

ING ESG Overview

Investor Relations
December 2023



do your thing

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- ING strategy
- Our boards
- Our sustainability approach
- Our people
- ESG governance and risk management
- Keeping ING safe and secure

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

ING strategy

Our strategy

Purpose



Empowering 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

- When doing business, we take financial and non-financial factors into consideration, including environmental, social and governance (ESG) factors.

We believe that our focus on ESG supports a future-proof ING and drives long-term value creation. For example:

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

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

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

External recognition of our ESG profile

Sustainalytics

- In Sustainalytics' view, ING's management of ESG material risk is 'Strong' and our ESG Risk Rating score is 20.9 (Medium) as of December 2023.

MSCI

- ING's ESG rating by MSCI was reconfirmed as 'AA' in July 2023 for the fourth year in a row.

Sustainability indices

- ING's shares are included in the sustainability indices of Euronext, STOXX, FTSE Russell and Morningstar.

A photograph of a meeting table with various items like notebooks, a smartphone, and glasses, with a person's hand pointing at a document. The table is a warm, reddish-brown color. In the foreground, a hand in a white sleeve points to a document on a spiral-bound notebook. To the right, a stack of three notebooks (blue, white, and red) sits on the table, with a pair of glasses resting on top. Further right, a black smartphone lies on a green notebook. In the background, another person's hands are visible, one wearing a pearl bracelet and a ring. The overall scene suggests a professional meeting or board discussion.

Our boards

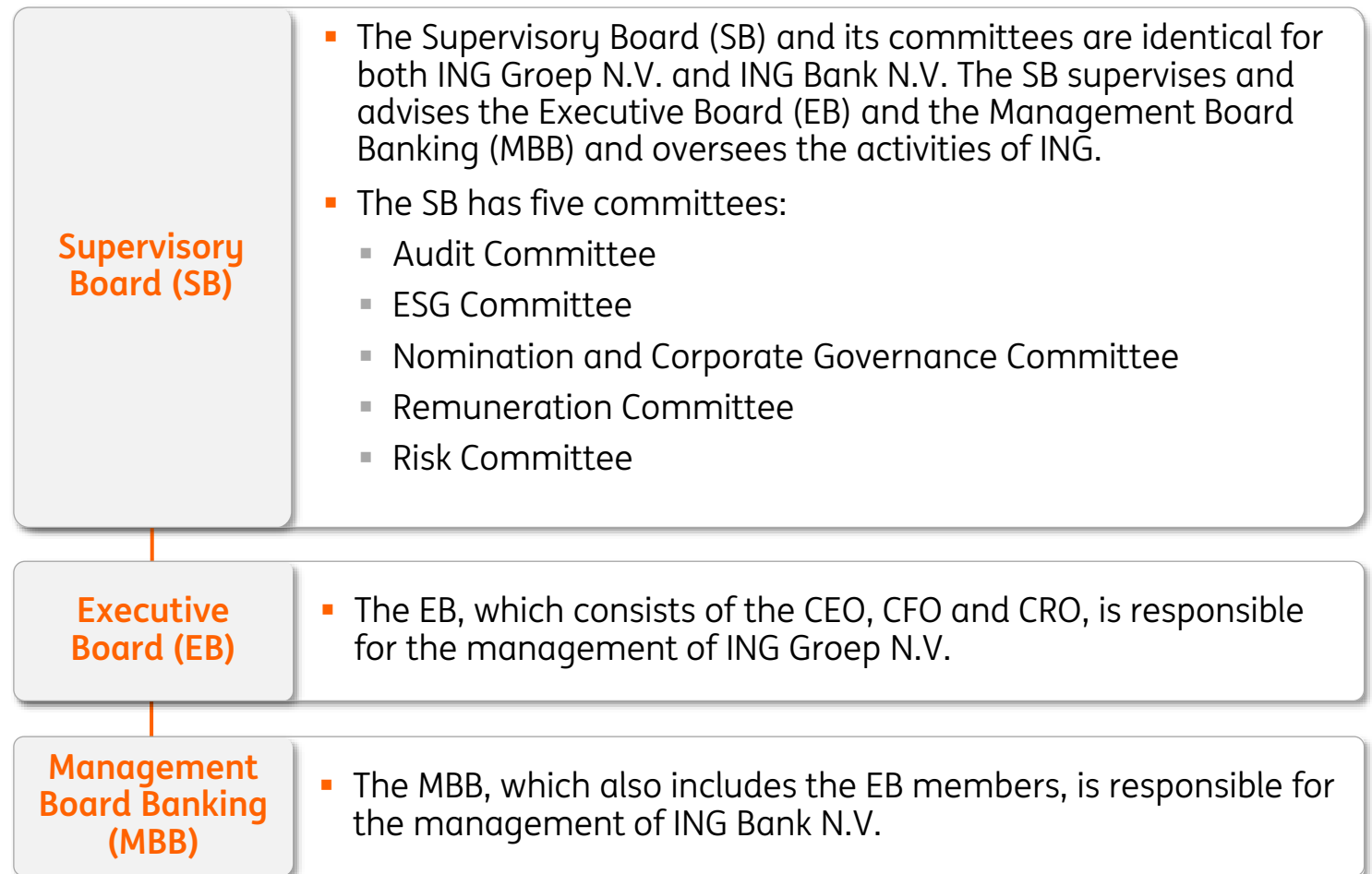
ING's legal and management structure

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.

