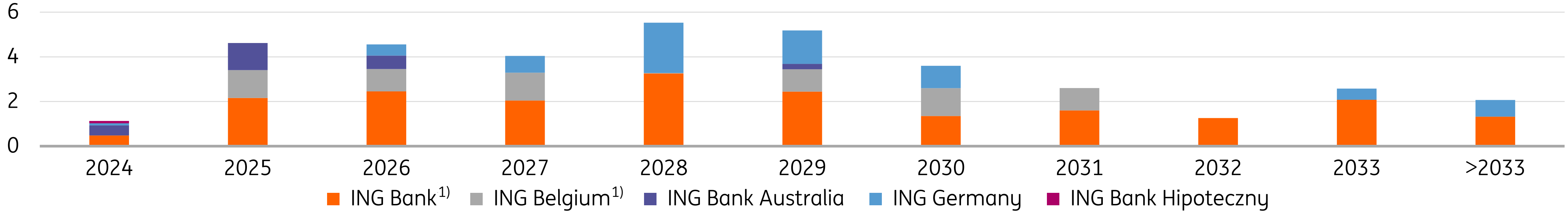


1) Tier 2 maturities are based on the 1st call date instead of contractual maturity. All HoldCo Senior bonds are based on contractual maturity. Excluding RMBS

Issuance programmes of main ING subsidiaries

	ING Bank N.V.	ING Belgium S.A./N.V.	ING DiBa AG	ING Bank (Australia) Ltd	ING Bank Hipoteczny (Poland)
Instruments overview	▪ Secured funding ▪ Senior unsecured	▪ Secured funding	▪ Secured funding	▪ Secured funding ▪ Senior unsecured	▪ Secured funding
Outstanding[1]	▪ Covered bond: ~€20.9 bln ▪ Senior Unsecured: ~€9.8 bln[3]	▪ Covered bond: €6.75 bln	▪ Covered bond: €7.4 bln	▪ Covered bond: AUD$4.2 bln ▪ Senior Unsecured: AUD$1.25 bln	▪ Green covered bond: PLN400 mln
2024 Issuance[1]	▪ €2.5 bln	▪ €1.0 bln	▪ None	▪ AUD$1.25 bln	▪ None
Underlying Collateral	▪ Residential mortgages	▪ Residential mortgages	▪ Residential mortgages	▪ Residential mortgages	▪ Residential mortgages
Covered Bond programme	▪ ING Bank Hard and Soft Bullet ▪ ING Bank Soft Bullet ▪ ING Bank Soft Bullet 2	▪ ING Belgium Pandbrieven	▪ ING-DiBa AG Pfandbriefe	▪ ING Bank (Australia) Ltd	▪ ING Bank Hipoteczny

Covered bond maturity ladder as per 31 March 2024 (in € bln)[2]



[1] Externally placed bonds
[2] Maturity ladder as per contractual maturity for outstanding Covered Bonds only
[3] Structured notes and senior unsecured instruments

ING is dedicated to its Green Bond franchise

Green Bond issuance objectives

- Support meeting our sustainability objectives
- Fund growth in our Eligible Green Loan portfolio
- Continued leadership in the Green Bond market
- Support development of the Global Green Bond market

External consultants & providers

ISS ESG
- **Second party opinion provider**

Guidehouse
- **Renewable energy consultant**

CFP GREEN BUILDINGS, DREES & SOMMER
- **Green buildings consultant**

Recent Bond transactions

Year of Issuance	2021	2021	2021	2022	2022	2022	2023	2023	2024
Issuer	ING Groep N.V.	ING Groep N.V.	ING-DiBa AG	ING Groep N.V.	ING Groep N.V.	ING-DiBa AG	Green Lion 2023-1	ING-DiBa AG	ING Groep N.V.
Size / Currency	£800 million	€500 million	€1.25 billion	€1.5 billion	€1 billion	€1 billion	€850 million	€1 billion	€1.25 billion
Tenor	8NC7	11NC6	7yr	4NC3	11NC6	8yr	4.9yr[1)]	4.25yr	11nc10
Asset class	HoldCo Senior	Tier 2	Covered Bond	HoldCo Senior	Tier 2	Covered Bond	RMBS	Covered Bond	Holdco Senior

Scope: ING Group
[1)] Until the first optional redemption date
For the above specified bonds, a prospectus is available. For more information and the prospectus, please visit www.ing.com/Investor-relations/Fixed-income-information.htm

We issue Green Bonds to support our sustainability objectives

- Our Green Bond Framework was updated in 2022 and has been assessed by a Second Party Opinion and is aligned with the ICMA Green Bond Principles 2021. The framework is presented through below four pillars:

Use of proceeds

- ING will finance and/or refinance, in part or in whole, an Eligible Green Loan Portfolio in accordance with the Eligibility Criteria
- Net proceeds will be allocated to Eligible Green Loan Portfolio, including:

Residential Real Estate	Commercial Real Estate	Renewable Energy (wind & solar)
Netherlands & Germany	**Netherlands**	**Global**

Project Evaluation and Selection

- Projects financed and/or refinanced through Green Bond proceeds are evaluated and selected based on compliance with the Eligibility Criteria
- Governance of the Green Bond Framework is in place
- ING's Environmental & Social Risk policies and transaction approval process ensures that loans comply with environmental and social policies

Management of proceeds

- The proceeds are managed in a portfolio approach
- Single pool of eligible green loans[1]:
  - Renewable energy €5.6 bln
  - Green buildings (residential) €21.4 bln
  - Green buildings (commercial) €2.9 bln
  - **Total Eligible Green Loan Portfolio €29.9 bln**
- Green funding outstanding: €11.1 bln

Reporting

- Aggregated (between multiple Green Bonds)
- Allocation and impact are reported. Additional reported items can be found in the Green Bond Framework
- Limited assurance of the Green Bond Allocation Report provided by external auditor on an annual basis
- Second party opinion by ISS ESG

[1] As per ING Green Bond Allocation Report 2022. ING 2023 Green Bond Allocation Report to be published end 2Q2024

External recognition of ING's commitment to ESG

ESG ratings ING Groep N.V.

SUSTAINALYTICS

- Evaluation: ING's management of ESG material risk is 'Strong'
- Position: in the 21st percentile of 339 banks
- Updated: December 2023

MSCI

- Rating AA
- Updated: July 2023

Sustainability Index Products

ING is regularly included in ESG and sustainability-focused indices, such as:

