

ING ESG Overview

ING Group Investor Relations

November 2022



do your thing

Contents

- ING strategy
- Our Boards & remuneration
- Our Sustainability Direction
- Our people
- ESG governance and risk management
- Keeping ING safe and secure

A person wearing a black dress with a vibrant, multi-colored floral pattern is holding a white smartphone in their right hand and a black payment terminal in their left hand. The background is blurred, showing a woven basket and other indistinct objects. An orange rounded rectangle with white text is overlaid on the left side of the image.

ING Strategy

Our strategy, with a focus on execution certainty

Purpose



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

Strategic priorities



Superior customer experience

Sustainability

Enablers



Seamless digital experience

Scalable Tech & Operations

Safe & secure

Our people

Our ESG focus supports a future-proof ING and drives long-term value creation

A strong governance structure
drives the right behaviour, delivers on evolving regulatory requirements and protects our employees, customers and society

Behavioural Risk Management

KYC Enhancement Programme

Orange Code

A diverse and engaged workforce
makes us more adaptive and inventive, and enables us to better serve our diverse customer base

70% principle for mixed teams

Workplace Pride Founder & Ambassador

Organisational Health Index survey

A focused approach to the environmental and social transition
enables us to capture opportunities and manage risks related to climate change and human rights

Terra approach

Sustainable Finance

Environmental & Social Risk policy (ESR)



A sustainable and trusted company
attracts talent, clients and an investor base focused on the long term

A photograph of a meeting table with various items on it. In the foreground, there is a green notebook with a black smartphone resting on it. To the left, a white spiral notebook is open. In the background, there are several other notebooks and books stacked together. A pair of glasses is also visible on one of the books. The hands of several people are visible around the table, some wearing jewelry like a pearl bracelet and rings. The overall scene suggests a professional meeting or board discussion.

Our Boards & remuneration

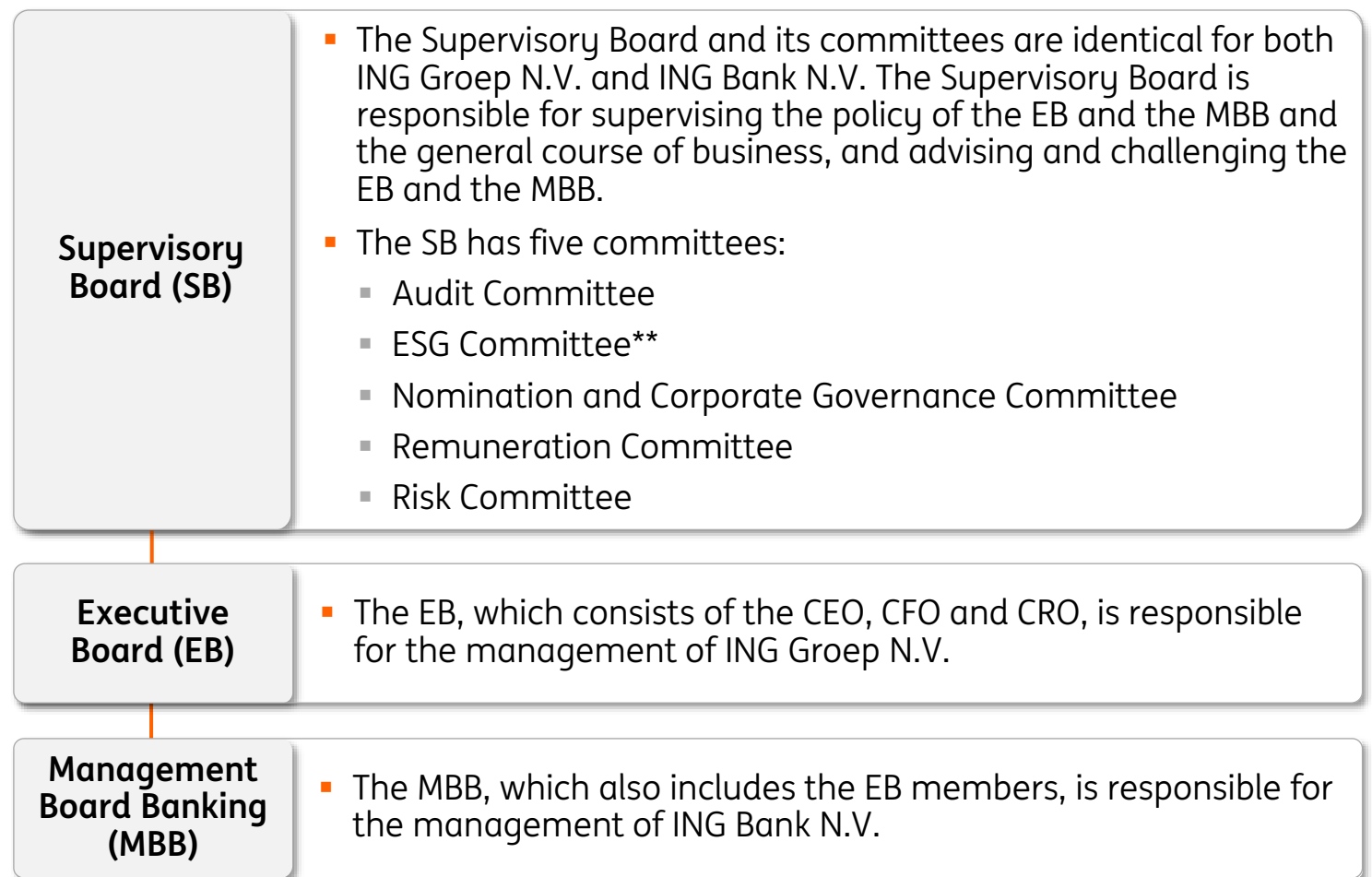
ING's legal and management structure

Legal structure

- ING Groep N.V. is listed on Euronext Amsterdam, Euronext Brussels and the New York Stock Exchange*.
- ING Groep N.V. is the ultimate parent of various legal entities, the major one being ING Bank N.V.
- ING Bank N.V. is the parent company of various Dutch and foreign bank branches and subsidiaries.



Management structure



* American Depositary Receipts (ADRs) are listed on NYSE.

** The ESG Committee has been established in 2022 for an initial duration of two years. After this period, the SB will determine whether this committee will be made permanent.

