ING Bank

Additional Pillar III Report 2024

Contents

Introduction

Basis of disclosure

The information in this report relates to ING Groep N.V. and all of its subsidiaries (hereafter ING). There are no differences between the scope of consolidation for prudential purposes and the scope of consolidation for accounting purposes as reported in the annual accounts in Note 1 'Basis of preparation and material accounting policy information', Note 41 'Principal subsidiaries, investments in associates and joint ventures' and Note 42 'Structured entities'.

Governance

The Pillar III disclosures have been subject to our internal control framework, to ensure compliance with laws and regulations. The Disclosure Committee (DisCom), responsible for all our disclosures, assesses the accuracy of the content before reporting their conclusions to the Audit Committee (AC) for review and submission to the Supervisory Board for final approval. This report has not been audited by our external auditor.

Regulatory framework

In 2010, the Basel III framework was adopted and consequently translated in the European Union (EU) into regulation through the Capital Requirement Regulation (CRR) and Capital Requirement Directive IV (CRD IV). The CRR is binding for all EU member states and became effective per 1 January 2014.

On 16 April 2019, the European Parliament (EP) approved the final agreement on a package of reforms proposed by EC to strengthen the resilience and resolvability of European banks. The package of reforms comprises certain amendments to CRR and CRD IV commonly referred to as ‘CRR II’ and CRD V’. On 27 June 2019, the Banking Reform Package came into force, subject to various transitional and staged timetables.

The Basel Committee’s framework is based on three pillars. Pillar I on minimum capital requirements, which defines the rules for the calculation of credit, market and operational risk. Pillar II is about Supervisory Review and Evaluation Process (SREP), which requires banks to undertake an internal capital adequacy assessment process (ICAAP) to identify and assess risks, also those not included in Pillar I, and maintain sufficient capital to face these risks, and an internal liquidity adequacy assessment process (ILAAP) focusing on maintaining sufficient liquidity (and funding) risk management. Pillar III is on market discipline and transparency, requiring disclosures to allow investors and other market participants to understand the risk profiles of individual banks.

ING prepares the Pillar III report in accordance with the CRR II and CRD V. ING’s ‘Additional Pillar III Report’ contains disclosures for regulatory capital requirements, credit risk, including counterparty credit risk, securitisations and other non-credit obligation assets (ONCOA), market risk, liquidity risk, non-financial risk and compliance risk. Furthermore, the report discusses regulatory exposures and risk weighted assets. In order to comply to the CRR II disclosure requirements, ING is using in this report the templates from implementing technical standards (ITS) with regard to public disclosures, as developed by the EBA. Qualitative information (templates) is included in the Annual Report. Therefore, this report should be read in conjunction with the Risk Management section of the Annual Report.

The Pillar III report is published on an annual basis. However, some capital requirements as laid down in Article 438 of the CRR as well as information on risk exposure or other items prone to rapid change are disclosed on a quarterly or semi-annual basis. Some subsidiaries publish information on capital and solvency on their websites or annual reports pursuant to local regulatory requirements.

Comparative figures

To give insight into movements during the year, we provide comparative figures for the previous year and analytical review of variances. Table name references and row numbering in tables identify those prescribed in the relevant EBA guidelines where applicable and where there is a value.

Where disclosures have been enhanced, or are new, we do not generally restate or provide prior year comparatives. Wherever specific rows and columns in the tables prescribed by the EBA are not applicable or immaterial to our activities, we omit them and follow the same approach for comparative disclosures.

Management attestation

Throughout the year, and to date, ING has operated a framework of disclosure controls and procedures to support the appropriateness of the Pillar 3 disclosures. In line with the ITS and the mapping tool as provided by EBA, the templates in this report have been aligned to other supervisory reporting and reconciliation were executed against regulatory reporting to ECB such as Corep, Finrep and TLAC. The Disclosure Committee is responsible for examining the reports and disclosures to ensure that they have been subject to adequate verification and comply with applicable standards and legislation.

Disclosure requirements changes in 2024

The following EBA final draft ITS have already been applied into our disclosures.

Final draft ITS on prudential disclosures on ESG risks in accordance with article 449a CRR

In January 2022, the EBA published the final draft ITS on Pillar 3 disclosures on Environmental, Social and Governance (ESG) risks in accordance with article 449a CRR. It puts forward tables, templates and associated instructions that specify the requirement in Article 449a of Regulation (EU) No 575/2013 (Capital Requirements Regulation – CRR) to disclose prudential information on environmental, social and governance (ESG) risks, including transition and physical risk, addressed to large institutions with securities traded on a regulated market of any Member State.

The ITS was adopted by the European Commission in November 2022, published in the Official Journal of the EU in December 2022 with a first reporting date in 2023 (reference date: 31 December 2022). The ESG Pillar 3 requires credit institutions such as ING to disclose the following information:

- Climate risks: how climate change may exacerbate other risks within banks balance sheets.
- Mitigating actions: what mitigating actions banks have in place to address those risks, including financing activities that reduce carbon emissions.
- Green Asset ratio and Banking Book Taxonomy Alignment ratio: to understand how banks are financing activities that will meet the publicly agreed Paris agreement objectives of climate change mitigation and adaptation based on the EU taxonomy of green activities.

The EBA ESG Pillar 3 requirements features (i) a set of 10 quantitative templates that request banks to disclose climate-related risks and actions to mitigate them, together with exposure to green assets and (ii) qualitative information on their ESG strategies, governance and risk management arrangements with regard to ESG risk. It should be noted that the EBA ESG Pillar 3 requirements will become binding following a phased-in approach, with a transitional period for certain disclosures until 2025 (reference date: 31 December 2024). For Year-end 2024, templates 9.1, 9.2 and 9.3 on BTAR will be for the first time disclosed.

The ITS on disclosure have been developed in accordance with the mandate included in Article 434a of Regulation (EU) N0 575/2013.

Disclosure requirements changes as of 2025

The following EBA final draft ITS will be applicable as of January 2025.

Final draft ITS on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013

On June 21 st , 2024, the EBA published a final draft implementing technical standards (ITS) that implements the changes in the CRR 3 disclosure framework introduced by Basel III requirements. The ITS will ensure that market participants have sufficient comparable information to assess the risk profiles of institutions and understand compliance with CRR 3 requirements.

The new ITS implement the CRR 3 prudential disclosures by including (i) new requirements such as output floor, CVA risk and operational risk and (ii) changes into existing requirements such as update on the credit risk exposure classes. In addition, they aim to provide institutions with a comprehensive integrated set of uniform disclosure formats while promoting market discipline.

Later in 2025, the EBA will complement this ITS with the CRR 3 disclosure requirements that are not directly linked to Basel III implementation, such as the disclosure requirements on ESG risks to all institutions in accordance with the proportionality principle.

Capital requirements

Economic and Regulatory Capital

Economic Capital (EC) and Regulatory Capital (RC) are the main sources of capital allocation within ING. Both of these capital metrics are used to determine the amount of capital that a transaction or business unit requires to support the economic and regulatory-based risks it faces. The concept of EC differs from RC in the sense that RC is the mandatory amount of capital that is defined under Pillar I while EC is the best estimate of Pillar II capital that ING uses internally to manage its own risk. EC is a non-accounting measure that is inherently subject to dynamic changes and updated as a result of ING's portfolio mix and general market developments. ING continuously recalibrates the underlying assumptions behind its EC model, which may have an impact on the values of EC going forward.

EC is defined as the amount of capital that a transaction or business unit requires in order to support the economic risks it takes. EC focuses on the bank activities on an ING Bank consolidated level only and is therefore available per that scope. In general, EC is measured as the unexpected loss above the expected loss at a given confidence level. The EC calculation is used as part of the CRR II/CRD V Pillar II Internal Capital Adequacy Assessment Process (ICAAP) and is subject to the Supervisory Review and Evaluation Process (SREP) that is performed regularly by the supervisor.

The following fundamental principles and definitions have been established for the model:

- ING Bank uses a one-sided confidence level of 99.90% and a one-year time horizon to calculate EC;
- It is assumed that all currently known measurable sources of risk are included;
- The best estimate risk assumptions are as objective as possible and to the extent possible based on statistical analysis;
- The EC calculations reflect known embedded options and the influence of customer behaviour in banking products;
- The EC calculations are on a before tax basis and do not consider the effect of regulatory requirements on capital levels; and
- The framework does not include any franchise value of the business, discretionary management intervention or future business volumes and margins.

Specific measurement by risk type is described in greater detail in the separate risk type sections. The tables below provide ING Bank's EC and RC by risk type and business line. The increase in credit risk EC is mainly the result of add-ons that were introduced to account for limitations relating to concentration risk and to mitigate specific current modelling decisions.

ING Bank: Economic and Regulatory Capital by risk type

		Economic capital		Regulatory capital	
		2024	2023	2024	2023
1	Credit risk	15,931	18,922	22,570	21,309
2	Market risk	11,765	11,250	1,047	1,144
3	Business risk	1,306	1,176		
4	Operational risk	3,080	3,080	3,080	3,080
5	**Total**	**32,083**	**34,429**	**26,697**	**25,533**

ING Bank: Economic and Regulatory Capital by business line combination

		Economic capital		Regulatory capital	
		2024	2023	2024	2023
1	Wholesale Banking	11,132	13,020	12,172	12,023
2	Retail Banking	16,559	15,850	13,214	12,349
3	Corporate Line	4,407	5,573	1,311	1,161
4	**Total**	**32,083**	**34,429**	**26,697**	**25,533**

Capital Adequacy

The rules for required Regulatory Capital or Capital adequacy are defined by European Union regulation and directives.

The rules express the regulators' and legislators' opinion on how much capital a bank and other regulated institutions must retain in relation to the size and the type of risks it is taking, expressed in the form of Risk-Weighted Assets. The most significant component of the capital base is the shareholders' equity. In addition to equity, the institution may issue certain liabilities such as Tier 1 and Tier 2 instruments which can be included in the capital base. The legal minimum requirement (excluding buffers) stipulates that the capital base must correspond to at least 8% of the Risk-Weighted Assets (RWA).

The table below presents an overview of the Minimum capital requirements and the RWA at year-end 2024 per risk type and method of calculation. The largest part of the RWA is related to Credit risk (excluding counterparty credit risk) (75%), primarily to the portfolio with calculations based on the Advanced Internal Ratings Based (AIRB) approach. More information on credit RWA is given in the chapter "Credit risk".

EU OV1: Regulatory capital requirements

		RWA amounts		Minimum capital requirements	
		2024	2023	2024	2023
1	**Credit risk (excluding CCR)**	**250,471**	**237,840**	**20,038**	**19,027**
2	Of which the standardised approach	28,283	27,579	2,263	2,206
3	Of which the Foundation IRB (F-IRB) approach	27,712	23,091	2,217	1,847
4	Of which slotting approach				
EU 4a	Of which equities under the simple riskweighted approach	1,402	1,462	112	117
5	Of which the Advanced IRB (A-IRB) approach	193,073	185,707	15,446	14,857
6	**Counterparty credit risk - CCR**	**13,619**	**12,421**	**1,090**	**994**
7	Of which the standardised approach	9,853	8,565	788	685
8	Of which internal model method (IMM)				
EU 8a	Of which exposures to a CCP	344	670	27	54
EU 8b	Of which credit valuation adjustment - CVA	1,027	1,150	82	92
9	Of which other CCR	2,395	2,037	192	163
15	**Settlement risk**	**5**	**21**	**—**	**2**
16	**Securitisation exposures in the non-trading book (after the cap)**	**2,563**	**2,536**	**205**	**203**
17	Of which SEC-IRBA approach	—	286	—	23
18	Of which SEC-ERBA (including IAA)	749	718	60	57
19	Of which SEC-SA approach	1,813	1,532	145	123
EU 19a	Of which 1250% / deduction				
20	**Position, foreign exchange and commodities risks (Market risk)**	**14,006**	**15,942**	**1,120**	**1,275**
21	Of which the standardised approach	5,669	7,304	454	584
22	Of which IMA	8,337	8,639	667	691
EU 22a	**Large exposures**				
23	**Operational risk**	**38,500**	**38,500**	**3,080**	**3,080**
EU 23a	Of which basic indicator approach				
EU 23b	Of which standardised approach				
EU 23c	Of which advanced measurement approach	38,500	38,500	3,080	3,080
24	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**11,073**	**9,113**	**886**	**729**
25	**Other Risk Exposures**	**4,534**	**4,985**	**363**	**399**
29	**Total**	**334,770**	**321,358**	**26,782**	**25,709**

The amount of RWA decreased in 2024 by EUR 13.4 billion to EUR 334.8 billion. This is mainly triggered by a EUR 13.8 billion decrease in Credit RWA. For more information on Credit RWA see the credit risk chapter.

Key Metrics

According to CRR/CRD IV capital adequacy rules, the Common Equity Tier 1 ratio must be at least 4.5%, the Tier 1 ratio at least 6% and the total capital ratio at least 8% of all risk-weighted assets. This was not changed in the CRR II/CRD V.

EU KM1 - Key metrics template

		Total	Total
		2024	2023
		CRR II/CRD V	CRR II/CRD V
	Available own funds (amounts)		
1	Common Equity Tier 1 (CET1) capital	40,597	38,396
2	Tier 1 capital	48,671	45,444
3	Total capital	58,604	54,613
	Risk-weighted exposure amounts		
4	Total risk exposure amount	334,770	321,358
	Capital ratios (as a percentage of risk-weighted exposure amount)		
5	Common Equity Tier 1 ratio (%)	12.13 %	11.95 %
6	Tier 1 ratio (%)	14.54 %	14.14 %
7	Total capital ratio (%)	17.51 %	16.99 %
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)		
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)		
EU 7b	of which: to be made up of CET1 capital (percentage points)		
EU 7c	of which: to be made up of Tier 1 capital (percentage points)		
EU 7d	Total SREP own funds requirements (%)	8.00 %	8.00 %
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)		
8	Capital conservation buffer (%)	2.50 %	2.50 %
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)		
9	Institution specific countercyclical capital buffer (%)	0.83 %	0.50 %
EU 9a	Systemic risk buffer (%)		

10	Global Systemically Important Institution buffer (%)		
EU 10a	Other Systemically Important Institution buffer (%)	2.00	
11	Combined buffer requirement (%)	5.33 %	3.00 %
EU 11a	Overall capital requirements (%)	13.33 %	11.00 %
12	CET1 available after meeting the total SREP own funds requirements	7.63%	7.45%
	Leverage ratio		
13	Total exposure measure	N/A	N/A
14	Leverage ratio (%)	N/A	N/A
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)		
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	N/A	N/A
EU 14b	of which: to be made up of CET1 capital (percentage points)	N/A	N/A
EU 14c	Total SREP leverage ratio requirements (%)	N/A	N/A
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)		
EU 14d	Leverage ratio buffer requirement (%)	N/A	N/A
EU 14e	Overall leverage ratio requirement (%)	N/A	N/A
	Liquidity Coverage Ratio		
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	N/A	N/A
EU 16a	Cash outflows - Total weighted value	N/A	N/A
EU 16b	Cash inflows - Total weighted value	N/A	N/A
16	Total net cash outflows (adjusted value)	N/A	N/A
17	Liquidity coverage ratio (%)	N/A	N/A
	Net Stable Funding Ratio		
18	Total available stable funding	N/A	N/A
19	Total required stable funding	N/A	N/A
20	NSFR ratio (%)	N/A	N/A

Countercyclical buffer

ING's countercyclical buffer requirement rose from 0.495% at the end of 2023 to 0.832% at the end of 2024. See below for an overview of the exposure distribution for the most relevant countries (having an own funds requirements weight larger than 1% and/or having in place or announced a countercyclical buffer rate larger than 0%).

Countercyclical buffer

2024	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own funds requirements			Total	Risk-weighted exposure amounts	Own funds requirements weights (%)	Counter-cyclical capital buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book				
Breakdown by country:													
Countries with an active CCyB													
Netherlands	2,499	205,051			1,800	209,350	3,342	2	23	3,366	42,076	18.818 %	2.000 %
Belgium	1,055	96,141		62	1,184	98,442	2,424		18	2,441	30,517	13.648 %	1.000 %
Germany	2,413	133,995			564	136,972	2,213	2	5	2,220	27,744	12.408 %	0.750 %
Australia	1,142	53,239			624	55,004	705		8	712	8,904	3.982 %	1.000 %
United Kingdom	10	28,889			324	29,223	693	1	6	701	8,758	3.917 %	2.000 %
France	2,109	22,988			2,053	27,150	507	1	22	530	6,621	2.961 %	1.000 %
Luxembourg	529	20,875			4,894	26,297	431	1	47	478	5,977	2.673 %	0.500 %
Romania	6,834	2,400			117	9,351	407		2	408	5,105	2.283 %	1.000 %
Hong Kong	1	7,579		5	45	7,629	94		1	94	1,179	0.527 %	0.500 %
Ireland	1	36,591			837	37,429	75		5	80	1,005	0.450 %	1.500 %
Sweden	21	3,482				3,504	70	3		72	905	0.405 %	2.000 %
Hungary		1,751				1,751	50			50	627	0.280 %	0.500 %
Czechia	1	1,843		14		1,858	49			49	614	0.275 %	1.250 %
Norway	1	3,009				3,009	48	1		49	613	0.274 %	2.500 %
Korea, Republic of	3	3,176		336	47	3,562	39	3	1	42	526	0.235 %	1.000 %
Denmark	1	2,447			150	2,597	35		2	37	463	0.207 %	2.500 %
Chile		565				565	35			35	437	0.195 %	0.500 %
Slovakia		591				591	21			21	262	0.117 %	1.500 %
Bulgaria		465				465	17			17	219	0.098 %	2.000 %
Cyprus	2	164		7		174	7	1		8	97	0.043 %	1.000 %
Slovenia		139				139	3			3	34	0.015 %	0.500 %
Croatia		27				27	1			1	16	0.007 %	1.500 %
Estonia		60		2		61	1			1	14	0.006 %	1.500 %
Lithuania		121				121	1			1	13	0.006 %	1.000 %
Iceland		30				30	1			1	11	0.005 %	2.500 %

Georgia				7		8		1		1	11	0.005 %	1.000 %
Latvia		18		1		19					3	0.001 %	0.500 %
Armenia		4				4					2	0.001 %	1.500 %
Andorra		2				2						— %	0.500 %
North Macedonia												— %	1.250 %
Faroe Islands													1.000 %
Countries having announced a CCyB													
Poland	20,439	17,444		1	283	38,168	1,609		4	1,613	20,158	9.015 %	
Spain	4,271	30,376			349	34,995	904		4	908	11,348	5.075 %	
Russian Federation		901		1		902	73			73	912	0.408 %	
Portugal	1	1,230		25		1,256	51	2		53	660	0.295 %	
Greece		157				157	5			5	66	0.029 %	
Montenegro												— %	
Greenland												— %	
Countries with more than 1% of ING Bank consolidated's exposure that have not announced a CCyB													
United States	4	116,293			4,370	120,667	1,552	1	53	1,606	20,079	8.980 %	
Italy	1,749	16,405		49	607	18,809	601		5	606	7,574	3.387 %	
Switzerland	4	24,380			223	24,606	218		2	221	2,761	1.235 %	
Turkey	2,281	2,041		34		4,356	216	3		219	2,739	1.225 %	
Other countries	292	72,901		536	1,850	75,579	1,110	32	22	1,164	14,547	6.506 %	
Total	**45,662**	**907,768**		**1,080**	**20,321**	**974,832**	**17,606**	**54**	**228**	**17,888**	**223,596**	**100.000 %**	**0.832 %**

Countercyclical buffer

2023	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book*	Total exposure value*	Own funds requirements			Total	Risk-weighted exposure amounts	Own funds requirements weights (%)	Counter-cyclical capital buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book				
Breakdown by country:													
Countries with an active CCyB													
Netherlands	2,522	203,447			1,579	207,548	3,294	1	23	3,317	41,464	19.237 %	1.000 %
Germany	2,465	126,853			2,679	131,997	1,978	2	32	2,012	25,154	11.670 %	0.750 %
United Kingdom	7	24,782			326	25,114	687	3	6	696	8,698	4.035 %	2.000 %
Australia	2,666	48,920		2	483	52,071	682		6	688	8,596	3.988 %	1.000 %
France	2,321	24,695			2,148	29,165	474	1	22	497	6,216	2.884 %	0.500 %
Luxembourg	628	18,665			4,486	23,780	434		45	479	5,987	2.778 %	0.500 %
Romania	5,800	2,300				8,101	379			379	4,739	2.198 %	1.000 %
Ireland	1	33,806			621	34,428	107		4	111	1,386	0.643 %	1.000 %
Hong Kong	18	8,364			45	8,427	85		1	86	1,074	0.498 %	1.000 %
Sweden	23	3,452				3,474	80			81	1,006	0.467 %	2.000 %
Norway		3,042				3,042	56	2		58	723	0.335 %	2.500 %
Czechia	1	1,771		16		1,788	52			52	652	0.303 %	2.000 %
Slovakia		655				655	32			32	404	0.187 %	1.500 %
Denmark		1,393		13	141	1,547	23	1	2	26	325	0.151 %	2.500 %
Bulgaria		429				429	18			18	231	0.107 %	2.000 %
Cyprus	4	145				149	5			5	64	0.030 %	0.500 %
Iceland		65				65	3			3	36	0.017 %	2.000 %
Slovenia		95				95	2			2	25	0.012 %	0.500 %
Estonia		75				75	1			1	18	0.008 %	1.500 %
Croatia		25				25	1			1	17	0.008 %	1.000 %
Lithuania		172				172	1			1	14	0.007 %	1.000 %
Armenia		4				4						— %	1.500 %
North Macedonia												— %	0.500 %
Countries having announced a CCyB													

Belgium	1,065	92,226			1,048	94,339	2,154	1	16	2,170	27,130	12.587 %	
Hungary	1	1,467				1,468	49			49	618	0.287 %	
Korea, Republic of	3	1,972		319	98	2,391	33	6	1	40	505	0.234 %	
Chile		490				490	25			25	315	0.146 %	
Latvia		14			2	16	1			1	11	0.005 %	
Georgia												— %	
Countries with more than 1% of ING Bank consolidated's exposure that have not announced a CCyB													
United States	54	106,917		86	3,376	110,433	1,570	3	47	1,620	20,247	9.394 %	
Poland	18,321	18,485		10		36,817	1,500			1,501	18,757	8.702 %	
Spain	4,015	28,444			424	32,883	850		5	856	10,694	4.962 %	
Italy	1,331	15,797		34		17,163	543	3		546	6,829	3.168 %	
Russian Federation		1,426		4		1,430	247			247	3,088	1.433 %	
Switzerland	3	20,334				20,336	235			235	2,943	1.365 %	
Turkey	2,423	1,537		28		3,988	230	4		233	2,917	1.353 %	
Other countries	360	75,308		281	1,422	77,371	1,136	20	17	1,173	14,659	6.801 %	
Total	**44,033**	**867,572**		**793**	**18,879**	**931,276**	**16,969**	**49**	**226**	**17,244**	**215,544**	**100.000 %**	**0.495 %**

* 2023 data is adjusted to correctly represent the securitisation exposures and total exposure value.

