ING Credit Update 3Q2023

ING Investor Relations

2 November 2023

do your thing

Delivering strong value in 3Q2023

Continued primary customer growth

+181,000

versus +227,000 in 2Q2023

High share of mobile-only customers[1)]

62%

versus 60% in 2Q2023

Growing volume mobilised[2)] to finance the transition

€27 bln

versus €25 bln in 2Q2023

Strong total income growth

32%

year-on-year

Increasing return on equity[3)]

13.8%

4-quarter rolling average

Attractive shareholder return

€7.0 bln

distributed YTD[4)]

1) Retail customers who used the mobile channel at least once in the last quarter
2) Volume mobilised for WB clients; includes loan products, capital markets, derivatives and advisory propositions that support clients by financing their sustainable activities and their transitions to more sustainable business models. In case of an ESG lead role the pro-rata share of the transaction is included, otherwise our final take is included
3) ING Group return on equity is calculated using IFRS-EU shareholders' equity after excluding amounts reserved for future distribution
4) Based on payment date, including the total amount of the announced €2.5 bln share buyback

Future proofing our business for success

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**
3Q2023 highlights	75% digital onboarding of new customers in the Netherlands	Publication of the 2023 Climate Report
	Introduction of a tool to track progress of KYC process for retail clients in Poland	Introduction of sustainable alternatives for Retail products in several markets

We continue helping our clients in their low-carbon transition

Overview milestones 2023

1Q2023
Climate considerations embedded in corporate client and transaction approval processes

1Q2023
Announced commitment to restrict dedicated finance to ‘midstream’ activities that unlock new oil and gas fields

2Q2023
Joined PCAF to help develop data and methodology improvements and standards

2Q2023
Introduced new loan products to help our clients make energy-efficient renovations

4Q2023
Published 2023 Climate Report, which describes progress on our aim to steer our lending portfolio towards global net-zero climate goals

Due 4Q2023
Co-developing new climate-alignment financing principles for the aluminium sector with RMI and other banks

Recent transactions

YTD
- €73.9 bln volume mobilised
- 507 sustainable transactions

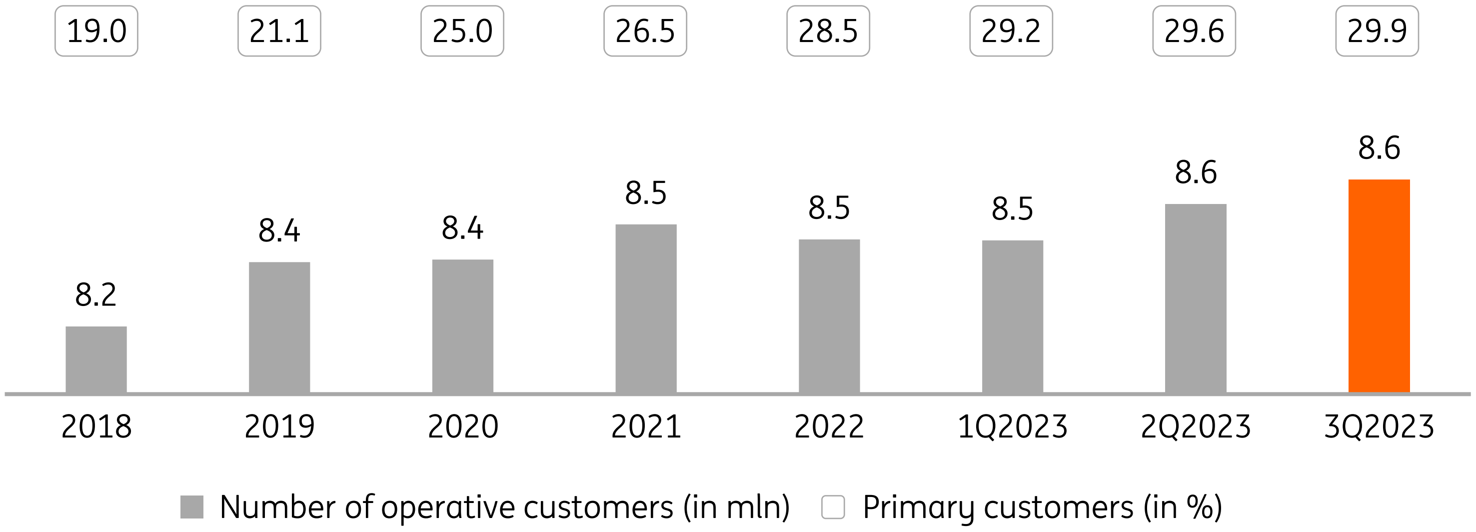
Leading role in €4.7 bln loan[1] to the first offshore windfarm in Poland

€200 mln loan to the National Heat Fund in the Netherlands

[1] Various roles including Mandated Lead Arranger, Sustainability Coordinator, Documentation Bank (Account and Hedging)

Continued strong performance in the German retail market

Consistent customer growth with an increasing primary customer base



Core lending and deposits growth YTD 2023[1)]

Net core lending growth

€+1.4 bln

Net core deposits growth

€+11.1 bln

Highlights[1)]

Most preferred bank

#1

For the 17th time in a row

Net Promoter Score

#1

Since 2015 (start of measuring)

Investment Product accounts

+14%

CAGR since 2018

Cost/income ratio

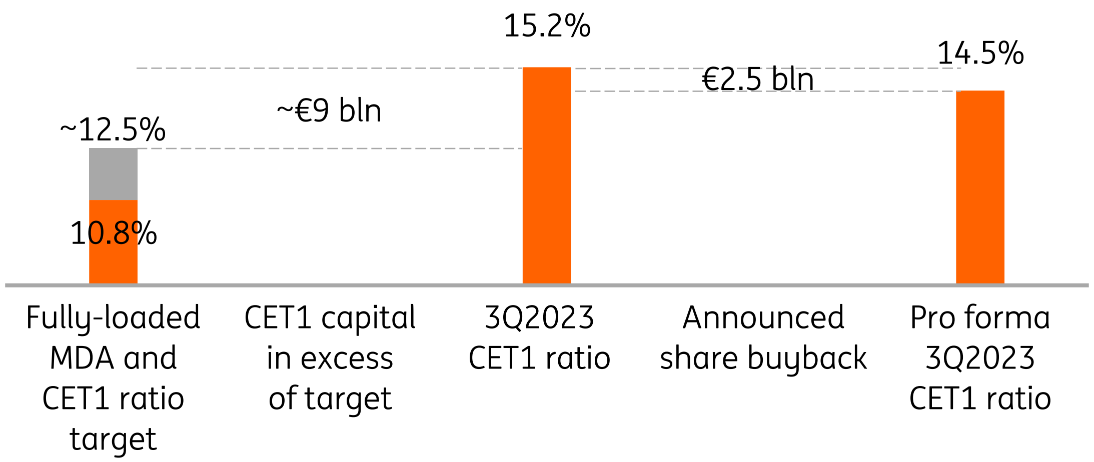
40.2%

Four-quarter rolling average

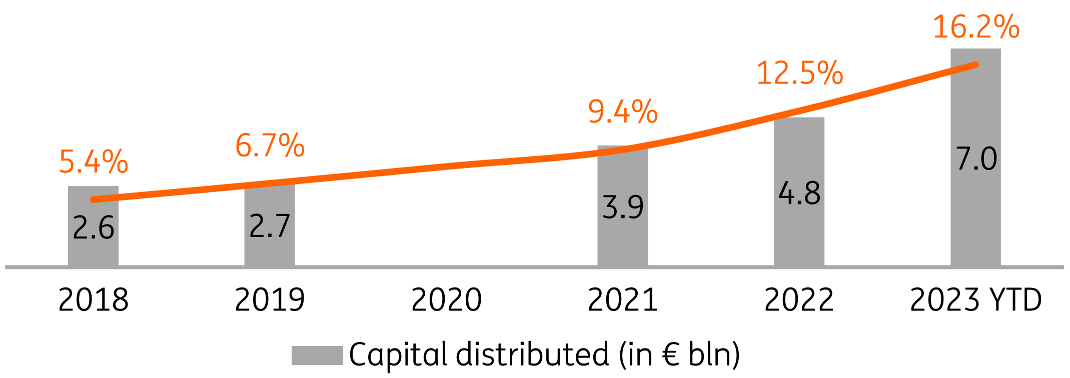
[1)] Retail Banking

Right-sizing our capital remains a priority

Strong capital position



Attractive shareholder return[1]



- The €2.5 bln share buyback as announced today is the next step in converging our CET1 ratio towards our target level of ~12.5%
- We have returned ~€21 bln to shareholders since 2018
  - €~7 bln distributed in 2023, resulting in a 16.2% return to shareholders[1]
- Size of potential next steps will depend on capital generation going forward
  - We have absorbed most of the regulatory RWA inflation and any impact from the implementation of Basel IV is expected to be manageable
  - The new SMA[2] for operational risk, which takes into account profitability, could result in a negative impact on our CET1 ratio of up to 20 bps in 2025
  - Periodical methodology changes and strategies taken regarding IRB model landscape will continue to have a positive or negative effect on Credit RWA

[1] Based on payment date and on average market value (share price * number of shares outstanding at the end of each quarter). Including the full amount of the announced share buyback
[2] Standardised Measurement Approach

Well on track towards our 2025 targets

Financial target	3Q2023	2025 target	Drivers
Fee income[1]	3.8%	5-10% annual growth	▪ Primary customer growth ▪ Increasing package and service fees in daily banking to better reflect cost of service ▪ Growing base in investment products, both in number of accounts as well as AuM ▪ Global footprint to capture loan growth
Total income[1,2]	+20.6%	4-5% CAGR	▪ Continued support from a positive rate environment on the replicating portfolio ▪ Liability NII growth depending on central bank rate increases, deposit tracking and customer behaviour ▪ Lending NII growth depending on demand and pricing discipline in the market ▪ Fee growth
Cost/income ratio[3]	51.6%	50-52%	▪ Total income growth ▪ Costs including full-year inflationary effects and continued investments in our business for growth ▪ Lower regulatory costs once funds required for the DGS and SRF are filled[4]
CET1 ratio	15.2%	~12.5%[5]	▪ The next steps to converge to our ~12.5% CET1 ratio target by 2025 will reflect the strong capital generation and capital discipline ▪ We will update the market at the time of announcing the 1Q2024 results[6]
Return on equity[3]	13.8%	12%	▪ Continued income growth and cost control ▪ Improved income / risk-weighted assets in Wholesale Banking ▪ Strong and diversified asset book and low Stage 3 ratio ▪ ~12.5% CET1 ratio target level

1) Year-on-year comparison
2) Total income excluding incidental income items (corresponding with 'other volatile income items' as presented on slide 45)
3) Based on 4-quarter rolling average. Return on equity is calculated using IFRS-EU shareholders' equity after excluding amounts reserved for future distribution
4) Formal build-up phase of several local Deposit Guarantee Schemes (DGS) and European Single Resolution Fund (SRF) are scheduled to be completed by 2024
5) Implies management buffer (incl. Pillar 2 Guidance) of ~170 bps over fully loaded CET1 requirement of 10.83%
6) The (potential) 17.65% tax on share buybacks would apply to the difference between the purchase price and the paid-in capital (~€3.5 per share)

Business profile

Well-diversified business mix with many profitable growth drivers

Retail Banking

- Focus on earning the primary relationship
- We use 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

