OFFERING CIRCULAR DATED 26 FEBRUARY 2020

ING Groep N.V.
U.S.$ 750,000,000 4.875% Perpetual Additional Tier 1 Contingent Convertible Capital Securities

Issue Price of the Capital Securities: 100.00 per cent.

The U.S.$ 750,000,000 4.875% Perpetual Additional Tier 1 Contingent Convertible Capital Securities (the "**Capital Securities**") will be issued by ING Groep N.V. (the "**Issuer**"). The Capital Securities will constitute unsecured and subordinated obligations of the Issuer and shall rank *pari passu* and without any preference among themselves.

Interest on the Capital Securities will accrue on their principal amount from (and including) 28 February 2020 (the "**Issue Date**") to (but excluding) 16 November 2029 (the "**First Reset Date**") at an initial rate of 4.875 per cent. per annum, and will, subject as provided below, be payable semi-annually in arrear on 16 May and 16 November in each year, for the first time on 16 May 2020 (short first coupon). Interest on the Capital Securities shall accrue from (and including) the First Reset Date, at a rate, to be reset on each five-year anniversary thereafter, based on the aggregate of the Reset Reference Rate and 3.506 per cent. The Issuer may, in its sole discretion, elect to cancel the payment of interest on the Capital Securities, in whole or in part, which is otherwise scheduled to be paid on an Interest Payment Date or redemption date. Interest payments on the Capital Securities will be non-cumulative. See Condition 5.

If the Group CET1 Ratio has fallen below 7.00 per cent. (the "Trigger Event"), the Capital Securities shall be mandatorily and irrevocably converted into Ordinary Shares of the Issuer at the Conversion Price. The Trigger Event relates to the consolidated solvency level of the Issuer on which ING Bank N.V. (the "Bank") is supervised. See Condition 6.

The Capital Securities will be perpetual securities, have no fixed or final redemption date and holders of the Capital Securities (the "**Holders**") do not have the right to call for their redemption. Subject to satisfaction of certain conditions (as described herein) and applicable law, the Capital Securities may be redeemable (at the option of the Issuer) on (i) any calendar day during the six months period commencing on (and including) 16 May 2029 to (and including) the First Reset Date and (ii) any Interest Payment Date thereafter, in whole but not in part, in an amount equal to their principal amount together with any Outstanding Payments. In addition, upon the occurrence of a Tax Event or a Regulatory Event, the Capital Securities may be redeemed (at the option of the Issuer), in whole but not in part, in an amount equal to their principal amount together with any Outstanding Payments. See Condition 7.

Payments on the Capital Securities will be made free and clear of, and without withholding or deduction for, taxes of the Netherlands to the extent described under Condition 10.

Terms used but not otherwise defined in this Offering Circular shall have the same meaning as ascribed to them in the "*Terms and Conditions of the Capital Securities*".

This Offering Circular does not comprise a prospectus for the purposes of Article 3 of Regulation (EU) 2017/1129 (including any relevant delegated regulations) (the "**Prospectus Regulation**"). Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Capital Securities to be admitted to the Official List and trading on the Global Exchange Market of Euronext Dublin. This Offering Circular constitutes listing particulars for the purpose of such application and has been approved by Euronext Dublin. The Global Exchange Market is the exchange regulated market of Euronext Dublin and not a regulated market for the purposes of Directive 2014/65/EU ("**MiFID II**").

The denominations of the Capital Securities shall be $200,000 and integral multiples of $1,000 in excess thereof, up to and including $399,000. The Capital Securities will initially be represented by a temporary global capital security without interest coupons in bearer form (the "**Temporary Global Capital Security**"), which will be deposited with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") on the Issue Date. The Temporary Global Capital Security will be exchangeable for interests in a global capital security (the "**Global Capital Security**"), without interest coupons, on or after a date which is expected to be 8 April 2020, upon certification as to non-US beneficial ownership. Individual definitive Capital Securities in bearer form ("**Definitive Capital Securities**") will only be available in certain limited circumstances as described herein. See "*Summary of the Provisions Relating to the Capital Securities while in Global Form*".

The Capital Securities are expected upon issue to be rated Ba1 and BBB- by Moody's Investors Service Limited ("**Moody's**") and Fitch Ratings Limited ("**Fitch**"), respectively. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The credit ratings included or referred to in this Offering Circular have been issued by Moody's and Fitch, each of which is established in the United Kingdom (the "**UK**") and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

The Capital Securities are not intended to be offered, sold or otherwise made available and should not be offered, sold or otherwise made available to retail clients, as defined in the rules set out in MiFID II. Prospective investors are referred to the section headed "Prohibition on marketing and sales to retail investors" on pages 2 to 3 of this Offering Circular for further information.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Offering Circular.

This Offering Circular should be read and construed in conjunction with the Registration Document (as defined herein) in connection with the issue of the Capital Securities.

Joint Lead Managers and Joint Bookrunners

ING
(*Joint Global Coordinator*)

Morgan Stanley
(*Joint Global Coordinator*)

Credit Suisse

Goldman Sachs International

TD Securities

UniCredit Bank

Joint Lead Managers

BBVA

KBC

Lloyds Bank Corporate Markets Wertpapierhandelsbank

Mizuho Securities

Scotiabank

This Offering Circular is to be read in conjunction with all the documents which are incorporated herein by reference (see "*Important Information - Documents Incorporated by Reference*" below).

The Capital Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"), and the Capital Securities are subject to U.S. tax law requirements. Subject to certain exceptions, Capital Securities may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

EACH PURCHASER OF THE CAPITAL SECURITIES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS THE CAPITAL SECURITIES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED BY IT FOR THE PURCHASE, OFFER OR SALE BY IT OF THE CAPITAL SECURITIES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NEITHER THE ISSUER NOR THE MANAGERS SHALL HAVE ANY RESPONSIBILITY THEREFOR.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers (as defined in "*Subscription and Sale*" below) to subscribe or purchase, any of the Capital Securities. The distribution of this Offering Circular and the offering of the Capital Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. For a description of further restrictions on offers and sales of Capital Securities and distribution of this Offering Circular see "*Subscription and Sale*" below.

No person is authorised to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers. Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Capital Securities is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Managers have not separately verified the information contained in this Offering Circular and make no representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. Neither this Offering Circular nor any other financial statements are or should be considered as a recommendation by the Issuer or the Managers that any recipient of this Offering Circular or any other financial statements should purchase the Capital Securities. Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Offering Circular. This Offering Circular does not describe all of the risks of an investment in the Capital Securities. Each potential purchaser of Capital Securities should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Capital Securities should be based upon such investigation as it deems necessary.

Prohibition on marketing and sales to retail investors: The Capital Securities are complex financial instruments and are not a suitable or appropriate investment for all investors. In some jurisdictions, regulatory authorities have adopted or published laws, regulations or guidance with respect to the offer or sale of securities such as the Capital Securities to retail investors.

In particular, in June 2015, the UK Financial Conduct Authority (the "**FCA**") published the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015, which took effect from 1 October 2015 (the "**PI Instrument**").

In addition, (i) on 1 January 2018, the provisions of Regulation (EU) No. 1286/2014 on key information documents for packaged and retail and insurance-based investment products ("**PRIIPs**") became directly applicable in all EEA member states and (ii) the Markets in Financial Instruments Directive 2014/65/EU (as amended) ("**MiFID II**") was required to be implemented in EEA member states by 3 January 2018. Together the PI Instrument, PRIIPs and MiFID II are referred to as the "**Regulations**".

The Regulations set out various obligations in relation to (i) the manufacture and distribution of financial instruments and (ii) the offering, sale and distribution of packaged retail and insurance-based investment products and certain contingent write down or convertible securities such as the Capital Securities.

Potential investors in the Capital Securities should inform themselves of, and comply with, any applicable laws, regulations or regulatory guidance with respect to any resale of the Capital Securities (or any beneficial interests therein), including the Regulations.

The Issuer and the Joint Lead Managers are required to comply with the Regulations. By purchasing, or making or accepting an offer to purchase, any Capital Securities (or a beneficial interest in such Capital Securities) from the Issuer and/or the Joint Lead Managers, each prospective investor represents, warrants, agrees with and undertakes to the Issuer and each of the Joint Lead Managers that:

1. it is not a retail client (as defined in MiFID II) in the EEA or in the UK;

2. whether or not it is subject to the Regulations, it will not:

   (a) sell or offer the Capital Securities (or any beneficial interest therein) to retail clients (as defined in MiFID II) in the EEA or in the UK; or

   (b) communicate (including the distribution of this Offering Circular) or approve an invitation or inducement to participate in, acquire or underwrite the Capital Securities (or any beneficial interests therein) where that invitation or inducement is addressed to or disseminated in such a way that it is likely to be received by a retail client in the EEA or in the UK (in each case as defined in MiFID II),

   in any such case other than (i) in relation to any sale or offer to sell Capital Securities (or any beneficial interests therein) to a retail client in or resident in the UK, in circumstances that do not and will not give rise to a contravention of the PI Instrument by any person and/or (ii) in relation to any sale or offer to sell Capital Securities (or any beneficial interests therein) to a retail client in any EEA member state, where (a) it has conducted an assessment and concluded that the relevant retail client understands the risks of an investment in the Capital Securities (or such beneficial interests therein) and is able to bear the potential losses involved in an investment in the Capital Securities (or such beneficial interests therein) and (b) it has at all times acted in relation to such sale or offer in compliance with MiFID II or, to the extent MiFID II does not apply to it, in a manner which would be in compliance with MiFID II if it were to apply to it; and

3. it will at all times comply with all applicable laws, regulations and regulatory guidance (whether inside or outside the EEA or the UK) relating to the promotion, offering, distribution and/or sale of the Capital Securities (or any beneficial interests therein), including (without limitation) any such laws, regulations and regulatory guidance relating to determining the appropriateness and/or suitability of an investment in the Capital Securities (or any beneficial interests therein) by investors in any relevant jurisdiction.

Where acting as agent on behalf of a disclosed or undisclosed client when purchasing, or making or accepting an offer to purchase, any Capital Securities (or any beneficial interests therein) from the Issuer and/or the Joint Lead Managers the foregoing representations, warranties, agreements and undertakings will be given by and be binding upon both the agent and its underlying client.

Prohibition of Sales To EEA and UK Retail Investors - The Capital Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II). Consequently, no key information document required by PRIIPs for offering or selling the Capital Securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Capital Securities or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under PRIIPs.

Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Capital Securities has led to the conclusion that: (i) the target market for the Capital Securities is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Capital Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Capital Securities (a "**distributor**") should take into consideration the manufacturers' target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Capital Securities (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Unless otherwise specified or the context requires, references to "**USD**", "**U.S.$**", "**$**" and "**U.S. dollars**" are to United Sates dollars and references to "**EUR**", "**Euro**" and "**€**" are to euro, which means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community. References to "**ING Bank**" or the "**Bank**" are to ING Bank N.V.

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore - In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Securities as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

In connection with this issue of Capital Securities, ING Bank N.V. (the "**Stabilising Manager**") (or persons acting on behalf of any Stabilising Manager) may over-allot Capital Securities or effect transactions with a view to supporting the market price of the Capital Securities at a level higher than that which might otherwise

prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Capital Securities is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Capital Securities and 60 days after the date of the allotment of the Capital Securities. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager (or person(s) acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

TABLE OF CONTENTS

RISK FACTORS 6

IMPORTANT INFORMATION 36

FORWARD-LOOKING STATEMENTS 37

OVERVIEW 38

TERMS AND CONDITIONS OF THE CAPITAL SECURITIES 44

SUMMARY OF PROVISIONS RELATING TO THE CAPITAL SECURITIES WHILE IN GLOBAL FORM 85

DESCRIPTION OF THE ORDINARY SHARES 88

USE OF PROCEEDS 89

TAXATION 90

SUBSCRIPTION AND SALE 95

GENERAL INFORMATION 101

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Capital Securities. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Capital Securities are also described below.

The Issuer believes that the factors described below represent risks inherent in investing in the Capital Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Capital Securities may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Capital Securities are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

*Capitalised terms used herein shall, unless otherwise defined, have the same meanings as in the terms and conditions of the Capital Securities (the "**Conditions**") set out elsewhere in this Offering Circular or in the Registration Document incorporated by reference herein.*

Each prospective investor in the Capital Securities should refer to the section headed "Risk Factors" in the Registration Document (as supplemented) for a description of those factors which could affect the financial performance of the Issuer and thereby affect the Issuer's ability to fulfil its obligations in respect of the Capital Securities.

Factors that may affect the Issuer's ability to fulfil its obligations under the Capital Securities

For a description of the risks associated with the Issuer and the Group, see the section entitled "*Risk Factors*" starting on page 6 of the Registration Document of the Issuer dated 29 March 2019 (as amended by the amendments to the registration document of the Issuer set out in the supplements under the Issuer's €70,000,000,000 Debt Issuance Programme dated 3 May 2019, 5 August 2019, 1 November 2019 and 7 February 2020, respectively, the "**Registration Document**"), incorporated by reference herein (in the case of the supplements to the extent containing amendments to the Issuer's registration document).

Factors which are material for the purpose of assessing the risks associated with the Capital Securities

1 The Capital Securities are complex financial instruments that involve a high degree of risk and may not be a suitable investment for all investors.

The Capital Securities are complex financial instruments that involve a high degree of risk. As a result, an investment in the Capital Securities and the Conversion Shares issuable following a Trigger Event will involve certain increased risks. Each potential investor in the Capital Securities must determine the suitability (either alone or with the help of a financial adviser) of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Capital Securities, the merits and risks of investing in the Capital Securities and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Capital Securities and the impact the Capital Securities will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Capital Securities, including where the currency for principal or interest payments is different from the potential Investor's Currency (as defined in "*40. Exchange rate risks and exchange controls*") and the possibility that the entire principal amount of the Capital Securities could be lost, including following the exercise by the relevant resolution authority of any bail-in power;

(iv) understand thoroughly the terms of the Capital Securities, such as the provisions governing the Conversion (including, in particular, the calculation of the Group CET1 Ratio, as well as under what circumstances a Trigger Event will occur), and be familiar with the behaviour of any relevant financial markets, including the possibility that the Capital Securities may become subject to write-down or conversion or expropriation if any bail-in power is exercised; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Capital Securities which are complex financial instruments unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Capital Securities will perform under changing conditions (including the likelihood of the Conversion into Conversion Shares), the resulting effects on the value of the Capital Securities, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Offering Circular or incorporated by reference herein.

2 The Capital Securities have no scheduled maturity and Holders do not have the right to cause the Capital Securities to be redeemed or otherwise accelerate the repayment of the principal amount of the Capital Securities except in very limited circumstances.

The Capital Securities are perpetual securities and have no fixed maturity or fixed redemption date and are not redeemable at the option or election of the Holders. Accordingly, the Issuer is under no obligation to repay all or any part of the principal amount of the Capital Securities, it has no obligation to redeem the Capital Securities at any time and Holders have no right to call for their redemption or otherwise claim for the repayment of the principal amount of the Capital Securities (except in the very limited circumstances following the liquidation (upon dissolution or otherwise), moratorium of payments or bankruptcy of the Issuer where they have a claim as described under Conditions 3 and 9). Therefore, Holders will receive or realise a cash amount with respect to their investment of principal only (i) if the Issuer at its option redeems the Capital Securities in accordance with their terms and applicable law (which would require the Issuer to obtain prior permission from the Competent Authority), (ii) by selling their Capital Securities or, following the occurrence of a Trigger Event and the issue and delivery of Conversion Shares, their Conversion Shares or (iii) in the liquidation, moratorium of payments or bankruptcy of the Issuer (and, in the case of paragraphs (ii) and (iii) above, the cash amount received or realised may be less than the principal amount of the Capital Securities). See "*26. The Issuer may redeem the Capital Securities at its option in certain situations.*" for additional information on the Issuer's ability to redeem the Capital Securities.

3 The Issuer's obligations under the Capital Securities are subordinated, and the rights of the holders of Conversion Shares will be further subordinated upon conversion into Conversion Shares.

The Issuer's obligations under the Capital Securities will be subordinated to all of the Issuer's existing and future obligations under Senior Instruments.

In the event of the liquidation (upon dissolution (*ontbinding*) or otherwise), moratorium of payments (*surseance van betaling*) or bankruptcy (*faillissement*) of the Issuer (each a "**Liquidation Event**") that occurs prior to a Trigger Event, the Capital Securities will be subordinated to Senior Instruments of the Issuer and rank *pari passu* with all Parity Instruments of the Issuer. In the circumstances described above, the amount of any claim in respect of each Capital Security shall be its principal amount. By virtue of such subordination, payments (if any) to the Holders and Couponholders will, in the case of a Liquidation Event, only be made after all payment obligations of the Issuer in respect of Senior Instruments have been satisfied. Also see "*4. There is no restriction on the amount or type of further securities or indebtedness that the Issuer or its subsidiaries may issue, incur or guarantee. No limitation on issuing pari passu or senior securities*." below.

In addition, as further described below under "*12. Loss absorption following a Trigger Event. The Capital Securities will be subject to Conversion following the occurrence of a Trigger Event, in which case the Capital Securities will be converted into Ordinary Shares, and upon the occurrence of such an event Holders could lose all or part of the value of their investment in the Capital Securities.*", if a Trigger Event occurs, the Capital Securities shall be converted into Ordinary Shares. All of the Issuer's obligations under the Capital Securities shall be irrevocably and automatically discharged by the Issuer's issuance of the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient). If a Liquidation Event occurs after a Trigger Event, but before the relevant Conversion Shares to be issued and delivered to the Conversion Shares Depository (or to the relevant recipient) have been so issued and delivered, each Holder of a Capital Security shall have a claim (in lieu of any other payment by the Issuer) for the amount, if any, it would have been entitled to receive if the Conversion relating to such Trigger Event had occurred, and the relevant number of Conversion Shares to which such Holder would have been entitled had been delivered to such Holder, immediately prior to the Liquidation Event. Each Holder will be effectively further subordinated due to the change in its status from (in case of a Liquidation Event occurring prior to a Trigger Event) being the holder of a debt instrument ranking ahead of holders of Ordinary Shares to (in case of a Liquidation Event occurring after a Trigger Event) being the holder of Ordinary Shares or being entitled to delivery of Ordinary Shares as evidenced by the Capital Security. As a result, upon the occurrence of a Trigger Event, the Holders could lose all or part of their investment in the Capital Securities irrespective of whether the Issuer has sufficient assets available to settle what would have been the claims of the Holders of the Capital Securities or other securities subordinated to the same extent as the Capital Securities, in proceedings relating to a Liquidation Event or otherwise. Therefore, even if other securities that rank *pari passu* with the Capital Securities are paid in full, following the Trigger Event, the Holders will have no rights to the repayment of the principal amount of the Capital Securities or the payment of interest on the Capital Securities and will rank as holders of Ordinary Shares. The claims of holders of Ordinary Shares in a Liquidation Event are the most junior-ranking of all claims. Claims in respect of Ordinary Shares are not for a fixed principal amount, but rather are limited to a share of the surplus assets (if any) remaining following payment of all amounts due in respect of the liabilities of the Issuer.

Although the Capital Securities may pay a higher rate of interest than comparable securities which are not so subordinated, there is a real risk that an investor in the Capital Securities will lose all or some of its investment should the Issuer become insolvent since its assets would be available to pay such amounts only after all of its senior and more senior subordinated creditors have been paid in full.

Therefore, if, prior to the occurrence of a Trigger Event, a Liquidation Event occurs, the liquidator or administrator of the Issuer in a distribution would first apply assets of the Issuer to satisfy all rights and claims of holders of Senior Instruments. If the Issuer does not have sufficient assets to settle claims of such Senior Instrument holders in full, the claims of the Holders of the Capital Securities will not be settled and, as a result, the Holders will lose the entire amount of their investment in the Capital Securities. The Capital Securities will share equally in payment with claims under Parity Instruments (or with claims in respect of Ordinary Shares, in the event of a Liquidation Event of the Issuer occurring in the intervening period between a Trigger Event and the Conversion Date) if the Issuer does not have sufficient funds to make full payments on all of them, as applicable. In such a situation, Holders could lose all or part of their investment.

Subject to applicable law, no Holder or Couponholder may exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Securities or the Coupons and each Holder and Couponholder shall, by virtue of his holding of any Capital Security or Coupon, be deemed to have waived all such rights of set-off, netting, compensation or retention. See also the risk factor entitled "*Bank Recovery and Resolution Regimes*" starting on page 20 of the Registration Document.

4 There is no restriction on the amount or type of further securities or indebtedness that the Issuer or its subsidiaries may issue, incur or guarantee. No limitation on issuing pari passu or senior securities.

Subject to complying with applicable regulatory requirements in respect of the Issuer's leverage and capital ratios, there is no restriction on the amount or type of securities or indebtedness which the Issuer or its subsidiaries may issue, incur or guarantee, as the case may be, that rank senior to, or *pari passu* with, the Capital Securities and no restriction on the Issuer or any other member of the Group issuing securities with similar, different or no Trigger Event provisions. The Capital Securities do not contain any restriction on the Issuer's issuing securities that may have preferential rights to the Capital Securities or securities with similar or different provisions to those thereof.

The issue or guaranteeing of any such further securities or indebtedness may reduce the amount recoverable by Holders on a Liquidation Event of the Issuer and may limit its ability to meet its obligations under the Capital Securities. Accordingly, in the bankruptcy or liquidation of the Issuer and after payment of the claims of senior creditors, there may not be a sufficient amount to satisfy the amounts owing to the Holders.

5 The Capital Securities are obligations only of the Issuer, and claims against the Issuer are structurally subordinated to the creditors of and other claimants against its subsidiaries.

The Capital Securities are the obligations only of the Issuer. The Issuer's rights to participate in the assets of any subsidiary if such subsidiary is liquidated will be subject to the prior claims of such subsidiary's creditors and any preference shareholders, except in the limited circumstance where the Issuer is a creditor with claims that are recognised to be ranked ahead of or *pari passu* with such claims. Accordingly, if one of the Issuer's subsidiaries were to be wound up, liquidated or dissolved, (i) the Holders would have no right to proceed against the assets of such subsidiary, and (ii) the liquidator of such subsidiary would first apply the assets of such subsidiary to settle the claims of the creditors of such subsidiary, including holders (which may include the Issuer) of any preference shares and other Tier 1 capital instruments of such subsidiary, before the Issuer, to the extent the Issuer is an ordinary shareholder of such subsidiary and would be entitled to receive any distributions from such subsidiary.

6 Interest payments may be cancelled on a discretionary or mandatory basis. Cancelled interest shall not be due and shall not accumulate or be payable at any time thereafter and Holders shall have no rights thereto.

The Issuer may elect not to pay interest, in whole or in part, on any Interest Payment Date or redemption date. The Issuer may make such election for any reason. In addition, payment of interest will be prohibited if and to the extent that certain regulatory conditions are not satisfied, including that (i) Distributable Items are insufficient and/or (ii) payment would cause the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded. Furthermore, if a Liquidation Event or Trigger Event and Conversion occurs all interest accrued and unpaid shall be cancelled. There can, therefore, be no assurances that a Holder will receive interest payments in respect of the Capital Securities.

Insufficient Distributable Items

Payments of interest due on any Interest Payment Date or redemption date will be prohibited and will not be paid if and to the extent that the amount of such interest payment otherwise due, together with any interest payments or distributions which have been paid or made or which are required to be paid or made during the then current financial year on other own funds items (which, for the avoidance of doubt, excludes any such interest payments or distributions which (i) are not required to be made out of Distributable Items or (ii) have already been provided for, by way of deduction, in the calculation of Distributable Items) shall, in aggregate, exceed the amount of Distributable Items of the Issuer as at such Interest Payment Date or redemption date. Accordingly, the amount of Distributable Items available for this purpose may be affected, inter alia, by other discretionary interest payments or CET1 distributions. See further "*7. The level of the Issuer's Distributable Items is affected by a number of factors and insufficient Distributable Items may restrict the Issuer's ability to make interest payments on the Capital Securities*" below.

Maximum Distributable Amount

The Issuer shall not be permitted to pay any interest otherwise due on an Interest Payment Date or redemption date if and to the extent that the payment of such interest, when aggregated together with certain other distributions of the kind referred to in Article 141(2) of the CRD IV Directive, as amended or replaced from time to time (or any provision of applicable law, including the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) transposing or implementing Article 141(2) of the CRD IV Directive, as amended or replaced, and as in force and applicable in the Netherlands from time to time) or, as applicable, any analogous restrictions arising from the requirement to meet capital buffers under Capital Regulations or the BRRD (including without limitation Article 16a thereof), if any, would cause the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded. The "other distributions" referred to above include, without limitation, distributions in connection with CET1 capital, payments on other Additional Tier 1 Capital instruments (including Interest Amounts on the Capital Securities) and discretionary staff remuneration. See further "*9. CRD IV includes capital requirements that are in addition to the minimum capital ratio of CET1 to risk-adjusted assets and other minimum capital ratios. These additional capital requirements will restrict the Issuer's ability to make discretionary distributions in certain circumstances, in which case it may reduce or cancel interest payments on the Capital Securities. The Bank Recovery and Resolution Directive (the "BRRD") also contains requirements which restrict payments of interest by banks subject to resolution proceedings. The introduction of additional capital requirements in the future may further impact the Issuer's ability to make interest payments on the Capital Securities.*" below.

Article 104 of the CRD IV Directive

Further, the Competent Authority has wide-ranging powers given to it pursuant to Article 104 of the CRD IV Directive for the purpose of the supervisory review and evaluation process ("**SREP**") under that directive (see

the risk factor entitled "*9. CRD IV includes capital requirements that are in addition to the minimum capital ratio of CET1 to risk-adjusted assets and other minimum capital ratios. These additional capital requirements will restrict the Issuer's ability to make discretionary distributions in certain circumstances, in which case it may reduce or cancel interest payments on the Capital Securities. The Bank Recovery and Resolution Directive (the "BRRD") also contains requirements which restrict payments of interest by banks subject to resolution proceedings. The introduction of additional capital requirements in the future may further impact the Issuer's ability to make interest payments on the Capital Securities*."). These powers include, *inter alia*, a general power to restrict or prohibit interest payments to holders of Additional Tier 1 Capital securities, such as the Capital Securities. There are no ex-ante limitations on the Competent Authority's discretion to exercise this power. If the Competent Authority exercises this power, the Issuer will exercise its discretion to cancel (in whole or in part, as required by the Competent Authority) interest payments in respect of the Capital Securities.

The capacity of the Issuer to make interest payments may also be affected by its compliance with all capital requirements applicable from time to time. Pursuant to Article 104 of the CRD IV Directive the Competent Authority also has the power to require institutions to hold own funds in excess of the general requirements under the CRD IV Directive and the CRR, which may affect the level at which the restrictions set out under "*Maximum Distributable Amount*" above apply. For a discussion of current capital requirements applicable to the Issuer and the Group, see the risk factor entitled "*9. CRD IV includes capital requirements that are in addition to the minimum capital ratio of CET1 to risk-adjusted assets and other minimum capital ratios. These additional capital requirements will restrict the Issuer's ability to make discretionary distributions in certain circumstances, in which case it may reduce or cancel interest payments on the Capital Securities. The Bank Recovery and Resolution Directive (the "BRRD") also contains requirements which restrict payments of interest by banks subject to resolution proceedings. The introduction of additional capital requirements in the future may further impact the Issuer's ability to make interest payments on the Capital Securities*.". As a result of the diminishing effect of the transitional provisions under CRD IV over time, the transitioning period coming to an end in 2019, the Issuer and the Group will be required to meet more onerous capital requirements. There can be no assurance that additional new and more onerous requirements will not apply in the future and such requirements may also affect the Issuer's capacity to make payments of interest. Further, even if the Issuer and the Group were to meet any such enhanced capital requirements, the Competent Authority may exercise its powers pursuant to Article 104 of the CRD IV Directive to restrict or prohibit interest payments to holders of the Capital Securities.

Payment of interest may also be affected by any application of the legislation in the Netherlands implementing the BRRD. See the risk factors entitled "*Bank Recovery and Resolution Regimes*" starting on page 20 of the Registration Document and "*45. Statutory loss absorption: Regulatory action in the event of a bank failure could materially adversely affect the value of the Capital Securities.*".