Our management team



Steven van Rijswijk
Dutch, 1970
Chief Executive Officer
(EB/MBB)



Tanate Phutrakul
Thai, 1965
Chief Financial Officer
(EB/MBB)



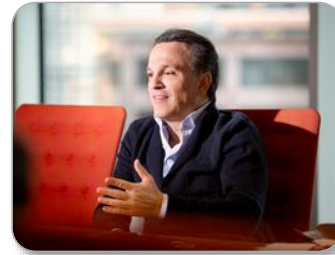
Ljiljana Čortan
Croatian, 1971
Chief Risk Officer
(EB/MBB)



Pinar Abay
Turkish, 1977
Market Leaders
(MBB)



Andrew Bester
British/South African, 1965
Wholesale Banking
(MBB)



Aris Bogdaneris
Canadian, 1963
Retail Banking
and Challengers
& Growth Markets
(MBB)



Ron van Kemenade
Dutch, 1965
Chief Technology Officer
(MBB)



Marnix van Stiphout
Dutch, 1970
Chief Operations Officer
(MBB)

Our Supervisory Board



Hans Wijers
Dutch, 1951
Chairman



Mike Rees
British, 1956
Vice-chairman



Juan Colombás
Spanish, 1962



Mariana Gheorghe
Romanian/British, 1956



Margarete Haase
Austrian, 1953



**Lodewijk Hijmans
van den Bergh**
Dutch, 1963



Herman Hulst
Dutch, 1955



Harold Naus
Dutch, 1969



Herna Verhagen
Dutch, 1966

Executive Board and Supervisory Board Remuneration Policies

- Shareholders at the 2020 AGM approved remuneration policies for members of the EB and the SB, coming into effect retrospectively from 1 January 2020. In designing these policies, the SB consulted advisory bodies and a broad range of stakeholders to achieve the right balance among the various viewpoints and interests.

- EB remuneration consists of 3 components:

Base salary

- Annual base salary is set at the level that allows ING Group to attract, engage and retain qualified and expert leaders needed to drive long-term value creation for ING and its stakeholders.

Variable remuneration (if any)

- Reflects performance that is consistent with ING's strategy as measured against financial and non-financial objectives.
- At least 50% is based on non-financial performance target areas. For 2022 these target areas are: customer (for CEO and CFO), risk and regulatory, strategy, sustainability and people.
- Capped at 20% of base salary, in line with Dutch regulations.

Pension & Benefits

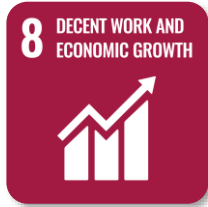
- EB members participate in the same collective ING pension scheme and receive the same proportion of savings allowance as Dutch employees.
- Benefits are set at levels that are market competitive and allow ING Group to attract, engage and retain qualified and expert leaders.

- SB members receive fees for their service on the SB. An individual's fee level is based on 3 factors:
 - The role the relevant SB member fulfills;
 - Complexity and time commitment per committee; and
 - Country of residence in order to compensate for travel time to attend the meetings in person.

An aerial photograph of a solar farm installed in a lush, green forest. The solar panels are arranged in several parallel rows, appearing as bright blue rectangles against the green foliage. A dirt road winds through the forest, and a small structure is visible in the upper part of the image. The overall scene conveys a message of sustainable energy production in a natural environment.

Our Sustainability Direction

Our focus SDGs* are reflected in our Sustainability Direction



Environment

Climate action

Empowering our clients**

- Steer our lending portfolio towards net zero by 2050
- 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



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

* Sustainable Development Goals (SDGs) set by the United Nations General Assembly

** ING finances today's society, which means we do also finance things that aren't green. We want to help clients transition to a low carbon economy. It's about making progress together, step-by-step. See www.ing.com/climate for more on our climate strategy in action.

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

Terra: Steering our loan book to reach net zero by 2050 or sooner

- Our ambition is to steer our loan book towards net zero by 2050 or sooner and contribute to keeping global warming within 1.5 degrees Celsius compared to pre-industrial levels. Our Terra approach is:

Impact-based

- Focus on the most carbon-intensive sectors, responsible for the vast majority of GHG emissions



Science-based

- Toolbox approach
 - Apply the best-fit methodology per sector
 - Specific targets per sector
- Apply science-based scenarios
- Use physical asset-level data



Engagement-driven

- Engage with current clients to help them transition to greener ways of doing business
- Select prospect clients also based on their stance on sustainability
- Collaborate with others to drive industry best practice and standards



The Terra toolbox

Overview of approaches applied, output types and data sources

Sector	Outstanding in scope	Methodology used to measure portfolio	Scopes covered	Metric	Scenario / Pathway	Baseline		2021YE		Alignment score	Target vs. baseline	
						Year	Portfolio value	Convergence pathway value	Portfolio value		2030	2050
Power generation	€ 8.9 billion	PACTA	Scopes 1, 2	kg CO ₂ e / MWh	IEA NZE 2050	2018	335	289	223	-23.0%	-53%	-100%
Upstream oil and gas	€ 3.1 billion	PACTA Credit Application Paper	N/A	Outstanding amount in EUR million	IEA NZE 2050	2019	3,986	3,701	3,138	-15.2%	-19%	-69%
Commercial real estate	€ 10.9 billion	PCAF	Scopes 1, 2	kg CO ₂ / m ²	Deltaplan DGBC	2019	51.4	48.1	43.7	-9.2%	-35%	-100%
Residential real estate	€ 297.0 billion	PCAF	Scopes 1, 2	kg CO ₂ / m ²	CRREM 1.5° pathways/ IEA NZE 2050	2021	45.7	44.3	45.7	3.2%	-57%	-99%
Cement	€ 337 million	PACTA	Scopes 1, 2	t CO ₂ / t cement	ISF-NZ	2020	0.704	0.681	0.709	4.2%	-31%	-69%
Steel	€ 2.9 billion	Sustainable Steel Principles	Scopes 1, 2	t CO ₂ / t steel	IEA NZE 2050	2021	2.10	1.99	2.10	5.4%	0* (~28%)	0* (~94%)
Automotive	€ 2.4 billion	PACTA	Scope 3	kg CO ₂ / km	IEA NZE 2050	2020	0.199	0.189	0.187	-0.8%	-49%	-98%
Aviation	€ 3.1 billion	PACTA	Scope 1	g CO ₂ / passenger km	IEA NZE 2050	2019	88.2	82.9	130.4	57.3%	-33%	-87%
Shipping	€ 6.5 billion	Poseidon Principles	Scope 1	Alignment delta	Poseidon Principles	2020	-0.4%	0%	-6.0%	-6.0%	0%*	0%*

As published in our [2022 ING Climate Report](#). Please refer to the sector deep-dives for further information.

