

A person wearing a vibrant, multi-colored floral patterned shirt is shown from the chest down. They are holding a white smartphone in their right hand and a black payment terminal in their left hand. The background is blurred, suggesting an outdoor or market setting. Two orange text boxes are overlaid on the image.

Growing the difference

Accelerating growth, increasing impact, delivering value

Capital Markets Day 2024

Marnix van Stiphout, Tech & Operations

17 June 2024



do your thing

A leading digital bank, enabled by Tech & Operations



Seamless digital services



- **#1 NPS** in 5 Retail Banking markets¹⁾
- **4.4 ★★★★★** average iOS app rating
- **72 NPS** in Wholesale Banking



Scalable



- **34%** of operations centralised in hubs
- **63%** of workload on private cloud
- **71%** Digi Index Score²⁾



Safe, secure & reliable



- **99.6%** digital channel availability in Retail Netherlands and Belgium
- **100% availability** of Wholesale payments channel
- **97% STP** for low-risk KYC³⁾



Cost efficient



- **~40% of total cost** base in Tech & Operations
- **-2.9% costs** over customer balances in 2023 vs 2019⁴⁾
- **-2.4% FTE** over customer balances in 2023 vs 2019⁴⁾


¹⁾ April 2024

²⁾ Average of straight-through-processing (STP) rates of 292 Retail Customer journeys; STP rate is the percentage of a customer journey that is handled without manual intervention

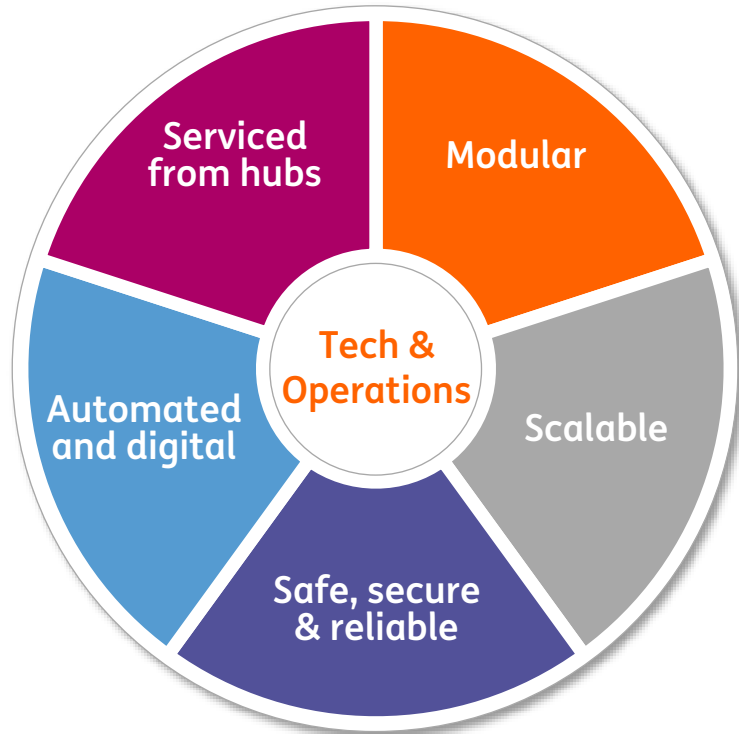
³⁾ KYC ongoing review of low-risk private individuals

⁴⁾ Total expenses excluding regulatory costs and incidental items over average customer balances. FTE are total internal FTE

We are building and rolling out scalable foundational capabilities

 Where we are now

A strong foundation built on proven principles



Evidenced by the progress on our 2025 targets

	2021	2023	2025	
Tech				
Workload on private cloud	34%	63%	>70%	✓
Adoption of shared engineering platform (OnePipeline)	40%	63%	>90%	✓
Customer online traffic using Touchpoint ¹⁾	60%	64%	90%	~
Operations				
Digi Index Score ²⁾	63%	71%	>75%	✓
Operations in hubs	25%	34%	~50%	✓
Inbound call reduction	31 mln	18%	>30%	✓

A competitive operating model designed to further enhance scalability and drive our new business ambitions