Consequences of cancellation

Any interest payment (or part thereof) not paid on any relevant Interest Payment Date or redemption date by reason of Condition 5(a), 5(b) or 6 (whether or not the Issuer has given notice of cancellation) shall be cancelled or deemed cancelled and shall not accumulate or be due and payable at any time thereafter. The non-payment of any interest in whole or in part by the Issuer by virtue of Condition 5 or Condition 6 shall not constitute a default for any purpose (including, without limitation, Condition 9) on the part of the Issuer, and the Holders or Couponholders shall have no right thereto whether in the case of a Liquidation Event or otherwise. As described under Condition 3 and Condition 6, in the case of a Liquidation Event or on the occurrence of a Conversion, any accrued and unpaid interest on the Capital Securities shall be deemed cancelled.

If practicable, the Issuer shall provide notice of any cancellation of interest (in whole or in part) at least five Business Days prior to the relevant Interest Payment Date or redemption date to the Paying Agents and the Holders of the Capital Securities and shall provide notice of any deemed cancellation of interest to the Paying Agents and the Holders of the Capital Securities as promptly as practicable following the relevant Interest Payment Date or redemption date. Failure to give such notice, however, shall not affect the validity of the cancellation of any interest payment in whole or in part by the Issuer and shall not constitute a default under the Capital Securities for any purpose or give Holders any rights as a result of such failure.

If the Issuer elects to cancel, or is prohibited from paying, interest on the Capital Securities at any time, this imposes no restrictions on the Issuer. For the avoidance of doubt, there is no restriction (other than any restriction imposed by any applicable law or regulation) on the Issuer from otherwise making distributions or any other payments to the holders of any other securities of the Issuer, including securities ranking *pari passu* with, or junior to, the Capital Securities. The Capital Securities rank senior to the Issuer's Ordinary Shares. It is the current intention of the Issuer that, whenever exercising its discretion to declare Ordinary Share dividends, or its discretion to cancel interest on the Capital Securities, the Issuer will take into account the relative ranking of these instruments in the Issuer's capital structure. However, the Issuer may depart from that current intention at any time in its sole discretion and will not be required to provide Capital Securityholders with prior notice of such departure.

Any actual or anticipated cancellation or reduction of interest payments can be expected to have a significant adverse effect on the market price of the Capital Securities and any trading market for the Capital Securities could be severely restricted. In addition, as a result of the interest cancellation and reduction provisions of the Capital Securities, the market price of the Capital Securities may be more volatile than the market prices of other debt securities on which interest accrues that are not subject to such cancellation or reduction and may be more sensitive generally to adverse changes in the Issuer's financial condition.

7 The level of the Issuer's Distributable Items is affected by a number of factors and insufficient Distributable Items may restrict the Issuer's ability to make interest payments on the Capital Securities.

As per year-end 2018, the Issuer had approximately €43 billion of Distributable Items. The level of the Issuer's Distributable Items is affected by a number of factors. The Issuer's future Distributable Items, and therefore its ability to make interest payments under the Capital Securities, are a function of its existing Distributable Items and its future profitability. In addition, the Issuer's Distributable Items may also be adversely affected by the servicing of more senior and parity ranking instruments.

The level of the Issuer's Distributable Items may be affected by changes to regulation, changes to Dutch and European accounting standards or the requirements and expectations of applicable regulatory authorities. Any such potential changes could adversely affect the Issuer's Distributable Items in the future.

Further, the Issuer's Distributable Items, and therefore its ability to make interest payments on the Capital Securities, may also be adversely affected by factors affecting the level of the Issuer's or the Group's earnings, the mix of businesses, the ability to manage effectively the risk-weighted assets in both the ongoing businesses and those the Issuer or the Group may seek to exit or changes in the Issuer's or the Group's structure or organisation. In addition, adjustments to earnings, as determined by the Issuer, may fluctuate significantly and may materially adversely affect Distributable Items.

Also see "*8. As a holding company, the level of Distributable Items is affected by a number of factors, and insufficient Distributable Items may restrict the Issuer's ability to make interest payments on the Capital Securities*".

8 As a holding company, the level of Distributable Items is affected by a number of factors, and insufficient Distributable Items may restrict the Issuer's ability to make interest payments on the Capital Securities.

The Issuer is a holding company and conducts substantially all of its operations through its subsidiaries. The Issuer's subsidiaries are separate and distinct legal entities, and have no obligation to pay any amounts due, or to provide the Issuer with funds to meet any of the Issuer's payment obligations, under the Capital Securities.

As a holding company, the level of the Issuer's Distributable Items is affected by a number of factors, principally its ability to receive funds, directly or indirectly, from the Issuer's operating subsidiaries in a manner which creates Distributable Items for the Issuer. Consequently, the Issuer's future Distributable Items, and therefore the Issuer's ability to make interest payments, are a function of the Issuer's existing Distributable Items, future Group profitability and the ability to distribute or dividend profits from its operating subsidiaries up the Group structure to the Issuer. In addition, the Issuer's Distributable Items will also be reduced by the servicing of other debt and equity instruments and there are no restrictions on the Issuer's ability to make payments on Parity Instruments, other debt instruments or its Ordinary Shares even if that results in its Distributable Items not being sufficient to make a scheduled interest payment on the Capital Securities.

The ability of the Group's subsidiaries to pay dividends and the Issuer's ability to receive distributions and other payments from its investments in other entities is subject to applicable local laws and other restrictions, including their respective regulatory, capital, loss absorbing capacity and leverage requirements, statutory reserves, financial and operating performance, accounting regulations and applicable tax laws. These laws, regulations and restrictions could limit the payment of dividends, distributions and other payments to the Issuer by its subsidiaries, which could in time restrict the Issuer's ability to fund other operations or to maintain or increase its Distributable Items.

Further, the Issuer's Distributable Items, and therefore its ability to make interest payments, may be adversely affected by the performance of the Group's business in general, factors affecting its financial position (including capital and leverage), the economic environment in which the Group operates and other factors outside of the Issuer's control. In addition, adjustments to earnings, as determined by the Board, may fluctuate significantly and may materially adversely affect Distributable Items. The Issuer shall not make an interest payment on the Capital Securities on any Interest Payment Date or redemption date (and such interest payment shall therefore be deemed to have been cancelled and thus shall not be due and payable) if the level of Distributable Items is insufficient to fund that payment, as discussed in the risk factor "*6. Interest payments may be cancelled on a discretionary or mandatory basis. Cancelled interest shall not be due and shall not accumulate or be payable at any time thereafter and Holders shall have no rights thereto*" above.

9 CRD IV includes capital requirements that are in addition to the minimum capital ratio of CET1 to risk-adjusted assets and other minimum capital ratios. These additional capital requirements will restrict the Issuer's ability to make discretionary distributions in certain circumstances, in which case it may reduce or cancel interest payments on the Capital Securities. The Bank Recovery and Resolution Directive (the "BRRD") also contains requirements which restrict payments of interest by banks. The introduction of additional capital requirements in the future may further impact the Issuer's ability to make interest payments on the Capital Securities.

The capital and regulatory framework to which the Group is subject imposes certain requirements for the Group as to leverage and for it to hold sufficient levels of capital, including CET1 capital, and additional loss absorbing capacity (including MREL and TLAC (as both terms are defined below)). A failure to comply with

such requirements, as the same may be amended from time to time, may result in restrictions on the Issuer's ability to make discretionary distributions in certain circumstances.

The rules applicable to the capital of financial institutions changed across the European Union (EU) in order to implement the Basel III measures issued by the Basel Committee on Banking Supervision. The European legislative package consists of a fourth capital requirements directive and a capital requirements regulation, collectively known as "CRD IV". CRD IV entered into force in The Netherlands in phases on 1 January 2014, with full implementation by 1 January 2019.

Under CRD IV, institutions are required to hold a minimum amount of regulatory capital equal to 8 per cent. of Risk Weighted Assets (of which at least 4.5 per cent. must be CET1 capital and at least 6 per cent. must be Tier 1 capital). Since ING Bank N.V. ("**ING Bank**" or the "**Bank**") is controlled by the Issuer, these capital requirements are assessed on the basis of the consolidated situation of the Issuer. In addition to these so-called minimum "**own funds**" *(i.e.*, total regulatory capital) requirements, CRD IV also introduced capital buffer requirements that are in addition to the minimum "own funds" requirements and are required to be met with CET1 capital. It introduced five new capital buffers: (i) the capital conservation buffer, (ii) the institution-specific counter-cyclical buffer, and the higher of (depending on the institution) (iii) the systemic risk buffer, (iv) the global systemically important institutions buffer and (v) the other systemically important institutions buffer. Subject to transitional provisions, the capital conservation buffer (currently, 2.5 per cent.), institution-specific counter-cyclical buffer (currently, 0.09%) and systemic risk buffer (currently, 3.0 per cent.), each of which may be increased from time to time, as determined by the Competent Authority, apply to the Issuer and some or all of the other buffers may be applicable to the Issuer from time to time, as determined by the Competent Authority.

In addition to the "Pillar 1" capital requirements described above, CRD IV contemplates that competent authorities may require additional "Pillar 2" capital to be maintained by an institution relating to elements of risks which are not fully captured by the minimum "own funds" requirements ("**additional own funds requirements**") or to address macro-prudential requirements.

The European Banking Authority ("**EBA**") published guidelines on 19 December 2014 addressed to national supervisors on common procedures and methodologies for the supervisory review and evaluation process ("**SREP**") which contained guidelines proposing a common approach to determining the amount and composition of additional own funds requirements and which were implemented with effect from 1 January 2016. These guidelines contemplated that national supervisors should set by 1 January 2019 (or earlier, if they so decide at their discretion) a requirement to cover certain risks with additional own funds which is composed of at least 56 per cent. CET1 capital and at least 75 per cent. Tier 1 capital and the remainder in Tier 2 capital. The guidelines also contemplated that national supervisors should not set additional own funds requirements in respect of risks which are already covered by capital buffer requirements and/or additional macro-prudential requirements; accordingly, the combined buffer requirement (as discussed below) is in addition to the minimum own funds requirement and to the additional own funds requirement. Pursuant to the 2019 SREP process, the competent authority determined for 2020 that the Group CET1 Ratio should be maintained at a minimum level of 11.8 per cent., comprising the minimum CET1 capital requirement (4.5 per cent.), the Pillar 2 requirement (1.75 per cent.) and the combined buffer requirement of 5.58 per cent., the latter comprising the capital conservation buffer (2.5 per cent.), the systemic risk buffer (the "**Systemic Risk Buffer**") of 3.0 per cent. and the institution-specific countercyclical capital buffer (0.09 per cent., which will increase to 0.24 per cent. by the end of 2020, leading to a minimum level of the CET1 ratio of 11.99 by the end of 2020). The Group CET1 Ratio as at 31 December 2019 was 14.6 per cent. The interpretation of Article 104(1)(a) of the CRD IV Directive remains unresolved, in particular as to how any "Pillar 2" additional own funds requirements imposed thereunder should be considered to comprise part of an institution's additional

own funds requirements. Such uncertainty can be expected to persist while the relevant authorities in the EU and in the Netherlands continue to develop their approach to the application of the relevant rules. In this regard, the EBA published an opinion on 16 December 2015 calling on the European Commission to review Article 141 of the CRD IV Directive to ensure greater consistency in its operation and to ensure that Common Equity Tier 1 Capital held to meet the combined buffer requirement (as defined below) must be in excess of that held to meet Pillar 1 and Pillar 2 requirements. In line with the approach recommended in this EBA opinion, the ECB published a presentation on its SREP methodology on 19 February 2016 in which it outlined that only Common Equity Tier 1 Capital in excess of that used to meet an institution's Pillar 1 and Pillar 2 Common Equity Tier 1 Capital requirements will be taken into account for determining the "maximum distributable amount" (as described below). Further, in March 2016, it was widely reported that, in the context of its wider review of the CRR and the CRD IV Directive, an expert group of the European Commission was considering, among other things, clarifications to the operation of automatic restrictions on earnings distributions such that if an institution meets the sum of its Pillar 1 capital requirements, Pillar 2 capital requirements and combined buffer requirements, but does not meet its Pillar 2 capital guidance, it shall not be subject to such automatic restrictions (including on payments of interest on Additional Tier 1 Capital).

As noted in the Registration Document, in the section "Risk Factors – Basel III, CRD IV and CRD V", in November 2016 the European Commission proposed substantial amendments (referred to as the "**Banking Package**") to CRD IV, the BRRD and the Single Resolution Mechanism Regulation (the "**SRM Regulation**") to, among other things, implement these revisions in the EU legislation. The Banking Package was published in the Official Journal on 7 June 2019. Most revisions will start to apply from mid-2021. Some will apply sooner with some revisions already applying as of 27 June 2019. The Banking Package will impact the capital requirements for currently reported exposures (e.g. a revised standard approach to credit risk weights and an output floor) and will also lead to new capital requirements, covering multiple areas including the Pillar 2 framework, the leverage ratio (including a 50% extra buffer for G-SIIs under new Article 92(1a) of the CRR), mandatory restrictions on distributions, a potential cumulative approach for systemic buffers (other systematically important institutions buffer and systemic risk buffer), permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of 'non-preferred' senior debt, MREL and the integration of the TLAC standard into EU legislation. Various Level 2 delegated and implementing acts will be made supplementing certain of the Banking Package revisions. Until the legislative process relating to the complete package has been finalised and the resulted in new law, it is uncertain how the Banking Package will affect the Issuer or holders of the Capital Securities. On 14 December 2018, new Dutch legislation became effective implementing Directive (EU) 2017/2399 on the ranking of unsecured debt instruments in insolvency hierarchy. A new provision was added to the Dutch Bankruptcy Act (*Faillissementswet*) introducing a new category of 'non-preferred' senior debt obligations.

As also noted in the Registration Document, in December 2017, Basel III revisions were formally announced by the Basel Committee on Banking Supervision (BCBS). These new prudential rules for banks (the "**Basel III Finalisation**") consist of a revision to the standardised approach to credit risk, the introduction of a capital floor based on standardised approaches, the use of internal models, limitation of options for modelling operating risks, and new rules for the establishment of risk-weighted items and unused credit lines at the banks. With a long implementation phase and the transposition into EU regulation still pending, some question marks remain on how such prudential rules will be implemented. These proposals and resulting changes, either individually or in the aggregate, may lead to further unexpected enhanced requirements in relation to the Group's capital ratios or alter the way such ratios are calculated. In August 2019, the EBA advised the European Commission on the introduction of an "output floor", whereby banks constrained by that should be required to use "floored" risk weighted assets to compute capital ratios, including those relevant to the determination of whether or not a Trigger Event has occurred.

Under Article 141(2) (*Restrictions on distributions*) of the CRD IV Directive, EU Member States must require that institutions that fail to meet the "combined buffer requirement" (broadly, the combination of the capital conservation buffer, the institution-specific counter-cyclical buffer and the higher of (depending on the institution), the systemic risk buffer, the global systemically important institutions buffer and the other systemically important institution buffer, in each case as applicable to the institution) will be subject to restricted "discretionary payments" (which are defined broadly by CRD IV as distributions in connection with CET1 capital, payments on Additional Tier 1 Capital instruments (including Interest Amounts on the Capital Securities) and discretionary pension benefits and variable staff remuneration).

In the event of a breach of the "combined buffer requirement", the restrictions under Article 141(2) will be scaled according to the extent of the breach of the "combined buffer requirement" and calculated as a percentage of the profits of the institution since the most recent decision on the distribution of profits or "discretionary payment" of the institution. Such calculation will result in a "maximum distributable amount" in each relevant period. As an example, the scaling is such that in the bottom quartile of the "combined buffer requirement", no "discretionary distributions" will be permitted to be paid. As a consequence, in the event of breach of the combined buffer requirement it may be necessary to reduce discretionary payments, including potentially exercising the discretion to cancel (in whole or in part) interest payments in respect of the Capital Securities. Further, there can be no assurance that the Issuer's combined buffer requirement specifically, or the Issuer's other capital requirements more generally, will not be increased in the future, which may exacerbate the risk that "discretionary payments", including payments of interest on the Capital Securities, are cancelled.

Separately, the Banking Package may restrict the Issuer's ability to make discretionary payments in certain circumstances, in which case the Issuer may reduce or cancel interest payments on the Capital Securities; see the disclosure regarding TLAC and MREL described below in this risk factor.

The Issuer's capital requirements (calculated on the basis of the consolidated situation of the Issuer as the parent financial holding company of ING Bank) are, by their nature, calculated by reference to a number of factors any one of which or combination of which may not be easily observable or capable of calculation by investors. Holders of the Capital Securities may not be able to predict accurately the proximity of the risk of discretionary payments (of interest and principal) on the Capital Securities being prohibited from time to time as a result of the operation of Article 141(2) (*Restrictions on distributions*) of the CRD IV Directive.

The implementation and application of Article 141 of the CRD IV Directive in the Netherlands, including its inter-relationship with the minimum and additional capital requirements, buffers and macro-prudential tools referred to above (including the calculation of the maximum distributable amount), remains uncertain.

In addition, CRD IV includes a requirement for credit institutions to calculate, report, monitor and publish their leverage ratios, defined as their tier 1 capital as a percentage of their total exposure measure. During the observation period for the introduction of the leverage ratio, the leverage ratio – using the Basel III standard – is required to be maintained at a level of at least 3 per cent. This requirement has been harmonised at EU level from 1 January 2018. The Dutch government has previously indicated that Dutch systematically important banks should have a leverage ratio of at least 4 per cent.

The Banking Package will bring further changes and its implementation and application in the Netherlands remains uncertain in many respects. Uncertainties can be expected to subsist while the relevant authorities in the European Union (EU) and the Netherlands continue to develop their approach to the application of the relevant rules.

On 9 November 2015 the Financial Stability Board ("**FSB**") proposed its final principles on total loss absorbing capacity ("**TLAC**") requirements for global systemically important banks, which are to apply in addition to existing minimum regulatory capital requirements. The principles contemplate that only CET1 capital in excess of that required to satisfy minimum TLAC requirements may count towards regulatory capital buffers, such as the combined buffer requirement introduced by CRD IV. As a result of these proposals, the Issuer's capital requirements, in particular requirements that the Issuer hold sufficient amounts of CET1 capital, may be effectively increased and the introduction of such additional capital requirements may impact the Issuer's ability to meet the "combined buffer requirement". The Issuer, in turn, could be required to issue more regulatory capital and/or MREL (as defined below) in order to prevent any "maximum distributable amount" or other regulatory restrictions from applying. As a result, Holders may not be able to anticipate whether the Issuer will need to reduce discretionary payments, including by cancelling interest payments (in whole or in part) in respect of the Capital Securities, which may affect the market value of the Capital Securities.

In addition to the capital requirements under CRD IV, the BRRD has introduced requirements for banks to maintain at all times a sufficient aggregate amount of own funds and "eligible liabilities" (that is, liabilities that may be bailed in using the bail-in tool), known as the minimum requirements for own funds and eligible liabilities ("**MREL**"). The aim is that the minimum amount should be proportionate and adapted for each category of bank on the basis of its risk or the composition of its sources of funding. The BRRD has been transposed into Dutch law. The manner in which the relevant authorities implement and apply the BRRD's MREL requirements and the transposition of TLAC in the EU's legislative framework under the Banking Package related revisions may result in an increased risk of a breach of any combined buffer requirement, triggering the restrictions relating to the maximum distributable amount described above. As a consequence, it may be necessary to reduce discretionary payments (in whole or in part), including potentially exercising the Issuer's discretion to cancel (in whole or in part) interest payments in respect of the Capital Securities. Such cancellation could affect the market value of the Capital Securities.

Moreover, any indication that the Group CET1 Ratio is moving towards the level of any combined buffer requirement may have an adverse effect on the market price of the Capital Securities. A decline or perceived decline in the Group CET1 Ratio may significantly affect the trading price of the Capital Securities.

The Group and the Issuer's ability to make payments on the Capital Securities may be impacted by the adoption or implementation of further regulations which have been or are currently under consultation or are yet to be finalised.

There can be no assurance that the leverage ratio, any of the minimum own funds requirements, additional own funds requirements, buffer requirements, TLAC requirements or MREL requirements applicable to the Issuer and/or the Group, also after implementation of the Banking Package and the Basel III Finalisation, will not be amended in the future to include new and more onerous capital requirements, which in turn may affect the Issuer's capacity to make payments of interest on the Capital Securities. Any non-payment or perceived risk of non-payment will have an impact on the price of the Capital Securities. See further "*6. Interest payments may be cancelled on a discretionary or mandatory basis. Cancelled interest shall not be due and shall not accumulate or be payable at any time thereafter and Holders shall have no rights thereto*".

In addition, changes in the application of CRD IV and/or BRRD or any changes to such rules or related legislation implementing such rules may also affect the Group's capital, leverage and/or MREL resources and requirements and how they are determined, see "*25. Implementation of Basel III / CRD IV and additional competent authority supervisory expectations, and future changes under the Banking Package."* and *"36. Changes in law, or changes in the regulatory classification of the Capital Securities due to other factors, may*

adversely affect the rights of holders of the Capital Securities". Furthermore, holders will bear the risk of changes to the Group's capital, leverage and/or MREL resources in general and, in particular, to the Group CET1 Ratio, see "*15. Holders will bear the risk of changes in the Group CET1 Ratio*". Any such changes to the rules to include more onerous requirements, and/or any decrease in the Group's capital, leverage and/or MREL resources, and/or increase in such requirements applicable to the Group, may increase the risk of the Issuer breaching its combined buffer requirement and being bound by the restrictions on distributions set forth in Article 141 of the CRD IV Directive which may, in turn, increase the risk of the Issuer exercising its discretion to cancel interest payments in respect of the Capital Securities. Moreover, a decline or perceived decline in the Group's capital, leverage and/or MREL resources towards a level at which a breach of the combined buffer requirement may occur may significantly affect the trading price of the Capital Securities. Also see "*37. The Banking Package amendments to the CRD IV Directive, CRR, BRRD and SRM Regulation*."

The Group CET1 Ratio may also be affected by changes in applicable accounting rules (including, but not limited to, the introduction of IFRS 9 'Financial Instruments', endorsed by the EU in November 2016) or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules.

10 The Capital Securities may be traded with accrued interest, but under certain circumstances described above, such interest may be cancelled and not paid on the relevant Interest Payment Date or redemption date.

The Capital Securities may trade, and/or the prices for the Capital Securities may appear, on the Global Exchange Market of the Irish Stock Exchange trading as Euronext Dublin (the "**GEM**") and in other trading systems with accrued interest. If this occurs, purchasers of Capital Securities in the secondary market will pay a price that includes such accrued interest upon purchase of the Capital Securities. However, if a payment of interest on any Interest Payment Date or redemption date is cancelled or deemed cancelled (in each case, in whole or in part) as described herein and thus is not due and payable, purchasers of such Capital Securities will not be entitled to that interest payment (or if the Issuer elects to make a payment of a portion, but not all, of such interest payment, the portion of such interest payment not paid) on the relevant Interest Payment Date or redemption date.

11 The interest rate on the Capital Securities will be reset on each Reset Date, which may affect the market value of the Capital Securities.

The Capital Securities will initially earn interest at a fixed rate of interest to, but excluding, the First Reset Date. From, and including, the First Reset Date, however, and every Reset Date thereafter, the interest rate will be reset to the Reset Interest Rate (as described in Condition 4). This Reset Interest Rate may be less than the Initial Interest Rate and/or the interest rate that applies immediately prior to such Reset Date, which could affect the amount of any interest payments under the Capital Securities and so the market value of the Capital Securities.

12 Loss absorption following a Trigger Event. The Capital Securities will be subject to Conversion following the occurrence of a Trigger Event, in which case the Capital Securities will be converted into Ordinary Shares, and upon the occurrence of such an event Holders could lose all or part of the value of their investment in the Capital Securities.

The Capital Securities are being issued for regulatory capital adequacy purposes with the intention and purpose of being eligible as Additional Tier 1 Capital of the Group. Such eligibility depends upon a number of conditions being satisfied, which are reflected in the Terms and Conditions of the Capital Securities and

which, in particular, require the Capital Securities and the proceeds of their issue to be available to absorb any losses of the Group.

A Trigger Event will occur if at any time the Group CET1 Ratio is less than 7.00 per cent., as determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority. After the occurrence of a Trigger Event, Conversion will occur at the Conversion Price, at which point all of the Issuer's obligations under the Capital Securities shall be irrevocably discharged and satisfied by the Issuer's issuance and delivery of the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient) on the Conversion Date, and under no circumstances shall such discharged obligations be reinstated. As a result, Holders could lose all or part of the value of their investment in the Capital Securities, as, following Conversion, they will receive only the Conversion Shares, and the realisable value of the Conversion Shares may be significantly less than the principal amount of the Capital Securities they hold. As a result, the value of the Conversion Shares they receive may be significantly less than the principal amount of the Capital Securities. Furthermore, upon the occurrence of Conversion, Holders will no longer have a debt claim in relation to principal and any accrued but unpaid interest on the Capital Securities shall be cancelled and shall not become due and payable at any time.

In addition, upon the occurrence of Conversion, the Holders will not be entitled to any compensation in the event of any improvement in the Group CET1 Ratio after the Conversion Date.

13 The circumstances surrounding or triggering Conversion are unpredictable, and there are a number of factors, including factors outside the Issuer's control, that could affect the Group CET1 Ratio. The Issuer has no obligation to operate its business in such a way, or take any mitigating actions, to maintain or restore the Group CET1 Ratio and to avoid a Trigger Event and actions it takes could result in the Group CET1 Ratio falling.

The occurrence of the Trigger Event and, therefore a Conversion of the Capital Securities, is inherently unpredictable and depends on a number of factors, any of which may be outside the Issuer's control. Although the Issuer currently publicly reports the Group CET1 Ratio only as of each quarterly period end, a Trigger Event could occur at any time if the Group CET1 Ratio is less than 7.00%, as determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority. Thus, investors may receive only limited, if any, warning of any deterioration in the Group CET1 Ratio. In addition, the Issuer's regulator may instruct the Issuer to calculate the ratio as at any date. Moreover, any indication that the Group CET1 Ratio is moving towards the level of a Trigger Event may have an adverse effect on the market price of the Capital Securities. A decline or perceived decline in the Group CET1 Ratio may significantly affect the trading price of the Capital Securities. As at 31 December 2019, the Group CET1 Ratio was 14.6 per cent., the Group Tier 1 Ratio was 16.7 per cent. and the Group Total Capital Ratio was 19.1 per cent.

The Group CET1 Ratio may be affected by a large variety of factors, including, among other things, changes in the mix of the Issuer's business, major events affecting the Issuer's earnings, dividend payments by the Issuer, regulatory changes (including changes to definitions and calculations of regulatory capital ratios and their components, including Group CET1 Capital and Group Total Risk Exposure Amount) and the Issuer's ability to manage its Group Total Risk Exposure Amount in both its ongoing businesses and those which it may seek to exit. In addition, the Issuer has capital resources and risk weighted assets denominated in foreign currencies, and changes in foreign exchange rates will result in changes in the euro equivalent value of foreign currency denominated capital resources and risk weighted assets. As a result, the Group CET1 Ratio is exposed to foreign currency movements. Actions that the Issuer takes could also affect the Group CET1 Ratio, including causing it to decline. The Issuer has no obligation to increase its Group CET1 Capital, reduce its Group Total Risk Exposure Amount or otherwise operate its business in such a way, or take mitigating

actions in order to prevent its Group CET1 Ratio from falling below 7.00% or to maintain or increase its Group CET1 Ratio or to otherwise consider the interests of the Holders of the Capital Securities in connection with any of its business decisions that might affect the Group CET1 Ratio.

The calculation of the Group CET1 Ratio may also be affected by changes in applicable accounting rules, or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules (including, but not limited to, the introduction of IFRS 9 'Financial Instruments', endorsed by the EU in November 2016), or by changes to regulatory adjustments which modify the regulatory capital impact of accounting rules. Moreover, even if changes in applicable accounting rules, or changes to regulatory adjustments which modify accounting rules, are not yet in force as of the relevant calculation date, the Competent Authority could require the Issuer to reflect such changes in any particular calculation of the Group CET1 Ratio.

