Full year 2021 results

ING posts FY2021 net result of €4,776 mln
4Q2021 net result of €945 mln

Steven van Rijswijk, CEO of ING

3 February 2022

do your thing

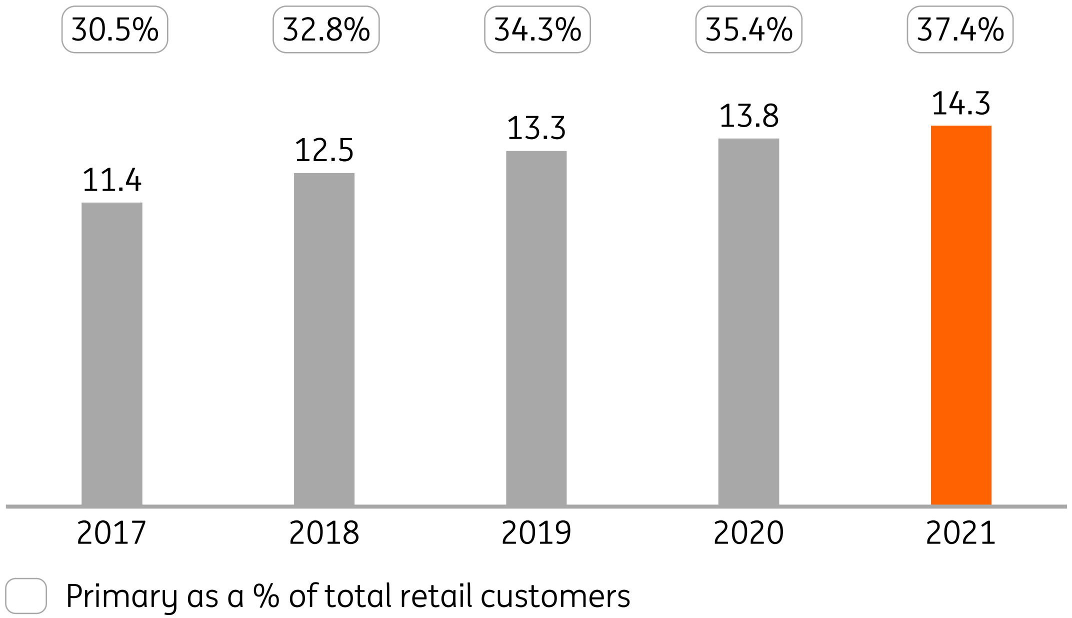
Key points

- In 2021 our business model proved its strength under challenging conditions, as more Retail customers chose ING as their primary bank and a growing number of businesses turned to ING to support their green transition efforts
- Further growth of mobile interactions, with mobile becoming the main channel used by our retail customers
- FY2021 income increased as our growing primary customer base and focus on diversifying income supported fee and loan growth, which offset the continuing pressure on liability income
- Loan growth returned with net core lending growth of €30.6 bln in FY2021, with strong growth in Retail at €17.5 bln and €13.1 bln in Wholesale Banking. Net core deposits growth was modest at €10.3 bln for the full year
- Strong fee growth of 17% in FY2021, as our actions on investment products and daily banking more than compensated for the continued negative impact of the Covid-19 pandemic on fees for payments and lending
- Our cost focus continues with expenses remaining broadly flat in 2021, absorbing CLA increases and more normalised cost levels related to performance accruals and marketing
- FY2021 risk costs were €516 mln, or 8 bps of average customer lending, well below our through-the-cycle average of ~25 bps. The Stage 3 ratio remained low at 1.5% and we are confident on the quality of our loan book
- 4Q2021 CET1 ratio improved to 15.9%, with 50% of 4Q2021 resilient net profit reserved outside of regulatory capital. We propose to pay a final cash dividend of €0.41 per share, subject to AGM approval

FY2021 results

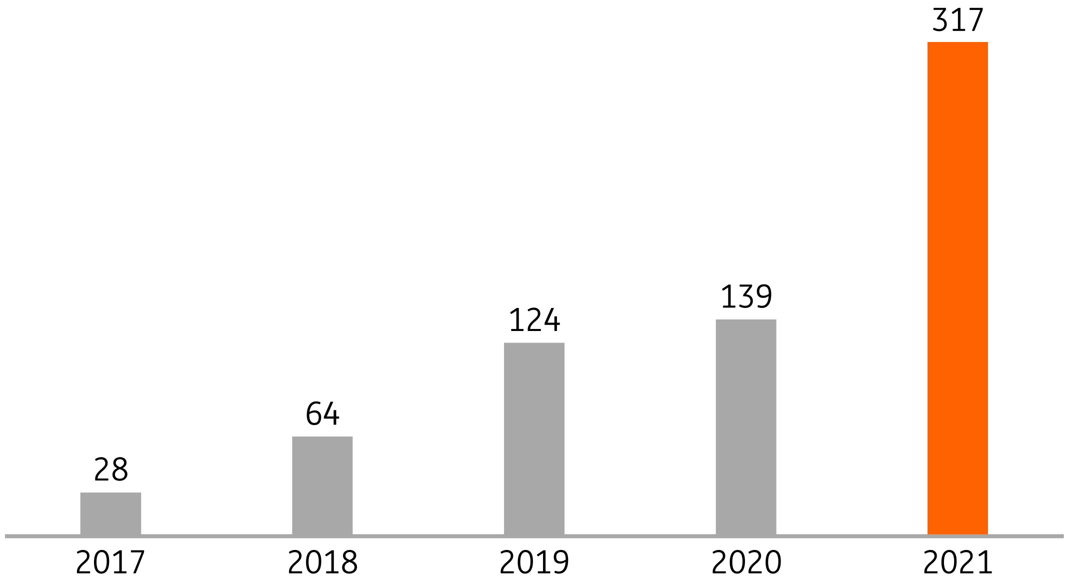
Customers recognise ING's strengths

Our primary customer base (in mln)



- In 2021 our primary customer base grew by 3.5%, now representing over 37% of our Retail customers*
- In 4Q2021 ING was #1 in terms of Net Promotor Score in 5 of our 11 Retail markets (excluding France)

Sustainability deals** (#)

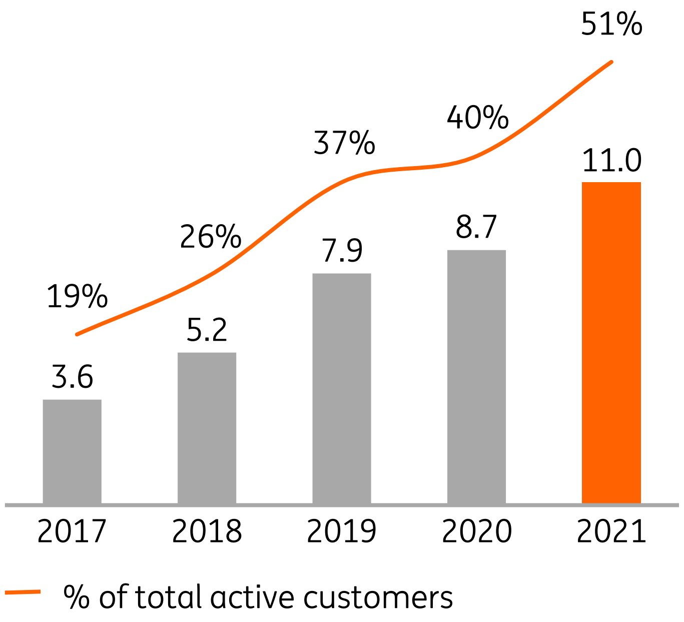


- In Wholesale Banking we supported an increasing number of clients in their transition to a low carbon business model, with the number of mandates increasing significantly as our strong sustainability profile is recognised by the market

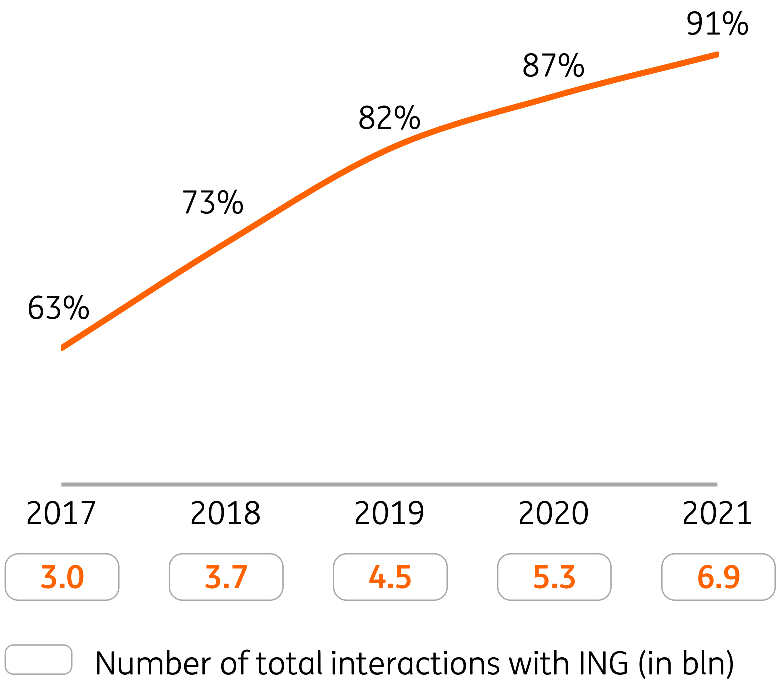
* Private individual customers
** Sustainability deals include sustainability loans and bonds, green loans and bonds, sustainable structured finance, social loans and bonds, and sustainable investments