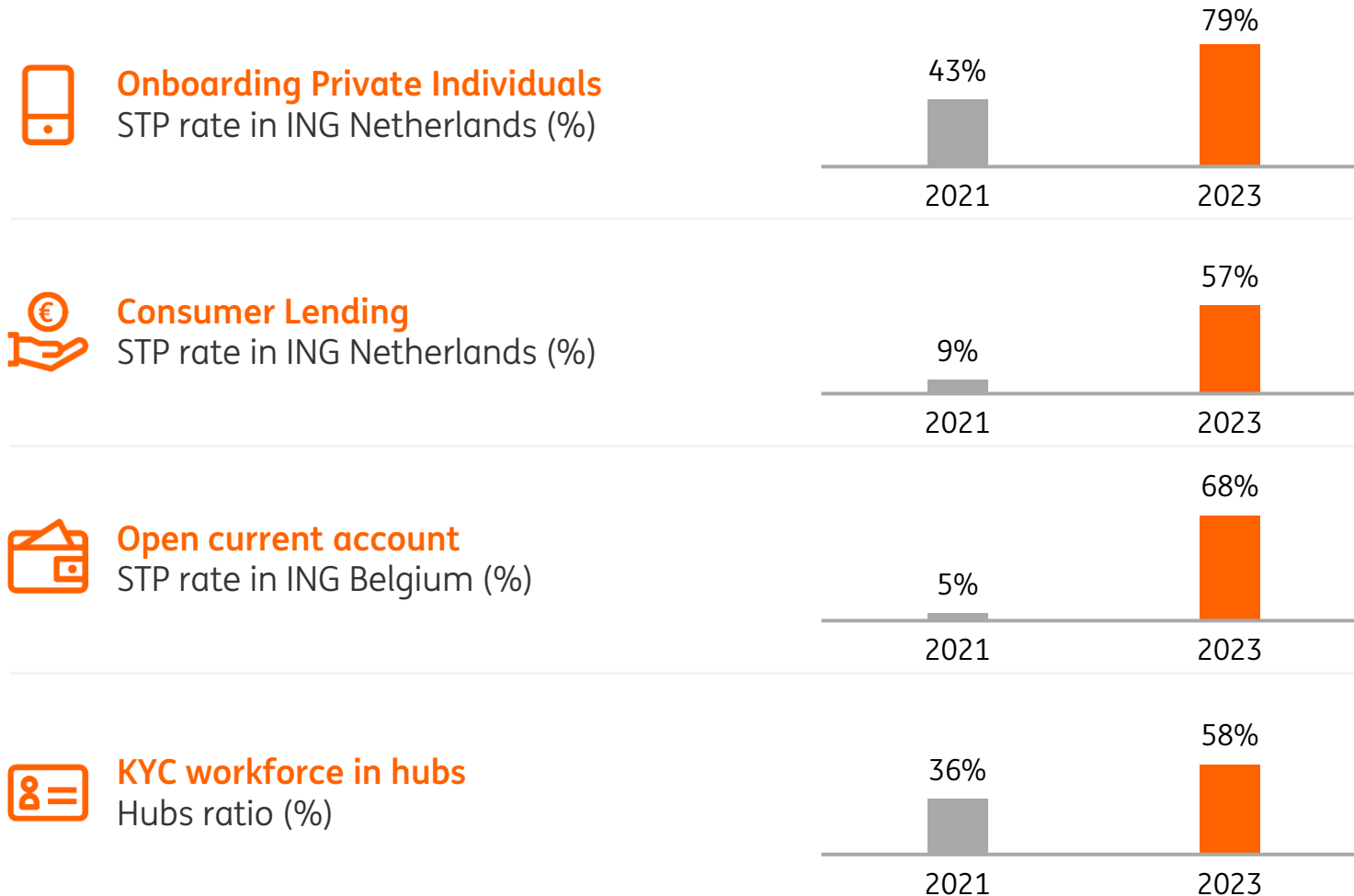
¹⁾ Touchpoint is the scalable platform for shared (global) components. The 2021 figure has been "re-baselined" to enhance consistency and comparability