EURONEXT vigeoeiris INDICES BENELUX 20 INDICES EUROZONE 120

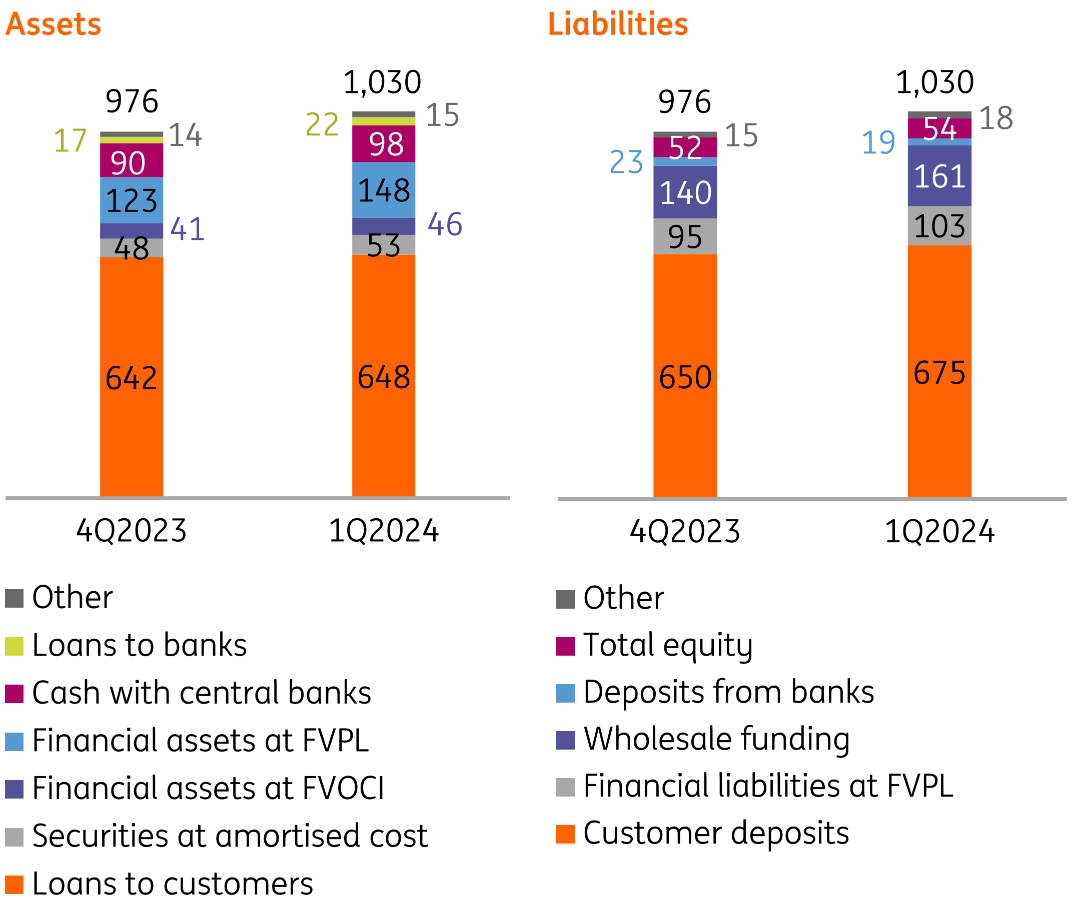
FTSE4Good

STOXX ESG LEADERS INDICES

MORNINGSTAR Indexes

Strong balance sheet with customer deposits as the primary source of funding

Balance sheet ING Group (in € bln)



Well-diversified customer loan book

- See "Asset Quality" section of this presentation

Stable funding profile

- 65% of the balance sheet is funded by customer deposits
- 89% of total customer deposits is in Retail Banking
- Well-balanced loan-to-deposit ratio of 0.96[1)]

Conservative trading profile

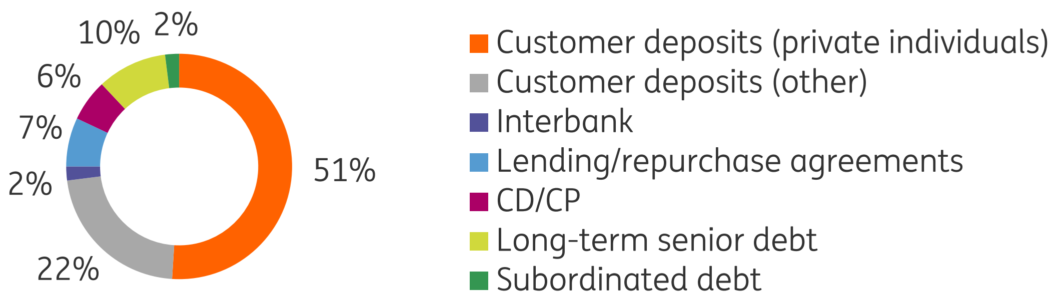
- Majority of our Financial Markets business is customer flow based where we largely hedge our positions, reflected in offsetting positions in assets and liabilities at fair value
- The average Value-at-Risk for the trading portfolio is stable at a low level

[1)] Loan-to-deposit ratio is calculated as customer lending including provisions for loan losses divided by customer deposits

Robust liquidity position with a 12-month moving average LCR of 146%

Funding mix[1)]

31 March 2024



ING maintains a sizeable liquidity buffer

- ING's funding consists mainly of retail deposits, corporate deposits and public debt
- ING's 12-month moving average LCR improved to 146%
- Besides the HQLA buffer, ING maintains large pools of ECB-eligible assets, in the form of internal securitisations and credit claims. Total available liquidity resources were €312 bln as per the end of 1Q2024

Liquidity buffer

- Level 1: mainly cash with central banks, core European sovereign bonds, SSA and US Treasuries
- Level 1B: core European and Nordic covered bonds
- Level 2A: mainly Canadian covered bonds
- Level 2B: mainly short-dated German Auto ABS and shares on major stock indices

LCR 12-month moving average (in € bln)

	31 March 2024	31 December 2023
Level 1	186.8	186.7
Level 2A	3.0	3.1
Level 2B	5.2	4.7
Total HQLA	**195.0**	**194.5**
Stressed outflow	**235.3**	**238.4**
Stressed inflow	**101.9**	**102.9**
LCR	**146%**	**143%**

[1)] Liabilities excluding trading securities and IFRS-EU equity

Strong rating profile at both Group and Bank levels

Main credit ratings of ING on 1 May 2024

	S&P	Moody's	Fitch
Stand-alone rating	a	baa1	a+
Government support	-	1 notch	-
Junior debt support	1 notch	N/A	-
Moody's LGF support	N/A	3 notches	N/A
ING Groep N.V. (HoldCo)			
Long-term issuer rating	A-	n/a	A+
Short-term issuer rating	A-2	n/a	F1
Outlook	Stable	Stable[1)]	Stable
Senior unsecured rating	A-	Baa1	A+
AT1	BB	Ba1	BBB
Tier 2	BBB	Baa2	A-
ING Bank N.V. (OpCo)			
Long-term issuer rating	A+	A1	AA-
Short-term issuer rating	A-1	P-1	F1+
Outlook	Stable	Stable	Stable
Senior unsecured rating	A+	A1	AA-
Tier 2	BBB+	Baa2	A-

[1)] Outlook refers to the senior unsecured rating

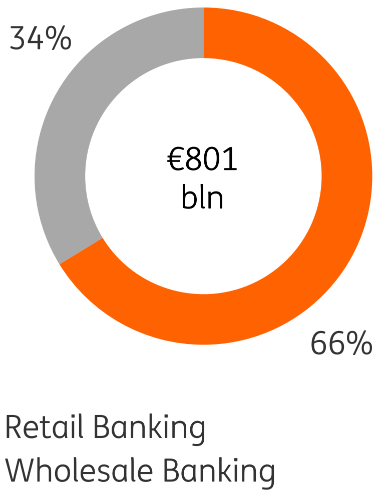
Latest rating actions on ING Group and Bank

- S&P: upgraded ING Bank to A+ in July 2017. In July 2023, S&P affirmed ING's rating and outlook, reflecting S&P's view that ING's geographical and business diversification will support its financial profile through the economic slowdown
- Moody's: affirmed ING Bank's long-term issuer rating at A1 with a stable outlook in November 2023, reflecting Moody's view that ING's solvency and liquidity are robust and will remain resilient over the outlook horizon, despite significant exposure to highly cyclical sectors
- Fitch: upgraded ING Bank to AA- in February 2019 and affirmed in October 2023. This reflects Fitch's view that ING has a strong franchise in RB and WB in the Benelux region, good geographic diversification in selected European countries and moderate risk appetite, resulting in sound through-the-cycle asset quality and earnings. Ratings are also underpinned by solid capital ratios and a well-balanced funding profile