Mobile became the main channel for our customers

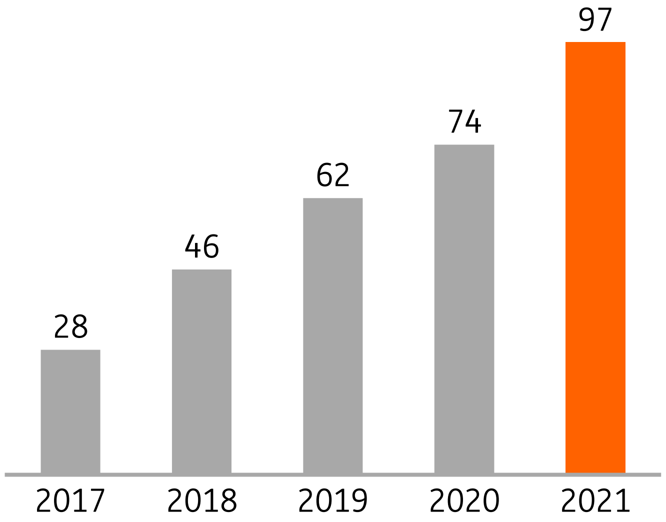
Mobile-only active customers (in mln)*



% mobile in interactions with ING



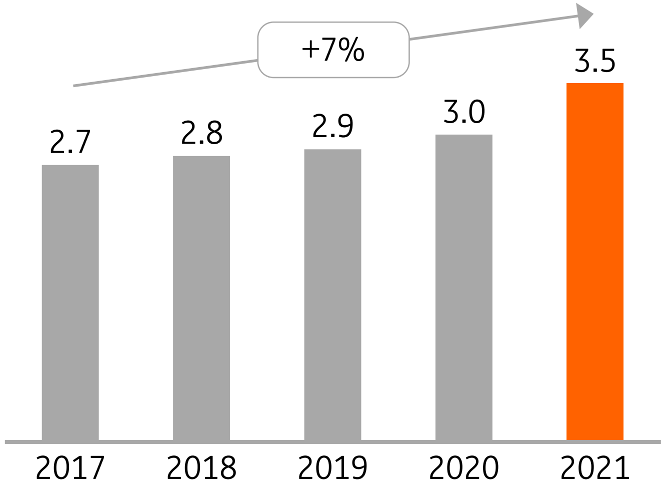
Annual mobile non-deposit sales per 1,000 active customers (in #)



* Definition: Retail customers who used the mobile channel at least once in the last quarter

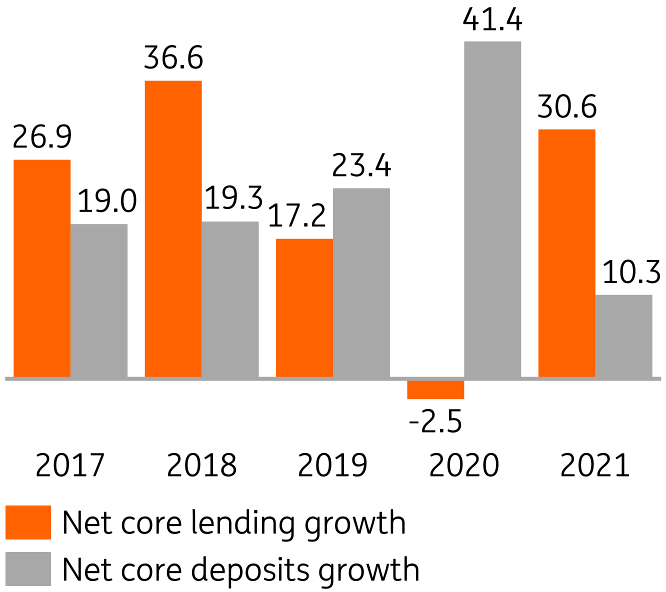
Focus on diversifying income offset pressure on liability income

Fee and commission income (in € bln)



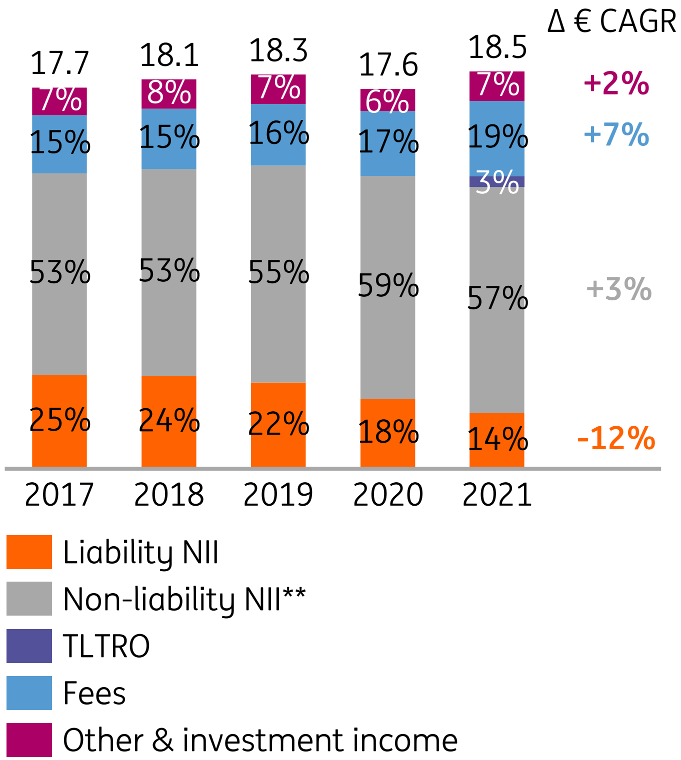
- The 7% CAGR for fee income is in line with our 5-10% fee growth ambition, with 17% growth in 2021

Net core lending and deposit growth (in € bln)



- Loan growth returned in 2021, with net core lending up 5%, above our 3-4% loan growth ambition
- Actions taken to stem the inflow of deposits paid off

Total income* (in € bln)

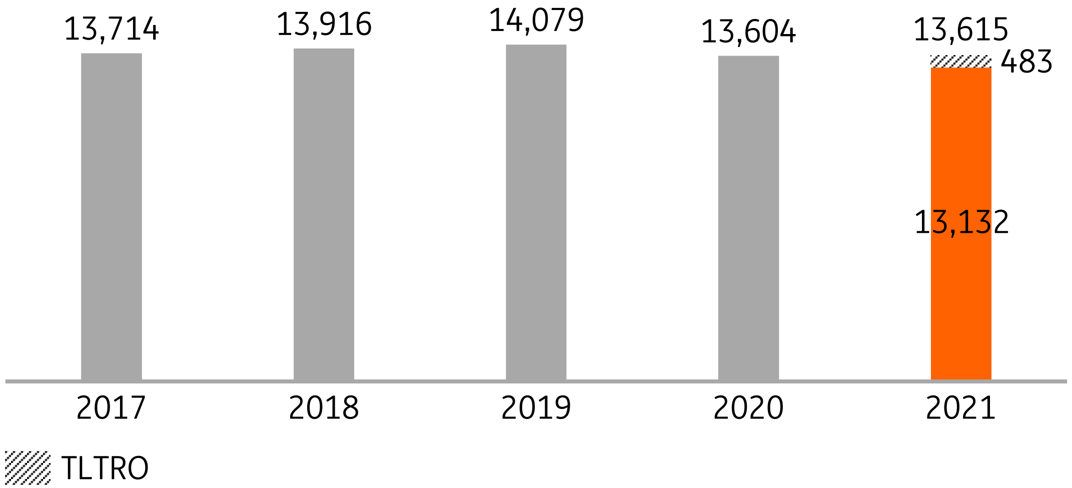


- FY2021 fee and loan growth fully offset pressure on liability income

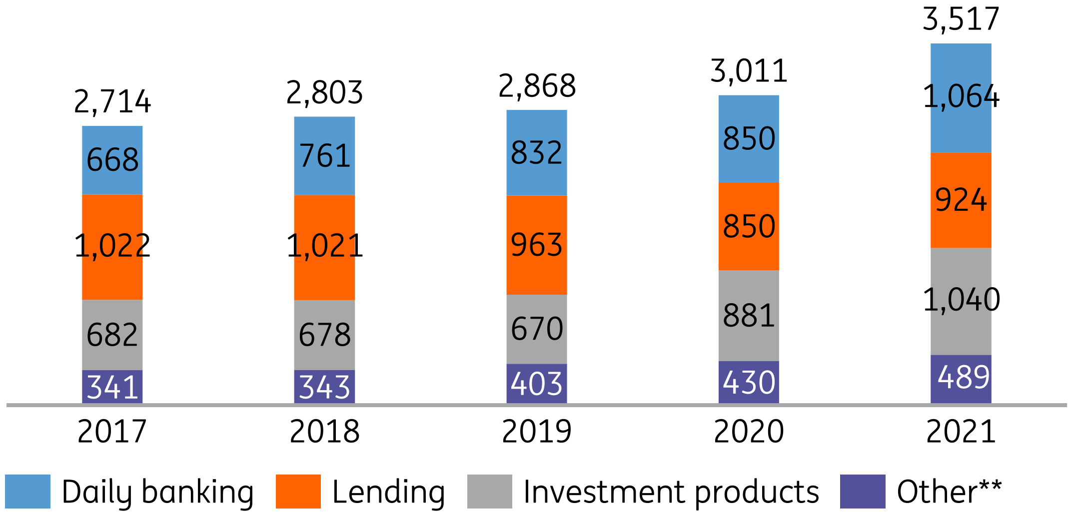
* For 2017-2018 underlying income is shown
** Including NII from lending, Financial Markets and (Group) Treasury and excluding TLTRO benefits in NII