²⁾ The Digi-Index has been "re-baselined" to enhance the consistency and comparability of the Digi Index, including only global processes

Consolidation and digitalisation are driving operational efficiency

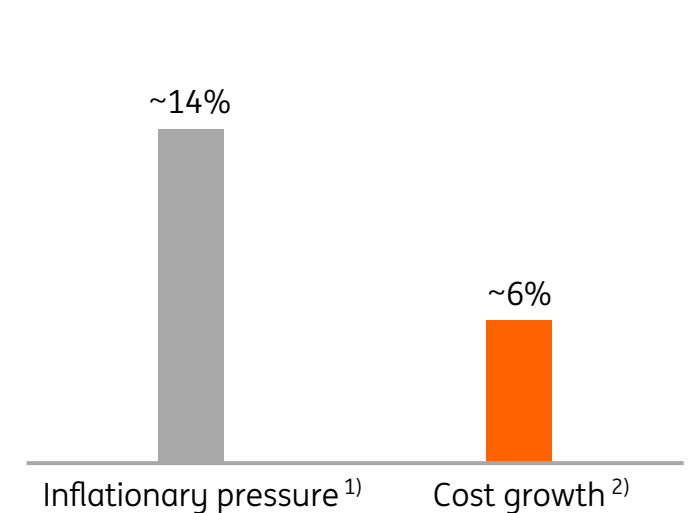
 Where we are now

Scalability examples



Operational efficiency Retail Banking

2021-2023



~8% efficiency
despite higher KYC costs
and business growth

¹⁾ Annual inflationary pressure based on 2-year rolling average inflation rate

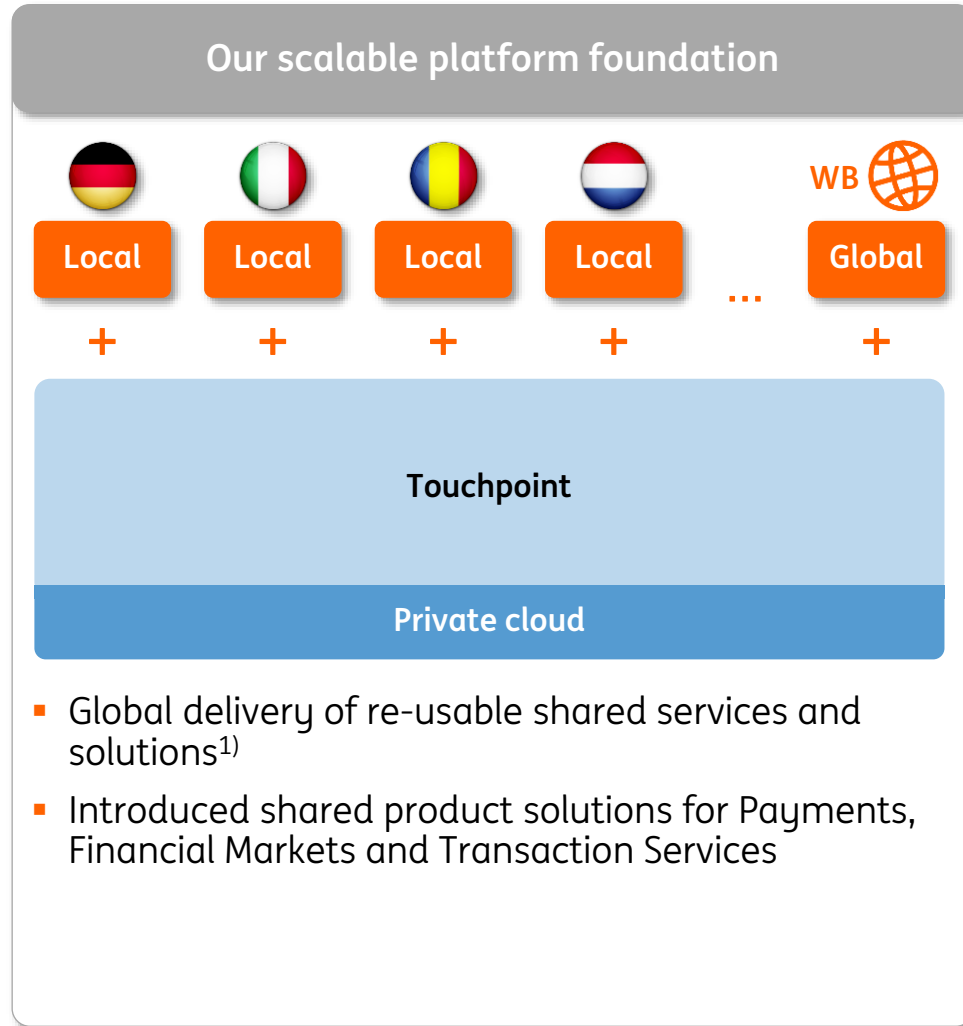
²⁾ Total direct expenses in Retail Front Office & Operations