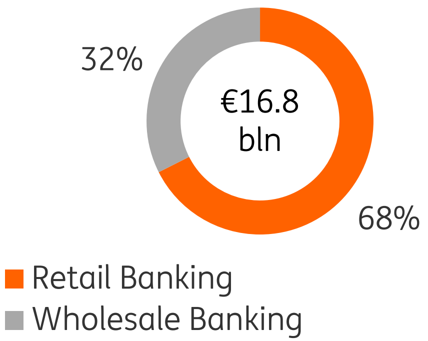
Wholesale Banking International Network

Wholesale Banking

- Our business model is similar throughout our global WB franchise
- With a sector and client-driven strategy, our global franchises serve corporate and institutional clients with international activities in a sector where we have strong expertise

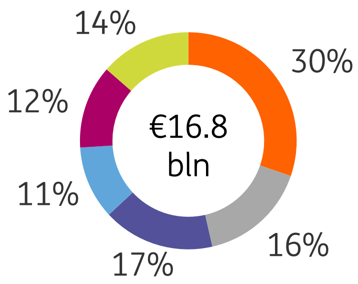
Total income[1)]

9M2023



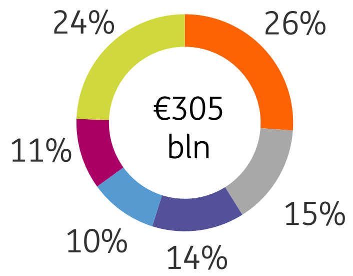
Total income[1)]

9M2023



RWA (end of period)[1)]

9M2023



Netherlands Belgium Germany Other Challengers Growth Markets WB Rest of World

[1)] Segment "Other" is not shown on the slide. For this segment (Corporate Line and Real Estate run-off portfolio), total income was €331 mln in 9M2023 and RWA was €15.3 bln as per 30 September 2023

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]

- Aim to steer the most carbon-intensive parts of our lending portfolio towards net zero
- Co-develop net zero sector pathways
- Grow our Sustainable Finance business
- Provide sustainable products/services
- Help clients manage biodiversity 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 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 (UNGP) prioritisation and due diligence

- ESR Framework and dedicated human rights policy
- Proactive client dialogue
- Sustainable procurement standards

Transparency

- Disclosure aligned with the UNGP Reporting Framework

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

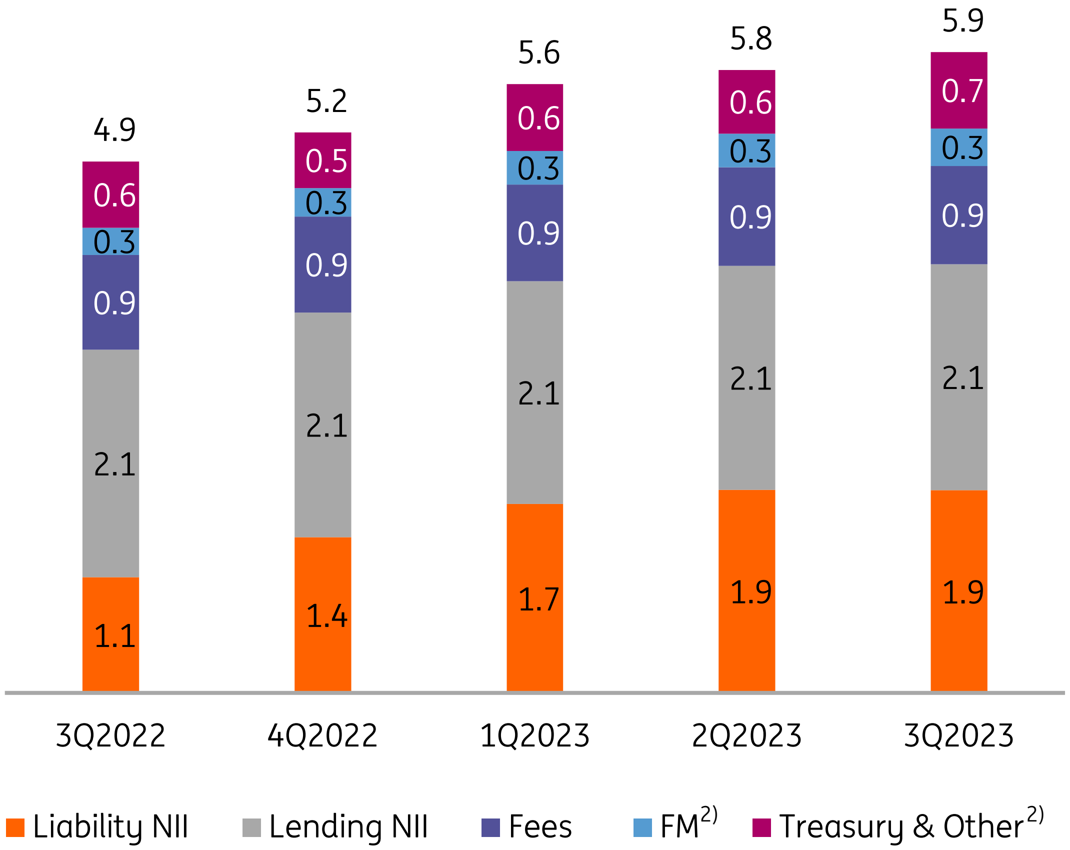
[1] Sustainable Development Goals (SDGs) set by the United Nations General Assembly

[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. See how we're progressing on www.ing.com/climate

3Q2023 results

Total income structurally higher in a positive rate environment

Total income excluding incidental income items (in € bln)[1)]

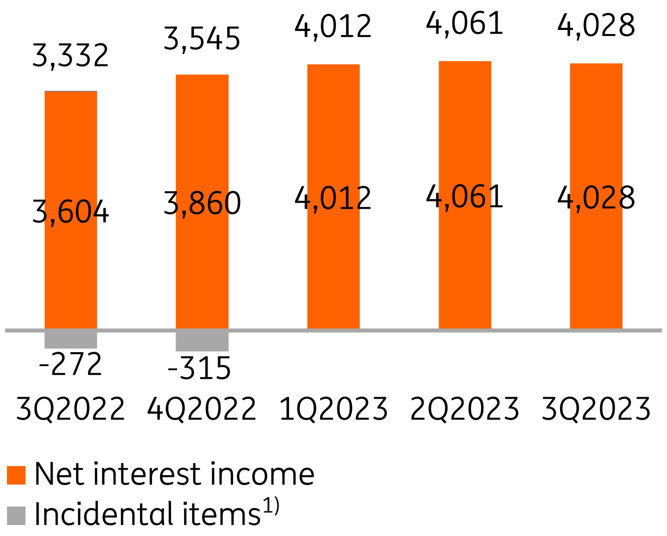


- Total income at a structurally higher level driven by a recovery of interest margin on liabilities
  - The cycle of recent central bank rate hikes appears to have paused. Depending on developments in the competitive landscape, our liability margins may reduce somewhat from current levels
- Attractive funding structure with 61%[3)] of the balance sheet funded by a highly insured, granular customer deposit base
- Long-term support from our replicating portfolio
  - ~45% is invested <1 year, which has helped to quickly restore liability margins once interest rates turned positive
  - ~55% is invested >1 year and will continue to reprice in the coming years
- Return of loan demand and improved asset margins will be a catalyst for future income growth
- Continued focus on income diversification and a 5-10% annual fee growth target

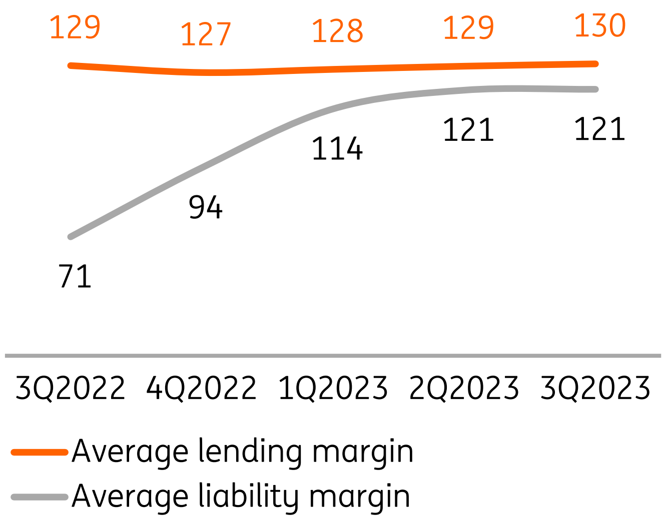
[1)] Incidental income items are excluded: €-506 mln in 3Q2022; €-318 mln in 4Q2022; €-69 mln in 1Q2023; €-6 mln in 2Q2023; €-88 mln in 3Q2023
[2)] Excluding fees
[3)] Excluding Treasury deposits

Continued high liability margin and increasing lending margin

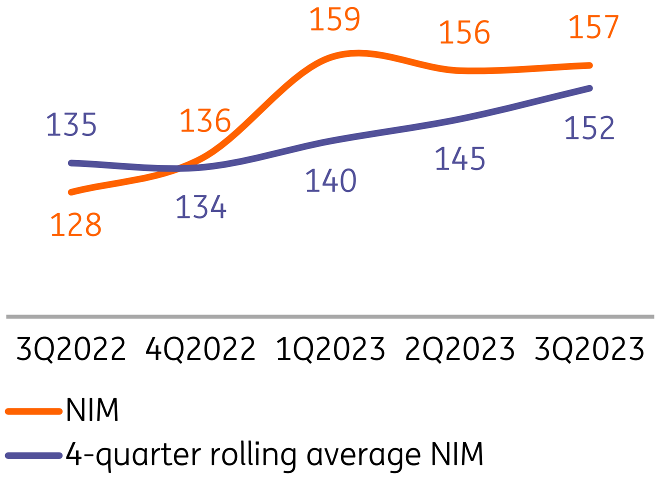
Net interest income (in € mln)



Lending and liability margin (in bps)



Net interest margin (in bps)

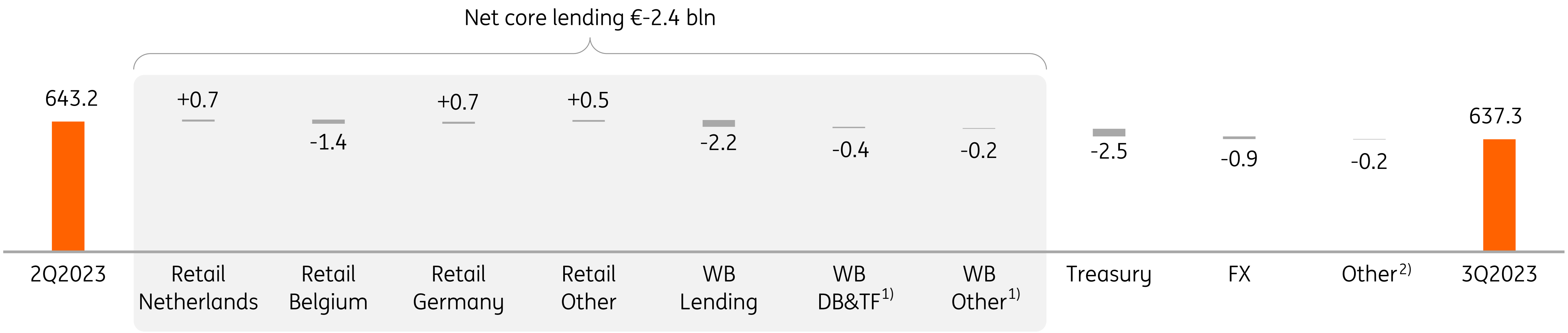


- NII, excluding the impact from incidental items[1], increased 11.8% YoY, primarily driven by a strong increase of the interest margin on liabilities. NII from mortgages also increased. Treasury continued to benefit from favourable market opportunities through money market and FX transactions[2]. NII in Financial Markets declined as rising rates led to higher funding costs; however, this was more than offset by an increase in other income[2]
- Sequentially, NII decreased 0.8%. Net interest income on liabilities stabilised after an acceleration of core rate increases in several of our core markets and NII from lending further increased
- NIM increased by 1 bp to 157 bps, due to a lower average balance sheet total