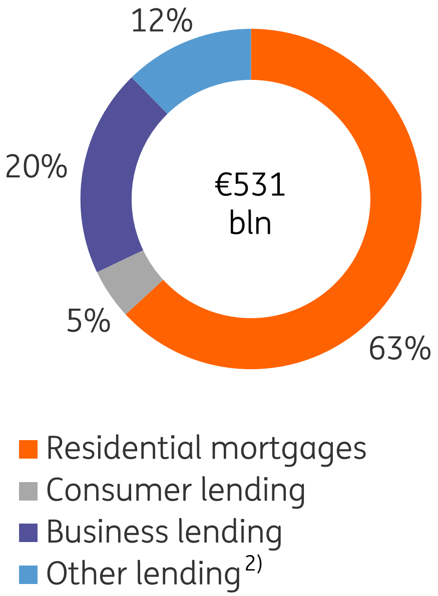
Asset quality

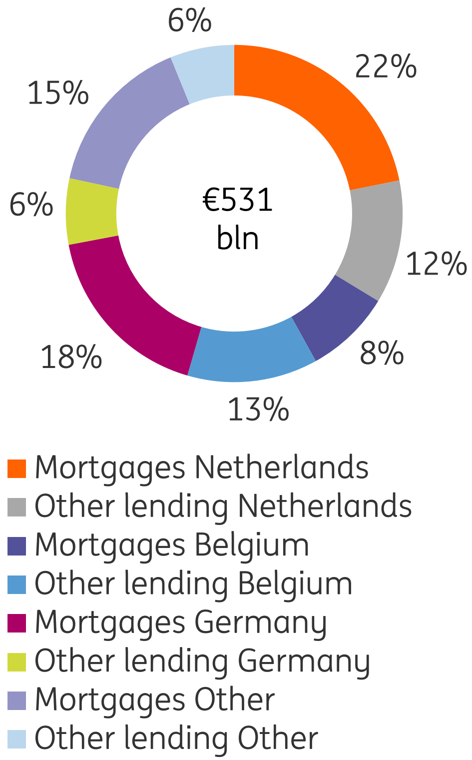
Well-diversified lending credit outstandings[1] by activity

ING Group

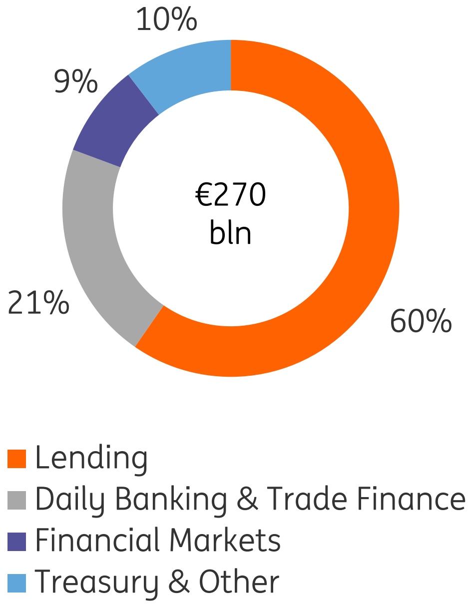


Retail Banking





Wholesale Banking



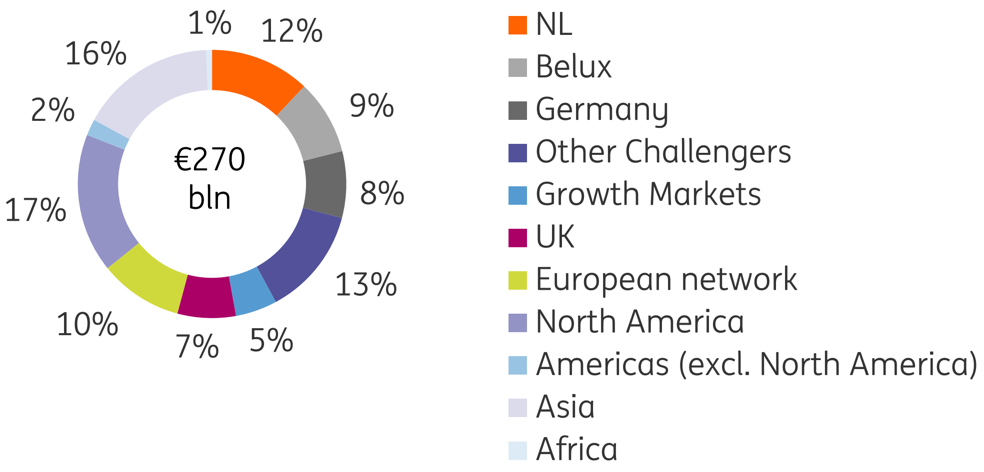
- ING has a well-diversified and well-collateralised loan book with a strong focus on own-originated mortgages and senior loans

[1] Lending and money market credit outstandings, including guarantees and letters of credit, excluding undrawn committed exposures (off-balance sheet positions)
[2] Other includes €53 bln Retail-related Treasury lending and €7 bln Other Retail Lending

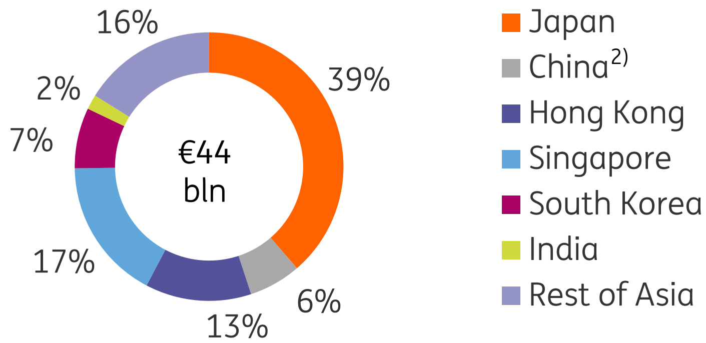
Wholesale Banking lending credit outstandings[1)]

Loan portfolio is well diversified across geographies…

Wholesale Banking

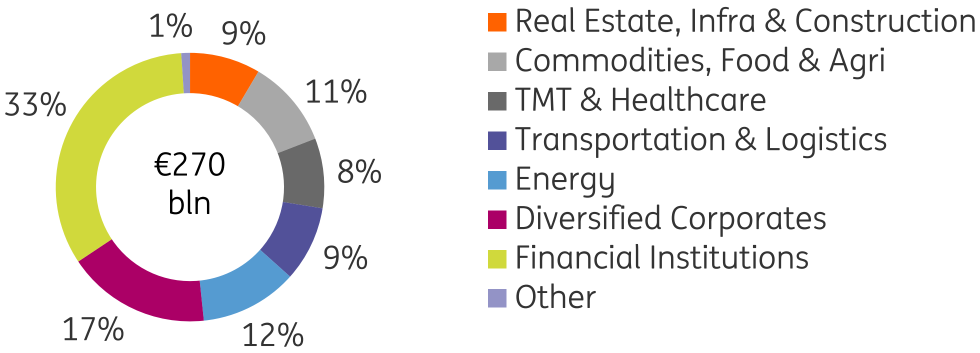


Wholesale Banking Asia



…and sectors

Wholesale Banking



Selected countries/sectors

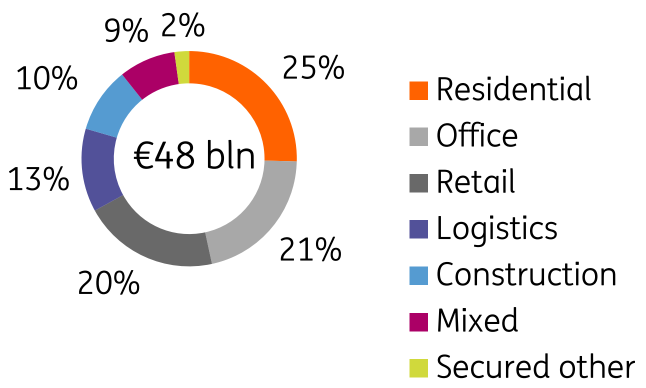
Russia

- €1.3 bln offshore exposure[3)], of which €0.6 bln with ECA or CPRI cover
- Equity Russian subsidiary €0.4 bln