NII stable, strong 17% fee growth in 2021

Net interest income* (in € mln)



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

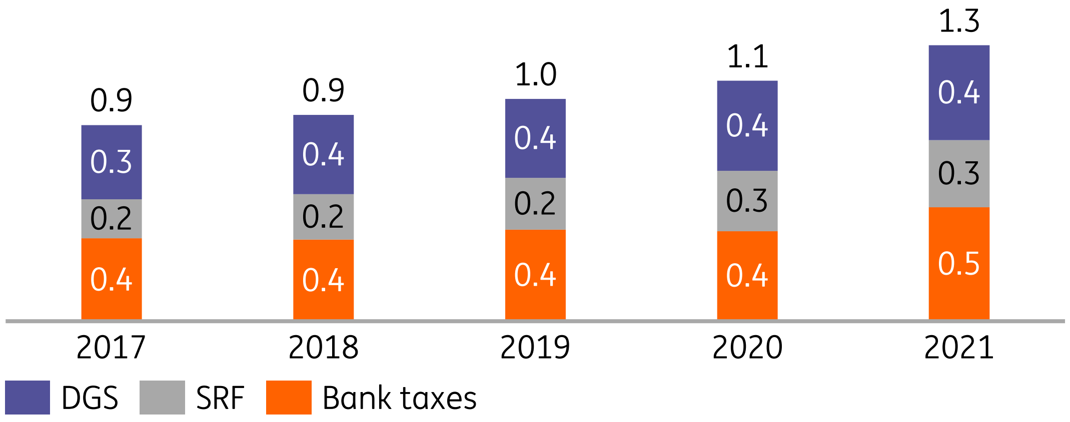


- Until 2020 we have successfully grown NII, countering pressure from the negative rate environment, through loan growth and margin discipline, as well as benefitting from higher central bank rates in our non-eurozone countries
- In 2020 Covid-19 reduced the effectiveness of some of these levers and while during 2021 loan growth returned, pressure on NII remained visible when excluding TLTRO. This reflected continued pressure on liability income as the positive effect of an improving yield curve is only visible over time
- In 2021 this pressure on income was however fully compensated by higher fee income, up €0.5 bln, or 17%, compared to 2020
  - Daily banking fees were up 25%, reflecting higher package fees, recovery of payment transactions and new fee introductions
  - Investment product fees increased 18%, driven by new account openings, a higher number of trades and higher AuM
  - Lending fees grew 9%, although still reflecting overall lower deal activity in WB compared to pre-Covid years

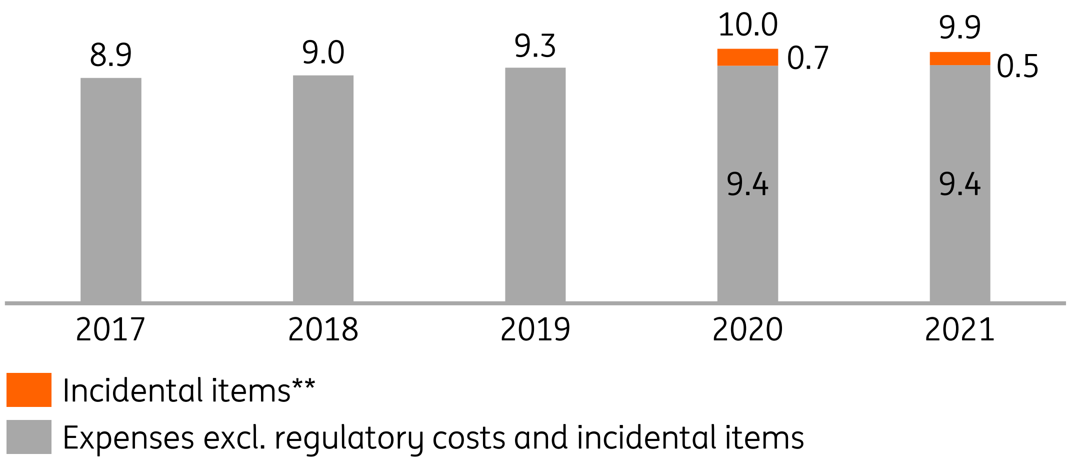
* For 2017-2018 underlying income is shown
** Other includes Insurance products and Financial Markets

Continued focus and measures taken on expenses

Regulatory expenses (in € bln)



Expenses excluding regulatory costs* (in € bln)

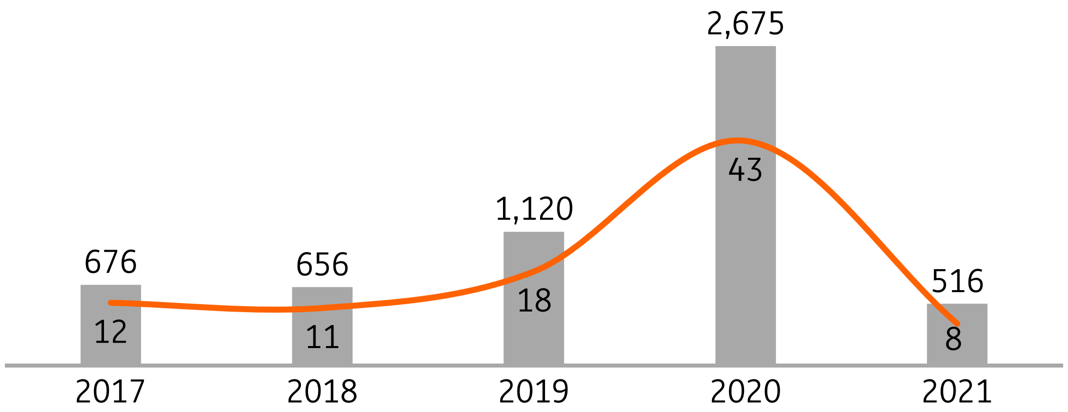


* For 2017-2018 underlying expenses are shown
** Incidental expenses as included in volatile items on slide 23

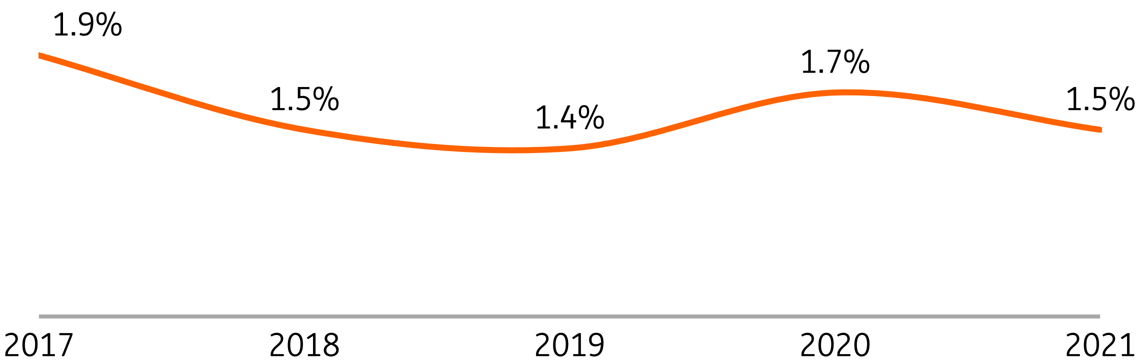
- Higher FY2021 costs were driven by higher regulatory costs, mainly due to an incidental 50% increase in the Dutch bank tax for 2021
- FY2021 expenses further included €522 mln of incidental items, mainly reflecting redundancy provisions and impairments related to a further reduction of the branch network in Retail Benelux and the departure from several European retail banking markets, as well as a provision for compensation of customers on certain Dutch consumer credit products
- Excluding regulatory costs and these incidental items, FY2021 expenses were only slightly higher (+0.3%) despite continued CLA increases and higher performance-related expenses after a low level in 2020
- The impact of higher inflation rates has been limited so far, going forward we could however expect to see some impact, primarily due to CLA packages and salary indexation
- We will continue our vigilance over costs and aim to absorb expected inflationary effects in 2022

FY2021 risk costs well below through-the-cycle average

Risk costs (in € mln and in bps over customer lending)