Our management team



Steven van Rijswijk
Chief Executive Officer
(EB/MBB)



Tanate Phutrakul
Chief Financial Officer
(EB/MBB)



Ljiljana Čortan
Chief Risk Officer
(EB/MBB)



Pinar Abay
Retail, Market Leaders
and Challengers &
Growth Markets
(MBB)



Andrew Bester
Wholesale Banking
(MBB)



Marnix van Stiphout
Chief Operations Officer
Chief Transformation Officer
Chief Technology Officer a.i.
(MBB)

Our Supervisory Board



Karl Guha
Chairman



Mike Rees
Vice-chairman



Juan Colombás



Margarete Haase



**Lodewijk Hijmans
van den Bergh**



Herman Hulst



Harold Naus



Alexandra Reich



Herna Verhagen

Executive Board and Supervisory Board remuneration policies

- Shareholders at the 2020 Annual General Meeting (AGM) approved remuneration policies for members of the Executive Board (EB) and the Supervisory Board (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.
- Capped at 20% of base salary, in line with Dutch regulations.

Pension & Benefits

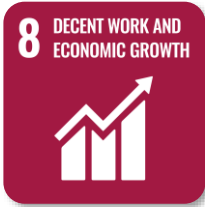
- EB members participate in the same collective ING pension scheme and receive the same proportion of savings allowance as Dutch employees.
- Benefits are set at levels that are market competitive and allow ING Group to attract, engage and retain qualified and expert leaders.

- 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
 - Country of residence in order to compensate for travel time to attend the meetings in person
- In 2024, updated EB and SB remuneration policies will be presented for shareholder approval at the 2024 AGM. This is in line with SRD II, which requires listed companies to submit their remuneration policies to the AGM at least once every four years.

An aerial photograph showing a solar farm installed in a lush, green forest. The solar panels are arranged in several parallel rows, appearing as a grid of blue rectangles. A dirt road winds through the forest, and a small structure is visible near the top of the solar array. The surrounding trees are dense and vibrant green, with some pink blossoms scattered throughout. The overall scene conveys a message of sustainable energy production in a natural environment.

Our sustainability approach

Our focus SDGs* are reflected in our sustainability approach



Environment

Climate and nature action

Empowering our clients**

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



Transparency

- Disclosure aligned with the TCFD and NZBA Frameworks

Improving our own footprint

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



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

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

** Society is transitioning to a low-carbon economy. So are our clients, and so is ING. We finance a lot of sustainable activities, but we still finance more that's not. See how we're progressing on

www.ing.com/climate

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

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

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

Transparency

- Disclosure aligned with the UNGP Reporting Framework

Aiming to steer the most carbon-intensive parts of our loan book

- We're aiming to steer the most carbon-intensive parts of 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 nine of the most carbon-intensive sectors, responsible for the vast majority of GHG emissions:
 - Power generation
 - Oil and gas (upstream, mid- and downstream)
 - Cement
 - Steel
 - Automotive
 - Aviation
 - Shipping
 - Commercial real estate
 - Residential real estate
- Aim to expand the scope to other activities in our loan book.

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 (EUR billion)	Methodology used to measure portfolio	Scopes covered	Metric	Scenario / Pathway	Baseline		2022YE		Alignment score	Targets		
						Year	Portfolio value	Convergence pathway value	Portfolio value		2030	2050	
Power generation	9.0	PACTA	Scope 1	kg CO ₂ e / MWh	IEA NZE	2018	335	275	189	-31.3%	-53%	-100%	
Oil and gas	Upstream	1.9	PACTA Credit Application Paper	Scopes 1, 2 and 3	Outstanding amount in EUR million	IEA NZE	2019	3,986	3,649	1,915	-47.5%	-19%	-69%
	Mid- and Downstream	7.1	Convergence approach	Scopes 1, 2	kg CO ₂ e / boe	IEA NZE	2022	16**	N/A	16**	N/A	-24%	-100%
Cement	0.6	PACTA	Scopes 1, 2	t CO ₂ / t cement	ISF-NZ	2020	0.704	0.662	0.688	3.9%	-31%	-69%	
Steel	3.2	Sustainable STEEL Principles	Scopes 1, 2	SSP Alignment Score	IEA NZE & MPP Tech Moratorium	N/A	N/A			0.15	0 *	0 *	
				t CO ₂ / t steel	IEA NZE			1.793	1.808	0.8%			
Automotive	2.9	PACTA	Scope 3	kg CO ₂ / vkm	IEA NZE	2020	0.199	0.179	0.157	-12.5%	-49%	-98%	
Aviation	3.3	PACTA	Scope 1	g CO ₂ / passenger km	IEA NZE	2019	88.2	80.3	81.9	2.1%	-33%	-87%	
Shipping	6.8	Poseidon Principles	Scope 1	Alignment delta	Poseidon Principles	N/A	N/A	0%	-2.8%	-2.8%	0% *	0% *	
Commercial real estate	24.8	PCAF	Scopes 1, 2	kg CO ₂ e / m ²	CRREM 1.5* pathways	2022	44.7	44.7	44.7	N/A	-56%	-99%	
Residential real estate	307.1	PCAF	Scopes 1, 2	kg CO ₂ e / m ²	CRREM 1.5* pathways	2021	41.6	38.4	40.7	5.8%	-60%	-99%	