Amount of institution-specific CCyB

	2024	2023
Total risk exposure amount	**334,770**	**321,358**
Institution specific countercyclical capital buffer rate	0.832 %	0.495 %
Institution specific countercyclical capital buffer requirement	**2,786.0**	**1,592.3**

Own funds

The CRR requires ING to disclose information on own funds in a specific format that was provided in the EBA Implementation Technical Standards. The EBA templates Annex I, II and Annex VI are disclosed as part of the "Additional Pillar 3 disclosures" excel file on the corporate website ing.com. https://www.ing.com/Investors/Financial-performance/Annual-reports.htmhttps://www.ing.com/Investor-relations/Financial-performance/Annual-reports.htm

EU CC1 - Composition of regulatory own funds

		2024	2023	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		Amounts	Amounts	
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	17,067	17,067	CC2 - 26
	of which: Ordinary Shares	17,067	17,067	
2	Retained earnings	21,256	22,428	CC2 - 28
3	Accumulated other comprehensive income (and other reserves)	-47	-1,105	
EU-3a	Funds for general banking risk			
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1			
5	Minority interests (amount allowed in consolidated CET1)	588	508	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	4,467	1,035	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**43,331**	**39,933**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	-691	-594	
8	Intangible assets (net of related tax liability) (negative amount)	-1,078	-934	CC2 - 9
9	Not applicable			
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	-83	-173	CC2 - 11
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	1,693	2,058	
12	Negative amounts resulting from the calculation of expected loss amounts	-1,234	-604	
13	Any increase in equity that results from securitised assets (negative amount)			
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	15	-31	
15	Defined-benefit pension fund assets (negative amount)	-437	-428	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-9	-11	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
20	Not applicable			
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative			
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)			
EU-20c	of which: securitisation positions (negative amount)			
EU-20d	of which: free deliveries (negative amount)			

21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)			
22	Amount exceeding the 17,65% threshold (negative amount)			
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities			
24	Not applicable			
25	of which: deferred tax assets arising from temporary differences			
EU-25a	Losses for the current financial year (negative amount)			
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)			
26	Not applicable			
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)			
27a	Other regulatory adjustments	-909	-820	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**-2,733**	**-1,537**	
29	**Common Equity Tier 1 (CET1) capital**	**40,597**	**38,396**	
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	7,972	6,967	CC2 - 24
31	of which: classified as equity under applicable accounting standards			
32	of which: classified as liabilities under applicable accounting standards	7,972	6,967	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1			
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1			
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1			
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	106	86	
35	of which: instruments issued by subsidiaries subject to phase out			
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**8,078**	**7,053**	
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-5	-5	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)			
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)			
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)			
41	Not applicable			
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)			
42a	Other regulatory adjustments to AT1 capital			
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**			
44	**Additional Tier 1 (AT1) capital**	**8,073**	**7,048**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**48,671**	**45,444**	
Tier 2 (T2) capital: instruments				
46	Capital instruments and the related share premium accounts	9,888	9,150	CC2 - 24
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR			
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2			

EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	81	54
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	**Tier 2 (T2) capital before regulatory adjustments**	**9,969**	**9,204**
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-35	-35
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b	Other regulatory adjustments to T2 capital		
57	Total regulatory adjustments to Tier 2 (T2) capital	-35	-35
58	**Tier 2 (T2) capital**	**9,934**	**9,169**
59	**Total capital (TC = T1 + T2)**	**58,604**	**54,613**
60	**Total Risk exposure amount**	**334,770**	**321,358**

Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	12.13 %	11.95 %
62	Tier 1 capital	14.54 %	14.14 %
63	Total capital	17.51 %	16.99 %
64	Institution CET1 overall capital requirements	9.83 %	7.50 %
65	of which: capital conservation buffer requirement	2.50 %	2.50 %
66	of which: countercyclical capital buffer requirement	0.83 %	0.50 %
67	of which: systemic risk buffer requirement		
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	2.00 %	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage		
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	**7.63 %**	**7.45 %**
National minima (if different from Basel III)			
69	Not applicable		
70	Not applicable		
71	Not applicable		
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	1,842	1,258
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	3,764	2,882
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	665	763
Applicable caps on the inclusion of provisions in Tier 2			

76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	355	347
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	1,473	1,381
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

		Balance sheet as in published financial statements	Balance sheet as in published financial statements	Reference
		2024	2023	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Cash and balances with central banks	70,353	90,214	
2	Loans and advances to banks	21,769	16,708	
3	Financial assets at fair value through profit or loss	137,590	123,026	
4	Financial assets at fair value through other comprehensive income	46,389	41,116	
5	Securities at amortised cost	50,273	48,313	
6	Loans and advances to customers	680,299	642,453	
7	Investments in associates and joint ventures	1,679	1,509	
8	Property and equipment	2,434	2,399	
9	Intangible assets	1,334	1,198	CC1 -8
10	Current tax assets	599	311	
11	Deferred tax assets	1,069	1,280	CC1 - 10
12	Other assets	6,935	7,109	
13	Assets held for sale			
14	**Total assets**	**1,020,724**	**975,636**	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements				
15	Deposits from banks	16,722	23,257	
16	Customer deposits	699,725	702,217	
17	Financial liabilities at fair value through profit or loss	86,896	94,637	
18	Current tax liabilities	276	351	
19	Deferred tax liabilities	287	184	
20	Provisions	752	899	
21	Other liabilities	10,596	13,130	
22	Liabilities held for sale			
23	Debt securities in issue	94,459	84,423	
24	Subordinated loans	17,879		
25	Total liabilities	976,986	934,501	
Shareholders' Equity				
26	Share capital and share premium	17,148	17,151	CC1 - 1
27	Other reserves	-47	-1,105	
28	Retained earnings (incl. profit for the period)	25,723	24,229	CC1 - 2
29	Shareholders' equity (parent)	42,743	40,191	
30	Non-controlling interests	995	944	
31	Total shareholders' equity	43,738	41,135	

Transitional arrangements for IFRS 9 or analogous ECLs

In January 2018, the EBA published its final guidelines on disclosure requirements of IFRS 9 or analogous expected credit losses (ECLs) transitional arrangements. The guidelines specify a uniform disclosure template institutions shall use when disclosing the information on own funds, capital and leverage ratios, with and without the application of transitional arrangements for IFRS 9 or ECLs. These guidelines have been drafted in accordance with article 473a, paragraph 10 of the CRR, which mandates the EBA to issue guidelines on the disclosure requirements laid down in the same article.

In 2018, ING initially decided not to apply the CRR transitional arrangements for mitigating the impact of the introduction of IFRS 9 impairment on own funds. Therefore, the capital and leverage ratios published as from reporting period 1 January 2018 fully reflected the impact of impairment requirements resulting from IFRS 9.

On 26 June 2020, the Regulation (EU) 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 (CRR II) as regards certain adjustments in response to the Covid-19 pandemic (CRR 'quick fix') was published. Part of that was the possibility to extend by 2 years the transitional arrangements for mitigating the impact on own funds of the introduction of IFRS 9 (Article 473a (8) of Regulation (EU) No 575/2013). During 2020, ING obtained supervisory permission to apply the dynamic component of transitional arrangements pursuant the CRR 'quick fix' (phasing in impact of increases in IFRS 9 Stage 1 and 2 provisions that have arisen since 1 January 2020). The next table illustrates the own funds, capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs. This template will be disclosed this year for the last time.

IFRS 9-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs

	2023	2022
Available capital (amounts)		
Common Equity Tier 1 (CET1) capital	40,597	38,396
Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	40,592	38,385
Tier 1 capital	48,671	45,444
Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	48,665	45,433
Total capital	58,604	54,613
Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	58,599	54,602
Risk-weighted assets (amounts)		
Total risk-weighted assets	334,770	321,358
Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	334,764	321,347
Capital ratios		
Common Equity Tier 1 (as a percentage of risk exposure amount)	12.13 %	11.95 %
Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.13 %	11.94 %
Tier 1 (as a percentage of risk exposure amount)	14.54 %	14.14 %
Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.54 %	14.14 %
Total capital (as a percentage of risk exposure amount)	17.51 %	16.99 %
Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	17.50 %	16.99 %

Internal MREL

The template below (iLAC) discloses own funds and eligible liabilities of entities that are not themselves resolution entities for the purposes of the requirement for own funds and eligible liabilities laid down in Article 45f of Directive 2014/59/EU (internal MREL) as well as the requirement for own funds and eligible liabilities for non-EU G-SIIs applicable to material subsidiaries of third country G-SIIs laid down in Article 92b of Regulation (EU) No 575/2013 (internal TLAC).

The Minimum Requirement for Own Funds and Eligible Liabilities (MREL) is a bank-specific requirement set by the Single Resolution Board (SRB) to ensure ING has sufficient loss-absorbing and recapitalization capacity in the event of a resolution. Based on BRRD2, the MREL requirement is expressed as a percentage of RWA and leverage ratio exposure. ING Bank (sub-consolidated) meets the internal MREL requirements with 32.3% of RWA and 9.6% of Leverage ratio compared to the more restrictive requirement of 23.75% of RWA or 5.90% of Leverage ratio exposure applicable at ING Bank sub-consolidated scope as determined by the resolution authority.

EU iLAC - Internal loss absorbing capacity: internal MREL and, where applicable, requirement for own funds and eligible liabilities for non-EU G-SIIs

			2024	
		Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII Requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
Applicable requirement and level of application				
EU 1	Is the entity subject to a Non-EU G-SII Requirement for own funds and eligible liabilities? (Y/N)			N
EU 2	If EU 1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			
EU 2a	Is the entity subject to an internal MREL requirement? (Y/N)			Y
EU 2b	If EU 2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			C
Own funds and eligible liabilities				
EU 3	Common Equity Tier 1 capital (CET1)	40,597		
EU 4	Eligible Additional Tier 1 instruments	8,073		
EU 5	Eligible Tier 2 instruments	9,934		
EU 6	Eligible own funds	58,604		
EU 7	Eligible liabilities	49,619		
EU 8	*Of which permitted guarantees*			
EU 9a	(Adjustments)			
EU 9b	*Own funds and eligible liabilities items after adjustments*	108,223		
Total risk exposure amount and total exposure measure				
EU 10	*Total risk exposure amount*			
EU 11	*Total exposure measure*	1,130,311		
Ratio of own funds and eligible liabilities				
EU 12	*Own funds and eligible liabilities (as a percentage of TREA)*	32.33%		
EU 13	*>>> of which permitted guarantees*			
EU 14	*Own funds and eligible liabilities (as a percentage of leverage exposure)*	9.57%		
EU 15	*>>> of which permitted guarantees*			
EU 16	*CET1 (as a percentage of TREA) available after meeting the entity's requirements*	7.63%		
EU 17	*Institution-specific combined buffer requirement*			
Requirements				
EU 18	*Requirement expressed as a percentage of the total risk exposure amount*	23.75%		
EU 19	*>>> of which may be met with guarantees*			
EU 20	*Internal MREL expressed as percentage of the total exposure measure*	5.90%		
EU 21	*>>> of which may be met with guarantees*			
Memorandum items				
EU 22	*Total amount of excluded liabilities referred to in Article 72a(2) CRR*			

Credit Risk

Basis and scope of presentation

In the credit risk section of Pillar III, data included in the tables are related to ING's credit risk resulting from Lending (both on- and off-balance), Money Market activities, Investment Risks, Securities Financing and Derivatives. The Securities Financing and Derivatives portfolios are presented separately in the counterparty credit risk section.

The amounts presented in this section relate to amounts used for credit risk management purposes, which follow ING's internal interpretation of the definitions as prescribed under CRR/CRD IV. Therefore, the numbers can be different from the accounting numbers as reported in the annual accounts under IFRS-EU. An example is the treatment of ONCOA (Other Non-Credit Obligation Assets) items – while the accounting numbers include ONCOA, they are excluded from the credit risk section of Pillar III.

The majority of the tables included in this section are based on gross or net carrying value. The gross carrying value refers to the original exposure pre-credit conversion factors for the on- and off-balance sheet items. The net carrying value corresponds to the original exposure (on- and off-balance) pre-credit conversion factors corrected for allowances, impairments and provisions.

READ is the Regulatory Exposure at Default (READ) and credit risk weighted assets (RWA) under the CRR/CRD IV definitions. READ is the sum of the on-balance and off-balance sheet: Lending, Investment, Money Market and counterparty activities plus an estimated portion of the unused credit facilities extended to the obligor. The amounts associated with Investment and Lending activities are based on the original amount invested less repayments.

The Figures Securities Financing are based on the Financial Collateral Comprehensive Method applying supervisory volatility adjustments. The Derivatives figures are based on the Standardized Approach for Counterparty Credit Risk (SA-CCR). Under SA-CCR the exposure at default (EAD) estimate is based on two components; the current replacement cost (RC) and the potential future exposure (PFE). The RC reflects today's loss amount upon the default of a counterparty. The PFE reflects the future expected increase in loss amount. Both replacement cost and PFE are adjusted based on the underlying collateral and any legal netting or compensation that may be permitted under master agreement arrangements such as International Swaps and Derivatives Association (ISDA) master agreements and Credit Support Annexes (CSAs).

Off-balance sheet exposures include letters of credit and guarantees, which are associated with the Lending risk category and are included under 'credit risk outstanding'. Additionally, off-balance sheet exposures include a portion of the unused limits, which represent the expected value of the outstanding at the theoretical moment of default. These are not counted under 'credit risk outstanding' but they contribute to total exposure and READ.

Investments in a financial sector entity, determined following art. 43 of the CRR, are included in the item "amounts below the thresholds for deduction" of table EU-OV1 "ING Regulatory capital requirements" up to the level at which the combined significant investments are equal to 10% of the CET1 capital of ING. These exposures are subject to 250% risk weight.

A small part of the equity exposure of ING's portfolio is subject to the simple risk weight method for calculating the regulatory capital.

Credit risk approach

ING applies the Advanced Internal Ratings Based (AIRB) approach on the majority of its significant portfolios that contain credit risk in accordance with the required approvals granted by ECB and various local regulators. The AIRB approach is permitted by the regulator if there are regulatory approved rating models (PD, EAD and LGD) in place and if the (local) management understands and uses these rating models (Basel Use Test) in their credit decision-making processes. However, a small portion of the portfolio remains subject to the Standardised Approach (SA). The majority of SA portfolios at ING relate to subsidiaries where the home regulator does not have a robust AIRB framework or requirement.

Credit risk capital

Regulatory capital is the minimum amount of capital (based on 99.90% confidence level) that ING holds from a regulatory perspective as a cushion to be able to survive large unexpected losses.

RWA comparison

The differences in RWA among banks have been classified by the BIS in 3 categories:

- Risk based drivers that stem from the differences in underlying risk at the exposure/portfolio level and in business models/ strategies including asset class mix;
- Practice-based drivers including approaches to risk management and risk measurement; and
- Regulatory environment such as supervisory practices, implementing laws and regulations including national discretion and accounting standards.

Risk based drivers

ING's portfolio is dominated by secured lending especially in the areas of residential mortgages, leasing and commercial real estate. Secured lending tends to have a much lower LGD, given the collateral involved, which is a key driver of RWA calculations. Therefore the regulatory formula for residential mortgages tends to result in lower RWA, all other factors being equal.

Practice based drivers

ING has a proactive approach to non-performing exposures. Non-performing exposures are recognised early based on unlikely to pay triggers. For non-retail, ING typically classifies default based on a borrower rating and not a facility rating which means that a customer will only have one PD (probability of default) regardless of the type(s) of transactions done with ING. As a consequence, if one facility is in default, usually all facilities of the client are in default. Non-performing clients which were granted forbearance measures have an additional probation period of 1 year starting from the last moment they are classified as forborne, before returning to performing status.

Regulatory environment

ING's primary supervising entity is the ECB, which is supported by many host supervisors. The ECB supervises adherence to regulatory rules: the regulatory framework defined in CRR/CRD, implementing- and regulatory technical standards, European Banking Authority (EBA) guidelines and ECB guidance. Regulations require all 'significant changes' in internal models (PD, LGD and EAD) and policies to be reviewed and approved by the ECB, prior to implementation. Lower level model changes are either pre-notified or post-notified to the ECB.

Comparing capital levels across banks is a challenging exercise because of different risk profiles, differences in risk based drivers, practice based drivers and the regulatory environment (e.g. advanced internal rating based approach or the standardised approach). These factors have a substantial impact on the regulatory capital/RWA of a financial institution. ING continues to work with industry groups and strives to adhere to the latest BIS and EBA recommendations to improve the transparent reporting of the bank's capital calculations.

Economic capital

Economic capital reflects ING's own view on credit risk, which allows it to be used in decision-making processes at (sub) portfolio level. Credit risk and transfer risk capital are calculated for all portfolios which contain credit or transfer risk, including investment portfolios. Economic capital is the minimum amount of capital required to cover unexpected losses within a 99.9% confidence level and a 12 month time horizon. It is used throughout ING in the decision-making process (mainly wholesale banking), in risk adjusted counterparty and portfolio profitability measurement tools (wholesale and retail banking), in investment and divestment decisions, in the country risk framework and in concentration risk management, including risk appetite statements (RAS). Economic capital is calculated using the economic values of rating models (PD, EAD and LGD), in line with regulatory requirements.

An important characteristic of our IT systems and framework is that models are built for several purposes, including economic capital, regulatory capital and loan loss provisioning. These credit risk models are used throughout the organisation which is compliant with the Basel Use Test requirement and facilitates active feedback on the risk parameters by business units.

Credit risk measurement

There are two ways to measure credit risk for regulatory reporting purposes within ING's portfolio, depending on whether the exposure is booked under an ING office that is permitted by the ECB to use the advanced internal rating based (AIRB) approach, or if it falls under the standardised approach (SA).

Standardised approach

The SA applies a fixed risk weight to each asset as dictated by the CRR, and is based on the exposure class to which the exposure is assigned. As such, the SA is the least sophisticated of the regulatory capital methodologies and is not as sensitive as the risk-based approach. Where external rating agency ratings are available, they may be used as a substitute to using the fixed risk weightings assigned by the Financial Supervisory Authorities. Because the underlying obligors are relatively small for exposures treated under SA, with an exception for Governments and central banks, the underlying obligors tend not to have external ratings.

Advanced internal rating based approach

There are five main elements that drive the determination of risk-weighted assets under the AIRB approach.

- Probability of Default (PD): The first is the borrower's probability of default, which measures a client's creditworthiness in terms of likelihood to go into default. It attempts to measure the senior, unsecured standalone creditworthiness of an organisation without consideration of structural elements of the underlying transactions, such as collateral, pricing, or maturity. Each borrower has a rating which translates into a specific PD.
- Exposure at Default (EAD): The second element is the borrower's exposure at default. EAD models are intended to estimate the outstandings amount or obligation at the moment of default. Since the time in which a client may go into default is unknown, and the level of outstandings that may occur on that date is also unknown, ING uses a combination of statistical and hybrid models to estimate the EAD. With the exception of guarantees and letters of credit, the EAD is always equal to or higher than the associated credit risk outstandings, under the assumption that clients tend to absorb liquidity from available credit resources before financial problems become apparent to the clients' creditors. EAD is largely a function of the type of credit facility (overdraft, revolving, term) offered to the borrower.

- Loss Given Default (LGD): The third element is loss given default. LGD models are intended to estimate the amount ING would lose after liquidating collateral pledged in association with a given loan or financial obligation, or alternatively, from liquidating the company as a whole as part of a workout process. LGD models are based on cover types, estimated recovery rates given orderly liquidation, and (in)direct cost of liquidation.
- Maturity (M): The fourth element is the time to the maturity of the underlying financial obligation. Regulatory requirements (CRR/CRDIV) floor the maturity element at one year and cap it at five years.
- Exposure Class: The fifth element is the exposure class (a regulatory prescribed grouping of a common obligor type or product type) which is a driver for the correlation factor. To calculate risk-weighted assets the default correlation between a transaction and all other transactions in the portfolio is taken into account.

The expected loss (EL) provides a measure of the value of the credit losses that ING may reasonably expect to incur on its portfolio. In its basic form, the expected loss can be represented as:

EL = PD * EAD * LGD

Credit risk tools

Models used for exposure classes

ING has developed PD, EAD and LGD models for Wholesale Banking and Retail Banking portfolios. These models are subject to Credit and Trading Risk Committee (CTRC) approval and changes which significantly impact the results require approval from the regulator before implementation. By nature, the above described exposure classes have different, specific characteristics. To capture these specific characteristics and to have suitable valuations and analyses in place, Model Development is continuously updating and developing models within each exposure class.

