

ING Groep N.V. Annual General Meeting 2022

Explanatory Notes to the Agenda

Monday, 25 April 2022, 2:00 pm CEST

This meeting will be webcast on the ING Groep N.V. website: www.ing.com

Cedar (corporate office ING Groep N.V.)
Bijlmerdreef 106
1102 CT Amsterdam
The Netherlands



Agenda

Agenda items

(See official agenda on the website of ING Groep N.V. ("ING Group"): www.ing.com/agm)

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Opening remarks and announcements.

Agenda item 2

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- B. Sustainability (discussion item).
- C. Report of the Supervisory Board for 2021 (discussion item).
- D. Remuneration Report for 2021 (advisory voting item).
- E. Financial Statements (annual accounts) for 2021 (voting item).

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- A. Profit retention and distribution policy (discussion item).
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Explanatory Notes to the Agenda

Agenda item 2A

Report of the Executive Board for 2021 (discussion item)

See pages 5 to 88 of the 2021 Annual Report.

Agenda item 2B

Sustainability (discussion item)

ING Group wants to empower people to stay a step ahead in life and in business. This also means helping customers and society to stay a step ahead of the challenges they are facing.

With regard to sustainability, ING Group can make the biggest impact while addressing the biggest challenges in two areas: climate action and financial health. That is why ING focuses in its approach on the UN Sustainable Development Goals for promoting climate action (goal 13), sustainable consumption and production (goal 12), decent work and sustainable and inclusive economic growth (goal 8) and reducing inequalities (goal 10).

ING takes an integrated approach to climate action: ING works with its clients to steer its loan book towards achieving net zero by 2050 or sooner, thereby limiting the rise in global temperatures to a maximum of 1.5 degrees Celsius and providing green financing and advice to clients. To support ING in its ambition, ING joined the UN-convened, industry-led Net-Zero Banking Alliance in August 2021. At the same time, ING works to assess climate risks in its portfolio and takes action to mitigate them, and to achieve net zero in its own operations.

For more information, see www.ing.com/sustainability.

Agenda item 2C

Report of the Supervisory Board for 2021 (discussion item)

See pages 202 to 231 of the 2021 Annual Report.

Agenda item 2D

Remuneration Report for 2021 (advisory voting item)

It is proposed to cast a favourable advisory vote in respect of the Remuneration Report 2021.

The Remuneration Report includes the outcome of the advisory vote from the Annual General Meeting 2021, and how this has been taken into account.

See pages 236 to 262 of the 2021 Annual Report.

Agenda item 2E

Financial Statements (annual accounts) for 2021 (voting item)

It is proposed to adopt the Financial Statements for 2021 as included in the 2021 Annual Report on pages 265 to 388.

Agenda item 3A

Profit retention and distribution policy (discussion item)

See pages 383 to 387 of the 2021 Annual Report.

Agenda item 3B

Dividend for 2021 (voting)

It is proposed to declare a total dividend for 2021 of €0.62 per ordinary share.

Taking into account the interim dividend of €0.21 per ordinary share paid in October 2021, the final dividend will amount to €0.41 per ordinary share. See page 66 and 385 of the 2021 Annual Report. The final dividend will be paid in cash.

Agenda item 4A

Discharge of the members of the Executive Board in respect of their duties performed during the year 2021 (voting item)

It is proposed to discharge the members of the Executive Board from liability in respect of their duties performed in the 2021 financial year, insofar as the exercise of those duties is reflected in the 2021 Financial Statements, the report of the Executive Board, the Corporate Governance chapter, the chapter on Section 404 of the Sarbanes-Oxley Act*, the Remuneration Report, the chapter on Risk Management, or has otherwise been disclosed to shareholders during the Annual General Meeting.

* See item 15 on page 131 of the 2021 Annual Report ING Groep N.V. on Form 20F.

Agenda item 4B

Discharge of the members and former members of the Supervisory Board in respect of their duties performed during the year 2021 (voting item)

It is proposed to discharge the members of the Supervisory Board and the former members who resigned during 2021 from liability in respect of their duties performed in the 2021 financial year, insofar as the exercise of those duties is reflected in the 2021 Financial Statements, the report of the Supervisory Board, the Corporate Governance chapter, the Remuneration Report, the chapter on Risk Management, or has otherwise been disclosed to shareholders during the Annual General Meeting.

Agenda item 5

Amendment of the Supervisory Board profile (discussion item)

The Supervisory Board profile has been updated to bring in line with the Dutch Gender Diversity Act (the "Act"). The Act aims to create greater gender diversity in boards and senior management. The Act includes an ingrowth quota of at least one-third male and one-third female for the supervisory boards of Dutch listed companies with a listing in the Netherlands. This gender diversity target has been included in the Supervisory Board profile (which previously already contained the ambition for a 30% gender balance in the Supervisory Board).