[1] Net TLTRO impact 3Q2022 €71 mln, 4Q2022 €-315 mln; Polish moratorium impact 3Q2022 €-343 mln
[2] More details on slide 47

Strong and resilient positioning of our Retail Banking business

Customer lending (in € bln)

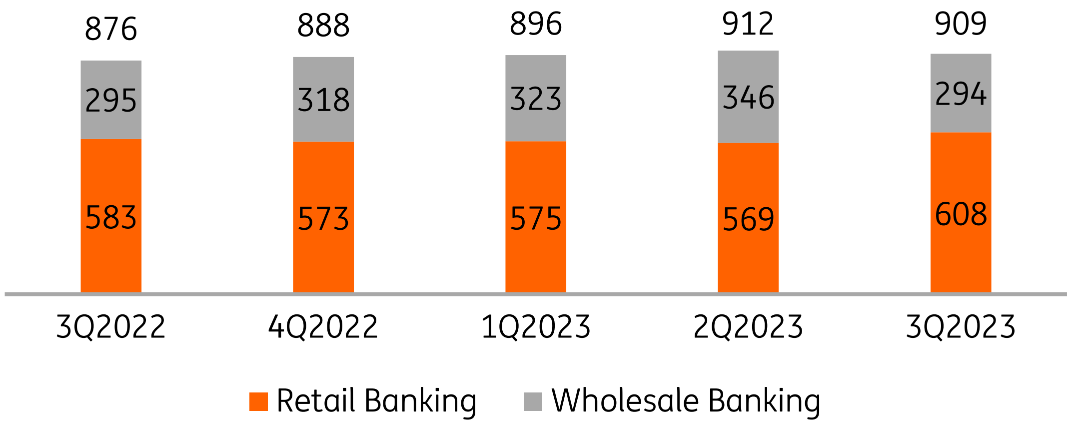


- Core lending declined by €2.4 bln
  - Retail Banking was €0.5 bln higher. Mortgages grew by €2.2 bln, primarily reflecting growth in the Netherlands, Belgium and Germany. Other lending declined by €1.8 bln
  - Wholesale Banking decreased by €2.8 bln, reflecting subdued demand and efforts to further optimise our capital usage
- Core deposits decreased by €7.0 bln
  - Retail Banking was €4.7 bln lower. This included limited outflow in Germany to competition and in Belgium to State bonds. It also reflected a shift from deposits to assets under management and seasonality as customers spend more during the holiday period
  - Wholesale Banking was €2.4 bln lower, mainly reflecting lower volumes in PCM

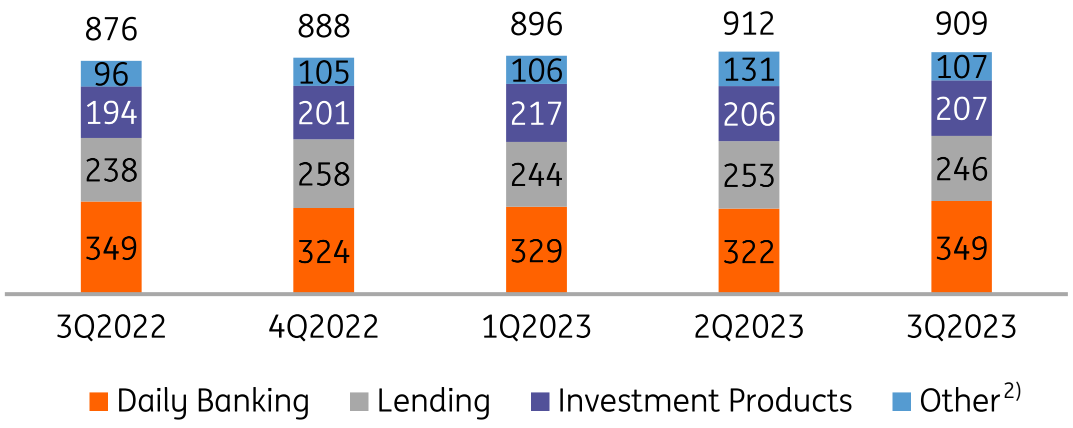
[1)] DB&TF is Daily Banking & Trade Finance; WB Other includes Financial Markets
[2)] Other includes run-off portfolios (Lease, WUB and Retail France)

Solid fee income growth in Retail Banking

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



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

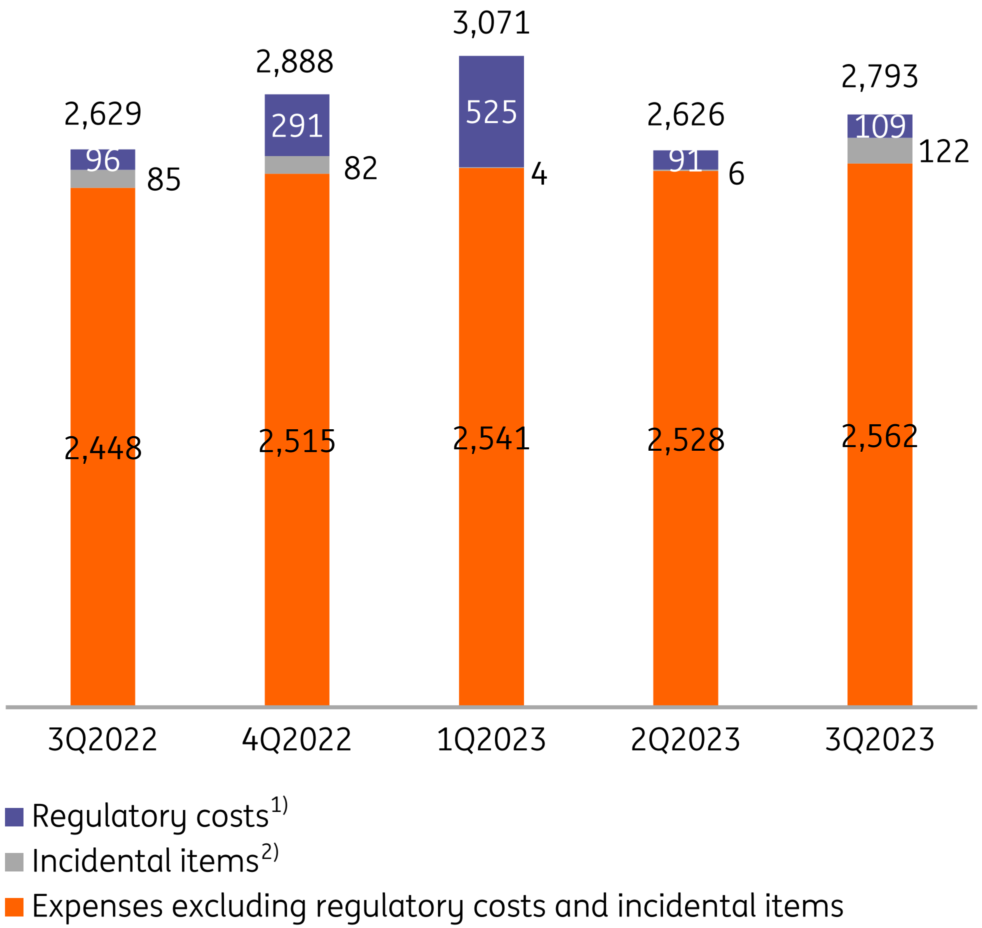


- Income from fees grew 3.8% YoY, driven by Retail Banking
  - Fees in Retail Banking rose 4.3%. Fees from investment products increased, mainly in Belgium, due to a net inflow in assets under management. Daily Banking fees also increased, reflecting higher fees for payment packages and new service fees
  - Fees in Wholesale Banking declined 0.3%, reflecting lower volumes in daily banking, partly offset by higher fees in Lending
- Sequentially, fees were stable
  - Higher fees in daily banking in Retail Banking, which included seasonally higher travel-related fee income and lower commissions paid to independent agents in Belgium
  - Fees in Wholesale Banking declined due to subdued demand in Lending and seasonally lower deal flow in Global Capital Markets and Corporate Finance

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

Operating expenses well under control

Expenses (in € mln)

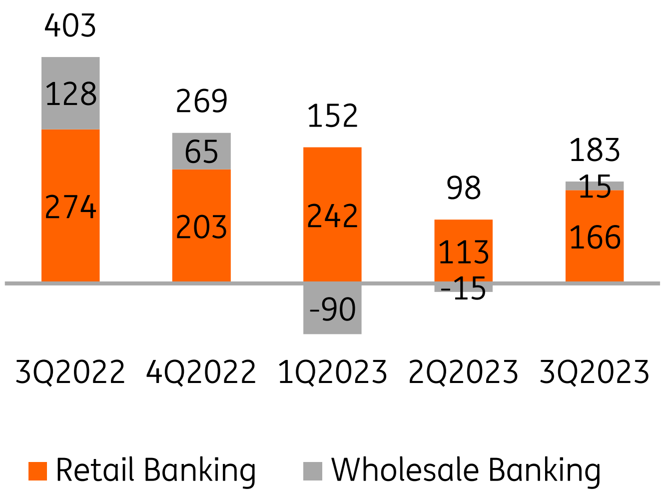


- Expenses excluding regulatory costs and incidental items were 4.7% higher YoY
  - Main driver was higher staff expenses, reflecting the impact of indexation and CLA increases across our markets
  - We also continued investing in the growth of our business
  - These higher expenses were partly offset by savings from exiting the retail markets in France and the Philippines
- Sequentially, expenses excluding regulatory costs and incidental items were 1.3% higher, mainly due to higher staff expenses
- Regulatory costs were slightly higher compared to 3Q2022, which had included a lower contribution to the DGS in Germany
- Incidental cost items in 3Q2023 consisted of €46 mln for restructuring and related costs for Retail Belgium, €26 mln for hyperinflation accounting in Türkiye (IAS 29) and €51 mln that we have provisioned in Corporate Line

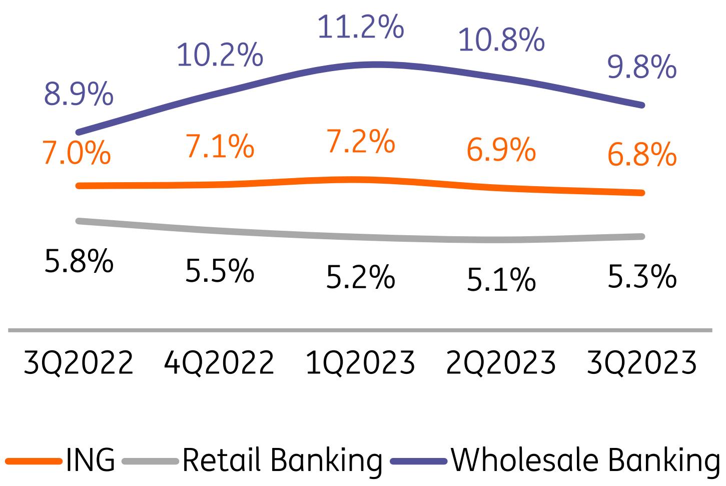
[1] Formal build-up phases of several local DGS and SRF are scheduled to be completed by 2024
[2] Incidental expenses as included in volatile items on slide 45