Accordingly, accounting changes or regulatory changes may have a material adverse impact on the Group's calculations of regulatory capital, including Group CET1 Capital and Group Total Risk Exposure Amount, and the Group CET1 Ratio.

Because of the uncertainty regarding whether a Trigger Event will occur and there being no affirmative obligation on the Issuer's part to prevent its occurrence, it will be difficult to predict when, if at all, Conversion may occur. Accordingly, the trading behaviour of the Capital Securities may not necessarily follow the trading behaviour of other types of securities. Any indication or perceived indication that the Group CET1 Ratio is approaching the level that would cause a Trigger Event (and subsequent Conversion) to occur can be expected to have a material adverse effect on the market price and liquidity of the Capital Securities. Under such circumstances, investors may not be able to sell their Capital Securities easily or at prices that will provide them with a yield comparable to other types of subordinated securities, including the Issuer's other subordinated debt securities. In addition, the risk of Conversion could drive down the price of Ordinary Shares and have a material adverse effect on the market value of Conversion Shares received upon Conversion.

14 The Issuer's Group CET1 Ratio will be affected by its business decisions and, in making such decisions, its interests may not be aligned with those of the holders of the Securities.

As discussed in "*13. The circumstances surrounding or triggering Conversion are unpredictable, and there are a number of factors, including factors outside the Issuer's control, that could affect the Group CET1 Ratio. The Issuer has no obligation to operate its business in such a way, or take any mitigating actions, to maintain or restore the Group CET1 Ratio and to avoid a Trigger Event and actions it takes could result in the Group CET1 Ratio falling*" above, the Group CET1 Ratio could be affected by a number of factors. It will also depend on the Group's decisions relating to its businesses and operations, as well as the management of its capital position. The Issuer will have no obligation to consider the interests of the Holders of the Capital Securities in connection with the Issuer's strategic decisions, including in respect of its capital management. Holders of the Capital Securities will not have any claim against the Issuer or any other member of the Group relating to decisions that affect the business and operations of the Group, including its capital position, regardless of whether they result in the occurrence of a Trigger Event. Such decisions could cause Holders of the Capital Securities to lose all or part of the value of their investment in the Capital Securities.

15 Holders will bear the risk of changes in the Group CET1 Ratio.

The market price of the Capital Securities is expected to be affected by changes, or anticipated changes, in the Group CET1 Ratio. Changes in the Group CET1 Ratio may be caused by changes in the amount of Group CET1 Capital and/or Group Total Risk Exposure Amount (each of which shall be calculated by the Issuer on a

consolidated basis and such calculation shall be binding on the Holders), as well as changes to their respective definition and interpretation under the Capital Regulations. See "*13. The circumstances surrounding or triggering Conversion are unpredictable, and there are a number of factors, including factors outside the Issuer's control, that could affect the Group CET1 Ratio. The Issuer has no obligation to operate its business in such a way, or take any mitigating actions, to maintain or restore the Group CET1 Ratio and to avoid a Trigger Event and actions it takes could result in the Group CET1 Ratio falling*".

16 Issuance of the Conversion Shares to the Conversion Shares Depository shall constitute a complete, irrevocable and automatic discharge of all of the Issuer's obligations in respect of the Capital Securities.

Upon a Conversion, all of the Issuer's obligations to the Holders under the Capital Securities shall be irrevocably and automatically discharged by the Issuer's issuance and delivery of the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient) on the Conversion Date, and under no circumstances shall such discharged obligations be reinstated. Conversion shall not constitute a default under the Capital Securities. Provided that the Issuer issues the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient as contemplated above) in accordance with the terms of the Conditions as described herein, with effect from the Conversion Date, Holders of the Capital Securities shall have recourse only to the Conversion Shares Depository (or to such other relevant recipient, as applicable) for the delivery to them of Conversion Shares. The Holders' sole recourse for the Issuer's failure to issue and deliver the Conversion Shares to the Conversion Shares Depositary (or to the other relevant recipient) on the Conversion Date shall be the right to demand that the Issuer make such issuance and delivery.

In addition, the Issuer has not yet appointed a Conversion Shares Depository and it may not be able to appoint a Conversion Shares Depository if Conversion occurs. In such a scenario, the Issuer would inform Holders of the Capital Securities via the relevant clearing systems or otherwise, as practicable, of any alternative arrangements in connection with the issuance and/or delivery of the Conversion Shares and such arrangements may be disadvantageous to, and more restrictive on, the Holders of the Capital Securities. For example, such arrangements may involve Holders of the Capital Securities having to wait longer to receive their Conversion Shares than would be the case under the arrangements expected to be entered into with a Conversion Shares Depository. Under these circumstances, the Issuer's issuance of the Conversion Shares to the relevant recipient in accordance with these alternative arrangements shall constitute a complete, irrevocable and automatic discharge of all of the Issuer's obligations in respect of the Capital Securities.

17 Following Conversion, the Capital Securities will remain in existence until the Cancellation Date for the sole purpose of evidencing the Holder's right to receive Ordinary Shares from the Conversion Shares Depository and the rights of the Holders will be limited accordingly.

Following Conversion, the Capital Securities will remain in existence until the Cancellation Date for the sole purpose of evidencing the Holder's right to receive Conversion Shares. All obligations of the Issuer under the Capital Securities shall be irrevocably discharged by the Issuer's issuance of the Conversion Shares to the Conversion Shares Depository (or the relevant recipient) on the Conversion Date, and under no circumstances shall such discharged obligations be reinstated. The Capital Securities shall be cancelled on the Cancellation Date.

Although the Issuer currently expects that the Capital Securities will be transferrable between the Conversion Date and the Suspension Date and that any trades in the Capital Securities would clear and settle through the clearing systems in such period, there is no guarantee that this will be the case. Even if the Capital Securities are transferable following Conversion, there is no guarantee that an active trading market will exist for the Capital Securities following Conversion. Accordingly, the price received for the sale of any Capital Security

during this period may not reflect the market price of such Capital Security or the Conversion Shares. Furthermore, transfers of the Capital Securities may be restricted following the Conversion Date, for example if the clearance and settlement of transactions in the Capital Securities is suspended by the clearing systems at an earlier time than currently expected. In such a situation it may not be possible to transfer the Capital Securities and trading in the Capital Securities may cease.

In addition, the Issuer has been advised by the relevant clearing systems that they will suspend all clearance and settlement of transactions in the Capital Securities on the Suspension Date. As a result, Holders of the Capital Securities will not be able to settle the transfer of any Capital Securities through the clearing systems following the Suspension Date, and any sale or other transfer of the Capital Securities that a Holder of the Capital Securities may have initiated prior to the Suspension Date that is scheduled to settle after the Suspension Date will be rejected by the clearing systems and will not be settled through them.

The Capital Securities may also cease to be admitted to trading on the GEM or any other stock exchange on which the Capital Securities are then listed or admitted to trading following the Suspension Date.

Moreover, although the Holders will become entitled to claim for delivery of the Conversion Shares upon the issuance of such Conversion Shares to the Conversion Shares Depository and the Conversion Shares will be issued to the Conversion Shares Depository (or the relevant recipient), no Holder will be able to sell or otherwise transfer any Conversion Shares until such time as they are finally delivered to such Holder and registered in their name.

18 Holders will have to submit a Conversion Shares Settlement Notice in order to receive delivery of the Conversion Shares.

In order to obtain delivery of the relevant Conversion Shares, a Holder must deliver a Conversion Shares Settlement Notice (and the relevant Capital Securities, if applicable) to the Conversion Shares Depository. The Conversion Shares Settlement Notice must contain certain information, including the Holder's account details with the securities depositary system operated by *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* ("**Euroclear Netherlands**"). Accordingly, Holders (or their nominee, custodian or other representative) will have to have an account with Euroclear Netherlands in order to receive the Conversion Shares. If a Holder fails to properly complete and deliver a Conversion Shares Settlement Notice on or before the Notice Cut-off Date, the Conversion Shares Depository shall continue to hold the relevant Conversion Shares until a Conversion Shares Settlement Notice (and the relevant Capital Securities, if applicable) is or are so delivered. However, the relevant Capital Securities shall be cancelled on the Final Cancellation Date and any Holder delivering a Conversion Shares Settlement Notice after the Notice Cut-off Date will have to provide evidence of its entitlement to the relevant Conversion Shares satisfactory to the Settlement Shares Depositary in its sole and absolute discretion in order to receive delivery of such Conversion Shares. The Issuer shall have no liability to any Holder for any loss resulting from such Holder's not receiving any Conversion Shares or from any delay in the receipt thereof as a result of such Holder's failing to submit a valid Conversion Shares Settlement Notice on a timely basis or at all.

19 Prior to receipt of the Conversion Shares, Holders will not be entitled to any rights with respect to the Conversion Shares, but will be subject to all changes made with respect to the Conversion Shares.

The exercise of voting rights and rights related thereto with respect to any Conversion Shares is only possible after issue and delivery of the Conversion Shares following the Conversion Date and the completion of any and all formalities in accordance with the provisions of, and subject to the limitations provided in, Dutch law and the articles of association of the Issuer.

20 As a result of Holders receiving Conversion Shares upon a Trigger Event, they are particularly exposed to changes in the market price of the Conversion Shares.

Investors in convertible or exchangeable securities may seek to hedge their exposure in the underlying equity securities at the time of acquisition of the convertible or exchangeable securities, often through short selling of the underlying equity securities or through similar transactions. Prospective investors in the Capital Securities may look to sell Conversion Shares in anticipation of taking a position in, or during the term of, the Capital Securities. This could drive down the price of the Conversion Shares. Since the Capital Securities will mandatorily convert into a variable number of Conversion Shares upon a Trigger Event, the price of the Conversion Shares may be more volatile if the Issuer is trending toward a Trigger Event. Any movement in the price of the Conversion Shares could also impact the price of the Capital Securities.

21 A Holder may be subject to taxes upon Conversion.

Neither the Issuer, nor any member of the Group will pay, or shall be liable for, any taxes or capital, stamp, issue and registration or transfer taxes or duties arising on Conversion or that may arise or be paid as a consequence of the issue and delivery of Conversion Shares to the Conversion Shares Depository. A Holder must pay any taxes and capital, stamp, issue and registration and transfer taxes or duties arising on Conversion in connection with the issue and delivery of the Conversion Shares to the Conversion Shares Depository and such Holder must pay all, if any, such taxes or duties arising by reference to any disposal or deemed disposal of such Holder's Capital Securities or interest therein, in each case as are attributable to such Holder. Any taxes and capital, stamp, issue and registration and transfer taxes or duties arising on delivery or transfer of Conversion Shares to a purchaser in any Conversion shall be payable by the relevant purchaser of those Conversion Shares.

22 Holders have limited anti-dilution protection and do not have anti-dilution protection in all circumstances.

The number of Conversion Shares to be issued to the Conversion Shares Depository upon Conversion will be the aggregate principal amount of the Capital Securities outstanding immediately prior to Conversion on the Conversion Date by the Conversion Price (rounded down to the nearest whole number of Conversion Shares). The Conversion Price will be equal to the highest of (i) the Current Market Price for Ordinary Shares translated into U.S. dollars at the Prevailing Rate on the date on which the Conversion Notice is given, (ii) the Floor Price and (iii) the nominal value of an Ordinary Share (currently €0.01) translated into U.S. dollars at the Prevailing Rate on the date on which the Conversion Notice is given, if the Ordinary Shares are then admitted to trading on a Relevant Stock Exchange, and if they are not then admitted to trading on a Relevant Stock Exchange, the higher of (ii) and (iii) above, in each case on the date on which the Conversion Notice is given. If the Current Market Price is lower than the Floor Price, then the Floor Price will be used to calculate the number of Conversion Shares to be issued upon Conversion, resulting in the issuance of a lower number of Conversion Shares than would be issued if such number were to be calculated based on the Current Market Price. Thus, the Floor Price effectively caps the number of Conversion Shares that may be issued and limits the value that a Holder of Capital Securities may receive upon Conversion if the Current Market Price is below the Floor Price on the Conversion Date. Application of the Floor Price has the consequence of limiting the number of Ordinary Shares that shall be received by holders of the Securities upon a Conversion if the Current Market Price is less than the Floor Price.

The Floor Price will be adjusted (which may lead to a change of the Conversion Price) on the occurrence of certain events, including if there is (i) a consolidation, reclassification or subdivision of Ordinary Shares, (ii) an issuance of Ordinary Shares in certain circumstances by way of capitalization of profits or reserves, (iii) an Extraordinary Dividend, (iv) a rights issue, (v) an issuance of Securities other than Ordinary Shares (or

options, warrants or other rights to subscribe or purchase such shares), (vi) an issuance of Ordinary Shares (other than Conversion Shares or other Ordinary Shares issued in exchange for certain convertible instruments) wholly for cash or for no consideration, (vii) an issuance of Securities (other than the Capital Securities or any further issuance of the Capital Securities), (viii) a modification of the rights of conversion, exchange, subscription purchase or acquisition attaching to any Securities other than the Capital Securities (or any further issuance of Capital Securities), (ix) an issuance of Securities in connection with which shareholders of the Issuer are entitled to participate in arrangements whereby such Securities may be acquired by them or (x) a determination is made by the Issuer that the Floor Price should be reduced for whatever reason (but only in the situations and to the extent provided in Condition 6). These may include any modifications as an Independent Financial Adviser (as defined in Condition 19) shall determine to be appropriate, including for certain situations falling between the Conversion Date and the Settlement Date. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Conversion Shares. Furthermore, the adjustment events that are included are less extensive than those often included in the terms of convertible securities. Accordingly, the occurrence of events in respect of which no adjustment to the Conversion Price is made may adversely affect the value of the Capital Securities.

23 Holders may be obliged to make a take-over bid following a Trigger Event if they take delivery of Ordinary Shares.

Upon the occurrence of a Trigger Event, Holders receiving Conversion Shares from the Conversion Shares Depository may have to make a take-over bid addressed to the shareholders of the Issuer pursuant to the rules of Dutch law implementing the Takeovers Directive (2004/25/EC) as amended or replaced from time to time if their aggregate holdings in the Issuer reach a specified percentage (currently 30 per cent.) of the voting rights in the Issuer as a result of Conversion of the Capital Securities into Conversion Shares.

24 Holders may be subject to disclosure obligations and/or may need approval from the Competent Authority in respect of the Issuer.

As the Holders of the Capital Securities may receive Conversion Shares if a Trigger Event occurs, an investment in the Capital Securities may result in Holders, following Conversion, having to comply with certain disclosure and/or approval requirements pursuant to laws and regulations applicable in the Netherlands. For example, pursuant to Dutch law, the Issuer (and the Netherlands Authority for the Financial Markets, the AFM) must be notified by a person when the percentage of voting rights or shares in the Issuer (including, for this purpose, depositary receipts) controlled by that person (together with its concert parties), by virtue of direct or indirect holdings of shares aggregated with direct or indirect holdings of certain financial instruments, reaches or crosses 3 per cent. and certain specified percentage points thereafter.

Furthermore, as Conversion Shares may represent capital instruments in or voting securities of a parent undertaking of a number of regulated Group entities, under the laws of the Netherlands and other jurisdictions, ownership of the Capital Securities themselves or Conversion Shares above certain levels may require the Holder to obtain regulatory approval or subject the Holder to additional regulation.

Non-compliance with such disclosure and/or approval requirements may lead to the incurrence by Holders of substantial fines or other criminal and/or civil penalties and/or suspension of voting rights associated with the Conversion Shares. Accordingly, each potential investor should consult its legal advisers as to the terms of the Capital Securities, in respect of its existing shareholding and the level of holding it would have if it receives Conversion Shares following a Trigger Event.

25 Implementation of Basel III / CRD IV and additional Competent Authority supervisory expectations, and future changes under CRD V.

CRD IV introduced significant changes in the prudential regulatory regime applicable to banks, including: increased minimum capital ratios; changes to the definition of capital and the calculation of risk weighted assets or Group Total Risk Exposure Amount; and the introduction of new measures relating to leverage, liquidity and funding. CRD IV permits a transitional period for certain of the enhanced capital requirements and certain other measures, such as the CRD IV leverage ratio.

CRD IV requirements adopted in The Netherlands may change, whether as a result of further changes to CRD IV agreed by EU legislators, binding regulatory technical standards developed or to be developed by the EBA or changes to the way in which the Competent Authority interprets and applies these requirements to banks located in The Netherlands (including as regards individual model approvals granted under CRD II and III).

Such changes, either individually and/or in aggregate, may lead to further unexpected enhanced requirements in relation to the Group's CRD IV capital, leverage, liquidity and funding ratios or alter the way such ratios are calculated. If the Competent Authority's rules, guidance or expectations in relation to capital or leverage were to be amended in the future, and depending on the content of binding regulatory technical standards developed by the EBA, it could be materially more difficult for the Group to maintain compliance with prudential requirements. This may result in a need for further management actions to meet the changed requirements, such as: increasing capital, reducing leverage and risk weighted assets, modifying legal entity structure (including with regard to issuance and deployment of capital and funding for the Group) and changing the Group's business mix or exiting other businesses and/or undertaking other actions to strengthen the Issuer's capital position.

CRD IV also introduced a new calculation of CET1 and risk weighted assets. Future regulatory changes to the calculation of CET1 and/or risk weighted assets may negatively affect the Group CET1 Ratio and thus increase the risk of a Trigger Event, which will lead to Conversion, as a result of which Holders could lose all or part of the value of their investment in the Capital Securities.

Under CRD IV, the Issuer is required to calculate the Group's capital resources for regulatory purposes on the basis of "common equity tier 1 capital" and calculate the Group's risk weighted assets or Group Total Risk Exposure Amount, which represent the Group's assets adjusted for their associated risk, on a different basis than the Issuer did prior to CRD IV.

Any changes that may occur in the application of the CRD IV rules in The Netherlands subsequent to the date of this Offering Circular and/or any subsequent changes to such rules and other variables may individually and/or in the aggregate negatively affect the Group CET1 Ratio and thus increase the risk of a Trigger Event, which will lead to Conversion, as a result of which investors could lose all or part of the value of their investment in the Capital Securities.

The Group may be impacted by the implementation of further regulations which have been or are currently under consultation or are yet to be finalised. By way of example, these include the Banking Package proposals announced by the European Commission in November 2016 and published in the Official Journal on 7 June 2019 and the Basel III Finalisation formally announced by the Basel Committee on Banking Supervision (BCBS) in December 2017, as mentioned above. Although the timing for adoption, contents and impact of these proposals remain subject to considerable uncertainty, the implementation of this new risk assessment framework may impact the calculation of the Group's risk-weighted assets and, consequently, the Group CET1 Ratio.

26 The Issuer may redeem the Capital Securities at its option in certain situations.

The Capital Securities may be redeemed at the Issuer's option, in whole but not in part, on (i) any calendar day during the six months period commencing on (and including) 16 May 2029 to (and including) the First Reset Date and (ii) any Interest Payment Date thereafter, or in the event of certain regulatory or tax events, as described in Condition 7. If the Issuer redeems the Capital Securities, Holders may not be able to reinvest the redemption proceeds in securities offering a comparable anticipated rate of return. The exercise of (or perceived likelihood of exercise of) the redemption feature of the Capital Securities may limit their market value, which is unlikely to rise substantially above the price at which the Capital Securities can be redeemed. In addition, any early redemption of the Capital Securities is subject to its obtaining the Competent Authority's prior permission, regardless of whether such redemption would be favorable or unfavourable to Holders. See Condition 7 concerning conditions to redemption. Furthermore, Holders have no right to require the Issuer to redeem the Capital Securities. Also, upon the occurrence of any event giving the Issuer the right to redeem the Capital Securities prior to maturity, the Issuer may, instead of redeeming the Capital Securities, choose to redeem other outstanding capital instruments if the terms of those capital instruments so provide, leaving the Holders of the Capital Securities subject to the risk of Conversion while other investors are redeemed at par or other advantageous prices.

27 Deduction of interest payments.

Up to 1 January 2019, Article 29a of the Dutch Corporate Income Tax Act of 1969 (*Wet op de vennootschapsbelasting 1969*) (the "**CITA**") provided debt treatment of securities that qualify as Additional Tier 1 Capital under Article 52, paragraph 1 of the CRR in respect of the determination of the profit for Dutch corporate income tax purposes. In addition, Article 29a CITA determined that such securities do not qualify as a loan within the meaning of article 10, paragraph 1, sub d CITA. As a result, the interest payments on Additional Tier 1 Capital were not limited in deductibility on the basis of Article 10, paragraph 1, sub d CITA. Provided no other specific interest deduction limitation rule of the CITA applied, the interest payments on this Additional Tier 1 Capital were deductible for Dutch corporate income tax purposes pursuant to the CITA.

However, as of 1 January 2019, Article 29a CITA has been abolished. The assumed view of the Dutch government is that without Article 29a CITA the interest due in respect of the Capital Securities will not be deductible. Therefore, interest due in respect of the Capital Securities may no longer be deductible for Dutch corporate income tax purposes as of 1 January 2019. The assumed view of the Dutch government is based on the position that the Capital Securities do not qualify as debt for Dutch civil law purposes. This position is not undebated and is the subject of at least one court case. Currently the deductibility of the interest payments on the Capital Securities for Dutch corporate income tax purposes is therefore uncertain. Should it be determined that based on the tax legislation in force as of the date of this Offering Circular that the interest payments on the Capital Securities would not be deductible for Dutch corporate income tax purposes, this will not give rise to a Tax Event which would give the Issuer the right to redeem the Capital Securities. However, if any such interest payments are determined not to be deductible, the Issuer's taxable income may be adjusted for the years in which interest payments under the Capital Securities have been treated as a deductible item for Dutch corporate income tax purposes by the Issuer. This could result in a substantial Dutch corporate income tax payment by the Issuer in relation to the Capital Securities, which may cause the Issuer to redeem the Capital Securities at or from the earliest date that is possible under the Terms and Conditions of the Capital Securities. If interest payments on the Capital Securities are or would be considered deductible for Dutch corporate income tax purposes based on Dutch law in force as of the Issue Date, but pursuant to a Tax Law Change, such payments of interest under the Capital Securities would no longer be tax deductible for Dutch corporate income tax purposes, a Tax Event would arise and the Issuer would have the right to redeem the Capital

Securities (and such right to redeem the Capital Securities could be exercised at the Issuer's discretion at or from the earliest date that is possible under the Terms and Conditions of the Capital Securities).

28 Withholding tax.

The absence of any Dutch withholding tax on payments in respect of the Capital Securities, as referred to in the paragraph "Withholding Tax" in the Taxation paragraph of this Offering Circular, is based, amongst others, on a public statement made by the Dutch Minister of Finance and the Dutch State Secretary of Finance confirming that no Dutch dividend withholding tax is payable on the coupons of Tier-1 capital instruments. If the Dutch Minister of Finance and/or the Dutch State Secretary of Finance change their position in respect of interest payments on Additional Tier 1 Capital and if the interest payments by the Issuer on the Capital Securities would be subject to withholding tax imposed by the Netherlands, the Issuer could be entitled to exercise its right to redeem the Capital Securities pursuant to Condition 7(d) (Redemption due to taxation) and subject to Condition 7(b) (Conditions to redemption and purchase).

It is not certain whether the European Commission agrees with the reasoning of the Dutch government with respect to the absence of withholding tax. It is possible that the European Commission takes the position that not requiring the imposition of withholding tax on Tier-1 capital instruments is in contravention of EU state aid prohibitions.

Furthermore, The Netherlands introduced a withholding tax on interest payments which will enter into effect as of 1 January 2021 (*Wet bronbelasting 2021*, the "**Dutch Withholding Tax Act 2021**"). Once this interest withholding tax becomes effective on 1 January 2021, interest paid or accrued to certain entities related to the Issuer that are located in certain low-taxed jurisdictions may be subject to Dutch withholding tax at a rate of 21.7%. The Dutch list for low-tax jurisdictions includes jurisdictions (i) with a statutory corporate tax rate of less than 9 per cent and/or (ii) that are on the EU list for non-cooperative jurisdictions. The list is updated annually. An entity is considered related if (i) it has a Qualifying Interest in the Issuer, (ii) the Issuer has a Qualifying Interest in the entity, or (iii) a third party has a Qualifying Interest in both the Issuer and the entity. The term "Qualifying Interest" means a direct or indirectly held interest – either by the entity individually or jointly if the Holder of is part of a collaborating group (*samenwerkende groep*) – that enables the entity or the collaborating group (as the case my be) to exercise such a decisive influence on the Issuer's decisions that it can determine the Issuer's activities.

In the event any such withholding would be required pursuant to the Dutch Withholding Tax Act 2021 in respect to payments on the Capital Securities, the Issuer will not be required to pay any Additional Amounts to Holders who are (deemed) tax resident of, or otherwise connected to, a low-tax jurisdiction (as defined in Dutch tax law) or a non-cooperative jurisdiction (as listed in the EU list of non-cooperative jurisdiction for tax purposes) to compensate them for such withholding tax. See Condition 10(d).

29 The Issuer's gross-up obligation under the Capital Securities is limited to payments of interest.

The Issuer's obligation to pay Additional Amounts in respect of any withholding or deduction in respect of Dutch taxes under the terms of the Capital Securities applies only to payments of interest in respect of the Capital Securities and not to payments of principal. Accordingly, the Issuer would not be required to pay any Additional Amounts under the terms of the Capital Securities to the extent any such withholding or deduction applied to payments of principal. In such circumstances, Holders may receive less than the full amount of principal due in respect of the Capital Securities, and the market value of the Capital Securities may be adversely affected.

30 Limited remedies in the case of non-payment under the Capital Securities.

The Capital Securities are perpetual securities and the Issuer may only redeem them, and make interest payments in respect of them, if certain conditions are met. The Issuer is under no obligation to redeem the Capital Securities.

The Issuer may in its absolute discretion cancel any interest payment, in whole or in part, on any Interest Payment Date or redemption date and the Issuer's failure to make any payment of interest on an Interest Payment Date or redemption date, in whole or in part, shall be deemed to cancel its obligation to make such payment, which shall not then be due and payable. Accordingly, the non-payment of interest on any Interest Payment Date or redemption date (in whole or in part) is not a default in payment or otherwise under the terms of the Capital Securities. For the avoidance of doubt, Conversion shall not constitute a default under the Capital Securities either.

The Holders shall not be entitled to declare the principal amount of the Capital Securities due and payable under any circumstance (provided that in the case of a Liquidation Event Holders shall have a claim as provided in Condition 3).

Subject to Condition 3, in which case holders shall have a claim as set out therein, the sole remedy available to Holders to enforce any term or condition binding on the Issuer under the Capital Securities or the Coupons shall be to institute proceedings against the Issuer to demand specific performance (*nakoming eisen*) of any such obligation of the Issuer under or arising from the Capital Securities or the Coupons, including, without limitation, payment of any principal in respect of the Capital Securities when if not satisfied for a period of 14 or more days after the date fixed for redemption on which such payment is due (provided that (i) the notice of redemption shall not have been revoked as described under Condition 7(f) and (ii) the applicable conditions described under Condition 7(b) shall have been satisfied), but in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

No remedy against the Issuer, other than as referred to in Condition 3 and Condition 9, shall be available to the Holders or Couponholders, whether for the recovery of amounts owing in respect of the Capital Securities or the Coupons or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Capital Securities or the Coupons.

31 The market value of the Capital Securities may be influenced by unpredictable factors.

Certain factors, many of which are beyond the Issuer's control, will influence the value of the Capital Securities and the price, if any, at which securities dealers may be willing to purchase or sell the Capital Securities in the secondary market, including:

- its creditworthiness and, in particular, the level of the Group CET1 Ratio, from time to time;
- supply and demand for the Capital Securities;
- economic, financial, political or regulatory events or judicial decisions that affect ING or the financial markets generally, including the introduction of any financial transactions tax; and
- the trading price of its Ordinary Shares, Depositary Receipts in respect thereof and/or ADSs.

Accordingly, if a Holder sells its Capital Securities in the secondary market, it may not be able to obtain a price equal to the principal amount of the Capital Securities or a price equal to the price that it paid for the Capital Securities.