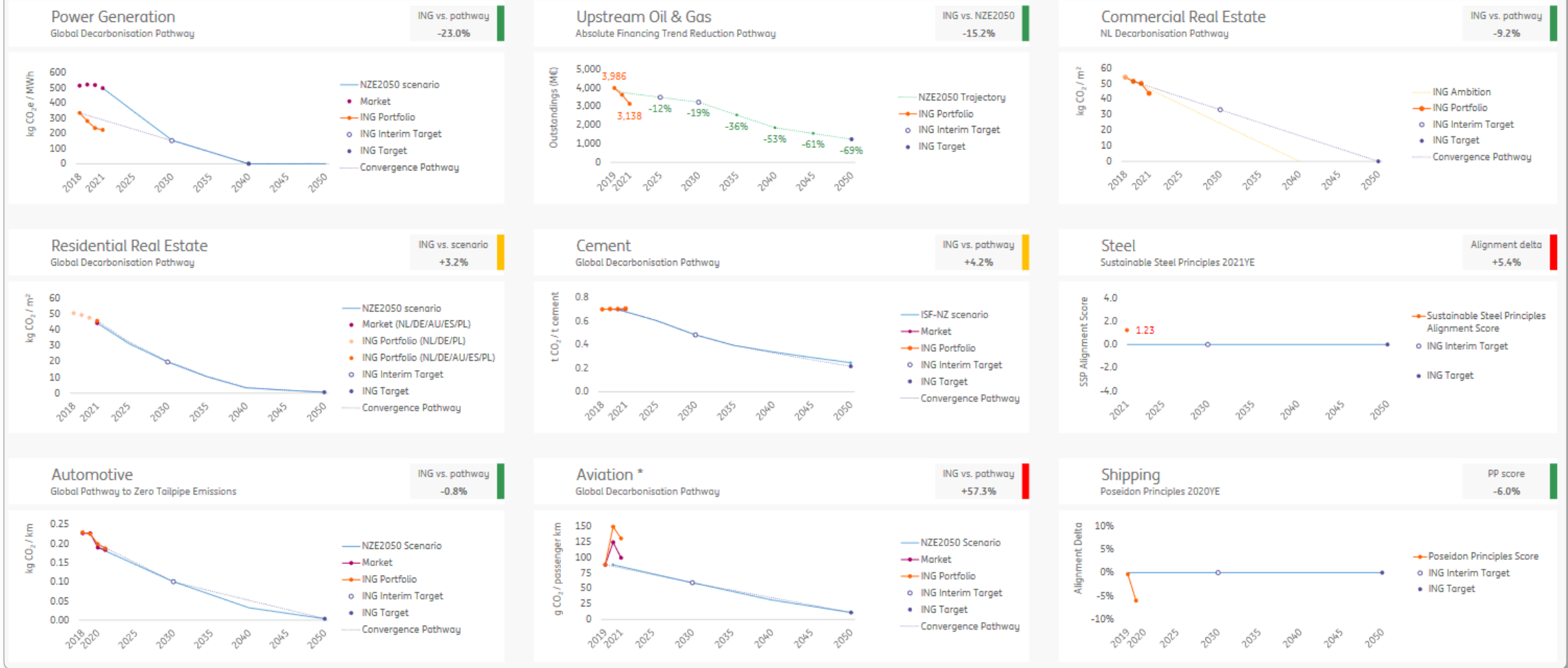
* Target for alignment score

Terra: Climate Alignment Dashboard

Climate alignment dashboard

Portfolio view - Outstandings as of year-end

- On track: Under or equal to benchmark
- Above benchmark by up to 5%
- Not on track: Above benchmark by more than 5%



As published in our [2022 ING Climate Report](#). Please refer to the sector deep-dives for further information.

Support the green transition finance need

ING is well positioned to capture the opportunity

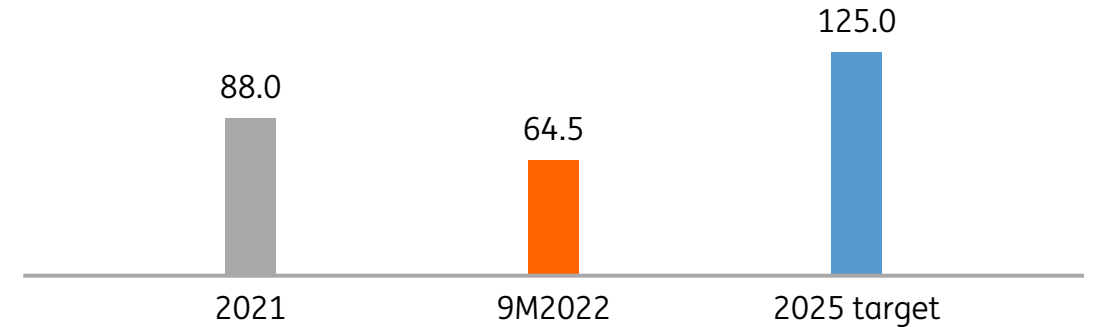
Pioneer in sustainability linked loans since 2017*

Innovative Terra approach since 2018

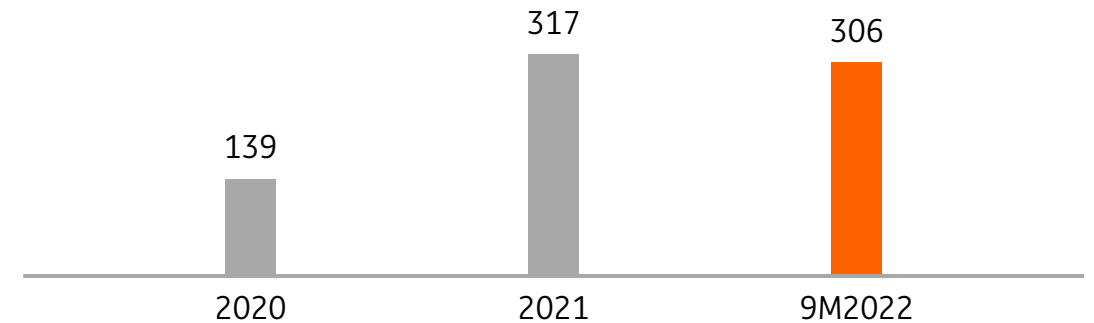
Deep sector expertise

Top 10 renewable energy financing bank**

Volume mobilised (in EUR bln)***



Sustainability deals**** (#)



* See www.ingwb.com/en/sustainable-finance for more information

** Source: 2021 data from IJ Global

*** Volume mobilised includes loan products, capital markets, derivatives and advisory propositions that support clients by financing their sustainable activities and in the transition to a more sustainable business model. In case of an ESG lead role the pro-rata share of the transaction is included, otherwise our final take is included.

**** Sustainability deals include sustainability loans and bonds, green loans and bonds, sustainable structured finance, social loans and bonds, and sustainable investments.

ING Green Bond Framework

- [Our Green Bond Framework](#) has been assessed by a [Second Party Opinion \(SPO\)](#) and is aligned with the ICMA Green Bond Principles 2021, and where possible with the EU Taxonomy (EUT) Regulation and the EUT Delegated Act.