Agenda item 6A**Authorisation of the Executive Board to issue ordinary shares (voting item)**

The Executive Board, with the approval of the Supervisory Board, proposes to designate the Executive Board as the corporate body authorised:

1. To resolve on the issuance of ordinary shares and the granting of rights to subscribe to such shares in connection with a rights issue, being a share offering to holders of ordinary shares in proportion to their existing holdings of ordinary shares, as close as may be practical, up to an aggregate nominal amount of €15,616,261.22.
2. In connection with this: to resolve on the exclusion or restriction of pre-emptive rights of existing holders of ordinary shares so as to make such exclusions or other arrangements as the Executive Board and the Supervisory Board may deem necessary or practical in relation to record dates, fractional entitlements, treasury shares or any restrictions, obligations, practical or legal problems under the laws or requirements of any jurisdiction or regulatory body, in the context of syndicated rights issues or otherwise.

This authorisation renews and supersedes the authorisation granted by the 2021 Annual General Meeting under agenda item 9A and ends on 25 October 2023 or the date of renewal of this authorisation, whichever is earlier.

Agenda item 6B**Authorisation of the Executive Board to issue ordinary shares with or without pre-emptive rights of existing shareholders (voting item)**

The Executive Board, with the approval of the Supervisory Board, proposes to designate the Executive Board as the corporate body authorised to resolve on the issuance of ordinary shares and the granting of rights to subscribe to such shares up to an aggregate nominal amount of €3,904,065.30 and, in this connection, the exclusion or restriction of pre-emptive rights of existing holders of ordinary shares.

This authorisation renews and supersedes the authorisation granted by the 2021 Annual General Meeting under agenda item 9B and ends on 25 October 2023 or the date of renewal of this authorisation, whichever is earlier.

Explanation

The purpose of the proposals under **agenda items 6A** and **6B** is to delegate the power to issue new ordinary shares to the Executive Board. With these proposals the Executive Board seeks the authority to issue new ordinary shares without first having to obtain the consent of the General Meeting and, for that, call a General Meeting, which in the Netherlands is subject to a statutory convocation period of at least 42 days. The authority to issue shares may be used for any purpose, including but not limited to strengthening capital, financing, mergers or acquisitions.

These authorisations will give ING Group flexibility in managing its capital resources, including regulatory capital, while also taking into account shareholders' interests to prevent dilution of their shares. These authorisations enable ING Group in particular to respond promptly to developments in the financial markets, should circumstances so require.

The proposal under **agenda item 6A** authorises the Executive Board to issue ordinary shares up to 40% of the issued share capital by way of a rights issue. This means that a share issue under this authorisation will in principle be on a pre-emptive basis in order to minimise dilution for existing shareholders. Notwithstanding the intention of the Executive Board and the Supervisory Board to respect pre-emptive rights of shareholders and avoid dilution, this resolution gives the Executive Board, subject to approval of the Supervisory Board, the flexibility to deal with legal or practical difficulties in relation to record dates, fractional entitlements, treasury shares or any restrictions, obligations, practical or legal problems under the laws or requirements of any jurisdiction or regulatory body, in the context of syndicated rights issues, or otherwise, which might prevent an issuance on a pre-emptive basis. The Executive Board and the Supervisory Board intend to use this authorisation in line with market practice. For more information on the use of this authorisation see page 227 of the 2021 Annual Report.

The authorisation of **agenda item 6A** cannot be used for mergers or acquisitions on a share-for-share basis as this is incompatible with the concept of pre-emptive rights for existing shareholders.

ING Group currently has no plans to make use of the authority sought under this proposal.

The proposal under **agenda item 6B** authorises the Executive Board to issue ordinary shares, with or without pre-emptive rights of existing shareholders, up to 10% of the issued share capital.

It is currently not envisaged to use this authorisation for purposes other than:

1. The potential conversion into ordinary shares of Additional Tier 1 instruments which may be issued by ING Group to optimise its capital position under applicable regulatory requirements. Under the EU Capital Requirements Directive, all Additional Tier 1 instruments should contain a loss absorption mechanism, i.e. either a write-off or a conversion into ordinary shares if a certain minimum Common Equity Tier 1 ratio is breached. In the event that ING Group issues Additional Tier 1 instruments with a conversion clause, this clause must require that if such a breach occurs, the Additional Tier 1 instruments will be converted into ordinary shares, so that ING Group's capital position is safeguarded or preserved. Accordingly, each time Additional Tier 1 instruments are issued, the Executive Board, with the approval of the Supervisory Board, will pass a conditional

resolution on the basis of the share issue authorisations in force at that time to convert Additional Tier 1 instruments into ordinary shares (the condition being the breach of a certain minimum Common Equity Tier 1 ratio). For more information on the Additional Tier 1 instruments issued by ING Group on the basis of the share issue authorisations of the General Meeting of previous years, please see page 313 of the 2021 Annual Report.

2. The award, by way of fixed and/or variable remuneration, of shares and stock options to members of the Executive Board and employees, and the settlement thereof.

Taken together, the proposals under **agenda items 6A** and **6B** grant the Executive Board the authority to issue shares up to 50% of the issued share capital.

The proposals under **agenda items 6A** and **6B** are in line with the shareholder approvals received in previous years. In formulating these resolutions, market studies on how international banking peers manage their capital, as well as best practice guidelines of ING Group's institutional shareholder base have been taken into account.