32 There is no established trading market for the Capital Securities and one may not develop.

The Capital Securities have no established trading market. Although application will be made to have the Capital Securities admitted to listing and to trading on the GEM there can be no assurance that an active trading market will develop. If the Capital Securities are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Even if an active trading market does develop, it may not be liquid and may not continue. Therefore, investors may not be able to sell their Capital Securities easily or at all or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, have been structured to meet the investment requirements of limited categories of investors or include features such as Conversion. If the secondary market for the Capital Securities is limited, there may be few buyers for the Capital Securities and this may significantly reduce the market value of Capital Securities.

33 A downgrade, suspension or withdrawal of the rating assigned by any rating agency to the Capital Securities could cause the liquidity or market value of the Capital Securities to decline.

Upon issuance, it is expected that the Capital Securities will be rated by nationally recognized statistical ratings organizations and may in the future be rated by additional rating agencies. However, the Issuer is under no obligation to ensure the Capital Securities are rated by any rating agency and any rating initially assigned to the Capital Securities may be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, circumstances relating to the basis of the rating, such as adverse changes to the Issuer's business, so warrant. If the Issuer determines to no longer maintain one or more ratings, or if any rating agency lowers or withdraws its rating, such event could reduce the liquidity or market value of the Capital Securities.

In addition to ratings assigned by any hired rating agencies, rating agencies not hired by the Issuer to rate the Capital Securities may assign unsolicited ratings. If any non-hired rating agency assigns an unsolicited rating to the Capital Securities, there can be no assurance that such rating will not differ from, or be lower than, the ratings provided by a hired rating agency. The decision to decline a rating assigned by a hired rating agency, the delayed publication of such rating or the assignment of a non-solicited rating by a rating agency not hired by the Issuer could adversely affect the market value and liquidity of the Capital Securities.

34 The Capital Securities are not considered investment grade by one of the two rating agencies and are subject to the risks associated with non-investment grade securities.

The Capital Securities, upon issuance, will not be considered to be investment grade securities by one of the two rating agencies, and as such will be subject to a higher risk of price volatility than higher-rated securities. Furthermore, increases in leverage or deteriorating outlooks for the Issuer, or volatile markets, could lead to a significant deterioration in market prices of below-investment grade rated securities such as the Capital Securities.

35 Credit ratings may not reflect all risks.

One or more independent credit rating agencies may assign credit ratings to the Capital Securities. The ratings may not reflect the potential impact of all risks related to the structure, market, Conversion, bail-in power, additional factors discussed herein and other factors that may affect the value of the Capital Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Moreover, the rating agencies that currently, or may in the future, publish a rating for the Issuer or the Capital Securities may change the methodologies that they use for analysing securities with features similar to the Capital. Securities.

Real or expected downgrades, suspensions or withdrawals of, or changes in the methodology used to determine, credit ratings assigned to the Issuer or the Capital Securities could cause the liquidity or trading prices of the Capital Securities to decline significantly. Additionally, any uncertainty about the extent of any anticipated changes to the credit ratings assigned to the Issuer or the Capital Securities may adversely affect the market value of the Capital Securities.

36 Changes in law, or changes in the regulatory classification of the Capital Securities due to other factors, may adversely affect the rights of Holders of the Capital Securities.

The conditions of the Capital Securities are based on Dutch law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to Dutch, European or any other applicable laws, regulations or administrative practices after the date of this Offering Circular.

Changes in law after the date hereof may affect the rights of Holders as well as the market value of the Capital Securities. Such changes in law may include changes in statutory, tax and regulatory regimes, administrative practices and judicial decisions during the life of the Capital Securities, which may have an adverse effect on an investment in the Capital Securities.

In addition, any change in law or regulation that triggers a Regulatory Event or a Tax Event would entitle the Issuer, at the Issuer's option, to redeem the Capital Securities, in whole but not in part, as more particularly described under Condition 7. See also "*26. The Issuer may redeem the Capital Securities at its option in certain situations*."

A Regulatory Event is triggered by a change in the regulatory classification of the Capital Securities such that they will be excluded in whole or in part from the own funds, calculated as more fully described in the sections referred to above. A change in the regulatory classification may be caused by reasons other than changes in law (such as changes in the corporate structure of the Group) such that the Capital Securities are no longer eligible as own funds, which would allow the Issuer, at its option, to redeem the Capital Securities as described in the preceding paragraph and may affect the trading price of the Capital Securities.

Any legislative and regulatory uncertainty could also affect an investor's ability to accurately value the Capital Securities and, therefore, affect the trading price of the Capital Securities given the extent and impact on the Capital Securities that one or more regulatory or legislative changes, including those described above, could have on the Capital Securities.

37 The Banking Package amendments to the CRD IV Directive, CRR, BRRD and SRM Regulation.

In November 2016, the European Commission released the Banking Package. The final text of the Banking Package was approved by the European Council in May 2019, and the Banking Package was published in the Official Journal on 7 June 2019 and entered into force on 27 June 2019. The Banking Package aims to implement a number of new Basel standards and to transpose the FSB's TLAC term sheet into European law. The Banking Package will impact the capital requirements for currently reported exposures (e.g. a revised standards approach to credit risk weights and output floor), as well as lead to new capital requirements, covering multiple areas including the Pillar 2 framework, the leverage ratio (including a 50% extra buffer for G-SIIs under new Article 92(1a) of the CRR), mandatory restrictions on distributions, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of 'non-preferred' senior debt,

MREL and the integration of the TLAC standard into EU legislation. It is expected that various Level 2 delegated and implementing acts will be made supplementing the Banking Package. Amendments to the CRR have become directly applicable to the Issuer and the Group, while amendments to the CRD IV Directive and the BRRD will need to be transposed into Dutch law within 18 months before taking effect. Until the legislative process relating to the complete Banking Package has been finalized and been implemented under Dutch law, it is uncertain how the Banking Package will affect the Issuer or holders of the Capital Securities, including the ability of the Issuer to make payments on the Capital Securities (because such payments are subject to the Maximum Distributable Amount.

Under the Banking Package, the restrictions imposed by the Maximum Distributable Amount will now encompass the minimum Leverage Ratio requirement and the MREL requirement. The Banking Package introduces restrictions on distributions in the case of failure to meet the Leverage Ratio requirement (including any applicable buffer), thus introducing a new Leverage Ratio Maximum Distributable Amount ("**L-MDA**"), which will become applicable as of 1 January 2022 unless sooner implemented in Dutch law. The Banking Package also clarifies the stacking order between the combined buffer requirement and the MREL requirement and gives the relevant resolution authority the power to prohibit an entity from distributing more than the Maximum Distributable Amount for the MREL (calculated in accordance with the proposed Article 16a(4) of the BRRD, the "**M-MDA**", which will be applicable when this BRRD provision has been implemented in Dutch law and become applicable) where the combined buffer requirement and the MREL requirement are not met and which may apply to the Issuer or the Group in the future. The Banking Package provides a nine month grace period whereby the relevant resolution authority assesses on a monthly basis whether to exercise its powers under this provision, before the terms of CRD IV compel such resolution authority to exercise its power to prohibit distributions (subject to certain limited exceptions, to be verified on a monthly basis).

38 The financial services industry continues to be the focus of significant regulatory reforms which may adversely affect the Group's business, financial performance and capital plans.

A number of regulators have proposed, are proposing or are considering or implementing legislation and rule making, or have implemented legislation and rules, that could have a significant impact on the future legal entity structure, business mix and management of the Group. These include (a) the European Commission proposals of January 2014 for a directive to implement recommendations of the EU High Level Expert Group Review (the Liikanen Review), (b) the final rules issued by the U.S. Board of Governors of the Federal Reserve System implementing various enhanced prudential standards under Section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 applicable to certain foreign banking organizations and their U.S. operations and (c) the Banking Package and the Basel III Finalisation as mentioned above. These laws and regulations and the way in which they are interpreted and implemented by regulators may have a number of significant consequences, including changes to the legal entity structure of the Group, changes to how and where capital and funding is raised and deployed within the Group, increased requirements for loss-absorbing capacity within the Group and/or at the level of certain legal entities or sub-groups within the Group and potential modifications to the Group's business mix and model (including potential exit of certain business activities). These and other regulatory changes, and the resulting actions taken to address such regulatory changes, may have an adverse impact on the Group's, and therefore the Issuer's, performance and financial condition, which could in turn affect the levels of Group CET1 Capital and Group Total Risk Exposure Amount and, therefore, the resulting Group CET1 Ratio. It is not yet possible to predict the detail or effects of such legislation or regulatory rulemaking or the ultimate consequences to the Group or the Holders of the Capital Securities which could be material. See also "*25. Implementation of Basel*

III / CRD IV and additional competent authority supervisory expectations, and future changes under the Banking Package."

39 Holders will bear the risk of depreciation of the euro against the U.S. dollar.

Upon a Conversion (except in the case of a Liquidation Event), Holders will be entitled to receive Ordinary Shares of the Issuer. The Ordinary Shares trade in euro. The U.S. dollar value of the Issuer's Ordinary Shares may fluctuate depending on the exchange rate between the U.S. dollar and the euro. For example, if the euro depreciates relative to the U.S. dollar, the U.S. dollar value of the Issuer's Ordinary Shares will decrease. The Floor Price is fixed at U.S.$9.00 per Ordinary Share, subject to adjustment as described under Condition 6. Therefore, if the Floor Price is used to calculate the number of Conversion Shares to be issued after a Conversion (because the Floor Price is higher than the Current Market Price on the relevant date), and the euro has depreciated against the U.S. dollar since the Issue Date, Holders will receive Conversion Shares having a lower value in euro than if the euro had not depreciated or had appreciated against the U.S. dollar. If this happens Holders will not receive any additional compensation.

40 Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Capital Securities in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the U.S. dollar would decrease (i) the Investor's Currency-equivalent yield on the Capital Securities, (ii) the Investor's Currency-equivalent value of the principal payable on the Capital Securities and (iii) the Investor's Currency-equivalent market value of the Capital Securities. If the Capital Securities are denominated in a currency other than the currency of the country in which the Holder is resident, the Holder is exposed to the risk of fluctuations in the exchange rate between the two aforementioned currencies. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

41 Modification and waiver.

The Terms and Conditions of the Capital Securities contain provisions for calling meetings of Holders to consider matters affecting their interests generally and to obtain Written Resolutions on matters relating to the Notes from Noteholders without calling a meeting. A Written Resolution signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Capital Securities who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Fiscal Agency Agreement and whose Capital Securities are outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Capital Securities are held in global form in the clearing systems, the Issuer will be entitled to rely upon:

(i) where the terms of the proposed resolution have been notified through the relevant clearing system(s), approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Capital Securities for the time being outstanding; and

(ii) where electronic consent is not being sought, consent or instructions given in writing directly to the Issuer by accountholders in the clearing systems with entitlements to such Global Capital Security or, where the accountholders hold such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held.

A Written Resolution or an electronic consent as described above may be effected in connection with any matter affecting the interests of Holders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Holders satisfying the special quorum in accordance with the provisions of the Fiscal Agency Agreement, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Holders duly convened and held. These provisions permit defined majorities to bind all Holders, including Holders who did not attend and/or vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

The Fiscal Agency Agreement and the Conditions may be amended by the Issuer and the Fiscal Agent, without the consent of any Holder or Couponholder, where such modification is of a formal, minor or technical nature or is made to correct a manifest error or for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may agree and which does not adversely affect the interests of the Holders or Couponholders.

42 Legality of purchase.

Neither the Issuer nor any of its affiliates has or assumes responsibility for the lawfulness of the acquisition of the Capital Securities by a prospective investor in the Capital Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it. The Managers are also required to comply with the PI Instrument, PRIIPs and MiFID II and as a result of this compliance, prospective investors will be required to give the representations, warranties, agreements and undertakings as set out on pages 2 to 3 of this Offering Circular.

43 The Capital Securities have a minimum denomination; Integral multiples of less than USD 200,000.

The Capital Securities are denominated in amounts of USD 200,000 and integral multiples of USD 1,000 in excess thereof up to and including USD 399,000. In the event that definitive Capital Securities are required to be issued, a Holder who holds a principal amount which is less than USD 200,000 in his account with the relevant clearing system at the relevant time would need to purchase a principal amount of Capital Securities such that his holding amounts to at least USD 200,000 before he may receive a definitive Capital Security in respect of such holding. Except in circumstances set out in the Global Capital Security, investors will not be entitled to receive definitive Capital Securities.

44 Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Capital Securities are legal investments for it, (ii) Capital Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Capital Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Capital Securities under any applicable risk-based capital or similar rules.

45 Statutory loss absorption: Regulatory action in the event of a bank failure could materially adversely affect the value of the Capital Securities.

Reference is made to the risk factor entitled "*Bank Recovery and Resolution Regimes*" starting on page 20 of the Registration Document and the Statutory Loss Absorption provision in the Conditions. The powers described therein may also be applied in respect of the Capital Securities, and none of the actions described therein would constitute an event of default under the Capital Securities entitling Holders to seek repayment. These powers include (but are not limited to) a statutory "write-down and conversion power" and a "bail-in" power, which will give the relevant authority the power to cancel all or a portion of the principal amount of, or interest on, certain unsecured liabilities (which could include the Capital Securities) of a failing financial institution or a relevant holding company (such as the Issuer) and/or to convert certain debt claims (which could include the Capital Securities) into another security, including ordinary shares of the surviving Group entity, if any, or bridge institution, if any ("**Statutory Loss Absorption**").

Pursuant to the exercise of any Statutory Loss Absorption measures, the Capital Securities could become subject to a determination by the relevant resolution authority or the Issuer (following instructions from the relevant resolution authority) that all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be written off (whether or not on a permanent basis) or otherwise converted into CET1 capital or otherwise be applied to absorb losses. Such determination shall not constitute a default under the Capital Securities and Holders will have no further claims in respect of any amount so written off or otherwise as a result of such Statutory Loss Absorption. Any such Statutory Loss Absorption may be applied by the relevant resolution authority either at the point of non-viability (and independently of resolution action) or together with a resolution action and could occur before the Trigger Event.

Any determination that all or part of the principal amount of the Capital Securities will be subject to Statutory Loss Absorption may be inherently unpredictable and may depend on a number of factors which may be outside the Issuer's control. Accordingly, trading behaviour in respect of Capital Securities which are subject to Statutory Loss Absorption is not necessarily expected to follow trading behaviour associated with other types of securities. Any indication that the Capital Securities will become subject to Statutory Loss Absorption could have an adverse effect on the market price of the Capital Securities. Potential investors should consider the risk that a Holder may lose all of its investment in the Capital Securities, including the principal amount plus any accrued but unpaid Interest, if those Statutory Loss Absorption measures were to be taken.

There remains uncertainty as to the full impact of the BRRD, the SRM Regulation or the Intervention Act (each as defined in the risk factor entitled "*Bank Recovery and Resolution Regimes*" starting on page 20 of the Registration Document) on the Issuer, the Group and on Holders of the Capital Securities, and there can be no assurance that the taking of any actions by the relevant authority would not adversely affect the rights of Holders of the Capital Securities, the price or value of an investment in the Capital Securities and/or the Issuer's ability to satisfy its obligations under the Capital Securities. The taking of any such action or any suggestion thereof could materially adversely affect the value of the Capital Securities and could lead to the Holders of the Capital Securities losing some or all of their investment in the Capital Securities.

It is possible that under the BRRD, the SRM Regulation, the Intervention Act or any other future similar legislation, any powers given to the resolution authority or another relevant authority could be used in such a way as to result in capital instruments of the Issuer, such as the Capital Securities, absorbing losses or otherwise affecting the rights of Holders either in the course of any resolution of the Issuer or, prior thereto, at the point of non-viability. If these powers were to be exercised in respect of the Issuer (or any member of the

Group), there could be a material adverse effect on the rights of Holders of Capital Securities, including through a material adverse effect on the price of the Capital Securities.

The BRRD, the SRM Regulation and the Intervention Act could negatively affect the position of Holders and the credit rating attached to the Capital Securities, in particular if and when any of the above proceedings would be commenced against the Issuer, since the application of any such legislation may affect the rights and effective remedies of the Holders as well as the market value of the Capital Securities. Investors in the Capital Securities may lose their investment if resolution measures are taken.

Potential investors should refer to the risk factors entitled "*Bank Recovery and Resolution Regimes*" starting on page 20 of the Registration Document and "*36. Changes in law, or changes in the regulatory classification of the Capital Securities due to other factors, may adversely affect the rights of Holders of the Capital Securities.*".

IMPORTANT INFORMATION

Responsibility Statement

The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the Issuer's knowledge, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

Documents incorporated by reference

This Offering Circular is to be read and construed in conjunction with the registration document of the Issuer dated 29 March 2019 that was prepared in accordance with Article 5 of Directive 2003/71/EC (the Prospectus Directive) and approved by the Netherlands Authority for the Financial Markets (as amended by the amendments to the registration document of the Issuer set out in the supplements under the Issuer's €70,000,000,000 Debt Issuance Programme dated 3 May 2019, 5 August 2019, 1 November 2019 and 7 February 2020, respectively, the "**Registration Document**"), including, for the avoidance of doubt, the items incorporated by reference therein (in the case of the supplements to the extent containing amendments to the Issuer's registration document), and in conjunction with the press release published by the Issuer on 19 February 2020 entitled "Ralph Hamers to leave ING to become CEO of UBS".

The registration document of the Issuer dated 29 March 2019 and the supplements and press release mentioned above, to the extent containing amendments to the Issuer's registration document, shall be incorporated in, and form part of, this Offering Circular, save that any statement contained in this Offering Circular or in any of the documents incorporated by reference in, and forming part of, this Offering Circular shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained in any document which is subsequently incorporated by reference herein modifies or supersedes such statement. Information contained in the supplements or press release mentioned above that does not concern amendments to the Issuer's registration document is not incorporated in, and does not form part of, this Offering Circular.

The Issuer will provide, without charge, to each person to whom a copy of this Offering Circular is delivered, a copy of the documents incorporated (in whole or in part, as set out above) herein by reference, unless such documents have been modified or superseded as specified above, in which case the modified or superseding version of such document will be provided. Such documents may be obtained from the Issuer, c/o ING Bank N.V. at Foppingadreef 7, 1102 BD Amsterdam, The Netherlands. In addition, this Offering Circular and any document which is incorporated herein by reference will be made available on the websites of ING (https://www.ing.com/investor-relations.htm or https://www.ingmarkets.com/downloads/800/debt-issuance-programme).

The contents of websites referenced in this Offering Circular do not form any part of this Offering Circular.

FORWARD-LOOKING STATEMENTS

This Offering Circular includes or incorporates by reference "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934 (the "**Exchange Act**"). All statements other than statements of historical fact included or incorporated by reference in this Offering Circular, including, without limitation, those regarding the Issuer's financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer's present and future business strategies and the environment in which the Issuer will operate in the future. These forward-looking statements speak only as of the date of this Offering Circular or as of such earlier date at which such statements are expressed to be given. The Issuer expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

OVERVIEW

The Overview below describes the principal terms of the Capital Securities. The section of this Offering Circular entitled "Terms and Conditions of the Capital Securities" contains a more detailed description of the Capital Securities. Capitalised terms used but not defined in this Overview shall bear the respective meanings ascribed to them in "Terms and Conditions of the Capital Securities".

Issuer of the Capital Securities.....	ING Groep N.V.
Capital Securities.....	U.S.$ 750,000,000 4.875% Perpetual Additional Tier 1 Contingent Convertible Capital Securities
Joint Lead Managers and Joint Bookrunners.....	Credit Suisse Securities (Europe) Limited Goldman Sachs International ING Bank N.V. Morgan Stanley & Co. International plc The Toronto-Dominion Bank UniCredit Bank AG
Joint Lead Managers.....	Banco Bilbao Vizcaya Argentaria, S.A. KBC Bank NV Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH Mizuho Securities Europe GmbH Scotiabank Europe plc
Fiscal Agent and Paying Agent.....	The Bank of New York Mellon, London Branch.
Currency.....	USD
Aggregate Nominal Amount.....	USD 750,000,000
Issue Price.....	100.00%
Issue Date.....	28 February 2020
Maturity Date.....	The Capital Securities are perpetual securities and have no scheduled maturity date.
Status and Subordination.....	The Capital Securities and the Coupons will constitute unsecured and subordinated obligations of the Issuer and shall rank *pari passu* and without any preference among themselves. The rights and claims of the Holders and the Couponholders are subordinated as described in Condition 3. At any time prior to the date on which a Trigger Event occurs, in the event of the liquidation (upon dissolution (*ontbinding*) or otherwise), moratorium of payments (*surseance van betaling*) or bankruptcy (*faillissement*) of the Issuer (each a "**Liquidation Event**"), the Capital Securities will be subordinated to Senior Instruments of the Issuer, and rank *pari passu* with Parity Instruments of the Issuer. In such circumstances, the amount of any claim in respect of each Capital Security shall be its principal amount. By virtue of such

	subordination, payments to the Holders and Couponholders will, in the case of a Liquidation Event, only be made after all payment obligations of the Issuer ranking senior to the Capital Securities and Coupons have been satisfied. If at any time on or after the date on which a Trigger Event occurs, there occurs a Liquidation Event, but the relevant Ordinary Shares to be issued and delivered to the Conversion Shares Depository on Conversion in accordance with Condition 6 have not been so issued and delivered, each Holder of a Capital Security shall have a claim (in lieu of any other payment by the Issuer) for the amount, if any, it would have been entitled to receive if the Conversion relating to such Trigger Event had occurred, and the relevant number of Conversion Shares to which such Holder would have been entitled had been delivered to such Holder, immediately prior to the Liquidation Event. Subject to applicable law, no Holder or Couponholder may exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Securities or the Coupons and each Holder and Couponholder shall, by virtue of his holding of any Capital Security or Coupon, be deemed to have waived all such rights of set-off, netting, compensation or retention.
Statutory loss absorption.....	Capital Securities may become subject to the determination by the Resolution Authority or the Issuer (following instructions from the Resolution Authority) that all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be reduced, cancelled, written down (whether or not on a permanent basis) or converted (in whole or in part) into shares or other instruments of ownership (whether or not at the point of non-viability and independently of or in combination with a resolution action) or that the terms of the Capital Securities must be varied (which may include amending interest amounts and payment dates, including by suspending payment for a temporary period), or that the Capital Securities must otherwise be applied to absorb losses or give effect to resolution tools or powers, all as prescribed by the Applicable Resolution Framework.
Interest.....	The Capital Securities will bear interest at an initial interest rate of 4.875 per cent. per annum on their principal amount, from (and including) the Issue Date to (but excluding) 16 November 2029 (the "**First Reset Date**"), payable, subject as provided below, semi-annually in arrear on each Interest Payment Date, as more fully described under Condition 4. Interest on the Capital Securities shall accrue from (and including) the First Reset Date at a rate, to be reset on each five-year anniversary thereafter, based on the aggregate of

	the Reset Reference Rate and 3.506 per cent. The Reset Reference Rate references U.S. Treasury securities as set out in Condition 19.
Interest Payment Dates.....	Except as described below, interest will be payable on 16 May and 16 November of each year (each, an "**Interest Payment Date**"), commencing on 16 May 2020 (short first coupon).
Optional Cancellation of Interest.....	The Issuer may, at its discretion but subject at all times to the requirements for mandatory cancellation of interest payments in Condition 5(b) and Condition 6, elect to cancel any interest payment, in whole or in part, which is otherwise scheduled to be paid on an Interest Payment Date or redemption date.
Mandatory Cancellation of Interest...	Interest otherwise scheduled to be paid on an Interest Payment Date or redemption date will not be due (in whole or, as the case may be, in part), and the relevant payment will not be made, if and to the extent that: (a) the amount of such interest payment otherwise due, together with any interest payments or distributions which have been paid or made or which are required to be paid or made during the then current financial year on other own funds items (excluding any such interest payments or distributions which (i) are not required to be made out of Distributable Items or (ii) have already been provided for, by way of deduction, in the calculation of Distributable Items) in aggregate exceed the amount of Distributable Items of the Issuer as at such Interest Payment Date; (b) the payment of such interest, when aggregated together with certain other distributions of the kind referred to in Article 141(2) of the CRD IV Directive (or any provision of applicable law, including the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), transposing or implementing Article 141(2) of the CRD IV Directive, as amended or replaced, and as in force and applicable in the Netherlands from time to time) or, as applicable, any analogous restrictions arising from the requirement to meet capital buffers under Capital Regulations or the BRRD (including without limitation Article 16a thereof), would cause the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded; or (c) the payment of such interest is scheduled to be made on an Interest Payment Date falling on or after the date of a Trigger Event or Liquidation Event.
Interest non-cumulative; no default...	Any interest (or part thereof) not paid on any relevant Interest Payment Date or redemption date by reason of Condition 5(a), 5(b) or 6 (whether or not the Issuer has given notice of cancellation) shall be cancelled or deemed cancelled and shall not accumulate or be due and payable at any time thereafter. The non-payment of any interest

	in whole or in part by the Issuer by virtue of Condition 5 or Condition 6 shall not constitute a default for any purpose (including, without limitation, Condition 9) on the part of the Issuer, and the Holders and Couponholders shall have no right thereto whether in the case of a Liquidation Event or otherwise. As described under Condition 3 and Condition 6, in the case of a Liquidation Event or on the occurrence of a Conversion, any accrued and unpaid interest on the Capital Securities shall be deemed cancelled.
Mandatory Conversion.....	If the Trigger Event occurs, each Capital Security shall, subject to and as provided in Condition 6, be converted, in whole and not in part, into Ordinary Shares, credited as fully paid, and be irrevocably discharged and satisfied by the issuance and delivery of such Ordinary Shares to the Conversion Shares Depository (or the relevant recipient). The Capital Securities are not convertible at the option of Holders at any time.
Conversion Price	If the Ordinary Shares are (a) then admitted to trading on a Relevant Stock Exchange, the Conversion Price per Ordinary Share in respect of the Capital Securities is the higher of (i) the Current Market Price of an Ordinary Share translated into U.S. dollars at the Prevailing Rate, (ii) the Floor Price and (iii) the nominal value of an Ordinary Share at the time of conversion (being €0.01 on the Closing Date) translated into U.S. dollars at the Prevailing Rate, or (b) not then admitted to trading on a Relevant Stock Exchange, the Conversion Price will be the higher of (ii) and (iii) above. The Floor Price is fixed at U.S.$9.00 per Ordinary Share, subject to adjustment as described under Condition 6(e).
Optional Redemption	The Issuer may, subject to Condition 7(b), elect to redeem all, but not some only, of the Capital Securities on (i) any calendar day during the six months period commencing on (and including) 16 May 2029 to (and including) the First Reset Date and (ii) any Interest Payment Date thereafter at their Redemption Price.
Redemption for Taxation Reasons.....	If a Tax Event has occurred and is continuing, then the Issuer may, subject to Condition 7(b), redeem in accordance with the Conditions all, but not some only, of the Capital Securities at any time at their Redemption Price on the relevant date fixed for redemption.
Redemption for Regulatory Purposes.....	If a Regulatory Event has occurred and is continuing, then the Issuer may, subject to Condition 7(b), redeem in accordance with the Conditions all, but not some only, of the Capital Securities at any time at their Redemption Price on the relevant date fixed for redemption. A "**Regulatory Event**" is deemed to have occurred if at any time on

	or after the Issue Date, as a result of a change in the regulatory classification of the Capital Securities, the Capital Securities have been or will be excluded from the own funds, calculated in accordance with Article 11 of the CRR on the basis of the consolidated situation of the Issuer as the parent financial holding company of the Bank, or reclassified as own funds of lower quality (that is, no longer Additional Tier 1 Capital), in each case whether in whole or in part, provided that, for the avoidance of doubt, a Regulatory Event shall not be deemed to have occurred in the case of a partial exclusion of the Capital Securities as a result of a Conversion.
Withholding Tax and Additional Amounts.....	The Issuer will pay such Additional Amounts as may be necessary in order that the payment received by each Holder in respect of the Capital Securities, after withholding or deduction for any taxes imposed by tax authorities in the Netherlands upon payments made in relation to interest (and not payments of principal) by or on behalf of the Issuer in respect of the Capital Securities, will equal the amount which would have been received in the absence of any such withholding taxes, subject to customary exceptions, as more particularly set out in Condition 10.
Listing.....	Application has been made to Euronext Dublin for the Capital Securities to be admitted to the Official List and trading on the Global Exchange Market of Euronext Dublin.
Governing Law.....	The Capital Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them will be governed by, and construed in accordance with, the laws of the Netherlands.
Form	Bearer. The Capital Securities will initially be represented by a Temporary Global Capital Security, without interest coupons, which will be deposited with a common depositary on behalf of Euroclear and Clearstream, Luxembourg. The Temporary Global Capital Security will be exchangeable for interests in a global capital security, without interest coupons, on or after 8 April 2020, upon certification as to non-US beneficial ownership.
Denomination	USD 200,000 and integral multiples of USD 1,000 in excess thereof, up to and including USD 399,000.
Clearing and Settlement.....	The Capital Securities have been accepted for clearance through the facilities of each of Euroclear and Clearstream, Luxembourg.
Rating	The Capital Securities are expected upon issue to be rated Ba1 and BBB- by Moody's and Fitch, respectively. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

Security Codes	ISIN: XS2122174415 Common Code: 212217441
Selling Restrictions	The European Economic Area, United States of America, United Kingdom (including but not limited to the PI Instrument), Japan, Singapore, Hong Kong, the Republic of China, Brazil, Switzerland, Italy, France and Canada. The Capital Securities have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). The Capital Securities are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. For a description of these and certain further restrictions on offers, sales and transfers of the Capital Securities and distribution of this Offering Circular, see "*Subscription and Sale*".