ING master scale

Internal rating grade and corresponding PD and external rating equivalent			
Internal rating grade		PD range for each grade	External Rating Equivalent
Performing			
	1	0.00 - 0.01%	AAA
	2	0.01 - 0.03%	AA+
	3	0.03 - 0.04%	AA
	4	0.04 - 0.05%	AA-
Investment grade	5	0.05 - 0.06%	A+
	6	0.06 - 0.08%	A
	7	0.08 - 0.11%	A-
	8	0.11 - 0.17%	BBB+
	9	0.17 - 0.26%	BBB
	10	0.26 - 0.37%	BBB-
	11	0.37 - 0.58%	BB+
	12	0.58 - 1.00%	BB
	13	1.00 - 1.77%	BB-
Non-investment grade	14	1.77 - 3.23%	B+
	15	3.23 - 6.05%	B
	16	6.05 - 11.67%	B-
	17	11.67 - 20.20%	CCC
Sub-standard grade	18	20.20 - 29.58%	CC
	19	>29.58%-100%	C
Non-performing			
	20	1	Default
Non-performing grade	21	1	Default
	22	1	Default

AIRB models per exposure class

In the table below, the number of significant PD, EAD and LGD models per asset class are shown. Additionally a description of the model and methodology are provided per exposure class. The asset classes presented in this table do not align with the EBA Exposure classes as the scope has been redefined to better fit the scope of the model. SME exposure, for example, can be part of either corporate exposures or other retail depending on the size of the SME.

AIRB models and methodology

	Model Type	Number of significant models	Model description and methodology	Number of years of data
Government related entities	PD	1	The government related entities PD model is expert based and assigns ratings based on stand-alone credit fundamentals as well as degree of government support.	>7 years
	LGD	1	The LGD model for Government related entities is a secured/unsecured recovery model built on assessment of stand-alone fundamentals as well as geography.	>7 years
	EAD	1	The Low Default EAD model is a hybrid model that pools default information from multiple low default portfolios, including government related entities.	>7 years
Financial institutions	PD	3	The main PD model applied is Bank Commercial based upon financial, qualitative and country information. Other PD models for different types of financial institutions are built using a similar framework, but are more specialised for the specific characteristics of the financial institution.	>7 years
	LGD	1	This LGD model was developed based on expert judgement, supported by limited internal and external data. The developed LGD model is based on ultimate recovery rates.	>7 years
	EAD	1	The Low Default EAD model is a hybrid model used that pools default information from multiple low default portfolios, including financial institutions.	>7 years
Corporates - Specialized lending	PD	3	Expert based scorecards Models predict a rating for Commercial Property Finance, Project Finance, Trade and Commodity Finance.	>7 years
	LGD	3	Hybrid LGD Models predict loss given default for Commercial Property Finance, Project Finance, Trade and Commodity Finance.	>7 years
	EAD	1	There is a dedicated EAD model for commercial property finance due to the specificities of this portfolio.	>7 years
Large Corporates	PD	1	The Corporate Large model is a global hybrid model build on 13 years of data, including balance sheet and qualitative information as well as country risk and parent influence.	>7 years
	LGD	1	Loss Given Default for Large corporates are predicted by a dedicated hybrid LGD model using both no loss rates as well as secured/unsecured recovery rates.	>7 years
	EAD	1	The Low Default EAD model is a hybrid model used that pools default information from multiple low default portfolios, including large corporates.	>7 years
SME	PD	6	The SME PD models are estimated statistically and directly predict a PD. Most of these models are developed locally to reflect regional/jurisdiction circumstances.	>7 years
	LGD	6	Local statistical models or hybrid models use various data inputs on cure behaviour as well as cost and recovery.	>7 years
	EAD	6	Local statistical models that use various data inputs, including product type and geography.	>7 years
Secured by residential mortgages	PD	7[1]	The PD mortgages models are all developed statistically and include borrower specific information, payment behaviour and product related information. These are statistical models that directly predict a PD.	>5 years[2]
	LGD	7	Local statistical models or hybrid models use various data inputs on cure behaviour as well as cost and recovery	>7 years
	EAD	7	Local statistical models that use various data inputs, including product type and geography.	>7 years
Private Individuals	PD	4[1]	The PD models for private individuals are all developed statistically and include borrower specific information, payment behaviour and product related information. These are statistical models that directly predict a PD.	>5 years[2]
	LGD	4	Local statistical models use various data inputs on cure behaviour as well as cost and recovery.	>7 years
	EAD	4	Local statistical models that use various data inputs, including product type and geography.	>7 years
Other1	Other		(Covered Bonds, Structured assets)	

1 Belgian PD models provide a rating at a customer level, covering both secured and unsecured loans.
2 For retail PD modelling a minimum of 5 years is allowed based on ING's Modelling Standards, which are compliant with regulatory requirements.

Credit quality

This section focusses on non-performing loans, which are loans where there is a reasonable probability that ING may encounter a loss, unless ING intervenes with specific and significant actions. In other words, in this category an account or portfolio requires a more intensified approach, which may include renegotiation of terms and conditions and/or business/financial restructuring.

The credit quality of risk exposures is presented in several tables, that were introduced in 2021 due to changes in Pillar 3 regulations. The tables provide insight in the credit quality per exposure class, industry or counterparty type and geography. These tables present the gross carrying values, consisting of on- and off-balance sheet exposures, split over non-performing / performing, specific risk adjustments and impairments/ allowances. The net carrying values are the result of specific risk adjustments and / or after impairments/ allowances and are presented at the end of the tables.

On-balance sheet items include loans and debt securities. Off-balance sheet items include guarantees given and irrevocable loan commitments. Pre-settlement exposures are not included in this section.

More information on the definition of non-performing loans and allowances can be found in the credit quality section of the Risk Management paragraph of the Annual report.

This section provides a comprehensive picture of the credit quality of the banks' assets per exposure class. The data excludes Counterparty Credit Risk exposures, Securitisations, CVA RWA, Equities and ONCOA. The net carrying values correspond to the original exposure (on and off-balance) pre-credit conversion factors corrected for allowances, impairments and provisions.

Performing and Non-Performing Exposures and Related Provisions

EU CR1: Performing and non-performing exposures and related provisions															
2024	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
Cash balances at central banks and other demand deposits	71,911	70,803	1,108	5		5	-15	-1	-14	-5		-5		21	
Loans and advances	753,097	630,159	66,470	13,045		12,794	-1,449	-367	-1,082	-4,406		-4,385	-179	588,046	6,370
Central banks	6,273	5,430												6,272	
General governments	18,822	17,970	437	253		253	-8	-5	-3	-10		-10		6,334	232
Credit institutions	35,595	13,036	150	75		75	-3	-3		-11		-11		28,403	52
Other financial corporations	81,968	48,406	2,101	158		158	-56	-14	-42	-104		-104	-6	62,606	38
Non-financial corporations	229,625	198,271	30,291	7,517		7,436	-645	-174	-471	-3,017		-3,000	-173	135,065	3,064
Of which SMEs	36,495	31,170	5,325	1,474		1,474	-172	-48	-124	-659		-659	-1	30,574	680
Households	380,814	347,046	33,491	5,041		4,872	-737	-171	-566	-1,264		-1,261		349,367	2,984
Debt securities	98,026	92,394	126				-27	-24	-4					578	
Central banks	3,344	2,900													
General governments	65,289	63,980	126				-25	-21	-4						
Credit institutions	20,846	20,821					-2	-2						235	
Other financial corporations	7,503	4,498												287	
Non-financial corporations	1,044	195												56	
Off-balance-sheet exposures	289,378	205,828	12,182	718		714	-47	-17	-30	-99		-99		45,271	263
Central banks	10	10													
General governments	8,005	6,819	183	46		46	-4		-4					402	
Credit institutions	5,462	4,940	130				-2	-1	-1					15	
Other financial corporations	32,821	27,157	1,610	7		7	-2	-1	-1	-1		-1		10,517	3
Non-financial corporations	206,393	135,459	8,707	627		623	-37	-15	-22	-97		-97		22,017	241
Households	36,686	31,444	1,553	38		38	-2		-2	-1		-1		12,319	19
Total	**1,212,412**	**999,185**	**79,885**	**13,768**		**13,513**	**-1,538**	**-409**	**-1,129**	**-4,510**		**-4,489**	**-179**	**633,916**	**6,633**

EU CR1: Performing and non-performing exposures and related provisions

2023	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
Cash balances at central banks and other demand deposits	91,346	91,021	325	7		7	-5	-1	-4	-5		-5			
Loans and advances	711,773	598,407	58,061	11,352		11,111	-1,859	-469	-1,391	-3,793		-3,782	-234	558,869	5,405
Central banks	3,672	2,381												3,628	
General governments	14,321	13,448	687	157		157	-8	-6	-2	-11		-11		4,741	146
Credit institutions	30,481	11,501	168	8		8	-16	-4	-12	-8		-8		22,310	
Other financial corporations	76,290	40,176	2,563	328		328	-96	-22	-75	-87		-87		58,145	86
Non-financial corporations	224,624	194,925	28,774	6,280		6,164	-988	-211	-777	-2,503		-2,492	-233	134,115	2,406
Of which SMEs	38,201	32,158	6,039	1,379		1,377	-201	-63	-138	-574		-572		31,741	680
Households	362,386	335,976	25,868	4,580		4,455	-752	-227	-525	-1,185		-1,184	-1	335,929	2,767
Debt securities	91,991	84,610	2,018				-34	-29	-5						
Central banks	2,489	2,043													
General governments	63,247	59,819	1,904				-32	-27	-5						
Credit institutions	18,994	18,844	114				-2	-2							
Other financial corporations	6,121	3,562													
Non-financial corporations	1,141	342													
Off-balance-sheet exposures	276,823	157,280	9,833	606		327	-53	-18	-35	-89		-89		44,301	209
Central banks	21	3												9	
General governments	9,208	7,114	216				-1	-1						142	
Credit institutions	6,077	587	2				-3	-1	-2					27	
Other financial corporations	31,129	19,879	537	49		47	-4	-2	-2	-1		-1		9,254	4
Non-financial corporations	196,475	100,549	8,145	519		243	-30	-11	-19	-87		-87		19,876	196
Households	33,913	29,148	933	39		36	-15	-3	-12	-1		-1		14,993	10
Total	**1,171,934**	**931,317**	**70,236**	**11,966**		**11,445**	**-1,951**	**-516**	**-1,435**	**-3,888**		**-3,877**	**-234**	**603,170**	**5,614**

The overall exposure in 2024 increased to EUR 1,226,2 billion consists of mainly in Loans and advances: households. The non-performing exposure increased to EUR 13.8 billion (1.1% of the total exposure).

Maturity of Exposures

EU CR1-A: Maturity of exposures

2024	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	265,192	308,331	258,896	446,377		1,278,796
Debt securities		25,580	63,945	103,524		193,049
Total	**265,192**	**333,911**	**322,841**	**549,901**		**1,471,845**

EU CR1-A: Maturity of exposures

2023	Net exposure value					
	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
Loans and advances	251,544	314,105	241,284	428,901		1,235,834
Debt securities		35,964	62,470	95,919		194,352
Total	**251,544**	**350,069**	**303,753**	**524,820**		**1,430,187**

Changes in the stock of non-performing loans and advances

This table identifies the changes in the stock of provisions held against loans and advances that are defaulted or impaired.

EU CR2: Changes in the stock of non-performing loans and advances

	2024	2023
	Gross carrying amount	Gross carrying amount
Initial stock of non-performing loans and advances	**11,352**	**11,431**
Inflows to non-performing portfolios	8,231	6,753
Outflows from non-performing portfolios	-6,538	-6,831
Outflows due to write-offs	1,085	1,000
Outflow due to other situations	-5,453	-5,831
Final stock of non-performing loans and advances	**13,045**	**11,352**

Forborne exposures

EU CQ1: Credit quality of forborne exposures

2024	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired				
Cash balances at central banks and other demand deposits								
Loans and advances	7,385	5,770	5,770	5,749	-125	-1,813	8,373	2,738
Central banks								
General governments	3	16	16	16			19	16
Credit institutions								
Other financial corporations	258	88	88	88	-6	-58	206	25
Non-financial corporations	4,549	3,760	3,760	3,760	-96	-1,421	4,460	1,422
Households	2,575	1,906	1,906	1,885	-23	-334	3,689	1,276
Debt Securities								
Loan commitments given	990	202	202	202	-6	-13	487	94
Total	**8,376**	**5,973**	**5,973**	**5,952**	**-131**	**-1,826**	**8,860**	**2,832**

Total forborne exposures in 2024 slightly decreased from EUR 14.8 billion to EUR 14.3 billion driven by a decrease in households and Other financial corporations.

EU CQ1: Credit quality of forborne exposures

2023	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
	Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired				
Cash balances at central banks and other demand deposits								
Loans and advances	8,758	5,166	4,951	4,951	-147	-1,661	9,078	2,428
Central banks								
General governments	1	29	29	29			28	28
Credit institutions								
Other financial corporations	461	139	139	139	-6	-31	360	38
Non-financial corporations	5,193	3,247	3,156	3,156	-114	-1,352	4,559	1,157
Households	3,103	1,752	1,628	1,628	-26	-278	4,131	1,206
Debt Securities								
Loan commitments given	778	99	96	96	-3	-7	345	21
Total	**9,537**	**5,266**	**5,047**	**5,047**	**-149**	**-1,669**	**9,423**	**2,449**

Aging of past due exposures

The table below gives an insight into the ageing of the on and off-balance sheets exposures, including both performing and non-performing assets.

EU CQ3: Credit quality of performing and non-performing exposures by past due days

2024	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	**71,911**	**71,911**		**5**	**5**							**5**
Loans and advances	**753,097**	**751,447**	**1,650**	**13,045**	**8,315**	**781**	**1,238**	**1,194**	**805**	**317**	**396**	**13,045**
Central banks	6,273	6,273										
General governments	18,822	18,817	5	253	198	6	39	3	2		5	253
Credit institutions	35,595	35,595		75	68				7			75
Other financial corporations	81,968	81,947	21	158	42	7	54	1	3	44	8	158
Non-financial corporations	229,625	229,009	616	7,517	5,324	326	545	575	333	152	263	7,517
Of which SMEs	36,495	36,384	111	1,474	733	117	198	205	122	55	45	1,474
Households	380,814	379,805	1,009	5,041	2,683	442	600	615	460	121	120	5,041
Debt securities	**98,026**	**98,026**										
Central banks	3,344	3,344										
General governments	65,289	65,289										
Credit institutions	20,846	20,846										
Other financial corporations	7,503	7,503										
Non-financial corporations	1,044	1,044										
Off-balance-sheet exposures	**289,378**			**718**								**718**
Central banks	10											
General governments	8,005			46								46
Credit institutions	5,462											
Other financial corporations	32,821			7								7
Non-financial corporations	206,393			627								627
Households	36,686			38								38
Total	**1,212,412**	**921,384**	**1,650**	**13,768**	**8,320**	**781**	**1,238**	**1,194**	**805**	**317**	**396**	**13,768**

EU CQ3: Credit quality of performing and non-performing exposures by past due days

2023	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
		Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Cash balances at central banks and other demand deposits	**91,346**	**91,346**		**7**	**7**							**7**
Loans and advances	**711,773**	**710,817**	**956**	**11,352**	**7,139**	**817**	**1,142**	**711**	**873**	**383**	**288**	**11,352**
Central banks	3,672	3,672										
General governments	14,321	14,321		157	150			1	2		4	157
Credit institutions	30,481	30,481		8	2			6				8
Other financial corporations	76,290	76,288	2	328	284	6	15	8	9	6		328
Non-financial corporations	224,624	224,333	291	6,280	4,191	402	601	226	424	265	171	6,280
Of which SMEs	38,201	38,106	95	1,379	802	79	144	87	206	31	29	1,379
Households	362,386	361,724	663	4,580	2,512	408	526	470	438	112	113	4,580
Debt securities	**91,991**	**91,991**										
Central banks	2,489	2,489										
General governments	63,247	63,247										
Credit institutions	18,994	18,994										
Other financial corporations	6,121	6,121										
Non-financial corporations	1,141	1,141										
Off-balance-sheet exposures	**276,823**			**606**								**603**
Central banks	21											
General governments	9,208											
Credit institutions	6,077											
Other financial corporations	31,129			49								49
Non-financial corporations	196,475			519								519
Households	33,913			39								39
Total	**1,171,934**	**894,155**	**956**	**11,966**	**7,146**	**817**	**1,142**	**711**	**873**	**383**	**288**	**11,966**

Non-performing by geography

EU CQ4: Quality of non-performing exposures by geography

2024	Gross carrying/nominal amount	Of which non-performing	Of which defaulted	Of which subject to impairment	Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
On-balance-sheet exposures	**864,168**		**13,045**		**-5,882**		
Netherlands	181,208		1,391		-781		
Belgium & Luxembourg	124,932		3,134		-1,159		
Germany	136,731		1,426		-671		
UK	22,315		321		-171		
France	26,945		303		-91		
Spain	40,692		441		-323		
Poland	49,414		1,485		-848		
Italy	21,573		386		-241		
Other Europe	56,118		1,473		-641		
America	84,176		1,150		-449		
Africa	2,050		214		-11		
Asia	54,636		755		-382		
Australia	54,866		568		-112		
Other countries	8,512						
Off-balance-sheet exposures	**290,096**		**718**			**146**	
Netherlands	50,528		226			2	
Belgium & Luxembourg	34,416		195			61	
Germany	29,659		63			12	
UK	15,133		3			3	
France	8,995		43			2	
Spain	4,830		2			4	
Poland	12,807		23			17	
Italy	7,109		1			1	
Other Europe	33,217		9			9	
America	51,160		85			24	
Africa	344		1			1	
Asia	31,497		60			8	
Australia	10,318		7			2	
Other countries	84						
Total	**1,154,264**		**13,763**		**-5,882**	**146**	

Columns "Of which non-performing" and "of which subject to impairment" are kept empty (greyed) in line with the requirements for institutions with an NPL ratio lower than 5%.

In 2024, the on- and off-balance-sheet exposures on a total level gross carrying amount increased to EUR 1,152 billion, of which EUR 13.8 billion is in default. The defaulted exposure was mainly witnessed in Other Europe and Poland.

EU CQ4: Quality of non-performing exposures by geography

2023	Gross carrying/nominal amount	Of which non-performing	Of which defaulted	Of which subject to impairment	Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
On-balance-sheet exposures	**815,117**		**11,352**		**-5,687**		
Netherlands	174,703		1,409		-760		
Belgium & Luxembourg	119,155		3,403		-1,184		
Germany	128,187		1,108		-653		
UK	22,643		165		-84		
France	25,027		124		-81		
Spain	37,998		302		-291		
Poland	46,864		941		-769		
Italy	18,009		355		-208		
Other Europe	50,772		752		-466		
America	86,685		1,148		-529		
Africa	1,981		137		-26		
Asia	44,202		1,105		-522		

Australia	51,505		403		-113		
Other countries	7,386				-1		
Off-balance-sheet exposures	**277,429**		**606**			**142**	
Netherlands	49,421		207			38	
Belgium & Luxembourg	35,464		140			45	
Germany	28,682		21			19	
UK	14,234		4			1	
France	9,503					1	
Spain	4,690		1			2	
Poland	11,819		20			4	
Italy	6,926					1	
Other Europe	30,932		28			6	
America	45,437		79			14	
Africa	618		53				
Asia	29,940		49			11	
Australia	9,686		3				
Other countries	76						
Total	**1,092,546**		**11,958**		**-5,687**	**142**	

Loans and advances to non-financial corporations by industry

Columns "Of which non-performing" and "Of which loans and advances subject to impairment" are kept empty (greyed) in line with the requirements for institutions with an NPL ratio lower than 5%.

EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

2024	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which loans and advances subject to impairment		
			Of which defaulted			
Agriculture, forestry and fishing	3,161		83		-40	
Mining and quarrying	7,469		531		-241	
Manufacturing	47,758		1,678		-899	
Electricity, gas, steam & air conditioning supply	19,862		471		-133	
Water supply	2,848		163		-142	
Construction	10,010		435		-232	
Wholesale and retail trade	35,836		1,263		-736	
Transport and storage	25,060		539		-188	
Accommodation & food service activities	2,201		162		-80	
Information & communication	17,265		289		-178	
Real estate activities	34,258		1,173		-362	
Financial and insurance activities						
Professional, scientific & technical activities	8,690		209		-169	
Administrative & support service activities	13,611		328		-181	
Public admin. & defense, compulsory soc. security	1,236					
Education	240		3		-2	
Human health services & social work activities	5,994		162		-61	
Arts, entertainment & recreation	795		16		-8	
Other services	849		12		-9	
Total	**237,142**		**7,517**		**-3,662**	

EU CQ5: Credit quality of loans and advances to non-financial corporations by industry

2023	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
		Of which non-performing		Of which loans and advances subject to impairment		
			Of which defaulted			
Agriculture, forestry and fishing	3,198		314		-74	
Mining and quarrying	7,421		319		-203	
Manufacturing	47,372		1,132		-742	
Electricity, gas, steam & air conditioning supply	18,200		341		-191	
Water supply	2,473		34		-15	
Construction	9,507		345		-219	
Wholesale and retail trade	36,259		1,256		-744	
Transport and storage	25,224		363		-128	
Accommodation & food service activities	2,113		226		-157	
Information & communication	14,463		449		-214	
Real estate activities	33,990		886		-299	
Financial and insurance activities						
Professional, scientific & technical activities	8,394		193		-154	
Administrative & support service activities	13,046		283		-265	
Public admin. & defense, compulsory soc. security	1,171					
Education	306		3		-6	
Human health services & social work activities	6,113		108		-50	
Arts, entertainment & recreation	652		16		-16	
Other services	1,000		13		-14	
Total	**230,904**		**6,280**		**-3,490**	

Credit risk mitigation

ING's lending and investment businesses are subject to credit risk. As such, the creditworthiness of our customers and investments is continually monitored for their ability to meet their financial obligations to ING Bank. In addition to determining the credit quality and creditworthiness of the customer, ING uses various credit risk mitigation techniques and instruments to mitigate the credit risk associated with an exposure and to reduce the losses incurred subsequent to an event of default on an obligation a customer may have towards ING. The most common terminology used in ING for credit risk protection is 'cover'. While a cover can be an important method for mitigation of credit risk and an alternative source of repayment, generally it is ING's practice to lend on the basis of the customer's creditworthiness rather than exclusively relying on the value of the cover. Within ING, there are two distinct forms of covers: assets and third party obligations.