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

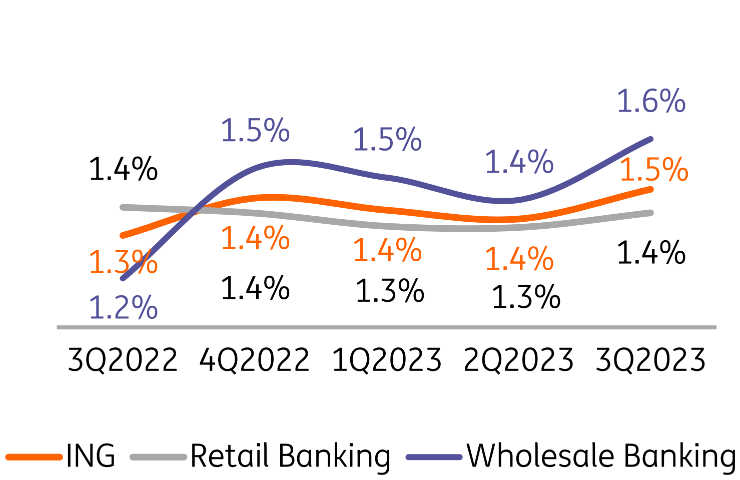
Risk costs per business line (in € mln)[1)]



Stage 2 ratio



Stage 3 ratio



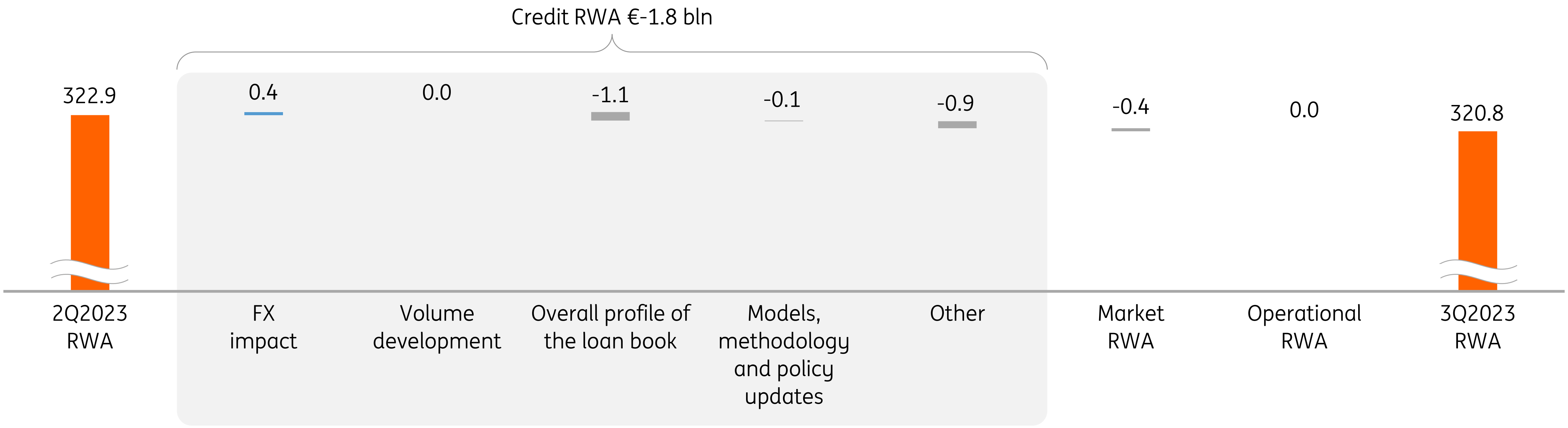
- Risk costs were €183 mln, or 11 bps of average customer lending, well below the through-the-cycle average of ~25 bps
  - At the end of 3Q2023, the total amount of management overlays was €486 mln
- In Wholesale Banking, risk costs related to a number of well-collateralised individual files were offset by a further release of Russia-related provisions as we continue to reduce our exposure. In Retail Banking, collective provisions were added primarily for consumer loans and Business Banking portfolios in Belgium, Germany, Poland and Spain
- The Stage 3 ratio increased to a still low 1.5%, with modest inflow of individual files with no clear trends identifiable
- The Stage 2 ratio decreased to 6.8%, as Stage 2 outstandings declined by €1.0 bln, mainly driven by repayments and a number of smaller individual files moving to Stage 3

[1)] Totals including Corporate Line

Capital

Risk-weighted assets decreased in 3Q2023, mainly due to a better overall profile of the loan book

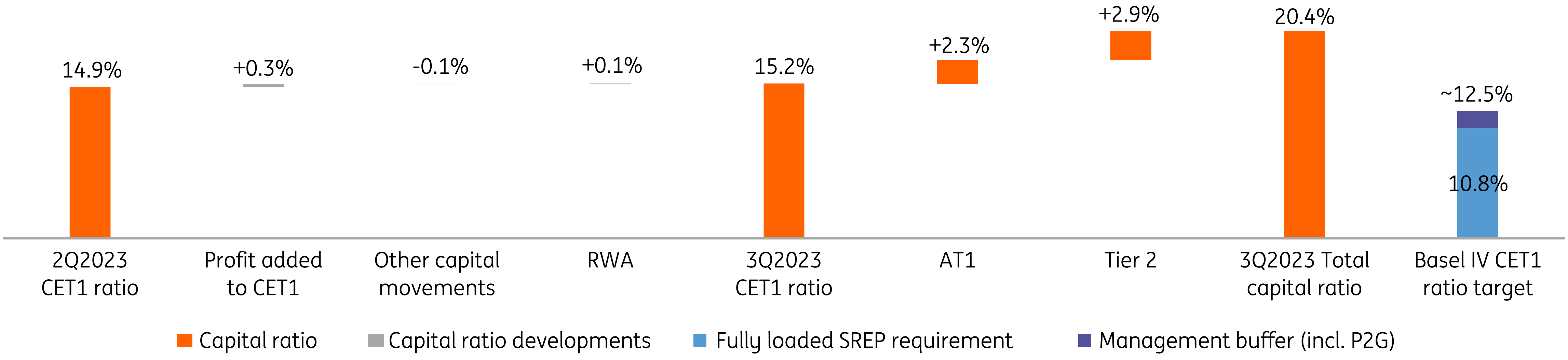
ING Group risk-weighted assets development (in € bln)



- In 3Q2023, RWA decreased by €2.1 bln to €320.8 bln, including €+0.4 bln of FX impact on credit RWA
- Credit RWA excluding FX impacts decreased by €2.2 bln, driven by a better overall profile of the loan book and a further decrease of our Russia-related exposure (€-1.0 bln)
- Market RWA were slightly lower, mainly due a reduction in trading book positions. Operational RWA were flat

CET1 ratio increased to 15.2%. Pro forma CET1 ratio at 14.5% when adjusted for the announced €2.5 bln share buyback

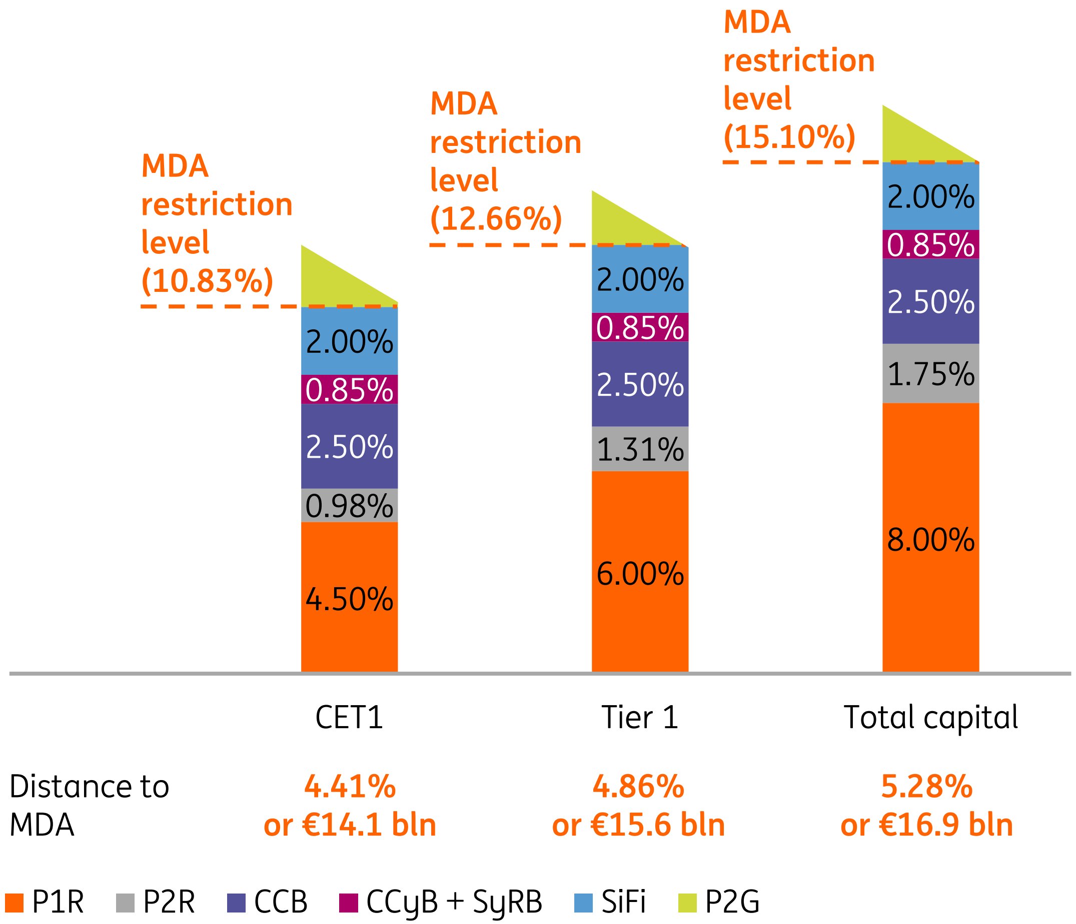
Total capital ratio development (in %)



- The CET1 ratio strengthened to 15.2%, due to the inclusion of €0.9 bln of the quarterly net profit after dividend reserving, coupled with lower RWA
- At the end of 3Q2023, there was €1,709 mln reserved outside of CET1 capital for future distribution
- In order to converge the CET1 ratio towards our target level by 2025, we will distribute an additional €2.5 bln in the form of a share buyback, which will commence on 3 November 2023. The pro forma CET1 ratio is 14.5% when adjusting for the additional distribution
- The AT1 and Tier 2 ratios increased slightly during 3Q2023

Buffer to MDA remained strong

ING Group fully loaded SREP requirements



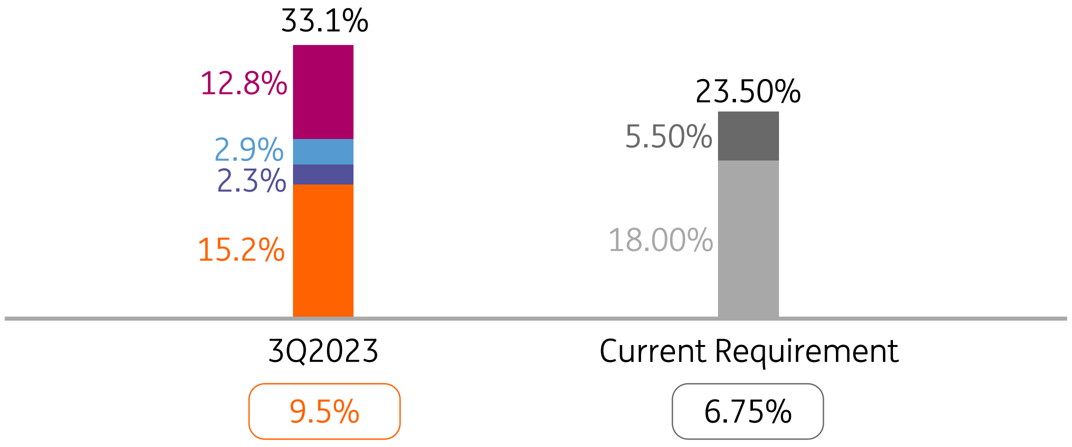
- ING Group's fully loaded CET1 requirement is 10.83%
  - 4.50% Pillar 1 Requirement (P1R)
  - 0.98% Pillar 2 Requirement (P2R)
  - 2.50% Capital Conservation Buffer (CCB)
  - 0.85% Countercyclical Buffer + Systemic Risk Buffer (CCyB + SyRB)[1)]
  - 2.00% Systemically Important Financial Institutions Buffer (SiFi)
- Fully loaded Tier 1 requirement is 12.66%
  - 0.33%-point of P2R can be filled with AT1
- Fully loaded Total Capital requirement is 15.10%
  - 0.44%-point of P2R can be filled with Tier 2