1 Use of proceeds

- Eligible Green Loan Portfolio includes:
 - Renewable energy
 - Wind and Solar - global
 - Green buildings
 - Residential – Netherlands and Germany
 - Commercial – Netherlands

3 Management of Proceeds

- Portfolio based allocation approach
- Single pool of eligible green loans*:
 - Renewable energy ~€5.0 bln
 - Green buildings (residential) ~€17.0 bln**
 - Green buildings (commercial) ~€4.9 bln
 - **Total Eligible Green Loan Portfolio** ~€26.9 bln
- Green funding outstanding: ~€8.5 bln***

2 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](#)

4 Reporting

- Aggregated (between multiple Green Bonds)
- Allocation and impact are reported. Additional reported items can be found in the Green Bond Framework
- GHG Emissions avoided / reduced for Eligible Green Loan portfolio are reported

* As per Allocation Report 31 December 2021.

** Includes €3.2 bln eligible green loans within ING DiBa, as well as €13.8 bln of eligible green loans within ING Bank N.V., where the latter are not included in the Allocation Report 2021, but will be included going forward.

*** As of 31 July 2022.

Partnerships, memberships and endorsements

Engagement is an essential part of our Sustainability Direction. Our approach to engagement involves collaboration, listening and being transparent.

ING endorses (is signatory of):

- Children's Rights and Business Principles (CRBP)
- Climate Neutral Now
- The Core Conventions of the International Labour Organisation (ILO)
- EU Transparency Register
- Financial Stability Board's (FSB) Task Force on Climate-Related Financial Disclosures (TCFD) recommendations
- OECD Guidelines for Multinational Enterprises
- United Nations Environment Programme Finance Initiative Principles for Responsible Banking (UNEP FI PRB)
- United Nations Global Compact (UNGC)
- United Nations Guiding Principles on Business and Human Rights (UNGP)
- United Nations-supported Principles for Responsible Investment (UN PRI)
- The Universal Declaration of Human Rights (UDHR)

ING is a member of, for example:

- The Academy of Business in Society (ABIS)
- Association for Financial Markets in Europe (AFME)
- Circle Economy
- Climate Markets and Investment Association (CMIA)
- Equator Principles Association (EP)
- European Banking Federation
- European Financial Services Round Table (EFR)
- EUROSIF (VBDO)
- Institute of International Finance (IIF)
- International Capital Market Association (ICMA)
- International Integrated Reporting Council (IIRC)
- Loan Markets Association (LMA)
- Roundtable on Sustainable Palm Oil (RSPO)
- Thun Group of Banks
- United Nations Environmental Programme Finance Initiative (UNEP FI)
- United Nations-convened Net-Zero Banking Alliance

External recognition of ING's commitment to ESG

ESG ratings ING Groep N.V.



- Evaluation: ING's management of ESG material risk is 'Strong'
- Position: in the 22nd percentile of 406 banks
- Updated: August 2022



- Rating AA
- Updated: September 2022



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

Sustainability Index Products

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





Our people

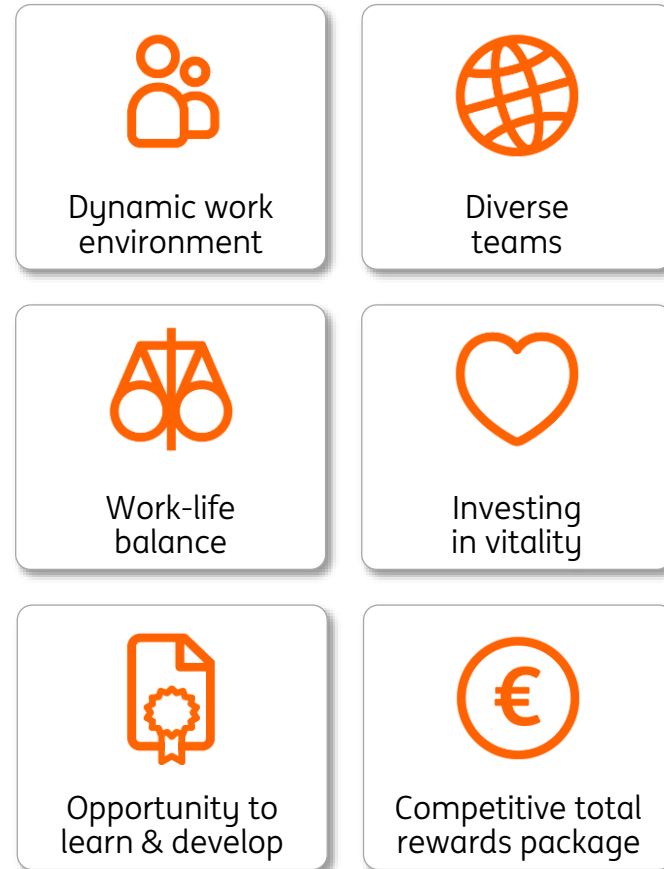
Our people are our greatest asset

People are key to realise our strategy

To deliver on our purpose and strategy, we need people with the right mindset and skills:

- **Self-driven**
Eager to expand skills and experiences and to improve our customers' experience
- **Make it happen, together**
Willing to speak up and create positive impact by bringing together different perspectives
- **Stay vital**
Invest in physical, mental and emotional vitality, to sustain long-term performance
- **Build trust**
Build trust and value for all our stakeholders and keep ING safe and secure

Our offer to attract the right people



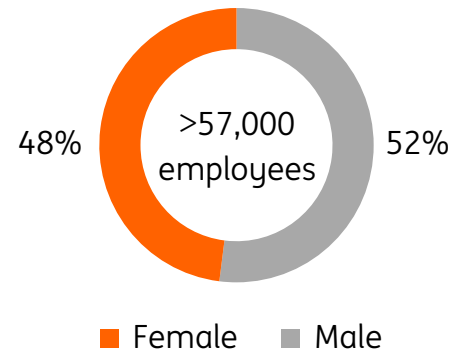
Leading to a strong employer brand

- 82%** Recommends ING as employer based on culture & values, work-life balance and career opportunities (Glassdoor 2022)
- #2** Employer in Finance in NL (Intermediair 2021)
- #3** Employer for people under 30 in NL (Intelligence Group 2022)
Employer for career development in NL (LinkedIn 2021)
Attractive employer based on reputation in NL (MT/Sprout 2022)

We're committed to fostering a diverse and inclusive workforce

- We're committed to promoting a diverse and inclusive workforce and are guided by our 70% principle for creating 'mixed teams'.
- The 70% principle strives for 30% difference in team make-up. Mixed teams include all types of diversity, both visible and less visible. Our aim is for no group or level to comprise more than 70% of the same gender, nationality or age group.
- Collectively we meet the 70% principle across all three dimensions.