TERMS AND CONDITIONS OF THE CAPITAL SECURITIES

The following, subject to alteration and except for paragraphs in italics, which do not form part of the conditions of issue, are the terms and conditions of the Capital Securities which will be endorsed on each Capital Security in definitive form (if issued). They also contain, in Condition 6, some provisions that apply in case the Capital Securities are in global form or held through a clearing system.

The issue of the U.S.$750,000,000 Perpetual Additional Tier 1 Contingent Convertible Capital Securities (the "**Capital Securities**", which expression shall, unless the context otherwise requires, include any further instruments issued pursuant to Condition 16 and forming a single series with the Capital Securities) of ING Groep N.V. (the "**Issuer**") was authorised by a resolution of the Executive Board of the Issuer passed on 27 January 2020.

A fiscal agency agreement dated 28 February 2020 (the "**Fiscal Agency Agreement**") has been entered into in relation to the Capital Securities between the Issuer, The Bank of New York Mellon, London Branch as fiscal agent and the paying agents named in it. The fiscal and conversion agent and the paying and conversion agents for the time being are referred to below respectively as the "**Fiscal Agent**" and the "**Paying Agents**" (which expression shall include the Fiscal Agent). The Fiscal Agency Agreement includes the form of the Capital Securities and the coupons relating to them (the "**Coupons**", which expression includes, where the context so permits, talons for further Coupons (the "**Talons**")) and the Talons appertaining to Capital Securities in definitive form. Copies of the Fiscal Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents. The holders of the Capital Securities (the "**Holders**") and the holders of the Coupons (whether or not attached to the relevant Capital Securities) (the "**Couponholders**") are deemed to have notice of, and are bound by, all the provisions of the Fiscal Agency Agreement applicable to them.

1 Form, denomination and title

(a) Form and denomination

The Capital Securities are serially numbered and in bearer form in the denominations of $200,000 and integral multiples of $1,000 in excess thereof up to and including $399,000 each with Coupons and one Talon attached on issue. No definitive Capital Securities will be issued with a denomination above $399,000. Capital Securities of one denomination may not be exchanged for Capital Securities of any other denomination.

(b) Title

Title to the Capital Securities and Coupons passes by delivery. The holder of any Capital Security or Coupon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

2 Status

The Capital Securities and Coupons constitute unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Holders and the Couponholders are subordinated as described in Condition 3.

3 Subordination and statutory loss absorption

(a) Subordination prior to a Trigger Event

At any time prior to the date on which a Trigger Event occurs, in the event of the liquidation (upon dissolution (*ontbinding*) or otherwise), moratorium of payments (*surseance van betaling*) or bankruptcy (*faillissement*) of the Issuer (each a "**Liquidation Event**"), the Capital Securities will be subordinated to Senior Instruments of the Issuer, and rank *pari passu* with Parity Instruments of the Issuer.

In the circumstances described above, the amount of any claim in respect of each Capital Security shall be its principal amount.

By virtue of such subordination, payments (if any) to the Holders and Couponholders will, in the case of a Liquidation Event, only be made after all payment obligations of the Issuer in respect of Senior Instruments have been satisfied.

"**Senior Instruments**" means securities, instruments or obligations of the Issuer:

(i) the holders of which are unsubordinated creditors of the Issuer ("**Unsubordinated Instruments**"), or

(ii) which are, or are expressed to be, subordinated (whether only in the event of the liquidation of the Issuer or otherwise) to Unsubordinated Instruments but not further or otherwise, or

(iii) which in case of a Liquidation Event occurring prior to the Trigger Event are, or are expressed to be, further or otherwise subordinated, other than those which in such event rank, or are expressed to rank, *pari passu* with or junior to the Capital Securities,

for the avoidance of doubt, including securities, instruments or obligations of the Issuer which are Tier 2 instruments as meant in Article 52(1)(d) of the CRR.

"**Parity Instruments**" means securities, instruments or obligations of the Issuer which in case of a Liquidation Event occurring prior to the Trigger Event rank, or are expressed to rank, *pari passu* with the Capital Securities, including the Existing Capital Instruments.

"**Existing Capital Instruments**" means the ING Perpetual Securities II issued on 19 June 2003, ING Perpetual Securities III issued on 16 June 2004, the 6.125% ING Perpetual Debt Securities issued on 26 September 2005, the 6.000% Perpetual Additional Tier 1 Contingent Convertible Capital Securities issued on 16 April 2015, the 6.500% Perpetual Additional Tier 1 Contingent Convertible Capital Securities issued on 16 April 2015, the 6.875% Perpetual Additional Tier 1 Contingent Convertible Capital Securities issued on 21 November 2016, the 6.750% Perpetual Additional Tier 1 Contingent Convertible Capital Securities issued on 26 February 2019 and the 5.750% Perpetual Additional Tier 1 Contingent Convertible Capital Securities issued on 10 September 2019.

(b) Status on or after a Trigger Event

If at any time on or after the date on which a Trigger Event occurs, there occurs a Liquidation Event, but the relevant Conversion Shares to be issued and delivered to the Conversion Shares Depository (or other relevant person) on Conversion in accordance with Condition 6 have not been so issued and delivered, each Holder of a Capital Security shall have a claim (in lieu of any other payment by the Issuer) for the amount, if any, it would have been entitled to receive if the Conversion relating to such Trigger Event had occurred, and the relevant number of Conversion Shares to which such Holder

would have been entitled had been delivered to such Holder, immediately prior to the Liquidation Event.

(c) No set-off

Subject to applicable law, no Holder or Couponholder may exercise, claim or plead any right of set-off, netting, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Securities or the Coupons and each Holder and Couponholder shall, by virtue of his holding of any Capital Security or Coupon, be deemed to have waived all such rights of set-off, netting, compensation or retention. If, notwithstanding the above, any amounts due and payable to any Holder or Couponholder by the Issuer in respect of, or arising under, the Capital Securities or the Coupons are discharged by set-off, such Holder or Couponholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer (or, if a Liquidation Event shall have occurred, the liquidator or administrator of the Issuer, as the case may be) and, until such time as payment is made, shall hold an amount equal to such amount in trust (where possible) or otherwise for the Issuer (or the liquidator or administrator of the Issuer, as the case may be) and, accordingly, any such discharge shall be deemed not to have taken place. The foregoing shall not prevent any set-off in order to give effect to a Conversion pursuant to Condition 6.

(d) Statutory loss absorption

Capital Securities may become subject to the determination by the Resolution Authority or the Issuer (following instructions from the Resolution Authority) that all or part of the principal amount of the Capital Securities, including accrued but unpaid interest in respect thereof, must be reduced, cancelled, written down (whether or not on a permanent basis) or converted (in whole or in part) into shares or other instruments of ownership (whether or not at the point of non-viability and independently of or in combination with a resolution action) or that the terms of the Capital Securities must be varied (which may include amending interest amounts and payment dates, including by suspending payment for a temporary period), or that the Capital Securities must otherwise be applied to absorb losses or give effect to resolution tools or powers, all as prescribed by the Applicable Resolution Framework. The Issuer shall as soon as practicable give notice to the Holders in accordance with Condition 14 and to the Fiscal Agent that any such statutory loss absorption has occurred and of the amount adjusted downwards upon the occurrence of such statutory loss absorption. Failure to provide such notice will not have any impact on the effectiveness of, or otherwise invalidate, any such statutory loss absorption or give Holders any rights as a result of such failure.

"**Applicable Resolution Framework**" means any relevant laws and regulations applicable to the Issuer and/or the Regulatory Group at the relevant time either pursuant to, or which implement, or are enacted within the context of the BRRD, the SRM Regulation and the Dutch Intervention Act (*Interventiewet)*, as amended or replaced from time to time, or any other resolution or recovery rules which may from time to time be applicable to the Issuer and/or the Regulatory Group.

"**Regulatory Group**" means the Issuer, its subsidiary undertakings, participations, participating interests and any subsidiary undertakings, participations or participating interests held (directly or indirectly) by any of its subsidiary undertakings from time to time and any other undertakings from time to time consolidated with the Issuer for regulatory purposes, in each case in accordance with the rules and guidance of the Competent Authority or Resolution Authority then in effect.

"**Resolution Authority**" means the European Single Resolution Board, the European Central Bank, the Dutch Central Bank (*De Nederlandsche Bank N.V.*) or such other regulatory authority or

governmental body having the power to impose statutory loss absorption on the Capital Securities pursuant to the Applicable Resolution Framework.

4 Interest

(a) General

Subject to Conditions 5 and 6, the Capital Securities bear interest on their principal amount at the applicable Interest Rate from (and including) the Issue Date in accordance with the provisions of this Condition 4.

Subject to Conditions 5 and 6, interest shall be payable on the Capital Securities semi-annually in arrear on each Interest Payment Date, as provided in this Condition 4.

Where it is necessary to compute an amount of interest in respect of any Capital Security for a period which is less than a complete Interest Period, the relevant day-count fraction shall be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

(b) Interest accrual

Interest in respect of any Capital Security shall be calculated per Calculation Amount, and per Calculation Amount shall be equal to the product of the Calculation Amount, the relevant Interest Rate and the day-count fraction as described in Condition 4*(a)*, rounding the resultant figure to the nearest cent (half a cent being rounded upwards). Where the denomination of a Capital Security is a multiple of the Calculation Amount, the amount of interest payable in respect of such Capital Security is the aggregate of the amounts (calculated as aforesaid) for each Calculation Amount comprising the denomination of the relevant Capital Security.

Without prejudice to Condition 6, the Capital Securities will cease to bear interest from (and including) the date of redemption thereof pursuant to Condition 7 unless, upon due presentation, payment and performance of all amounts and obligations due in respect of the Capital Securities is not properly and duly made, in which event interest shall continue to accrue on the Capital Securities, both before and after judgment, at the applicable Interest Rate and shall be payable as provided in these Conditions up to (but excluding) the Relevant Date.

(c) Initial Interest Rate

For the period from and including the Issue Date to but excluding the First Reset Date (the "**First Fixed Period**"), the Capital Securities bear interest on their principal amount at the rate of 4.875 per cent. per annum (the "**Initial Interest Rate**").

(d) Determination of Reset Interest Rate and calculation of reset Interest Amounts

The Interest Rate will be reset on the First Reset Date and each five-year anniversary thereafter (each a "**Reset Date**") to a rate per annum equal to the aggregate of the Reset Reference Rate on the relevant Reset Determination Date, as determined by the Interest Calculation Agent, and the Margin (the "**Reset Interest Rate**").

The Interest Calculation Agent will, as soon as practicable after 11.00 a.m. (New York City time) on each Reset Determination Date, determine the Reset Interest Rate in respect of the relevant Reset Period and calculate the corresponding Interest Amount for each Interest Period falling in that Reset Period.

(e) Publication of Reset Interest Rate and reset Interest Amounts

The Interest Calculation Agent will cause the applicable Interest Rate for the Reset Period commencing on the relevant Reset Date as determined in accordance with this Condition 4 and the corresponding Interest Amount for each Interest Period falling in that Reset Period to be notified to the Paying Agents and the GEM or any other stock exchange on which the Capital Securities are for the time being listed or admitted to trading, and, in accordance with Condition 14, to Holders, in each case as soon as practicable after their determination but in any event not later than the fourth Business Day thereafter. To the extent the Interest Calculation Agent is unable to notify the stock exchange on which the Capital Securities are for the time being listed or admitted to trading, the Interest Calculation Agent will immediately notify the Issuer, and upon receipt of such notice from the Interest Calculation Agent the Issuer shall procure that such Interest Rate and Interest Amount are notified to the relevant stock exchange.

(f) Interest Calculation Agent

With effect from the First Reset Date, and so long as any Capital Securities remain outstanding thereafter and a function expressed in these Conditions to be performed by the Interest Calculation Agent falls to be performed, the Issuer will maintain an Interest Calculation Agent.

The Issuer may from time to time replace the Interest Calculation Agent with another leading investment, merchant or commercial bank or financial institution in London. If the Interest Calculation Agent is unable or unwilling to continue to act as the Interest Calculation Agent or fails duly to determine the Interest Rate in respect of any Reset Period as provided in Condition 4(d) or to calculate the corresponding Interest Amount, the Issuer shall appoint another leading investment, merchant or commercial bank or financial institution in London to act as such in its place. The Interest Calculation Agent may not resign its duties or be removed without a successor having been appointed as aforesaid.

(g) Determinations of Interest Calculation Agent binding

The determination of the applicable Interest Rate and the corresponding Interest Amount by the Interest Calculation Agent shall (in the absence of wilful default, bad faith or manifest error) be final and binding upon all parties and (in the absence of wilful default, gross negligence or fraud) no liability shall attach to the Interest Calculation Agent in connection with the exercise by it of any of its powers, duties and discretions.

5 Cancellation of interest

(a) Optional cancellation of interest

The Issuer may, at its discretion but subject at all times to the requirements for mandatory cancellation of interest payments in Condition 5(b) and Condition 6, elect to cancel any interest payment, in whole or in part, which is otherwise scheduled to be paid on an Interest Payment Date or redemption date. If practicable, the Issuer will give notice of such election to the Holders in accordance with Condition 14, the Paying Agents and the Interest Calculation Agent at least five Business Days prior to the relevant Interest Payment Date or redemption date (provided that any failure to give such notice shall not affect the validity of the cancellation of any interest payment in whole or in part by the Issuer and shall not constitute a default under the Capital Securities for any purpose or give Holders any rights as a result of such failure). Such notice shall specify the amount of the relevant cancellation and the amount (if any) of the relevant interest payment that will be paid on the relevant Interest Payment Date or redemption date.

If the Competent Authority exercises its general powers under Article 104 of the CRD IV Directive to restrict or prohibit interest payments to holders of Additional Tier 1 Capital securities, the Issuer will exercise its discretion to cancel (in whole or in part, as required by the Competent Authority) interest payments in respect of the Capital Securities.

(b) Mandatory cancellation of interest

In addition to the requirements for mandatory cancellation of interest payments in Condition 6, interest (including any Additional Amounts) otherwise scheduled to be paid on an Interest Payment Date or redemption date will not be due (in whole or, as the case may be, in part), and the relevant payment will not be made, if and to the extent that the amount of such interest payment otherwise due, together with any interest payments or distributions which have been paid or made or which are required to be paid or made during the then current financial year on other own funds items (excluding any such interest payments or distributions which (i) are not required to be made out of Distributable Items or (ii) have already been provided for, by way of deduction, in the calculation of Distributable Items) in aggregate exceed the amount of Distributable Items of the Issuer as at such Interest Payment Date or redemption date.

In addition, the Issuer shall not pay any interest otherwise due on an Interest Payment Date or redemption date if and to the extent that the payment of such interest, when aggregated together with certain other distributions of the kind referred to in Article 141(2) of the CRD IV Directive (or any provision of applicable law, including the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), transposing or implementing Article 141(2) of the CRD IV Directive, as amended or replaced, and as in force and applicable in the Netherlands from time to time) or, as applicable, any analogous restrictions arising from the requirement to meet capital buffers under Capital Regulations or the BRRD (including without limitation Article 16a thereof), would cause the Maximum Distributable Amount (if any) then applicable to the Issuer to be exceeded.

If the Issuer is prohibited from making any interest payment under this Condition 5(b), the Issuer shall, if practicable, give notice of such prohibition to the Holders in accordance with Condition 14, the Paying Agents and the Interest Calculation Agent at least five Business Days prior to the relevant Interest Payment Date or redemption date (provided that any failure to give such notice shall not affect the validity of the cancellation of any interest payment in whole or in part by the Issuer and shall not constitute a default under the Capital Securities for any purpose or give Holders any rights as a result of such failure). Such notice shall specify the amount of the relevant cancellation and the amount (if any) of the relevant interest payment that will be paid on the relevant Interest Payment Date or redemption date.

(c) Notice or absence thereof; interest non-cumulative; no default

In the absence of, or in deviation from, a notice being given pursuant to Condition 5(a) or 5(b), the fact of non-payment (in whole or in part) of the relevant interest payment on the relevant Interest Payment Date or redemption date shall be evidence of the Issuer having elected or being required to cancel such interest payment in whole or in part, as applicable, and such payment shall be deemed cancelled. An interest payment otherwise payable on an Interest Payment Date or redemption date that is not a Payment Business Day will not be deemed cancelled if it is paid on the following Payment Business Day. If practicable, the Issuer shall give notice of any deemed cancellation of interest to the Holders in accordance with Condition 14, the Paying Agents and the Interest Calculation Agent as promptly as practicable following the relevant Interest Payment Date or redemption date (provided that any failure to give such notice shall not affect the validity of the cancellation of any interest payment in whole or in part by the Issuer and shall not constitute a default under the Capital Securities for any purpose or

give Holders any rights as a result of such failure). Any interest payment (or part thereof) not paid on any relevant Interest Payment Date or redemption date by reason of Condition 5(a), 5(b) or 6 (whether or not the Issuer has given notice of cancellation) shall be cancelled or deemed cancelled and shall not accumulate or be due and payable at any time thereafter. The non-payment of any interest in whole or in part by the Issuer by virtue of this Condition 5 or Condition 6 shall not constitute a default for any purpose (including, without limitation, Condition 9) on the part of the Issuer, and the Holders or Couponholders shall have no right thereto whether in the case of a Liquidation Event or otherwise. As described under Condition 3 and Condition 6, in the case of a Liquidation Event or on the occurrence of a Conversion, any accrued and unpaid interest on the Capital Securities shall be deemed cancelled.

6 Conversion

(a) Conversion upon Trigger Event

(i) If a Trigger Event occurs, the Capital Securities shall be converted, in whole and not in part, into Ordinary Shares, at the Conversion Price described under Condition 6(b) (*Conversion Shares and Conversion Price)* below, on the date specified in a Conversion Notice delivered in accordance with the procedures described under Condition 6(c) (*Conversion procedure*) below as the date on which the Conversion shall take place (the "**Conversion Date**"). The Conversion Date shall occur without delay upon the occurrence of a Trigger Event and in any event within one month following the occurrence of a Trigger Event and in accordance with the requirements set out in Article 54 of the CRR as at the Issue Date. The Issuer shall immediately inform the Competent Authority of the occurrence of a Trigger Event and shall, prior to delivery of the Conversion Notice, deliver to the Fiscal Agent a certificate signed by any two members of its executive board (*raad van bestuur*) (the "**Executive Board**") stating that a Trigger Event has occurred. As soon as practicable after the Issuer delivers such certificate to the Fiscal Agent (and, in any event, within such period as the Competent Authority may require), it shall deliver a Conversion Notice (which shall be irrevocable) to Holders of the Capital Securities as described under Condition 6(c) (*Conversion procedure*). The irrevocable and automatic discharge of all of the Issuer's obligations to the Holders and the Couponholders under the Capital Securities and the Coupons will occur upon the Issuer's issuance of the Conversion Shares to the Conversion Shares Depository (on behalf of the Holders) or to the relevant recipient, as described below (the "**Conversion**"). Failure to deliver a Conversion Notice shall not prevent Conversion and Conversion shall not constitute a default under the Capital Securities.

(i) The Issuer's calculation of its Group CET1 Capital, Group Total Risk Exposure Amount and Group CET1 Ratio, as well as any certificate delivered to the Fiscal Agent stating that a Trigger Event has occurred, shall be binding on the Holders and the Couponholders.

(ii) The Capital Securities are not convertible into Conversion Shares at the option of the Holders at any time.

If a Trigger Event occurs the Capital Securities shall be converted in full together with any other perpetual Additional Tier 1 contingent convertible capital securities of the Issuer that have the same trigger and that in accordance with their terms shall thereupon be converted in full.

(b) Conversion Shares and Conversion Price

(i) The number of Conversion Shares to be issued on the Conversion Date to the Conversion Shares Depository (or other relevant recipient) upon Conversion will be the aggregate principal amount of the Capital Securities outstanding immediately prior to Conversion divided by the

Conversion Price (rounded down, if necessary, to the nearest whole number of Conversion Shares). Each Holder shall be entitled (subject to compliance with the relevant settlement procedures) to receive a number of Conversion Shares from the Conversion Shares Depository (or other relevant initial recipient) equal to the aggregate principal amount of the Capital Securities held by such Holder divided by the Conversion Price (rounded down, if necessary, to the nearest whole number of Conversion Shares). The Conversion Shares Depository (or other relevant recipient) shall hold the Conversion Shares on behalf of the Holders to the extent of each such Holder's entitlement to receive Conversion Shares as set forth above. Fractions of Conversion Shares shall not be issued or delivered on a Conversion and no cash payment shall be made in lieu thereof.

(ii) The "**Conversion Price**" per Ordinary Share in respect of the Capital Securities shall be:

(A) if the Ordinary Shares are then admitted to trading on a Relevant Stock Exchange, the highest of (i) the Current Market Price per Ordinary Share translated into U.S. dollars at the Prevailing Rate, (ii) the Floor Price and (iii) the nominal value of an Ordinary Share of the Issuer translated into U.S. dollars at the Prevailing Rate, and

(B) if the Ordinary Shares are not then admitted to trading on a Relevant Stock Exchange, the higher of (i) the Floor Price and (ii) the nominal value of an Ordinary Share of the Issuer translated into U.S. dollars at the Prevailing Rate.

The Current Market Price, Floor Price and Prevailing Rate shall each be determined on the date on which the Conversion Notice is given. On the Issue Date of the Capital Securities the nominal value of an Ordinary Share is €0.01.

The Floor Price is fixed at U.S.$9.00 per Ordinary Share, subject to adjustment as described under Condition 6(*e*) (*Adjustment of Floor Price*).

(iii) The Ordinary Shares issued following a Conversion shall be fully paid and non-assessable and shall in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the Conversion Date, except in any such case for any right excluded by mandatory provisions of applicable law, and except that the Conversion Shares so issued shall not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the entitlement to which falls prior to the Conversion Date.

(c) Conversion procedure

(i) After the Issuer has notified the Competent Authority of the occurrence of a Trigger Event and delivered to the Fiscal Agent a certificate signed by two members of its Executive Board, it shall deliver a Conversion Notice to the Fiscal Agent and to the Holders of the Capital Securities as soon as practicable and, in any event, within such period as the Competent Authority may require.

(ii) A "**Conversion Notice**" means a written notice requesting that Holders complete a Conversion Shares Settlement Notice (in the form attached thereto) and specifying the following information:

(A) that a Trigger Event has occurred;

(B) the Conversion Price;

(C) the Conversion Date;

(D) the date on which the Issuer expects the relevant clearing system to suspend all clearance and settlement of transactions in the Capital Securities in accordance with its rules and procedures (the "**Suspension Date**");

(E) the details of the Conversion Shares Depository (if one has been appointed) and the procedures Holders of the Capital Securities must follow to obtain delivery of the Conversion Shares from the Conversion Shares Depository;

(F) if the Issuer has been unable to appoint a Conversion Shares Depository, such other arrangements for the issuance and/or delivery of the Conversion Shares to the Holders as it shall consider reasonable in the circumstances;

(G) a date, at least 20 Business Days following the Suspension Date (the "**Notice Cut-Off Date**"), by which Holders must deliver a completed Conversion Shares Settlement Notice to the Conversion Shares Depository;

(H) the date on which the Capital Securities for which no Conversion Shares Settlement Notice has been received by the Conversion Shares Depository on or before the Notice Cut-Off Date shall be cancelled, which date is expected to be no more than 15 Business Days following the Notice Cut-Off Date (the "**Final Cancellation Date**"); and

(I) that the Capital Securities shall remain in existence for the sole purpose of evidencing the Holder's right to receive Conversion Shares from the Conversion Shares Depository.

The date on which the Conversion Notice shall be deemed to have been given shall be the date on which it is delivered by the Issuer to the relevant clearing system or, if the Capital Securities are held in definitive form, to the Fiscal Agent.

(iii) The Issuer shall appoint a reputable financial institution, trust company, depository entity, nominee entity or similar entity that is wholly independent of the Issuer (the "**Conversion Shares Depository**") as promptly as possible following the occurrence of a Trigger Event. As a condition of such appointment, the Conversion Shares Depository shall be required to undertake, for the benefit of the Holders of the Capital Securities, to hold the Conversion Shares on behalf of the Holders in one or more segregated accounts and, in any event, on terms consistent with these Conditions. If the Issuer is unable to appoint a Conversion Shares Depository, it shall make such other arrangements for the issuance and/or delivery of the Conversion Shares to the Holders as it shall consider reasonable in the circumstances, which may include issuing and delivering the Conversion Shares to another independent nominee to be held on behalf of the Holders, or to the Holders directly.

(iv) The Conversion Shares shall initially be issued to the Conversion Shares Depository (which shall hold the Conversion Shares for the Holders of the Capital Securities) or the relevant recipient as contemplated above, and each Holder agrees that the Issuer will, and shall be deemed to have irrevocably directed the Issuer to, issue the Conversion Shares corresponding to the conversion of its holding of Capital Securities to the Conversion Shares Depository (which shall hold the Conversion Shares for the Holders of the Capital Securities) or to such other relevant recipient.

(v) Upon a Conversion, all of the Issuer's obligations to the Holders under the Capital Securities shall be irrevocably and automatically discharged by the Issuer's issuance and delivery of the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient) on the Conversion Date, and under no circumstances shall such discharged obligations be reinstated. Following a Conversion, no Holder or Couponholder shall have any rights against the Issuer

with respect to the repayment of the principal amount of the Capital Securities or the payment of interest or any other amount on or in respect of such Capital Securities, which liabilities of the Issuer shall be automatically discharged and, accordingly, the principal amount of the Capital Securities shall equal zero at all times thereafter until the Capital Securities are cancelled. Any interest in respect of an Interest Period ending on any Interest Payment Date or redemption date falling between the date of a Trigger Event and the Conversion Date shall be deemed to have been cancelled upon the occurrence of such Trigger Event and shall not be due and payable.

(vi) Provided that the Issuer issues the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient as contemplated above) in accordance with these Conditions as described herein, with effect from the Conversion Date, Holders shall have recourse only to the Conversion Shares Depository (or to such other relevant recipient, as applicable) for the delivery to them of Conversion Shares. The Holders' sole recourse for the Issuer's failure to issue and deliver the Conversion Shares to the Conversion Shares Depository (or to the other relevant recipient) on the Conversion Date shall be the right to demand that the Issuer make such issuance and delivery.

(vii) The Conversion Shares Depository (or the relevant recipient, as applicable) shall hold the Conversion Shares for the Holders of the Capital Securities, who shall be entitled to direct the Conversion Shares Depository to exercise on their behalf all rights of a Shareholder (including voting rights and rights to receive dividends), except that Holders shall not be able to sell or otherwise transfer the Conversion Shares until Conversion Shares are delivered to Holders in accordance with the procedures set forth under Condition 6(d) (*Settlement procedure*).