In Tech we further leverage and expand our foundations

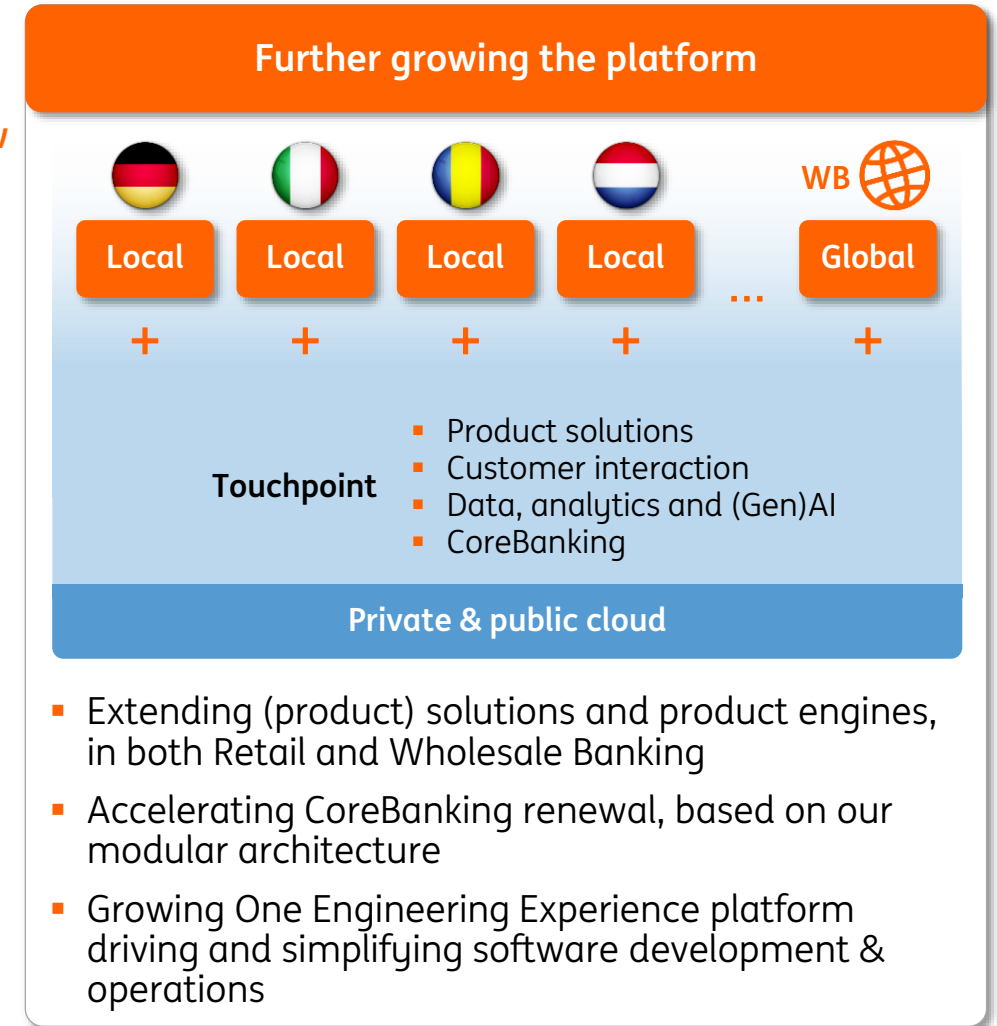
▶ Our strategic priorities



Today



Tomorrow