Gender

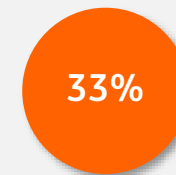


Number of nationalities

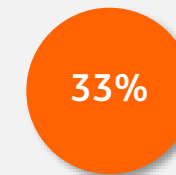


Diversity at the top

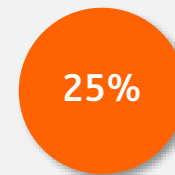
Women on our Boards*



Supervisory Board



Executive Board



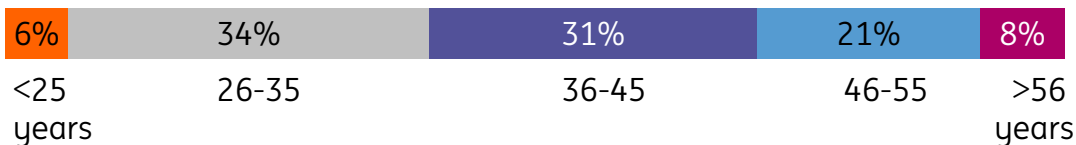
Management Board Banking

Women in senior management (top 350)



By 2025

Age group



* Board figures reflect the composition of the Boards as of 3Q2022. All of the other figures on this slide reflect 2021 data.

Increased focus on work-life balance and vitality

- The Covid-19 pandemic has increased the importance of flexibility and work-life balance. We have implemented a hybrid working model, in which we seek to balance the advantages of working from home and working from the office. We're taking a step-by-step approach that provides flexibility for local implementation and respects local health and safety guidelines and labour laws. We'll adapt and improve as we go along, weighing personal, team, company and customer interests when determining what works best.
- Our vitality programmes aim to support our people in staying physically healthy and mentally resilient. Some of our offerings include:



Wellbeing Quotient

- The Wellbeing Quotient programme in the Netherlands focuses on improving employees' physical and mental wellbeing.
- The programme is specifically designed for teams to motivate and support each other in becoming fitter and healthier, and have fun together while doing so.
- Since 2018, over 10,000 colleagues have completed the programme.



Coach & Care

- The Coach & Care programme in Belgium includes a number of initiatives to help staff maintain positive energy and to provide support.
- This includes training on energy and stress prevention, relaxation rooms and an employee assistance programme offering coaching to employees and their family members.



Health Budget

- In Germany, the WellbeING programme offers health training and check-ups, as well as a health budget for employees' own preventative health activities.
- Employees also have access to resilience coaches and workshops, sports and nutrition coaches, flu-jabs and sports groups.

Managing performance and personal development

Step Up Performance Management

- Our global performance management approach is based on continuous conversations between employees and their managers to enhance their performance.
- Each employee is asked to set targets and perform against three dimensions: job expectations, Orange Code behaviours and stretch ambitions. Employees are formally evaluated against these three dimensions during their mid-year review and year-end evaluation.

Job expectations



The employee's impact in their daily role on an individual and team level

Orange Code behaviours



Effectiveness of an employee's behaviour in line with the Orange Code

Stretch ambitions



Ambitions outside of the employee's comfort zone that support ING's long-term success

- To further encourage our employees to take the lead in their development, we use Individual Development Plans (IDP). The IDP is a digitally-enabled framework to document personal development needs and career ambitions, helping employees to be more effective in their current role and prepare for future roles, in- or outside ING.

Our people benefit from a broad learning and development offering

- Employees are responsible for taking the lead in their own development, on job-related as well as personal skills.
- To facilitate this, we provide a wide range of local and global training programmes. Employees follow mandatory group-wide training modules on topics including the Orange Code, compliance and KYC.
- Development and learning offerings have been updated to reflect the Hybrid Mode working context.

Our (digital) training programmes include:

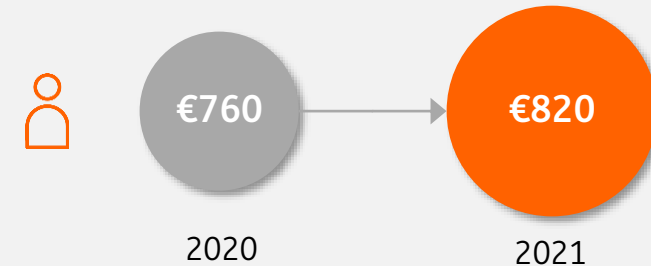
- **My Learning** is our digital learning platform where employees can find our complete offering of learning content in one location. My Learning offers content selected specifically for the user.
- Our **International Talent Programme** selects and develops graduates with high growth potential. Trainees follow one of eight tracks: Wholesale Banking, Retail Banking, IT, Finance, Risk, HR, Operations & Change and Analytics.
- Our **global leadership programmes** includes Leadership Fundamentals Programmes for new managers and the Think Forward Leadership Experience for more experienced managers.

Training and development spend

Total amount



Amount per FTE



Continuous employee feedback through OHI surveys

- It's important that our employees feel heard and are able to voice their opinions. This means making sure we're regularly asking employees for their views and that we act on that feedback.
- Through the Organisational Health Index (OHI) survey we measure our ability to adapt and be successful in the long-run.

OHI

- OHI looks at core organisational skills and capabilities, such as leadership, innovation and learning. It also looks at how we relate to customers and the outside world.
- OHI results provide a benchmark versus peers and helps us to define improvement areas that greatly influence the desired performance culture across ING.
- A full OHI diagnostic survey is carried out every two years. The next full survey will be performed in 2H2022 and we will report on the outcomes in the next annual report.
- An OHI Pulse survey is a shorter survey to monitor our progress on OHI action plans and maintain momentum and dialogue. The Pulse survey takes place two times during the year, when the full OHI survey is not being conducted. The most recent pulse survey was completed in May 2022.

The image shows a scenic landscape with a road winding through a field of bright yellow rapeseed flowers. Several white wind turbines are scattered across the horizon. A large white truck is blurred as it moves across the road from left to right. The sky is a clear, deep blue with some light, wispy clouds. An orange rectangular box is superimposed over the middle of the image, containing white text.

ESG governance and risk management

ESG governance

Supervisory Board

- The ESG Committee assists the Supervisory Board with matters relating to the various areas of ESG, including the development of ESG strategy and its integration in the company, and generally monitoring and advising on relevant ESG developments.

Management Board Banking

- ESG is a regular topic on the Management Board Banking (MBB) agenda and all members have ESG-related key performance indicators that are cascaded through ING's business lines.

Global Head of Sustainability

- Our global head of Sustainability reports directly to the CEO. Sustainability/ESG leads in major countries have a functional line to the global head of Sustainability in order to create a stronger connection between global and local activities.

Senior Management

- ING has also created an ESG Sounding Board comprised of senior managers who will guide the development and implementation of our strategy for ESG topics, as well as monitoring and reporting on our progress.

Subject-matter experts

- In cooperation with the global Sustainability department, experts and steering committees contribute to the development of our policies, programmes and targets on sustainability-related risks and opportunities, in line with our global strategy.