[1)] Fully loaded CCyB + SyRB increased in 3Q2023 by 0.14% to 0.85%, mainly as a result of the re-activation of the countercyclical buffer in Belgium to 1% from 4Q2024; Current CCyB + SyRB increased in 3Q2023 by 0.05% to 0.50% due to the phase-in of various countercyclical buffers

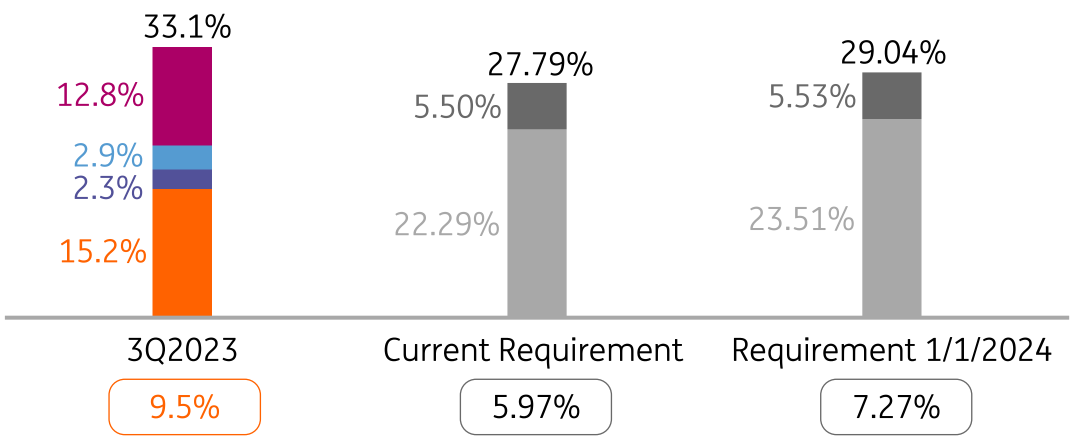
Funding & liquidity

ING meets its TLAC and MREL requirements

TLAC as % of RWA (and LR)



MREL as % of RWA (and LR)



CET1 AT1 T2 HoldCo Senior TLAC / MREL requirement CBR TLAC / MREL as % of leverage exposure

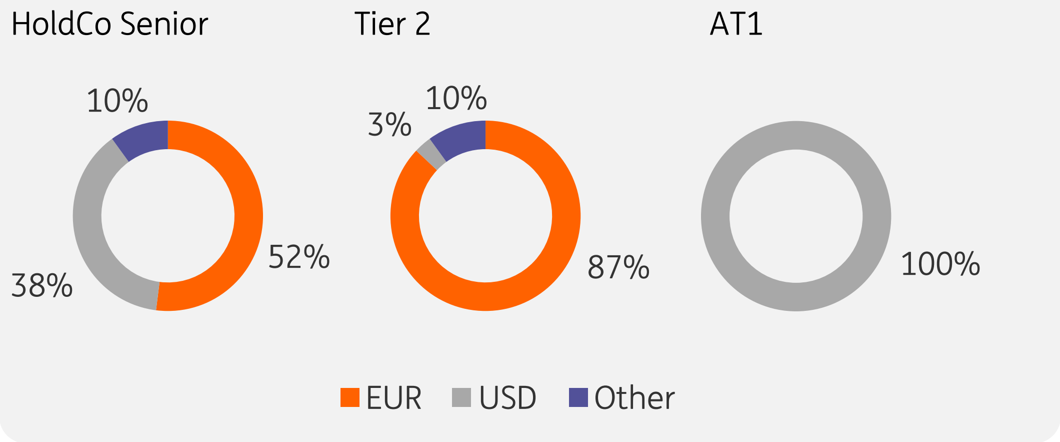
- ING follows a Single Point of Entry resolution strategy and issues TLAC/MREL eligible instruments from its resolution entity ING Groep N.V.
- ING amply meets the end-state TLAC requirement with a TLAC ratio of 33.1% of RWA and 9.5% of TLAC leverage exposure (LR)
- RWA-based MREL is the most constraining requirement for ING. As per 30 September 2023, ING Group amply meets the intermediary MREL requirements

Long-term debt maturity ladder and issuance guidance

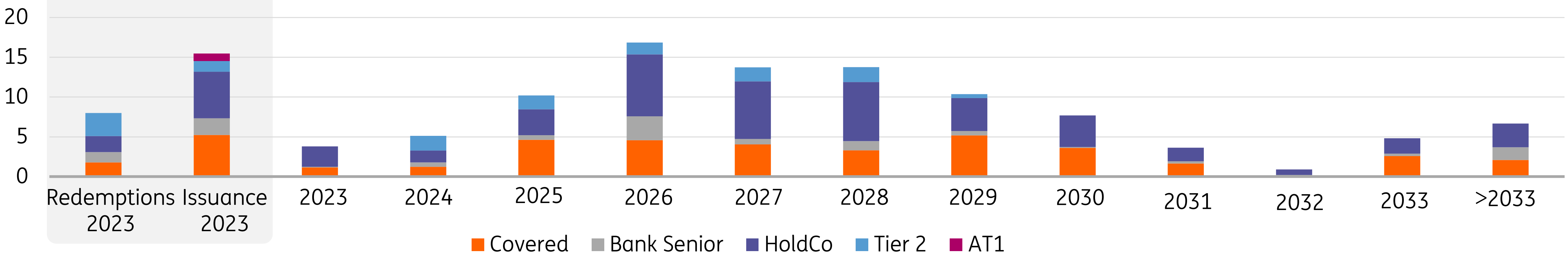
Issuance guidance 2023

- Holdco Senior issuance was close to €6 bln YTD (FY guidance was €7-9 bln). Secured issuance just over €7 bln YTD (FY guidance was €4-7 bln)
- Potential remaining issuance in 2023 from ING Group and/or subsidiaries is subject to balance sheet developments / optimising the funding mix
- In 3Q2023 we issued:
  - $2 bln IDOL RMBS
  - $3 bln triple tranche in Holdco Senior
  - €1.75 bln dual trance in Opco Senior
  - €850 mln inaugural Green RMBS

Currency split of outstandings as at 30 September 2023



Long-term debt maturity ladder as at 30 September 2023 (in € bln)[1)]

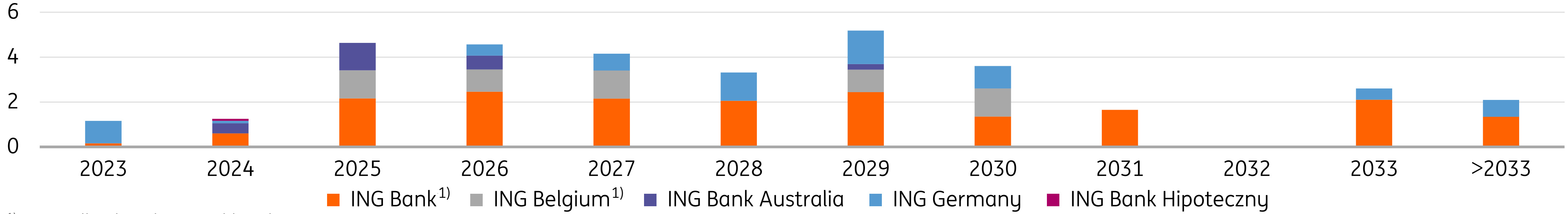


1) Tier 2 maturities are based on the 1st call date instead of contractual maturity. All HoldCo Senior bonds are based on contractual maturity. Excluding RMBS

Covered bond funding through various programmes

	ING Bank N.V.	ING Belgium S.A./N.V.	ING DiBa AG	ING Bank (Australia) Ltd	ING Bank Hipoteczny
Instruments overview	▪ Secured funding ▪ Senior unsecured	▪ Secured funding	▪ Secured funding	▪ Secured funding	▪ Secured funding
Outstanding[1)]	▪ Covered bond: ~€18.5 bln ▪ Senior Unsecured: ~€9.1 bln[3)]	▪ Covered bond: €5.75 bln	▪ Covered bond: €7.4 bln	▪ Covered bond: AUD$4.2 bln	▪ Green covered bond: PLN400 mln
2023 Issuance[1)]	▪ €4.0 bln	▪ €1.25 bln	▪ None	▪ None	▪ 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 at 30 September 2023 (in € bln)[2)]



1) Externally placed covered bonds
2) Maturity ladder as per contractual maturity
3) Structured notes and senior unsecured instruments

ING issues Green Bonds in various formats

Green Bond issuance objectives

- Support meeting our sustainability objectives
- Fund growth in our Eligible Green Loan portfolio
- Continue 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

Green Bond transactions

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

For more information please visit: www.ing.com/Investor-relations/Fixed-income-information/Debt-securities-ING-Groep-N.V./Green-bonds-1.htm

1) Until the first optional redemption date

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

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 22nd percentile of 406 banks
- Updated: August 2022

MSCI

- Rating AA
- Updated: July 2023

S&P Global Ratings

- ESG evaluation 'Strong' (score 84/100)
- Updated: June 2022

Sustainability Index Products

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

EURONEXT vigeoeiris INDICES BENELUX 20

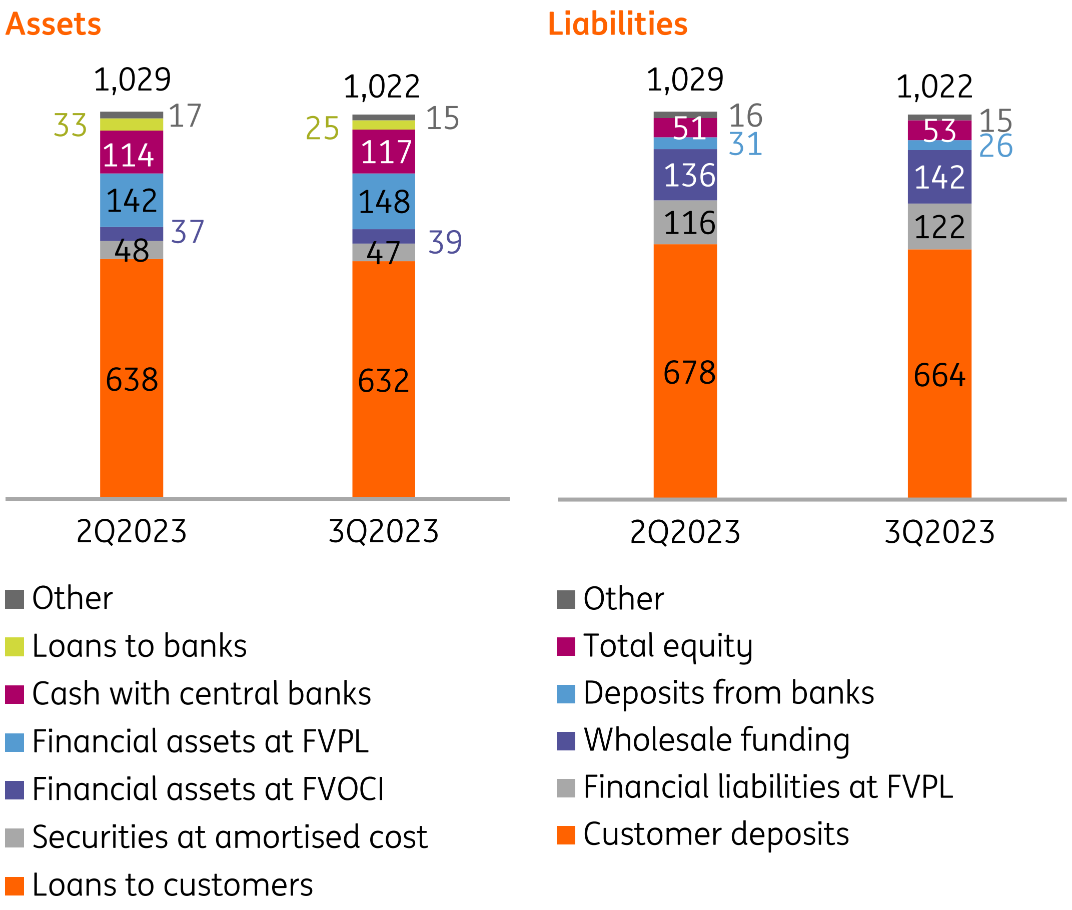
FTSE4Good

STOXX ESG LEADERS INDICES

MORNINGSTAR Indexes

Strong and conservative 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 0.95 as per 30 September 2023[1)]