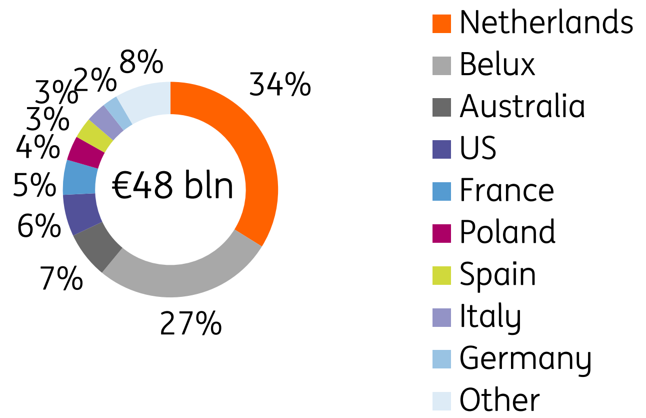
[1)] Lending and money market credit outstandings, including guarantees and letters of credit, excluding undrawn committed exposures (off-balance sheet positions)
[2)] Excluding our stake in Bank of Beijing (€2.0 bln at 31 March 2024)
[3)] Lending credit outstandings, money market, investment and pre-settlement, including guarantees and letters of credit, excluding undrawn committed exposures (off balance positions)

Well-diversified Commercial Real Estate portfolio

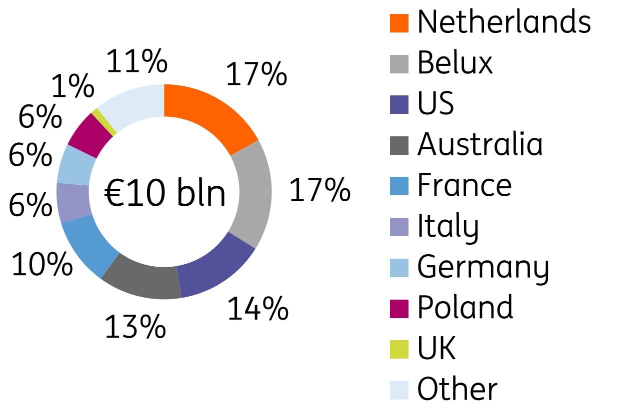
CRE by asset type (in %)



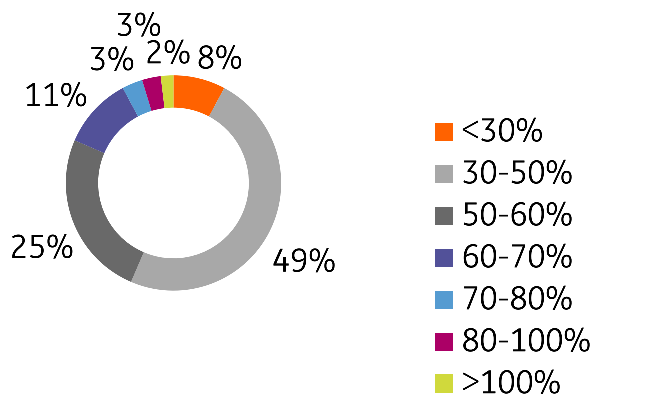
CRE by geography (in %)[1]



Office by geography (in %)[1]



Loan-to-value buckets (in %)[2]



Key highlights

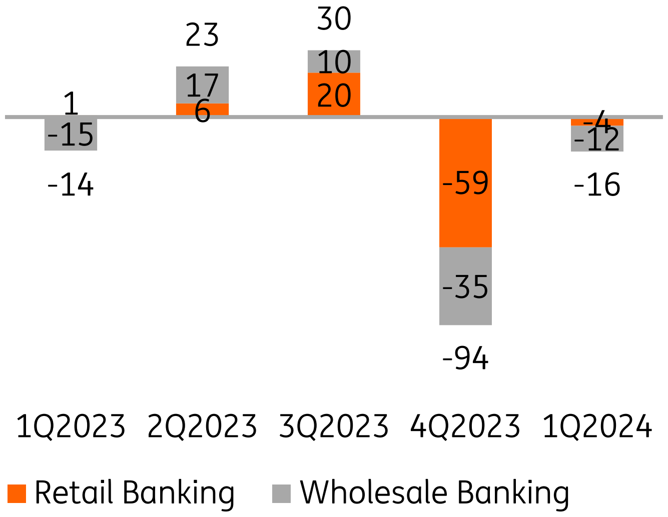
- CRE is well-diversified over different asset classes and geographies
- Caps in place to limit concentration risk
- Early anticipation of trends, such as the focus on energy-efficient buildings and the growth of e-commerce
- Improved asset mix
  - Exposure to office has decreased to ~€10 bln (of which US ~14%)
  - Exposure to Retail has decreased to ~€10 bln

- Stage 3 of 2.3%
- Average LtV of 43%

[1] Geographical split based on country of residence
[2] Loan-to-value buckets of the secured portfolio

Addition to loan loss provisions per Stage

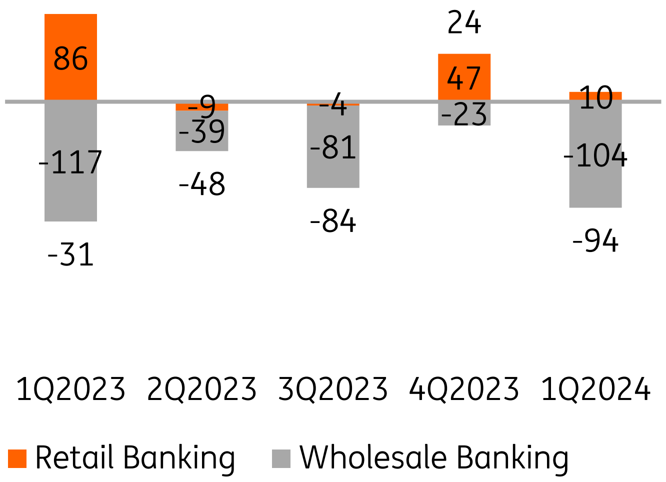
Stage 1 provisioning (in € mln)[1)]



Main drivers

- An update of the macroeconomic forecasts

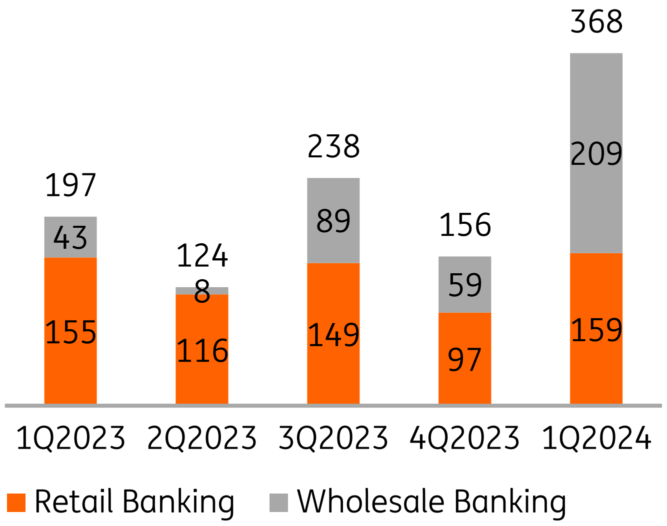
Stage 2 provisioning (in € mln)[1,2)]