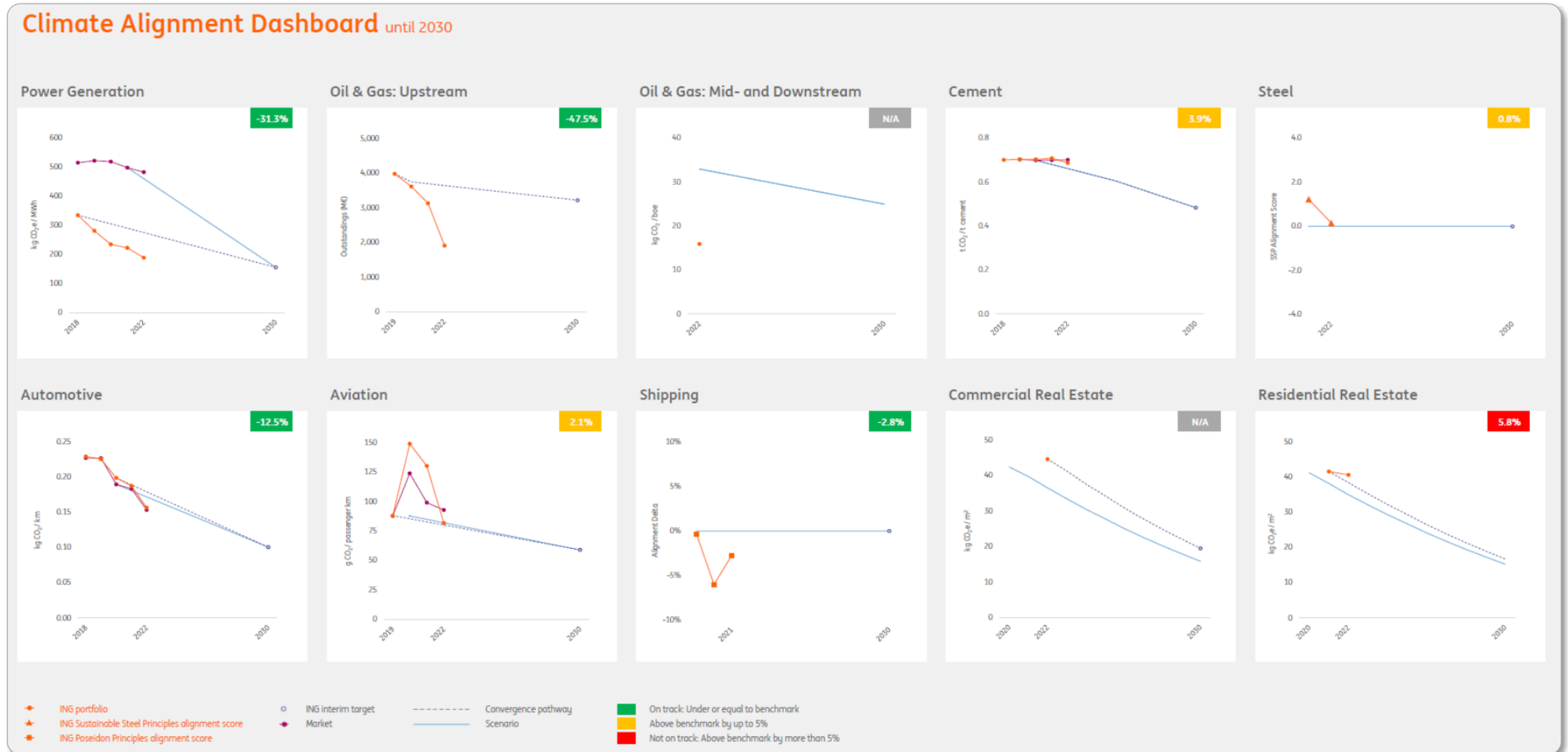
As published in our [2023 ING Climate Report](#). Please refer to the sector deep-dives for further information.

* Target for alignment score.

** CO₂ only, expected to increase due to methane (CH₄) data add-on.

*** Figures related to outstanding in scope (exclude unmatched part), 2022YE portfolio value and convergence pathway, and alignment score, all refer to the 2022YE loan book portfolio, except for Shipping, which is based on 2021YE portfolio.

The Terra climate alignment dashboard



As published in our [2023 ING Climate Report](#). Please refer to the sector deep-dives for further information.

Supporting our clients' transitions

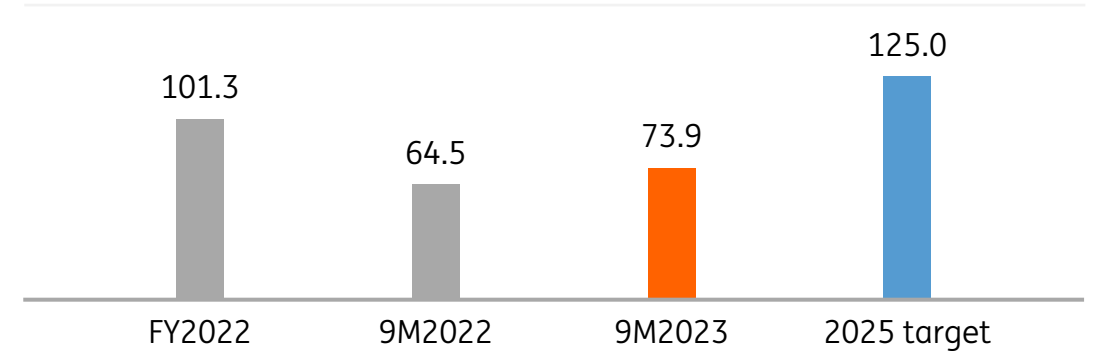
ING Wholesale Banking is well positioned to support financing that contributes to our clients' transitions to more sustainable business models