Cover forms Assets

The asset that has been pledged to ING as collateral or security gives ING the right to liquidate it in the event where the customer is unable to fulfil its financial obligation. As such, the proceeds can be applied towards full or partial payments of the customer's outstanding exposure. An asset can be tangible (such as cash, securities, receivables, inventory, plant & machinery and mortgages on real estate properties) or intangible (such as patents, trademarks, contract rights and licenses).

Third party obligation

Third Party Obligation, indemnification or undertaking (either by contract and/or by law) is a legally binding declaration by a third party that gives ING the right to expect and claim from that third party to pay an amount, if the customer fails on its obligations to ING. The most common examples are guarantees (such as parent guarantees and export credit insurances) and letters of comfort.

Cover valuation methodology

General guidelines for cover valuation are established to ensure consistency of the application within ING. These general guidelines also require that the value of the cover is monitored on a regular basis, in principle at least annually. Covers shall be revalued accordingly and whenever there is reason to believe that the market is subject to significant changes in conditions. The frequency of monitoring and revaluation depends on the type of covers.

The valuation method also depends on the type of covers. For asset collateral, the valuation sources can be the customer's balance sheet (e.g. inventory, machinery, and equipment), nominal value (e.g. cash, receivables), market value (e.g. securities and commodities), independent appraiser (commercial real estate) and market indices (residential real estate). For third party obligations, the valuation is based on the value that is attributed to the contract between ING and that third party.

For the determination of the Credit Risk applicable amount for Pre-Settlement transactions, ING first matches trades with similar characteristics to determine their eligibility for offset. This offsetting effect is called 'compensation'. Subsequently, ING reduces the amount by any legal netting that may be permitted under various types of Master Agreements (such as ISDAs and GMRAs). Lastly, the amount is further reduced by any collateral that is held by ING under CSAs or other similar agreements.

For the other risk types and especially lending, covers are received that are intended to reduce the losses incurred subsequent to an event of default on an obligation a customer may have towards ING. These are subdivided into four groups called collateral values mortgages, cover values cash, cover value guarantees and other physical covers.

The table below presents the ING portfolio excluding equities per loan type. Exposures represent the outstanding and a loan is presented as secured by collateral or a guarantee if such a cover exists on a facility type. The secured amounts represent the part of the loan that is covered by the collateral. If a loan has both collateral and a guarantee than these are both shown in the designated column.

Credit Risk Mitigations techniques – overview

The table below presents the extent of the use of CRM techniques. All collaterals and financial guarantees are included for all secured exposures, irrespective of whether the standardized approach or the IRB approach is used for RWA calculation. In the column Exposures unsecured – Carrying amount are the exposures (net of allowances/impairments) that do not benefit from a CRM technique.

In the column Exposures to be secured are the exposures that have at least one CRM mechanism (collateral, financial guarantees, credit derivatives) associated with them.

EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques					
		Secured carrying amount			
				Of which secured by financial guarantees	
2024	Unsecured carrying amount		Of which secured by collateral		Of which secured by credit derivatives
Loans and advances	237,767	594,416	548,659	45,758	
Debt securities	97,448	578		578	
Total	335,215	594,994	548,659	46,336	
Of which non-performing exposures	2,269	6,370	5,202	1,168	
Of which defaulted	6,675	6,370			

For more information on the covers, please see the section 'credit risk mitigation' part of the Risk Management section of the Annual Report 2024.

EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques					
		Secured carrying amount			
				Of which secured by financial guarantees	
2023	Unsecured carrying amount		Of which secured by collateral		Of which secured by credit derivatives
Loans and advances	244,542	564,274	519,749	44,525	
Debt securities	91,991				
Total	336,534	564,274	519,749	44,525	
Of which non-performing exposures	2,154	5,405	4,819	586	
Of which defaulted	5,947	5,405			

Collateral obtained by taking possession and execution processes

Table EU CQ7 provides information about the collateral that has been obtained within the reporting period. Collateral obtained by talking possession includes assets that were not pledged by the debtor as collateral, but obtained in exchange for the cancellation of debt.

The value at initial recognition reflects the gross carrying amount at the point in time of the initial recognition in the balance sheet, while accumulated negative changes reflect the difference between the value at initial recognition and the carrying amount at the reporting date.

EU CQ7: Collateral obtained by taking possession and execution processes		
	Collateral obtained by taking possession	
2024	Value at initial recognition	Accumulated negative changes
Property, plant and equipment (PP&E)	2	
Other than PP&E	6	
Residential immovable property	1	
Commercial Immovable property	6	
Movable property (auto, shipping, etc.)		
Equity and debt instruments		
Other collateral		
Total	**8**	

EU CQ7: Collateral obtained by taking possession and execution processes		
	Collateral obtained by taking possession	
2023	Value at initial recognition	Accumulated negative changes
Property, plant and equipment (PP&E)	7	-2
Other than PP&E	7	
Residential immovable property	1	
Commercial Immovable property	7	
Movable property (auto, shipping, etc.)		
Equity and debt instruments		
Other collateral		
Total	**14**	**-2**

Advanced Internal Rating Based approach (AIRB)

Development of credit risk RWA

The table below explains the changes in Credit RWA in the AIRB portfolio during the reporting period and provides additional information by linking the impact of changes in portfolio composition, model changes and shifts in the risk environment on Credit RWA. The table reconciles movements in Credit RWA for the period for each Credit RWA risk type of ING for the AIRB portfolio including securitisations excluding equity and ONCOA. It does not include counterparty credit risk exposures under the Internal Model Method (IMM), as ING has not yet received regulatory approval to use IMM.

EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

	2024	2023
	Risk weighted exposure amount	Risk weighted exposure amount
Risk weighted exposure amount as at the end of the previous reporting period	**185,707**	**205,251**
Asset size (+/-)	9,487	-942
Asset quality (+/-)	-4,854	-5,600
Model updates (+/-)	-1,197	-6,335
Methodology and policy (+/-)		-1,588
Acquisitions and disposals (+/-)		
Foreign exchange movements (+/-)	2,263	-1,262
Other (+/-)	1,438	-3,817
Risk weighted exposure amount as at the end of the reporting period	**192,845**	**185,707**

Over the year 2024 the credit RWA in the IRB portfolio increased by EUR 7.1 billion from EUR 185.7 billion to EUR 192.8 billion.

- Asset Size impact was EUR +9.5 billion, mainly in Retail Banking;
- Asset quality improvements caused RWA to decrease by EUR -4.9 billion in 2024 as a result of risk profile changes across the business lines. Mainly seen for Wholesale Banking, with lending as its main driver;
- Total Model / Methodology impact in 2024 is EUR -1.2 billion, which includes multiple items.
- In 2024, FX impact caused RWA to increase by €2.3 billion, mainly due to appreciation of the US dollar;
- Other items increased RWA by +€1.4 billion in 2024.

Overall, RWA management has a high priority throughout ING in all aspects of our business. From product design to pricing, RWA allocation and consumption is extensively monitored, reported and managed at all levels of the organisation.

Scope of the use of IRB and SA approaches

EU CR6-A – Scope of the use of IRB and SA approaches

2024

PD Scale	Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to a roll-out plan (%)	Percentage of total exposure value subject to IRB Approach (%)
Central governments or central banks	193,642	288,820	100.00		
Of which Regional governments or local authorities		51,513	100.00		
Of which Public sector entities		11,996	100.00		
Institutions	69,101	92,836	0.39	0.22	99.40
Corporates	532,375	609,115	0.98	0.80	98.22
Of which Corporates - Specialised lending, excluding slotting approach		146,936	0.01	0.18	99.81
Of which Corporates - Specialised lending under slotting approach					
Retail	418,659	57,055	5.42	2.41	92.17
of which Retail – Secured by real estate SMEs		419,587	5.24	4.96	89.81
of which Retail – Secured by real estate non-SMEs		14,842	1.09	1.98	96.93
of which Retail – Qualifying revolving		355,404	0.98	4.13	94.89
of which Retail – Other SMEs					
of which Retail – Other non-SMEs		9,155	26.40	24.10	49.51
Equity		40,186	39.56	9.04	51.40
Other non-credit obligation assets					
Total	**1,213,777**	**1,410,358**	**22.48**	**1.84**	**75.68**

EU CR6-A – Scope of the use of IRB and SA approaches

2023

PD Scale	Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to a roll-out plan (%)	Percentage of total exposure value subject to IRB Approach (%)
Central governments or central banks	201,742	300,927	100.00		
Of which Regional governments or local authorities		48,643	100.00		
Of which Public sector entities		10,696	100.00		
Institutions	64,169	88,985	0.67	0.06	99.27
Corporates	512,058	583,758	0.97	1.15	97.88
Of which Corporates - Specialised lending, excluding slotting approach		131,172	0.05	1.55	98.39
Of which Corporates - Specialised lending under slotting approach					
Retail	397,377	58,833	4.76	2.52	92.73
of which Retail – Secured by real estate SMEs		398,264	4.89	4.79	90.32
of which Retail – Secured by real estate non-SMEs		14,996	0.83	2.20	96.98
of which Retail – Qualifying revolving		337,345	0.85	3.88	95.27
of which Retail – Other SMEs					
of which Retail – Other non-SMEs		8,154	18.10	30.87	51.03
Equity		37,769	39.71	8.36	51.94
Other non-credit obligation assets					
Total	**1,175,346**	**1,371,934**	**23.81**	**1.88**	**74.31**

AIRB credit exposures by exposure class and PD range

The table below provides an overview of the main parameters used for the calculation of capital requirements for AIRB models. The on- and off-balance sheet exposures are shown by the four main exposure classes and according to PD grades to enable an assessment of the credit quality of the portfolio. The exposures are bucketed in PD Scales prescribed by EBA. This bucketing of PD scales is not used within

ING. ING's Probability of Default (PD) rating models are based on a 1-22 scale, which corresponds to the same rating grades that are assigned by external rating agencies. Risk Ratings (PD) for performing loans (1-19) are calculated within ING with regulatory approved models. Risk Ratings for non-performing loans (20-22) are set on the basis of an approved discretionary methodology by the Global or Regional Restructuring unit. Overall the risk weights of the ING portfolio are a mixture of low risk weights for sovereigns and residential mortgages combined with higher risk weights for Corporates. Many central governments exposures receive a zero risk weight due to the high quality rating (permanent partial use of the SA rules). Mortgages generally benefit from large levels of (over) collateralisation.

The average Credit Conversion Factor (CCF), which is the conversion of off-balance sheet exposure into credit exposure equivalents, is calculated as the off-balance exposure post-CRM and post-CCF over the original off-balance sheet exposure. The CCF percentages are applied on product or transaction level and are regulatory driven.

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Institutions												
0.00 to <0.15	27,479	47,870	0.07	30,718	0.06	2,703	24.66	3	5,535	0.18	5	-5
0.00 to <0.10	25,276	41,422	0.07	28,180	0.06	2,410	24.82	3	4,857	0.17	4	-4
0.10 to <0.15	2,203	6,448	0.05	2,538	0.12	295	22.85	3	677	0.27	1	-1
0.15 to <0.25	5,086	5,245	0.19	6,108	0.21	688	10.04	1	602	0.10	1	-1
0.25 to <0.50	5,871	6,705	0.31	7,941	0.33	1,033	7.20	1	847	0.11	2	-1
0.50 to <0.75	5	4	0.15	6	0.62	18	16.70	3	3	0.46		
0.75 to <2.50	2,144	3,004	0.06	2,325	1.39	349	23.72	2	1,362	0.59	8	-4
0.75 to <1.75	1,976	2,944	0.05	2,113	1.29	312	22.70	2	1,068	0.51	6	-3
1.75 to <2.5	168	60	0.73	212	2.34	37	33.90	4	295	1.39	2	-1
2.50 to <10.00	33	176	0.04	41	4.68	109	25.55	3	46	1.11	1	
2.5 to <5	22	138	0.01	25	3.33	63	20.84	3	20	0.81		
5 to <10	11	38	0.14	16	6.70	46	32.65	3	26	1.57		
10.00 to <100.00	66	269	0.09	90	18.87	3,767	35.76	1	179	1.99	6	-2
10 to <20	56	267	0.09	80	16.32	3,746	33.95	1	148	1.86	4	-1
20 to <30			1.00		25.61	14	16.58	3		1.00		
30.00 to <100.00	10	1	0.20	10	38.52	7	50.53	1	31	3.03	2	-1
100.00 (Default)	72	2	0.48	74	100.00	143	11.06	1	5	0.07	26	-26
Subtotal (exposure class)	**40,757**	**63,274**	**0.10**	**47,303**	**0.39**	**8,807**	**19.79**	**3**	**8,578**	**0.18**	**50**	**-40**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Corporates Spec lending												
0.00 to <0.15	24,281	11,461	0.43	29,177	0.12	1,541	17.56	3	4,228	0.14	6	-3
0.00 to <0.10	3,003	3,866	0.16	3,611	0.07	190	23.31	2	371	0.10	1	
0.10 to <0.15	21,278	7,595	0.56	25,566	0.13	1,351	16.75	3	3,857	0.15	5	-3
0.15 to <0.25	20,133	23,944	0.25	26,031	0.21	1,357	21.32	3	6,178	0.24	12	-5
0.25 to <0.50	35,115	28,314	0.31	43,763	0.37	2,586	21.63	3	15,453	0.35	35	-22
0.50 to <0.75	3,733	378	0.77	4,024	0.66	262	13.58	3	954	0.24	4	-1
0.75 to <2.50	13,363	7,564	0.35	16,045	1.26	2,408	19.02	3	7,186	0.45	35	-22
0.75 to <1.75	9,959	7,013	0.34	12,345	1.02	1,948	20.62	3	5,922	0.48	25	-18
1.75 to <2.5	3,404	551	0.53	3,700	2.05	460	13.67	3	1,264	0.34	10	-4
2.50 to <10.00	3,564	2,178	0.33	4,288	4.55	631	23.38	2	3,230	0.75	47	-35
2.5 to <5	2,352	1,533	0.34	2,883	3.39	404	22.02	2	1,837	0.64	22	-9
5 to <10	1,212	644	0.30	1,405	6.93	227	26.18	2	1,393	0.99	26	-26
10.00 to <100.00	1,700	868	0.29	1,953	22.02	1,729	17.31	2	1,592	0.82	68	-28
10 to <20	816	796	0.29	1,045	13.26	1,629	19.79	2	827	0.79	27	-6
20 to <30	268	42	0.41	286	24.72	59	16.78	3	324	1.13	12	-11
30.00 to <100.00	617	31	0.13	622	35.51	41	13.39	1	440	0.71	30	-10
100.00 (Default)	2,556	372	0.25	2,649	100.00	188	30.41	2	2,016	0.76	1,064	-1,014
Subtotal (exposure class)	**104,445**	**75,079**	**0.31**	**127,929**	**2.94**	**10,699**	**20.23**	**3**	**40,837**	**0.32**	**1,271**	**-1,130**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Corporates-SME												
0.00 to <0.15	1,555	1,287	0.30	1,938	0.08	1,451	29.37	2	336	0.17	1	
0.00 to <0.10	754	305	0.18	809	0.05	75	26.75	2	75	0.09		
0.10 to <0.15	801	982	0.33	1,130	0.11	1,376	31.25	3	261	0.23		
0.15 to <0.25	5,011	2,430	0.39	5,972	0.20	6,307	25.06	3	1,423	0.24	3	-1
0.25 to <0.50	4,785	3,531	0.39	6,164	0.36	5,108	30.31	3	2,424	0.39	7	-3
0.50 to <0.75	4,507	1,848	0.38	5,240	0.61	4,714	26.09	3	2,037	0.39	8	-4
0.75 to <2.50	15,931	5,247	0.37	17,933	1.34	12,617	25.63	3	10,811	0.60	62	-29
0.75 to <1.75	12,813	4,269	0.37	14,399	1.16	9,689	25.67	3	8,668	0.60	44	-20
1.75 to <2.5	3,118	978	0.40	3,534	2.07	2,929	25.45	2	2,143	0.61	18	-8
2.50 to <10.00	5,272	1,615	0.37	5,899	4.63	5,274	28.07	2	4,883	0.83	78	-45
2.5 to <5	3,291	932	0.38	3,662	3.46	3,024	26.76	2	2,643	0.72	34	-19
5 to <10	1,981	683	0.36	2,237	6.55	2,251	30.22	2	2,240	1.00	44	-26
10.00 to <100.00	2,492	523	0.38	2,704	20.05	8,206	25.42	3	3,221	1.19	137	-81
10 to <20	1,654	363	0.35	1,791	13.27	7,343	26.24	3	2,122	1.19	63	-43
20 to <30	515	85	0.33	545	25.94	538	23.18	2	721	1.32	33	-16
30.00 to <100.00	323	76	0.55	369	44.27	326	24.73	2	378	1.02	42	-22
100.00 (Default)	1,699	162	0.41	1,793	100.00	2,339	45.10	2	1,009	0.56	865	-809
Subtotal (exposure class)	**41,253**	**16,643**	**0.37**	**47,644**	**6.12**	**46,002**	**27.39**	**3**	**26,144**	**0.55**	**1,160**	**-972**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Corporates-Other												
0.00 to <0.15	100,974	67,333	0.29	120,761	0.08	1,047	14.45	2	9,716	0.08	13	-6
0.00 to <0.10	49,413	42,184	0.29	61,584	0.06	585	18.44	2	5,665	0.09	7	-3
0.10 to <0.15	51,561	25,149	0.30	59,177	0.11	462	10.30	1	4,051	0.07	7	-3
0.15 to <0.25	85,803	44,261	0.32	99,868	0.19	1,214	10.77	1	10,581	0.11	21	-9
0.25 to <0.50	50,384	31,753	0.32	60,661	0.38	2,161	17.29	2	14,794	0.24	38	-19
0.50 to <0.75	15	9	0.15	17	0.64	28	17.68	3	8	0.51		
0.75 to <2.50	26,417	14,247	0.39	31,949	1.06	2,575	18.71	2	13,956	0.44	66	-45
0.75 to <1.75	25,236	13,572	0.39	30,501	1.00	2,328	18.23	2	12,624	0.41	56	-33
1.75 to <2.5	1,181	675	0.40	1,448	2.36	250	28.82	3	1,332	0.92	10	-12
2.50 to <10.00	7,507	2,591	0.27	8,217	4.67	802	14.39	2	3,944	0.48	53	-55
2.5 to <5	6,564	1,917	0.30	7,137	4.08	547	12.74	2	2,770	0.39	31	-26
5 to <10	943	674	0.20	1,080	8.52	256	25.30	2	1,174	1.09	22	-29
10.00 to <100.00	1,727	1,675	0.27	2,176	25.51	1,632	25.17	2	3,174	1.46	135	-120
10 to <20	405	997	0.29	694	16.34	1,465	27.11	3	1,041	1.50	30	-28
20 to <30	920	362	0.29	1,026	26.68	96	24.24	2	1,489	1.45	65	-62
30.00 to <100.00	401	317	0.18	456	36.82	71	24.33	2	644	1.41	40	-30
100.00 (Default)	3,998	343	0.40	4,135	100.00	247	21.34	2	3,008	0.73	1,046	-1,045
Subtotal (exposure class)	**276,826**	**162,213**	**0.31**	**327,784**	**1.81**	**9,693**	**14.43**	**2**	**59,181**	**0.18**	**1,373**	**-1,299**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Retail - Secured by immovable property SME												
0.00 to <0.15	2,426	138	0.78	2,533	0.09	12,489	18.19		101	0.04		
0.00 to <0.10	2,171	87	0.85	2,244	0.08	10,859	17.35		84	0.04		
0.10 to <0.15	255	52	0.66	289	0.11	1,630	24.74		17	0.06		
0.15 to <0.25	3,501	195	0.77	3,651	0.19	16,986	20.13		282	0.08	1	-1
0.25 to <0.50	1,634	201	0.78	1,790	0.36	9,114	23.03		246	0.14	1	-1
0.50 to <0.75	1,354	137	0.63	1,441	0.61	6,225	21.51		275	0.19	2	-1
0.75 to <2.50	2,916	421	0.75	3,235	1.34	14,155	24.40		1,220	0.38	11	-4
0.75 to <1.75	2,387	356	0.76	2,660	1.21	12,078	24.06		947	0.36	8	-3
1.75 to <2.5	529	65	0.68	574	1.94	2,077	25.96		273	0.47	3	-1
2.50 to <10.00	1,064	121	0.69	1,151	4.00	5,387	25.84		835	0.73	12	-9
2.5 to <5	828	82	0.72	889	3.30	4,098	25.08		589	0.66	7	-5
5 to <10	236	39	0.62	262	6.37	1,289	28.39		246	0.94	5	-4
10.00 to <100.00	443	37	0.57	467	23.53	2,020	25.38		596	1.28	28	-19
10 to <20	246	24	0.68	264	14.01	1,200	25.44		325	1.23	9	-8
20 to <30	89	4	0.78	92	25.14	349	26.47		139	1.51	6	-4
30.00 to <100.00	108	9	0.17	110	44.98	471	24.36		132	1.19	12	-6
100.00 (Default)	321	7	0.37	324	100.00	1,494	49.32		207	0.64	143	-73
Subtotal (exposure class)	**13,658**	**1,257**	**0.73**	**14,592**	**3.75**	**67,870**	**22.50**		**3,762**	**0.26**	**199**	**-107**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Retail - Secured by immovable property non-SME												
0.00 to <0.15	190,176	5,615	0.81	194,754	0.09	1,164,010	24.24		11,021	0.06	42	-17
0.00 to <0.10	99,817	4,140	0.99	103,919	0.06	673,481	27.27		5,092	0.05	17	-5
0.10 to <0.15	90,359	1,475	0.32	90,834	0.13	490,529	20.78		5,929	0.07	25	-11
0.15 to <0.25	49,479	1,773	0.75	50,820	0.18	238,230	19.28		4,213	0.08	18	-14
0.25 to <0.50	40,273	920	0.79	41,012	0.34	164,806	20.03		5,119	0.12	27	-24
0.50 to <0.75	17,611	223	0.95	17,824	0.60	72,088	16.88		2,912	0.16	18	-6
0.75 to <2.50	17,375	355	0.93	17,706	1.36	89,145	22.81		6,779	0.38	53	-29
0.75 to <1.75	14,260	151	0.91	14,398	1.19	75,779	23.17		5,295	0.37	38	-19
1.75 to <2.5	3,115	204	0.94	3,309	2.09	13,366	21.25		1,485	0.45	14	-10
2.50 to <10.00	7,840	82	0.77	7,903	4.11	37,755	22.30		5,391	0.68	70	-55
2.5 to <5	6,424	57	0.81	6,470	3.48	30,316	22.99		4,207	0.65	51	-38
5 to <10	1,416	25	0.67	1,433	6.96	7,439	19.21		1,183	0.83	19	-16
10.00 to <100.00	3,445	34	0.81	3,473	21.88	17,653	20.64		4,230	1.22	161	-120
10 to <20	2,140	29	0.79	2,162	14.41	10,552	20.14		2,417	1.12	62	-55
20 to <30	330	2	0.98	332	24.54	2,247	23.90		557	1.68	19	-9
30.00 to <100.00	975	3	0.94	978	37.49	4,854	20.66		1,256	1.28	80	-55
100.00 (Default)	3,050	17	0.27	3,054	100.00	17,334	43.41		5,307	1.74	919	-412
Subtotal (exposure class)	**329,249**	**9,018**	**0.81**	**336,546**	**1.46**	**1,801,021**	**22.61**		**44,971**	**0.13**	**1,308**	**-676**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Retail Other SME												
0.00 to <0.15	223	272	0.44	342	0.10	22,337	33.63		25	0.07		
0.00 to <0.10	99	66	0.55	136	0.08	16,501	28.06		8	0.06		
0.10 to <0.15	124	206	0.40	206	0.11	5,836	37.29		17	0.08		
0.15 to <0.25	505	196	0.61	625	0.20	26,043	30.60		68	0.11		
0.25 to <0.50	518	437	0.72	832	0.36	29,744	41.01		197	0.24	1	-1
0.50 to <0.75	303	233	0.72	472	0.64	12,338	39.17		151	0.32	1	-1
0.75 to <2.50	943	547	0.75	1,357	1.30	52,649	41.83		625	0.46	7	-6
0.75 to <1.75	758	474	0.76	1,120	1.19	46,559	42.80		527	0.47	6	-5
1.75 to <2.5	186	74	0.66	237	1.84	6,090	37.20		99	0.42	2	-1
2.50 to <10.00	474	150	0.66	580	4.51	36,989	40.53		320	0.55	10	-12
2.5 to <5	323	100	0.66	393	3.42	27,753	40.94		217	0.55	6	-6
5 to <10	151	50	0.66	186	6.82	9,236	39.67		103	0.55	5	-6
10.00 to <100.00	180	63	0.72	228	20.28	40,110	34.07		160	0.70	16	-16
10 to <20	129	56	0.73	173	14.86	36,514	32.87		111	0.64	8	-9
20 to <30	20	3	0.73	22	25.26	2,315	42.87		23	1.02	2	-2
30.00 to <100.00	31	4	0.46	33	45.12	1,284	34.40		26	0.78	5	-4
100.00 (Default)	183	27	0.49	200	99.15	12,612	68.53		227	1.13	120	-85
Subtotal (exposure class)	**3,329**	**1,925**	**0.67**	**4,636**	**6.39**	**232,816**	**39.90**		**1,774**	**0.38**	**157**	**-121**