Main drivers

- An update of the macroeconomic forecasts and releases of overlays

Stage 3 provisioning (in € mln)[1)]



Main drivers

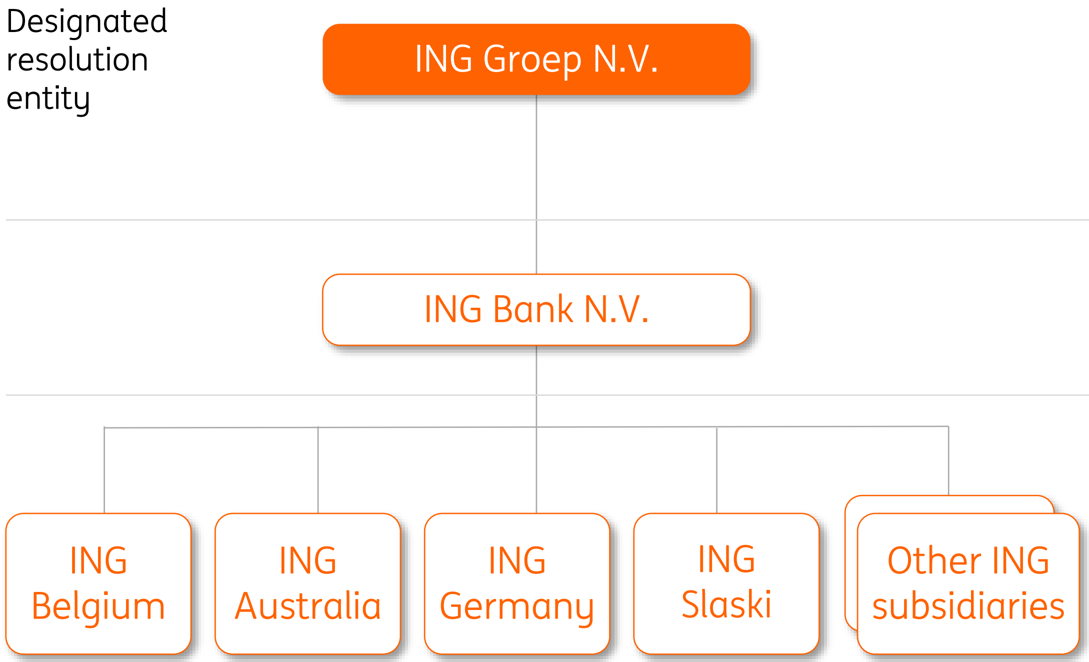
- Additions for a number of unrelated files that were newly provisioned in Wholesale Banking
- Additional inflow in Business Banking and consumer loans in Retail Banking, while mortgages continue to perform well

1) Wholesale Banking provisioning includes Corporate Line
2) Stage 2 includes modifications

Appendix

Issuance entities under our approach to resolution

Issuance entities



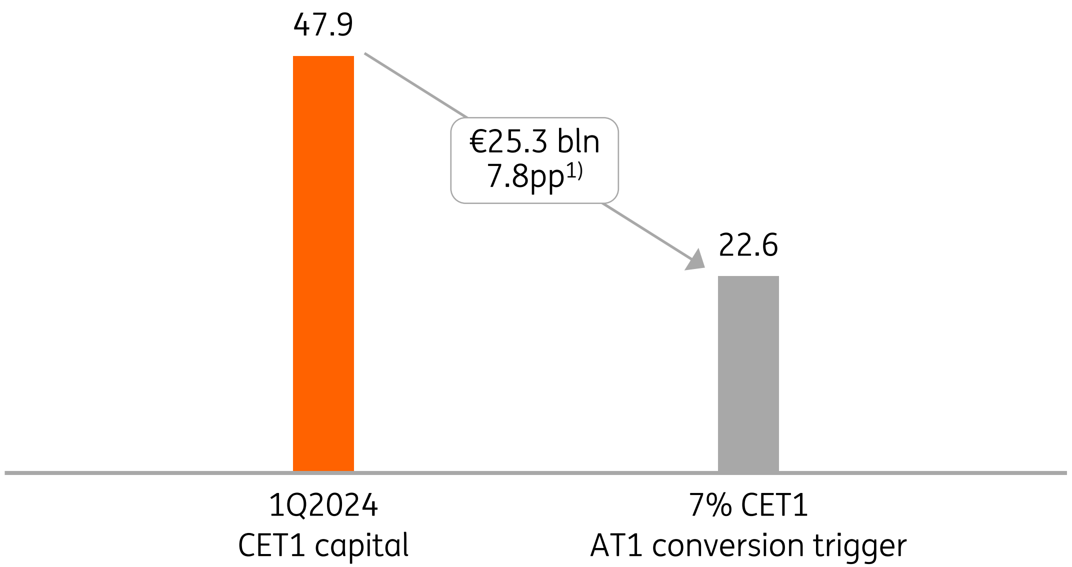
Eligible instruments for TLAC/MREL

	TLAC	MREL
▪ Own funds (CET1 / AT1 / Tier 2)	✓	✓
▪ Senior unsecured debt (> 1 year)	✓	✓
▪ Own funds	✓	✓
▪ Secured funding & senior unsecured debt (> 1 year)	✗	✗
▪ Secured funding	✗	✗
▪ Operational funding needs (un)-secured debt	✗	✗

Comfortable buffer to Additional Tier 1 trigger

Buffer to AT1 trigger (in € bln)

31 March 2024



ING Group available distributable items (in € mln)

	2023	2022
Share premium	17,116	17,116
Other reserves	29,167	30,859
Legal and statutory reserves	-770	-984
Non-distributable	-6,727	-8,408
Total	**38,787**	**38,583**
Accrued interest expenses on own fund instruments at year-end	193	169
Distributable items excluding result for the year	**38,981**	**38,752**
Unappropriated result for the year	5,691	2,880
Total available distributable items	**44,672**	**41,632**

- ING Group capital buffer to conversion trigger (7% CET1) is high at €25.3 bln, or 7.8% of RWA

[1] Difference between 14.8% ING Group CET1 ratio in 1Q2024 and 7% CET1 equity conversion trigger

Outstanding benchmark capital securities per 1Q2024

(Additional) Tier 1 securities

Currency	Issue date	First call date	Coupon	Outstanding (mln)[2]	Reset spread
USD	Feb-24	May-30	8.000%	1,250	SOFR MS+436
USD	Feb-23	May-28	7.500%	1,000	UST + 371bps
USD[1]	Sep-21	May-27	3.875%	1,000	UST + 286bps
USD[1]	Sep-21	May-31	4.250%	1,000	UST + 286bps
USD	Feb-20	May-29	4.875%	750	UST + 351bps
USD[1]	Sep-19	Nov-26	5.750%	1,500	UST + 434bps
USD	Feb-19	***(called)*** Apr-24	6.750%	1,250	USSW + 420bps
USD[1]	Apr-15	Apr-25	6.500%	1,250	USSW + 445bps

Tier 2 securities

Currency	Issue date	First call date	Coupon	Outstanding (mln)[2]	Maturity
GBP	Feb-23	Feb-28	6.25%	750	May-33
EUR (green bond)	Feb-23	Nov-29	5.00%	500	Feb-35
EUR	Aug-22	Aug-28	4.125%	1,000	Aug-33
EUR (green bond)	Nov-21	Aug-27	1.00%	1,000	Nov-32
EUR	June-21	June-27	0.875%	500	June-32
EUR	May-20	Feb-26	2.125%	1,500	May-31
EUR	Nov-19	Nov-25	1.00%	1,000	Nov-30
EUR	Mar-18	Mar-25	2.00%	750	Mar-30
EUR	Sep-17	Sep-24	1.625%	1,000	Sep-29