Deep sector expertise

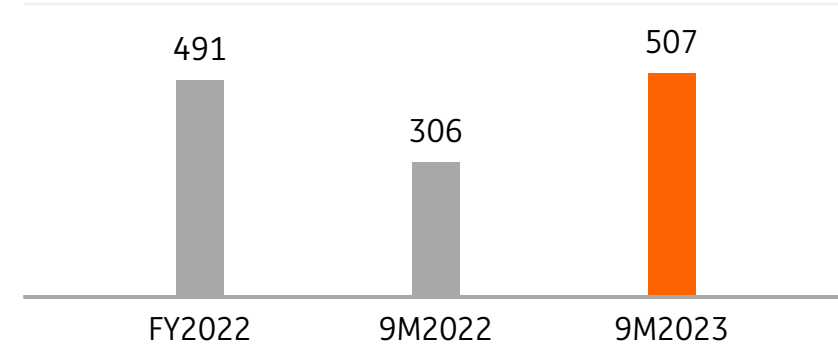
Pioneer in sustainability-linked loans since 2017*

Assessment of client transition plans

Volume mobilised (in € bln)**



Sustainability deals*** (#)



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

** To support our Wholesale Banking clients with their sustainability efforts, we have set a target to mobilise €125 billion per annum by 2025 of financing that contributes to our clients' transitions to more sustainable business models. Volume mobilised for Wholesale Banking clients includes loan products, capital markets, derivatives and advisory propositions that support clients by financing their sustainable activities and contribute to their transition to a more sustainable business model. In cases where ING is appointed in an ESG lead role the pro-rata share of the transaction is included, otherwise ING's final take is included. See pages 110-111 of the ING Group 2023 Climate Report for more details.

*** Sustainability deals include sustainability loans and bonds, green loans and bonds, sustainable structured finance, social loans and bonds, and sustainable investments. In 2023, we started to engage on FI Trade Finance transactions with high underlying volumes; as a result, the number of transactions in 2022 are not comparable versus 2023.

We issue Green Bonds to support our sustainability objectives

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

Use of proceeds

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



Residential
Real Estate

Netherlands and Germany



Commercial
Real Estate

Netherlands



Renewable Energy
(wind and solar)

Global

Management of proceeds

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

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 and Social Risk policies and transaction approval process ensures that loans comply with [environmental and social policies](#)

Reporting

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

* As per ING Green Bond Allocation Report 2022.

Partnerships, memberships and endorsements*

No one sector, much less one bank, has the ability to solve the world's problems. We believe that an inclusive approach is the only way we can make any meaningful positive impact. From climate to human rights and financial health, we seek to increase our impact through partnerships and coalition-building.

ING endorses (is signatory of):

- Children's Rights and Business Principles (CRBP)
- 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 (UNGPR)
- 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)
- Climate Markets and Investment Association (CMIA)
- Equator Principles Association (EPA)
- European Banking Federation
- European Financial Services Round Table (EFR)
- EUROSI (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 Environment Programme Finance Initiative (UNEP FI)
- United Nations-convened Net-Zero Banking Alliance

* Please visit [partnerships, memberships and endorsements](#) for more information and updates.



Our people

Our people are our greatest asset

People are key to realise our strategy

In order to make the difference for our customers and stakeholders, we expect our employees to:

- **Be self-driven**
Eager to expand skills and knowledge, improve our customers' experience and be an invaluable contributor.
- **Make it happen, together**
Willing to speak up in ING's interest 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



A collaborative and dynamic environment



Jobs with impact on people, planet and society



An inclusive culture where everyone feels a sense of belonging



Experience and opportunity to grow



Competitive benefits with flexibility



An environment conducive to vitality on mental, physical and emotional aspects

We have a strong employer brand

4.1
(out of 5 stars)

Overall employer rating for ING based on factors including culture and values, work-life balance and career opportunities (Glassdoor 2023)

69%

Of employees participated in the Organisational Health Index survey in 2022, feeling empowered to share their views

Diversity Leader

As recognised by Workplace Pride and The Financial Times

Examples of local recognition:

#6

Most favourite employer in the Netherlands (Intelligence Group Report 2023)

#3

Best employer in the Services sector in Germany (Die Welt/ServiceValue 2023)

#1

Most attractive employer in the Finance category in Romania (Randstad 2023)

Our Diversity, Inclusion and Belonging strategy

- At ING, we believe we can only live up to our purpose and deliver on our strategy with a culture of diversity, inclusion and belonging (DIB). A culture where every colleague has a true sense of belonging and is respected for who they are – so that our business and our customers benefit from their unique perspectives and experiences.

Our approach is based on evidence of what works to drive DIB, which means we aim to do four things:



External recognition of our efforts

Workplace Pride

- ING has been listed in the Workplace Pride benchmark for 10 consecutive years, with “Ambassador” status awarded again this year, as well as being the top scorer this year for the Financial and Insurance sector.