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

2024

PD Scale	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjust-ments and provisions
Retail Other non-SME												
0.00 to <0.15	590	4,480	0.54	3,004	0.09	2,068,294	60.40		429	0.14	2	
0.00 to <0.10	433	2,920	0.56	2,052	0.06	1,374,060	59.54		228	0.11	1	
0.10 to <0.15	157	1,560	0.51	952	0.14	694,234	62.26		202	0.21	1	
0.15 to <0.25	1,081	812	0.55	1,529	0.19	477,240	35.51		233	0.15	1	
0.25 to <0.50	2,580	563	0.64	2,937	0.38	456,975	32.78		629	0.21	4	-2
0.50 to <0.75	1,389	166	0.69	1,508	0.62	174,116	36.04		469	0.31	3	-2
0.75 to <2.50	4,430	556	0.66	4,809	1.45	582,845	41.88		2,448	0.51	30	-18
0.75 to <1.75	3,490	419	0.65	3,769	1.24	443,041	40.43		1,765	0.47	19	-11
1.75 to <2.5	940	137	0.69	1,040	2.21	139,804	47.16		683	0.66	11	-7
2.50 to <10.00	3,037	196	0.72	3,200	5.45	389,459	39.33		1,964	0.61	63	-38
2.5 to <5	1,570	138	0.71	1,682	3.76	195,796	49.30		1,255	0.75	31	-19
5 to <10	1,467	59	0.72	1,518	7.31	193,663	28.28		709	0.47	32	-19
10.00 to <100.00	585	43	0.71	610	28.44	195,685	48.94		675	1.11	79	-45
10 to <20	281	34	0.72	296	13.72	70,013	54.29		323	1.09	22	-13
20 to <30	128	5	0.71	133	23.45	16,405	42.75		142	1.07	13	-9
30.00 to <100.00	176	5	0.67	182	56.06	109,267	44.76		210	1.16	44	-23
100.00 (Default)	618	11	0.07	619	91.63	157,914	73.98		814	1.31	372	-242
Subtotal (exposure class)	**14,309**	**6,827**	**0.57**	**18,217**	**5.55**	**4,502,528**	**43.33**		**7,662**	**0.42**	**553**	**-347**

The PD, LGD, EAD and maturity are drivers of RWA and RWA density. RWA density is measured as the RWA over the EAD and increases with each PD scale. In several instances, the RWA Density is lower than one might expect due to the loans guaranteed by an Export Credit Agency (ECA). For instance in Corporates-Other, cashpool activities from BMG are included causing a low RWA density. These ECAs offer loans and insurance to help remove the risk of uncertainty of exporting to other countries and underwrite the political risk and commercial risks of overseas investments, and as such lower the LGD for these loans. With very low LGDs as a result the RWA is lower than would be assumed in a higher PD class.

The overall RWA amount increased from EUR 185.8 in 2023 to EUR 193.1 billion in 2024. The increase is mainly witnessed in Corporates - Specialised lending (+ EUR 5.1 billion) and Retail – Non-SMEs- Secured by immovable property collateral (+ EUR 3.2 billion).

EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

		2024	2024
		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
1	**Exposures under F-IRB**		
2	Central governments and central banks		
3	Institutions		
4	Corporates		
4	of which Corporates - SMEs		
4	of which Corporates - Specialised lending		
5	**Exposures under A-IRB**	**193,696**	**193,073**
6	Central governments and central banks		
7	Institutions	8,578	8,732
8	Corporates	126,977	126,171
8	of which Corporates - SMEs	26,144	26,144
8	*of which Corporates - Specialised lending*	40,838	40,837
8	of which Corporates - Other	59,996	59,191
9	*Retail*	58,140	58,170
9	*of which Retail – SMEs - Secured by immovable property collateral*	3,762	3,762
9	*of which Retail – non-SMEs - Secured by immovable property collateral*	44,971	44,971
9	*of which Retail – Qualifying revolving*		
9	*of which Retail – SMEs - Other*	1,774	1,774
10	*of which Retail – Non-SMEs- Other*	7,633	7,662
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**193,696**	**193,073**

EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

		2023	2023
		Pre-credit derivatives risk weighted exposure amount	Actual risk weighted exposure amount
1	**Exposures under F-IRB**		
2	Central governments and central banks		
3	Institutions		
4	Corporates		
4	*of which Corporates - SMEs*		
4	*of which Corporates - Specialised lending*		
5	**Exposures under A-IRB**	**185,814**	**185,707**
6	Central governments and central banks		
7	Institutions	7,754	7,934
8	Corporates	122,443	122,135
8	*of which Corporates - SMEs*	26,026	26,026
8	*of which Corporates - Specialised lending*	35,718	35,718
8	*of which Corporates - Other*	60,698	60,390
9	Retail	55,617	55,638
9	*of which Retail – SMEs - Secured by immovable property collateral*	3,822	3,822
9	*of which Retail – non-SMEs - Secured by immovable property collateral*	41,791	41,791
9	*of which Retail – Qualifying revolving*		
9	*of which Retail – SMEs - Other*	1,695	1,696
10	*of which Retail – Non-SMEs- Other*	8,309	8,329
10	**TOTAL (including F-IRB exposures and A-IRB exposures)**	**185,814**	**185,707**

EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

2024	Total exposures	**Credit risk Mitigation techniques**											**Credit risk Mitigation methods in the calculation of RWEAs**	
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)				Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
				Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)				
1 Central governments and central banks														
2 Institutions	48,677	3.03 %	89.66 %	7.58 %	78.39 %	3.69 %					15.11 %	— %	8,732	8,732
3 Corporates	503,432	44.15 %	52.94 %	27.16 %	6.01 %	19.77 %					14.72 %	0.50 %	126,171	126,171
Of which Corporates – SMEs	47,644	3.43 %	136.13 %	74.07 %	7.88 %	54.18 %					17.48 %		26,144	26,144
Of which Corporates – Specialised lending	127,929	3.08 %	116.80 %	71.29 %	7.20 %	38.31 %					20.07 %	— %	40,837	40,837
Of which Corporates – Other	327,858	66.09 %	15.94 %	3.13 %	5.28 %	7.53 %					12.23 %	0.77 %	59,191	59,191
4 Retail	373,992	1.96 %	223.73 %	222.35 %	0.14 %	1.24 %					6.80 %		58,170	58,170
Of which Retail – Immovable property SMEs	14,592	1.54 %	185.37 %	171.45 %	2.10 %	11.82 %					8.00 %		3,762	3,762
Of which Retail – Immovable property non-SMEs	336,546	1.56 %	239.70 %	239.65 %	0.04 %	— %					6.61 %		44,971	44,971
Of which Retail – Qualifying revolving														
Of which Retail – Other SMEs	4,636	17.88 %	63.90 %		1.52 %	62.38 %					26.57 %		1,774	1,774
Of which Retail – Other non-SMEs	18,217	5.75 %	0.14 %		0.01 %	0.13 %					4.47 %		7,662	7,662
5 **Total**	**926,101**	**24.95 %**	**123.84 %**	**104.96 %**	**7.44 %**	**11.44 %**					**11.54 %**	**0.27 %**	**193,073**	**193,073**

EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

2023	Total exposures	Credit risk Mitigation techniques											Credit risk Mitigation methods in the calculation of RWEAs	
		Funded credit Protection (FCP)									Unfunded credit Protection (UFCP)			
		Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)				Part of exposures covered by Other funded credit protection (%)				Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
				Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)		Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)				
1 Central governments and central banks														
2 Institutions	47,285	3.33 %	101.39 %	7.26 %	89.55 %	4.58 %					9.00 %	— %	7,934	7,934
3 Corporates	482,419	43.22 %	53.24 %	27.53 %	6.00 %	19.70 %					16.02 %	0.27 %	122,135	122,135
Of which Corporates – SMEs	49,548	3.13 %	151.18 %	89.04 %	10.93 %	51.22 %					16.38 %		26,026	26,026
Of which Corporates – Specialised lending	114,168	3.87 %	111.87 %	69.61 %	5.58 %	36.68 %					23.47 %	0.03	35,718	35,718
Of which Corporates – Other	318,702	63.55 %	17.01 %	2.90 %	5.39 %	8.72 %					13.29 %	0.40 %	60,390	60,390
4 Retail	357,154	5.85 %	218.59 %	217.25 %	0.19 %	1.16 %					7.03 %		55,638	55,638
Of which Retail – Immovable property SMEs	14,514	4.62 %	180.91 %	167.34 %	2.96 %	10.62 %					8.13 %		3,822	3,822
Of which Retail – Immovable property non-SMEs	320,767	5.68 %	234.37 %	234.32 %	0.05 %	— %					7.10 %		41,791	41,791
Of which Retail – Qualifying revolving														
Of which Retail – Other SMEs	4,233	18.08 %	62.54 %		2.19 %	60.36 %					27.05 %		1,696	1,696
Of which Retail – Other non-SMEs	17,641	7.09 %	0.17 %		0.01 %	0.16 %					0.13 %		8,329	8,329
5 **Total**	**886,858**	**26.05 %**	**122.40 %**	**102.85 %**	**8.12 %**	**11.43 %**					**12.02 %**	**0.15 %**	**185,707**	**185,707**

Backtesting of model parameters

ING has dedicated AIRB credit risk models per business line and geography. The performance and predictive power of the models is monitored by Model Development, that is part of the Financial Risk department. Moreover, an independent Model Risk Management department periodically reviews all AIRB models. All models are backtested when possible by both the Model development and the independent Model Risk Management departments.

If a model is considered not to be robust or backtesting indicates insufficient performance, then the model is either re-calibrated or re-developed. All model recommendations from the Model Risk Management department are tracked via an internal database that management uses to track issues detected by the Internal Audit department, incidents and non-financial risk issues. All significant model changes are submitted to the ECB and implemented after regulatory approval.

PD backtesting

The PD backtesting is performed per exposure class and PD-range, corresponding to the internal rating scales 1 to 19, which are then mapped to comparable rating grades from Standard & Poor's. Securitisations and Equity exposures are not included in these tables.

The average PD as of 31 December 2023 per portfolio is split per exposure class and rating grade. Both the number and the amount-weighted predicted PD figures are shown for the performing portfolios. The number weighted predicted PD is also referred to as the arithmetic weighted PD, and the amount weighted PD is referred to as the EAD-weighted PD.

The Annual Average historical default rate is calculated over the last 6 years. The performing clients at the end of each year were followed through the following year (12 months) and their into-default moments were flagged each month. In case a client went into-default more than once within the 12-month observation period, the last (i.e. most recent) observed into-default moment was used. The annual average observed default rate represents the average of the 6 years observed number weighted default rates.

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year		Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
			of which: number of obligors which defaulted during the year			
Institutions						
0.00 - 0.01	AAA	16		0.00	0.03	0.00
0.01 - 0.02	AA+	21		0.00	0.03	0.00
0.02 - 0.03	AA	61		0.00	0.03	0.82
0.03 - 0.04	AA-	100		0.00	0.04	0.00
0.04 - 0.05	A+	1,242	1	0.08	0.05	0.13
0.05 - 0.07	A	718		0.00	0.07	0.03
0.07 - 0.11	A-	259		0.00	0.10	0.17
0.11 - 0.17	BBB+	406		0.00	0.14	0.24
0.17 - 0.27	BBB	424	1	0.24	0.22	0.76
0.27 - 0.44	BBB-	651	3	0.46	0.32	0.33
0.44 - 0.73	BB+	315	2	0.63	0.46	0.80
0.73 - 1.26	BB	192	5	2.60	0.83	2.21
1.26 - 2.24	BB-	180		0.00	1.44	2.00
2.24 - 4.09	B+	176	11	6.25	2.58	8.29
4.09 - 7.66	B	99	7	7.07	4.52	6.16
7.66 - 14.78	B-	57	2	3.51	8.78	7.85
14.78 - 22.73	CCC	89	5	5.62	16.71	6.13
22.73 - 29.58	CC	12	2	16.67	26.63	36.66
29.58 - 100.00	C	8	1	12.50	39.14	19.73

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Corporates Spec lending						
0.00 - 0.01	AAA					
0.01 - 0.02	AA+					
0.02 - 0.03	AA	10		0.00	0.03	0.00
0.03 - 0.04	AA-	5		0.00	0.04	0.00
0.04 - 0.05	A+	12		0.00	0.05	0.09
0.05 - 0.07	A	30		0.00	0.06	0.00
0.07 - 0.11	A-	132		0.00	0.09	0.08
0.11 - 0.17	BBB+	535		0.00	0.17	0.04
0.17 - 0.27	BBB	901	1	0.11	0.22	0.14
0.27 - 0.44	BBB-	1,486	29	1.95	0.34	0.61
0.44 - 0.73	BB+	1,445	21	1.45	0.46	0.46
0.73 - 1.26	BB	1,593	5	0.31	0.83	0.44
1.26 - 2.24	BB-	1,126	9	0.80	1.42	0.69
2.24 - 4.09	B+	397	5	1.26	2.52	1.11
4.09 - 7.66	B	228	6	2.63	4.44	2.55
7.66 - 14.78	B-	112	2	1.79	8.42	4.95
14.78 - 22.73	CCC	81	4	4.94	17.80	8.07
22.73 - 29.58	CC	65	6	9.23	22.83	14.92
29.58 - 100.00	C	23	7	30.43	31.69	34.00

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Corporates-SME						
0.00 - 0.01	AAA					
0.01 - 0.02	AA+					
0.02 - 0.03	AA	1		0.00	0.03	0.00
0.03 - 0.04	AA-	1	—	0.00	0.04	0.00
0.04 - 0.05	A+	936	7	0.75	0.05	0.34
0.05 - 0.07	A	366	1	0.27	0.07	0.23
0.07 - 0.11	A-	842	3	0.36	0.11	0.35
0.11 - 0.17	BBB+	5,167	22	0.43	0.14	0.41
0.17 - 0.27	BBB	2,683	11	0.41	0.21	0.54
0.27 - 0.44	BBB-	4,705	19	0.40	0.31	0.57
0.44 - 0.73	BB+	3,780	28	0.74	0.45	0.67
0.73 - 1.26	BB	5,847	56	0.96	0.81	1.07
1.26 - 2.24	BB-	5,934	61	1.03	1.39	1.42
2.24 - 4.09	B+	3,643	94	2.58	2.40	2.66
4.09 - 7.66	B	2,704	81	3.00	4.31	3.96
7.66 - 14.78	B-	931	74	7.95	8.44	7.66
14.78 - 22.73	CCC	672	77	11.46	15.72	13.08
22.73 - 29.58	CC	212	51	24.06	23.31	19.15
29.58 - 100.00	C	232	51	21.98	38.31	26.90

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Corporates-Other						
0.00 - 0.01	AAA	4		0.00	0.03	0.00
0.01 - 0.02	AA+	12		0.00	0.03	0.00
0.02 - 0.03	AA	31		0.00	0.03	0.49
0.03 - 0.04	AA-	28		0.00	0.04	0.00
0.04 - 0.05	A+	221		0.00	0.05	0.39
0.05 - 0.07	A	235	1	0.43	0.07	0.18
0.07 - 0.11	A-	479	1	0.21	0.10	0.45
0.11 - 0.17	BBB+	2,467	11	0.45	0.16	0.51
0.17 - 0.27	BBB	2,304	11	0.48	0.23	0.47
0.27 - 0.44	BBB-	4,458	27	0.61	0.35	0.56
0.44 - 0.73	BB+	4,034	36	0.89	0.48	0.77
0.73 - 1.26	BB	4,713	25	0.53	0.83	0.94
1.26 - 2.24	BB-	4,865	55	1.13	1.42	1.56
2.24 - 4.09	B+	3,030	70	2.31	2.51	3.00
4.09 - 7.66	B	2,385	48	2.01	4.43	3.30
7.66 - 14.78	B-	930	45	4.84	8.57	7.69
14.78 - 22.73	CCC	893	74	8.29	16.89	12.54
22.73 - 29.58	CC	372	40	10.75	24.92	14.58
29.58 - 100.00	C	247	43	17.41	35.59	24.28

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Retail - Secured by immovable property SME						
0.00 - 0.01	AAA					
0.01 - 0.02	AA+					
0.02 - 0.03	AA	637		0.00	0.03	0.00
0.03 - 0.04	AA-	2,393	1	0.04	0.04	0.08
0.04 - 0.05	A+	1,176	2	0.17	0.05	0.17
0.05 - 0.07	A	472	1	0.21	0.07	0.04
0.07 - 0.11	A-	7,811	6	0.08	0.10	0.19
0.11 - 0.17	BBB+	10,033	23	0.23	0.17	0.30
0.17 - 0.27	BBB	4,865	19	0.39	0.24	0.42
0.27 - 0.44	BBB-	7,756	20	0.26	0.39	0.54
0.44 - 0.73	BB+	7,167	39	0.54	0.56	0.78
0.73 - 1.26	BB	6,837	55	0.80	1.03	0.91
1.26 - 2.24	BB-	6,027	56	0.93	1.47	1.01
2.24 - 4.09	B+	3,304	55	1.66	2.65	2.01
4.09 - 7.66	B	1,456	43	2.95	4.74	3.49
7.66 - 14.78	B-	817	63	7.71	8.65	7.56
14.78 - 22.73	CCC	685	91	13.28	16.43	10.53
22.73 - 29.58	CC	171	42	24.56	25.83	18.77
29.58 - 100.00	C	271	77	28.41	41.08	30.78