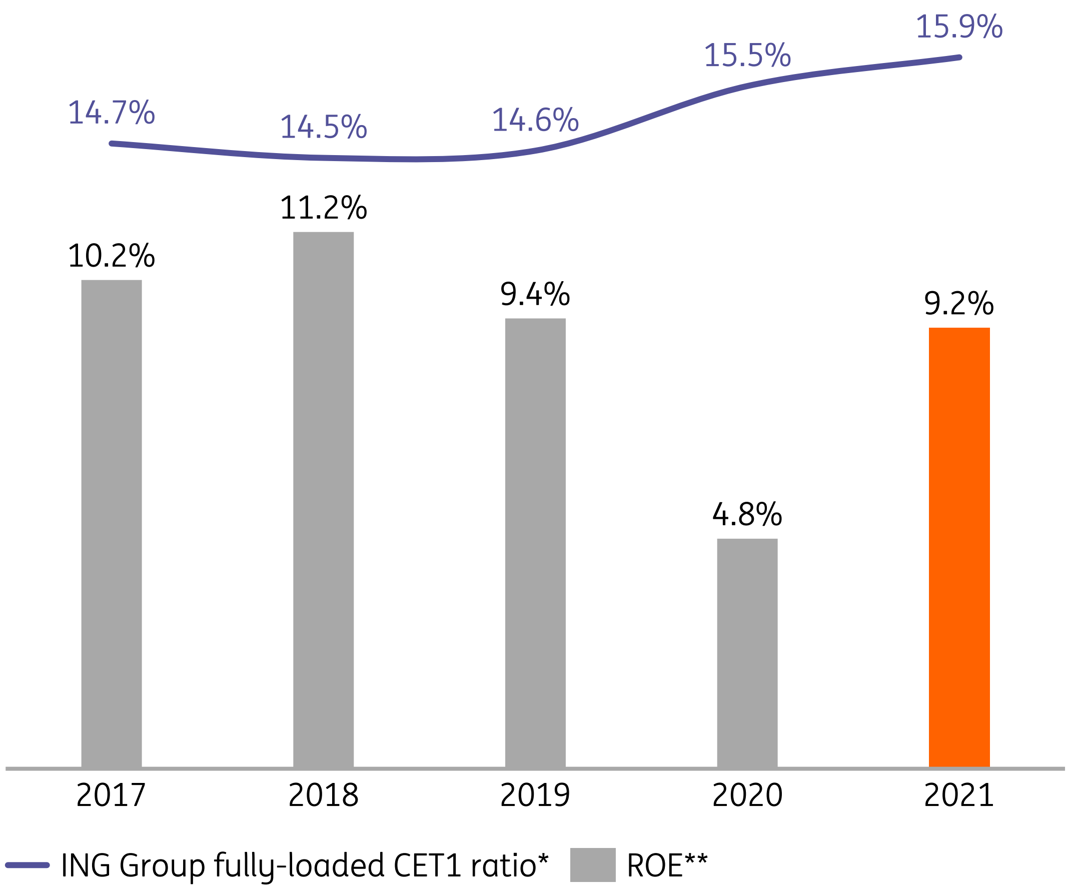
Stage 3 ratio



- Risk costs for 2021 were €516 mln, or 8 bps over average customer lending, well below our through-the-cycle average of ~25 bps
- Risk costs were primarily driven by additions to Stage 3, mainly reflecting additions for existing files. Provisioning in Stage 1 and 2 was reduced, primarily driven by the partial release of management overlays applied in previous quarters
- The Stage 3 ratio was 1.5% at year-end 2021 and we remain confident on the quality of our loan book
  - Well-diversified loan book in terms of product type, client segment and geography
  - Almost fully senior and well-collateralised with the majority of exposure in Wholesale Banking to investment grade customers
  - Historically provisioning has been more than sufficient to cover actual write-offs

Our 10-12% ROE ambition

CET1 ratio and Return on Equity



* Basel III CET1 ratio of 14.5% as per 1 January 2018 due to IFRS 9 adoption
** For 2017-2018 underlying ROE is shown; ROE is calculated using ING Group's IFRS-EU shareholders' equity after excluding 'reserved profit not included in CET1 capital' as from end-1Q2017 onwards

- We run ING with a 10-12% through-the-cycle ROE ambition
- 2021 ROE recovered, mainly reflecting lower IFRS 9 provisioning, while still being affected by several sizeable negative incidentals in the P&L, other Covid-19 related effects, negative rates, regulatory impacts on RWA and a CET1 ratio well above our ambition
- Our 10-12% ROE ambition is supported by several factors
  - Primary customer growth
  - Ambition for 3-4% loan growth and 5-10% fee growth
  - Maintain high asset quality and a low Stage 3 ratio through our strong risk management framework
  - Normalised level of international payments transactions
  - Continue where suitable with charging for actual costs of operating (savings) accounts, custody fees, daily banking packages and negative rates on savings
  - Management actions to absorb regulatory RWA inflation
  - Ongoing discipline and measures on costs
  - Lower regulatory costs as funds required for the DGS and SRF are filled
  - Over time bring our CET1 ratio, currently at 15.9%, in line with our ambition of ~12.5%

ING's distribution plans in 2022 and beyond

ING's Distribution Policy

- Pay-out ratio of 50% of resilient net profit
  - Net profit adjusted for significant items not linked to the normal course of business
  - To be paid out in cash or a combination of cash and share repurchases, with the majority in cash
  - Cash-only interim dividend, representing ~1/3 of first half year resilient net profit, to be paid out with our half year results
- Additional return of structural excess capital
  - To be considered periodically, taking into account alternative opportunities as well as macro-economic circumstances and the outcome of our capital planning

Distribution in 2022 and beyond

- We are on track to reach our 10-12% ROE ambition
- In line with our policy, we intend to distribute 50% of resilient net profit, resulting in an attractive yield for shareholders
  - Our current share buyback programme will be finalised before 5 May 2022
  - We will pay a final dividend over 2021 of €0.41 per share in May 2022, subject to AGM approval
- The remaining 50% of resilient net profit can be used to support profitable loan growth, meet regulatory requirements, inorganic opportunities and / or additional shareholder return
- With a CET1 ratio of ~15.9% at the end of 4Q2021, ING holds a significant amount of capital in excess of our ~12.5% CET1 ambition
- We have a constructive dialogue with the ECB about the potential distribution of excess capital and will announce next steps when required approvals are in place

ING Group financial ambitions

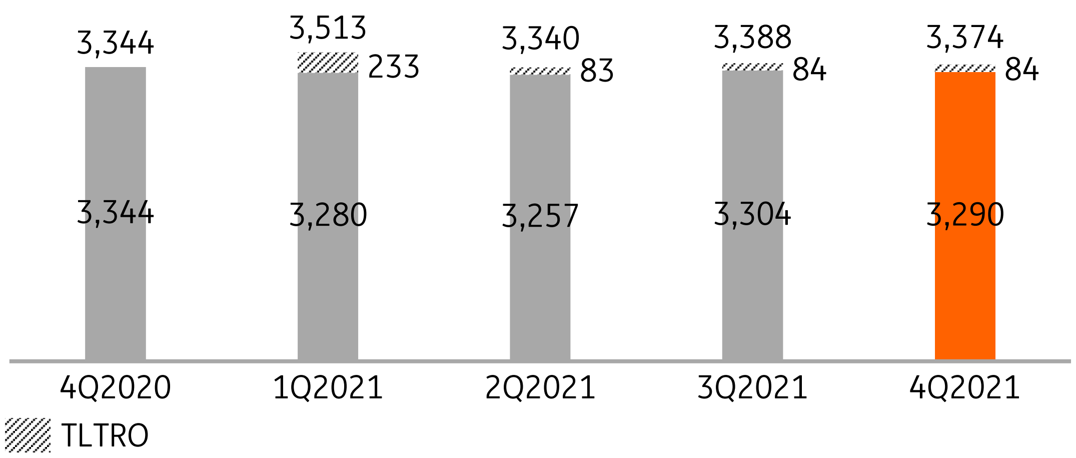
		Actual 2020	**Actual 2021**	Financial ambitions
Capital	▪ CET1 ratio (%)	15.5%	**15.9%**	~12.5%* (Basel IV)
Profitability	▪ ROE (%)** (IFRS-EU Equity)	4.8%	**9.2%**	10-12%
	▪ *C/I ratio (%)***	*63.2%*	***60.5%***	*50-52%*
Distribution	▪ Distribution (per share)	€0.12***	**€0.89*******	50% pay-out ratio*****

* Implies management buffer (incl. Pillar 2 Guidance) of ~180 bps over fully-loaded CET1 requirement of 10.71%
** Based on 4-quarter rolling average. ING Group ROE is calculated using IFRS-EU shareholders' equity after excluding 'reserved profit not included in CET1 capital'
As at 31 December 2021, this amounted to €1,568 mln, reflecting the remaining amount reserved for distribution from the 2021 resilient net profit
*** Final dividend over 2020
**** Consisting of the remaining dividend over 2020 (€0.27 per share), interim dividend over 2021 (€0.21 per share) and the proposed final dividend over 2021 (€0.41 per share)
***** Of resilient net profit

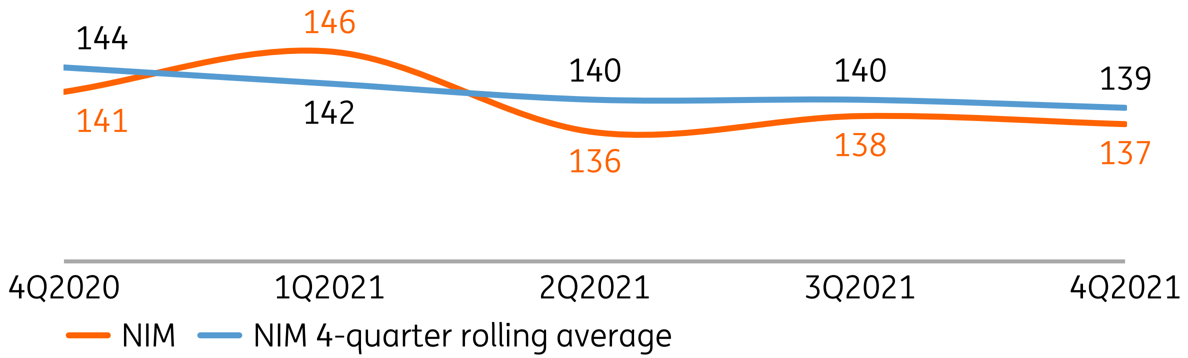
4Q2021 results

Resilient NII; 4-quarter rolling average NIM broadly stable at 139 bps

Net interest income (in € mln)