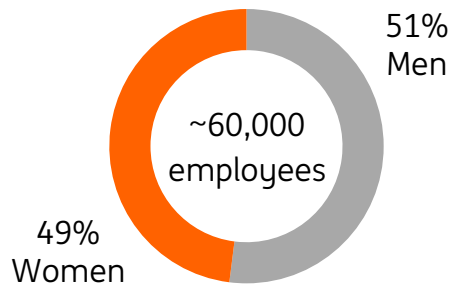
Financial Times Europe’s Diversity Leaders

- In the 5th edition of The Financial Times Europe’s Diversity Leaders survey, ING ranked 137 out of 850 companies, with a score of 75.64. ING’s performance on this benchmark has shown consistent improvement over the last few years.

We are committed to fostering a diverse and inclusive workforce

- Everyone should be able to bring their whole self to work, every single day. We value difference and actively promote a culture of respect for each individual. By creating a diverse, equitable and inclusive environment we aim for everyone at ING to have a sense of belonging and to realise their full career potential.

Gender*



Number of nationalities



Gender diversity at the top

Women on our Boards

Supervisory Board

33%

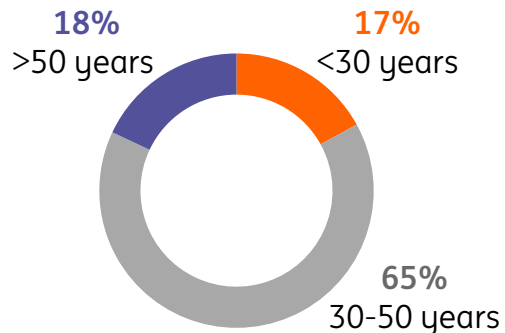
Executive Board

33%

Management Board Banking

33%

Age group*



Employee networks that help us advance our DIB efforts



Our targets to drive progress

Women in the leadership pipeline (~top 5,000) by 2025

>30%

Women in senior management (~top 400) by 2028

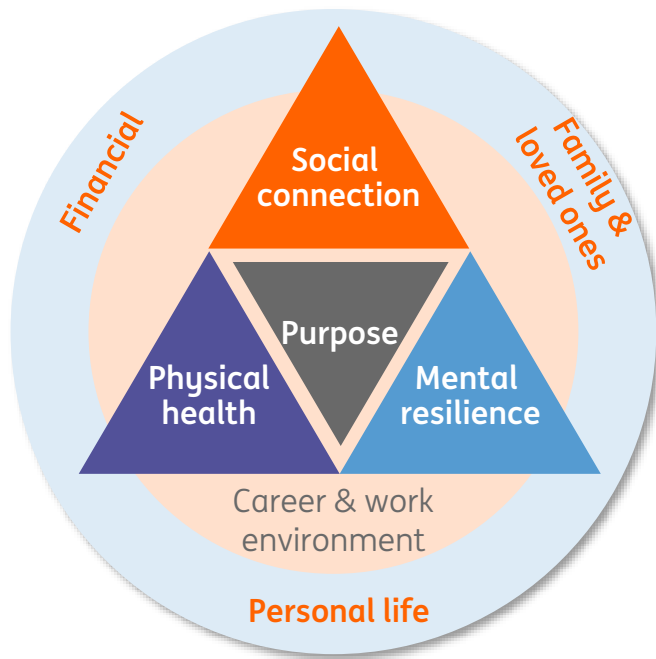
>35%

* Reflects 2022 data as reported in ING's 2022 Annual Report.

Our focus on work-life balance and vitality

- Our hybrid work offering makes sure our people have the autonomy to better balance their professional and personal lives. Eighty-five percent of our people endorse hybrid working.
- We seek to embed vitality in our culture and promote healthy working habits. We offer employee assistance programmes, toolkits for managers and employees, and various locally tailored programmes to support the physical and mental vitality of our people.

ING's global vitality framework



Across ING, we have a broad range of services to support vitality, for example:

- Financial health coaching
- Personal health check-ups via external partners
- Sporting challenges or team-building events
- Peer support networks and events to support social connection on vitality
- Support for families who have a dependent child with a disability
- Services focused on mental health awareness and support