ESG risk governance

- ESG risk governance at ING is mainly managed via three risk functions:

Environmental and Social Risk (ESR)

- Environmental and social risks are governed through our ESR department, reporting to the CRO.
- The department is responsible for:
 - Setting policies for sensitive industry sectors.
 - Assessing transactions for environmental and social risk.
 - Monitoring compliance with sustainability criteria.
 - Participating in advisory groups (i.e. OECD advisory group, steering committee to the Equator Principles, Thun Group of Banks) to help bring all banks to the same high standard.

Climate Risk Initiative (CRI)

- The CRI programme was established in 2020, in line with the ECB's Guide on climate-related and environmental (C&E) risks.
- CRI addresses C&E risks across our organisation. It is sponsored by the CRO and overseen by a Steering Committee.
- CRI consists of several workstreams responsible for implementing regulatory requirements such as risk identification, business strategy and governance, risk appetite and external disclosures.
- Workstreams for Wholesale Banking and Retail Banking are responsible for implementation in the business lines and country organisations.

ESG Risk Centre of Expertise

- In 2022, the ESG Risk Centre of Expertise was established, reporting to the CRO.
- This Centre of Expertise ensures that ESG regulations are tracked, assessed, and implemented in accordance with the expectations of supervisors and society.
- It is responsible for:
 - Setting and reporting on the overarching ESG risk framework and policies, and Risk Appetite Statements.
 - Coordinating internal and regulatory ESG risk stress testing and scenario analysis.

ESR efforts aim to mitigate risks and contribute to positive change

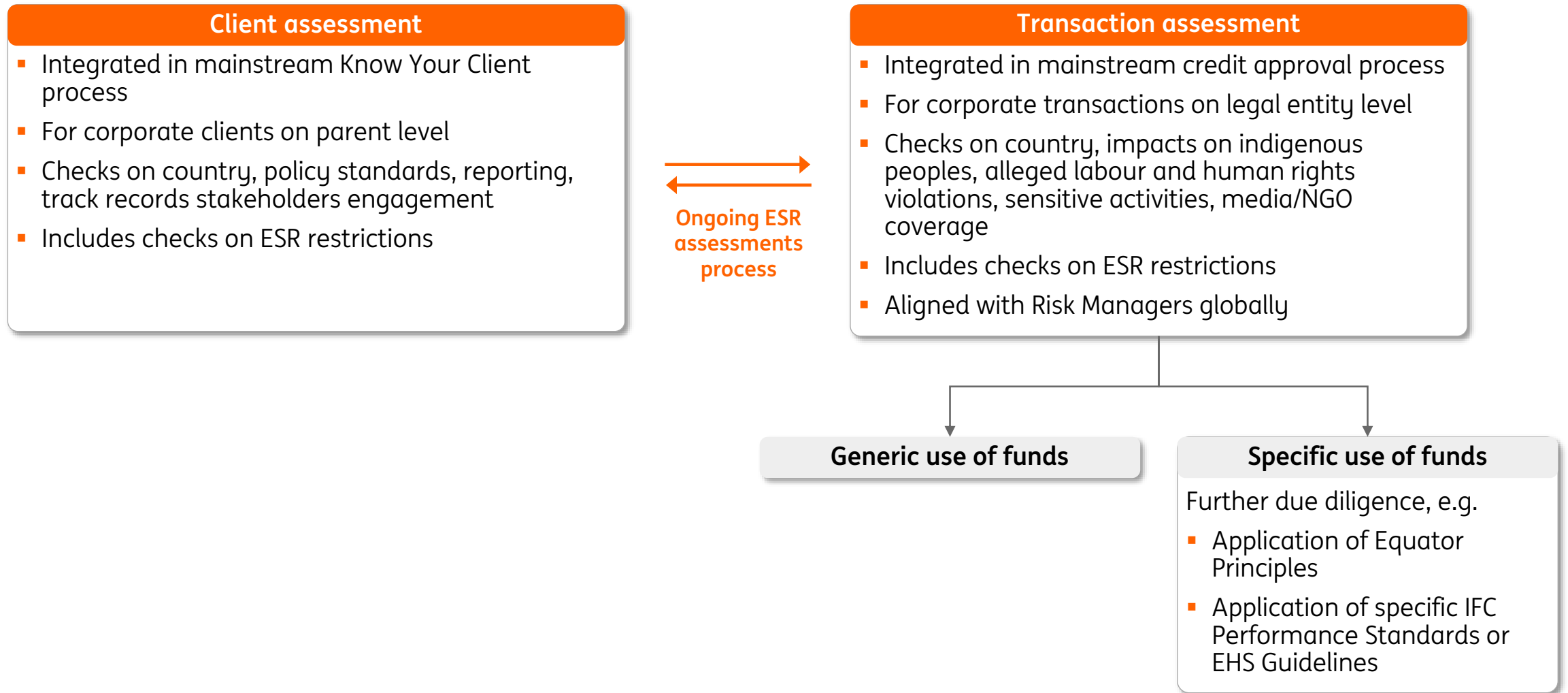
- By actively managing environmental and social risks associated with business engagements, we aim to mitigate risks and also contribute to positive change by supporting clients that seek continuous improvement in environmental and social practices.
- The ESR policy framework is reviewed regularly to ensure we adequately identify and manage existing and new environmental and social risks. Human rights are a key aspect of ING's overall ESR framework. Our stance is outlined in a specific human rights policy, as well as in our policies for sectors known to be sensitive to human-rights related risks.
- The ESR policy completely excludes certain activities from financing, such as in the Energy sector, and further restricts activities concerning animal welfare and fur, defense/controversial weapons, fisheries, forestry and agri-commodities, genetic engineering, mining, protected areas, ship breaking (manufacturing) and tobacco.
- We recognise that certain countries or jurisdictions may have higher risks than others, depending on factors such as their laws, regulations and conventions—and their enforcement. This is addressed in our country risk assessments. We take a risk-based approach, applying more in-depth analysis and enhanced due diligence, when high-risk countries or jurisdictions are in focus.

An example of activities excluded from financing

Energy sector restrictions

- Companies engaged in thermal coal power production and subsequent distribution to 3rd parties
- New thermal coal-fired power plant (or extending the useful life of an existing plant) for general electricity purposes
- Arctic offshore oil and gas exploration and production
- Mining, exploration and upgrading of oil/tar sands, including pipeline infrastructure dedicated to exclusive use of transporting oil from oil sands (i.e. not blended with other fossil fuels), oil/tar sands trading
- High-level nuclear waste processing, transportation or storage activities
- Mining, exploration and upgrading of shale gas in Europe
- Dedicated upstream finance (lending or capital markets) for oil & gas fields approved for development after 31 December 2021

Our ESR framework



Managing climate-related and environmental risks

We have measures in place to protect our lending portfolio and customers; more details are included in our 2022 [Climate Risk Report](#).

