



Green Bond Investor Presentation

ING Group Treasury Sustainability Management

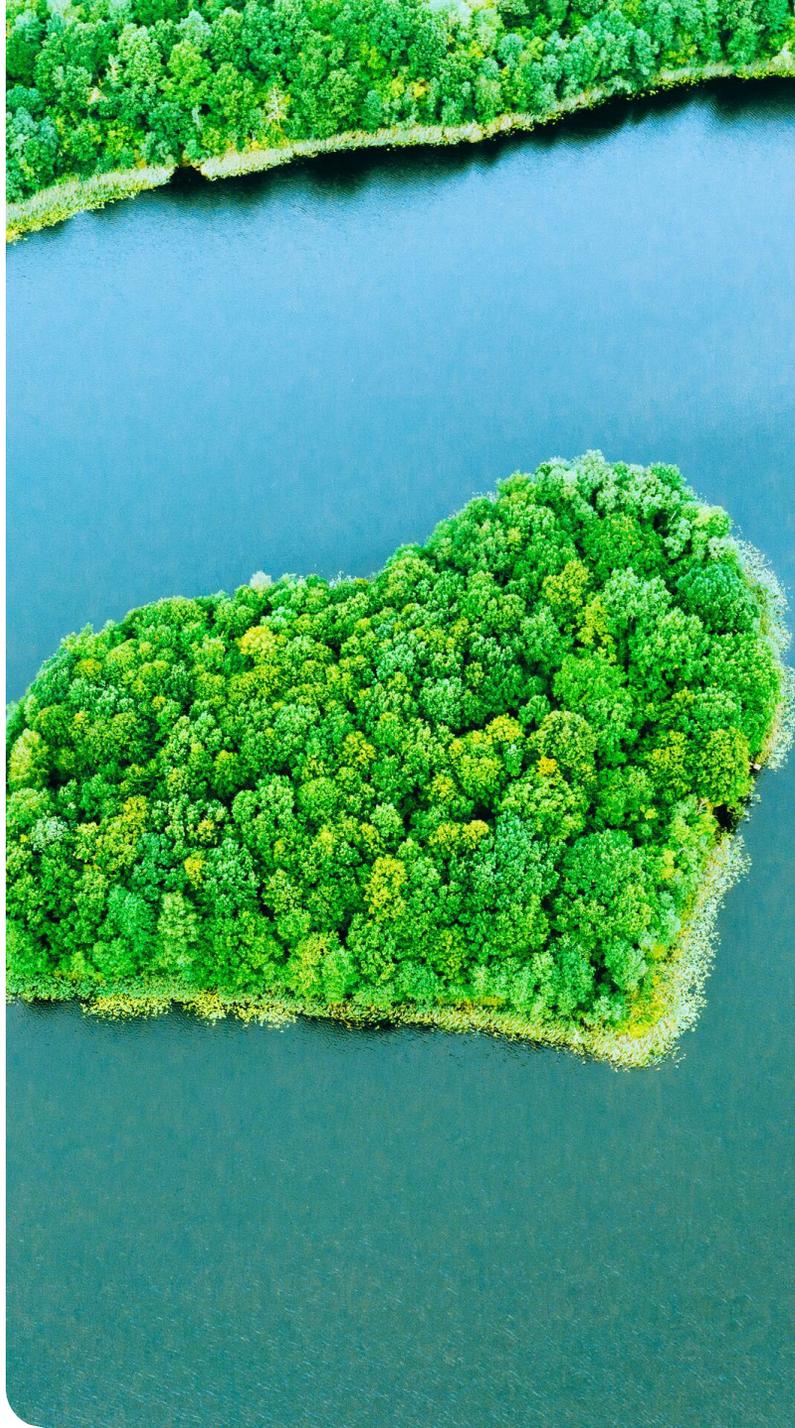
June 2024



do your thing

Content

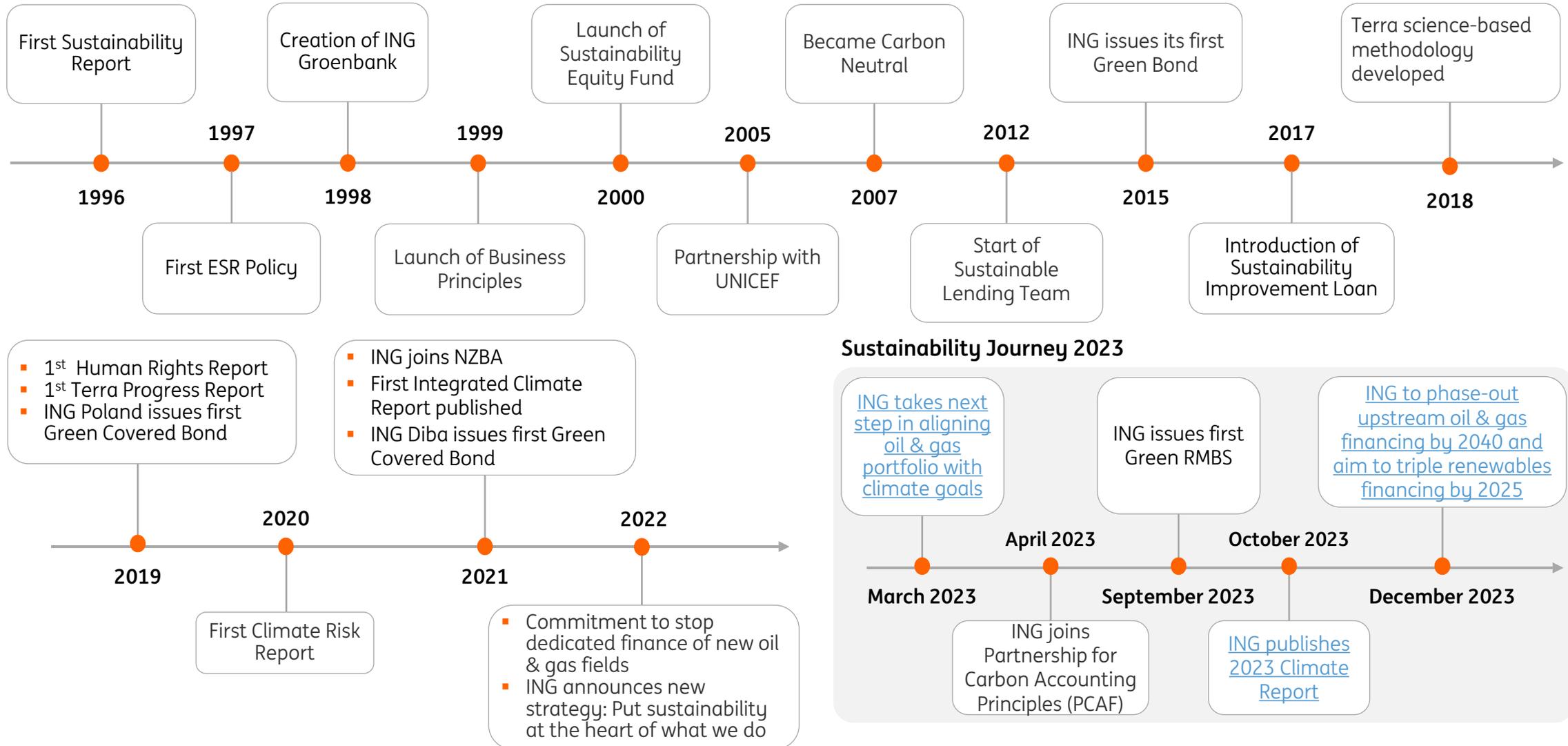
#	Item	Slide
1	Sustainability Strategy & ESG Governance	3 - 10
2	Sustainability Ambition	11 - 16
3	ESG Reporting	17 - 19
4	Advising & Financing the Transition	20 - 22
5	ING Green Bond Framework	23 - 34
6	External Engagement & recognition	35 - 37



An aerial photograph showing a solar farm installed in a lush, green forest. The solar panels are arranged in two main rows, with a smaller row above them. A dirt road winds through the forest, and a small white building is visible near the top row of panels. The surrounding trees are dense and vibrant green, with some pink blossoms visible on the right side.

Sustainability Strategy & ESG Governance

Sustainability has been on ING's agenda for decades



Our sustainability journey continues....

2024

- ✓ ■ ING published the first [Nature Approach Report](#)
- ✓ ■ ING published the [fifth Human Rights Report](#)
- 🎯 ■ ING aim to align with ECB's Guide on climate-related and environmental risk
- 🔄 ■ ING to publish the Global Green Funding Framework

2025

- ✓ ■ First CSRD report expected to be published by ING
- 🎯 ■ Ambition to annually [mobilise €125 bln](#) of financing for clients to transition to more sustainable business models¹

Next steps

- 🔄 ■ **Continuing to close data gaps:** ING has partnered with various external data providers and have launched internal initiatives to source data directly from our clients and suppliers.
- 🔄 ■ **Understanding and assessing interlinkages and dependencies:** Biodiversity loss is inextricably linked to climate change. ING aims to introduce further granularity in our biodiversity analysis, to give more insight into the sectors in our portfolio that are most dependent on, and most impacted by biodiversity.