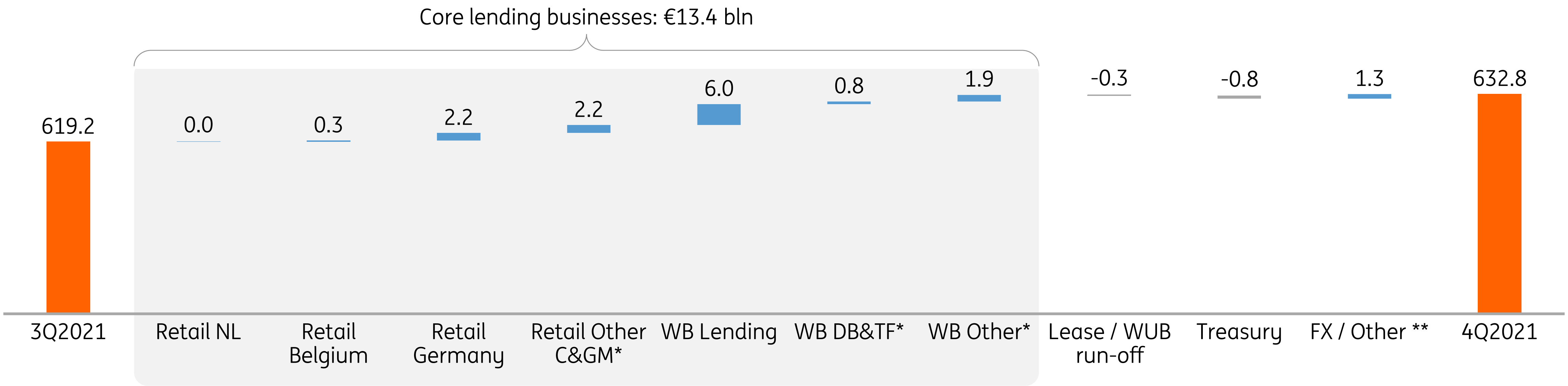
Net Interest Margin (in bps)



- NII was supported by a €84 mln TLTRO III benefit. Excluding this benefit, NII YoY was supported by higher average lending volumes and a higher contribution of negative interest rate charging in Retail Benelux. This was offset by continued pressure on customer deposit margins on higher average liability volumes and a €-23 mln reclassification in Retail Belgium from Other income to NII
- Sequentially, NII excluding the TLTRO III benefit and the aforementioned €-23 mln reclassification, was supported by growth in lending NII and a higher contribution from negative interest rate charging, which more than offset pressure on customer deposit margins
- 4Q2021 NIM was 137 bps, down one basis point from 3Q2021. This was caused by the reclassification in Retail Belgium, while the liability margin remained stable, supported by the increased charging of negative interest rates

Sustained mortgage growth, higher demand in WB

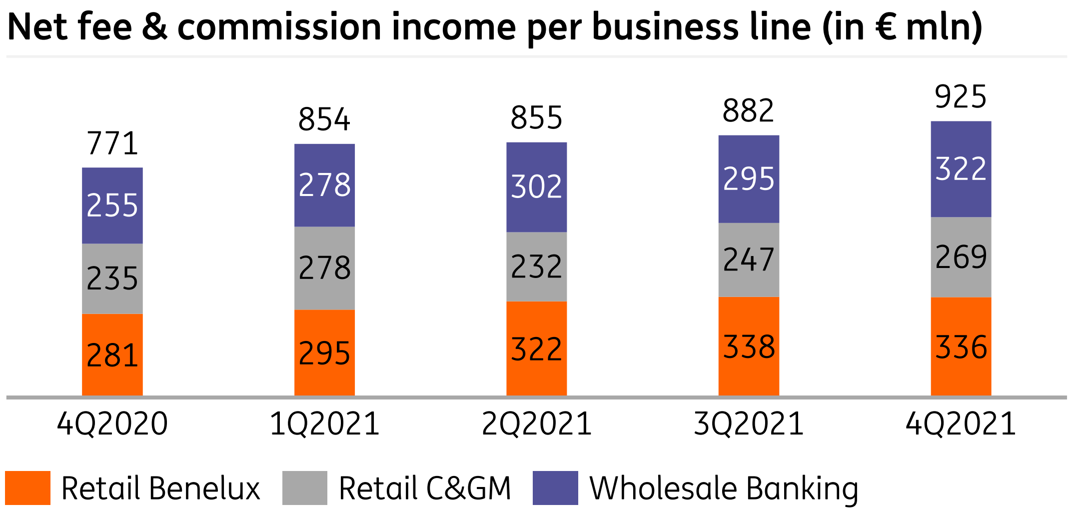
Customer lending 4Q2021 (in € bln)

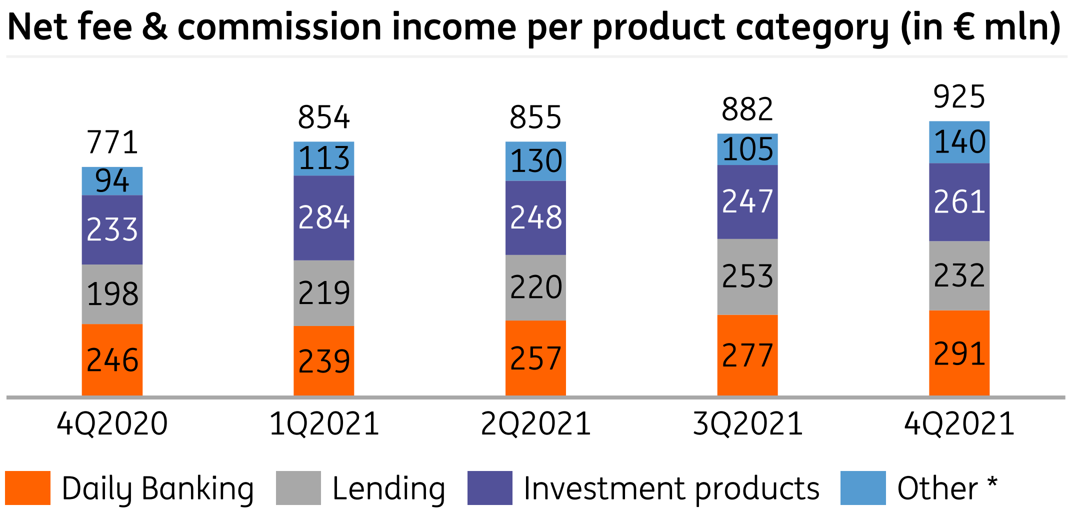


- Net core lending growth was €13.4 bln in 4Q2021
  - Retail Banking was €4.8 bln higher. Mortgages grew by €4.1 bln, due to sustained growth in most countries (primarily in Germany, Spain, Australia and Poland), whereas other retail lending increased by €0.7 bln
  - Wholesale Banking rose by €8.6 bln, mainly in Lending, primarily reflecting growth in term loans, and higher short-term facilities in Financial Markets
- Net core deposits growth was €-2.1 bln

* C&GM is Challengers & Growth Markets; DB&TF is Daily Banking & Trade Finance; WB Other includes Financial Markets
** FX impact was €2.0 bln and Other €-0.7 bln

Fee income strong



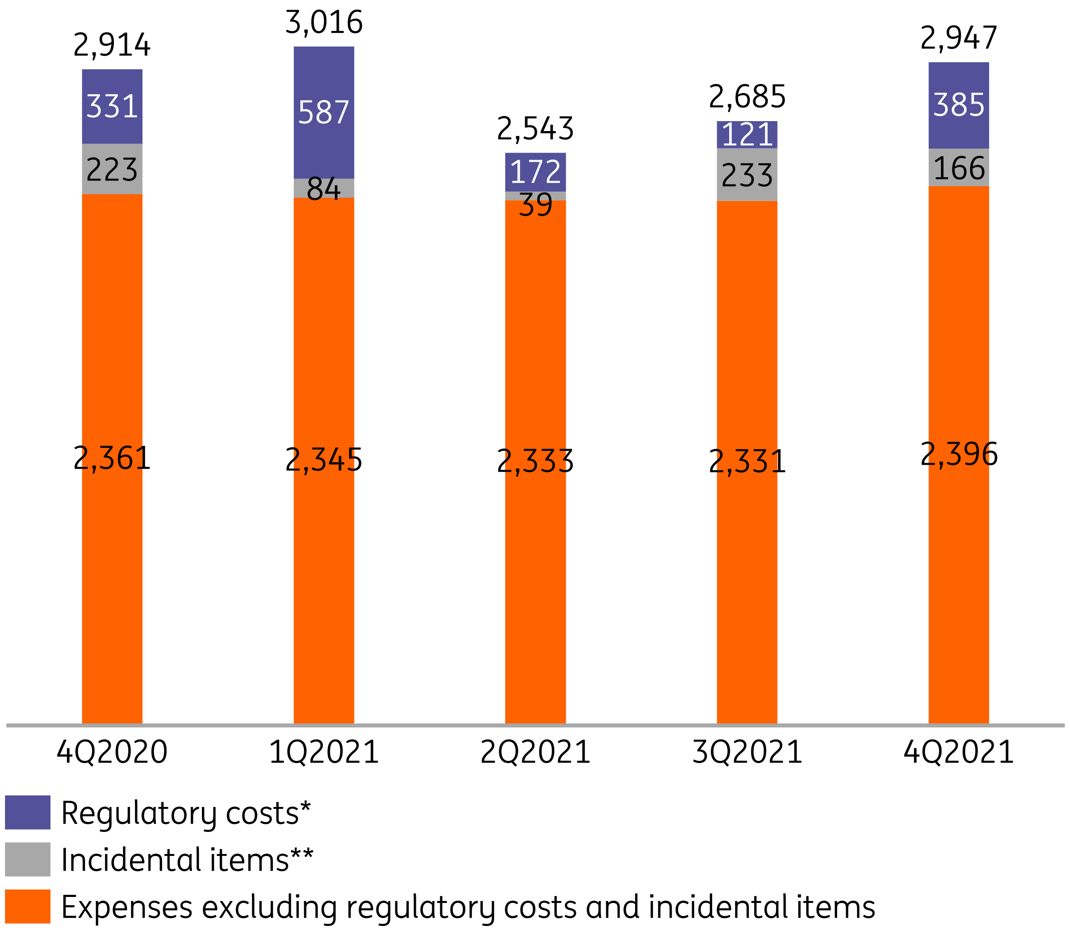


- Compared to 4Q2020, overall fee growth was 20%
  - In Retail Banking, fee growth was 17%. This was mainly driven by daily banking fees, as the benefit from higher package fees became visible, while (domestic) payment transactions further recovered. Fees from investment products were higher as assets under management, the number of new accounts and number of trades all increased. Lending fees were also up
  - Fees in Wholesale Banking were up 26%, driven by higher fees in FM, Lending, TCF and Corporate Finance
- Sequentially, fees increased 5% on a strong 3Q2021. In Retail Banking, investment product and daily banking fees both increased, mainly due to the aforementioned factors. In Wholesale Banking, fees were higher mainly due to FM, Corporate Finance and Daily Banking