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Retail - Secured by immovable property non-SME						
0.00 - 0.01	AAA	65,202	9	0.01	0.03	0.01
0.01 - 0.02	AA+	69,952	30	0.04	0.03	0.07
0.02 - 0.03	AA	73,699	45	0.06	0.04	0.11
0.03 - 0.04	AA-	56,645	40	0.07	0.05	0.09
0.04 - 0.05	A+	32,513	20	0.06	0.05	0.07
0.05 - 0.07	A	119,687	121	0.10	0.06	0.08
0.07 - 0.11	A-	248,406	305	0.12	0.10	0.12
0.11 - 0.17	BBB+	260,457	896	0.34	0.13	0.37
0.17 - 0.27	BBB	309,023	808	0.26	0.18	0.25
0.27 - 0.44	BBB-	251,893	1,011	0.40	0.29	0.47
0.44 - 0.73	BB+	133,966	754	0.56	0.50	0.73
0.73 - 1.26	BB	37,384	291	0.78	0.83	1.10
1.26 - 2.24	BB-	27,871	380	1.36	1.23	1.50
2.24 - 4.09	B+	18,577	378	2.03	2.80	2.78
4.09 - 7.66	B	5,495	204	3.71	5.14	6.21
7.66 - 14.78	B-	10,938	536	4.90	7.90	5.64
14.78 - 22.73	CCC	5,193	501	9.65	16.39	12.03
22.73 - 29.58	CC	1,740	265	15.23	27.00	21.66
29.58 - 100.00	C	4,026	1,074	26.68	44.50	32.40

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Retail Other SME						
0.00 - 0.01	AAA					
0.01 - 0.02	AA+					
0.02 - 0.03	AA	3,670	1	0.03	0.03	0.08
0.03 - 0.04	AA-	2,114	2	0.09	0.04	0.09
0.04 - 0.05	A+	6,959	10	0.14	0.06	0.16
0.05 - 0.07	A	2,935	7	0.24	0.07	0.18
0.07 - 0.11	A-	18,340	29	0.16	0.10	0.18
0.11 - 0.17	BBB+	28,133	162	0.58	0.23	0.49
0.17 - 0.27	BBB	27,155	121	0.45	0.27	0.41
0.27 - 0.44	BBB-	29,247	254	0.87	0.51	0.76
0.44 - 0.73	BB+	27,608	419	1.52	0.62	1.14
0.73 - 1.26	BB	30,972	911	2.94	1.11	2.69
1.26 - 2.24	BB-	34,561	3,070	8.88	1.48	7.68
2.24 - 4.09	B+	33,070	4,705	14.23	2.83	14.14
4.09 - 7.66	B	11,059	1,367	12.36	4.86	11.93
7.66 - 14.78	B-	5,220	661	12.66	8.85	11.57
14.78 - 22.73	CCC	2,981	588	19.72	16.22	23.48
22.73 - 29.58	CC	928	335	36.10	25.75	33.95
29.58 - 100.00	C	1,158	529	45.68	44.67	48.84

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates)

2024

PD Range	External rating equivalent	Number of obligors at the end of the year	of which: number of obligors which defaulted during the year	Observed average default rate (%)	Average PD (%)	Average historical annual default (%)
Retail Other non-SME						
0.00 - 0.01	AAA	2,090,723	1,136	0.05	0.03	0.06
0.01 - 0.02	AA+	817,666	885	0.11	0.03	0.14
0.02 - 0.03	AA	32,152	35	0.11	0.03	0.07
0.03 - 0.04	AA-	632,163	663	0.10	0.04	0.13
0.04 - 0.05	A+	17,587	34	0.19	0.06	0.11
0.05 - 0.07	A	12,083	17	0.14	0.08	0.10
0.07 - 0.11	A-	211,076	515	0.24	0.10	0.18
0.11 - 0.17	BBB+	991,989	2,363	0.24	0.13	0.24
0.17 - 0.27	BBB	392,173	1,251	0.32	0.24	0.25
0.27 - 0.44	BBB-	253,203	1,377	0.54	0.34	0.54
0.44 - 0.73	BB+	336,017	21,679	6.45	0.50	5.26
0.73 - 1.26	BB	314,662	2,805	0.89	0.77	0.78
1.26 - 2.24	BB-	486,124	13,351	2.75	1.51	2.13
2.24 - 4.09	B+	420,977	7,464	1.77	2.58	1.55
4.09 - 7.66	B	101,839	3,977	3.91	4.07	4.21
7.66 - 14.78	B-	81,777	6,602	8.07	8.30	8.65
14.78 - 22.73	CCC	40,608	6,642	16.36	16.61	13.04
22.73 - 29.58	CC	2,058	655	31.83	29.23	29.23
29.58 - 100.00	C	19,097	4,471	23.41	36.41	32.34

It should be noted that some of the observed values related to low number of observations (in particular for Sovereigns), hence the numbers should be interpreted with care. For some of the ratings, in particular for the Corporate exposures class, some of the observed values fall above the range of estimation. Until the models have been redeveloped and approved in the context of incorporating new regulations, this has been compensated by add-ons or other prudential measures. Overall, the EL backtest (see EU CR9) does not exhibit underestimations.

Simple risk weight method

A small part of the equity exposure of ING's portfolio is subject to the simple risk weight method for calculating the regulatory capital.

The table below shows more details on the equity exposure for which the simple risk weight method is used.

EU CR10.5 – Equity exposures under the simple risk-weighted approach

Equity exposures under the simple risk-weighted approach									
	On balance sheet amount		**RW**	**Exposure amount**		**RWA**		**Capital requirements**	
Categories	**2024**	**2023**		**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Private equity exposures	141	126	290 %	141	126	409	366	33	29
Exchange-traded equity exposures	523	577	190 %	523	577	993	1,097	79	88
Other equity exposures			370 %						
Total	**664**	**703**		**664**	**703**	**1,402**	**1,462**	**112**	**117**

In 2024, the total value of ING equity investments reported under simple risk weighted approach decreased by EUR 40 million to EUR 664 million (2023: EUR 703 million). As a result, the total value of RWA under simple risk weight method and the total value of regulatory capital decreased by EUR 60 million and EUR 5 million respectively.

Standardised Approach

List of the nominated ECAI/ECA per exposure class/item class

Based on article 444, ING is required to disclose the names of the nominated ECAIs and ECAs and the reasons for any changes in those nominations over the disclosure period, and the exposure classes for which each ECAI or ECA is used.

Name of the nominated ECAI	Type of the External Rating	Exposure class	Item Class
KBRA	Transaction rating	Institutions/Corporate	Capital Call Facilities
Fitch	Transaction rating	Institutions/Corporate	Capital Call Facilities
AM Best	Issuer rating	Institutions/Corporate	Insurance Companies
Moody's	Issuer/Issue rating (related to public ratings – availability as specified in the External Ratings Procedure)	All exposure classes	For all asset types
Fitch			
S&P			

Name of the nominated ECA	Type of the External Rating	Exposure class	Item Class
Atradius Dutch State Business (DSB) and consensus Country Risk Classification (Art 137(1))	When the external rating of nominated ECAI is not available for the exposure class: central governments or central banks, ING can use credit assessments of the nominated ECA (based on MEIP score)	Central governments or central banks	For all asset types of the respective exposure class

ING receives issue and issuer data feeds from the nominated ECAIs on external credit assessments (also known as external ratings). This is provided for the intended scope and in line with the internal rating strategy.

For all types of issuer level external ratings, 1st line of defense inserts the reference ID to an ECAI in the internal system which then automatically gets the external rating from the data feed. The trigger to get the rating into internal system is to activate the respective cross-reference with the ID. That is used to match the correct entity in the internal system and upload its rating data.

For certain type of issue level external ratings, 1st and 2nd line of defense feeds the external ratings directly into the system where the equivalent CQSs to the external ratings are stored in a reference data table format. Reference data tables are updated and distributed to all subscribed systems. For remaining types of issue level external ratings, Bloomberg code is used to automatically obtain the external ratings into internal systems.

After the obtained external ratings/CQSs are processed by 1st and 2nd line of defense in the system, they are automatically fed into internal system for RWA calculations. The process for SA calculation is automated and it does not allow for manual intervention. CQS at the issue level follow the same process for SA calculations as any external rating at the issuer level.

Exposures before and after risk mitigation for the SA portfolio

The table below shows how credit risk mitigation (CRM) in the SA portfolio is distributed over the exposure classes. ING's exposure value is shown before and after credit risk mitigation. There are three principal methods for reducing or mitigating Credit Risk: i) by reduction of credit risk through the acceptance of pledged financial assets as collateral or mitigation or shifting of credit risks to a lower risk weighting group, ii) by accepting guarantees from unrelated third parties, or iii) secured by mortgages. ING uses these methods to take CRM effects into account. For financial markets collateral, ING uses the Financial Collateral Comprehensive Method to allow for mitigation effects.

The table below illustrates the effect of all CRM techniques applied in accordance with the Part Three, Title II, Chapter 4 of Regulation (EU) 575/2013 on the standardised approach capital requirements' calculations.

EU CR4 – standardised approach – Credit risk exposure and CRM effects

2024	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes	On-Balance Sheet exposures	Off-Balance Sheet exposures	On-Balance Sheet exposures	Off-Balance Sheet exposures	RWAs	RWAs density (%)
Central governments or central banks	151,593	264,936	152,680	2,900	1,766	1.14
Regional government or local authorities	142	26	142		107	75.55
Public sector entities						
Multilateral development banks	5,204	4,465	5,500	37		
International organisations	2,677	5,961	2,677			
Institutions	193	109	202	34	54	22.77
Corporates	4,900	6,778	7,107	593	5,286	68.66
Retail	19,062	11,025	16,407	2,704	13,750	71.95
Secured by mortgages on immovable property	17,015	625	17,015	232	6,390	37.05
Exposures in default	891	131	620	36	786	119.73
Exposures associated with particularly high risk	95	14	94	6	145	144.50
Covered bonds						
Institutions and corporates with a short-term credit assessment						
Collective investment undertakings						
Equity						
Other items						
TOTAL	**201,771**	**294,070**	**202,444**	**6,542**	**28,283**	**13.53**

EU CR4 – standardised approach – Credit risk exposure and CRM effects

2023	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
Exposure classes	On-Balance Sheet exposures	Off-Balance Sheet exposures	On-Balance Sheet exposures	Off-Balance Sheet exposures	RWAs	RWAs density (%)
Central governments or central banks	165,852	252,838	166,489	3,159	1,662	0.98
Regional government or local authorities	66	27	66		30	45.42
Public sector entities						
Multilateral development banks	4,318	5,733	4,788	38		
International organisations	2,550	9,140	2,550			
Institutions	436	150	3,071	29	687	22.15
Corporates	5,525	5,418	5,257	541	5,407	93.26
Retail	17,404	10,056	14,714	2,438	12,359	72.05
Secured by mortgages on immovable property	16,604	657	16,604	278	6,391	37.86
Exposures in default	846	112	574	29	717	119.00
Exposures associated with particularly high risk	204	35	202	18	325	147.04
Covered bonds						
Institutions and corporates with a short-term credit assessment						
Collective investment undertakings						
Equity						
Other items						
TOTAL	**213,807**	**284,167**	**214,317**	**6,530**	**27,579**	**12.49**

The total SA exposure slightly decreased to EUR 496 billion in 2024 and was mainly witnessed in exposure classes International organizations and Central government or central banks, partly offset by increase in Retail. The overall RWA slightly decreased to EUR 28.3 billion.

Risk weights per exposure class

The table below presents the breakdown, post conversion factor and post risk mitigation techniques, of exposures under the Standardised approach by exposure class and risk weight (corresponding to the riskiness attributed to the exposure according to SA approach). The risk weights presented encompass all those assigned to each credit quality step in Article 113 to Article 134 in Part Three, Title II, Chapter 2 of Regulation (EU) 575/2013.

EU CR5:Standardised approach Post-CCF and Post-CRM Techniques

2024	Risk weight															Total	Of which unrated
Exposure classes	0 %	2 %	4 %	10 %	20 %	35 %	50 %	70 %	75 %	100 %	150 %	250 %	370 %	1250 %	Others		
Central governments or central banks	154,022				183		88			489	798					**155,580**	
Regional government or local authorities					43					98						**142**	
Public sector entities																	
Multilateral development banks	5,537															**5,537**	
International organisations	2,677															**2,677**	
Institutions					215		22									**236**	
Corporates					2,537		133			5,030						**7,700**	
Retail exposures						263			18,847							**19,111**	
Exposures secured by mortgages on immovable property						14,898	2,236			113						**17,247**	
Exposures in default										397	259					**656**	
Exposures associated with particularly high risk											100					**100**	
Covered bonds																	
Exposures to institutions and corporates with a short-term credit assessment																	
Units or shares in collective investment undertakings																	
Equity exposures																	
Other items																	
TOTAL	**162,236**				**2,978**	**15,162**	**2,479**		**18,847**	**6,128**	**1,157**					**208,987**	

EU CR5:Standardised approach Post-CCF and Post-CRM Techniques																
2023	Risk weight														Total	Of which unrated
Exposure classes	0 %	2 %	4 %	10 %	20 %	35 %	50 %	70 %	75 %	100 %	150 %	250 %	370 %	1250 %	Others		
Central governments or central banks	166,307		822	338	755		312			764	350					**169,648**	
Regional government or local authorities					45					21						**66**	
Public sector entities																	
Multilateral development banks	4,826															**4,826**	
International organisations	2,550															**2,550**	
Institutions					2,940		122			38						**3,101**	
Corporates					92		6			5,626	74					**5,798**	
Retail exposures						215			16,937							**17,152**	
Exposures secured by mortgages on immovable property						13,256	3,531			95						**16,883**	
Exposures in default										374	229					**603**	
Exposures associated with particularly high risk											221					**221**	
Covered bonds																	
Exposures to institutions and corporates with a short-term credit assessment																	
Units or shares in collective investment undertakings																	
Equity exposures																	
Other items																	
TOTAL	**173,683**		**822**	**338**	**3,833**	**13,472**	**3,971**		**16,937**	**6,917**	**874**					**220,847**	

Also here, the main exposure of the SA portfolio is in Central governments or central banks with a low risk weight.

Counterparty Credit Risk

The main activities that qualify under counterparty credit risk are derivatives trading activities and securities financing. To mitigate the credit risk of these transactions, ING enters into master agreements such as ISDA master agreements and Global Master Repurchase Agreements (GMRAs) that ensures netting of the outstanding positions. To further eliminate the risk on the netted positions, both ING Bank and its counterparties may agree to pledge additional collateral to each other. Additionally, ING started to exchange initial margin amounts with its trading partners in 2017. The actual amount that ING may be required to pledge varies based on ING's portfolio composition of both derivatives and securities pledged in securities financing transactions, market circumstances, the number of downgrade notches as well as the terms and conditions of future CSAs or other similar agreements.

CCR risk approach

Analysis of the counterparty credit risk exposure by approach

The main purpose of the derivatives portfolio of ING is to facilitate the hedging of the lending portfolio as well as hedging for clients. The portfolio consists mainly plain vanilla interest rate and foreign exchange derivatives. It must also be noted that - in line with regulatory requirement - ING novated the bulk of its new trades via qualifying central counterparties (CCPs), which compresses the exposure via the use of the large netting pool of a CCP.

In the tables below, ING's counterparty credit risk portfolio is presented. The tables are reported following the implementation of the updated reporting requirements under CRR2, as a result comparative numbers are not available for all the templates. Under Pillar 1 ING uses the Standardized Approach for Counterparty Credit Risk (SA-CCR) (in line with CRR art. 274). In June 2021 ING went live with the SA-CCR, which replaced the current exposure method (CEM)/ mark-to-market method. There are no exposures under the advanced, Internal Model Method (IMM) under Pillar1. Under Pillar 2 however, for FX and interest rate derivatives, ING uses a risk sensitive approach based on Monte Carlo simulations.

For the calculation of the collateral and securities financing transactions (SFT) exposures, ING uses the financial collateral comprehensive method. There is no contractual cross product netting applied.

Under Pillar 1, according to the SA-CCR, the regulatory exposure at default (READ) measure consists of the replacement cost and potential future exposure components. The exposure at default is calculated on a daily basis to take into account the changes in the MTM value due to market movements and changes in the portfolio composition. This calculation is done on:

- Gross basis (ignoring any collateral received and ignoring any netting between trades).
- Net basis (ignoring any collateral received, but applying netting between trades with a positive and negative MTM in case there is a legally enforceable netting agreement in place).
- Net basis after collateral (subtracting any post haircut value of collateral received, and applying netting between trades with a positive and negative MTM in case there is a legally enforceable netting agreement in place).

READ also takes into account the credit valuation adjustment (CVA) recognised as an incurred write-down in line with art. 273(6) CRR.

Standardised approach – CCR exposures by regulatory portfolio and risk

The following table presents the CCR exposures that are calculated according the Standardised approach (SA), which is only an insignificant part of ING's portfolio.

EU CCR3: Standardised approach CCR exposures by regulatory portfolio and risk

2024

		Risk Weight											
	Exposure Class	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	**Total**
1	Central governments or central banks	6,572				114	7			42			**6,735**
2	Regional government or local authorities												
3	Public sector entities												
4	Multilateral development banks	6,114											**6,114**
5	International organisations	26											**26**
6	Institutions						2						**2**
7	Corporates						1			77			**78**
8	Retail								1				**1**
9	Institutions and corporates with a short-term credit assessment												
10	Other items												
11	**Total exposure value**	**12,712**				**114**	**10**		**1**	**119**			**12,956**

EU CCR3: Standardised approach CCR exposures by regulatory portfolio and risk

2023

		Risk Weight											
	Exposure Class	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	**Total**
1	Central governments or central banks	1,807			59	142	14			25			**2,047**
2	Regional government or local authorities												
3	Public sector entities												
4	Multilateral development banks	6,566											**6,566**
5	International organisations	55											**55**
6	Institutions						9						**9**
7	Corporates						3			65	55		**123**
8	Retail												
9	Institutions and corporates with a short-term credit assessment												
10	Other items												
11	**Total exposure value**	**8,428**			**59**	**142**	**25**			**90**	**55**		**8,801**

The 100% risk weight exposures to central governments or central banks contain mainly FX swaps with central monetary institutions.

IRB – CCR exposures by portfolio and PD scale

The following table shows all relevant parameters used for the calculation of CCR capital requirements for IRB models.

EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

2024 PD Scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
Corporates - Other							
0.00 to <0.15	8,284	0.10	524	33.87	1	1,415	0.17
0.15 to <0.25	3,384	0.19	585	42.66	2	1,169	0.35
0.25 to <0.50	3,449	0.38	881	39.95	1	1,742	0.50
0.50 to <0.75	—	0.49	1	31.45	1	0	0.33
0.75 to <2.50	1,980	1.01	857	37.12	1	1,480	0.75
2.50 to <10.00	71	3.54	227	49.94	2	113	1.60
10.00 to <100.00	14	27.81	157	55.41	2	45	3.29
100.00 (Default)	2	100.00	18	48.68	3	15	6.38
Sub-total	**17,184**	**0.33**	**3,250**	**37.28**	**1**	**5,979**	**0.35**
Corporates - SME							
0.00 to <0.15	4	0.09	365	96.75	2	2	0.37
0.15 to <0.25	191	0.21	493	47.20	1	67	0.35
0.25 to <0.50	133	0.37	599	56.60	2	90	0.68
0.50 to <0.75	26	0.61	333	48.80	3	19	0.75
0.75 to <2.50	62	1.29	723	58.12	2	72	1.16
2.50 to <10.00	11	4.44	365	41.16	3	14	1.22
10.00 to <100.00	7	12.59	248	38.22	4	12	1.56
100.00 (Default)	1	100.00	38	48.54	1	7	6.67
Sub-total	**436**	**1.00**	**3,164**	**51.92**	**2**	**282**	**0.65**
Corporates - Specialised lending							
0.00 to <0.15	728	0.14	371	32.14	5	336	0.46
0.15 to <0.25	344	0.21	316	44.68	3	203	0.59
0.25 to <0.50	1,376	0.36	660	37.23	3	1,028	0.75
0.50 to <0.75	28	0.66	44	35.19	4	20	0.73
0.75 to <2.50	389	0.90	215	38.00	4	428	1.10
2.50 to <10.00	43	7.32	45	50.45	3	119	2.76
10.00 to <100.00	3	17.88	58	65.38	5	14	4.43
100.00 (Default)	6	100.00	11	35.82	4	40	6.48
Sub-total	**2,918**	**0.70**	**1,720**	**37.14**	**4**	**2,188**	**0.75**
Institutions							
0.00 to <0.15	14,040	0.07	998	37.37	1	2,648	0.19
0.15 to <0.25	937	0.21	233	39.06	1	315	0.34
0.25 to <0.50	843	0.37	376	38.18	1	419	0.50
0.50 to <0.75			3				
0.75 to <2.50	262	1.12	494	47.20		234	0.89
2.50 to <10.00	17	3.24	89	39.91		18	1.04
10.00 to <100.00	5	17.88	98	52.20	1	14	3.09
100.00 (Default)	—	100.00	4	59.94	1	2	7.49
Sub-total	**16,104**	**0.12**	**2,295**	**37.68**	**1**	**3,650**	**0.23**
Retail - Other							
0.00 to <0.15	5	0.07	102	127.09		1	0.24
0.15 to <0.25		0.19	34	140.58			0.59
0.25 to <0.50	3	0.35	10	108.67		2	0.69
0.50 to <0.75			3				
0.75 to <2.50	1	2.48	53	140.58		2	2.01
2.50 to <10.00		2.65	12	140.58			2.03
10.00 to <100.00		16.32	71	30.38			0.76
100.00 (Default)							
Sub-total	**10**	**1.07**	**285**	**120.39**		**7**	**0.64**
Retail - SME							
0.00 to <0.15	1	0.09	130	109.86			0.22
0.15 to <0.25		0.18	130	123.40			0.47
0.25 to <0.50		0.40	175	87.19			0.47
0.50 to <0.75		0.63	39	94.74		1	1.01
0.75 to <2.50	1	1.31	169	55.17		1	0.67
2.50 to <10.00		4.58	106	88.89			1.25
10.00 to <100.00		16.10	151	121.81		1	2.60
100.00 (Default)			46				
Sub-total	**3**	**2.12**	**946**	**89.64**		**2**	**0.79**
Total	**36,654**	**0.27**	**11,660**	**37.64**	**2**	**12,109**	**0.33**

All figures are in EUR millions, except for the number of obligors.

RWA density is the average risk weight.