Targets



Disclosure



Risk



Strategy

¹ For more information, please see [ING Climate Report 2023](#).

Sustainability at the heart of what we do

2023 Sustainability highlights

Mobilised¹ €115 bln in transition finance for transition finance
Compared to €101 bln in 2022

Supported 792 sustainability transactions
Compared to 491 in 2022

Diversity & Inclusion 31% women in senior management
Compared to 29% in 2022

Terra
On track for 2030 targets in 4 out of 9 sectors, close to on track for 7 out of 9

2025 Sustainability targets

€125 bln annually for Wholesale Banking²

Offer relevant sustainable financing in all countries and segments for Retail – Business Banking

> 30% women in the leadership pipeline

Terra medium-term sector targets for 2030³

1. We focus on [climate action](#)



- We lead by example by striving for net zero in our [own operations](#). We [steer the most carbon-intensive](#) parts of our portfolio towards reaching net zero by 2050.

2. We collaborate



- Working with clients to achieve their own sustainability goals, increasing our impact through [partnerships and coalition-building](#).

3. We manage



- We manage the most relevant [environmental and social risks](#) while fostering the protection of [biodiversity](#) and [human rights](#) across all of our relationships.

4. We empower



- We empower our employees to contribute to it all.

5. We are inclusive



- We're working to advance [financial health](#) and inclusion for our customers and [communities](#).

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.

¹ Volume mobilized for WB clients; 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 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 Climate Report 2023](#) | ² See Appendix 1 for Climate Action Targets | ³ Intermediate 2030 targets aligned with net zero pathways for the most-carbon intensive sectors covered by our Terra approach. Please see [Appendix 1](#) and [ING Climate Report 2023](#).

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 Sustainability

- The Head of Global 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

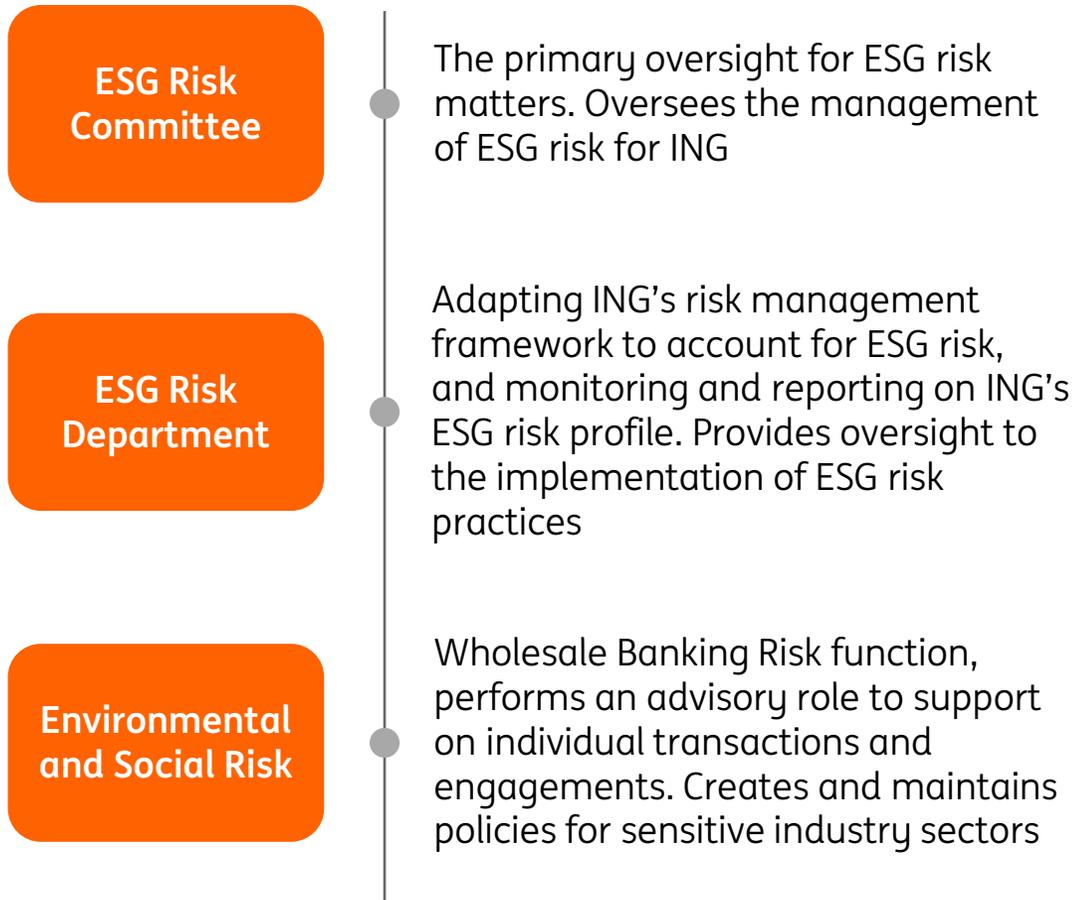
- ING has also created an ESG Sounding Board comprised of senior managers who will guide the development and implementation of our strategy for ESG topics, as well as monitoring and reporting on our progress.

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.

Managing ESG Risk

ESG Risk Governance



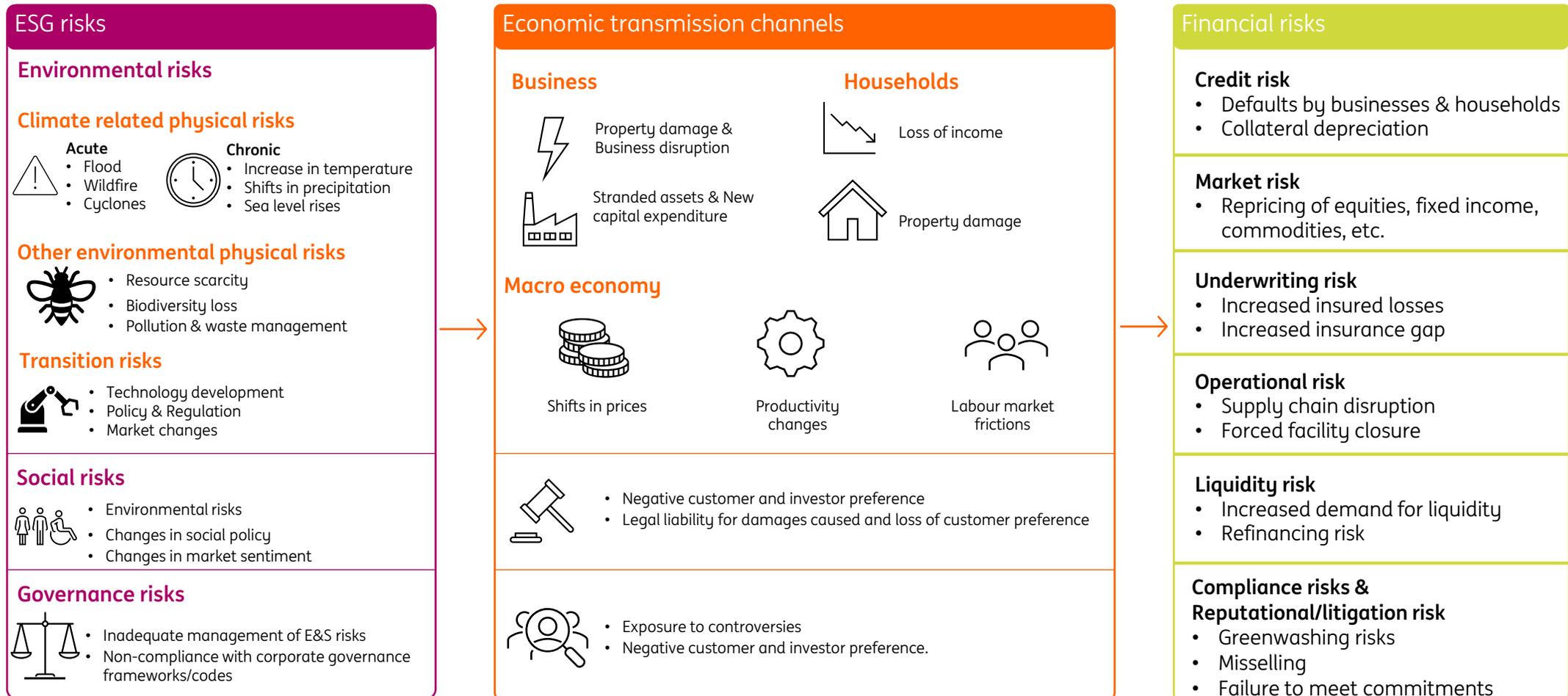
Managing ESG Risk

The ESG Risk Framework assists in managing ESG risk effectively through the application of risk management process at varying levels of the organisation. The risk management cycle describes the process by which ING can identify, access, measure, and monitor ESG risk integrated within the existing risk types.