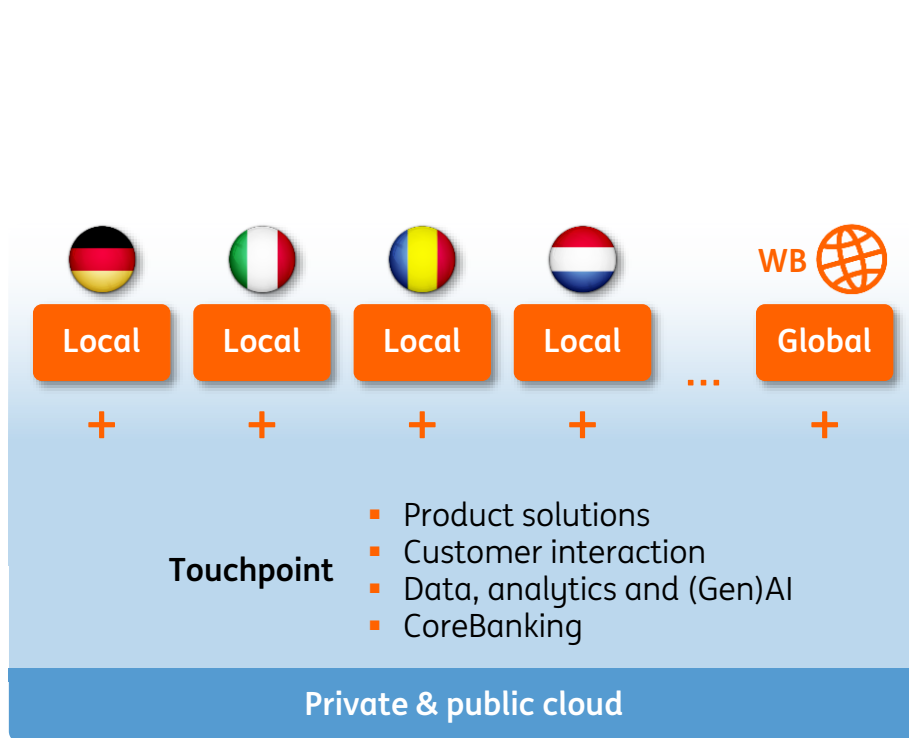


¹⁾ Provided by a platform across entities (e.g. Private Cloud, OneWeb/OneApp, contact center, etc)