Collateral held on exposure values

Collateral

The composition of collated ING posted/received used in CCR exposures and related to SFT transactions can be observed in the following table.

EU CCR5 – Composition of collateral for CCR exposures

2024	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
Collateral type	Segregated	Un-Segregated	Segregated	Un-Segregated	Segregated	Un-Segregated	Segregated	Un-Segregated
Cash – domestic currency	2,160	2,049	2,001	2,580	6	306		2,220
Cash – other currencies	645	2,148	4,278	1,110		912		1,469
Domestic sovereign debt	940	312	2,892	435		52,608	1,588	53,441
Other sovereign debt	1,087	627	2,507	15		106,808	618	95,539
Government agency debt						43		52
Corporate bonds	499	575	1,268			14,173		11,758
Equity securities						25,854		21,588
Other collateral	740					52,016		78,574
Total	**6,070**	**5,712**	**12,946**	**4,141**	**6**	**252,721**	**2,206**	**264,640**

Excluding exposure class securitization

EU CCR5 – Composition of collateral for CCR exposures

2023	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
Collateral type	Segregated	Un-Segregated	Segregated	Un-Segregated	Segregated	Un-Segregated	Segregated	Un-Segregated
Cash – domestic currency	2,708	1,836	943	2,926		111		1,638
Cash – other currencies	996	1,113	3,945	1,449		203		1,418
Domestic sovereign debt	742	171	4,121	31		36,842	296	36,338
Other sovereign debt	1,664	487	1,851	55		43,150	211	41,844
Government agency debt						430		404
Corporate bonds	197	536	195			10,199		12,589
Equity securities						29,055		28,764
Other collateral	371	1				52,433		78,966
Total	**6,679**	**4,144**	**11,055**	**4,461**		**172,423**	**507**	**201,962**

Excluding exposure class securitization

The bulk of collateral posted/received is in cash and government bonds for OTC derivatives. For SFT's the majority of collateral received is sovereign debt, while the collateral posted is predominately sovereign debt, corporate bonds and other collateral.

Central Counterparties

In line with EMIR regulation - for standard products - the use of Central Clearing Parties (CCPs) is mandatory and thus a large part of the portfolio has been shifted from bilateral trades to CCPs in recent years

The table below presents the exposures to central counterparties, broken down by qualified (QCCP) and non-qualified CCPs:

EU CCR8 – Exposures to CCPs

	2024		2023	
	Exposure value	RWEA	Exposure value	RWEA
Exposures to QCCPs (total)		333		378
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	4,372	91	2,877	61
(i) OTC derivatives	2,614	56	2,355	51
(ii) Exchange-traded derivatives	843	17	168	3
(iii) SFTs	915	18	354	7
(iv) Netting sets where cross-product netting has been approved				
Segregated initial margin				
Non-segregated initial margin				
Prefunded default fund contributions	865	242	687	317
Unfunded default fund contributions				
Exposures to non-QCCPs (total)		**11**		**291**
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which	7	7	118	278
(i) OTC derivatives	7	7		
(ii) Exchange-traded derivatives				
(iii) SFTs			118	278
(iv) Netting sets where cross-product netting has been approved				
Segregated initial margin				
Non-segregated initial margin				
Prefunded default fund contributions		4	1	7
Unfunded default fund contributions			1	6

1 By definition segregated initial margin does not contribute to exposure
2 The status "qualified" is based on the European Securities and Markets Authority (ESMA) qualification.

Note: ING reports CCPs as "qualified" CCPs (QCCPs) if they have files for the European Securities and Markets Authority (ESMA) approval, that enables credit institutions to calculate capital in a preferential way.

CVA risk

The CRR/CRD IV introduced a regulatory capital charge for material increases in the Credit Valuation Adjustment (CVA), the market price of the counterparty credit risk of derivatives. In particular, as credit spreads of ING's counterparties increase, CVA will increase as well and ING will incur a loss.

ING follows the standardised approach for calculating the own fund requirement for CVA Risk. The scope of products and counterparties follows the European regulations (CRR and EMIR).

EU CCR2 – Transactions subject to own funds requirements for CVA risk

		2024		2023	
		Exposure value	RWAs	Exposure value	RWAs
1	Total transactions subject to the Advanced method				
2	(i) VaR component (including the 3× multiplier)				
3	(ii) stressed VaR component (including the 3× multiplier)				
4	Transactions subject to the Standardised method	8,563	1,027	6,197	1,150
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)				
5	**Total transactions subject to own funds requirements for CVA risk**	**8,563**	**1,027**	6,197	1,150

Credit default swaps

ING participates in the credit risk derivative trading market, as a net purchaser of credit risk protection from other counterparties.

EU CCR6: Credit derivatives exposures

	2024		2023	
	Protection bought	Protection sold	Protection bought	Protection sold
Notionals				
Single-name credit default swaps	11,725	8,154	10,775	8,154
Index credit default swaps	9,960	7,736	3,008	1,806
Total return swaps	4,235		3,628	
Credit options				
Other credit derivatives				
Total notionals	**25,920**	**15,889**	**17,410**	**9,959**
Fair values				
Positive fair value (asset)	21	288	12	160
Negative fair value (liability)	-615		-586	-10

For ING's credit derivative positions as of 31 December 2024, the largest notional is under single-name credit default swap (CDS).

EU CCR1 – Analysis of CCR exposure by approach

2024	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1 EU - Original Exposure Method (for derivatives)				1.4				
EU-2 EU - Simplified SA-CCR (for derivatives)				1.4				
1 SA-CCR (for derivatives)	9,367	13,821		1.4	40,896	32,012	31,866	9,853
2 IMM (for derivatives and SFTs)								
2a Of which securities financing transactions netting sets								
2b Of which derivatives and long settlement transactions netting sets								
2c Of which from contractual cross-product netting sets								
3 Financial collateral simple method (for SFTs)								
4 Financial collateral comprehensive method (for SFTs)					29,053	17,737	17,737	2,395
5 VaR for SFTs								
6 Total					**69,948**	**49,748**	**49,603**	**12,249**

EU CCR1 – Analysis of CCR exposure by approach

2023	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1 EU - Original Exposure Method (for derivatives)				1.4				
EU-2 EU - Simplified SA-CCR (for derivatives)				1.4				
1 SA-CCR (for derivatives)	8,314	11,961		1.4	36,606	28,172	28,041	8,565
2 IMM (for derivatives and SFTs)								
2a *Of which securities financing transactions netting sets*								
2b *Of which derivatives and long settlement transactions netting sets*								
2c *Of which from contractual cross-product netting sets*								
3 Financial collateral simple method (for SFTs)								
4 Financial collateral comprehensive method (for SFTs)					24,166	12,906	12,906	2,037
5 VaR for SFTs								
6 Total					**60,772**	**41,079**	**40,947**	**10,602**

Securitisations

The following is prepared taking into account the 'Industry Good Practice Guidelines on Pillar 3 disclosure requirements for securitisations' issued by the European Banking Federation and other industry associations on 31 January 2010 and the CRR/CRD IV disclosure requirements. It includes qualitative and quantitative disclosures addressing both the exposure securitised as well as securitisations positions held. While quantitative disclosures are limited to those securitisations that are used for the purpose of calculating the regulatory capital requirements under the CRR/CRD IV, qualitative information have a broader scope and give a view on ING's entire securitisation activity.

Depending on ING's role as investor, originator, or sponsor, the objectives, the involvement and the rules applied may be different. ING is primarily engaged in securitisation transactions in the role of investor (in securitisations arranged by others). ING is also an originator or sponsor of securitisations and the latter through its support of the ABCP conduit MontBlanc. ING does not re-securitise its securitisations exposure and even though ING hedges its securitisation positions, such instruments are not recognised as credit risk mitigation for regulatory capital purposes. ING does not engage in securitisation of any impaired assets from its own balance. Furthermore, ING does not have any securitisation position in its trading book.

Exposures associated with Securitisations (Asset Backed Financing, Commercial / Residential Mortgage Backed Securities) are shown separately because of their specific treatment. These amounts also relate to the amount invested prior to any impairment or mark-to-market adjustments. These amounts are also considered to be 'Credit Risk outstanding'.

Valuation and accounting policies

ING's activities regarding securitisations are described in Note 49 'Structured entities' in the annual accounts. The applicable accounting policies are included in Note 1 'Basis of preparation and accounting policies' in the ING Financial Statements. The most relevant accounting policies for ING's own originated securitisation programmes are 'Derecognition of financial assets' and 'Consolidation'. Where ING acts as investor in securitisation positions, the most relevant accounting policy is 'Classification and measurement of financial instruments'.

Regulatory capital methodology

ING has implemented SEC-IRB, SEC-SA, SEC-ERBA and SEC-IAA in line with of Regulation 2017/2401. This regulation became effective for securitisations originated as of 1 January 2019 and as of 1 January 2020 for all securitisation positions.

For securitisations originated before 1 January 2019, ING continued to use the AIRB approach for credit risk. For these positions ING uses the Rating Based Approach (RBA) for investments in tranches of asset-backed securities (ABS) and mortgage-backed securities (MBS) which have been rated by external rating agencies. Rating agencies which are used by ING under the RBA include Standard & Poor's, Fitch and Moody's.

Under the RBA, RWA are determined by multiplying the amount of the exposure by the appropriate regulatory risk weights, which depend on: the external rating or an available inferred rating, the seniority of the position and the granularity of the position.

ING uses the Internal Assessment Approach (IAA) for the liquidity support facilities it provides to Asset Backed Commercial Paper (ABCP) conduit Mont Blanc Capital Corp., based on externally published rating agency methodologies. Under the IAA approach, the unrated position is assigned by the institution to an internal rating grade. The individual liquidity facilities are then attributed a derived rating by mapping the internal rating grade to an externally published credit assessment corresponding to that rating grade.

For securitisations originated after 1 January 2019, ING applies the hierarchy of methods as introduced in Regulation 2017/2401. Following the prescribed hierarchy securitisation positions are reported under SEC-IRBA, SEC-SA, SEC-ERBA or SEC-IAA. As of 1-1-2020 all securitisation positions will be reported under the SEC-IRBA, SEC-SA, SEC-ERBA or SEC-IAA approach based on the regulatory hierarchy of methods.

Under all approaches in the hierarchy, the risk weight for STS-compliant securitizations is subject to a floor of 10% for senior tranches and 15% for non-senior tranches.

Investor securitisations

ING's goal is to maintain a portfolio of high quality liquid assets that meets the regulatory requirements of CRR/CRD IV and the Delegated Act of October 2014 regarding liquidity. ING invests in high quality Asset Backed Securities (ABS) keeping close track of the securitisation investment positions via monthly monitoring reports and weekly update calls. Additionally, ING invests in securitisation positions in order to facilitate client business from Wholesale Banking Securitisation department.

Sponsor securitisations

In the normal course of business, ING structures financing transactions for its clients by assisting them in obtaining sources of liquidity by selling the clients' receivables or other financial assets to a Special Purpose Vehicle (SSPE). The senior positions in these transactions are funded by the ING administered multi seller Asset Backed Commercial Paper (ABCP) conduit Mont Blanc Capital Corp. (rated A-1/P-1). Mont Blanc Capital Corp. funds itself externally in the ABCP markets.

In its role as administrative agent, ING facilitates these transactions by acting as administrative agent, swap counterparty and liquidity provider to Mont Blanc. ING also provides support facilities (liquidity) backing the transactions funded by the conduit. The types of asset currently in the Mont Blanc conduit include trade receivables, consumer finance receivables and car leases.

ING supports the commercial paper programmes by providing Mont Blanc Capital Corp. with short-term liquidity facilities. Once drawn these facilities bear normal credit risk.

The standby liquidity facilities are reported under irrevocable facilities. All facilities, which vary in risk profile, are granted to the SSPE subject to normal ING credit and liquidity risk analysis procedures. The fees received for services provided and for facilities are charged subject to market conditions. Mont Blanc is consolidated by ING. These transactions are therefore on-balance sheet arrangements.

In line with the Internal Assessment Approach, which has been approved for use by ECB for ING in relation to the ING sponsored ABCP conduit, Mont Blanc Capital Corp, the credit quality of the positions are internally assessed by following publicly available assessment methodology of external rating agencies. This includes differing stress factors for different asset classes as outlined by rating agencies as well as assessing the entire structure of the transaction including additional quantitative and qualitative features. This will result in the calculation of a certain credit enhancement. Other protections in a transaction (eligibility criteria, early amortization triggers, commingling protections etc.) are factored in and that then results in an internal rating. This rating is then directly mapped to an external rating, which is used to determine the RWA for the liquidity facilities provided by ING to support the transactions and is outlined in a defined approach. Any changes to rating agency methodology is tracked annually with a procedure in place with the credit risk measurement department verifying that any changes are captured in an update to the approach.

The credit approval process for individual transactions follows ING's standard credit approval procedures. At inception, initial data is required to be received outlining the historical performance of the assets. Due diligence is carried out on the underlying asset pool. Following ING policy, each transaction is reviewed (including reassessing the internal assessment approach analysis for that transaction) on a regular basis.

The performance of each transaction is closely monitored on an ongoing basis through a.o. detailed transaction reports.

Originator securitisations

ING originates own securitisation transactions for economic and regulatory capital purposes, as well as liquidity and funding purposes.

The senior tranches in securitisations are used to obtain funding and/or provide contingent liquidity. To be eligible as collateral for central banks securitised exposures must be sold to a Securitisation Special Purpose Entity (SSPE) which, in turn, issues securitisation notes ('traditional securitisations') in two tranches, one subordinated tranche and one senior tranche, rated AAA by a rating agency. The AAA tranche can then be used by ING as (stand-by) collateral in the money market for secured borrowings. The assets awaiting securitisations are originated from a banking book and are valued in line with the respective accounting framework. In principle, loans that are securitised are valued at cost.

As long as the securitisation exposures created are not transferred to third parties, the regulatory capital remains unchanged. These are not detailed hereunder. Apart from the structuring and administration costs of these securitisations, these securitisations are profit / loss neutral.

Securitisation Exposure

In the table below, the securitisations are given, broken down by underlying exposure. The total position of our securitisations in 2024 increased to EUR 18.1 billion (2023: EUR 17.2 billion). The underlying exposures are residential mortgages and Lease and receivables.

EU-SEC1: Securitisation exposures in the non-trading book

2024	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS			of which SRT	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
		of which SRT		of which SRT											
Total exposures					**3,064**	**3,064**	**3,064**	**4,439**	**5,319**		**9,758**	**4,333**	**987**		**5,320**
Retail (total)								1,034	4,573		5,607	2,445	308		2,753
residential mortgage								4	658		662	614	234		848
credit card								200	1,842		2,042				
other retail exposures								830	2,072		2,902	1,831	74		1,905
re-securitisation															
Wholesale (total)					3,064	3,064	3,064	3,405	747		4,152	1,888	679		2,567
loans to corporates															
commercial mortgage									243		243				
lease and receivables					3,064	3,064	3,064	3,405	503		3,908	1,888	679		2,567
other wholesale															
re-securitisation															

EU-SEC1: Securitisation exposures in the non-trading book

2023	Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
	Traditional				Synthetic			Traditional				Traditional			
	STS		Non-STS			of which SRT	Sub-total	STS	Non-STS	Synthetic	Sub-total	STS	Non-STS	Synthetic	Sub-total
		of which SRT		of which SRT											
Total exposures					**4,845**	**4,845**	**4,845**	**2,396**	**5,510**		**7,906**	**3,626**	**756**		**4,382**
Retail (total)					2,010	2,010	2,010	1,089	3,439		4,529	1,830	210		2,040
residential mortgage					2,010	2,010	2,010	4	707		711	629	128		758
credit card								200	1,472		1,672				
other retail exposures								885	1,260		2,146	1,200	82		1,282
re-securitisation															
Wholesale (total)					2,835	2,835	2,835	1,307	2,071		3,377	1,797	546		2,343
loans to corporates															
commercial mortgage									221		221				
lease and receivables					2,835	2,835	2,835	1,307	1,850		3,156	1,797	532		2,329
other wholesale													14		14
re-securitisation															

As we do not have securitization exposures in the trading book, this template is not included in the Pillar 3 report.

The following tables provides the breakdown of current exposures by risk weight bands and by regulatory approach.

EU-SEC3: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

2024	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-IRBA	SEC-ERBA (including IAA)	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
Total exposures	**9,190**	**499**		**2**			**346**	**9,345**			**36**	**1,447**	**4**		**3**	**116**	
Traditional transactions	6,128	499					346	6,281			36	969	4		3	78	
Securitisation	6,128	499					346	6,281			36	969	4		3	78	
Retail	4,566	348					11	4,903			2	791	4			63	
Of which STS	1,034							1,034				103				8	
Wholesale	1,563	151					335	1,378			34	178			3	14	
Of which STS	1,177						323	854			32	85			3	7	
Re-securitisation																	
Synthetic transactions	3,062			2				3,064				478				38	
Securitisation	3,062			2				3,064				478				38	
Retail underlying																	
Wholesale	3,062			2				3,064				478				38	
Re-securitisation																	

EU-SEC3: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor																	
2023	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-IRBA	SEC-ERBA (including IAA)	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
Total exposures	**9,974**	**469**		**7**		**2,010**	**68**	**8,373**		**286**	**8**	**1,314**		**23**	**1**	**105**	
Traditional transactions	5,137	469					68	5,538			8	871			1	70	
Securitisation	5,137	469					68	5,538			8	871			1	70	
Retail	3,994	350					9	4,335			1	708				57	
Of which STS	1,089							1,089				115				9	
Wholesale	1,143	119					59	1,203			6	163			1	13	
Of which STS	683						52	631			5	65				5	
Re-securitisation																	
Synthetic transactions	4,837			7		2,010		2,835		286		444		23		35	
Securitisation	4,837			7		2,010		2,835		286		444		23		35	
Retail underlying	2,010					2,010				286				23			
Wholesale	2,827			7				2,835				444				35	
Re-securitisation																	

EU-SEC4: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

2024	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
Total exposures	**4,957**	**362**		**1**			**2,873**	**2,447**			**298**	**365**			**24**	**29**	
Traditional securitisation	4,957	362		1			2,873	2,447			298	365			24	29	
Securitisation	4,957	362		1			2,873	2,447			298	365			24	29	
Retail underlying	2,738	14					1,596	1,157			170	131			14	10	
Of which STS	2,430	14					1,595	849			168	85			13	7	
Wholesale	2,218	348		1			1,277	1,290			128	234			10	19	
Of which STS	1,888						1,277	612			128	66			10	5	
Re-securitisation																	
Synthetic securitisation																	
Securitisation																	
Retail underlying																	
Wholesale																	
Re-securitisation																	

EU-SEC4: Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor																
2023	Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap		
	≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250%/ deductions
Total exposures	**4,034**	**347**	**1**				**3,295**	**1,087**			**345**	**213**			**28**	**17**	
Traditional securitisation	4,034	347	1				3,295	1,087			345	213			28	17	
Securitisation	4,034	347	1				3,295	1,087			345	213			28	17	
Retail underlying	2,025	14					1,802	237			194	34			16	3	
Of which STS	1,816	14					1,802	28			192	3			15		
Wholesale	2,009	333	1				1,493	850			151	179			12	14	
Of which STS	1,797						1,492	305			151	35			12	3	
Re-securitisation																	
Synthetic securitisation																	
Securitisation																	
Retail underlying																	
Wholesale																	
Re-securitisation																	

The table below provides the exposures in default for securitisations where ING acts as originator or as sponsor.

EU-SEC5: Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

2024	Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
		Of which exposures in default	
Total exposures	**77,398**	**513**	
Retail (total)	23,019	100	
residential mortgage	5,702	95	
credit card	10,594		
other retail exposures	6,723	5	
re-securitisation			
Wholesale (total)	54,379	414	
loans to corporates	1,191	4	
commercial mortgage	347		
lease and receivables	52,841	409	
other wholesale			
re-securitisation			

EU-SEC5: Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

2023	Exposures securitised by the institution - Institution acts as originator or as sponsor		
	Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
		Of which exposures in default	
Total exposures	**56,184**	**549**	
Retail (total)	19,682	132	
residential mortgage	7,168	106	
credit card	7,146		
other retail exposures	5,368	26	
re-securitisation			
Wholesale (total)	36,502	417	
loans to corporates	675		
commercial mortgage	216		
lease and receivables	35,611	417	
other wholesale			
re-securitisation			

Market Risk

Prudent Valuation Adjustments

The fair valued instruments of ING portfolio are subject to valuation adjustments, supported by a bank-wide valuation policy framework meeting IFRS and CRR requirements. Based on IFRS rules, the fair value adjustments booked through P&L or OCI reflect the fair exit price. Additionally, based on CRR Article 105 and Article 34, the Additional Valuation Adjustment (AVA) that captures the 90% confidence prudency in the fair value are deducted from the Common Equity Tier 1 capital.

EU PV1: Prudent valuation adjustments (PVA)

amounts in EUR thousands								2024			2023		
	Risk Category					Category level AVA - Valuation uncertainty		Total category level post-diversification			Total category level post-diversification		
	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book		Of which: in the trading book	Of which: in the banking book
Market price uncertainty	20,943	15,724	1,320	201,734		1,261	155	146,304	40,679	105,625	109,634	31,262	78,372
Close-out cost	33,961	6,449	320	12,678	6,640	1,039	87	37,655	31,785	5,870	31,206	27,270	3,936
Concentrated positions	8,503	5,450	257	66,247	123			80,581	6,649	73,932	33,014	848	32,165
Early termination													
Model risk	18,548	40,119	11	25,491	1,908	31,576	32,202	149,854	123,507	26,347	102,227	80,993	21,234
Operational risk													
Future administrative costs	2,871			84				2,956	2,907	49			
Total Additional Valuation Adjustments (AVAs)								**690,963**	**205,526**	**485,436**	**594,036**	**140,373**	**453,663**

The difference between the total AVA and the sum of the underlying components (internal models) is the fall-back approach.