* Other includes insurance products and Financial Markets

Operating expenses under control

Expenses (in € mln)

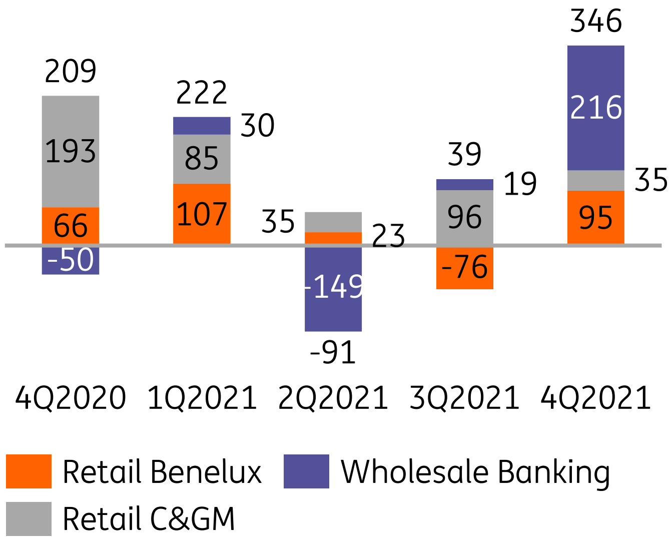


- Expenses included €166 mln of incidental items, mainly due to €141 mln redundancy provisions and impairments related to the announced discontinuation of the retail banking activities in France. This compares to €223 mln of incidental items in 4Q2020 and €233 mln in 3Q2021
- Excluding incidental items and regulatory costs, expenses were 1.5% higher YoY, as cost saving initiatives could only partly offset a lower VAT refund and higher staff expenses related to performance accruals and CLA increases
- Sequentially expenses excluding regulatory costs and incidental items, were up, mainly driven by an increase in staff costs, including higher performance-related expenses, as well as higher costs for marketing and IT
- Regulatory costs were €54 mln higher YoY, mainly reflecting an incidental 50% increase in the annual Dutch bank tax
- QoQ regulatory costs were €264 mln higher, as the full-year Dutch bank tax is paid in the fourth quarter

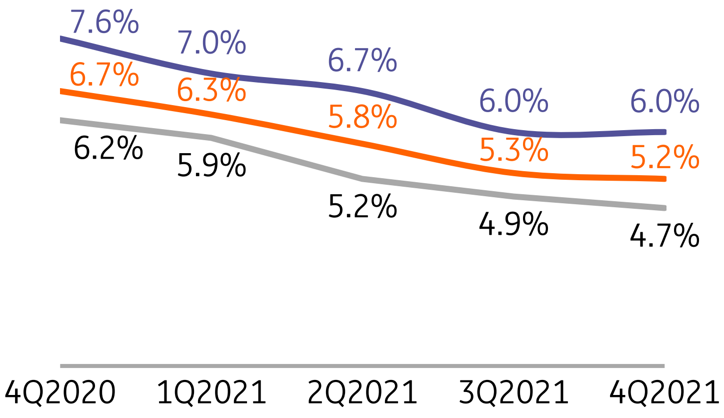
* Formal build-up phase of Deposit Guarantee Schemes (DGS) and Single Resolution Fund (SRF) should be completed by 2024
** Incidental expenses as included in volatile items on slide 23

Risk costs remain below the through-the-cycle average

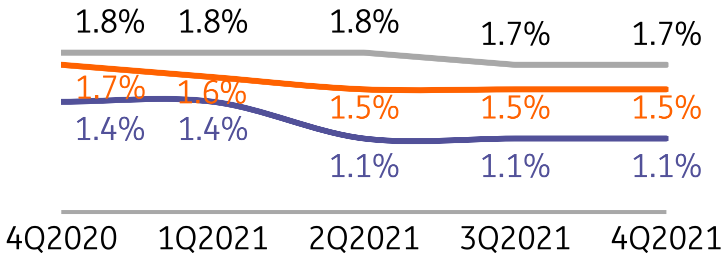
Risk costs per business line (in € mln)



Stage 2 ratio*



Stage 3 ratio

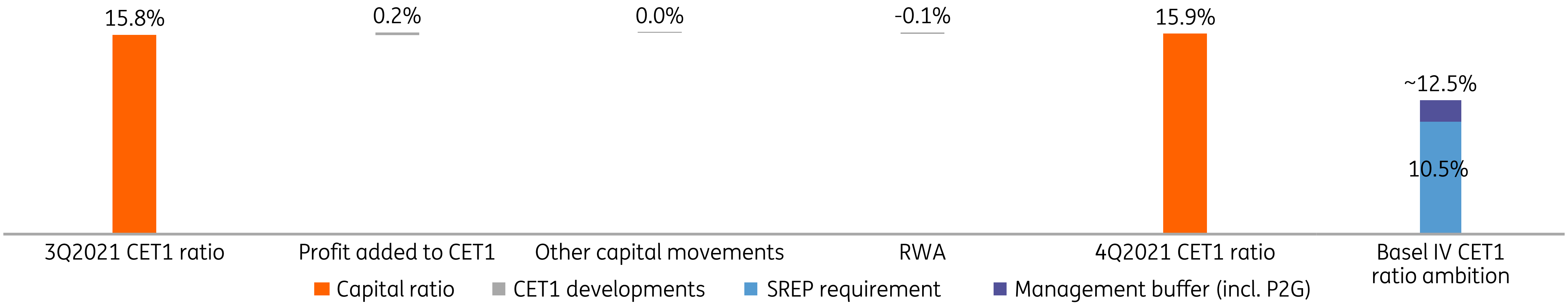


- 4Q2021 risk costs were €346 mln, or 22 bps of average customer lending, slightly below the through-the-cycle average of ~25 bps
- The majority was booked in Stage 3, which included €130 mln provisioning from updated recovery scenarios of existing clients, mainly in Wholesale Banking, reflecting uncertainty in recovery scenarios and valuations in certain asset classes. Risk costs further included a €124 mln management overlay related to residential mortgages, mainly in Stage 2 and 3, to reflect the potential impact of higher inflation and rising interest rates on customers' ability to pay and expected negative impact on property valuations
- An overall release was visible in Stage 1 and 2, mainly due to releases of management overlays applied in previous quarters
- In Retail Benelux, risk costs further included model updates in Belgium and some individual Stage 3 additions. Risk costs in Retail C&GM further reflected some collective provisions, mainly in Poland, Spain and Turkey. Risk costs in Wholesale Banking further included a limited number of individual Stage 3 additions
- The Stage 2 ratio was down to 5.2% and the Stage 3 ratio remained 1.5%

* Stage 2 ratio has been corrected reflecting a model adjustment in residential mortgages in Retail The Netherlands

Strong ING Group CET1 ratio at 15.9%

ING Group CET1 ratio development (in %)



- The 4Q2021 CET1 ratio increased to 15.9%. 50% of the 4Q2021 net profit has been reserved outside of CET1 capital for future distribution, in line with our distribution policy. In total, €1,568 mln remains reserved for distribution*
- CET1 capital was €0.6 bln higher, mainly reflecting the addition of 50% of the 4Q2021 net profit
- RWA increased by €2.5 bln, including €1.0 bln FX impact. Both market and operational RWA were higher, while credit RWA excluding FX impacts decreased by €3.2 bln. This decrease was driven by an improved profile of the loan book, lower RWA on NPLs and the transfer of our Retail Banking activities in Austria to bank99, partly offset by higher lending volumes

* As at 31 December 2021, reflecting the amount reserved over 2021 minus the interim dividend, which was paid in October 2021

Wrap up

Wrap up

- In 2021 our business model proved its strength under challenging conditions, as more Retail customers chose ING as their primary bank and a growing number of businesses turned to ING to support their green transition efforts
- Further growth of mobile interactions, with mobile becoming the main channel used by our retail customers
- FY2021 income increased as our growing primary customer base and focus on diversifying income supported fee and loan growth, which offset the continuing pressure on liability income
- Our cost focus continues with expenses remaining broadly flat in 2021, absorbing CLA increases and more normalised cost levels related to performance accruals and marketing
- FY2021 risk costs were €516 mln, or 8 bps of average customer lending, well below our through-the-cycle average of ~25 bps. The Stage 3 ratio remained low at 1.5% and we are confident on the quality of our loan book
- 4Q2021 CET1 ratio improved to 15.9%, with 50% of 4Q2021 resilient net profit reserved outside of regulatory capital. We propose to pay a final cash dividend of €0.41 per share, subject to AGM approval

Appendix

Volatile items 4Q2021

Volatile items and regulatory costs (in € mln)