Governance & risk appetite

- Climate Risk governance is part of the group-wide ESG Governance set up
- C&E risk assessment applied in setting limits in Credit Risk Appetite Statements (CRAS)
- Materiality Assessment of risks on business environment
- KPIs on climate risk (Board level and cascaded down)

Risk identification & management

- C&E risk heatmaps
 - Assessment for WB sectors, with update of sector strategies and CRAS
 - Assessment for main retail products, including physical risk assessment for mortgage portfolio
- C&E risk included as rating appeal factor in risk rating process
- Application of ESR Framework including adjusted policies (e.g. coal and O&G gas exploration)
- Targeted scenario development and stress testing
- Staff training & awareness

Reporting & disclosure

- Annual publication of Integrated Climate Report
- Exposure and C&E risk limits included in Climate Risk Dashboard
- Art 8 / Pillar III disclosures in our Annual Report
- Sector reports
- Alignment of Sustainable Finance with EU Taxonomy

Keeping ING safe and secure



The Orange Code guides and defines ING, placing integrity above all

With integrity above all, the Orange Code is our manifesto describing the values and behaviours that define ING

Our values

The ING values are the non-negotiable promises we make to the world and the principles we stick to no matter what:



We are honest



We are prudent



We are responsible

Our behaviours

These behaviours are the commitments we make to each other and the standards by which we measure each other's performance:



You take it on and make it happen



You help others to be successful

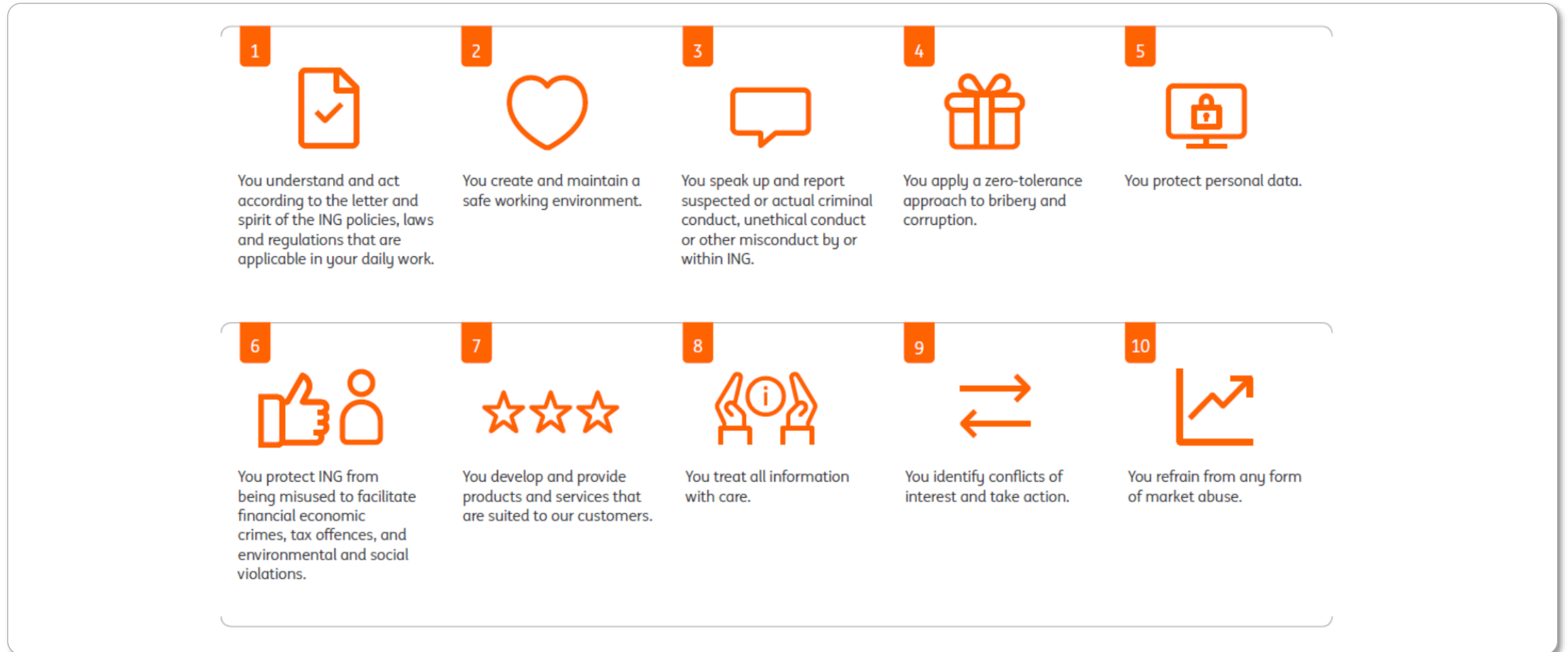


You are always a step ahead

The Orange Code is incorporated in ING's performance management process and is one of the three dimensions that each employee is evaluated on.

Our Global Code of Conduct outlines the core principles for conduct

The 10 core principles of our Global Code of Conduct build on our Orange Code and contribute to keeping ING safe and secure.



Our Behavioural Risk Management (BRM) team supports us in mitigating potentially risky behaviour

Identification and intervention in potentially risky behaviour

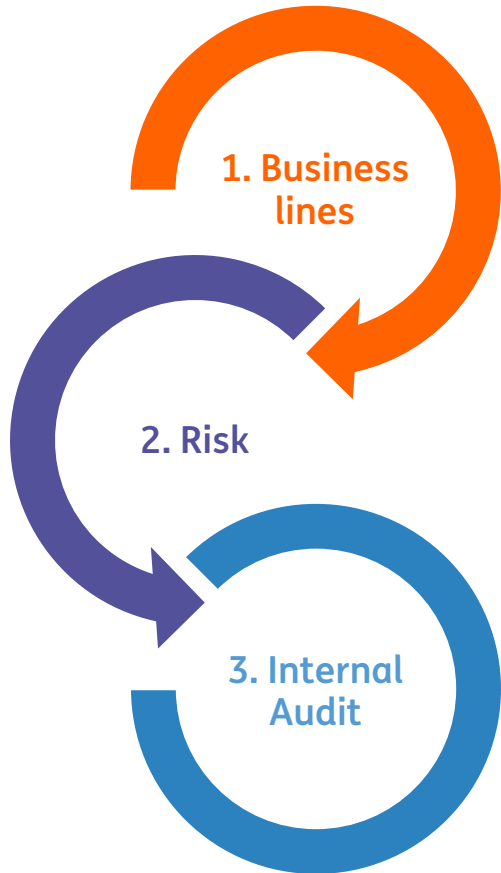
- Behavioural risk is when behavioural patterns are (part of) the root cause of financial and non-financial risks, which can impact our performance and risk profile.
- In 2018, a dedicated BRM team was set up, with the aim to identify and mitigate behavioural risks, following a three-step process:
 - Identification of areas prone to behavioural risks and/or that can benefit from better understanding behavioural patterns and their drivers.
 - Assessment of (drivers of) behaviours that contribute to root causes of financial and non-financial risks, by observing behaviours, interviewing employees individually and in groups and conducting surveys.
 - Support the business with the design and implementation of interventions, tailored to patterns and risks identified in a specific assessment, with the aim to change behaviour.
- Initial focus has been on KYC processes with several assessments completed.