Conservative trading profile

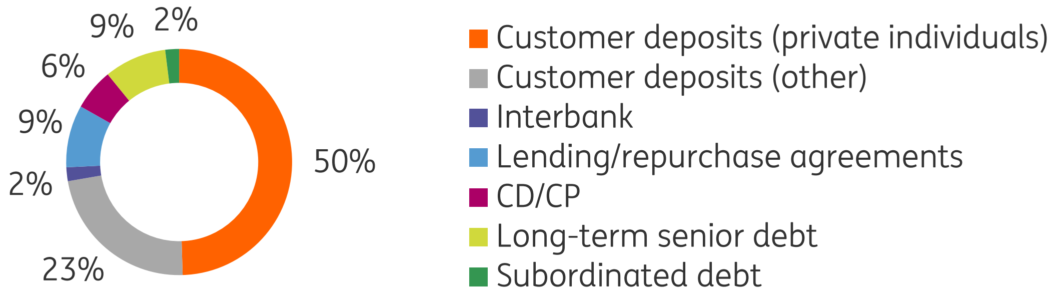
- Majority of our Financial Markets business is customer flow based where we largely hedge our positions, reflected in large, but often offsetting, positions in assets and liabilities at fair value
- The average Value-at-Risk for the trading portfolio increased to €18 mln (from €15 mln in 2Q2023)

[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 140%

Funding mix[1)]

30 September 2023



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 140%
- Besides the HQLA buffer, ING maintains large pools of ECB-eligible assets, in the form of internal securitisations and credit claims

Liquidity buffer

- Level 1: mainly 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

LCR 12-month moving average (in € bln)

	30 September 2023	30 June 2023
Level 1	185.0	181.4
Level 2A	3.6	4.3
Level 2B	4.5	4.4
Total HQLA	**193.1**	**190.2**
Stressed outflow	**242.2**	**243.6**
Stressed inflow	**104.1**	**104.3**
LCR	**140%**	**137%**

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

Strong rating profile at both Group and Bank levels

Main credit ratings of ING as of 1 November 2023

	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

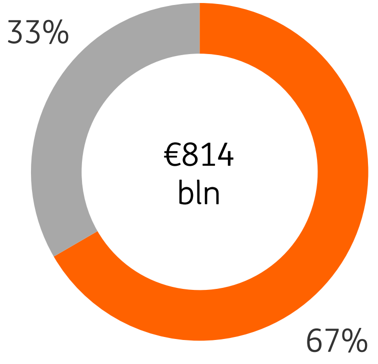
Latest rating actions on ING Group and Bank

- 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 September 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

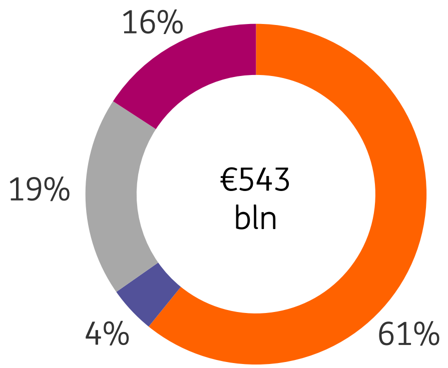
Well-diversified lending credit outstandings[1)] by activity

ING Group

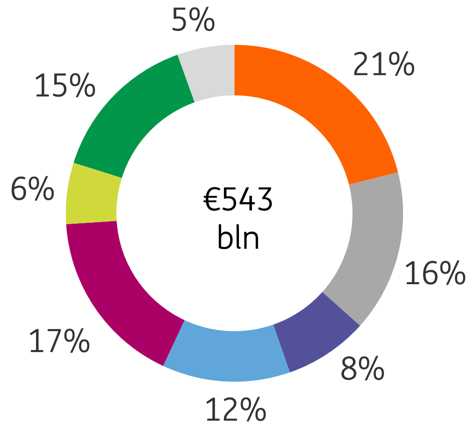


- Retail Banking
- Wholesale Banking

Retail Banking

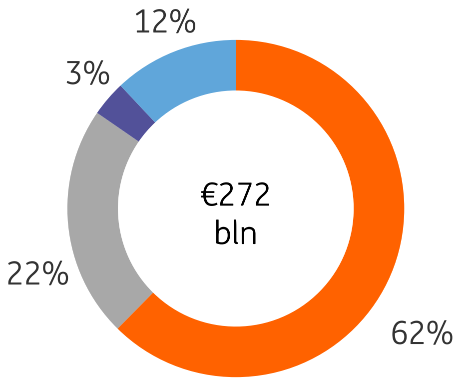


- Residential mortgages
- Consumer Lending
- Business Lending
- Other Lending[2)]



- Mortgages Netherlands
- Other lending Netherlands
- Mortgages Belgium
- Other lending Belgium
- Mortgages Germany
- Other lending Germany
- Mortgages Other
- Other lending Other

Wholesale Banking



- Lending
- Daily Banking & Trade Finance
- Financial Markets
- Treasury & Other

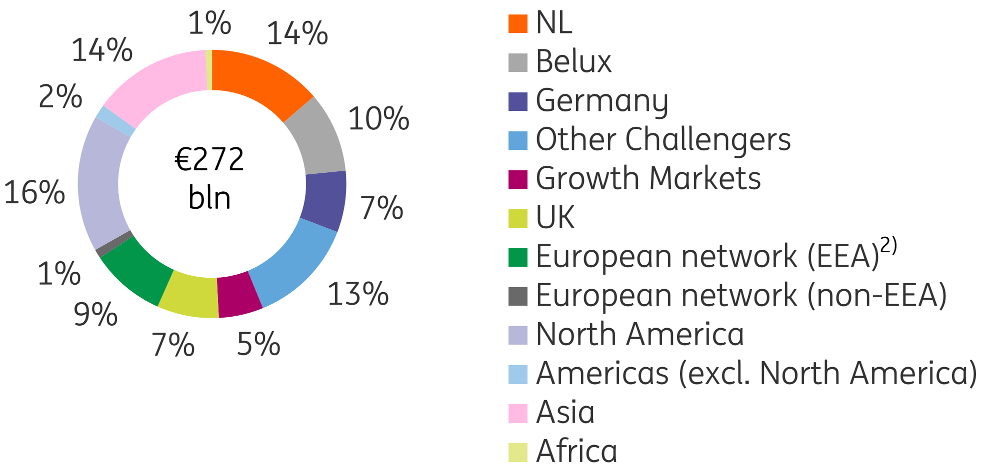
- ING has a well-diversified and well-collateralised loan book with a strong focus on own-originated mortgages and senior loans

[1)] Lending and money market credit outstandings, including guarantees and letters of credit, excluding undrawn committed exposures (off-balance sheet positions)
[2)] Other includes €80 bln Retail-related Treasury lending and €6 bln Other Retail Lending

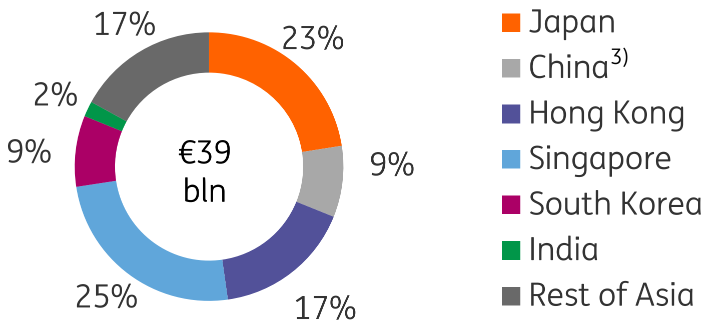
Wholesale Banking lending credit outstandings[1)]

Loan portfolio is well diversified across geographies...

Wholesale Banking

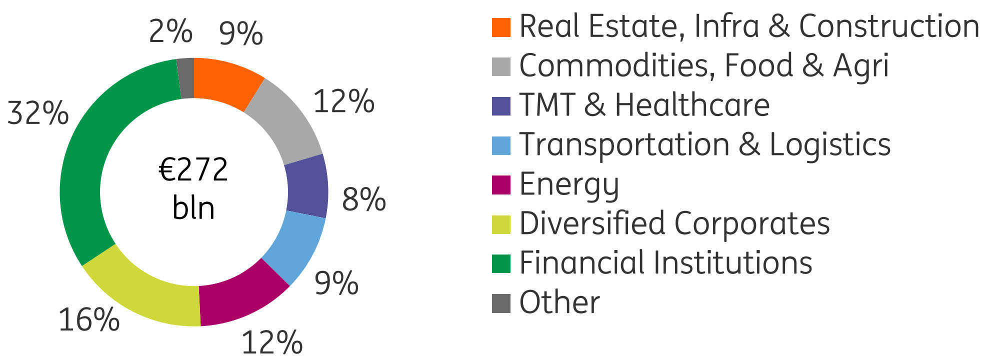


Wholesale Banking Asia



...and sectors

Wholesale Banking



Selected countries/sectors

Russia

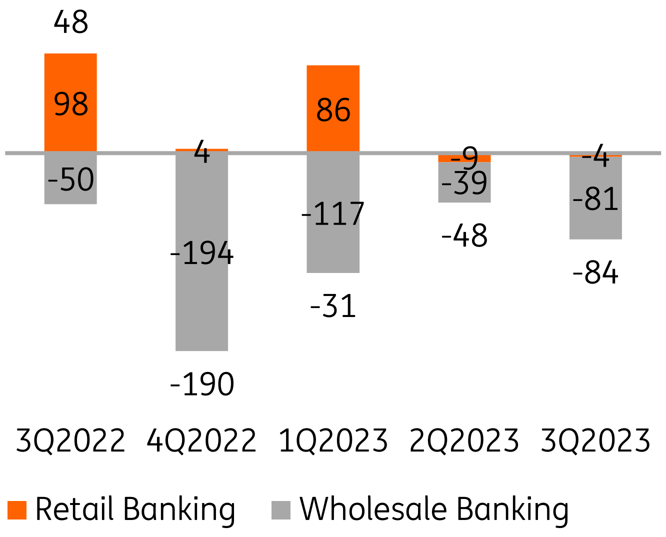
- €1.5 bln offshore exposure[4)], of which €0.6 bln with ECA or CPRI cover
- Equity Russian subsidiary €0.3 bln
- €0.7 bln has already been included in CET1 capital to cover for expected (loan loss provisions €0.2 bln) and unexpected losses (€0.5 bln equivalent of €3.9 bln CRWA at 12.5%)