(viii) Following the issuance of the Conversion Shares to the Conversion Shares Depository (or to the relevant recipient as contemplated above) on the Conversion Date and until the Cancellation Date, the Capital Securities shall evidence solely the Holder's right to receive Conversion Shares from the Conversion Shares Depository (or such other relevant recipient).

(ix) The procedures set forth in this Condition 6 are subject to change to reflect changes in clearing system practices or in the practices relating to the Capital Securities in definitive form.

(d) Settlement procedure

(i) Delivery of the Conversion Shares to the Holders of the Capital Securities shall be made in accordance with the following procedures.

(ii) It is expected that the Conversion Shares shall be delivered to Holders of the Capital Securities in uncertificated form through *Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*, known as Euroclear Netherlands, unless the Conversion Shares are not a participating security in Euroclear Netherlands at the relevant time, in which case the Conversion Shares shall either be delivered through the relevant clearing system in which the Conversion Shares are a participating security or in certificated form. It is expected that where the Conversion Shares are to be delivered to Holders of the Capital Securities by the Conversion Shares Depository through Euroclear Netherlands or such other clearing system in which such Conversion Shares are a participating security, they shall be delivered on the relevant Settlement Date to the account specified by the relevant Holder in its Conversion Shares Settlement Notice, as described below. It is expected that where the Conversion Shares are to be delivered in certificated form, certificates shall be delivered by mail free of charge to each Holder or as it may direct in its Conversion Shares Settlement Notice (in each case uninsured and at the risk of

the relevant recipient) within 28 days following delivery of its Conversion Shares Settlement Notice), as described below.

(iii) The Conversion Notice shall request that Holders deliver a completed Conversion Shares Settlement Notice to the Conversion Shares Depository (or to the relevant recipient), with a copy to the Fiscal Agent. A "**Conversion Shares Settlement Notice**" is a written notice to be delivered by the Holder to the Conversion Shares Depository in the form attached to the Conversion Notice and specifying the following information:

(A) the name and address of the Holder;

(B) the principal amount of the book-entry interests in the Capital Securities held by such Holder on the date of such notice;

(C) the name to be entered in the Issuer's share register (if the Conversion Shares are to be delivered in registered form);

(D) the details of the Euroclear Netherlands or other clearing system account (or, if the Conversion Shares are not a participating security in Euroclear Netherlands or another clearing system, the address to which the Conversion Shares should be delivered); and

(E) such other details as may be required by the Conversion Shares Depository (including a representation that the relevant Holder is entitled to take delivery of the Conversion Shares and has obtained any consents necessary in order to do so).

If the Capital Securities are held in definitive form, no Conversion Shares Settlement Notice shall be valid unless accompanied by delivery of the relevant Capital Securities.

(iv) In order to obtain delivery of the relevant Conversion Shares, a Holder must deliver its Conversion Shares Settlement Notice to the Conversion Shares Depository (or the relevant recipient, as applicable) on or before the Notice Cut-Off Date. If such delivery is made after the end of normal business hours at the specified office of the Conversion Shares Depository, such delivery shall be deemed for all purposes to have been made or given on the next following Business Day. Each Conversion Shares Settlement Notice shall be irrevocable.

(v) Except as provided herein and provided the Conversion Shares Settlement Notice and the relevant Capital Securities, if applicable, are delivered on or before the Notice Cut-Off Date, the Conversion Shares Depository shall deliver the relevant Conversion Shares (rounded down to the nearest whole number of Conversion Shares) to the Holder of the relevant Capital Securities completing the relevant Conversion Shares Settlement Notice or its nominee in accordance with the instructions given in such Conversion Shares Settlement Notice on the applicable Settlement Date.

(vi) If the Capital Securities are held through a clearing system, the Conversion Shares Settlement Notice must be given in accordance with the applicable procedures of the relevant clearing system (which may include the notice being given to the Conversion Shares Depository by electronic means) and in a form acceptable to the clearing system and the Conversion Shares Depository. If the Capital Securities are in definitive form, the Conversion Shares Settlement Notice must be delivered to the specified office of the Conversion Shares Depository together with the relevant Capital Securities.

(vii) Failure to properly complete and deliver a Conversion Shares Settlement Notice and the relevant Capital Securities, if applicable, may result in such notice being treated by the Conversion Shares Depository as null and void. Any determination as to whether any

Conversion Shares Settlement Notice has been properly completed and delivered shall be made by the Conversion Shares Depository in its sole and absolute discretion and shall be conclusive and binding on the relevant Holder.

(viii) If a Conversion Shares Settlement Notice and the relevant Capital Securities, if applicable, are not delivered to the Conversion Shares Depository on or before the Notice Cut-Off Date, then the Conversion Shares Depository shall continue to hold the relevant Conversion Shares until a Conversion Shares Settlement Notice (and the relevant Capital Securities, if applicable) is so delivered. However, the relevant Capital Securities shall be cancelled on the Final Cancellation Date and any Holder delivering a Conversion Shares Settlement Notice after the Notice Cut-Off Date shall have to provide evidence of its entitlement to the relevant Conversion Shares satisfactory to the Conversion Shares Depository in its sole and absolute discretion in order to receive delivery of such Conversion Shares. The Issuer shall have no liability to any Holder for any loss resulting from such Holder not receiving any Conversion Shares or from any delay in the receipt thereof, in each case as a result of such Holder failing to duly submit a valid Conversion Shares Settlement Notice and the relevant Capital Securities, if applicable, on a timely basis or at all.

(ix) Neither the Issuer, nor any member of the Group shall be liable for any taxes or capital, stamp, issue and registration or transfer taxes or duties arising on Conversion or that may arise or be paid as a consequence of the issue and delivery of Conversion Shares on Conversion (other than any taxes due by the Issuer or any member of the Group according to the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*). A Holder (or, if different, the person to whom the Conversion Shares are delivered) must pay any taxes and capital, stamp, issue and registration and transfer taxes or duties arising on Conversion and/or in connection with the issue and delivery of Conversion Shares to the Conversion Shares Depository on behalf of such Holder and such Holder (or other person to whom the Conversion Shares are delivered, as applicable) must pay all, if any, such taxes or duties arising by reference to any disposal or deemed disposal of such Holder's Capital Securities or interest therein and/or issue or delivery to it of any Conversion Shares (or any interest therein).

(e) Adjustment of Floor Price

Upon the happening of any of the events described below, the Floor Price shall be adjusted as follows:

(i) If and whenever there shall be a consolidation, reclassification/redesignation or subdivision affecting the number of Ordinary Shares, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to such consolidation, reclassification/redesignation or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification/redesignation or subdivision, as the case may be; and

B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification/redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the date the consolidation, reclassification / redesignation or subdivision, as the case may be, takes effect.

(ii) If and whenever the Issuer shall issue any Ordinary Shares credited as fully paid to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than (1) where any such Ordinary Shares are or are to be issued instead of the whole or part of a Cash Dividend which the Shareholders would or could otherwise have elected to receive, (2) where the Shareholders may elect to receive a Cash Dividend in lieu of such Ordinary Shares or (3) where any such Ordinary Shares are or are expressed to be issued in lieu of a Dividend (whether or not a Cash Dividend equivalent or amount is announced or would otherwise be payable to Shareholders, whether at their election or otherwise), the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

A is the aggregate number of Ordinary Shares in issue immediately before such issue; and

B is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the first day of issue of such Ordinary Shares.

(iii)

(A) If and whenever the Issuer shall pay any Extraordinary Dividend to Shareholders, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A-C}$$

where:

A is the Current Market Price of one Ordinary Share on the Effective Date;

B is the portion of the Fair Market Value of the aggregate Extraordinary Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Extraordinary Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend; and

C is an amount equal to:

(a) in the case of an Extraordinary Dividend falling under part (i) of the definition of Extraordinary Dividend, zero; or

(b) in the case of an Extraordinary Dividend falling under part (ii) of the definition of Extraordinary Dividend, the amount (if any) by which the Reference Amount in respect of the Relevant Year exceeds an amount equal to the aggregate of the Fair Market Values of any previous Cash Dividends (other than any Cash Dividends falling under part (i) of the definition of Extraordinary Dividend) per Ordinary Share paid or made in respect of such Relevant Year (where C shall equal zero if such previous Cash Dividends per Ordinary Share are equal to, or exceed, the Reference Amount in respect of the Relevant Year). For the avoidance

of doubt, "C" shall equal the Reference Amount determined in respect of the Relevant Year where no previous Cash Dividends (other than any Cash Dividends falling under part (i) of the definition of Extraordinary Dividend) per Ordinary Share have been paid or made in respect of such Relevant Year.

Such adjustment shall become effective on the Effective Date of the Extraordinary Dividend or, if later, the first date upon which the Fair Market Value of the relevant Extraordinary Dividend can be determined.

"**Effective Date**" means, for purposes of this Condition 6(e)(iii)(A), the first date on which the Ordinary Shares are traded ex-the relevant Cash Dividend on the Relevant Stock Exchange.

(B) If and whenever the Issuer shall pay or make any Non-Cash Dividend to Shareholders, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Effective Date; and

B is the portion of the Fair Market Value of the aggregate Non-Cash Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Non-Cash Dividend by the number of Ordinary Shares entitled to receive the relevant Non-Cash Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any member of the Group, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Non-Cash Dividend can be determined as provided herein.

"**Effective Date**" means, for purposes of this Condition 6(e)(iii)(B), the first date on which the Ordinary Shares are traded ex-the relevant Dividend on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any member of the Group, the date on which such purchase, redemption or buy back is made (or, in any such case if later, the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein) or in the case of a Spin-Off, the first date on which the Ordinary Shares are traded ex-the relevant Spin-Off on the Relevant Stock Exchange.

(C) For the purposes of this Condition 6(e)(iii) and the definition of "Extraordinary Dividend", the Fair Market Value of any Cash Dividend or Non-Cash Dividend shall

(subject as provided in paragraph (a) of the definition of "**Dividend**" and in the definition of "**Fair Market Value**") be determined as at the Effective Date of such Cash Dividend, or, as the case may be, Non-Cash Dividend.

(D) In making any calculations for the purposes of this Condition 6(e)(iii), such adjustments (if any) shall be made as an Independent Financial Adviser may determine in good faith to be appropriate to reflect (i) any consolidation or sub-division of any Ordinary Shares or (ii) the issue of Ordinary Shares by way of capitalisation of profits or reserves (or any like or similar event) or (iii) any increase in the number of Ordinary Shares in issue in the Relevant Year in question.

(iv) If and whenever the Issuer shall issue Ordinary Shares to Shareholders as a class by way of rights, or the Issuer or any member of the Group or (at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to acquire, any Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

A is the number of Ordinary Shares in issue on the Effective Date;

B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights, or for the options or warrants or other rights issued or granted by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share; and

C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate,

provided that if on the Effective Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 6(e)(iv), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 6(e)(iv), the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

(v) If and whenever the Issuer or any member of the Group or (at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or Securities which by their term carry (directly or indirectly) rights of conversion into, or exchange or subscription for, rights to otherwise acquire, Ordinary Shares), the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Effective Date; and

B is the Fair Market Value on the Effective Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 6(e)(v), the first date on which the Ordinary Shares are traded ex-the relevant Securities or ex-rights, ex-option or ex-warrants on the Relevant Stock Exchange.

(vi) If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 6(e)(iv) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on conversion of the Capital Securities or comparable contingent convertible capital securities or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or right to otherwise acquire Ordinary Shares) or if and whenever the Issuer or any member of the Group or (at the direction or request or pursuance to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall issue or grant (otherwise than as mentioned in Condition 6(e)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares (other than, for the avoidance of doubt, the Capital Securities or any Further Capital Securities or comparable contingent convertible capital securities), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of such issue or grant, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

A is the number of Ordinary Shares in issue immediately before the issue of such Ordinary Shares or the grant of such options, warrants or rights;

B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and

C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights,

provided that if on the Effective Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this Condition 6(e)(vi), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 6(e)(vi), the date of issue of such Ordinary Shares or, as the case may be, the grant of such options, warrants or rights.

(vii) If and whenever the Issuer or any member of the Group or (at the direction or request of or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity (otherwise than as mentioned in Conditions 6(e)(iv), 6(e)(v) or 6(e)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than, for the avoidance of doubt, the Capital Securities or any Further Capital Securities or comparable contingent convertible capital securities) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, purchase of, or rights to otherwise acquire, Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be reclassified/redesignated as Ordinary Shares, and the consideration per Ordinary Share receivable upon conversion, exchange, subscription, purchase, acquisition or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of issue of such Securities (or the terms of such grant), the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

A is the number of Ordinary Shares in issue immediately before such issue or grant (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, purchase of, or rights to otherwise acquire Ordinary Shares which have been issued, purchased or acquired by the Issuer or any member of the Group (or at the direction or request or pursuant to any arrangements with the Issuer or any member of

the Group) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);

B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such reclassification/redesignation would purchase at such Current Market Price per Ordinary Share; and

C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription attached thereto at the initial conversion, exchange, subscription, purchase or acquisition price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such reclassification/redesignation;

provided that if on the Effective Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified/redesignated or at such other time as may be provided), then for the purposes of this Condition 6(e)(vii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition or, as the case may be, reclassification/redesignation had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 6(e)(vii), the date of issue of such Securities or, as the case may be, the grant of such rights.

(viii) If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any Securities (other than, for the avoidance of doubt, the Capital Securities or any Further Capital Securities or comparable contingent convertible capital securities) as are mentioned in Condition 6(e)(vii) above (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the proposals for such modification, the Floor Price shall be adjusted by multiplying the Floor Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A+B}{A+C}$$

where:

A is the number of Ordinary Shares in issue immediately before such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Issuer or any member of the Group (or at the direction or request or pursuant to any arrangements with the Issuer or any member of the Group) for

the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);

B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and

C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as an Independent Financial Adviser in good faith shall consider appropriate for any previous adjustment under this Condition 6(e)(viii) or Condition 6(e)(vii) above;

provided that if on the Effective Date such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided) then for the purposes of this Condition 6(e)(viii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Effective Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Effective Date.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 6(e)(viii), the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities.

(ix) If and whenever the Issuer or any member of the Group or (at the direction or request of or pursuant to any arrangements with the Issuer or any member of the Group) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (except where the Floor Price is required to be adjusted under Conditions 6(e)(ii), 6(e)(iii), 6(e)(iv), 6(e)(v) or 6(e)(vi) above (or would be required to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant dealing day under Condition 6(e)(v) above)) the Floor Price shall be adjusted by multiplying the Floor Price in force immediately before the Effective Date by the following fraction:

$$\frac{A-B}{A}$$

where:

A is the Current Market Price of one Ordinary Share on the Effective Date; and

B is the Fair Market Value on the Effective Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

"**Effective Date**" means, for purposes of this Condition 6(e)(ix), the first date on which the Ordinary Shares are traded ex-rights on the Relevant Stock Exchange.

(x) If the Issuer determines that a reduction to the Floor Price should be made for whatever reason, the Floor Price will be reduced (either generally or for a specified period as notified to Holders) in such manner and with effect from such date as the Issuer shall determine and notify to the Holders.

Notwithstanding the foregoing provisions:

(A) where the events or circumstances giving rise to any adjustment pursuant to paragraphs (i) to and including (x) of this Condition 6(*e*) have already resulted or will result in an adjustment to the Floor Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Floor Price or where more than one event which gives rise to an adjustment to the Floor Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be determined in good faith by an Independent Financial Adviser to be in its opinion appropriate to give the intended result; and

(B) such modification shall be made to the operation of these Conditions as may be determined in good faith by an Independent Financial Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Floor Price or the economic effect thereof shall not be taken into account more than once, (ii) to ensure that the economic effect of a Dividend is not taken into account more than once and (iii) to reflect a redenomination of the issued Ordinary Shares for the time being into a new currency;

(C) for the avoidance of doubt, the issue of Ordinary Shares following a Conversion shall not result in an adjustment to the Floor Price;

(D) no adjustment will be made to the Floor Price where Ordinary Shares or any other Securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or trustees to be held for the benefit of any such person, in any such case pursuant to any share or option scheme.

(f) Calculation of consideration receivable

For the purpose of any calculation of the consideration receivable or price pursuant to Conditions 6(e)(iv) and (vi) to and including (viii), the following provisions shall apply:

(i) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;

(ii) (A) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities and (B) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made

available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the applicable Effective Date as described in Conditions 6(e)(iv), or as at the relevant date of first public announcement referred to in Conditions 6(e)(vi), 6(e)(vii) or 6(e)(viii), as the case may be, plus in the case of each of (A) and (B) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights or subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (C) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (A) or (B) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;

(iii) if the consideration or price determined pursuant to clause (i) or (ii) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency, it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Effective Date (in the case of Condition 6(e)(iv)) or the relevant date of first public announcement (in the case of Conditions 6(e)(vi), 6(e)(vii) or 6(e)(viii));

(iv) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith; and

(v) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

(g) Record date

Except in the circumstances the subject of the following paragraph, if the record date in respect of any consolidation, reclassification/redesignation or sub-division as is mentioned in Condition 6(e)(i) above, or the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Conditions 6(e)(ii), 6(e)(iii), 6(e)(iv), 6(e)(v) or 6(e)(ix) above, or the date of the first public announcement of the terms of any such issue or grant as is mentioned in Conditions 6(e)(vi) and 6(e)(vii) above or of the terms of any such modification as is mentioned in Condition 6(e)(viii) above, falls after the date on which the Conversion Notice is given in relation to the Conversion of any Capital Security but before the Conversion Date, then the Issuer shall procure the execution of the corresponding adjustment mechanism under Condition 6(e) so that the calculation of the number of Conversion Shares to be issued and delivered to the Conversion Shares Depository takes into account the Floor Price as so adjusted.

The Issuer shall not issue any additional Conversion Shares if the Conversion Date occurs after the record date in respect of any consolidation, reclassification or sub-division as is mentioned in Condition 6(e)(i), or the record date or other due date for the establishment of entitlement for any such

issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 6(e)(ii), 6(e)(iii), 6(e)(iv), 6(e)(v) or 6(e)(ix), or the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 6(e)(vi) and 6(e)(vii) or of the terms of any such modification as is mentioned in Condition 6(e)(viii), but before the relevant adjustment to the Floor Price becomes effective under such Condition.

(h) Conversion Calculation Agent and Independent Financial Adviser

So long as any Capital Securities are outstanding, there shall at all times be a conversion calculation agent (the "**Conversion Calculation Agent**"), which may be the Issuer or another person appointed by the Issuer to serve in such capacity, who shall be responsible in consultation with the Issuer for the calculation of all adjustments to the Floor Price and all related determinations required to be made in connection therewith. All such calculations and determinations performed by the Conversion Calculation Agent shall be conclusive and binding on the Holders, save in the case of bad faith or manifest error. If any provision in these Conditions at any time calls for any calculation or determination to be made by an Independent Financial Adviser, which may include the Conversion Calculation Agent appointed by the Issuer to act in such Independent Financial Adviser capacity, if the person then serving as Conversion Calculation Agent is not wholly independent of the Issuer, the Issuer shall use commercially reasonable efforts to appoint an Independent Financial Adviser which is wholly independent of the Issuer to make such calculation or determination. A written opinion of such Independent Financial Adviser in respect of such calculation or determination shall be conclusive and binding on the Issuer and the holders and beneficial owners of the Capital Securities or any interest therein, save in the case of manifest error. The Issuer has appointed Conv-Ex Advisors Limited as the initial Conversion Calculation Agent. The Issuer may change the Conversion Calculation Agent at any time without prior notice to any holder.

The Conversion Calculation Agent (if not the Issuer) shall act solely upon request from, and solely as agent of, the Issuer and will not thereby assume any obligations towards or relationship of agency or trust with, and it shall not be liable and shall incur no liability as against, the Holders.

(i) Rounding down and notice of adjustment to the Floor Price

On any adjustment, if the resultant Floor Price has more decimal places than the initial Floor Price, it shall be rounded down to the same number of decimal places as the initial Floor Price (being, for the avoidance of doubt, two decimal places). No adjustment shall be made to the Floor Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Floor Price then in effect. Any adjustment not required to be made, and/or any amount by which the Floor Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Floor Price shall, promptly after the determination thereof, be given by the Issuer to the Fiscal Agent and to Holders via the clearing systems (or, if the Capital Securities are held in definitive form, in accordance with Condition 14).

(j) Interpretation; miscellaneous

(i) In making any calculation or determination of Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as an Independent Financial Adviser determines in good faith to be appropriate to reflect any consolidation or sub-division of the

Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

(ii) References to any issue or offer or grant to Shareholders "as a class" or "by way of rights" shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders, other than Shareholders to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

(k) Covenants

Whilst any Capital Security remains outstanding, the Issuer shall (if and to the extent permitted by the Capital Regulations from time to time and only to the extent that such covenant would not cause a Regulatory Event to occur), save with the approval of an Extraordinary Resolution:

(i) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on Conversion, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid;

(ii) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) such Shareholders other than the offeror and/or any associates of the offeror) to acquire all or a majority of the issued Ordinary Shares, or if a scheme is proposed with regard to such acquisition, give notice of such offer or scheme to the Holders at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified offices of the Paying Agents;

(iii) use commercially reasonable endeavours to ensure that the Ordinary Shares issued upon Conversion shall be admitted to listing and trading on the Relevant Stock Exchange;

(iv) maintain all corporate authorisations necessary to issue and allot at all times sufficient Ordinary Shares, free from pre-emptive or other preferential rights, to enable Conversion of the Capital Securities to be satisfied in full;

(v) use commercially reasonable endeavours to appoint a Conversion Shares Depository as soon as practicable following the occurrence of the Trigger Event.

(l) Purchase or redemption of Ordinary Shares

The Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares or securities of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of Holders.

7 Redemption and purchase

(a) Perpetual securities with no fixed redemption date

The Capital Securities are perpetual securities in respect of which there is no fixed maturity or redemption date and the Issuer shall (subject to the provisions of Condition 3 and without prejudice to Condition 6) only have the right to repay and redeem them or purchase them subject to and in accordance with the following provisions of this Condition 7.

(b) Conditions to redemption and purchase

Any redemption or purchase of the Capital Securities in accordance with Conditions 7(c), (d), (e) or (g) is subject to (i) (except in the case of any purchase of the Capital Securities in accordance with Condition 7(g)) the Issuer giving not less than 15 nor more than 30 calendar days' notice to the Fiscal Agent, the Paying Agents and the Holders in accordance with Condition 14 (which notice, subject to Condition 7(f) below, shall be irrevocable), specifying the date fixed for redemption and the Redemption Price, and (ii) the following conditions, in each case if and to the extent required under the prevailing Capital Regulations:

(i) the Issuer has obtained the prior written permission of the Competent Authority therefor;

(ii) either (A) on or before such redemption or purchase of the Capital Securities the Issuer replaces the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the Issuer's income capacity or (B) the Issuer having demonstrated to the satisfaction of the Competent Authority that the own funds and eligible liabilities would, following such repayment or purchase, exceed the requirements laid down in CRD IV and the BRRD by a margin that the Competent Authority considers necessary at such time;

(iii) in respect of a redemption prior to the fifth anniversary of the Issue Date, (A) in the case of redemption upon the occurrence of a Tax Event, the Issuer has demonstrated to the satisfaction of the Competent Authority that the change in the applicable tax treatment of the Capital Securities is material and was not reasonably foreseeable as at the Issue Date, or (B) in the case of redemption upon the occurrence of a Regulatory Event, the Issuer has demonstrated to the satisfaction of the Competent Authority that the change in the regulatory classification of the Capital Securities was not reasonably foreseeable as at the Issue Date; or (C) on or before such redemption or purchase of the Capital Securities, the Issuer replaces the Capital Securities with own funds instruments of equal or higher quality at terms that are sustainable for the Issuer's income capacity and the Competent Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or (D) the Capital Securities are purchased for market making purposes; and

(iv) if, at the time of such repayment or purchase, the prevailing Capital Regulations permit the repayment or purchase only after compliance with one or more alternative or additional pre-conditions to those set out in this Condition 7(b), the Issuer has complied with such other pre-condition(s).

Prior to the publication of any notice of redemption pursuant to this Condition 7 (other than redemption pursuant to Condition 7(c)), the Issuer shall deliver to the Fiscal Agent a certificate signed by any two members of the Executive Board stating that the conditions to such redemption have been satisfied (and, in the case of a redemption as result of a Tax Event, an opinion from a recognised law or tax firm of international standing chosen by the Issuer confirming the occurrence of a Tax Event).

(c) Issuer's call option

The Issuer may, subject to Condition 7(b), elect to redeem all, but not some only, of the Capital Securities on (i) any calendar day during the six months period commencing on (and including) 16 May 2029 to (and including) the First Reset Date and (ii) any Interest Payment Date thereafter at their Redemption Price.

(d) Redemption due to taxation

If a Tax Event has occurred and is continuing, then the Issuer may, subject to Condition 7(b), redeem in accordance with these Conditions all, but not some only, of the Capital Securities at any time at their Redemption Price on the relevant date fixed for redemption.

(e) Redemption for regulatory purposes

If Regulatory Event has occurred and is continuing, then the Issuer may, subject to Condition 7(b), redeem in accordance with these Conditions all, but not some only, of the Capital Securities at any time at their Redemption Price on the relevant date fixed for redemption.

(f) Trigger Event or Liquidation Event

The Issuer may not give a notice of redemption of the Capital Securities pursuant to this Condition 7 if a Trigger Event has occurred. If a Trigger Event or a Liquidation Event occurs after a notice of redemption has been given by the Issuer but before the payment of the redemption price with respect to such redemption has been made on the relevant date fixed for redemption, such notice of redemption shall automatically be revoked and be null and void and of no force and effect, and no redemption payment in respect of the Capital Securities shall be due and payable and the relevant redemption shall not be made, but, as applicable, a Conversion shall occur as described under Condition 6 or a Holder will have a claim as described under Condition 3.

(g) Purchases

The Issuer or any member of the Group may purchase or procure others to purchase beneficially for its account Capital Securities in any manner and at any price (provided that, if they should be cancelled under Condition 7(h) below, purchases will be made together with all unmatured Coupons and Talons appertaining thereto), subject to Condition 7(b) and to applicable law and regulation (which at the Issue Date shall include, without limitation, the Capital Regulations including article 52(1)(i) of the CRR).

(h) Cancellation

All Capital Securities redeemed by the Issuer pursuant to this Condition 7 (together with all unmatured Coupons and unexchanged Talons relating thereto) will forthwith be cancelled. All Capital Securities purchased by or on behalf of the Issuer or any member of the Group may be held, reissued, resold or, at the option of the Issuer, surrendered for cancellation (together with all unmatured Coupons and all unexchanged Talons attached) to the Fiscal Agent. Capital Securities so surrendered shall be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached). Any Capital Securities, Coupons and Talons so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Capital Securities, Coupons and Talons shall be discharged.

8 Payments

(a) Method of payment

Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of the Capital Securities or the appropriate Coupons (as the case may be) at the specified office of any of the Paying Agents (subject to Condition 8(b) below) by U.S. dollar cheque drawn on, or by transfer to a U.S. dollar account maintained by the payee with, a bank in New York City, except that payments of interest in respect of any period not ending on an Interest Payment

Date will only be made against presentation and either surrender or endorsement (as appropriate) of the relevant Capital Securities.

(b) U.S. Paying Agent

Payments of interest in respect of Capital Securities may only be made at the specified offices of Paying Agents outside the United States of America, except that they may be made at the specified office of a Paying Agent in New York City if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States of America with the reasonable expectation that such Paying Agents would be able to make payment at such offices of the full amount of the interest on the Capital Securities in U.S. dollars when due, (ii) payment of the full amount of such interest at all specified offices of the Paying Agents outside the United States of America is illegal or effectively precluded by exchange controls or other similar restrictions, and (iii) the relevant payment is permitted by applicable U.S. law. If a Capital Security is presented for payment of principal at the specified office of any Paying Agent in the United States of America in circumstances where interest (if any is payable against presentation of the Capital Security) is not to be paid there, the relevant Paying Agent will annotate the Capital Security with the record of the principal paid and return it to the holder for the obtaining of interest elsewhere.

(c) Payments subject to laws

Without prejudice to the terms of Condition 10, all payments are subject in all cases to (i) any fiscal or other laws and regulations applicable in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Holders or Couponholders in respect of such payments.