Managing ESG Risk – ESG risk transmission channels

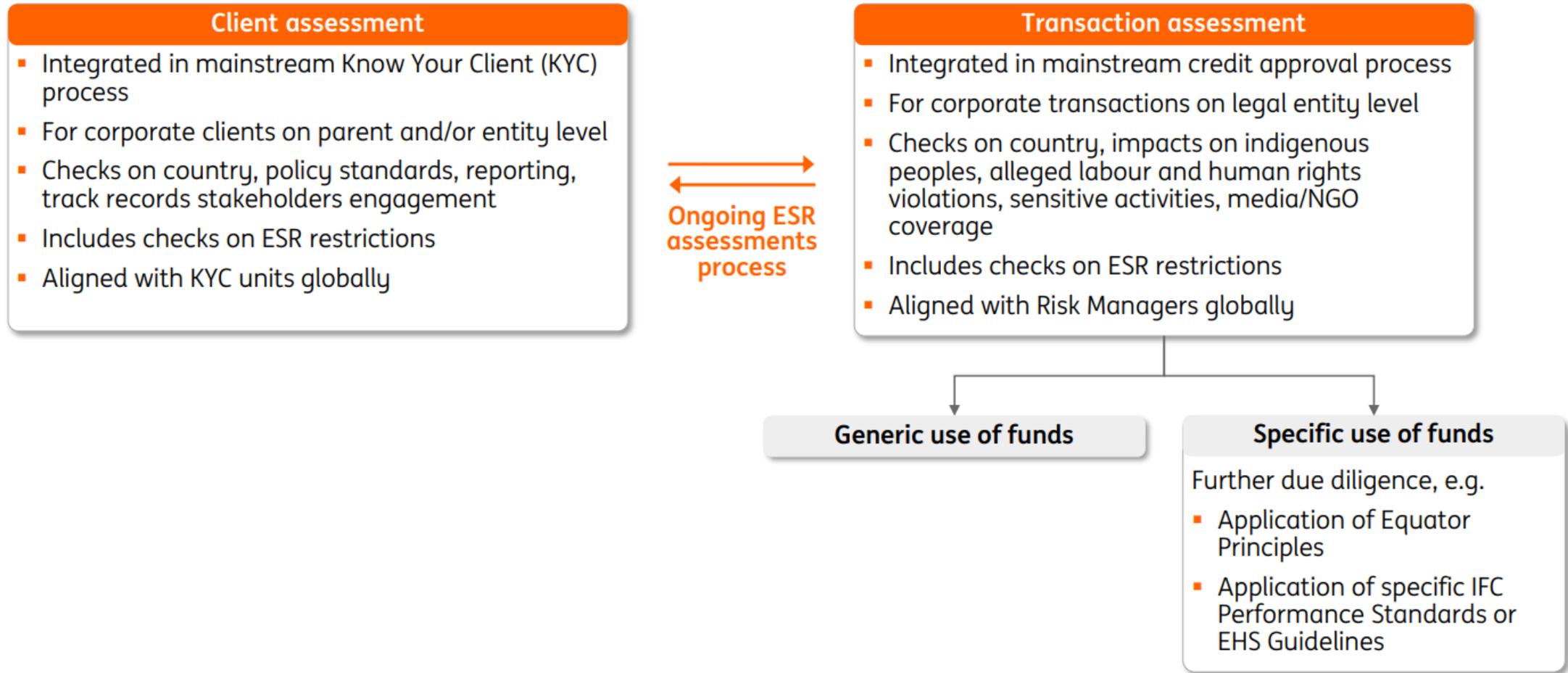
ESG factors (drivers of ESG risk) can lead to a negative financial and/or non-financial impact through a variety of transmission channels. Transmission channels refer to the causal chains that explain how the various risk drivers impact institutions through their own operations or business activities.



Source: Adapted from NGFS Climate Scenarios for central banks and supervisors, June 2020

For more information, please see [ING Groep N.V. Annual Report 2023](#) – ESG Risk Management

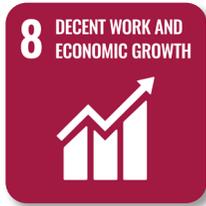
Our Environmental and Social Risk (ESR) framework



A photograph of a house with a wall completely covered in dense, vibrant green ivy. The house features a central white-framed doorway and two white-framed windows on either side. In the foreground, there is a well-manicured garden with various green plants and shrubs. An orange rounded rectangle is overlaid on the left side of the image, containing the text "Sustainability Ambition" in white.

Sustainability Ambition

Our focus SDGs¹ are reflected in ING's Sustainability Direction



Environment

Climate action

Empowering our clients²

- Aim to steer the most carbon-intensive parts of our lending portfolio towards net zero
- 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 various sustainability reporting standards

Improving our own footprint

- Reducing scope 1, 2 and 3 CO₂ emissions from our own operations
- Sustainable procurement standards

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

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

¹ Sustainable Development Goals (SDGs) set by the United Nations General Assembly

² 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

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

- Our ambition is to steer the most carbon intensive parts of towards net zero by 2050¹ 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



¹We have calculated our alignment with our target pathways based on the available data and the selected calculation methodologies and available scenarios. Our targets and alignment approach may be subject to change due to regulations, data availability and quality, pathway availability, methodology updates, changes (or lack thereof) in public policy and government action and/ or other developments affecting our clients, the sectors in which they operate or society as a whole. Similarly, our internal calculations may be restated or recalculated as a result of changes in methodologies or baselines due to regulations, data availability and quality, available pathways, or other changes that may occur and impact our alignment scoring.

Terra developments 2023: new objectives

Embedded in the business

Credit approval process enhanced to integrate climate action into Wholesale Banking commercial decision-making, supported with new tooling and dashboards.

Sector transition plans

Detailing the **client- and portfolio-level actions** that ING intends to take on the pathway to net zero, as well as what's necessary from other parts of society.

Oil & gas scope

Previously covering upstream O&G only, now Terra target for mid- & downstream too. ING will **speed up phasing out the financing of upstream oil and gas activities**. As a result, loans to upstream oil and gas activities will be reduced by 35% by 2030, which translates into a reduction of 50% absolute emissions financed linked to our upstream portfolio (scope 1, 2, and 3). By 2040 the financed emissions linked to our portfolio will be reduced to zero.

Corporate real estate scope

Previously covering Business Banking real estate financing in the Netherlands only, now the **global commercial real estate** book (covering ~73% of in-scope financing) is included under Terra.

Renewable energy

ING aims to **triple the financing of renewable power generation** to €7.5 bln annually by 2025, up from €2.5 bln in 2022. This follows the agreement made by governments at COP28 and the guidance provided by the IEA. Our new target, which is five years ahead of the COP28 guidance, replaces the previous target of increasing renewables financing by 50% by 2025 from the €1.5 bln base in 2021.

Setting new standards

ING is collaborating with RMI's Center for Climate Aligned Finance (CCAF) and three other banks on new methodology and framework for **aluminium sector**. ING's aluminium portfolio intended to be in scope of Terra before next report.

Business Banking

Increasingly in scope of Terra: we're expanding to **material subsectors in the Netherlands** (dairy farming, road transportation and inland shipping) as the first step in bringing the self-employed, micro-companies, small and medium-sized enterprises (SMEs) and mid-corporates into scope of Terra.

Data and methodology

ING has joined the **Partnership for Carbon Accounting Financials (PCAF)** in April 2023 with the intent to further enhance our measurement of financed emissions, working together with other financial institutions.

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	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%
	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	1.793	1.808	0.8%	0 *	0 *
				t CO ₂ / t steel	IEA NZE							
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%

* Target for alignment score.

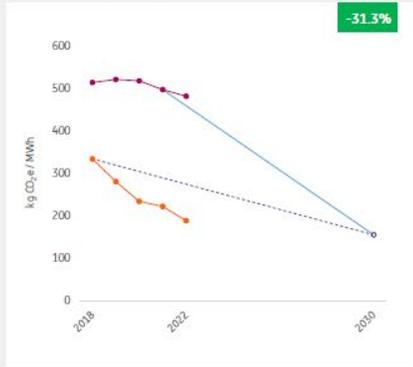
** CO₂ only, expected to increase due to methane (CH₄) data add-on.