Continue building and scaling our Tech platform

▶ Our strategic priorities

Increasing deployment via our Tech platform



To further scale and enhance operational resilience

Increased productivity

Shorter time-to-market

Personalised customer experience

Reliable and secure

Network organisation / scalable workforce



Increase # of engineers on shared engineering platform





Increase # of shared solutions used within ING


Operations benefits from our scalable capabilities and digital expertise

▶ Our strategic priorities

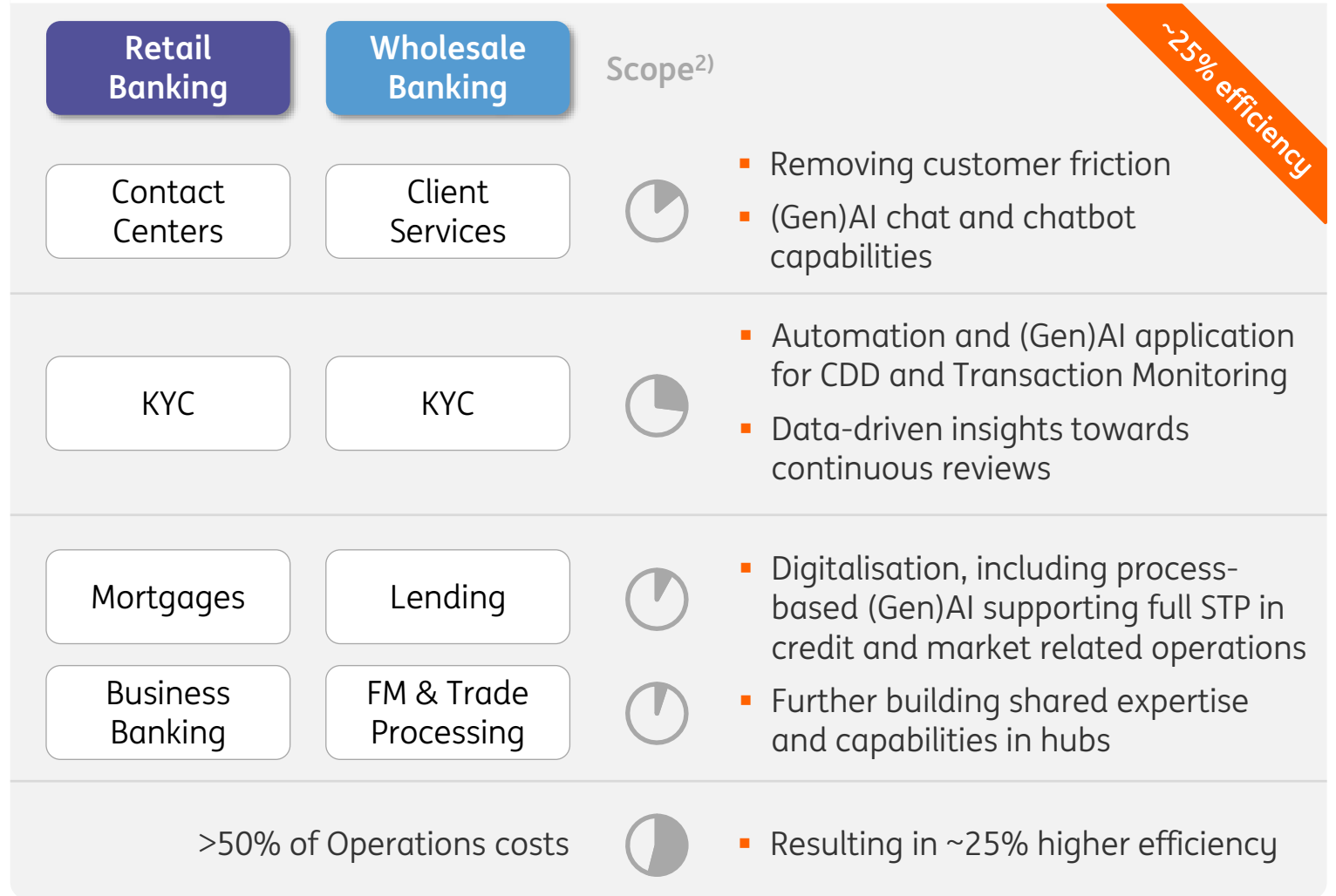
Increasing our scalability

 **Processes**
end-to-end digitalisation powered by (Gen)AI

 **People**
skilled and scalable workforce driving CX¹⁾, EX¹⁾ and productivity across the bank

 **Platforms**
scalable foundational and product solutions

Focusing on our must-wins to further boost productivity and raise CX¹⁾ & EX¹⁾



¹⁾ Customer experience, employee experience




²⁾ Indicative share of total FY2023 Operations cost base

Zoom in: digitalisation for contact centers & mortgages

▶ Our strategic priorities

Contact center

Remove customer friction moments, resulting in reduced contact frequency¹⁾. Leveraging our status as early adopter of (Gen)AI in contact centers

-  Enable customer self-service by a **seamless mobile experience**
-  Boost adoption of **chat** and performance of **chatbots**, leveraging (Gen)AI capabilities
-  Build **shared chat capabilities** in hubs, transition from call to chat as service channel



