

### **Goal of the document**

Our data management system

In 2013 we updated our environmental management tool to increase the reliability and accuracy of publicly reported data on various aspects of our sustainability performance. The updated tool reflects changes in our organization and the increased maturity of environmental reporting since 2009, when the first platform was custom built for our use. 2013 will be considered as the new set of data. When there are significant organizational changes, the baseline will be changed to keep comparing the same amounts with each other on total level. See this document for the used calculations, scope and emissions.

### **Calculation extrapolation carbon footprint**

The carbon footprint has been extrapolated for each of the following carbon sources based on the number FTE's:

- Non-renewable electricity
- Natural Gas
- District Heating
- Heating Oil
- Car Travel
- Air travel

For each of the above sources the coverage in FTE's has been calculated by adding up the no. of FTE's that corresponds to each country that reports data for the concerning source. The absolute carbon footprint of the concerning source, which corresponds to a certain coverage in FTE, is then being extrapolated to the total no. of FTE within the Business Group (ING Bank & Nationale-Nederlanden), i.e. a 100% coverage in FTE.

### **Reporting Scope 2012 – 2013**

Scope definition

- Customers: all countries who have Retail banking activities (above 75% coverage of our business operations)
- Community Investment: countries with >100FTE and with management control (above 75% coverage of our business operations)
- Environment: countries with >200FTE, over which we have management control or that contribute at least 5% to our total carbon emissions based on 2012 data, were asked to provide environmental data (above 75% coverage of our business operations)

The following table (please see next page) contains the scope (no. of FTE) of the Environment module(s).

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#	Country	2012	2013	Remarks
<b>Bank</b>				
	<b>Total</b>	<b>54.787,7</b>	<b>50.722,7</b>	
1	Australia	938,6	960,8	
2	Austria	132,0	X	Not part of reporting scope Environment 2013
3	Belgium	9.738,0	9.116,0	
4	China	48,0	X	Not part of reporting scope Environment 2013
5	Czech Republic	261,0	X	Not part of reporting scope Environment 2013
6	France	600,0	628,3	
7	Germany	3.620,9	3.782,9	
8	Hong Kong	105,0	102,0	
9	Hungary	190,0	X	Not part of reporting scope Environment 2013
10	India	1.467,0	1.467,0	
11	Italy	744,0	812,5	
12	Korea	71,0	X	Not part of reporting scope Environment 2013
13	Luxembourg	738,0	753,8	
14	Netherlands	17.514,0	15.441,1	
15	Philippines	56,0	X	Not part of reporting scope Environment 2013
16	Poland	8.244,0	8.838,0	
17	Romania	1.592,0	1.455,9	
18	Russia	398,0	X	Not part of reporting scope Environment 2013
19	Singapore	466,0	441,0	
20	Slovakia	128,0	X	Not part of reporting scope Environment 2013
21	Spain	919,2	1.062,4	
22	Turkey	5.319,0	5.861,0	
23	Ukraine	165,0	X	Not part of reporting scope Environment 2013
24	United Kingdom	841,0	679,1	
25	United States	492,0	490,3	
<b>Insurance</b>				
	<b>Total</b>	<b>20.402,9</b>	<b>11.324,9</b>	
1	Netherlands (incl. HQ)	4.800,0	6.354,6	
2	Belgium	326,0	343,9	
3	Bulgaria	164,0	133,0	
4	China	106,0	X	Not part of reporting scope Environment 2013
5	Czech Republic	553,2	622,5	
6	Greece	407,0	390,8	
7	Hong Kong	400,0	X	Not part of reporting scope Environment 2013; divested in 2013
8	Hungary	424,7	475,1	
9	India	1.531,0	X	Not part of reporting scope Environment 2013; divested in 2013
10	Japan	816,0	787,0	
11	Korea	1.057,0	X	Not part of reporting scope Environment 2013; divested in 2013
12	Malaysia	1.274,0	X	Not part of reporting scope Environment 2013; divested in 2013
13	Poland	X	755,1	
14	Romania	440,0	433,8	
15	Slovak Republic	137,0	219,4	
16	Spain	552,0	508,9	
17	Turkey	227,0	301,0	
18	United States	7.188,0	X	Not part of reporting scope Environment 2013; divested in 2013

### Source Emission Factors 2013

Indicator	Emission Factor	Source	Comment
Long haul distance (air travel)	Air Passenger Distance - Long Haul - Average Class (+9% Uplift) (Direct)	GHG Protocol V1.3	Uplift factors (9%) applied (as recommended by DEFRA)
Medium Haul distance (air travel)	Air Passenger Distance - Domestic - Average Class (+9% Uplift) (Direct)	GHG Protocol V1.3 (worldwide figure)	Uplift factors (9%) applied (as recommended by DEFRA)
Short haul distance (air travel)	Air Passenger Distance - Short Haul - Average Class (+9% Uplift) (Direct)	GHG Protocol V1.3 (worldwide figure)	Uplift factors (9%) applied (as recommended by DEFRA)
Unknown haul - number of flights	Air Passenger Distance - Domestic - Average Class (+9% Uplift) (Direct)	GHG Protocol V1.3 (worldwide figure)	Distance calculated as historically: no flights x average flight distance (1760km). Assume medium haul.
Distance travelled by car	Road Vehicle Distance - Car (Average) - Unknown Fuel (Direct)	DEFRA 2013 (worldwide figure)	
Non-renewable electricity	Grid Electricity Generated - Average Load (Annual) (Direct)	GHG Protocol V1.3 country-specific figures for all except US, where DEFRA 2013 US figure applied.	Transmission losses will be accounted for in Scope 3, using country-specific values from DEFRA 2013.
			GHG Protocol V1.3 does not provide US-specific figure (suggests use of regional e-Grid values)
Renewable electricity	Grid Electricity Generated - Average Load (Annual) (Direct)	The emission factor for renewable energy has been set to zero	
District heating	Grid Heat Generated (Other) - Annual (Direct)	DEFRA 2013	
Heating oil	Stationary Fuel - Gas Oil (Volume) (Direct)	GHG Protocol V1.3 (worldwide figure)	
Natural gas	Stationary Fuel - Natural Gas (Volume) (Direct)	DEFRA 2013 (worldwide figure)	

## Explanation 2012 – 2013

### *Energy usage*

Due to ING's divestment strategy, the overall size of the company was reduced which resulted in a reduction in total energy usage.

Regarding our non-renewable electricity portfolio, a large reduction was made due to a major shift from non-renewable to renewable electricity in Germany.

Environmental data reported in 2013 is referring to all buildings including sales offices which are dedicated to serve the external clients, thus consumption for building related utilities (energy, gas etc) registered increased variances compared with 2012, especially when taking into account that the NN has taken a large decrease of business units.

### *Business Travel*

The increase of car travel is because ING Bank Netherlands has not only reported on car business travel but also on lease kilometers. We have made the assumption for ING Bank Netherlands that 35% of the total lease kilometers are for business travel (based on information that we received from the lease company).

Due to ING's divestment strategy, the overall size of the company was reduced which resulted in a reduction in air travel. The results of divestments accounted for 92% of the total air travel of Insurance in 2012, of which Insurance USA accounted for 76%.