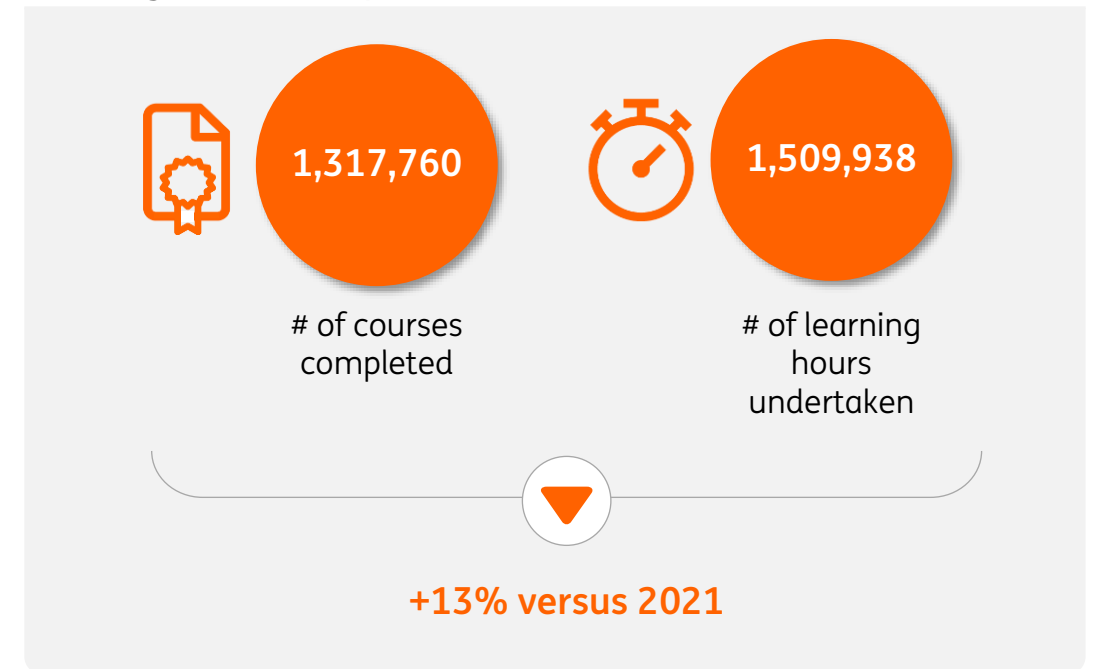
Our people benefit from a broad learning and development offering

- We want to effectively help employees to grow and develop their skills, so that both our people and our business have the capabilities that are relevant now and for the future.
- To facilitate this we provide a combination of role-based learning, leadership development programmes, mandatory group-wide learning on various topics including Orange Code, Compliance and KYC, as well as a rich global digital learning offer.

Our learning and development offering includes:

- Digital learning platforms including **Udemy Business**, which is our flagship offer to bring everyone unlimited access to on-demand, high-quality courses from leading instructors. Udemy offers self-paced digital learning on technical, business and personal skills.
- 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 or Analytics.
- Various **global Leadership programmes** support the effectiveness and development of our leaders and include tailored programmes for first-time leads, as well as global leadership accelerator programmes aligned to our domains.
- Our **sustainability learning and upskilling** approach is to educate employees about ING's sustainability priorities, with a focus on climate action and risk management, and enable colleagues to take sustainability into account in their daily work.

Training and development in 2022



Performance and personal development are actively managed

Step Up Performance Management

- Step Up Performance Management is our global performance management approach. It aims to improve people's individual performance and thereby team performance and ultimately ING's performance.
- Step Up Performance Management is one of our people practices that helps to increase focus, alignment and transparency. We do this through continuous conversations between managers, employees and teams. To support these conversations, there are three formal moments to discuss performance during the year: target setting, mid-year review and year-end evaluation.
- Employees are asked to set targets and perform against two dimensions:



Job Targets

What

The impact employees have in their daily work on an individual and team level, based on job targets and factors such as qualitative job description, dynamic planning and specific selected quantitative priorities.



Orange Behaviours

How

Via the Orange Behaviours we aim to increase the effectiveness in our jobs and steer personal development. We expect all employees to act in line with ING's Orange Code and the underlying behaviours to deliver on ING's purpose in a sustainable way.

- Employees are formally evaluated against these two dimensions during their mid-year review and year-end evaluation.
- 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.

Continuous employee feedback

- 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 their 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. The core OHI questionnaire is further enriched with questions on engagement, vitality, inclusion and other topics reflecting employees' day-to-day experiences at ING.
- 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. A full OHI was held in October 2022, with a record number of participants: over 41,000 people, or 69% of our total workforce. On a global level, more colleagues indicated that they had clarity on our strategy, shared ING's vision and felt included in decision-making. Risk management remained one of our strongest practices.
- 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 October 2023, and we will report on the results in our next annual report.

A landscape photograph showing a road with a blurred truck, yellow rapeseed fields, and several wind turbines under a blue sky. The text "ESG governance and risk management" is overlaid in a white box on an orange background.

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 to create a stronger connection between global and local activities.

ESG Sounding Board

- The ESG Sounding Board, comprised of senior leaders from across the organisation, helps guide the development and implementation of our strategy related to ESG topics, as well as monitoring and reporting on our progress.

ESG Risk Committee

- The ESG Risk Committee (ERC) is a standing committee at ING involved in matters related to ESG risk. It is the primary oversight committee for ESG risk matters such as ESG risk methodologies, ESG risk internal and external reporting, ESG Risk Framework, and the manner in which we address regulatory requirements related to ESG risk. The ERC oversees the management of ESG risk for ING Group.

How we manage ESG risk

- We take a holistic and integrated approach to ESG risk management. Embedding ESG risk within our organisation is an ongoing process and several specialist teams are involved across ING, including:

ESG Risk

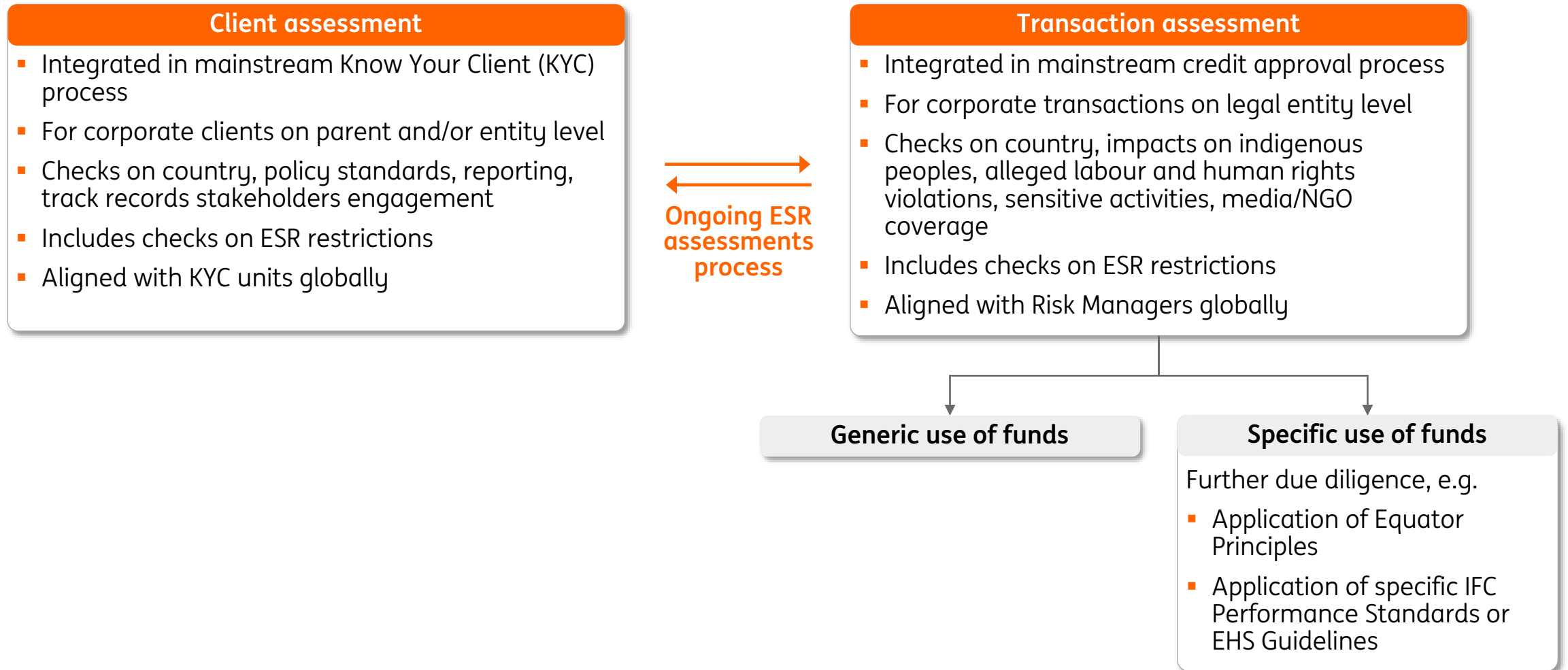
- The ESG Risk department is part of the Integrated Risk department and is responsible for:
 - Setting the group ESG Risk Framework and to initiate the cascading thereof to the local units.
 - Defining methodology standards for ESG risk. This includes the methodologies for risk identification, risk materiality assessment, risk quantification and risk measurements.
 - Setting and reporting on the ESG Risk Appetite Statements.
 - Preparing ESG risk-related disclosures.

Environmental and Social Risk (ESR)

- The Environmental and Social Risk (ESR) team is part of the second line of defense and is responsible for:
 - Setting policies for sensitive industry sectors.
 - Assessing transactions for reputational, 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).

Our Environmental and Social Risk (ESR) framework

Client and transaction screening through our ESR framework



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 framework is reviewed regularly, as we aim to ensure that 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 framework excludes certain activities from financing, such as in the Energy sector, and further restricts certain 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:

Energy sector restrictions

- Companies engaged in thermal coal power production and subsequent distribution to third 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 and midstream financing (lending or capital markets) for oil and gas fields approved for development after 31 December 2021