[1] SEC registered
[2] Amount outstanding in original currency
Green bond

HoldCo Senior transactions in past 12 months

ISIN	Issue date	First call date	Maturity	Tenor	Coupon	Issued (mln)[1]	Reset spread
EUR							
XS2764264607	Feb-24	Aug-28	Aug-29	5.5nc4.5	3.87%	1,250	3mE+125
XS2764264789	Feb-24	Feb-34	Feb-35	11nc10	4.00%	1,250	3mE+140
XS2624976077	May-23	May-28	May-29	6NC5	4.50%	1,500	3mE+160
XS2624977554	May-23	May-33	May-34	11NC10	4.75%	1,500	3mE+190
XS2554746185	Nov-22	Nov-26	Nov-27	5NC4	4.87%	1,250	3mE+185
XS2554745708	Nov-22	Nov-32	Nov-33	11NC10	5.25%	1,000	3mE+215
USD							
US456837BL64	Mar-24	Mar-29	Mar-30	6nc5	5.34%	1,500	SOFR+144
US456837BM48	Mar-24	Mar-34	Mar-35	11nc10	5.55%	1,500	SOFR+177
US456837BF96	Sep-23	Sep-26	Sep-27	4NC3	6.08%	1,250	SOFR+156
US456837BJ19	Sep-23	Sep-26	Sep-27	4NC3	FRN	500	SOFR+156
US456837BH52	Sep-23	Sep-33	Sep-34	11NC10	6.11%	1,000	SOFR+209
JPY							
XS2729201413	Dec-23	Dec-28	Dec-29	6NC5	1.50%	24,690	TONA + 105
XS2729201504	Dec-23	Dec-32	Dec-33	10NC9	1.88%	15,800	TONA + 110

HoldCo USD issues are SEC registered unless mentioned otherwise
[1] Original currency
Green bond

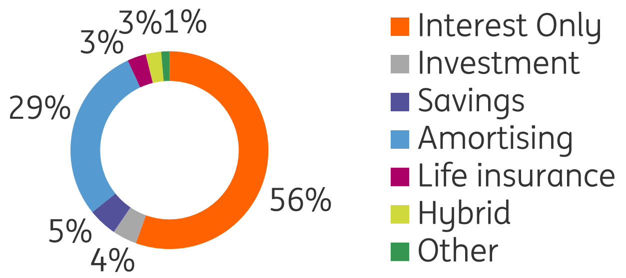
ING Bank's covered bond programme…

- ING Bank NV €30 bln Hard and Soft Bullet Covered Bonds programme
  - UCITS, CRR and ECBC Label compliant. Rated Aaa/AAA/AAA (Moody's/S&P/Fitch)
  - This programme is used for external issuance purposes. There is a separate €15 bln Soft Bullet Covered Bonds programme for internal transactions only and it is not detailed on this slide
  - Cover pool consists of 100% prime Dutch residential mortgage loans, all owner-occupied and in euro only. As per 31 March 2024, no arrears > 90 days in the cover pool
  - Strong Dutch legislation with minimum legally required over-collateralisation (OC) of 5% and LTV cut-off rate of 80%
- Latest investor reports are available on www.ing.com/ir

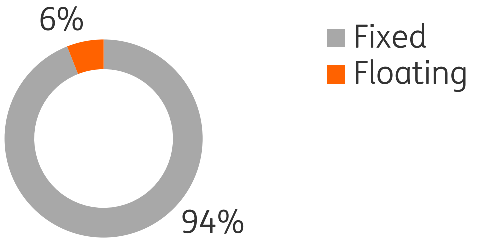
Portfolio characteristics[1)]

Net principal balance	€27,728 mln
Outstanding bonds	€22,394 mln
# of loans	139,956
Avg. principal balance (per borrower)	€198,116
WA current interest rate	2.63%
WA remaining maturity	17.71 years
WA remaining time to interest reset	6.94 years
WA seasoning	12.01 years
WA current indexed LTV	51.53%
Available statutory CRR OC	124.20%

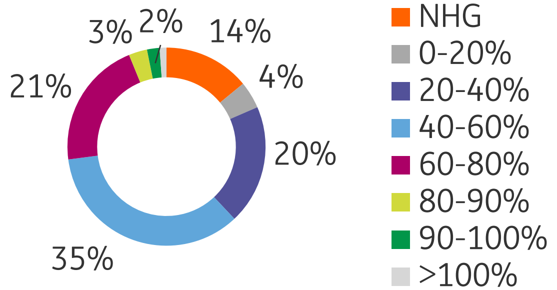
Redemption type[1)]



Interest rate type[1)]



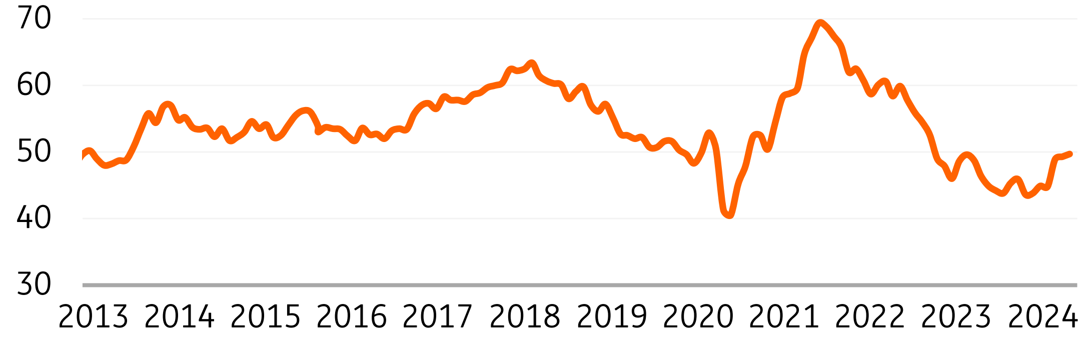
Current Indexed LTVs[1)]



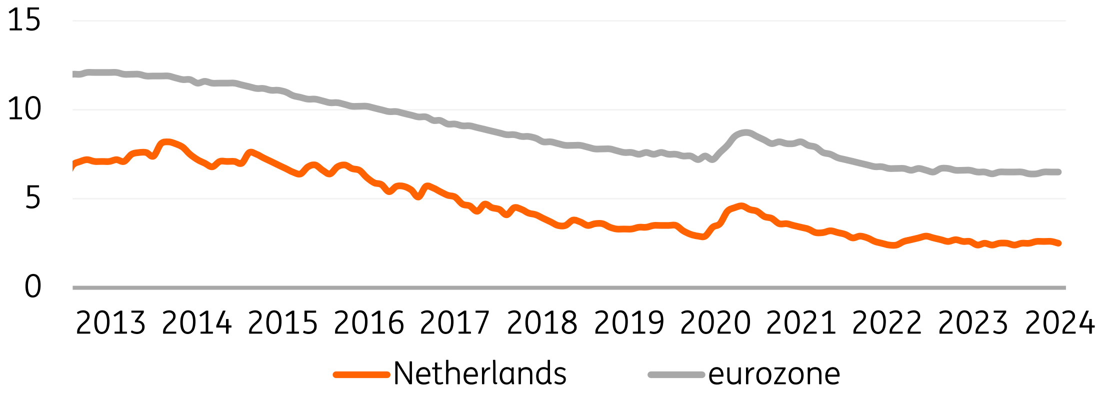
[1)] As per 31 March 2024

…benefits from a continued strong Dutch housing market

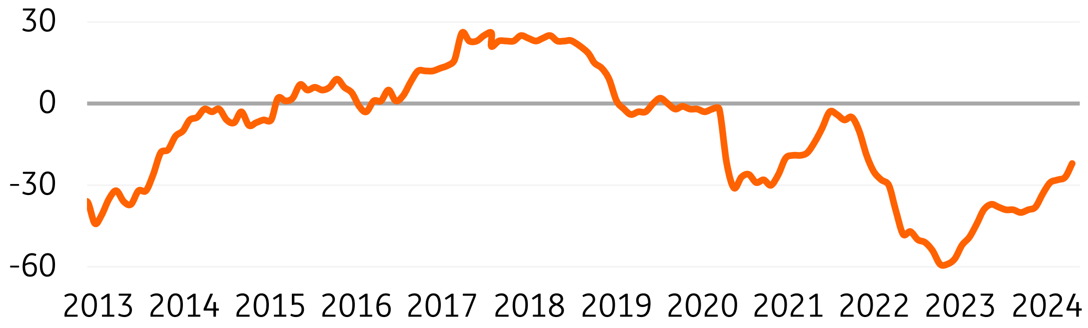
Dutch Purchasing Managers Index (PMI) showing initial signs of recovery