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

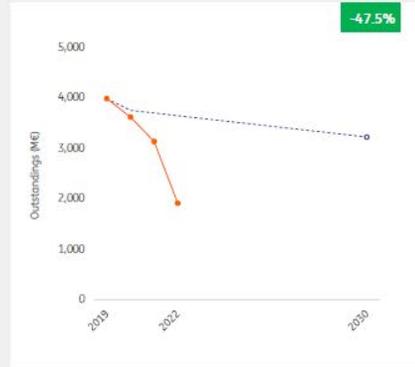
Terra: Climate Alignment Dashboard

Climate Alignment Dashboard until 2030

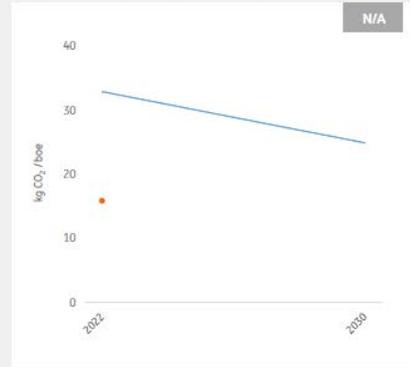
Power Generation



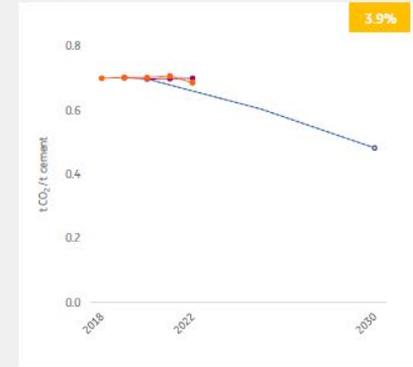
Oil & Gas: Upstream



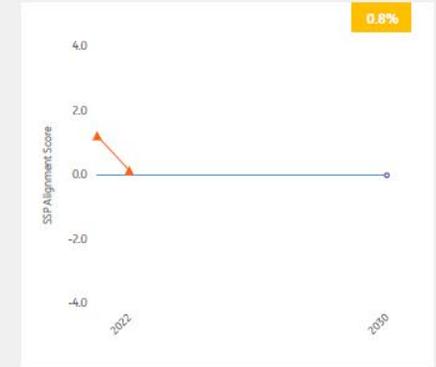
Oil & Gas: Mid- and Downstream



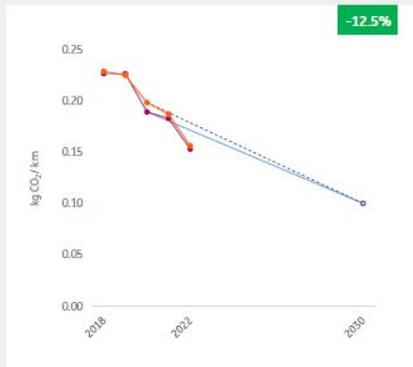
Cement



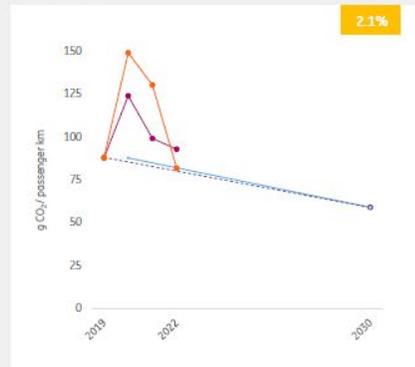
Steel



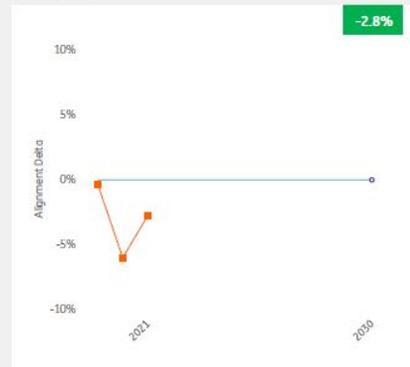
Automotive



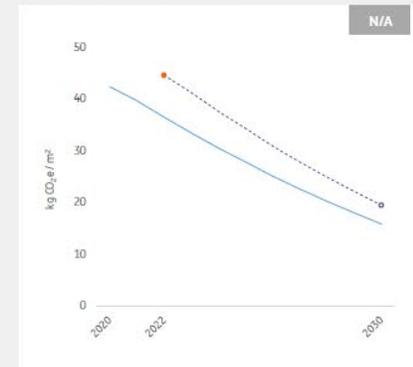
Aviation



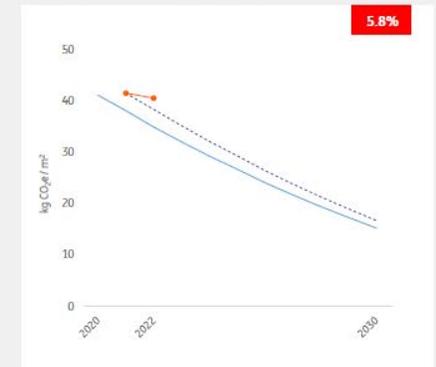
Shipping



Commercial Real Estate



Residential Real Estate



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

ESG Reporting



First publication of the ING Green Asset Ratio

In line with Article 8 of the EU Taxonomy Regulation European, banks are required to disclose their Green Asset Ratio (GAR) in the 2023 Annual Report¹.



For 2023, ING reported an eligibility ratio of 44%. These EUT eligible assets are used to calculate the EUT aligned assets and our GAR – where it shows the aligned assets as a percentage of the total assets in scope of the GAR



ING's GAR is 7% as per 31 December 2023²



ING's largest exposure is derived from private households. The EUT-aligned assets predominantly consist of residential mortgages in the Netherlands and Germany



The Residential Buildings Portfolio in the Green Bond Allocation report is aligned with ING's GAR reporting

ING's Green Asset Ratio Reporting

Summary of the main EU Taxonomy metrics - based on turnover			
€ bln	Gross carrying amount	EUT eligible	EUT aligned
Loans and advances, debt and equity securities other than held for trading using turnover KPI's			
Financial corporations	14.6	4.4	0.0
Non-financial corporations	12.4	3.7	1.1
Households	329.6	329.6	52.7
Local governments financing	0.1	0.07	0.04
Total assets in numerator and denominator of GAR	356.7	337.8	53.9
Assets excluded from the numerator, covered in the denominator			
EU financial and non-financial corporations, not subject to NFRD	181.7		
Non-EU financial and non-financial corporations	157.6		
Derivatives	22.8		
On demand bank loans	2.7		
Cash	1.6		
Other assets	51.2		
Total assets excluded from the numerator, covered in the denominator	417.6		
Total assets in the denominator (GAR)*	774.3		
Green Asset Ratio (GAR)			7%

*Total assets are defined according to the prudential consolidation of ING Group N.V. and are excluding loan loss provisions.

¹ For detailed descriptions of the methodology, definitions and scope of the EUT, please see the ESG Appendix in the [ING Groep N.V. Annual Report 2023](#)

² Regulation and interpretation of the EU Taxonomy are still evolving. This is demonstrated by the publication of the draft commission notice published by the European Commission on 21 December 2023. This notice contains FAQs clarifying the EU Taxonomy disclosure requirements for financial institutions. Due to the timing of the publication, not all FAQs have been taken into account in the preparation of our EU Taxonomy disclosures. This may result in fluctuations of our GAR going forward. The assets in the Green Bond Allocation Report 2023 are in line with ING's GAR reporting.

ING's regular ESG reporting



ING Annual Report

- In light of the Corporate Sustainability Reporting Directive (CSRD), ING has introduced a dedicated ESG chapter in the integrated annual report; categorising the sustainability areas we focus on as E (Environmental), S (Social) and G (Governance)



ING Climate Report

- ING's climate report shows how our financing impacts climate change and how climate change impacts our business. It includes our progress on steering the nine most carbon-intensive sectors in our loan portfolio towards global climate – the Terra Approach



Green Bond Reporting

- ING publishes its allocation of net proceeds of green liability instruments to the Eligible Green Loan portfolio (allocation report) and its associated positive impact – avoided emissions (impact report) annually



Additional ESG Pillar 3 Report

- The report features (i) a set of 10 quantitative templates disclosing climate-related risks and actions to mitigate them, together with exposure to green assets and (ii) qualitative information on the ESG strategies, governance and risk management arrangements with regard to ESG risk



ESG Presentation

- On an annual basis, ING Investor Relations publishes an ESG presentation highlighting the ESG achievements and developments within ING



Additional ESG Reports

- In 2022, ING published its first Human Rights Report
- In 2024, ING published the Nature Report explaining our ambitions, objectives, actions and methodologies with regards to the approach to nature

A photograph showing two workers in white t-shirts and khaki shorts installing solar panels on a red-tiled roof. The workers are positioned on a metal ladder or scaffolding. The solar panels are blue with a white grid pattern. The background is a clear blue sky.

Advising & Financing the Transition

ING sustainability product offerings



- Sustainable mortgages in Netherlands, Germany, Belgium, Italy, Romania, and Spain
- Renovation mortgage in the Netherlands.
- Tools and platforms that can support renovation efforts



- Instant sustainable loans for the self-employed and micro companies
- Tailor-made sustainable loans and lease solutions for SMEs and mid-corporates
- Sustainable loans, sustainable lease solutions and sustainability improvement loans are now offered in the Netherlands, Belgium, Romania, Poland, Türkiye and Luxembourg
- Tools and platforms that can support customers in their transition.