(d) Unmatured Coupons and unexchanged Talons

Upon the due date for redemption of any Capital Security, any unexchanged Talon relating to such Capital Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon, and unmatured Coupons relating to such Capital Security (whether or not attached) shall also become void and no payment shall be made in respect of them.

(e) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Capital Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 11).

(f) Payments on Payment Business Days

A Capital Security or Coupon may only be presented for payment on a day which is a Payment Business Day in the place of presentation (and, in the case of payment by transfer to a U.S. dollar account, in New York City) and which is a TARGET Business Day. No further interest or other payment will be made as a consequence of the day on which the relevant Capital Security or Coupon may be presented for payment under this paragraph falling after the due date. "**Payment Business Day**" means a day on which commercial banks and foreign exchange markets are open in the relevant city.

9 Limited remedies in case of non-payment when due

As described under Condition 5, the Issuer may in its absolute discretion cancel any interest payment, in whole or in part, on any Interest Payment Date or redemption date and the Issuer's failure to make any payment of interest on an Interest Payment Date or redemption date, in whole or in part, shall be deemed to cancel its obligation to make such payment, which shall not then be due and payable. Accordingly, the non-payment of interest on any Interest Payment Date or redemption date (in whole or in part) is not a default in payment or otherwise under the terms of the Capital Securities. For the avoidance of doubt, Conversion shall not constitute a default under the Capital Securities either.

The Holders shall not be entitled to declare the principal amount of the Capital Securities due and payable under any circumstance, provided that in the case of a Liquidation Event Holders shall have a claim as provided in Condition 3.

Subject to Condition 3, in which case holders shall have a claim as set out therein, the sole remedy available to Holders to enforce any term or condition binding on the Issuer under the Capital Securities or the Coupons shall be to institute proceedings against the Issuer to demand specific performance (*nakoming eisen*) of any such obligation of the Issuer under or arising from the Capital Securities or the Coupons, including, without limitation, payment of any principal in respect of the Capital Securities if not satisfied for a period of 14 or more days after the date fixed for redemption on which such payment is due (provided that (i) the notice of redemption shall not have been revoked as described under Condition 7(f) and (ii) the applicable conditions described under Condition 7(b) shall have been satisfied), but in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it. Nothing in this Condition 9 shall, however, prevent the Holder instituting proceedings for the bankruptcy of the Issuer, proving in any bankruptcy of the Issuer and/or claiming in any liquidation of the Issuer or exercising rights under Condition 3 in respect of any payment obligations of the Issuer arising from the Capital Securities or the Coupons.

No remedy against the Issuer, other than as referred to in Condition 3 and this Condition 9, shall be available to the Holders or Couponholders, whether for the recovery of amounts owing in respect of the Capital Securities or the Coupons or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Capital Securities or the Coupons.

10 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Capital Securities and the Coupons shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Relevant Jurisdiction, unless such withholding or deduction is required by law. In the event that such withholding or deduction relates to interest payments (and not payments of principal), the Issuer will (subject to Condition 5(b)) pay such additional amounts ("**Additional Amounts**") as will result in receipt by the Holders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable in respect of any Capital Security or Coupon presented for payment:

(a) by or on behalf of a Holder or Couponholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Capital Security or Coupon by reason of his having some connection with the Relevant Jurisdiction other than a mere holding of such Capital Security or Coupon;

(b) by, or by a third party on behalf of, a Holder or Couponholder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies

with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority;

(c) more than 30 days after the Relevant Date except to the extent that the Holder or Couponholder thereof would have been entitled to such Additional Amounts on presenting the same for payment on the last day of such period of 30 days;

(d) where such withholding or deduction is required to be made pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

Notwithstanding any other provision of these Conditions, all payments of principal and interest in respect of the Capital Securities or Coupons by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). The Issuer will not be required to pay any additional amounts in respect of FATCA Withholding.

"**Relevant Jurisdiction**" means the Netherlands or any political subdivision thereof or any authority therein or thereof having power to tax or any other jurisdiction or any political subdivision thereof or any authority therein or thereof having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Capital Securities and Coupons.

References in these Conditions to principal and/or interest shall be deemed to include any Additional Amounts which may become payable pursuant to the foregoing provisions.

11 Prescription

Claims in respect of principal and interest will become void unless the relevant Capital Security or Coupon (which for this purpose shall not include Talons) is presented for payment as required by Condition 8 within a period of five years from the appropriate due date. There shall be no prescription period for Talons but there shall not be included in any Coupon sheet issued in exchange for a Talon any Coupon the claim in respect of which would be void pursuant to this Condition 11 or Condition 8(d) or any Talon which would be void pursuant to Condition 8(d).

12 Meetings of Holders, modification and waiver

(a) Meetings of Holders

The Fiscal Agency Agreement contains provisions for convening meetings of Holders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by Holders holding not less than five per cent. in principal amount of the Capital Securities for the time being outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the Capital Securities for the time being outstanding, or at any adjourned meeting one or more persons being or representing Holders whatever the principal amount of the Capital Securities so held or represented, except that at any meeting the business of which includes the modification of certain of these Conditions (including, *inter alia*, (i) to modify the provisions for redemption of the Capital Securities or the dates on which interest is payable in respect of the Capital Securities, (ii) to reduce or cancel the principal amount of, or amounts payable on redemption of, the Capital Securities (in each

case other than as a result of the operation of Condition 6), (iii) to reduce the Interest Rate in respect of the Capital Securities or to vary the method of calculating the Interest Rate, or method of calculating the Interest Amount, on the Capital Securities, (iv) to change the currency of payment of the Capital Securities or the Coupons, (v) to modify the provisions concerning the quorum required at any meeting of Holders or the majority required to pass an Extraordinary Resolution, (vi) to modify the provisions regarding the status or recapitalisation (Conversion) features of the Capital Securities referred to in Condition 3(a) and (b) or Condition 6 or (vii) to modify the provisions regarding the cancellation of interest referred to in Condition 5 or 6) the quorum will be one or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than a clear majority, in principal amount of the Capital Securities for the time being outstanding.

An Extraordinary Resolution passed at any meeting of Holders will be binding on all Holders, whether or not they are present at the meeting, and on all Couponholders.

The Fiscal Agency Agreement provides that (i) a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent. in principal amount of the Capital Securities outstanding or (ii) consents given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Holders of not less than 75 per cent. in nominal amount of the Capital Securities outstanding, shall, in either case, for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Holders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Holders.

(b) Modification and waiver

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of, or any failure to comply with, the Fiscal Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Holders or Couponholders. The Fiscal Agency Agreement and the Conditions may be amended by the Issuer and the Fiscal Agent, without the consent of any Paying Agent, Holder or Couponholder, where such modification is of a formal, minor or technical nature or is made to correct a manifest error or for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained therein or in any manner which the Issuer and the Fiscal Agent may agree and which does not adversely affect the interests of the Holders or Couponholders.

Any such modification, waiver or authorisation shall be binding on all Holders and all Couponholders and, if the Fiscal Agent so requires, any such modification shall be notified to the Holders in accordance with Condition 14 as soon as practicable thereafter.

Any amendment to these Conditions is subject to the Issuer obtaining the prior written permission of the Competent Authority therefor.

13 Replacement of the Capital Securities, Coupons and Talons

If any Capital Security, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent (or any other place of which notice shall have been given in accordance with Condition 14) subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require (provided that such requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Capital Securities, Coupons or Talons must be surrendered before any replacement Capital Securities, Coupons or Talons will be issued.

14 Notices

Notices to Holders will be valid if published in a leading newspaper having general circulation in the Netherlands (which is expected to be *Het Financieele Dagblad*) and, so long as the Capital Securities are listed on a stock exchange, as required by the rules of such stock exchange or, if any such publication shall not be practicable, in an English language newspaper of general circulation in Europe (which is expected to be the *Financial Times*). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Holders in accordance with this Condition.

15 Further issues

The Issuer may from time to time without the consent of the Holders or the Couponholders create and issue further Capital Securities ranking *pari passu* and having the same terms in all respects (or in all respects save for the date from which interest thereon accrues and the amount of the first payment of interest on such further Capital Securities) and so that such further issue shall be consolidated and form a single series with the outstanding Capital Securities.

16 Paying Agents

The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents or other agents, provided that it will at all times maintain (i) a Fiscal Agent and (ii) a Paying Agent or Paying Agents having specified offices in at least two major European cities. In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in the circumstances described in Condition 8(b) above (if there is no such Paying Agent at the time) and shall after such circumstances arise maintain such a Paying Agent.

Notice of any such termination or appointment and of any change in the specified offices of the Paying Agents will be given to the Holders in accordance with Condition 14. If the Fiscal Agent or any Paying Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Conditions or the Fiscal Agency Agreement (as the case may be), the Issuer shall appoint an independent financial institution to act as such in its place. The Fiscal Agent and the Paying Agents may not resign their duties or be removed without a successor having been appointed as aforesaid. All calculations and determinations made by the Fiscal Agent in relation to the Capital Securities shall (save in the case of manifest error) be final and binding on the Issuer, the Paying Agents, the Holders and the Couponholders. The Issuer shall not have any responsibility to any person for any errors or omissions in any calculation made pursuant to the Conditions or otherwise by any Agent.

17 Governing law

The Capital Securities, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, the laws of the Netherlands.

18 Jurisdiction

The Issuer submits for the exclusive benefit of the Holders and the Couponholders, to the jurisdiction of the courts of Amsterdam, The Netherlands judging in first instance, and its appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Fiscal Agency Agreement, the Capital Securities and the Coupons may be brought in any other court of competent jurisdiction.

19 Definitions

In these Conditions:

"**Additional Amounts**" has the meaning given to it in Condition 10;

"**Additional Tier 1 Capital**", at any time, has the meaning given thereto (or to any equivalent term) at such time, by the Capital Regulations;

"**Applicable Dividend**" has the meaning set forth in the definition of "Extraordinary Dividend";

"**Applicable Resolution Framework**" has the meaning given to it in Condition 3(d);

the "**Bank**" means ING Bank N.V.;

"**BRRD**" means the Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolutions of credit institutions and investment firms, as amended or replaced from time to time, including by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 (or any provision of applicable law, including the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), transposing or implementing such directive, as in force and applicable in the Netherlands from time to time);

"**Business Day**" means a day, other than a Saturday, Sunday or public holiday, on which banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City (and, if on that day a payment is to be made, a day which is a TARGET Business Day also);

"**Calculation Amount**" means $1,000;

"**Cancellation Date**" means (i) with respect to any Capital Security for which a Conversion Shares Settlement Notice is received by the Conversion Shares Depository on or before the Notice Cut-Off Date, the applicable Settlement Date and (ii) with respect to any Capital Security for which a Conversion Shares Settlement Notice is not received by the Conversion Shares Depository on or before the Notice Cut-Off Date, the Final Cancellation Date;

"**Capital Regulations**", at any time, means any requirements of Dutch law or contained in the regulations, requirements, guidelines and policies of the Competent Authority or the Resolution Authority, or of the European Parliament and the European Council and of the European Banking Authority, then in effect or applied in the Netherlands relating to capital adequacy and applicable to the Issuer, the Bank or the Group, including but not limited to the CRD IV Directive and the CRR (including articles 77 and 78 thereof), Commission Delegated Regulation (EU) No 241/2014 and the SRM Regulation and taking into account any transitional arrangements thereunder;

"**Capital Securities**" has the meaning given to it in the preamble to these Conditions;

"**Cash Dividend**" means (i) any Dividend which is to be paid or made in cash (in whatever currency), but other than any Dividend falling within paragraph (b) of the definition of "Spin-Off" and (ii) any Dividend determined to be a Cash Dividend pursuant to paragraph (a) of the definition of "Dividend", *provided* that a Dividend falling within paragraph (c) or (d) of the definition of "Dividend" shall be treated as being a Non-Cash Dividend;

"**Comparable Treasury Issue**" means, with respect to any Reset Period, the U.S. Treasury security or securities selected by the Issuer with a maturity date on or about the last day of such Reset Period and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in U.S. dollars and having a maturity of five years;

"**Comparable Treasury Price**" means, with respect to any Reset Date, (i) the arithmetic average of the Reference Treasury Dealer Quotations for such Reset Date (calculated on the Reset Determination Date for such Reset Date), after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if fewer than five such Reference Treasury Dealer Quotations are received, the arithmetic average of all such quotations, or (iii) if fewer than two such Reference Treasury Dealer Quotations are received, then such Reference Treasury Dealer Quotation as quoted in writing to the Issuer and the Interest Calculation Agent by a Reference Treasury Dealer;

"**Competent Authority**" means the European Central Bank or any other body or authority having primary supervisory authority with respect to the Issuer, the Bank or the Group and/or the relevant Resolution Authority;

"**Conditions**" means these terms and conditions of the Capital Securities, as amended from time to time;

"**Conversion**" means the conversion of the Capital Securities into Ordinary Shares pursuant to Condition 6, and "**convert**" and "**converted**" shall be construed accordingly;

"**Conversion Calculation Agent**" has the meaning given to it in Condition 6(h);

"**Conversion Date**" has the meaning given to it in Condition 6(a)(i);

"**Conversion Notice**" has the meaning given to it in Condition 6(c);

"**Conversion Price**" has the meaning given to it in Condition 6(b);

"**Conversion Shares**" means the Ordinary Shares to be delivered upon a Conversion;

"**Conversion Shares Depository**" has the meaning given to it in Condition 6(c);

"**Conversion Shares Settlement Notice**" means a notice as described in Condition 6(d);

"**Coupon**" has the meaning given to it in the preamble to these Conditions;

"**Couponholder**" has the meaning given to it in the preamble to these Conditions;

"**CRD IV**" means the legislative package consisting of the CRD IV Directive and the CRR;

"**CRD IV Directive**" means the Directive (2013/36/EU) of the European Parliament and of the Council on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms dated 26 June 2013, as amended or replaced from time to time, including by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (or any provision of applicable law, including the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), transposing or implementing such directive, as in force and applicable in the Netherlands from time to time);

"**CRR**" means the Regulation (EU No. 575/2013) of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms dated 26 June 2013, as amended or replaced from time to time, including by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019;

"**Current Market Price**" means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date; *provided* that if at any time during the said five-dealing-day period the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex-any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement), then:

(a) if the Ordinary Shares to be issued and delivered do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum-any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date of the first public announcement relating to such Dividend or entitlement; or

(b) if the Ordinary Shares to be issued and delivered do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex-any other entitlement) shall, for the purposes of this definition, be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of such Dividend or entitlement per Ordinary Share as at the date of the first public announcement relating to such Dividend or entitlement,

and *provided further* that, if on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum-any other entitlement) in respect of a Dividend (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued and delivered do not rank for that Dividend (or other entitlement) the Volume Weighted Average Price on each of such dates shall, for the purposes of this definition, be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date of first public announcement relating to such Dividend or entitlement, and *provided further* that, if the Volume Weighted Average Price of a Ordinary Share is not available on one or more of the said five dealing days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices which are available in that five-dealing-day period shall be used (subject to a minimum of two such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period, the Current Market Price shall be determined in good faith by an Independent Financial Adviser;

"**dealing day**" means a day on which the Relevant Stock Exchange or relevant stock exchange or securities market is open for business and on which Ordinary Shares, Securities, Spin-Off Securities, options, warrants or other rights (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange or relevant stock exchange or securities market is scheduled to or does close prior to its regular weekday closing time);

"**Distributable Items**" has (subject to the terms as provided in the parentheses below) the meaning assigned to such term in the CRR, as interpreted and applied in accordance with the Capital Regulations then applicable to the Issuer. As of the Issue Date "**Distributable Items**" means in respect of any interest payment, the amount of the profits at the end of the last financial year plus any profits brought forward and reserves available for that purpose before distributions to holders of own funds instruments (which, for the avoidance of doubt, excludes any such distributions paid or made on Tier 2 instruments or any such distributions which have already been provided for, by way of deduction, in calculating the amount of Distributable Items) less any losses brought forward, any profits which are non-distributable pursuant to provisions in European Union or national law or the Issuer's by-laws and any sums placed in non-distributable reserves in accordance with applicable national law or the statutes of the Issuer, in each case with respect to the specific category of own funds instruments to which European Union or national law, the Issuer's by-laws, or statutes relate; such profits, losses and reserves being determined on the basis of the individual accounts of the Issuer and not on the basis of the consolidated accounts;

"**Dividend**" means any dividend or distribution to Shareholders in respect of the Ordinary Shares (including a Spin-Off) whether of cash, assets or other property (and for these purposes a distribution of assets includes without limitation an issue of Ordinary Shares or other Securities credited as fully or partly paid up by way of

capitalisation of profits or reserves), and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to Shareholders upon or in connection with a reduction of capital provided that:

(a) where

(i) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Ordinary Shares or other property or assets, or where a capitalisation of profits or reserves is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash, then the Dividend in question shall be treated as a Cash Dividend of an amount equal to the greater of (A) the Fair Market Value of such cash amount and (B) the Current Market Price of such Ordinary Shares as at the first date on which the Ordinary Shares are traded ex-the relevant Dividend on the Relevant Stock Exchange or, as the case may be, the record date or other due date for establishment of entitlement in respect of the relevant capitalisation or, as the case may be, the Fair Market Value of such other property or assets as at the date of the first public announcement of such Dividend or capitalisation or, in any such case, if later, the date on which the number of Ordinary Shares (or amount of such other property or assets, as the case may be) which may be issued and delivered is determined; or

(ii) there shall be any issue of Ordinary Shares by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue is or is expressed to be in lieu of a Dividend (whether or not a Cash Dividend equivalent or amount is announced), or a Dividend in cash that is to be satisfied by the issue or delivery of Ordinary Shares or other property or assets, the capitalisation or Dividend in question shall be treated as a Cash Dividend of an amount equal to the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets, as at the first date on which the Ordinary Shares are traded ex-the relevant capitalisation or, as the case may be, ex-the relevant Dividend on the Relevant Stock Exchange or, if later, the date on which the number of Ordinary Shares to be issued and delivered is determined;

(b) any issue of Ordinary Shares as described in Conditions 6(e)(i) or 6(e)(ii) shall be disregarded;

(c) (A) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer in accordance with any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders and otherwise in accordance with the limitations prescribed under Dutch law for dealings generally by a company in its own shares and provided that the price paid for such share capital by or on behalf of the Issuer shall be within price limits that apply to any safe harbour for share buy-backs by the Issuer under applicable insider trading and market manipulation rules (on the Issue Date being Commission Delegated Regulation (EU) 2016/1052) shall not constitute a Dividend and (B) any other purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer shall not constitute a Dividend unless, in the case of (B) above, the weighted average price per Ordinary Share (before expenses) on any one day (a "**Specified Share Day**") in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the daily Volume Weighted Average Price of an Ordinary Share on the 5 dealing days immediately preceding the Specified Share Day or, where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price or where a tender offer is made, on the 5 dealing days

immediately preceding the date of such announcement or the date of first public announcement of such tender offer (and regardless of whether or not a price per Ordinary Share, a minimum price per Ordinary Share or a price range or a formula for the determination thereof is or is not announced at such time), as the case may be, in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency in an amount equal to the amount by which the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Issuer or, as the case may be, any member of the Group (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of the daily Volume Weighted Average Price of an Ordinary Share determined as aforesaid and (ii) the number of Ordinary Shares so purchased, redeemed or bought back;

(d) if the Issuer or any member of the Group shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Financial Adviser; and

(e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to receive dividends or distributions in respect of the Ordinary Shares held by them from a person other than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the foregoing provisions of this definition, and the provisions of these Conditions, including references to the Issuer paying or making a dividend, shall be construed accordingly;

"**€**" or "**euro**" means the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty of Rome establishing the European Communities as amended;

"**Euronext Amsterdam**" means Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.;

"**Executive Board**" has the meaning given to it in Condition 6(a);

"**Existing Capital Instruments**" has the meaning given to it in Condition 3;

"**Extraordinary Dividend**" means (i) any Cash Dividend which is expressly declared by the Issuer to be a capital distribution, extraordinary dividend, extraordinary distribution, special dividend, special distribution or return of value to Shareholders (including any distribution made as a result of any capital reduction), in which case the Extraordinary Dividend shall be such Cash Dividend, or (ii) any Cash Dividend (other than a Cash Dividend falling under part (i) of this definition) (the "**Applicable Dividend**") paid or made in respect of the Relevant Year if (A) the Fair Market Value of the Applicable Dividend per Ordinary Share or (B) the sum of (I) the Fair Market Value of the Applicable Dividend per Ordinary Share and (II) an amount equal to the aggregate of the Fair Market Value or Fair Market Values of any other Cash Dividend or Cash Dividends (other than a Cash Dividend or Cash Dividends falling under part (i) of this definition) per Ordinary Share paid or made in respect of the Relevant Year, exceeds the Reference Amount, and in that case the Extraordinary Dividend shall be such Applicable Dividend, provided that any Cash Dividend (other than a Cash Dividend falling under part (i) of this definition) which is not expressed to be in respect of a given financial year of the Issuer, shall be deemed to be a Cash Dividend in respect of the financial year in which it is made or paid;

"**Extraordinary Resolution**" means a resolution passed at a meeting duly convened and held in accordance with the Fiscal Agency Agreement by a majority of at least 75 per cent. of the votes cast;

"**Fair Market Value**" means, with respect to any property on any date, (a) in the case of a Cash Dividend, the amount of such Cash Dividend; (b) in the case of any other cash amount, the amount of such cash; (c) in the

case of Securities (including Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets publicly traded on a stock exchange or securities market of adequate liquidity (as determined by the Conversion Calculation Agent in good faith), (i) in the case of Ordinary Shares or Spin-Off Securities, the arithmetic mean of the daily Volume Weighted Average Prices of such Ordinary Shares or Spin-Off Securities and (ii) in the case of Securities (other than Ordinary Shares or Spin-Off Securities), options, warrants or other rights or assets of the kind referred to above, the arithmetic mean of the daily closing prices of such Securities, options, warrants or other rights or assets, in the case of both (i) and (ii) above, during the period of 5 dealing days on the principal stock exchange or securities market on which such Securities, Spin-Off Securities, options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in, commencing on such date (or, if later, the first such dealing day such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, quoted or dealt in on such stock exchange or securities market) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights or assets are publicly traded, quoted or dealt in on such stock exchange or securities market; and (d) in the case of Securities (including Ordinary Shares), Spin-Off Securities, options, warrants or other rights or assets not publicly traded on a stock exchange or securities market of adequate liquidity (as aforesaid), the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights or assets as determined by an Independent Financial Adviser in good faith, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights or assets, including as to the expiry date and exercise price (if any) thereof. Such amounts shall, in the case of (a) above, be translated into the Relevant Currency (if such Cash Dividend is declared or paid or payable in a currency other than the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the Cash Dividend in the Relevant Currency and, in any other case, shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, in the case of (a) and (b) above, the Fair Market Value shall be determined on a gross basis, disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit;

"**Final Cancellation Date**" has the meaning given to it in Condition 6(c);

"**First Reset Date**" means 16 November 2029;

"**First Fixed Period**" has the meaning given to it in Condition 4(c);

"**Fiscal Agency Agreement**" has the meaning given to it in the preamble to these Conditions;

"**Fiscal Agent**" has the meaning given to it in the preamble to these Conditions;

"**Floor Price**" means U.S.$9.00 per Ordinary Share, subject to adjustment in accordance with Condition 6(e);

"**Further Capital Securities**" means any securities issued after the Issue Date which are contingently convertible into Ordinary Shares of the Issuer pursuant to their terms in the event that the Group CET1 Ratio is less than a specified percentage;

"**GEM**" means the Global Exchange Market of the Irish Stock Exchange trading as Euronext Dublin;

"**Group**" means the Issuer and its consolidated Subsidiaries;

"**Group CET1 Capital**" means, at any time and expressed in euro, the common equity tier 1 capital (or an equivalent or successor term) at such time, calculated in accordance with Article 11 of the CRR on the basis of the consolidated situation of the Issuer as the parent financial holding company for the Bank and taking into account any transitional arrangements under the Capital Regulations;

"**Group CET1 Ratio**" means, as of any date, the ratio of the aggregate amount of Group CET1 Capital to the Group Total Risk Exposure Amount as of the same date, expressed as a percentage;

"**Group Total Risk Exposure Amount**" means, at any time and expressed in euro, the total risk exposure amount (or an equivalent or successor term) at such time, calculated in accordance with Article 11 of the CRR on the basis of the consolidated situation of the Issuer as the parent financial holding company for the Bank, in accordance with the Capital Regulations and taking into account any transitional arrangements under the Capital Regulations;

"**Holder**" has the meaning given to it in the preamble to these Conditions;

"**Independent Financial Adviser**" means an independent financial institution of international repute or independent financial adviser with appropriate expertise (which may include the initial Conversion Calculation Agent) appointed by the Issuer at its own expense;

"**Initial Interest Rate**" has the meaning given to it in Condition 4(c);

"**Interest Amount**" means, subject to Conditions 6 and 8, the amount of Interest payable per Calculation Amount in respect of the relevant Interest Period or Interest Periods, as calculated by the Interest Calculation Agent;

"**Interest Calculation Agent**" means an independent investment bank or financial institution selected by the Issuer for the purposes of performing the functions required to be performed by it under these Conditions; the initial Interest Calculation Agent shall be the Fiscal Agent;

"**Interest Payment Date**" means 16 May and 16 November in each year, starting on (and including) 16 May 2020;

"**Interest Period**" means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"**Interest Rate**" means, in respect of the First Fixed Period, the Initial Interest Rate, and, in respect of each Reset Period thereafter, the Reset Interest Rate;

"**Issue Date**" means 28 February 2020, being the date of the initial issue of the Capital Securities;

"**Issuer**" means ING Groep N.V.;

"**Liquidation Event**" has the meaning given to it in Condition 3(a);

"**Margin**" means 3.506 per cent.;

"**Maximum Distributable Amount**" means any applicable maximum distributable amount relating to the Issuer required to be calculated in accordance with Article 141 of the CRD IV Directive (or any provision of applicable law, including the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), transposing or implementing the CRD IV Directive, as amended or replaced, and as in force and applicable in the Netherlands from time to time) or, as applicable, any analogous restrictions arising from the requirement to meet capital buffers under Capital Regulations or the BRRD (including without limitation Article 16a thereof);

"**Non-Cash Dividend**" means any Dividend which is not a Cash Dividend, and shall include a Spin-Off;

"**Notice Cut-off Date**" has the meaning given to it in Condition 6(c);

"**Ordinary Shares**" means ordinary shares in the capital of the Issuer;

"**Outstanding Payments**" means, in relation to any amounts payable on redemption or repayment of the Capital Securities, an amount representing any accrued and unpaid interest which has not been cancelled or deemed cancelled, whether optionally or mandatorily, for the Interest Period during which redemption or repayment occurs to (but excluding) the date of redemption or repayment (including Additional Amounts thereon, if any);

"**Parity Instruments**" has the meaning given to it in Condition 3(a);

"**Paying Agents**" has the meaning given to it in the preamble to these Conditions;

a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organization, trust, state or agency of a state (in each case whether or not being a separate legal entity) or other legal entity;

"**Prevailing Rate**" means, in respect of any pair of currencies on any calendar day, the spot rate of exchange between the relevant currencies prevailing as at 12 noon (London time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at 12 noon (London time) on the immediately preceding day on which such rate can be so determined or, if such rate cannot be so determined by reference to the Relevant Page, the rate determined in such other manner as an Independent Financial Adviser in good faith shall prescribe;

"**Redemption Price**" means, in respect of each Capital Security at any time, the principal amount thereof together with any Outstanding Payments;

"**Reference Amount**" means, either:

(a) where (i) the Applicable Dividend in respect of such Relevant Year is declared after the date on which the Group's audited consolidated financial statements in respect of the Relevant Year are available (the "**Results Availability Date**") and (ii) no other Cash Dividends have been declared in respect of such Relevant Year prior to the Results Availability Date: 100% of the Group's net result from continuing and discontinued operations (before minority interests) per Ordinary Share in respect of such Relevant Year; or,