	4Q2020	1Q2021	2Q2021	3Q2021	4Q2021
WB/FM – valuation adjustments	-13	11	11	38	3
Capital gains/losses	3	36	-2	6	5
Hedge ineffectiveness	-59	23	11	7	-24
Other items income*	0	233	155	50	92
Total volatile items – income	**-69**	**303**	**175**	**101**	**76**
Incidental items - expenses**	-223	-84	-39	-233	-166
Total volatile items	**-292**	**219**	**136**	**-132**	**-90**
Regulatory costs	-331	-587	-172	-121	-385

* Other items income in 1Q2021 consists of €233 mln TLTRO III benefit; 2Q2021 consists of €83 mln TLTRO benefit and a €72 million receivable due to a better than expected recovery of the insolvency of a financial institution in the Netherlands; 3Q2021 consists of €84 mln TLTRO III benefit and €-34 mln estimated loss following the agreement to transfer ING's retail banking operations in Austria to bank99; 4Q2021 consists of €84 mln TLTRO III benefit and an €8 mln reversal of the estimated loss on the transfer of ING's retail banking operations in Austria to bank99

** Incidental items expenses in 4Q2020 consists of €-223 mln of incidental costs due to restructuring provisions and impairments as well as a provision for customer claims in the Netherlands; 1Q2021 consists of €-84 mln of redundancy and restructuring costs following the announced restructuring of the branch network and the retail advice organisation in the Netherlands and the announcement to leave the Czech retail market; 2Q2021 consists of €39 mln of redundancy provisions and impairments; 3Q2021 consists of €180 mln provision for compensation of customers on certain Dutch consumer credit products, €44 mln impairment on Payvision and €9 mln of redundancy and restructuring costs in the RB Netherlands; 4Q2021 consists of €-155 mln of redundancy provisions and impairments in RB OC&GM, primarily related to the announcement to leave the French retail market, and €-11 mln of redundancy and restructuring costs in the Netherlands

Challengers & Growth Markets FY2021*

Germany**

Total income	2,568 mln
Mortgages	85.8 bln
Other lending	41.7 bln
Deposits	135.9 bln
RWA	44.9 bln

Spain

Total income	776 mln
Mortgages	21.0 bln
Other lending	8.9 bln
Deposits	40.7 bln
RWA	12.0 bln

Australia

Total income	771 mln
Mortgages	34.6 bln
Other lending	8.4 bln
Deposits	30.9 bln
RWA	8.5 bln

Italy

Total income	335 mln
Mortgages	7.3 bln
Other lending	5.2 bln
Deposits	14.1 bln
RWA	6.9 bln

Poland

Total income	1,478 mln
Mortgages	12.4 bln
Other lending	19.2 bln
Deposits	36.8 bln
RWA	21.5 bln

Romania

Total income	477 mln
Mortgages	2.6 bln
Other lending	4.3.bln
Deposits	10.3 bln
RWA	5.0 bln

Turkey

Total income	206 mln
Mortgages	0.2 bln
Other lending	3.3 bln
Deposits	3.5 bln
RWA	4.7 bln

Philippines

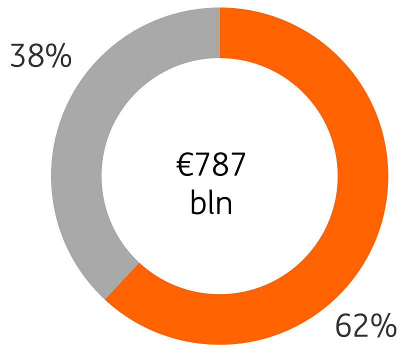
Total income	-3 mln
Mortgages	n.a.
Other lending	0.1 bln
Deposits	0.3 bln
RWA	0.5 bln

Note: France is not shown given the announcement to leave the French retail banking market
* Total Bank results per country (Retail and Wholesale combined) based on booking office, amounts in €; Mortgages and Other lending based on customer lending
** Excluding ING Austria

Well-diversified lending credit outstandings by activity

ING Group*

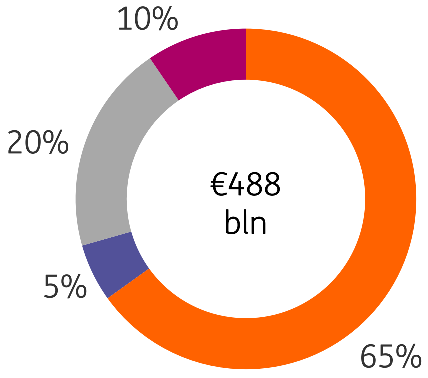
Lending credit O/S* 4Q2021



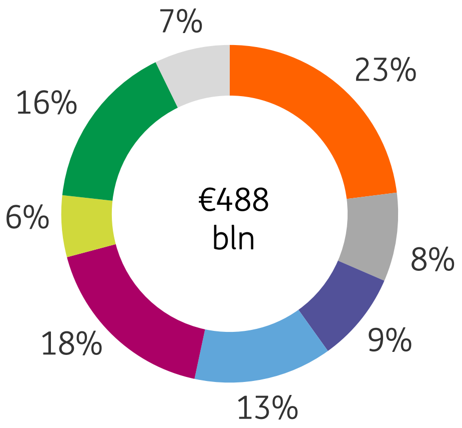
- Retail Banking
- Wholesale Banking

Retail Banking*

Lending credit O/S* 4Q2021



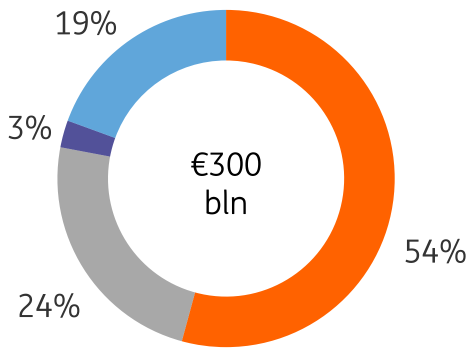
- Residential mortgages
- Consumer Lending
- Business Lending
- Other Lending**



- Mortgages Netherlands
- Other lending Netherlands
- Mortgages Belgium
- Other lending Belgium
- Mortgages Germany
- Other lending Germany
- Mortgages Other C&GM
- Other lending Other C&GM

Wholesale Banking*

Lending credit O/S* 4Q2021

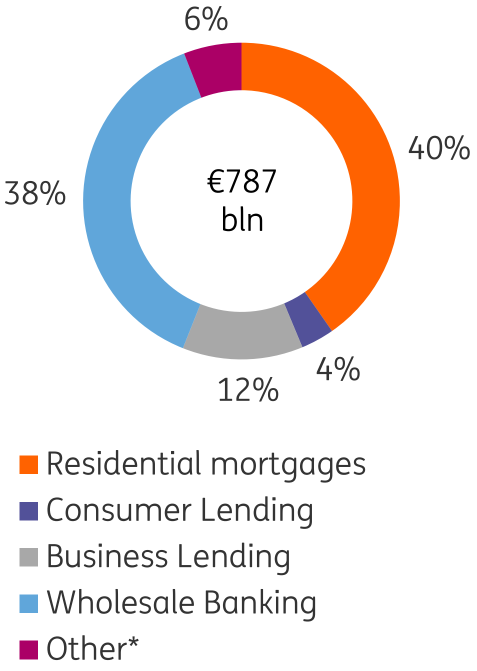


- Lending
- Daily Banking & Trade Finance
- Financial Markets
- Treasury & Other

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

* Lending and money market credit outstandings, including guarantees and letters of credit, but excluding undrawn committed exposures (off-balance sheet positions)
** Other includes €36 bln Retail-related Treasury lending and €11 bln Other Retail Lending

Our lending book is senior and well-collateralised

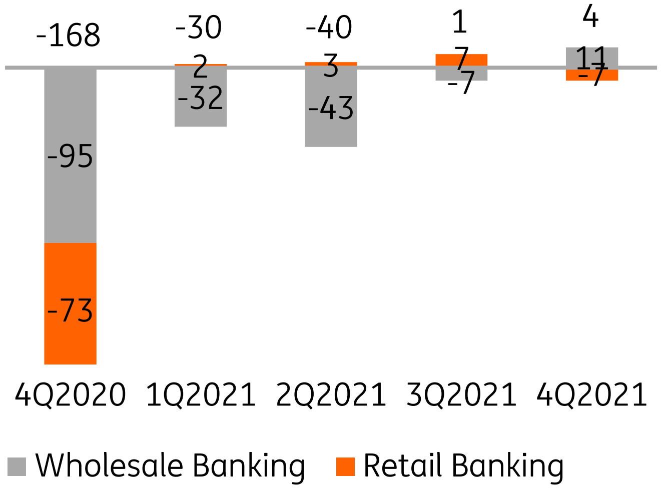


Residential Mortgages €317 bln	▪ Average LTV of 57% with low Stage 3 ratio at 1.1% ▪ Risk metrics remained strong
Consumer Lending €27 bln	▪ Relatively small book, risk metrics slightly improved
Business Lending €97 bln	▪ Limited exposure to most vulnerable sectors: ▪ Agriculture: €5.1 bln (0.6% of loan book), Stage 3 ratio at 5.8% ▪ Non-food Retail: €3.2 bln (0.4% of loan book), Stage 3 ratio at 3.3% ▪ Hospitality + Leisure: €3.7 bln (0.5% of loan book), Stage 3 ratio at 6.8%
Wholesale Banking €300 bln	▪ Limited exposure to most vulnerable sectors: ▪ Leveraged Finance: €7.2 bln (capped at €10.1 bln), well-diversified over sectors ▪ Oil & Gas: €16.6 bln of which €3.0 bln with direct exposure to oil price risk (0.4% of loan book; Reserve Based Lending (€2.0 bln) and Offshore business (€1.0 bln)), Stage 3 at 5.7% ▪ Aviation: €4.2 bln (0.5% of loan book), Stage 3% at 1.9% ▪ Hospitality + Leisure: €1.6 bln (0.2% of loan book), Stage 3% at 8.5%
Commercial Real Estate (RB + WB)	▪ Total €48.9 bln (6.2% of loan book), booked in RB and WB ▪ Well-diversified capped loan book ▪ LtV at 48.0% and low Stage 3% at 1.2%