- Loan products: for loans such as sustainability-linked loans, green loans and scorecard transactions
- Capital markets products such as Sustainability linked/green commercial paper
- Sustainability-linked derivatives
- Transaction Services products
- Sustainable Investments
- Advisory for sustainable activities
- For more information, please see the annual report

Supporting our clients' transitions

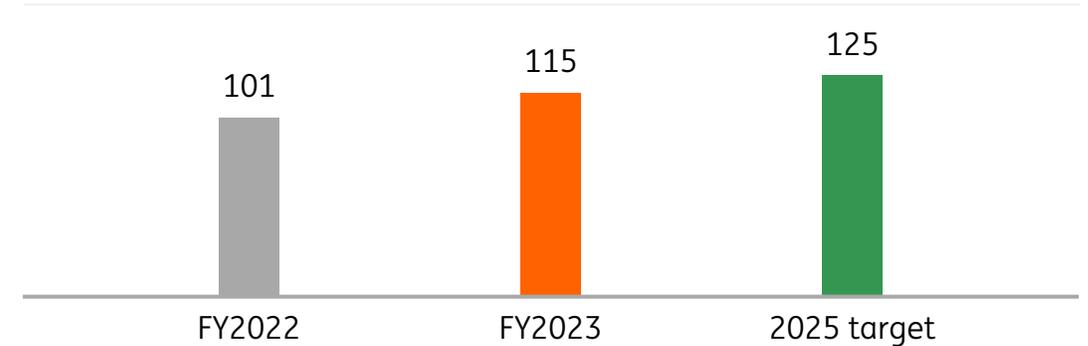
ING Wholesale Banking is well positioned to support financing that contributes to our clients' transitions to more sustainable business models

Deep sector expertise

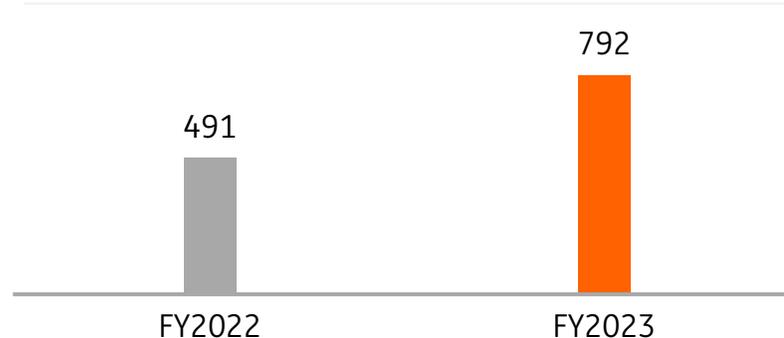
Pioneer in sustainability-linked loans since 2017¹

Assessment of client transition plans

Volume mobilised (in € bln)



Sustainability deals (#)



¹ See www.ingwb.com/en/sustainable-finance for more information.

² To support our Wholesale Banking clients with their sustainability efforts, we have set a target to mobilise €125 bln 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.

³ 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.



ING Green Bond Framework

ING is dedicated to its Green Bond franchise

Green Bond issuance objectives and added value

- Support meeting our sustainability objectives
- Fund growth in our Eligible Green Loan portfolio
- Continued leadership in the Green Bond market
- Support development of the Global Green Bond market
- Financing of new projects and channel investments to assets that have demonstrated climate benefits
- Funding diversification and de-risking benefits compared to conventional debt instruments

External consultants & providers

ISS ESG

CARBON TRUST

CFP GREEN BUILDINGS **DREES & SOMMER**

- **Second party Opinion provider**
- **Renewable energy consultant**
- **Green buildings consultant**

Recent Green Bond transactions

Year of Issuance	2021	2021	2021	2022	2022	2022	2023	2023	2024
Issuer	ING Groep N.V.	ING Groep N.V.	ING-DiBa AG	ING Groep N.V.	ING Groep N.V.	ING-DiBa AG	Green Lion 2023-1	ING-DiBa AG	ING Groep N.V.
Size / Currency	£800 mln	€500 mln	€1.25 bln	€1.5 bln	€1 bln	€1 bln	€850 mln	€1 bln	€1.25 bln
Tenor	8NC7	11NC6	7yr	4NC3	11NC6	8yr	4.9yr ¹	4.25yr	11NC10
Asset class	HoldCo Senior	Tier 2	Covered Bond	HoldCo Senior	Tier 2	Covered Bond	RMBS	Covered Bond	Holdco Senior

¹) Until the first optional redemption date

For the above specified bonds, a prospectus is available. For more information and the prospectus, please visit [Debt securities ING Groep N.V. | ING](#)

ING Green Bond Framework

- [Our Green Bond Framework](#)¹ was updated in 2022 and has been assessed by a [Second Party Opinion \(SPO\)](#) and is aligned with the ICMA Green Bond Principles 2021. The framework is presented through below four pillars:

1 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 & Germany



Commercial
Real Estate

Netherlands



Renewable Energy
(wind & solar)

Global

2 Project Evaluation and Selection

- Projects financed and/or refinanced through Green 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 ING [environmental and social policies](#)

3 Management of Proceeds

- The proceeds are managed in a portfolio approach, where relevant, bond-by-bond approach is also applied (e.g., Green RMBS)
- Level of allocation matches or exceeds the balance of net proceeds. The proceeds from Green Finance Instruments are allocated to an Eligible Green Loan Portfolio
- Unallocated net proceeds will be held in ING's treasury liquidity portfolio at ING's own discretion

4 Reporting

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

¹The Green Bond Framework will be updated to the Global Green Funding Framework in 2024. Publication is expected in Q3 2024.

Advising and financing our clients – Green Eligible Categories

- ING continues to fund companies and sectors that are helping the transition to a low-carbon economy. This includes funding projects that advance renewable energy, circular economy and help combat climate change.

Commercial Real Estate Sector

Our actions in support of clients & portfolio

- All buildings should have an 'A label energy equivalent' by 2030
- Assess the emissions intensity and climate impact of all new transactions
- Aim to increase low emissions intensity transactions and reduce high emissions intensity transactions
- Collect and assess the transition plans of our clients
- Continue and increase tangible initiatives to support our clients in their sustainability transitions
- Engage, challenge and support clients about their transition strategies

Retail Banking Netherlands Real Estate transition plan



Renewables

- The focus is on core technologies (solar, on/offshore wind and, selectively, geothermal), and a growing segment is battery storage, manufacturing, storage and ancillary services such as grid support
- ING aims to triple the financing of renewable power generation to €7.5 bln annually by 2025, up from €2.5 bln in 2022.

Residential Real Estate

- Financing energy-efficient homes and loans to make our customers' homes more sustainable in the Netherlands ([DBNL Sustainable housing](#))
- In Germany, we support our customers financing an [energy-efficient modernization of properties](#)

Use of Proceeds

ICMA GBP categories	Eligibility criteria	Contribution to UN SDGs	Contribution to EU Environmental objectives and economic activity ¹
Renewable Energy 	Financing or refinancing of production of renewable energy: <ul style="list-style-type: none"> ▪ Solar energy ▪ On- and offshore wind energy 	 	Substantial contribution to Climate Change Mitigation (Article 10) EU economic activities: <ul style="list-style-type: none"> ▪ (4.1.) Electricity generation using solar photovoltaic technology ▪ (4.3.) Electricity generation from wind power
Green Buildings  	Financing or refinancing new or existing buildings: <ul style="list-style-type: none"> ▪ Buildings built before 31 December 2020 with EPC label \geq 'A' ▪ Buildings built before 31 December 2020 belonging to the top 15% of the national building stock based on primary energy demand (PED)² ▪ Buildings built after 31 December 2020 with energy performance at least 10% better than the threshold for Nearly Zero-Energy Buildings ('NZEB') in the local market² ▪ Buildings that have been refurbished, resulting in a reduction of primary energy demand (PED) of at least 30% and validated through an Energy Performance Certificate ▪ Buildings that have been refurbished meeting the criteria for major renovations under applicable buildings regulations, new, existing or refurbished commercial buildings which received at least one of the following certifications: <ul style="list-style-type: none"> ▪ - BREEAM "Excellent" or above certification ▪ - LEED certification "Gold" and/or above ▪ - DGNB "Gold" or above certification ▪ - HQE "Excellent" and/or above ▪ - Other equivalent internationally recognised Green Building certification 	  	Substantial Contribution to Climate Change Mitigation (Article 10) EU economic activities: <ul style="list-style-type: none"> ▪ (7.2) Renovation of existing buildings ▪ (7.7.) Acquisition and ownership of buildings

¹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending regulation (EU) 2019/2088. [See here](#).

² ING may engage external consultants to define the top 15% and NZEB-10% in the context of the national building stock in the countries where any eligible green building assets are located. In countries where there is no definition of NZEB or there is no practical solution to implement NZEB, ING may choose to rely on the top 15% approach.