(b) in any other case: the greater of (i) 100% of the Group's net results from continuing and discontinued operations (before minority interests) per Ordinary Share in respect of the Relevant Year and (ii) 100% of the Group's net results from continuing and discontinued operations (before minority interests) per ordinary share in respect of the most recently completed financial year for which the Group's audited consolidated financial statements are available on the date on which the first Cash Dividend in respect of the Relevant Year is declared (and such determination shall be made promptly after the Results Availability Date), except where a Conversion Notice is delivered before such Results Availability Date, in which case the Reference Amount shall be equal to the amount determined pursuant to part (ii) of this paragraph, and in any such case, the Floor Price for the purpose of such Conversion Notice shall be determined on the basis of an Extraordinary Dividend (if any) determined on the basis of a Reference Amount determined accordingly;

"**Reference Treasury Dealer**" means each of up to five banks selected by the Issuer (following, where practicable, consultation with the Interest Calculation Agent), or the affiliates of such banks, which are primary U.S. Treasury securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues denominated in U.S. dollars;

"**Reference Treasury Dealer Quotations**" means with respect to each Reference Treasury Dealer and any Reset Date, the arithmetic average, as determined by the Interest Calculation Agent, of the bid and offered

prices for the applicable Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, at 11:00 a.m. (New York City time), on the Reset Determination Date for such Reset Date;

A "**Regulatory Event**" is deemed to have occurred if at any time on or after the Issue Date, as a result of a change in the regulatory classification of the Capital Securities, the Capital Securities have been or will be excluded from the own funds, calculated in accordance with Article 11 of the CRR on the basis of the consolidated situation of the Issuer as the parent financial holding company of the Bank, or reclassified as own funds of lower quality (that is, no longer Additional Tier 1 Capital), in each case whether in whole or in part, provided that, for the avoidance of doubt, a Regulatory Event shall not be deemed to have occurred in the case of a partial exclusion of the Capital Securities as a result of a Conversion;

"**Regulatory Group**" has the meaning given to it in Condition 3(d);

"**Relevant Currency**" means euro or such other currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at the relevant time or for the purposes of the relevant calculation or determination;

"**Relevant Date**" means the date on which such payment first becomes due and payable but, if the full amount of the moneys payable on such date has not been received by the Fiscal Agent on or prior to such date, the Relevant Date means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Holders in accordance with Condition 14;

"**Relevant Jurisdiction**" has the meaning given to it in Condition 10;

"**Relevant Page**" means the relevant page on Bloomberg or such other information service provider that displays the relevant information, as determined by the Conversion Calculation Agent;

"**Resolution Authority**" has the meaning given to it in Condition 3(d);

"**Relevant Stock Exchange**" means Euronext Amsterdam or, if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on Euronext Amsterdam, the principal stock exchange or securities market (if any) on which the Ordinary Shares are then listed, admitted to trading or quoted or accepted for dealing;

"**Relevant Year**" means, in respect of any Cash Dividend, the financial year of the Issuer in respect of which such Cash Dividend is being paid or made, or deemed to be paid or made, as the case may be;

"**Reset Date**" has the meaning given to it in Condition 4(d);

"**Reset Determination Date**" means, in relation to each Reset Period, the second Business Day prior to the Reset Date in respect of such Reset Period;

"**Reset Interest Rate**" has the meaning given to it in Condition 4(d);

"**Reset Period**" means the period from (and including) a Reset Date to (but excluding) the next succeeding Reset Date;

"**Reset Reference Rate**" means, with respect to any Reset Date from which such rate applies, the rate per annum equal to: (1) the yield, under the heading which represents the average for the week immediately prior to the Reset Determination Date for such Reset Date, appearing in the most recently published statistical release designated "H.15", or any successor publication that is published by the Board of Governors of the Federal Reserve System that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity, under the caption "Treasury Constant Maturities", for the maturity of five years; or (2) if such release (or any successor release) is not published during the week immediately prior to the Reset Determination Date or does not contain such yields, the rate per annum equal to the semiannual equivalent

yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Reset Date; if the Reset Reference Rate cannot be determined, for whatever reason, as described under (1) or (2) above, the "Reset Reference Rate" means the rate in percentage per annum as notified by the Interest Calculation Agent to the Issuer equal to the yield on U.S. Treasury securities having a maturity of five years as set forth in the most recently published statistical release designated "H.15" under the caption "Treasury Constant Maturities" (or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities" for the maturity of five years) at 5:00 p.m. (New York City time) on the last available date preceding the Reset Determination Date on which such rate was set forth in such release (or any successor release).

"**Results Availability Date**" has the meaning set forth in the definition of "Reference Amount";

"**Securities**" means any securities including, without limitation, shares in the capital of the Issuer, or options, warrants or other rights to subscribe for or purchase or acquire shares in the capital of the Issuer (and each a "**Security**");

"**Senior Instruments**" has the meaning given to it in Condition 3(a);

"**Settlement Date**" means (i) with respect to any Capital Security in relation to which a Conversion Shares Settlement Notice is received by the Conversion Shares Depository (or the relevant recipient, as applicable) on or before the Notice Cut-Off Date, the date that is two Business Days after (a) the date on which such Conversion Shares Settlement Notice has been received by the Conversion Shares Depository or (b) (if later) the date on which the Conversion Shares are delivered to the Conversion Shares Depository, and (ii) with respect to any Security in relation to which a Conversion Shares Settlement Notice is not received by the Conversion Shares Depository on or before the Notice Cut-Off Date, the date on which the Conversion Shares Depository delivers the relevant Conversion Shares;

"**Shareholders**" means the holders of Ordinary Shares;

"**Specified Share Day"** has the meaning set forth in the definition of "Dividend";

"**Spin-Off**" means (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or (b) any issue, transfer or delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class, pursuant to any arrangements with the Issuer or any member of the Group;

"**Spin-Off Securities**" means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer;

"**SRM Regulation**" means Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014, as amended or replaced from time to time, including by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019;

"**Subsidiary**" means each subsidiary as defined in Section 2:24a of the Dutch Civil Code for the time being of the Issuer;

"**Suspension Date**" has the meaning given to it in Condition 6(c);

"**Talons**" has the meaning given to it in the preamble to these Conditions;

"**TARGET Business Day**" means a day on which the TARGET System is operating;

"**TARGET System**" means the Trans European Real Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto;

"**Tax Event**" is deemed to have occurred if the Issuer determines that as a result of a Tax Law Change which was not reasonably foreseeable on the Issue Date:

(i) the Issuer will or would be required on the next Interest Payment Date (or if the next Interest Payment Date is scheduled to occur within 30 days, then on the Interest Payment Date immediately following the next Interest Payment Date) to pay Additional Amounts; or

(ii) the Issuer would no longer be entitled to claim a deduction in respect of any interest payments made on the next Interest Payment Date (or if the next Interest Payment Date is scheduled to occur within 30 days, then on the Interest Payment Date immediately following the next Interest Payment Date) in computing the Issuer's taxation liabilities in the Netherlands, or the amount of the deduction would be materially reduced, save to the extent that such Tax Law Change merely codifies, rules or otherwise confirms that the interest payment would not be or was not deductible pursuant to applicable law as at the Issue Date,

provided, in each case, that the consequences of such event cannot be avoided by the Issuer taking reasonable measures available to it;

"**Tax Law Change**" means a change in, or amendment to, the laws or regulations of the Netherlands or any political subdivision or authority therein or thereof having the power to tax, including any treaty to which the Netherlands is a party, or any change in the application of official or generally published interpretation of such laws or regulations, including a decision of any court or tribunal, or any interpretation or pronouncement by any relevant tax authority, which change or amendment (including, for the avoidance of doubt, a decision of any court or tribunal) becomes, or would become, effective on or after the Issue Date;

References to "**Tier 1**", "**Common Equity Tier 1**" and "**Tier 2**" capital or instruments have the respective meanings given to them from time to time in the Capital Regulations;

A "**Trigger Event**" will occur if at any time the Group CET1 Ratio is less than 7.00 per cent., as determined by the Issuer, the Competent Authority or any agent appointed for such purpose by the Competent Authority;

"**Unsubordinated Instruments**" has the meaning given to it in Condition 3(a);

"**U.S.$**", "**U.S. dollars**" or "**$**"and means United States dollars;

"**Volume Weighted Average Price**" means, in respect of an Ordinary Share or Security or Spin-Off Security on any dealing day, the order book volume-weighted average price of an Ordinary Share (or Security or Spin-Off Security, as applicable) published by or derived (in the case of an Ordinary Share) from the relevant Bloomberg page INGA NA <Equity> HP (setting "Weighted Average Line" or any successor setting) or (in the case of a Security (other than Ordinary Shares) or Spin-Off Security) from the equivalent Bloomberg page for such Security or Spin-Off Security in respect of the principal stock exchange or securities market on which such Securities or Spin-Off Securities are then listed or quoted or dealt in, if any, or such other source as shall be determined in good faith to be appropriate by an Independent Financial Adviser on such dealing day; *provided* that if on any such dealing day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security or Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined or determined as an Independent Financial Adviser might otherwise determine in good faith to be appropriate.

SUMMARY OF PROVISIONS RELATING TO THE CAPITAL SECURITIES WHILE IN GLOBAL FORM

The Fiscal Agency Agreement, the Temporary Global Capital Security and the Global Capital Security contain provisions which apply to the Capital Securities while they are in global form, some of which modify the effect of the terms and conditions of the Capital Securities set out in this document. The following is a summary of certain of those provisions.

1 Exchange

The Temporary Global Capital Security is exchangeable in whole or in part for interests in the Global Capital Security on or after a date which is expected to be 8 April 2020, upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Capital Security. The Global Capital Security is exchangeable in whole but not, except as provided in the next paragraph, in part (free of charge to the holder) for the Definitive Capital Securities described below (i) if the Global Capital Security is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or (ii) if principal in respect of any Capital Securities is not paid when due and payable. Thereupon, the holder may give notice to the Fiscal Agent of its intention to exchange the Global Capital Security for Definitive Capital Securities on or after the Exchange Date specified in the notice.

If principal in respect of any Capital Securities is not paid when due and payable the holder of the Global Capital Security may by notice to the Fiscal Agent require the exchange of a specified principal amount of the Global Capital Security (which may be equal to or (provided that, if the Global Capital Security is held by or on behalf of a clearing system, that clearing system agrees) less than the outstanding principal amount of Capital Securities represented thereby) for Definitive Capital Securities on or after the Exchange Date (as defined below) specified in such notice.

On or after any Exchange Date the holder of the Global Capital Security may surrender the Global Capital Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for the Global Capital Security, or on endorsement in respect of the part thereof to be exchanged, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Capital Securities (having attached to them all Coupons in respect of interest which has not already been paid on the Global Capital Security), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 to the Fiscal Agency Agreement. On exchange of the Global Capital Security, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with any relevant Definitive Capital Securities.

"Exchange Date" means a day falling not less than 60 days or, in the case of exchange pursuant to (ii) above, 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (i) above, in the cities in which the relevant clearing system is located.

2 Payments

No payment will be made on the Temporary Global Capital Security unless exchange for an interest in the Global Capital Security is improperly withheld or refused. Payments of principal and interest in respect of Capital Securities represented by the Global Capital Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Capital Securities, surrender of the Global Capital Security to or to the order of the Fiscal Agent or such other Paying Agent as shall have been

notified to the Holders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the Global Capital Security, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Capital Securities. For the purpose of any payments made in respect of a Global Capital Security, Condition 8(f) (*Payments on Payment Business Days*) shall not apply, and all such payments shall be made on a day on which commercial banks and foreign exchange markets are open in the financial centre of the currency of the Capital Securities and which is a TARGET Business Day.

3 Notices

So long as the Capital Securities are represented by the Global Capital Security and the Global Capital Security is held on behalf of a clearing system, notices to Capital Securityholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions except that, so long as the Capital Securities are listed on a stock exchange, notices shall also be published as required by the rules of such stock exchange.

4 Prescription

Claims against the Issuer in respect of principal and interest on the Capital Securities while the Capital Securities are represented by the Global Capital Security will become void unless it is presented for payment within a period of 5 years from the appropriate due date.

5 Meetings

The holder of the Global Capital Security shall (unless the Global Capital Security represents only one Capital Security) be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Capital Securityholders and, at any such meeting, as having one vote in respect of each U.S.$0.01 in principal amount of Capital Securities.

6 Purchase and Cancellation

Cancellation of any Capital Security required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the Global Capital Security.

7 Default

If principal or interest in respect of any Capital Security is not paid for a period of 14 or more days after the date on which such payment became due and payable, the holder of the Global Capital Security may from time to time elect that direct enforcement rights under the provisions of the Global Capital Security shall come into effect as against the Issuer, in favour of the relevant person(s) shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system as the holder(s) of such Capital Securities represented by the Global Capital Security. Such election shall be made by notice to the Fiscal Agent and presentation of the Global Capital Security to or to the order of the Fiscal Agent for reduction of the principal amount of Capital Securities represented by the Global Capital Security to USD zero (or to such other figure as shall be specified in the notice) by endorsement thereon and the corresponding endorsement thereon of such principal amount of Capital Securities in respect of which such direct enforcement rights have arisen. Upon such notice being given the appropriate direct enforcement rights shall take effect.

8 Electronic Consent and Written Resolution

While any Global Capital Security is held on behalf of a relevant Clearing System, then:

(a) approval of a resolution proposed by the Issuer given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing System(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in

nominal amount of the Capital Securities outstanding (an "**Electronic Consent**" as defined in the Fiscal Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Holders duly convened and held, and shall be binding on all Holders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Fiscal Agency Agreement) has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer, by (a) accountholders in the clearing system with entitlements to such Global Capital Security and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Holders and Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Capital Securities is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

9 Conversion

Any Conversion of Capital Securities held in Euroclear or Clearstream, Luxembourg will be effected in accordance with the relevant procedures of Euroclear, Clearstream, Luxembourg and Euroclear Netherlands. Notwithstanding the provisions of Condition 6(c) and (d) of the Conditions, if the Capital Securities are represented by the Global Capital Security and held through Euroclear or Clearstream, Luxembourg, the Holder shall give a Conversion Shares Settlement Notice to the Conversion Shares Depository in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg prior to the Notice Cut-off Date (which may include notice being given on its instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Conversion Shares Depository by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time with such details as Euroclear or Clearstream, Luxembourg may require. Any reference in the Conditions to the delivery of Conversion Shares Settlement Notices shall be construed accordingly.

DESCRIPTION OF THE ORDINARY SHARES

The Capital Securities are potentially convertible into Ordinary Shares of the Issuer. On the date hereof the Ordinary Shares are listed and the Capital Securities would on a Conversion convert into those listed Ordinary Shares. The principal trading market for the Issuer's Ordinary Shares is the regulated market of Euronext Amsterdam. The Ordinary Shares are also listed on the regulated market of Euronext Brussels.

Euronext Amsterdam is the regulated market of Euronext in Amsterdam and a key element in the financial infrastructure in the Netherlands. Its roots stretch back to the early seventeenth century and its regulated market is regulated by the Dutch Minister of Finance. On 11 February 2020 the daily trading volume (in terms of value) of all order book trading on Euronext Amsterdam was €186,743,589.24. Price and trading information is available on Euronext Amsterdam's website which is continually updated with a 15 minute time delay. The trading prices of the Ordinary Shares of the Issuer and daily trading volumes are published on Euronext Amsterdam's website and in Euronext Amsterdam's Daily Official List, as well as on the Issuer's website. The ISIN of the Ordinary Shares of the Issuer is NL0011821202.

USE OF PROCEEDS

The net proceeds of the issue of the Capital Securities, expected to amount to approximately U.S.$745,125,000, will be applied by the Issuer for its general corporate purposes and to strengthen its capital base.

TAXATION

Netherlands Taxation

Introduction

The following summary outlines the principal Dutch tax consequences of the acquisition, holding, settlement, redemption and disposal of the Capital Securities, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant.

For purposes of Dutch tax law, a Holder may include an individual or entity who does not have the legal title of these Capital Securities, but to whom nevertheless the Capital Securities or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Capital Securities or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, settlement, redemption and disposal of the Capital Securities.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Offering Circular, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. This summary does therefore not take into account the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*) as this act is not yet in effect as of the date of this Offering Circular. Once the Dutch Withholding Tax Act 2021 becomes effective on 1 January 2021, interest paid or accrued to certain entities related to the Issuer that are located in certain low-taxed jurisdictions may be subject to Dutch withholding tax at a rate of 21.7%. In the event that any withholding would be required pursuant to the Dutch Withholding Tax Act 2021 with respect to payments on the Capital Securities, the Issuer will not pay any additional amounts in respect of this withholding.

This summary does not address the Dutch corporate and individual income tax consequences for:

(i) investment institutions (*fiscale beleggingsinstellingen*);

(ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;

(iii) Holders holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer and Holders of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in the Issuer;

(iv) persons to whom the Capital Securities and the income from the Capital Securities are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);

(v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Capital Securities are attributable to such permanent establishment or permanent representative; and

(vi) individuals to whom Capital Securities or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

This summary does not describe the consequences of the conversion of the Capital Securities.

Withholding Tax

All payments made by the Issuer of interest and principal under the Capital Securities can be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Capital Securities are considered either as debt for Dutch civil law purposes and do not in fact have the function of equity of the Issuer within the meaning of Article 10, paragraph 1, under d of the Dutch Corporate Income Tax Act of 1969 (*Wet op de vennootschapsbelasting 1969*) or as an equity instrument, not being shares (*aandelen*) or profit certificates (*winstbewijzen*) within the meaning of the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*). See also the risk factors under the headings *'Deduction of interest payments'* and *'Withholding tax'*.

Corporate and Individual Income Tax

Residents of the Netherlands

If a Holder is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Capital Securities are attributable, income derived from the Capital Securities and gains realised upon the redemption, settlement or disposal of the Capital Securities are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Capital Securities and gains realised upon the redemption, settlement or disposal of the Capital Securities are taxable at the progressive rates (at up to a maximum rate of 49.5%) under the Dutch Income Tax Act 2001, if:

(i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Capital Securities are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Capital Securities are attributable; or

(ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Capital Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Capital Securities, must determine taxable income with regard to the Capital Securities on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Capital Securities will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively

depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 30%.

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Capital Securities and gains realised upon the settlement, redemption or disposal of the Capital Securities, unless:

(i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Capital Securities are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a coentitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Capital Securities are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25%.

(ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Capital Securities are attributable, or (2) realises income or gains with respect to the Capital Securities that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Capital Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Capital Securities are attributable.

Income derived from the Capital Securities as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 49.5%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "Residents of the Netherlands").

Gift and Inheritance Tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Capital Security by way of gift by, or on the death of, a Holder, unless:

(i) the Holder is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

Value Added Tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Capital Securities or in respect of a cash payment made under the Capital Securities, or in respect of a transfer of Capital Securities.

Other Taxes and Duties

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a Holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Capital Securities.

Residence

A Holder will not be and will not be deemed to be resident in the Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise become subject to Dutch taxation, by reason only of acquiring, holding or disposing of Capital Securities or the execution, performance, delivery and/or enforcement of Capital Securities.

Foreign Account Tax Compliance Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Capital Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Capital Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Capital Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Capital Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Capital Securities, no person will be required to pay additional amounts as a result of the withholding.

The Proposed Financial Transactions Tax

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate. The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Capital Securities (including secondary market transactions) in certain circumstances. The issuance and subscription of the Capital Securities should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Capital Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between the participating Member States. It has been clarified that should an informal agreement among the participating Member States be reached, it would only be a preliminary step in the legislative process. If, at some point, a draft text of the

Directive for a common FTT is tabled by the participating Member States, any decision in the European Council should be preceded by an inclusive and substantial debate among all Member States. The Commission's Proposal may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Capital Securities are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Credit Suisse Securities (Europe) Limited, Goldman Sachs International, ING Bank N.V., Morgan Stanley & Co. International plc, The Toronto-Dominion Bank and UniCredit Bank AG (the "**Joint Lead Managers and Joint Bookrunners**") and Banco Bilbao Vizcaya Argentaria, S.A., KBC Bank NV, Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH, Mizuho Securities Europe GmbH and Scotiabank Europe plc (together with the Joint Lead Managers and Joint Bookrunners, the "**Joint Lead Managers**" or the "**Managers**") have, pursuant to a subscription agreement dated 26 February 2020 (the "**Subscription Agreement**") agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe the Capital Securities at 100.00 per cent. of the principal amount of the Capital Securities plus accrued interest (if any), less certain commissions as agreed with the Issuer.

Certain of the Joint Lead Managers and Joint Bookrunners have, directly or indirectly through affiliates, provided investment and commercial banking, financial advisory and other services to the Issuer and its affiliates from time to time, for which they have received monetary compensation. Certain of the Joint Lead Managers and Joint Bookrunners may from time to time also enter into swap and other derivative transactions with the Issuer and its affiliates. In addition, certain of the Joint Lead Managers and Joint Bookrunners and their affiliates may in the future engage in investment banking, commercial banking, financial or other advisory transactions with the Issuer or its affiliates.

In addition, the Issuer will reimburse the Managers for certain of its expenses in connection with the issue of the Capital Securities.

Prohibition of Sales to EEA and UK Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available the Capital Securities to any retail investor in the EEA or in the UK. For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(b) a customer within the meaning of Directive 2016/97/EU (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United States

The Capital Securities have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Capital Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended and regulations thereunder.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Capital Securities (i) as part of their distribution at any time or (ii) otherwise until 40 days after the

later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Capital Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Capital Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Capital Securities, an offer or sale of Capital Securities within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Capital Securities, and any Coupons and/or Talons appertaining thereto will bear the following legend:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

United Kingdom

Each Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Capital Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Capital Securities in, from or otherwise involving the United Kingdom.

Japan

The Capital Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Managers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Capital Securities in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Singapore

Each Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented and agreed that it has not offered or sold any Capital Securities or caused the Capital Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Capital Securities or cause the Capital Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Capital Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the

Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Capital Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Capital Securities pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA.

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore - In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Capital Securities as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Hong Kong

Each Manager has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Capital Securities other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Capital Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the

securities laws of Hong Kong) other than with respect to Capital Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

People's Republic of China

Each Manager has represented and agreed that the Capital Securities are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

Brazil

Neither the Issuer nor the issuance and offering of the Capital Securities have been, or will be, registered with the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*). Any public offering of the Capital Securities in Brazil, as defined under Brazilian laws and regulations, requires prior registration with the CVM under Law No. 6,385, dated of 7 December 1976, as amended, and CVM Instruction No. 400, dated 29 December 2003, as amended. Therefore, the Capital Securities may not be issued, distributed, offered, placed or negotiated in the Brazilian capital markets, except in circumstances which do not constitute a public offering, distribution, placement or negotiation in the Brazilian capital markets, as well as any documents relating to the offering of the Capital Securities and any information contained in those documents, may not be distributed to the public in Brazil nor be used in connection with any offer for subscription or sale of the Capital Securities to the public in Brazil.

Switzerland

This Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Capital Securities. Each Manager has represented and agreed that the Capital Securities may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Capital Securities constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations, and neither this Offering Circular nor any other offering or marketing material relating to the Capital Securities may be publicly distributed or otherwise made publicly available in Switzerland.

Italy

The offering of the Capital Securities has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Capital Securities may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to any Capital Securities be distributed in Italy, except, in accordance with any Italian securities, tax and other applicable laws and regulations.

Each Manager has represented and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver any Capital Securities or distribute any copy of this Offering Circular or any other document relating to the Capital Securities in Italy except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the "**Prospectus Regulation**") and any applicable provision of Legislative

Decree no. 58 of 24 February 1998, as amended (the "**Financial Services Act**") Italian CONSOB regulations; or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

In any event, any offer, sale or delivery of the Capital Securities or distribution of copies of this Offering Circular or any other document relating to the Capital Securities in Italy under paragraphs (a) or (b) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**");

(ii) in compliance with Article 129 of the Banking Act, as amended from time to time, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in Italy; and

(iii) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time by CONSOB or the Bank of Italy or other Italian authority.

France

Each Manager has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Capital Securities to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Offering Circular or any other offering material relating to the Capital Securities and such offers, sales and distributions have been and will be made in France only to (i) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) and/or (iii) a limited circle of investors (*cercle restreint*) acting for their own account, as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French Code *monétaire et financier*.

Canada

This document constitutes an "exempt offering document" as defined in and for the purposes of applicable Canadian securities laws. No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Capital Securities. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this document or on the merits of the Securities and any representation to the contrary is an offence.

Resale Restrictions

The offer and sale of the Capital Securities in Canada is being made on a private placement basis only and is exempt from the requirement that the issuer prepares and files a prospectus under applicable Canadian securities laws. Any resale of Capital Securities acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the

applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the Capital Securities outside of Canada.

Representations of Purchasers

Each Canadian investor who purchases the Capital Securities will be deemed to have represented to the issuer, the underwriters and to each dealer from whom a purchase confirmation is received, as applicable, that the investor (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or redistribution; (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 *Prospectus Exemptions* ("NI 45-106") or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario); and (iii) is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

Rights of Action for Damages or Rescission

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Language of Documents

Upon receipt of this document, each Canadian investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the Securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement*.

General

No action has been taken in any jurisdiction that would permit a public offering of any of the Capital Securities, or possession or distribution of the Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Manager has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Capital Securities, or has in its possession or distributes the Offering Circular or any other offering material.

GENERAL INFORMATION

1. Application has been made to Euronext Dublin for the Capital Securities to be admitted to the Official List and trading on the Global Exchange Market of Euronext Dublin, subject only to the issue of the Temporary Global Capital Security. The Bank of New York Mellon SA/NV, Dublin Branch is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Capital Securities to the Official List of Euronext Dublin and trading on its Global Exchange Market.

2. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Capital Securities. The issue of the Capital Securities was approved by the Executive Board of the Issuer on 27 January 2020 and by the Supervisory Board of the Issuer on 5 February 2020.

3. There has been no significant change in the financial or trading position of the Issuer and its consolidated subsidiaries since 31 December 2019. There has been no material adverse change in the prospects of the Issuer since 31 December 2018.

4. The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer aware) over the past 12 months, which may have, or have had in the recent past, significant effects on the Issuer's financial position or profitability, save as disclosed in the Registration Document.

5. The Capital Securities have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The International Securities Identification Number (ISIN) is XS2122174415 and the Common Code is 212217441.

6. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Duchy of Luxembourg.

7. The legal entity identifier (LEI) of the Issuer is 549300NYKK9MWM7GGW15.

8. The date of incorporation of the Issuer is 21/01/1991.

9. Where information in this Offering Circular (including where such information has been incorporated by reference) has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

10. The yield of the Capital Securities for the period from (and including) the Issue Date to (but excluding) the First Reset Date, is 4.876 per cent. reflecting interest payments being made on a semi-annual basis (4.875 per cent. on an annual basis), assuming interest is paid in full. Thereafter, the yield shall be subject to the reset mechanism described in Condition 4. The yield is calculated as at the Issue Date on the basis of the Issue Price. It is not an indication of any future yield.

11. For so long as the Capital Securities are listed on the Official List of Euronext Dublin, copies (and English translations where the documents in question are not in English) of the following documents (in physical form) will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection, free of charge, at the offices of the Fiscal Agent:

    (a) the Agency Agreement (which includes the forms of the Global Capital Security and the Definitive Capital Security);

(b) the Articles of Association of the Issuer;

(c) the audited and consolidated financial statements of the Issuer for the three financial years ended 31 December 2016, 2017 and 2018;

(d) the Interim Financial Report containing ING Group's condensed consolidated unaudited results as at, and for the six month period ended, 30 June 2019, as published by the Issuer on 1 August 2019;

(e) the press release published by ING Group on 6 February 2020 entitled "ING posts 2019 net result of €4,781 million; 4Q2019 net result of €880 million" (the "**Q4 Press Release**"). The Q4 Press Release contains, among other things, the consolidated unaudited interim results of the Issuer as at, and for the three month period and the twelve month period ended, 31 December 2019;

(f) the press release published by ING Group on 19 February 2020 entitled "Ralph Hamers to leave ING to become CEO of UBS", which announces that Ralph Hamers, CEO of ING, will leave ING as of 30 June 2020; and

(g) a copy of this Offering Circular (including the documents incorporated by reference therein).

12. In the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Certain of the Managers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Capital Securities. Any such short positions could adversely affect future trading prices of the Capital Securities. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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