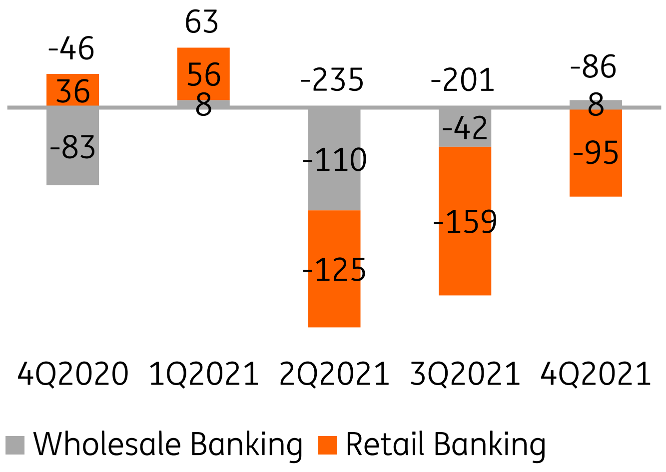
* Other includes €36 bln Retail-related Treasury lending and €11 bln Other Retail Lending

Provisioning per Stage

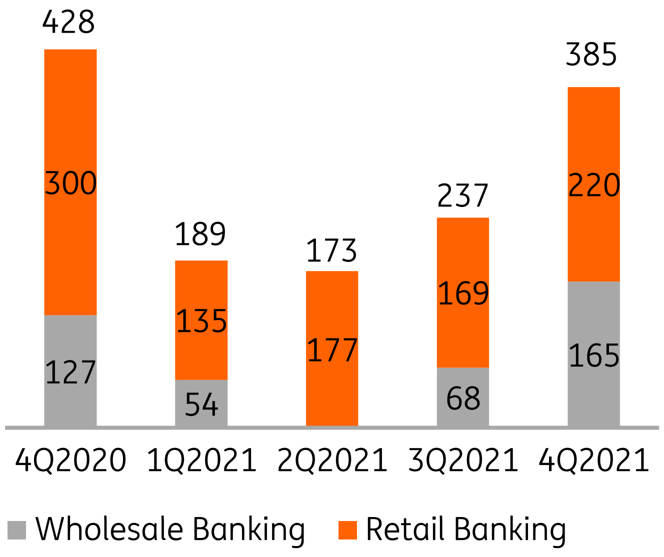
Stage 1 provisioning (in € mln)



Stage 2 provisioning (in € mln)



Stage 3 provisioning (in € mln)



Main drivers 4Q2021

- Partial release of management overlays applied in previous quarters relating to payment holidays and sector-based overlays

Main drivers 4Q2021

- Partial release of management overlays applied in previous quarters relating to payment holidays and sector-based overlays

Main drivers 4Q2021

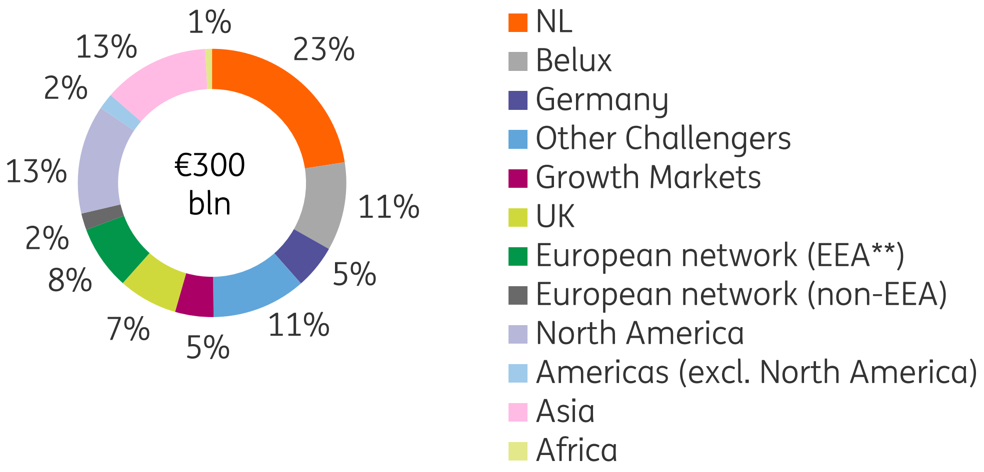
- Management overlay related to residential mortgages
- Additions for the potential impact of market uncertainty on the recovery value of certain asset classes, mainly in Wholesale Banking

Note: provisioning as shown per Stage excludes off-balance sheet provisioning and modifications

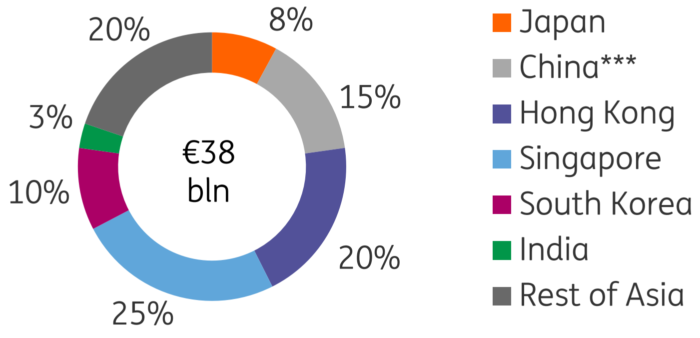
Wholesale Banking lending

Loan portfolio is well diversified across geographies…

Lending Credit O/S* Wholesale Banking

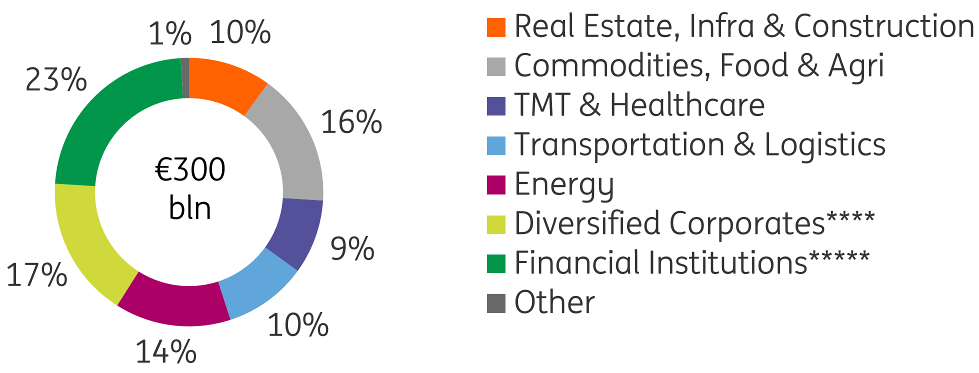


Lending Credit O/S* Wholesale Banking Asia



…and sectors

Lending Credit O/S* Wholesale Banking



Exposure to selected geographies

Lending Credit O/S* Russia, Ukraine and Turkey

- Russia €4.7 bln, of which ~25% is onshore
  - Mainly project and asset-based finance to exporters, typically in USD
  - Stage 3 ratio close to 0%
- Ukraine €0.6 bln, of which ~50% is onshore
  - Stage 3 ratio 0%
- Turkey €7.5 bln
  - Stage 3 ratio 2.8% and intra-group funding €0.5 bln

* Lending and money market credit O/S, including guarantees and letters of credit but excluding undrawn committed exposures and other off-balance sheet positions (such as pre-settlement limits, guarantees and money market facilities) ** European Economic Area; *** Excluding our stake in Bank of Beijing (€1.7 bln at 31 December 2021); **** Large corporate clients active across multiple sectors; ***** Including Financial sponsors

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 2020 ING Group consolidated annual accounts. The Financial statements for 2021 are in progress and may be subject to adjustments from subsequent events. 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 (2) the effects of the Covid-19 pandemic and related response measures, including lockdowns and travel restrictions, on economic conditions in countries in which ING operates, on ING's business and operations and on ING's employees, customers and counterparties (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) political instability and 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 (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) regulatory consequences of the United Kingdom's withdrawal from the European Union, including authorizations and equivalence decisions (16) ING's ability to meet minimum capital and other prudential regulatory requirements (17) changes in regulation of US commodities and derivatives businesses of ING and its customers (18) application of bank recovery and resolution regimes, including write-down and conversion powers in relation to our securities (19) outcome of current and future litigation, enforcement proceedings, investigations or other regulatory actions, including claims by customers who feel mislead and other conduct issues (20) changes in tax laws and regulations and risks of non-compliance or investigation in connection with tax laws, including FATCA (21) operational 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 (22) risks and challenges related to cybercrime including the effects of cyber-attacks and changes in legislation and regulation related to cybersecurity and data privacy (23) changes in general competitive factors, including ability to increase or maintain market share (24) the inability to protect our intellectual property and infringement claims by third parties (25) inability of counterparties to meet financial obligations or ability to enforce rights against such counterparties (26) changes in credit ratings (27) business, operational, regulatory, reputation and other risks and challenges in connection with climate change (28) inability to attract and retain key personnel (29) future liabilities under defined benefit retirement plans (30) failure to manage business risks, including in connection with use of models, use of derivatives, or maintaining appropriate policies and guidelines (31) 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 (32) 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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