Project selection and management of proceeds

- Projects financed and/or refinanced through Green Bond proceeds are evaluated and selected based on compliance with the Eligibility Criteria

1 Compliance with the Eligibility Criteria

- ICMA Green Bond Principles categories
- EU Taxonomy Technical Screening Criteria
- Apply on a best-efforts basis as long as there are feasible practical applications in the geographies where ING's assets are located (in terms of local regulation)

2 Governance of Green Bond Framework

- ING has established a Sustainable ALM SteerCo to:
 - Review and update the Framework
 - Defining and evaluating the Eligibility Criteria
 - Oversee other governance processes

3 Environmental and Social Risk Management Policy (ESR)

- ING ensures that all eligible loans comply with official national and international environmental and social standards and local laws and regulations on a best effort basis
- ING's Environmental & Social Risk policies and transaction approval process ensure that loans comply with [environmental and social policies](#)

¹)As per ING Green Bond Allocation Report 2023

Management of proceeds

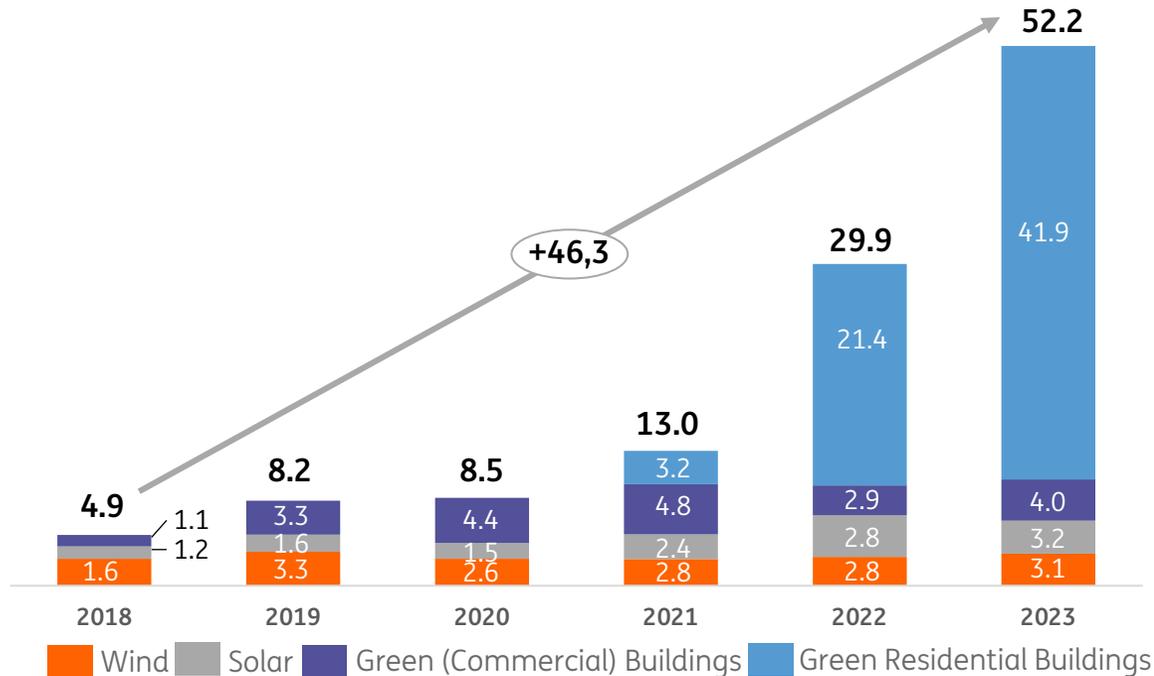
- Eligible Green Loan Portfolio allocation in FY2023:

Single pool of eligible green loans ¹	(€ bln)
Renewable energy	6.3
Green buildings (residential)	41.9
Green buildings (commercial)	4.0
Total Eligible Green Loan Portfolio	52.2
Of which: allocated amount	12.8
Of which: unallocated amount	39.4

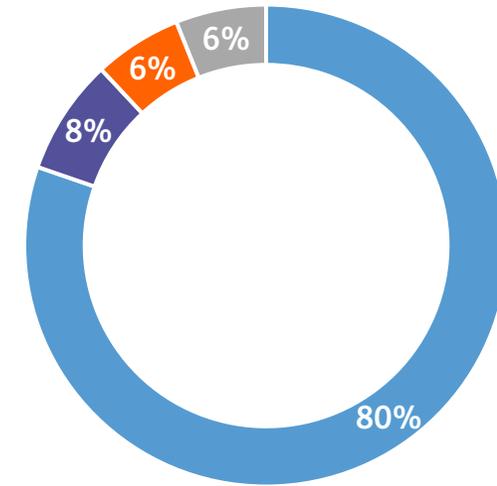


Continuous growth in Eligible Green Loan Portfolio

Total Eligible Green Loan Portfolio (in € bln)



Eligible Green Loan Portfolio by category in 2023 (in %)



■ Green Residential Buildings ■ Green Commercial Buildings ■ Wind ■ Solar

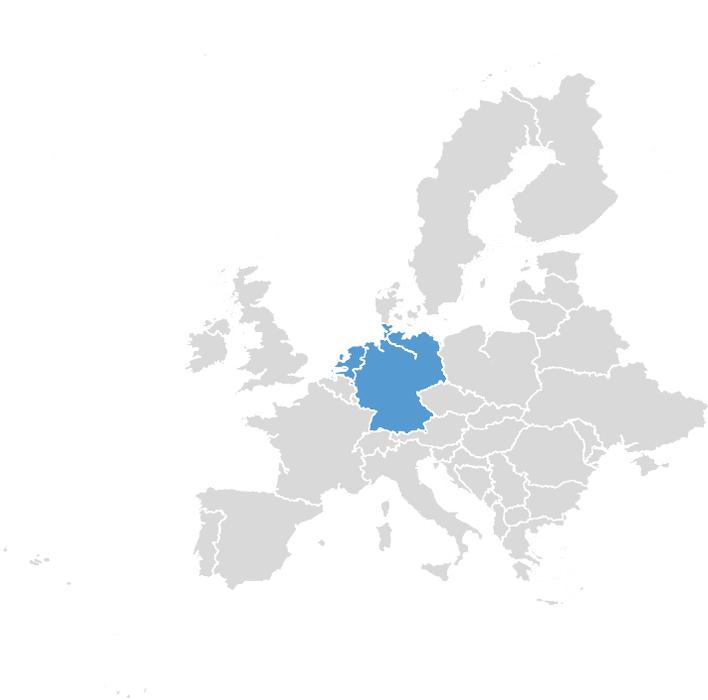
- ING's Eligible Green Loan Portfolio has increased by €46.3 bln, growing from €4.9 bln in 2018, to €52.2 bln in 2023.
- From 2021 onwards, Green Buildings are split between Commercial and Residential Buildings.
- In 2023, with the publication of ING's Green Asset Ratio (GAR) reporting, we have added the ING Germany's Green Residential Buildings in the portfolio.
- Green Residential Buildings shows both the Netherlands (€22.5 bln) and Germany (€19.4 bln).

- In 2023, the Eligible Green Loan Portfolio consists of renewable energy (wind and solar), green commercial buildings from the Netherlands, and green residential buildings from the Netherlands and Germany.
- In 2024 ING has announced the target to triple the financing of renewable power generation to €7.5 bln annually by 2025.

