



**ING Groep N.V. Remuneration Policy**

**Supervisory Board April 2024**

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# 1. Introduction

The Supervisory Board of ING Group is responsible for supervising the policy of the Executive Board, and the general course of affairs of ING and the business connected with it. The Supervisory Board assists the Executive Board with advice.

ING's remuneration policies are aimed at enabling us to attract and retain a diverse population of leaders with the necessary skills, experiences and values and to ensure that their compensation reflects the roles, responsibilities and workloads of their jobs. Our objective is to ensure that the remuneration policy is designed and implemented in a gender-neutral manner.

As a bank, we play an important role for the economies and communities we operate in and the clients we serve and support. That role comes with the responsibility to deliver long term value to all our stakeholders and ensure that we remain a successful and resilient bank. In order to do this in the optimal way, we need the right strategy, organisation and brand position wherever we operate and we need to be able to attract and retain the right skills and expertise at all levels of the organisation.

ING competes in a global market for talent. We are a listed company, operating in the highly regulated financial industry. Because of the important role we play for the economy and society, senior leaders need to meet high standards in terms of experience and need regulatory approval. In practice our most relevant competition on the labour market consists of large European banks and other leading corporates and financial services companies. This approach is further explained in paragraph 2.2 *Market perspective*.

Our Supervisory Board remuneration approach aims to ensure that changes are managed in a balanced manner and take into consideration the views of stakeholders, which have been actively sought in preparing the update of the Supervisory Board remuneration policy.

The Supervisory Board strives to have a diverse composition with regard to gender, ethnicity, nationality, generation and competencies. The Supervisory Board remuneration policy aims to:

- Be simple, transparent and fair;
- Have remuneration levels in line with peers;
- Enable ING to attract qualified national and international Supervisory Board members;
- Align remuneration with responsibilities and time spent.

This document presents the remuneration policy for the Supervisory Board proposed to the Annual General Meeting ("AGM") of ING's shareholders for adoption in April 2024. Once adopted by the General Meeting the new Supervisory Board remuneration policy will be effective retroactively from 1 January 2024 until the 2028 AGM at the latest. The Supervisory Board remuneration policy will, once adopted, be disclosed in full on ING's corporate website. Furthermore, the Supervisory Board fees are disclosed in ING Group's Annual Report.

In the process of formulating the remuneration policy, the Supervisory Board consulted a broad group of stakeholders, representing regulators, shareholders, employees and customers and society at large. For the main outcomes that came up in the stakeholder consultation and our responses, we refer to the 2024 Executive Board remuneration policy, paragraph 1.2 *Stakeholder engagement*. The stakeholder feedback on the proposed policy changes for the Supervisory Board were overwhelming positive, including on the introduction in the policy of an annual indexation mechanism for Supervisory Board fees to facilitate more regular adjustments in line with the wider workforce salary increase percentage. It was also noted by stakeholders that the annual indexation factor should be determined independently and not with direct influence of the Supervisory Board. The wider workforce salary increase percentage as indexation factor aligns well with ING's profile of a leading European universal bank with global activities and will bring the fee levels more in line with peers and with the levels adequate to attract and retain qualified (international) Supervisory Board members.

## 2. Supervisory Board remuneration

### 2.1 Summary of proposed changes

The following policy changes are proposed to the existing policy from 2020:

Subject	Proposed change
Peer group	<ul style="list-style-type: none"><li>Maintain peer group guiding principles and increase sample from 16 to 20 companies by including two UK banks (maximum of 10% of peer group) and two additional European banks to align with ING's international profile and supervisory board talent markets.</li></ul>
Determination of fee levels and review process	<ul style="list-style-type: none"><li>Introduction of additional guideline factor for reviewing SB fee adjustments with reference to increases for Executive Board members within ING, which will be subject to approval of the General Meeting.</li><li>ING's current fee levels will remain part of the Supervisory Board remuneration policy but may be annually indexed based on the wider workforce salary increases within ING.</li></ul>

### 2.2 Market perspective

As often as appropriate, but at least every four years, the total fees of Supervisory Board members will be reviewed against comparable positions in the market. For this process, the Supervisory Board uses a benchmark similar to the benchmark proposed for the Executive Board, as determined from time to time by the Supervisory Board. The benchmark is based on the following peer group guiding principles:

Size	ING acknowledges the importance of including companies that are broadly comparable in terms of size and complexity
Governance framework	ING is subject to the Dutch (financial services) regulatory framework and operates within a Dutch stakeholder environment
Geography	ING is a leading European universal bank with a global presence and is headquartered in the Netherlands,
Talent market	ING is increasingly experiencing a cross-pollination of talent across sectors/industries, not limited to traditional banking competitors
Balancing	ING acknowledges the importance of not losing sight of relevant peer companies that do not match on the other criteria

In the benchmark exercise ING's position is for Supervisory Board member's fees to be below the median. The peer group will be disclosed annually in ING Group's Annual Report. The Supervisory Board intends to keep the peer group as stable as possible during the life of the policy. Each year the appropriateness of the selected companies will be assessed against the guiding principles, which will not change during this time. ING will continue to progress towards positioning the Supervisory Board fees just below the median.

### 2.3 Fees

Supervisory Board members receive fees for their service on the Supervisory Board as set out in the remuneration structure table below. The remuneration is awarded to the Supervisory Board members by

the General Meeting. The remuneration structure reflects the roles and responsibilities of individual Supervisory Board members.