Annual renewal of the authorisations proposed under the **agenda items 6A** and **6B** will be sought.

Agenda item 7

Authorisation of the Executive Board to acquire ordinary shares in ING Group's own capital (voting item)

It is proposed to authorise the Executive Board to acquire fully paid-up ordinary shares in ING Group in the name of ING Group, upon approval of the Supervisory Board, for the period ending on 25 October 2023, or the date of renewal of this authorisation, whichever is earlier. This authorisation is subject to the condition that the nominal value of the ordinary shares in ING Group, which are acquired, held or pledged in favour of ING Group or are held by its subsidiaries for their own account, will not exceed 10% of the currently issued share capital of ING Group.

This authorisation applies to each manner of acquisition of ownership for which the law requires such authorisation. The purchase price will not be lower than €0.01 per share and not higher than 110% of the opening price of ING Group's ordinary shares on Euronext Amsterdam on the day of the purchase or on the preceding day of stock market trading.

Explanation

The authorisation serves to enable ING Group to repurchase ordinary shares. As a result of this authorisation no more than 10% of the currently issued share capital may be held at any time by ING Group as treasury shares. As required by law, the authorisation states both the minimum price and the maximum price.

This proposal is consistent with standing practice of ING Group. This authorisation may be used for any purpose, including but not limited to a share buy-back programme

or trading and investment. Shares repurchased for these purposes may be resold.

Agenda item 8A

Reduction of the issued share capital by cancelling ordinary shares held by ING Group in its own capital as a result of the share buyback programme (voting item)

It is proposed that the General Meeting resolves to reduce the issued share capital of ING Group by cancelling the ordinary shares in ING Group's own capital repurchased by ING Group under the share buyback programme that commenced on 5 October 2021 and ended on 25 February 2022.

Explanation

ING Group launched a share buyback programme in October 2021. Under this programme, ING Group repurchased 139,711,040 ordinary shares at an average price of €12.47 for a total consideration of €1,741,696,166.19. The repurchase was conducted based on the authorisation granted to the Executive Board by the General Meeting on 26 April 2021.

It is proposed to cancel the 139,711,040 ordinary shares that were repurchased under the share buyback programme. The cancellation will lead to a reduction of ING Group's issued share capital. This resolution will only take effect after the relevant legal procedure for capital reduction has been completed. Moreover, the cancellation of the repurchased ordinary shares will only become effective and is therefore conditional upon, the reduction of the authorised share capital of ING Group as proposed under **agenda item 8B**.

For more information on the share buyback programme see page 10 of the 2021 Annual Report.

Agenda item 8B

Amendment of the Articles of Association (voting item)

The Executive Board, with the approval of the Supervisory Board, proposes:

- A) to amend the articles of association of ING Group (the "Articles of Association") in accordance with the proposal that is made available as a meeting document; and
- B) to authorise each member of the Executive Board and each of Vroukje van Oosten Slingeland (general counsel), Mariette Haloua (head of Corporate Legal Affairs) and Cindy van Eldert-Klep (company secretary) individually and with the power of substitution, to execute the notarial deed of amendment of the Articles of Association and furthermore to do everything that might be necessary or desirable in connection herewith.

Explanation

In the context of the proposal to cancel the repurchased ordinary shares under **agenda item 8A**, it is proposed to amend the Articles of Association in order to reduce the authorised share capital of ING Group. Dutch law (article 2:67 paragraph 4 of the Dutch Civil Code) requires that at least one-fifth of the authorised share capital is issued.

ING Group's issued share capital is currently close to the one-fifth threshold and the cancellation of all repurchased shares would bring the issued share capital below this threshold. For this reason, the Articles of Association need to be amended.

In the proposed amendment of the Articles of Association, the total authorised share capital amounts to €137,130,000, divided into 9,142,000,000 ordinary shares with a nominal value of €0.01 each and 4,571,000,000 cumulative preference shares with a nominal value of €0.01 each.

The proposed amendment of the Articles of Association including an explanation is published on ING Group's website (www.ing.com/agm).

Agenda item 9

Reduction of the issued share capital by cancelling ordinary shares acquired by ING Group pursuant to the authority under agenda item 7 (voting item)

It is proposed that the General Meeting resolves to reduce the issued share capital by cancellation of ordinary shares held by ING Group in its own capital up to a maximum of the number that is or will be acquired by ING Group under the authority provided to the Executive Board under **agenda item 7**.

Explanation

The cancellation of ordinary shares held by ING Group is proposed to provide flexibility for managing excess capital and to avoid holding a large number of own repurchased shares on ING Group's balance sheet following a share buyback programme.

The number of shares that will be cancelled under this resolution will be determined by the Executive Board. The cancellation may be executed in one or more tranches. The Executive Board is also authorised to decide not to execute the cancellation of any or part of the shares. The capital reduction will take place with due observance of applicable laws and regulations and ING Group's articles of association and will not be effected earlier than two months after the resolution to cancel shares has been filed with the trade register and publicly announced.

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