[1)] Lending and money market credit outstandings, including guarantees and letters of credit, excluding undrawn committed exposures (off-balance sheet positions)
[2)] European Economic Area
[3)] Excluding our stake in Bank of Beijing (€1.7 bln at 30 September 2023)
[4)] Lending credit outstandings, money market, investment and pre-settlement, including guarantees and letters of credit, excluding undrawn committed exposures (off balance positions)

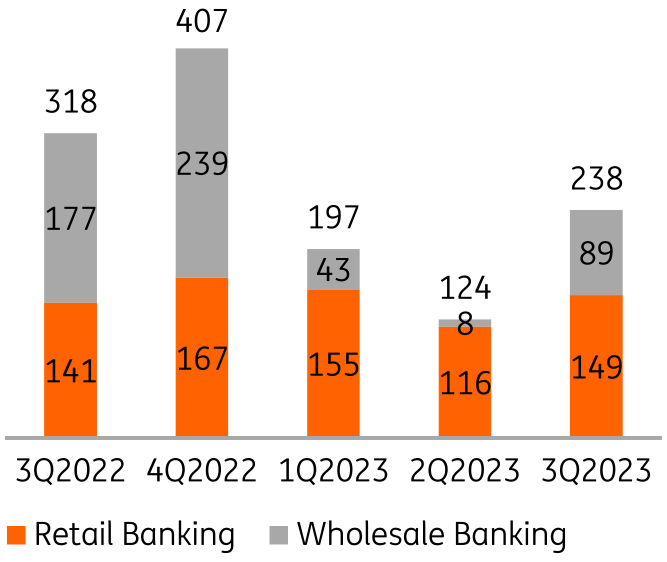
Addition to loan loss provisions per Stage

Stage 1 provisioning (in € mln)

Stage 2 provisioning (in € mln)[1,2]



Stage 3 provisioning (in € mln)[2]



Main drivers

- Stage 1 mainly driven by overlays and an update of the macro-economic forecast

Main drivers

- Release on our Russia-related portfolio, mainly reflecting lower Russia-related exposure

Main drivers

- Limited additions to individual files in Wholesale Banking
- Collective Stage 3 provisions in various Retail Banking markets

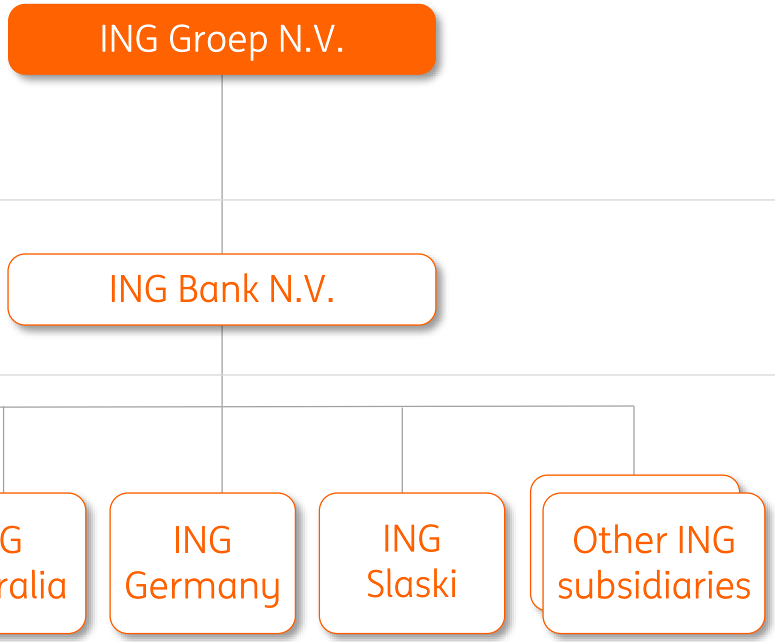
[1] Stage 2 includes modifications
[2] Wholesale Banking provisioning includes Corporate Line

Appendix

Issuance entities under our approach to resolution

Issuance entities

Designated resolution entity



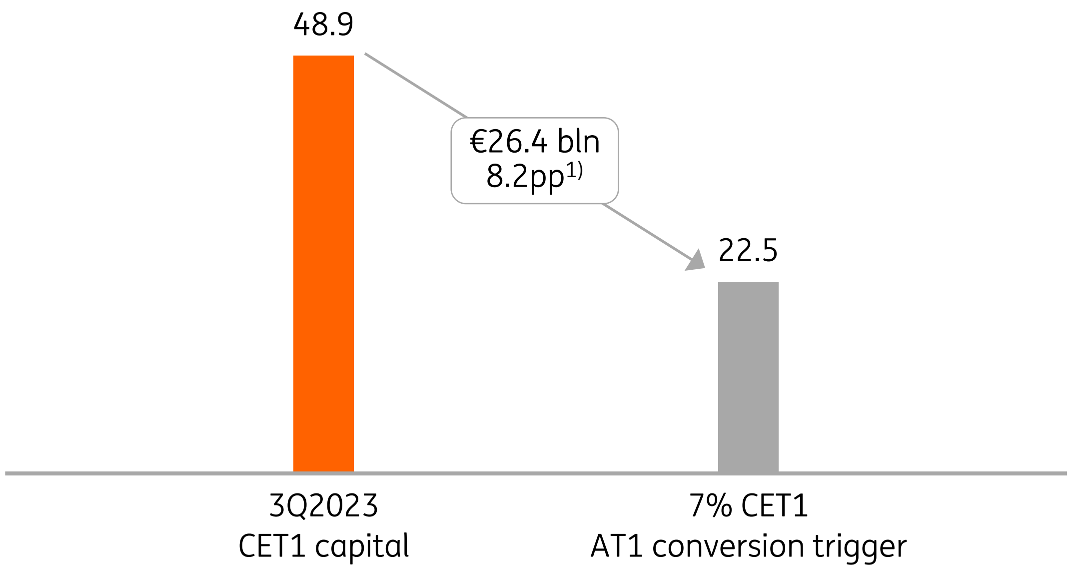
Eligible instruments for TLAC/MREL

	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)

30 September 2023



- ING Group capital buffer to conversion trigger (7% CET1) is high at €26.4 bln, or 8.2% of RWA

[1] Difference between 15.2% ING Group CET1 ratio in 3Q2023 and 7% CET1 equity conversion trigger

Outstanding benchmark capital securities

(Additional) Tier 1 securities

Currency	Issue date	First call date	Coupon	Outstanding (mln)[2]	Reset spread
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	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	Feb-23	Nov-29	5.00%	500	Feb-35
EUR	Aug-22	Aug-28	4.125%	1,000	Aug-33
EUR	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
EUR	Feb-17	Feb-24	2.50%	750	Feb-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							
XS2624976077	May-23	May-28	May-29	6NC5	4.5%	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	4.874%	1,250	3mE+185
XS2554745708	Nov-22	Nov-32	Nov-33	11NC10	5.25%	1,000	3mE+215
USD							
US456837BF96	Sept-23	Sept-26	Sept-27	4NC3	6.083%	1,250	SOFR+156
US456837BJ19	Sept-23	Sept-26	Sept-27	4NC3	FRN	500	SOFR+156
US456837BH52	Sept-23	Sept-33	Sept-34	11NC10	6.114%	1,000	SOFR+209

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

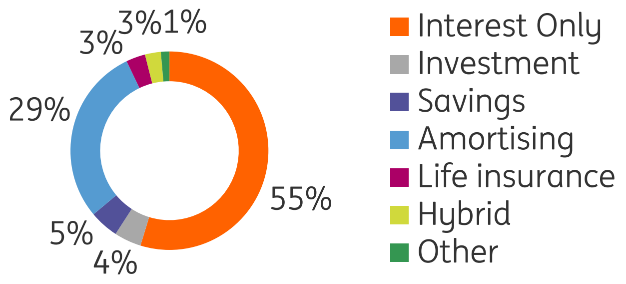
ING Bank’s covered bond programme…

- 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 30 September 2023, 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

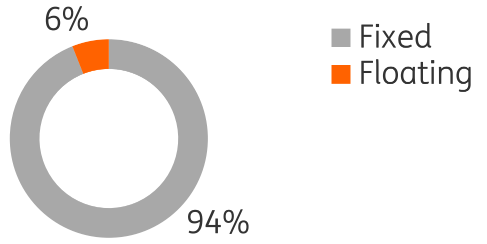
Portfolio characteristics[1)]

Net principal balance	€24,695 mln
Outstanding bonds	€20,209 mln
# of loans	126,464
Avg. principal balance (per borrower)	€195,277
WA current interest rate	2.61%
WA remaining maturity	17.83 years
WA remaining time to interest reset	7.32 years
WA seasoning	11.84 years
WA current indexed LTV	51.81%
Available statutory CRR OC	122.17%

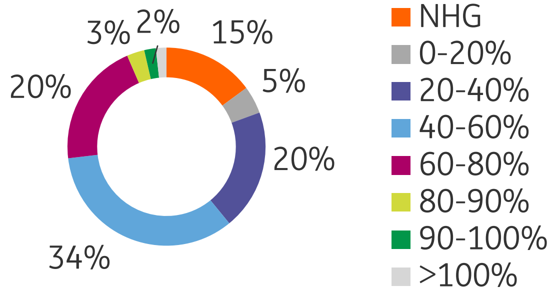
Redemption type[1)]



Interest rate type[1)]



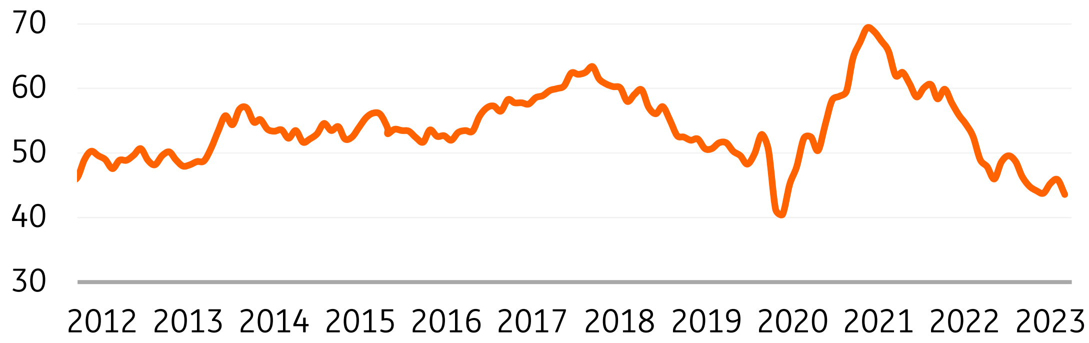
Current Indexed LTVs[1)]



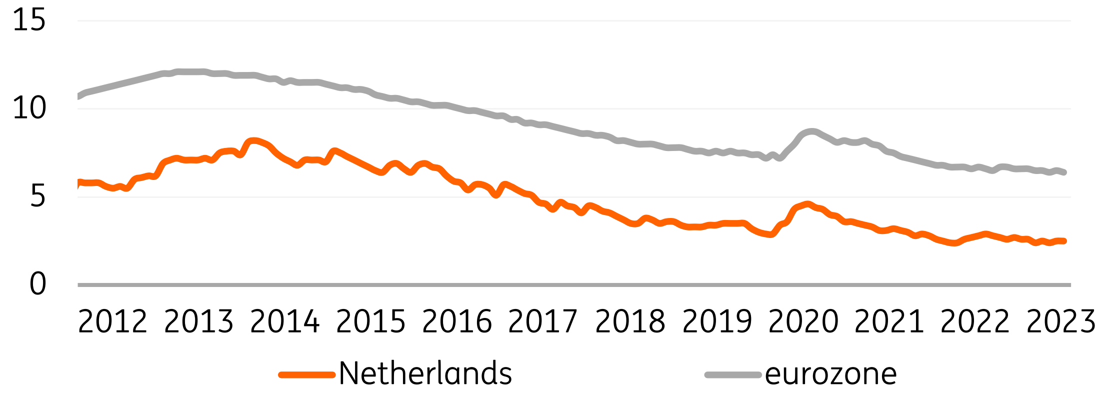
[1)] As per 30 September 2023

...benefits from a continued strong Dutch housing market, although macro environment is increasingly challenging