Green Eligible Green Assets – geographic overview

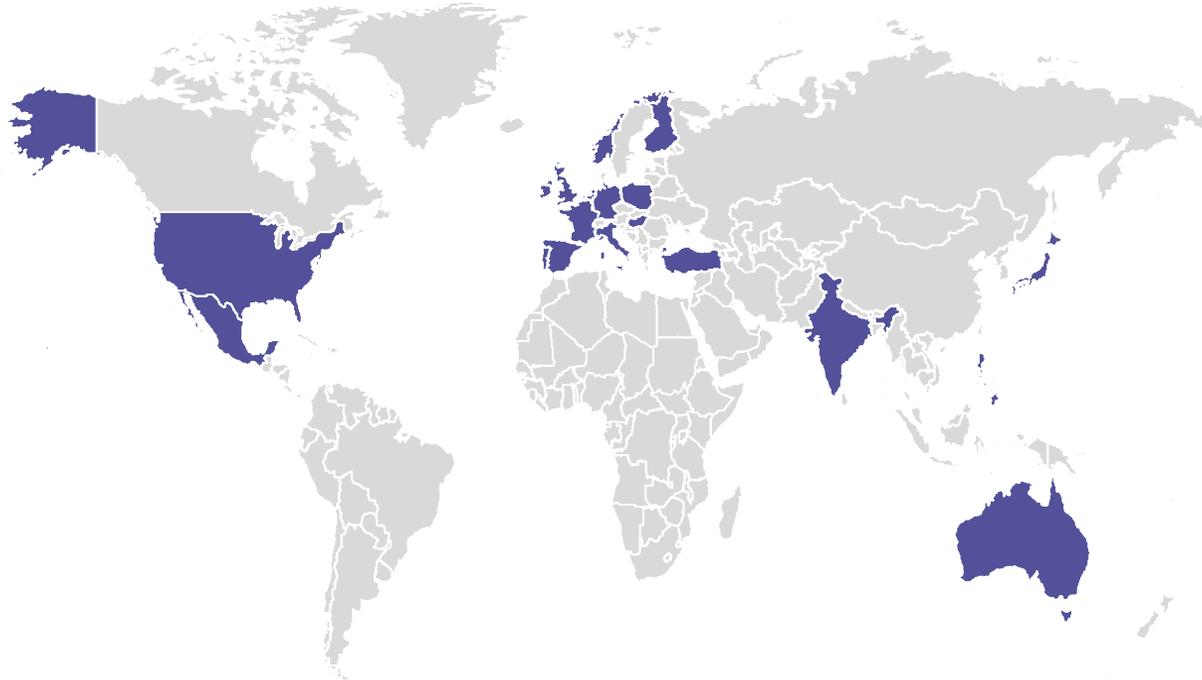
Green Buildings

Netherlands & Germany



Renewable Energy

Global Portfolio



For the detailed asset allocation breakdown, please see the ING Green Bond Allocation- and Impact Reports.

Allocation and Impact report: green residential buildings

Summary (the Netherlands) - FY2023



Total portfolio



Number of buildings/loans



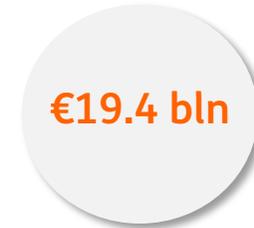
Building area



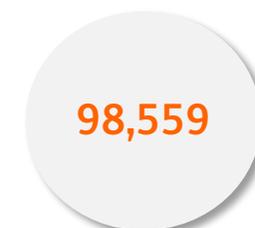
Annual avoided emissions



Summary (Germany) - FY2023



Total portfolio



Number of buildings/loans



Building area



Annual avoided emissions



- All Green Residential Buildings deliver a substantial contribution to Climate Change Mitigation following the EU Taxonomy definition aligned with ING's Green Assets Ratio reporting either by having an EPC class A rating or belonging to the top 15% of the national building stock expressed as operational PED or meeting the requirements for a PED lower than 10% threshold set for a Nearly Zero Energy Building (NZEB). The methodology paper for the Netherlands can be found on [the ING's Green Bond Website](#)
- Annual green house gas avoided emissions in Germany is determined by multiplying the final energy savings with the carbon emissions intensity. The methodology assessment and the specific eligibility criteria can be found in the Impact Report

¹Based on the calculated real energy consumption, the green residential buildings in the Netherlands has a CO₂ emission that is 31% lower than the reference

Allocation and Impact report: green commercial buildings

Summary - FY2023



Total portfolio



Number of buildings



Building area



Annual avoided emissions

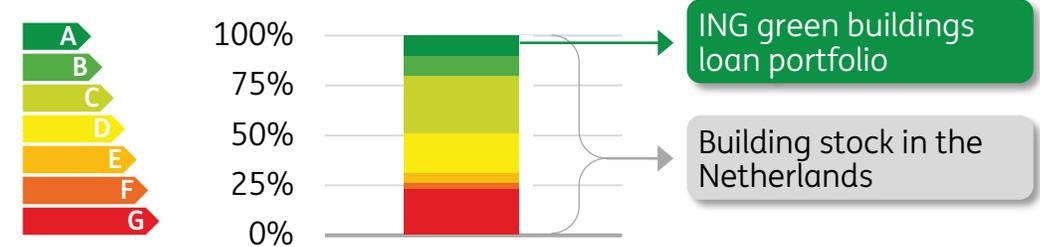
Conclusion

- Calculation of CO₂-emissions are in line with the recommendations of the Partnership for Carbon Accounting Financials (PCAF)
- Based on the calculated real energy consumption, the ING green commercial building portfolio has a CO₂-emission that is 20,749 tonnes per year lower than the reference, which is a difference of 11.3%

Use of Proceeds: green commercial buildings



- Based on the registered A energy labels, buildings in the ING green commercial building portfolio belong to the top 15% most energy-efficient buildings of the Dutch real estate market



Group composition of green commercial buildings

	#	Refurbished	New
Industry	282	201,493	209
Office	632	540,433	478
Retail	2,361	1,306,717	1,865
Residential	12,197	999,650	5,383
Other	1,368	957,709	987
Total	15,926	3,264,076	8,235

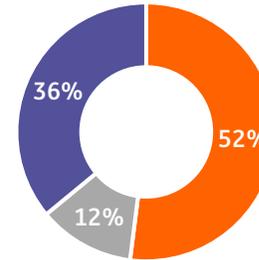
Allocation and Impact report: renewable energy

Summary – FY2023



<p>Total outstanding loan balance (€)¹</p> <p>€6.25 bln</p>	<p>Operational avoided emissions per euro invested in (kgCO₂e/€)</p> <p>1.2</p>
<p>Number of Eligible Projects</p> <p>227</p>	<p>Operational Attributed Avoided Emissions (tCO₂e)</p> <p>4.89 mln</p>
<p>Under Construction Expected Attributed Avoided Emissions (tCO₂e)</p> <p>2.77 mln</p>	<p>Total Attributed Avoided Emissions (tCO₂e)²</p> <p>7.67 mln</p>

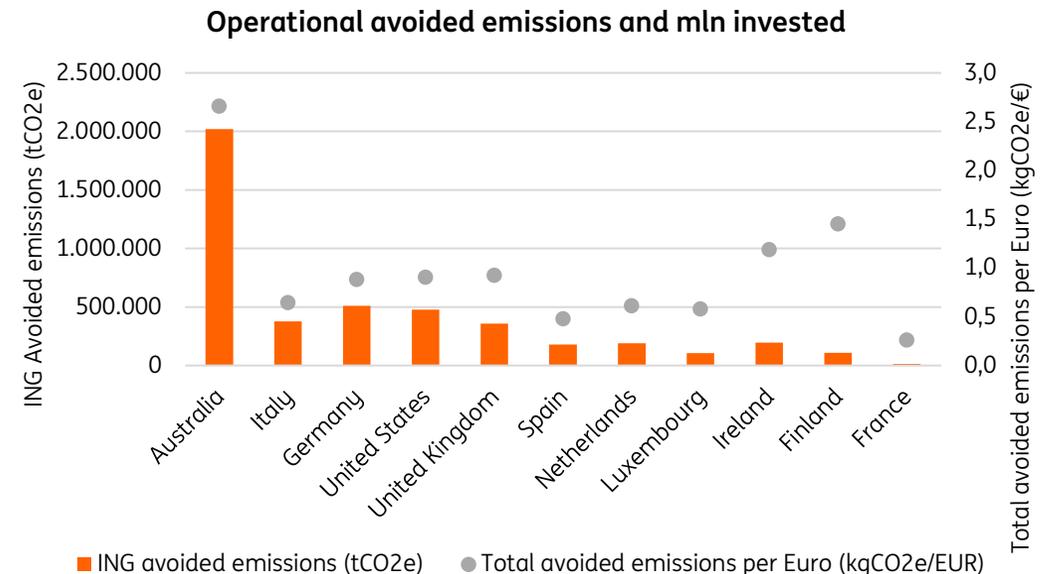
Avoided emissions by technology



Total avoided emissions (kton CO₂eq) (# of operational projects)

Wind onshore	2,544 (81)
Wind offshore	571 (13)
Solar	1,782 (71)

Avoided emissions (tCO₂e) and avoided emissions per euro invested (kgCO₂e/€) by project country³



¹ Includes projects that are operational and those under construction

² Total Attributed avoided emissions include both projects under construction (as expected) and operation projects, please see the Impact Report for the detailed breakdown.