'Nudging' is used to trigger behavioural change

- An intervention technique used is 'nudging', which applies subtle triggers that change behaviour in a predictable way. Nudges are co-created by the departments included in the assessment and the BRM team during a nudge-lab.
- Examples of identified behaviour and nudges applied by the departments involved in the KYC value chain:
 - An ingroup-outgroup bias, when people in the chain don't know each other, was addressed by an interactive email signature banner, bringing a group identity to life. This resulted in more positive, less frequent email exchanges, while increasing trust between departments.
 - A lacking sense of a common challenge was addressed by creating a celebratory report for the team, emphasising its joint achievement when finalising a KYC file. This resulted in improved collaboration and cohesiveness between departments and a more enjoyable process.
- Solutions created in a nudge-lab are piloted locally for several weeks, after which a decision can be made for a further scale up in the organisation.

Our risk and control structure is based on three lines of defence

Three lines of defence



- Primary ownership, accountability and responsibility for assessing, controlling and mitigating all financial and non-financial risks affecting the business
- Co-responsibility for risk management, through setting and translating risk appetite into methodologies and policies to support and monitor the business lines' control of risk
- Objectively challenge risk management execution and control processes and coordinate reporting of risks and controls by the first line of defence
- Advise on risk management and compliance with decision-making power in relation to business activities that are judged to present unacceptable risks to ING
- Independent and objective assurance on the quality and overall effectiveness of internal controls, risk management, governance, systems and processes

Strengthening our management of compliance risks

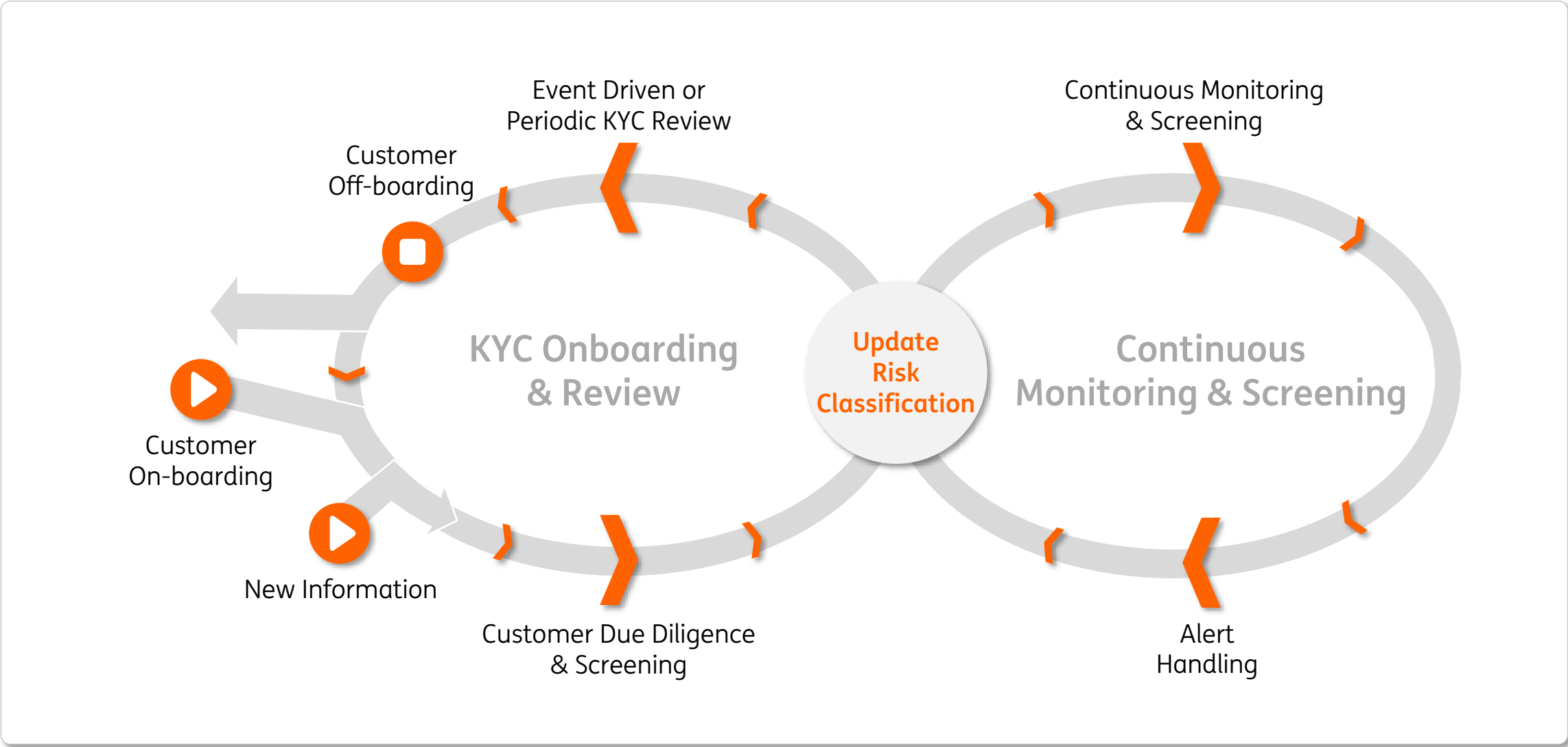
One common global approach

- Global KYC organisation in place to oversee end-to-end KYC capabilities and processes
- Global KYC Policy and Risk Appetite Statements rolled out
- Global & local KYC Committees set up to manage KYC capabilities
- Local Client Integrity Risk Committees set up for compliance-based client acceptance/exit
- Behavioural Risk Management team set up with several assessments finalised
- Ongoing roll-out of global standards, systems and operations to support the customer KYC lifecycle, for example in:
 - Customer Due Diligence
 - Transaction monitoring
 - Adverse media, name and pre-transaction screening

Collaboration with 3rd parties

- In the Netherlands, the government presented an AML action plan, which also investigates data sharing. Five Dutch banks, including ING, have set up TMNL, a separate entity to cooperate on transaction monitoring
- In Belgium, ING has joined forces with other banks and fintech Isabel Group to more effectively identify suspicious transactions
- Collaboration is also needed on a supra-national level. ING welcomes the European Commission's action plan to ensure harmonisation of EU laws, implement an EU-level supervising authority, and promote information sharing

The KYC customer lifecycle





do your thing

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 2021 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) 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) 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 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) 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 or stakeholders who feel misled or treated unfairly, 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 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 (22) risks and challenges related to cybercrime including the effects of cyberattacks 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) 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, transition and other risks and challenges in connection with climate change and ESG-related matters (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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