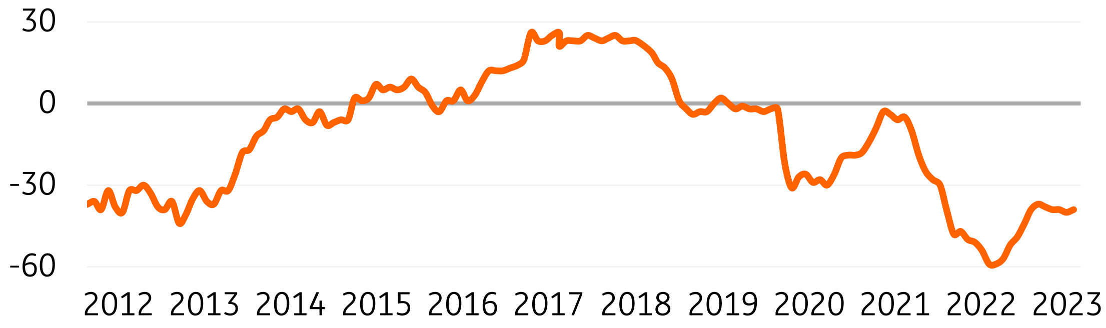
Dutch Purchasing Managers Index (PMI) indicates industrial contraction as it decreased to 43.6



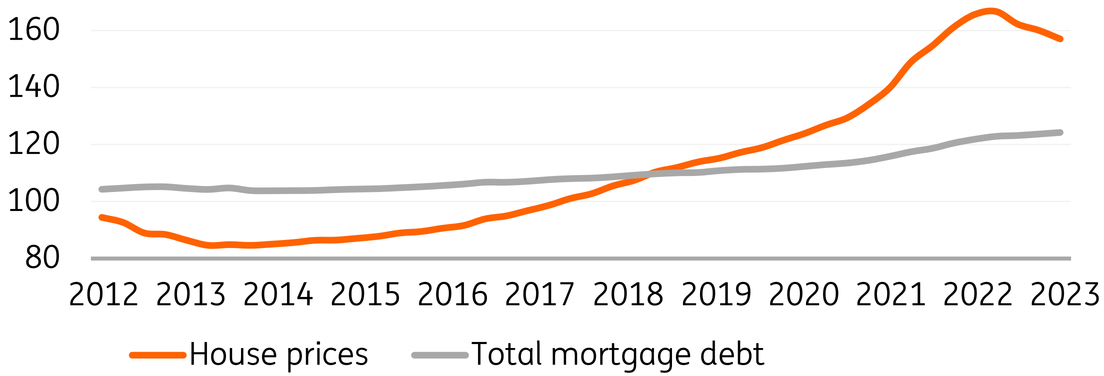
Dutch unemployment rates (%) continue to decrease since August 2020



Dutch consumer confidence has been affected since the invasion in Ukraine



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 2Q2023

3Q2023 results overview

In € mln	Reported P&L	Volatile items	P&L excluding volatile items
Net interest income	4,028	15	4,013
Net fee and commission income	909	3	906
Investment income	103	0	102
Other income	802	11	791
Total income	**5,842**	**29**	**5,813**
Expenses excl. regulatory costs	2,684	122	2,562
Regulatory costs	109	0	109
Operating expenses	**2,793**	**122**	**2,671**
Gross result	**3,049**	**-93**	**3,142**
Addition to loan loss provisions	183	3	180
Result before tax	**2,866**	**-96**	**2,961**
Taxation	817		
Non-controlling interests	67		
Net result	**1,982**		

Volatile income and expense items

Volatile items (in € mln)

	3Q2022	4Q2022	1Q2023	2Q2023	3Q2023
WB/FM – valuation adjustments	-15	-2	-10	33	15
Capital gains/losses	-3	0	15	-0	0
Hedge ineffectiveness[1)]	-431	-71	35	-46	102
Other items income[2)]	-218	-319	-69	-6	-88
Total volatile items – income	**-668**	**-392**	**-29**	**-21**	**29**
Incidental items - expenses[3)]	-85	-82	-4	-6	-122
Impact total volatile items on gross result	**-753**	**-473**	**-34**	**-27**	**-93**

[1)] 3Q2022: includes €-288 mln to unwind a macro fair value hedge of deposits in Belgium

[2)] 3Q2022: €71 mln TLTRO III benefit, €-343 mln impact Polish mortgage moratorium, €+100 mln from the transfer of our investment business in France, €-31 mln hyperinflation impact and €-15 mln impairment on our equity stake in TTB
4Q2022: €-315 mln net TLTRO III impact, €+14 mln from the transfer of our investment business in France and €-17 million hyperinflation impact
1Q2023: €-69 million hyperinflation impact
2Q2023: €-6 million hyperinflation impact
3Q2023: €-88 million hyperinflation impact

[3)] 3Q2022: €75 mln for adding interest-on-interest to compensation for certain Dutch consumer credit products and €10 mln hyperinflation impact
4Q2022: €43 mln restructuring costs, €30 mln energy allowances for employees and €9 mln hyperinflation impact
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

Hyperinflation accounting in Türkiye

Application of IAS 29 to consolidation of ING in Türkiye

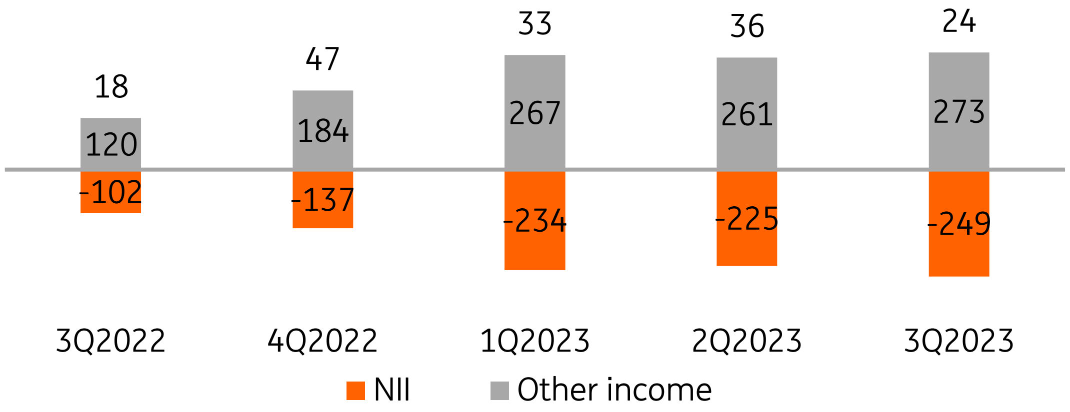
- We applied IAS 29 (‘Financial Reporting in Hyperinflationary Economies’) to the consolidation of our subsidiary in Türkiye, effective as of 1 January 2022, as cumulative inflation in Türkiye over the preceding three years had exceeded 100%
- The application of IAS 29 resulted in a negative accounting impact on ING net result in 3Q2023 of €-121 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 €-121 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)

	2Q2023	3Q2023
Profit or loss		
Net interest income	2	15
Net fee and commission income	0	3
Investment income	0	0
Other income	-9	-106
Total income	**-6**	**-88**
Expenses excl. regulatory costs	6	26
Regulatory costs	0	0
Operating expenses	**6**	**26**
Gross result	**-12**	**-114**
Addition to loan loss provisions	0	3
Result before tax	**-13**	**-117**
Taxation	1	4
Net result	**-14**	**-121**

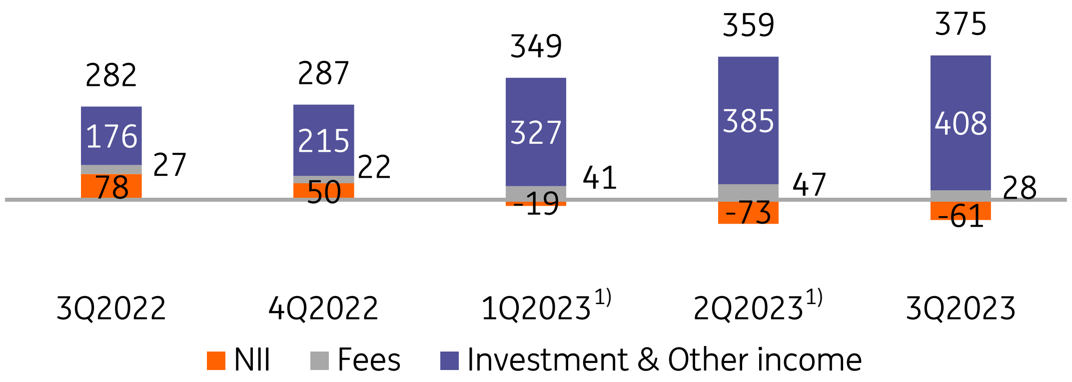
Accounting asymmetry impacting net interest income

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)



- Financial Markets benefited from good client flow and market volatility, supporting total income. The third quarter of 2023 also included a €61 mln gain from the release of reserves
- 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

[1] An updated classification of transactions within WB led to a shift in 1H2023 between NII and Other Income for Financial Markets, with an offset in Treasury & Other

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 2022 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) ongoing and residual effects of the Covid-19 pandemic and related response measures on economic conditions in countries in which ING operates (3) changes affecting interest rate levels (4) any default of a major market participant and related market disruption (5) changes in performance of financial markets, including in Europe and developing markets (6) fiscal uncertainty in Europe and the United States (7) discontinuation of or changes in 'benchmark' indices (8) inflation and deflation in our principal markets (9) changes in conditions in the credit and capital markets generally, including changes in borrower and counterparty creditworthiness (10) failures of banks falling under the scope of state compensation schemes (11) 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 (12) 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 (13) legal and regulatory risks in certain countries with less developed legal and regulatory frameworks (14) prudential supervision and regulations, including in relation to stress tests and regulatory restrictions on dividends and distributions (also among members of the group) (15) ING's ability to meet minimum capital and other prudential regulatory requirements (16) changes in regulation of US commodities and derivatives businesses of ING and its customers (17) application of bank recovery and resolution regimes, including write down and conversion powers in relation to our securities (18) 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 (19) changes in tax laws and regulations and risks of non-compliance or investigation in connection with tax laws, including FATCA (20) 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 (21) risks and challenges related to cybercrime including the effects of cyberattacks and changes in legislation and regulation related to cybersecurity and data privacy (22) changes in general competitive factors, including ability to increase or maintain market share (23) inability to protect our intellectual property and infringement claims by third parties (24) inability of counterparties to meet financial obligations or ability to enforce rights against such counterparties (25) changes in credit ratings (26) business, operational, regulatory, reputation, transition and other risks and challenges in connection with climate change and ESG-related matters, including data gathering and reporting (27) inability to attract and retain key personnel (28) future liabilities under defined benefit retirement plans (29) failure to manage business risks, including in connection with use of models, use of derivatives, or maintaining appropriate policies and guidelines (30) 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 (31) 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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