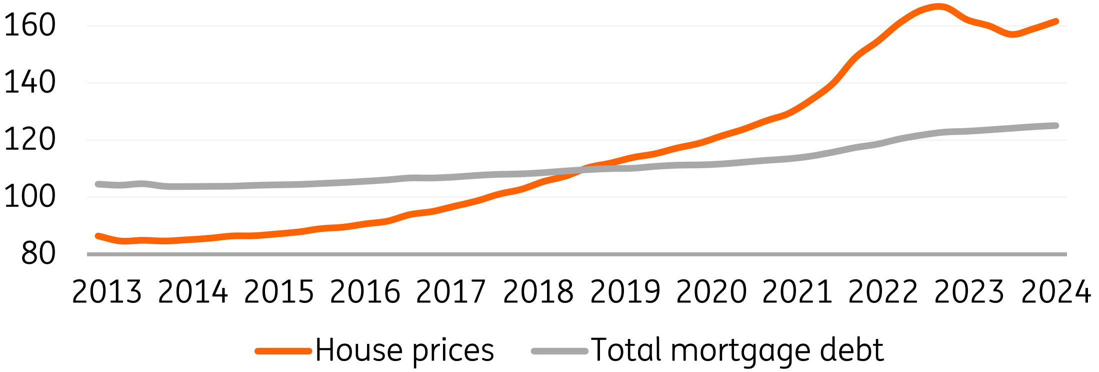
Dutch unemployment rate (%) stable at a low level



Dutch consumer confidence is recovering



Dutch house price increases in the last six years are not credit driven[1)]



Source: Central Bureau for Statistics for all data except for the Dutch PMI (IHS Markit) and eurozone unemployment (Eurostat)
1) Reflects latest available data as of 4Q2023

1Q2024 results overview

In € mln	Reported P&L	Volatile items	P&L excluding volatile items
Net interest income	3,825	3	3,822
Net fee and commission income	998	0	998
Investment income	8	7	1
Other income	752	-43	795
Total income	**5,583**	**-32**	**5,616**
Expenses excl. regulatory costs	2,674	4	2,670
Regulatory costs	358	0	358
Operating expenses	**3,032**	**4**	**3,028**
Gross result	**2,551**	**-37**	**2,588**
Addition to loan loss provisions	258	0	258
Result before tax	**2,293**	**-37**	**2,329**
Taxation	653		
Non-controlling interests	61		
Net result	**1,578**		

Volatile income and expense items

Volatile items (in € mln)

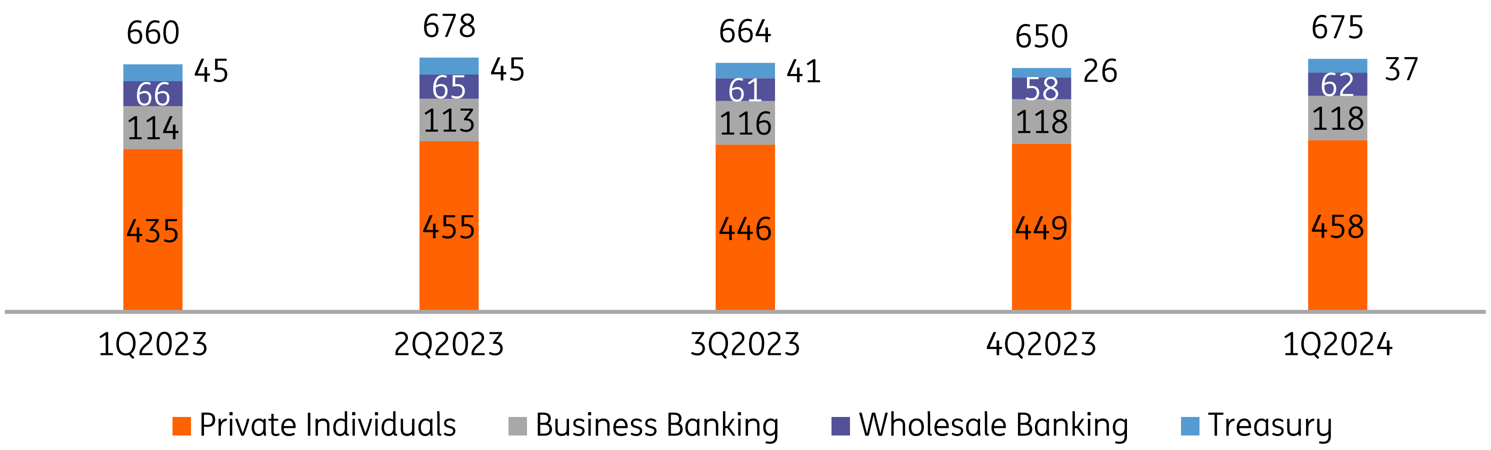
	1Q2023	2Q2023	3Q2023	4Q2023	1Q2024
WB/FM – valuation adjustments	-10	33	15	-52	16
Capital gains/losses	15	-0	0	-25	7
Hedge ineffectiveness	35	-46	102	49	-60
Other items income[1)]	-69	-6	-88	-16	4
Total volatile items – income	**-29**	**-21**	**29**	**-44**	**-32**
Incidental items – expenses[2)]	-4	-6	-122	-114	-4
Impact total volatile items on gross result	**-34**	**-27**	**-93**	**-158**	**-37**

1) 1Q2023: €-69 mln hyperinflation impact
2Q2023: €-6 mln hyperinflation impact
3Q2023: €-88 mln hyperinflation impact
4Q2023: €-16 mln hyperinflation impact
1Q2024: €-49 mln hyperinflation impact, €+53 mln receivable related to a prior insolvency of a financial institution in the Netherlands