The below factors will be taken into consideration when determining and differentiating fee levels:

- (1) the role the relevant Supervisory Board member fulfills;
- (2) complexity and time commitment per committee;
- (3) increases for Executive Board members within ING;
- (4) country of residence in order to compensate for travel time to attend the meetings in person.

The fee levels based on the 2020 Supervisory Board remuneration policy are presented in the table below. The fees of Supervisory Board members may be indexed annually based on the salary increases for the wider workforce within ING for that relevant year.<sup>1</sup> The Supervisory Board does not directly influence such increases and is not involved in determining the annual index percentage. The Supervisory Board retains discretion to adjust downwards the indexation percentage, as appropriate. The annual index of the fees will be presented in the relevant remuneration report and will be subject to that report's advisory vote.

Any adjustments in fee levels other than following from the indexation will be subject to the approval of the General Meeting.

Supervisory Board remuneration	Based on 2020 SB remuneration policy	Based on 2024 indexation*
<b>Annual remuneration</b>		
Chairperson Supervisory Board	125,000	131,700
Vice-chairperson Supervisory Board	95,000	100,100
Supervisory Board member	70,000	73,700
<b>Committee fees (annual amounts)</b>		
Chairperson committee	20,000	21,000
Member committee	10,000	10,500
<b>Attendance fees (per meeting)</b>		
Attendance fee outside country of residence	2,000	2,000
Attendance fee outside continent of residence	7,500	7,500

\*Amounts in euros. For display and administrative purposes the indexed figures are rounded down to nearest hundred.

All fees are paid out fully in cash. No variable remuneration is provided to ensure that the Supervisory Board members can maintain independence. The Supervisory Board members are not eligible for retirement benefits nor any other benefits in relation to their position on the Supervisory Board. Any changes in the fee levels will be presented in ING's Annual Report for the relevant year.

## 2.4 Expenses

Supervisory Board members are reimbursed for their travel and business related expenses incurred in their capacity as a Supervisory Board member.

<sup>1</sup> Included are all countries within the Eurozone where ING operates the full scope of banking services.

## 3. Contract information

### 3.1 Appointment and re-appointment

Supervisory Board members are appointed by the General Meeting. They are appointed for a standard term of four years and may be reappointed once for another four-year period. Supervisory Board members may subsequently be reappointed again for a period of two years, which appointment may be extended by at most two years. A reappointment after an eight-year period is explained in the report of the Supervisory Board. In any appointment or reappointment, the Supervisory Board profile should be observed.

### 3.2 Termination provisions

The Supervisory Board members do not have a notice period and no compensation is paid in the event of termination of appointment, other than standard fees payable for the period served up to the termination date.

## 4. Governance

The Supervisory Board is responsible for designing the Supervisory Board remuneration policy, proposing the policy for adoption to the General Meeting and implementing and evaluating the adopted policy. The General Meeting is responsible for determining the remuneration and other terms and conditions of appointment of the Supervisory Board members. We refer to the Supervisory Board charter available on ING's company website for more detail.

The Remuneration Committee of the Supervisory Board is responsible for submitting a clear and understandable proposal to the Supervisory Board concerning the Supervisory Board remuneration policy. In the performance of this task the Remuneration Committee receives input and support from the other Supervisory Board committees, such as the Risk Committee and the Audit Committee.

### 4.1 Conflict of interest

ING Group has a two-tier board structure consisting of the Executive Board and the Supervisory Board. The Supervisory Board acts independently of the Executive Board and therefore no conflicts of interest should arise. Furthermore, the way in which Supervisory Board members are rewarded – non-performance based remuneration fully in cash – strengthens the principle that Supervisory Board members can provide independent, objective stewardship of ING.

### 4.2 Periodic review

The Remuneration Committee is responsible for annually reviewing the Supervisory Board remuneration policy and making recommendations to the Supervisory Board on amendments to the Supervisory Board remuneration policy. By doing this, at least the following is taken into account:

- ING's benchmark position;
- stakeholders' views on remuneration; and
- regulatory requirements.

The Supervisory Board periodically reviews the Supervisory Board remuneration policy.

The Risk Committee will periodically review and may recommend any actions to be taken by the Supervisory Board regarding the establishment of a sound Supervisory Board remuneration policy without prejudice to the tasks of the Remuneration Committee. The Risk Committee and Remuneration Committee may jointly consider the outcomes of the review and any related recommended actions.

Following the periodic review, the Supervisory Board can propose amendments to the Supervisory Board remuneration policy to the General Meeting for adoption. In any event, the remuneration policy will be submitted to the General Meeting for adoption every four years.

### 4.3 Policy changes and derogation

If policy changes are proposed, a revised version of the new Supervisory Board remuneration policy will be submitted for adoption by the General Meeting before it becomes effective. Any new proposal will describe and explain all significant changes, as well as how it takes into account the views of stakeholders since the most recent vote on the remuneration policy. This includes shareholder discussions and votes that have taken place at AGM since adoption of this remuneration policy.

In exceptional circumstances the Supervisory Board may decide to temporarily derogate from any provision of the new Supervisory Board remuneration policy, always within the statutory limits and ultimately until a new remuneration policy is adopted by the General Meeting. Exceptional circumstances only cover situations in which a derogation is necessary to serve the long-term interests and sustainability of ING as a whole or to assure its viability.

In the event of a derogation the Supervisory Board will report the derogation to the next AGM and if applicable will propose changes to the applicable policy.

#### **4.4 Grandfathering**

The Supervisory Board will respect any agreements made between ING Group and the Supervisory Board members, if this complies with applicable rules and regulations and the terms were agreed prior to the implementation of the new Supervisory Board remuneration policy at the 2024 AGM.