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



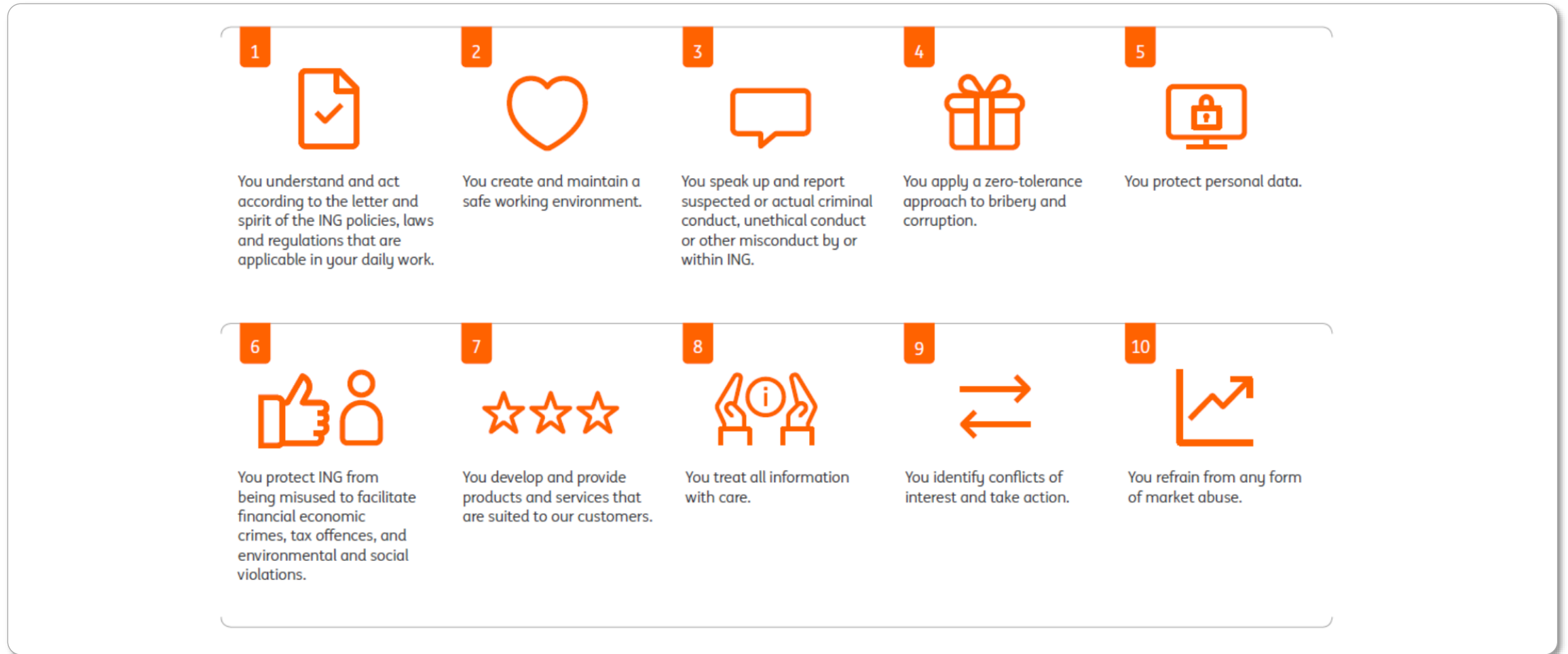
You help others to be successful



You are always a step ahead

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 Risk Culture & Behavioural Risk department helps us to mitigate potentially risky behaviour

Identifying and intervening in potentially risky behaviour

- Behavioural risk is when behavioural patterns lead to potential financial and non-financial risks that can impact ING's performance and risk profile.
- Risk Culture and Behavioural Risk supports the organisation in creating a safe and sound risk culture across the bank. This requires:
 - **Monitoring the progress of ING's risk culture** based on our risk culture maturity model.
 - Identifying areas within the bank prone to behavioural risk, **running behavioural risk assessments** and **developing interventions** to initiate behavioural change and mitigate identified risks.
 - **Creating and driving bank-wide learning programmes** that support training and development on risk areas through a comprehensive offering of learning modules and learning channels.

An example of a behavioural change intervention

What were the desired behaviours and culture?

- Fostering a culture where employees feel safe to speak up in a timely way.

How did we address it?

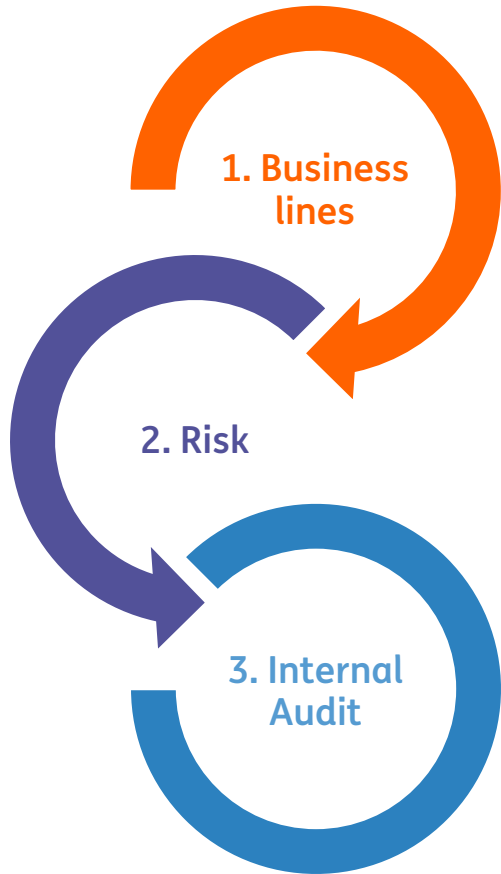
- Roundtables with managers on how to stimulate productive conversations and create the right conditions for teams to speak up, listen up and follow up.
- Communication and learning for all employees globally.
- Productive conversation toolkit for managers with best practices.

What did we achieve?

- Mutual understanding of what drives behaviours that block or accelerate the desired change.
- More productive conversations in meetings, committees and one-on-ones between managers and employees.

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 financial crime 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 conducted and finalised several assessments.
- Ongoing roll-out of global standards, systems and operations to support the KYC lifecycle, for example in: customer due diligence, transaction monitoring, and adverse media, name and transaction screening.
- ING's KYC approach is updated periodically. The key theme for the coming years is a move from operational risk management to a more risk-based and intelligence-led organisation.

Collaboration with third parties

- We support the efforts of the Dutch government to implement legal changes to increase the effectiveness of KYC/AML-processes while safeguarding the privacy of customers.
- 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.
- Since its inception in 2018, ING participates in the Europol Financial Intelligence Public Private Partnership (EFIPPP). EFIPPP is active in exploring legal gateways for information sharing, technical innovation and the development of financial crime threats and typologies.



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 2022 ING Group consolidated annual accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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