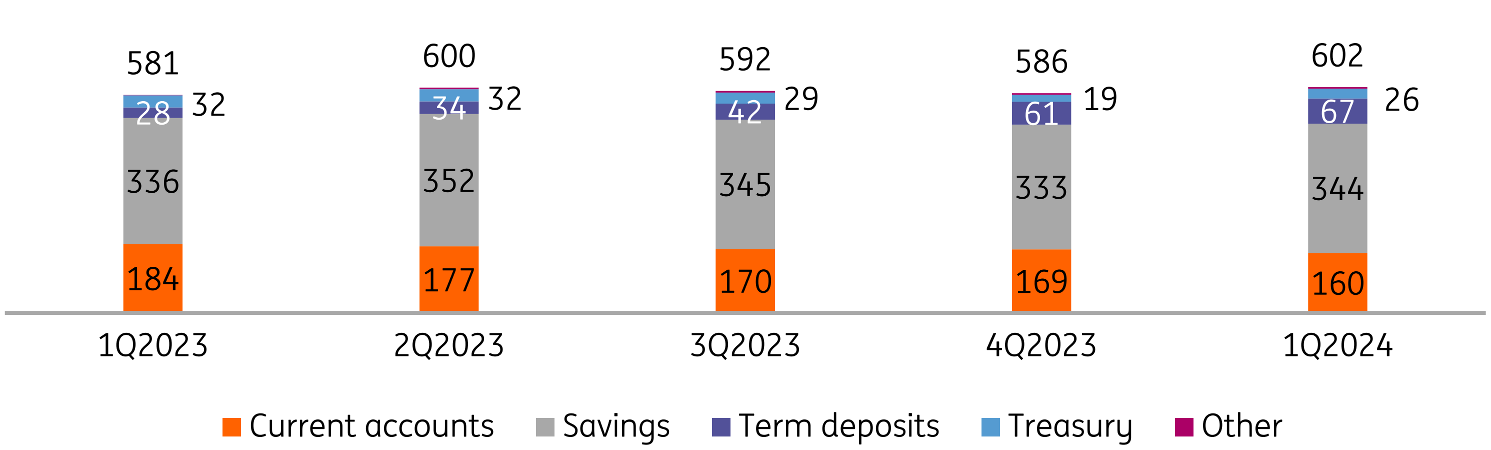
2) 1Q2023: €4 mln hyperinflation impact
2Q2023: €6 mln hyperinflation impact
3Q2023: €46 mln for restructuring and related costs for Retail Belgium, €26 mln hyperinflation impact and €51 mln provisioned in Corporate Line
4Q2023: €95 mln for restructuring costs and impairments, €12 mln hyperinflation impact and €7 mln allowances for employees
1Q2024: €4 mln hyperinflation impact

Granular customer deposit base

Total customer deposits per segment (in € bln)



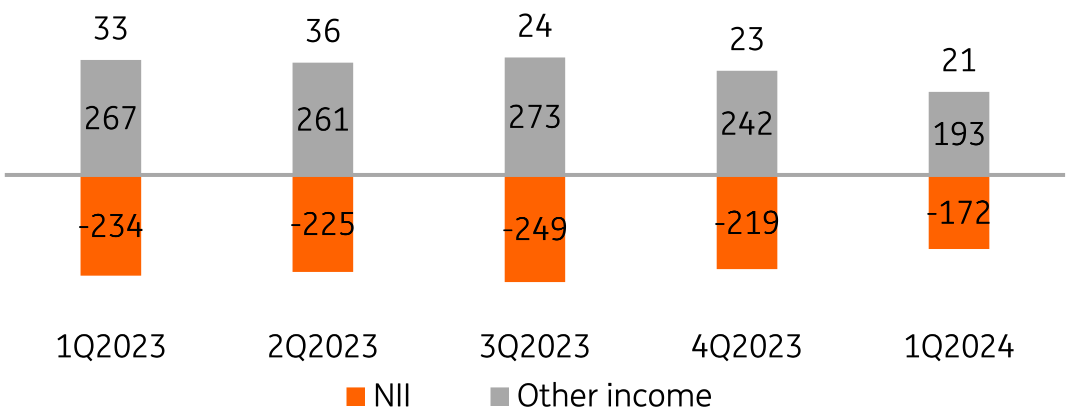
Retail deposits per product (in € bln)



- Highly insured, granular and continuously growing customer deposits represent a strong funding base
  - ~70% of total deposits is from private individuals, of which ~85% is DGS-covered
- Strong focus on Retail Banking, diversified across >39 mln private individuals in 10 countries
  - Average private individual account balance of ~€15,000
- Strong increase in savings in 1Q2024 was driven by Germany

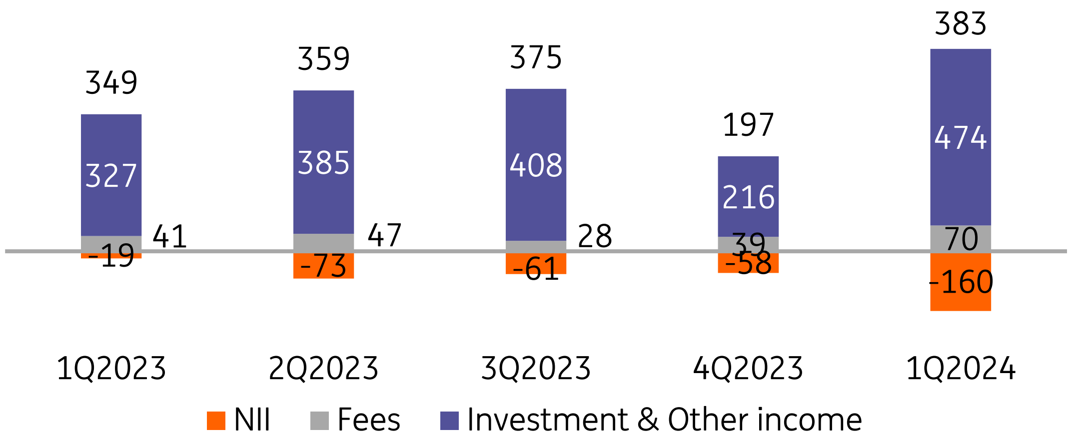
Accounting asymmetry impacting net interest income

Treasury interest rate differential (in € mln)



- Treasury benefited from favourable market opportunities through money market and FX transactions
- These activities had a negative impact on net interest income, which was more than offset by a positive impact in other income
- The magnitude of this accounting asymmetry depends on the volume of trades and the interest rate differential between the euro and other currencies (mostly US dollar)

WB Financial Markets (in € mln)



- Increasing interest rates led to higher funding costs, resulting in a reduction in net interest income, while other income, related to the opposite position, rose significantly
- This accounting asymmetry is more pronounced in a positive rate environment and is also influenced by product mix developments
- The fourth quarter of 2023 included a €60 mln increase in reserves, while 3Q2023 included a €61 mln gain from the release of reserves

Hyperinflation accounting in Türkiye

Application of IAS 29 to consolidation of ING in Türkiye

- We applied IAS 29 (‘Financial Reporting in Hyperinflationary Economies’) to the consolidation of our subsidiary in Türkiye, effective as of 1 January 2022, as cumulative inflation in Türkiye over the preceding three years had exceeded 100%
- The application of IAS 29 resulted in a negative accounting impact on ING net result in 1Q2024 of €-51 mln, reflecting the adjustments for changes in the general purchasing power of the Turkish lira
- The impact on CET1 capital is slightly positive as the negative impact on P&L is offset by a positive adjustment in equity
- Resilient net profit and shareholders’ distribution has not been affected as the total quarterly P&L impact of €-51 mln was treated as a significant item not linked to the normal course of business, in line with ING’s distribution policy

Impact on results (in € mln)

	4Q2023	1Q2024
Profit or loss		
Net interest income	8	3
Net fee and commission income	2	0
Investment income	0	0
Other income	-25	-52
Total income	**-16**	**-49**
Expenses excl. regulatory costs	12	4
Regulatory costs	0	0
Operating expenses	**12**	**4**
Gross result	**-28**	**-53**
Addition to loan loss provisions	2	0
Result before tax	**-30**	**-53**
Taxation	2	-1
Net result	**-32**	**-51**

Important legal information

ING Group's annual accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS- EU'). In preparing the financial information in this document, except as described otherwise, the same accounting principles are applied as in the 2023 ING Group consolidated annual accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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 cyberattacks 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 and ESG-related matters, including data gathering and reporting (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 www.ING.com.

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