³ Shows the avoided emissions relative to avoided emissions per Euro (kgCO₂e/EUR) for the top 10 countries by outstanding

Second Party Opinion

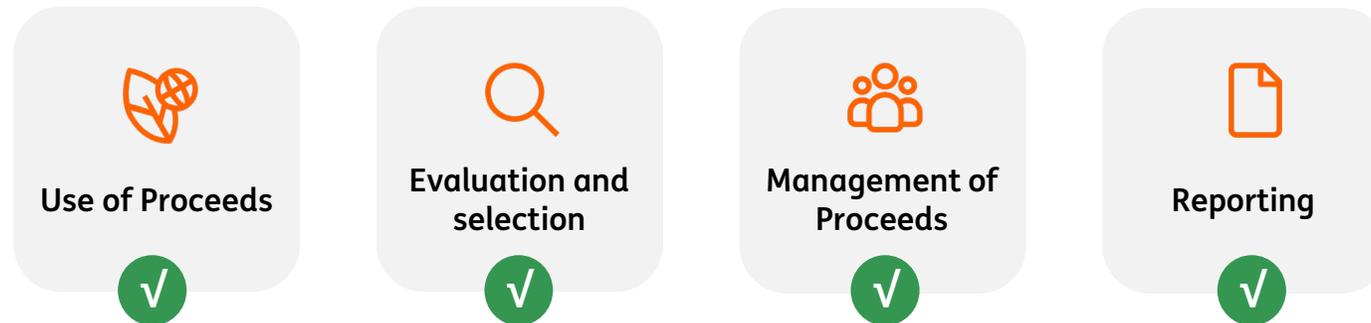


Opinion on ING Green Bond Framework¹

- ISS's overall evaluation of the Green Bond Portfolio by ING is positive
- ING Green Bond is in line with the Green Bond Principles
- Use of Proceeds significantly contribute to UN Sustainable Development Goals 7, 11 and 13
- The key sustainability objectives and the rationale for issuing Green Financial instruments are consistent

Opinion on sustainability performance

- ING is rated 11th out of 301 companies within the Commercial Banks & Capital Markets industry as of March 4rd 2022. This equates to a high relative performance, with a decile rank relative to industry group of 1, given that a decile rank of 1 indicates highest relative ESG performance out of 10



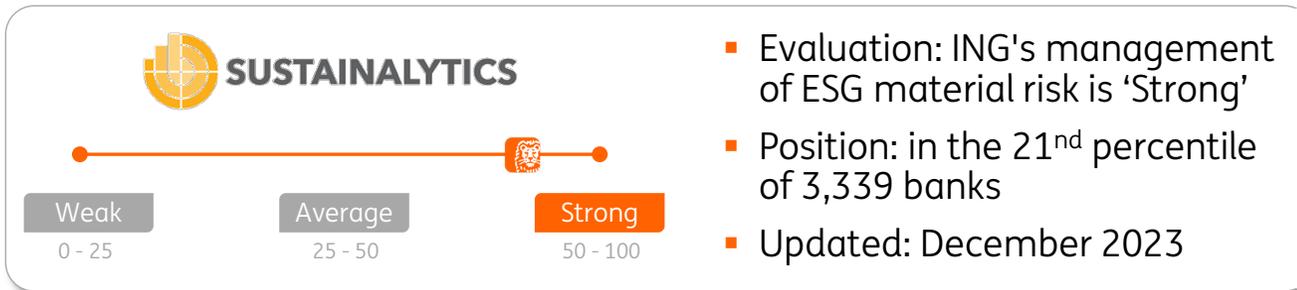
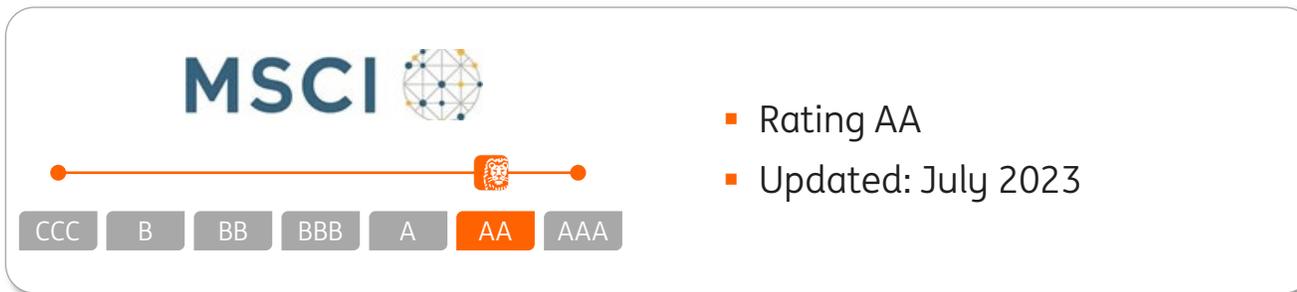
¹) ISS will be appointed to evaluate the new Global Green Funding Framework, to be published in Q3 2024.

An aerial photograph of a large solar farm. The ground is covered with rows of blue solar panels, each with a white grid pattern. Two workers are visible: one in the upper left and one in the center, both crouching and cleaning the panels. The central worker is wearing a white hard hat and a light-colored shirt. The overall scene is brightly lit, suggesting a sunny day.

External Engagement & recognition

External recognition of ING's commitment to ESG

ESG ratings ING Groep N.V.



Sustainability Index Products

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



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)
- 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)
- 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 (NZBA)
- Partnership for Carbon Accounting Financials (PCAF)



do your thing

Appendix 1 – Terra Approach – Climate Action Targets

Climate action targets			
	short-term	medium-term	long-term
Environmental Programme			
Net zero in all our buildings (owned and rented) worldwide		2035	
Scope 1 and scope 2 reduction of 90% (vs 2014)		2030	
Reduce CO ₂ e emissions by 75% (vs 2014) for scope 1, scope 2 and scope 3 business travel	2025		
Terra: steering our portfolios along path to net zero			
Alignment of all (sub)sectors in Terra scope with net zero by 2050 (long-term target for power generation is 2040)		2030	2050
Upstream oil & gas sector portfolio reduction target	2025	2030	2050
Oil & gas mid- and downstream sector operational emissions intensity reduction target in line with the IEA's NZE scenario		2030	2050
Sustainable finance			
Wholesale Banking: €125 billion annual volume of financing mobilised that contributes to clients' transitions to more sustainable business models	2025		
Business Banking: €2 billion of new annual production volume in sustainable finance	2025		
Retail Banking			
Sustainable alternatives for main retail products in all markets	2025		
Energy policy			
Restrict financing of coal-fired power generation to close to zero	2025		



Sector	Timeline	Target ambition level	Scenario	Last update
Power generation	2030, 2040	Net-zero	IEA NZE	2022
Oil and gas Upstream	2025, 2030, 2050	Net-zero	IEA NZE	2022
Oil and gas Mid- and Downstream	2030	Net-zero	IEA NZE	2023
Cement	2030, 2050	Net-zero	ISF-NZ	2022
Steel	2030, 2050	Net-zero	IEA NZE	2022
Automotive	2030, 2050	Net-zero	IEA NZE	2022
Aviation	2030, 2050	Net-zero	IEA NZE	2022
Shipping	2030, 2050	Well-below-2-degrees	Poseidon Principles	2022
Commercial real estate	2030, 2050	Net-zero	CRREM 1.5°C pathway	2023
Residential real estate	2030, 2050	Net-zero	CRREM 1.5°C pathway	2023

Important legal information (1/2)

Elements of this press release contain or may contain information about ING Groep N.V. and/ or ING Bank N.V. within the meaning of Article 7(1) to (4) of EU Regulation No 596/2014 ('Market Abuse Regulation').

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 2023 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) changes affecting interest rate levels (3) any default of a major market participant and related market disruption (4) changes in performance of financial markets, including in Europe and developing markets (5) fiscal uncertainty in Europe and the United States (6) discontinuation of or changes in 'benchmark' indices (7) inflation and deflation in our principal markets (8) changes in conditions in the credit and capital markets generally, including changes in borrower and counterparty creditworthiness (9) failures of banks falling under the scope of state compensation schemes (10) 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 (11) geopolitical risks, political instabilities and policies and actions of governmental and regulatory authorities, including in connection with the invasion of Russia into Ukraine and the related international response measures (12) legal and regulatory risks in certain countries with less developed legal and regulatory frameworks (13) prudential supervision and regulations, including in relation to stress tests and regulatory restrictions on dividends and distributions (also among members of the group) (14) ING's ability to meet minimum capital and other prudential regulatory requirements (15) changes in regulation of US commodities and derivatives businesses of ING and its customers (16) application of bank recovery and resolution regimes, including write down and conversion powers in relation to our securities (17) 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 (18) changes in tax laws and regulations and risks of non-compliance or investigation in connection with tax laws, including FATCA (19) 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 and including any risks as a result of incomplete, inaccurate, or otherwise flawed outputs from the algorithms and data sets utilized in artificial intelligence) (20) risks and challenges related to cybercrime including the effects of cyberattacks and changes in legislation and regulation related to cybersecurity and data privacy, including such risks and challenges as a consequence of the use of emerging technologies, such as advanced forms of artificial intelligence and quantum computing (21) changes in general competitive factors, including ability to increase or maintain market share (22) inability to protect our intellectual property and infringement claims by third parties (23) inability of counterparties to meet financial obligations or ability to enforce rights against such counterparties (24) changes in credit ratings (25) business, operational, regulatory, reputation, transition and other risks and challenges in connection with climate change and ESG-related matters, including data gathering and reporting (26) inability to attract and retain key personnel (27) future liabilities under defined benefit retirement plans (28) failure to manage business risks, including in connection with use of models, use of derivatives, or maintaining appropriate policies and guidelines (29) 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 (30) 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.

Important legal information (2/2)

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