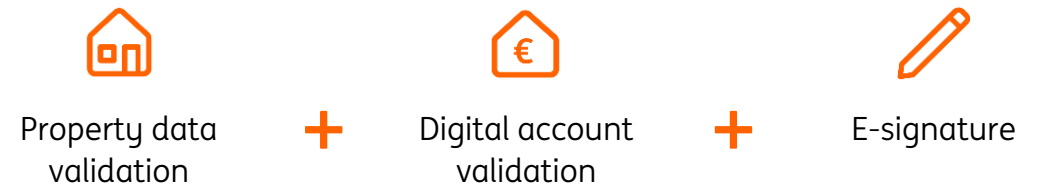
2027 ambitions²⁾:

- Superior customer experience
- Reducing contact frequency¹⁾ **by >60%**
- Increasing chat adoption and chatbot deflection **to >75%**
- Increasing FTE-efficiency

Mortgages

Ambition to further increase automation and digitalisation, towards full STP for end-to-end mortgage processes

Digital modules (ING Germany example)



2027 ambitions²⁾:

- Superior digital and instant product
- Decreasing Time-To-Yes to **~10 minutes**
- Reducing manual interventions **by 80%**
- Increasing FTE-efficiency

¹⁾ Contact frequency: number of manually handled inbound contacts in our Retail contact centers per active customer

²⁾ 2027 ambitions vs 2023

Unlocking superior value for customers and efficiency

▶ Our strategic priorities

Key priorities



Processes



People



Platforms

To support our strategy

Seamless digital experience

Increased productivity

Consistent high quality

Attract and retain talent

Lower cost-to-serve



Digi Index score¹⁾
>85% by 2027

versus 71% in 2023

Improving FTE over
customer balances²⁾

>10%

2023-2027

¹⁾ Retail Banking

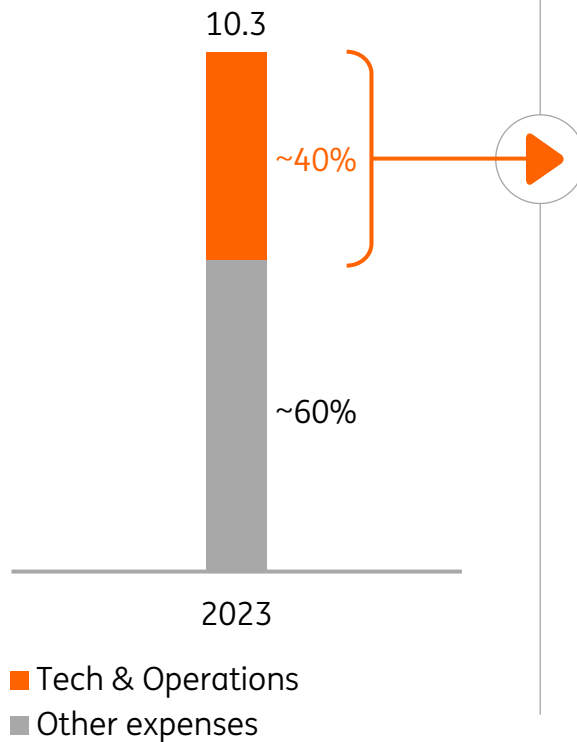
²⁾ Internal FTE

Increasing efficiency while continuing to invest in the future

▶ Our strategic priorities

Our cost base

Expenses¹⁾ (in € bln)



Investing efficiency gains in future growth

Operations

Further digitalisation and platform adoption yielding enhanced CX and efficiency, leading to an **absolute cost reduction** despite inflationary pressure



Tech

Continued investments in technology and innovation creating **superior value for customers**



Absolute **reduction in Operations costs** 2024-2027

Improving FTE over customer balances ratio

¹⁾ Expenses excluding regulatory costs and incidental items

Our targets confirm our ambition to be the best European bank

 Our targets



by growing the **difference**



Increase # of engineers
on shared engineering
platform

**Increase # of
shared solutions**
used within ING

**Digi Index
score**
by 2027
>85%

**Improving FTE over
customer balances**
2023-2027
>10%



Structurally improved profitability and continued attractive shareholder returns

Important legal information

ING Group's annual accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS- EU'). In preparing the financial information in this document, except as described otherwise, the same accounting principles are applied as in the 2023 ING Group consolidated annual accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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