As of 31 December 2024, the total Additional Valuation Adjustments (AVAs) is EUR 690.9 million. This total amount contains EUR 273.6 million of AVA for the fall-back approach. The move/increase is mainly driven by the increase in the concentrated positions AVA mainly due to the lower market liquidity in Q4 and the impact of the new concentrated positions AVA identification models and market price uncertainty and close-out cost mainly driven by the application of new equity valuation adjustments calculation methodology. On a quarterly basis, the fair value adjustments and additional valuation adjustments are discussed and approved in the Global Valuation and Impairment Committee (GV&IC), who oversees the bank-wide valuation framework.

Market RWA under the internal model approach (IMA)

The table below explains the changes in Market RWA under the Internal Model Approach (IMA) during 2024 and provides additional information by linking the impact of changes in portfolio composition, model changes, and shifts in the risk environment on Market RWA.

EU MR2-B: RWA flow statements of market risk exposures under the IMA

							2024		2023	
		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWEAs	Total own funds requirements	Total RWEAs	Total own funds requirements
1	**RWEAs at previous period end**	**2,508**	**4,385**	**1,746**		**810**	**9,449**	**756**	**8,609**	**689**
1a	Regulatory adjustment	2,186	3,442	395			6,023	482	5,651	452
1b	RWEAs at the previous quarter-end (end of the day)	322	943	1,351		810	3,426	274	2,958	237
2	Movement in risk levels	286	503	103		-470	422	34	174	14
3	Model updates/changes								294	24
4	Methodology and policy									
5	Acquisitions and disposals									
6	Foreign exchange movements									
7	Other									
8a	RWEAs at the end of the disclosure period (end of the day)	608	1,446	1,454		340	3,848	308	3,426	274
8b	Regulatory adjustment	1,356	3,469	3			4,828	386	6,023	482
8	**RWEAs at the end of the disclosure period**	**1,964**	**4,915**	**1,457**		**340**	**8,676**	**694**	**9,449**	**756**

1 It is required to fill in Rows 1a/1b and 8a/8b when the RWA/capital requirement for any of the columns (VaR, SVaR, IRC) is the 60-day average (for VaR and SVaR) or the 12-week average measure (for IRC) and not the RWA/capital requirement at the end of the period. According to regulatory guidelines the values in rows 1a/8b are calculated as differences between values in rows 1 and 1b and 8 and 8a, respectively.
2 Movement in risk levels: Changes due to position changes between end-of-day values for two reporting periods in question.

Key changes

The ING Bank Market RWA under Internal Model Approach decreased from EUR 9.5 billion in 2023 to EUR 8.7 billion in 2024.

Interest rate risk in the banking book (IRRBB)

EU IRRBB1 - Interest rate risks of non-trading book activities

					2024
		Changes of the economic value of equity		Changes of the net interest income*	
	Supervisory shock scenarios	**Current period**	**Last period**	**Current period**	**Last period**
1	Parallel up	-3,976	-3,482	350	348
2	Parallel down	237	621	-759	-792
3	Steepener	-467	-193		
4	Flattener	-841	-919		
5	Short rates up	-1,487	-1,608		
6	Short rates down	839	723		

EU IRRBB1 - Interest rate risks of non-trading book activities

					2023
		Changes of the economic value of equity		Changes of the net interest income*	
	Supervisory shock scenarios	**Current period**	**Last period**	**Current period**	**Last period**
1	Parallel up	-3,482	-3,600	236	142
2	Parallel down	621	630	-239	-142
3	Steepener	-193	308		
4	Flattener	-919	-1,400		
5	Short rates up	-1,608	-2,106		
6	Short rates down	723	751		

* The changes of the net interest income for current (2024) period is compared to 30.06.2024, as both periods reflect the Supervisory Outlier Test (SOT) outcomes, in line with EBA Regulatory Technical Standards. The 31.12.2023 figures were based on internal measurements and are not directly comparable to SOT results. EVE SOT figures are compared between 31.12.2024 and 31.12.2023.

Table EU IRRBBA - Qualitative information on interest rate risks of non-trading book activities			
(a)	A description of how the institution defines IRRBB for purposes of risk control and measurement.	Interest rate risk in the banking book is defined as the exposure of a bank's earnings, capital, and market value to adverse movements in interest rates originated from positions in the banking book. ING uses risk measures based on both an earnings perspective and a value perspective. The following (sub-)risk types are considered for the measurement of the interest rate risk in the banking book: Gap Risk, Customer Behaviour Risk, Tenor Basis Risk, Currency Diversion Risk, Vega Optionality Risk and IFRS P&L Volatility. Next to this, ING measures Market Risk Economic Capital for the banking book. ING recognises the importance of sound market risk management and bases its market risk management framework on the need to identify, assess, control, and manage market risks. The approach consists of a cycle of five recurring activities: risk identification, risk assessment, risk control, risk monitoring and risk reporting. >> Risk identification is a joint effort of the first and second lines of defence. The goal of risk identification is to detect potential new risks and any changes in known risks. >> Identified risks are assessed and measured by means of various risk metrics to determine the importance of the risk to ING and subsequently to identify the control measures needed. >> Risk control measures used by ING include policies, procedures, minimum standards, limit frameworks, management buffers to cover for uncertainties and stress tests. >> Risk monitoring occurs to check if the implemented risk controls are executed, complied with across the organisation, and are effective. >> Market risk management results and findings are reported to the necessary governing departments and approval bodies.	Article 448.1 (e), first paragraph
(b)	A description of the institution's overall IRRBB management and mitigation strategies.	The IRRBB strategy links the overarching ING business strategy to the acceptable level for IRRBB, expressed in the Risk Appetite Statements. The Risk Appetite Statements are translated into metrics and limits to enable risk limit allocation, implementation, and monitoring. The IRRBB risk appetite is set or updated at least annually and must be based on strategic objectives, identified IRRBB risks and regulatory requirements. The limits are defined at the consolidated level across the different risk categories and cascaded down into the organisation. The Management Board Bank approves higher-level limits of ING Group while the cascading to sub-metrics and locations has been delegated to the Asset and Liability Committee Bank (ALCO Bank). ALCO Bank discusses and steers, monthly, the overall risk profile of all ING Bank's balance sheet and capital management risks. This is done to adhere to the Bank's strategic priorities and regulatory thresholds (Supervisory Outlier Tests), supported by various IRRBB metrics: Net Interest Income-at-Risk, Net Present Value-at-Risk, Revaluation Reserve-at-Risk, IFRS P&L volatility, and Market Risk Economic Capital for the banking book. The management of interest rate risk follows the IRRBB framework as approved by ALCO Bank. This framework describes roles, responsibilities, risk metrics, the policies, and procedures related to interest rate risk management. As a result of this framework, ING centralises interest rate risk management from commercial books (that capture the interest rate risks in the products sold to clients) to globally managed interest rate risk books within Group Treasury. The IRRBB framework distinguishes different views for the measurement of IRRBB that are applied: >> Sensitivity view: to measure all risk types, individually. The sensitivity view includes the IRRBB-specific regulatory measures and the risk measures used for internal management. >> Integrated view: all IRRBB risk types must be measured in coherence, from both an earnings perspective and/or value perspective. This includes economic capital, internal stress testing and regulatory stress testing. >> Specific (for example product specific) stress testing. ING implements hedging and risk mitigation strategies that range from the use of traditional market instruments, such as interest rate swaps, to more sophisticated hedging strategies to address a combination of risk factors arising at the portfolio level. Furthermore, ING's model risk and related control structure is based on the three model lines of defence (MLoD) approach. This approach aims to provide a sound governance framework for model risk management by defining and implementing three different management layers with distinct roles and oversight responsibilities. In this structure, models used in the IRRBB domain, globally or locally, are subject to regular validations/audits by Independent Model Validation (2nd MLOD) and Corporate Audit Service (3rd MLOD).	Article 448.1 (f)

(c)	The periodicity of the calculation of the institution's IRRBB measures, and a description of the specific measures that the institution uses to gauge its sensitivity to IRRBB.	IRRBB measures: >> Net Interest Income-at-Risk measures the impact of changing interest rates on net interest income (before tax) of the banking book with a time horizon of one year (expanding to a horizon of three years). This excludes credit spread sensitivity and fees. The Supervisorry Outlier Test on NII is a regulatory metric that measures changes in net interest income over a one-year period under sudden parallel interest rate change scenarios, assuming a constant balance sheet. >> Net Present Value-at-Risk measures the impact of changing interest rates on value. The NPV-at-Risk is defined as the outcome of an instantaneous increase and decrease in interest rates from applying currency-specific scenarios. >> Economic Value of Equity is a regulatory metric that measures changes in the net present value of the interest rate sensitive instruments. >> Customer Behaviour Risk measures the sensitivity of NII and NPV to modelled customer behaviour by shifting the parameters of behavioural models. >> Tenor basis risk measures the sensitivity of NII and NPV to changes in the basis spread between different swap curves where the basis spreads relative to the most liquid swap curve are shifted. >> Vega optionality risk measures the impact of changes in interest rate volatilities on the NPV. >> Currency diversion risk measures the effect on the NII and NPV of a movement of the interest rates of a currency relative to the EUR. >> IFRS P&L Volatility measures the fair value sensitivities of derivatives in the banking book. The measure provides insight in the P&L impact of fair market value changes of these instruments. >> NII FV-at-Risk measures the future fair value sensitivities of positions accounted for at FVtPL and FVtOCI in the banking book over a one-year period, extending to a three-year horizon. This measure provides insight into impact of fair market values changes on P&L and equity. Combined with the Net Interest Income-at-Risk, it forms an overall Earnings-at-Risk measure. >> Revaluation Reserve-at-Risk (RR-at-Risk) is defined as a specific subset of the NPV-at-Risk that is based on the accounting treatment Hold-to-Collect & Sell of the banking book positions. >> From an Economic Capital perspective, IRRBB is also measured as it is covered by Market Risk EC. This is measured and reported to ALCO Bank on a monthly basis. IRRBB metrics are calculated managed and reported on a monthly for internal metrics and quarterly for regulatory metrics.	Article 448.1 (e) (i) and (v); Article 448.2
(d)	A description of the interest rate shock and stress scenarios that the institution uses to estimate changes in the economic value and in net interest income (if applicable).	>> In total, 19 scenarios are defined for gap risk. Internal NII-at-Risk scenarios consist of two parallel up/down scenarios (for internal and regulatory management) and six non-parallel scenarios (short rate up, short rate down, long rate up, long rate down, flattening, steepening all for internal management). In addition 3 'narrative' based scenarios (global crisis, geopolitical risk and geopolitical escalation risk) are calculated for NII-at-Risk. For internal measurement, NPV-at-Risk entails two parallel scenarios (up and down scenarios) and six non-parallel scenarios (short rate up, short rate down, long rate up, long rate down, flattening, steepening). >> For the regulatory view, 6 scenarios are defined for Economic Value of Equity, two parallel scenarios (up and down), and four non-parallel scenarios (short rate up, short rate down, flattening, steepening). Additionally, 2 parallel scenarios (up and down) are defined for NII SOT. >> For both the earning and value perspective, Customer Behaviour Risk scenarios are defined and applied to mortgage and savings models: this entails stress assumptions on mortgage prepayment rates and to volume and pricing development for savings portfolios. >> Two scenarios (tightening and widening) are defined for Tenor Basis Risk to measure the sensitivity of NII and NPV each. >> For Vega Optionality, one scenario is applied in which a parallel increase of the normal volatility surface is considered to measure the sensitivity of Net Present Value. >> Two scenarios defined for Currency diversion risk are parallel increases and decreases of the swap curves for the specified dimensions.	Article 448.1 (e) (iii); Article 448.2
(e)	A description of the key modelling and parametric assumptions different from those used for disclosure of template EU IRRBB1 (if applicable).	For internal measurement reporting, NII-at-Risk figures are reported from the earnings perspective and NPV-at-Risk from the value perspective. For these measures the following key modelling parametric assumptions differ from the regulatory reporting measurements: >> Currency specific interest rate gradual movements (1-in-10 year scenario) are applied. >> Post-shock interest rate floors apply for both regulatory and internal measurements but differ in the levels of interest rate floors. >> Straight aggregation across currencies is applied to both NPV and NII measures. This approach differs from the EVE and NII SOT changes reported in IRRBB1, which adhere to the currency aggregation rules prescribed in the Regulatory Technical Standards on Supervisory Outlier Tests. >> The base case scenario for yield curve development is based on the assumption of implied forward rates. >> The NII-at-Risk figures are measured based on the assumption of the balance sheet development in line with the dynamic plan. >> For NII-at-Risk, it is assumed that the projections of the balance sheet development don't change under the alternative scenarios. >> NII-at-Risk is defined as the outcome of a ramped (i.e. gradual) increase and decrease in interest rates versus a base scenario. >> Repricing assumptions on NII-at-Risk are based on the business view. >> The discounting curve of the NPV-at-Risk figures consists of the Swap curve, FTP curve and commercial margin. For the regulatory measurement it is discounted at the risk-free rate. Additionally, cash flows for NPV-at-Risk are based on full coupons.	Article 448.1 (e) (ii); Article 448.2

(f)	A high-level description of how the bank hedges its IRRBB, as well as the associated accounting treatment (if applicable).	ING uses derivatives for economic hedging purposes to manage its asset and liability portfolios and structural risk positions. The primary objective of ING's hedging activities is to manage the risks which arises from structural imbalances in the duration and other profiles of its assets and liabilities in accordance with its risk appetite. The main risks which are being hedged are interest rate risk and foreign currency exchange rate risk. These risks are primarily hedged with interest rate swaps, cross currency swaps and foreign exchange forwards/swaps. In its interest rate management ING uses [interest rate] swaps. For these swaps different hedge accounting programs are used to align the accounting classification of hedged items with the hedging derivatives. ING uses fair value hedge and cash flow hedge hedge accounting programs in relation to IRRBB. ING applies fair value hedge accounting on micro level in which one hedged item is hedged with one or multiple hedging instruments as well as on macro level whereby a portfolio of items is hedged with multiple hedging instruments.	Article 448.1 (e) (iv); Article 448.2
(g)	A description of key modelling and parametric assumptions used for the IRRBB measures in template EU IRRBB1 (if applicable).	The key modelling and parametric assumptions used, aim at: >> Reporting Economic Value of Equity in line with the regulatory requirements. >> Modelling customer behaviour of mortgages, loans, savings, and demand deposits, is based on extensive research. Per business unit and product type, exposures are typically segmented based on expected client behaviour to obtain homogenous portfolios. For the segments, customer behaviour is determined based on historical data and expert opinion. >> Applying behavioural modelling to its non-maturity deposits that reflects the product characteristics of the deposits, such as rate-sensitivity, volume stability and depositor type. Additionally, the modelling approach distinguishes between transactional, rate-insensitive deposits (primarily current accounts), which are modelled using an unconditional cash flow approach, and non-transactional, rate-sensitive deposits (primarily savings), where the modelled cash flows depend on the interest rate scenario. >> Behavioural modelling of loan prepayments can be rate insensitive or rate sensitive. Rate-insensitive loans (mostly floating rates) use an unconditional cash flow model, while rate-sensitive loans (mostly fixed rates) model cash flows conditional on interest rates. Depending on the portfolio, additional factors such as seasonal patterns or loan age, among others can be considered. >> Asset- and liability behavioural models are reviewed at least annually.	Article 448.1 (c); Article 448.2
(h)	Explanation of the significance of the IRRBB measures and of their significant variations since previous disclosures	>> ΔEVE has shown a slight increase in absolute terms over the reporting period under the most penalizing scenario, BCBS Parallel Up, driven by an increase in negative convexity of assets. It remains well within internal risk appetite and regulatory boundaries. >> ΔNII has decreased in absolute terms over the reporting period for the most penalizing scenario, BCBS Parallel Down, due to implementation of economic hedges. It remains well within internal risk appetite and regulatory boundaries.	Article 448.1 (d)
(i)	Any other relevant information regarding the IRRBB measures disclosed in template EU IRRBB1 (optional)		
(1) (2)	Disclosure of the average and longest repricing maturity assigned to non-maturity deposits	The behavioural modelling outcomes of non-maturity deposits are translated into replicating portfolios, representing the repricing maturities assigned to these deposits. The volume-weighted average repricing maturity of non-maturity deposits in within the scope of behavioural modelling is 2.6 years and its duration of 2.4 years. It is important to note that the longest assigned repricing maturity depends on the characteristics of each individual segment. The longest assigned repricing maturity in ING Group is 15 years.	Article 448.1 (g)

Funding and liquidity risk

Funding and liquidity risk is the risk that ING or one of its subsidiaries cannot meet its financial liabilities when they come due, at reasonable cost and in a timely manner. ING ensures that long-term obligations are adequately met with a diversity of stable funding instruments under both normal and stressed conditions. For more information, please refer to the Risk management paragraph of the Annual Report.

Asset encumbrance

As part of the liquidity buffer management, ING monitors the existing asset encumbrance. Encumbered assets represent the on- and off-balance sheet assets that are pledged or used as collateral for ING's liabilities. The presented numbers for encumbered and unencumbered assets are based on the CRR (Part VIII) requirements.

In 2024, the median asset encumbrance ratio for ING Bank is 19.0%.

EU AE1 - Encumbered and unencumbered assets

2024	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
median in EUR million		Of which notionally eligible EHQLA and HQLA		Of which notionally eligible EHQLA and HQLA		Of which EHQLA and HQLA		Of which EHQLA and HQLA
Assets of the reporting institution	**110,559**	**19,017**			**924,640**	**171,021**		
Equity instruments	15,827	7,854	15,827	7,854	8,554	2,281	8,554	2,281
Debt securities	23,396	11,668	21,263	10,659	83,616	81,220	83,771	78,870
of which: covered bonds	1,119	44	1,096	20	10,254	9,168	9,975	9,065
of which: securitisations					5,738	4,376	5,645	4,264
of which: issued by general governments	7,634	7,416	8,322	6,890	61,674	55,731	59,416	52,735
of which: issued by financial corporations	10,922	1,523	11,719	1,382	20,767	18,532	19,427	17,614
of which: issued by non-financial corporations	880	862	882	819	1,733		1,648	44
Other assets	70,970	322			830,692	88,417		

EU AE1 - Encumbered and unencumbered assets

2023 median in EUR million	Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
		Of which notionally eligible EHQLA and HQLA		Of which notionally eligible EHQLA and HQLA		Of which EHQLA and HQLA		Of which EHQLA and HQLA
Assets of the reporting institution	**104,137**	**17,481**			**904,365**	**171,241**		
Equity instruments	10,360	6,731	10,360	6,132	5,804	1,799	5,804	1,799
Debt securities	16,878	10,764	16,848	9,752	78,918	69,546	75,843	66,708
of which: covered bonds	1,382	1,183	1,344	1,155	8,757	7,693	8,344	7,330
of which: asset-backed securities	69	47	65	46	5,611	4,581	5,502	4,438
of which: issued by general governments	6,794	6,677	6,831	6,610	56,674	48,515	54,547	45,576
of which: issued by financial corporations	9,924	2,736	9,702	2,656	17,507	17,507	16,433	16,433
of which: issued by non-financial corporations	603	603	599	599	1,659	353	1,579	342
Other assets	76,822	276			822,922	106,130		

EU AE2 - Collateral received and own debt securities issued

2024 median in EUR million	Fair value of encumbered collateral received or own debt securities issued		Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance	
		Of which notionally eligible EHQLA and HQLA		Of which EHQLA and HQLA
Collateral received by the reporting institution	**118,392**	**106,831**	**59,390**	**31,841**
Loans on demand				
Equity instruments	18,552	14,231	11,840	1,030
Debt securities	98,017	92,211	47,864	30,811
of which: covered bonds	401	345	2,405	1,868
of which: securitisations	10,304	10,304	238	
of which: issued by general governments	80,543	79,508	20,101	19,012
of which: issued by financial corporations	13,658	11,149	15,006	637
of which: issued by non-financial corporations	1,479	1,238	4,209	3,726
Loans and advances other than loans on demand				
Other collateral received				
Own debt securities issued other than own covered bonds or securitisations				
Own covered bonds and asset-backed securities issued and not yet pledged			**107,449**	
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	**229,458**	**125,817**		

EU AE2 - Collateral received and own debt securities issued

2023			Unencumbered	
	Fair value of encumbered collateral received or own debt securities issued		Fair value of collateral received or own debt securities issued available for encumbrance	
median in EUR million		Of which notionally eligible EHQLA and HQLA		Of which EHQLA and HQLA
Collateral received by the reporting institution	**117,590**	**104,044**	**42,681**	**28,534**
Loans on demand				
Equity instruments	21,630	12,857	9,136	1,841
Debt securities	95,274	91,344	35,312	26,463
of which: covered bonds	114	114	1,212	853
of which: securitisations	10,066	10,065	188	
of which: issued by general governments	78,548	78,042	11,113	11,113
of which: issued by financial corporations	15,039	11,686	11,880	2,624
of which: issued by non-financial corporations	1,463	1,426	3,309	3,018
Loans and advances other than loans on demand				
Other collateral received				
Own debt securities issued other than own covered bonds or securitisations				
Own covered bonds and asset-backed securities issued and not yet pledged			**90,244**	
TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED	**224,734**	**121,525**		

EU AE3 - Sources of encumbrance

	2024		2023	
median in EUR million	Matching liabilities, contingent liabilities or securities lent	Collateral received and own debt securities issued other than covered bonds and securitisations encumbered	Matching liabilities, contingent liabilities or securities lent	Collateral received and own debt securities issued other than covered bonds and securitisations encumbered
Carrying amount of selected financial liabilities	130,060	188,051	150,288	190,968

EU AE4 - Accompanying narrative information

(a)	ING Bank manages it balance sheet prudently whereby a variety of funding sources is readily available. Given this situation, the level of encumbrance of ING Bank's balance sheet is relatively low.
	The amounts are presented as the median of the four quarter end values of the reporting year. The median is calculated as the average of the two values in the middle of the order of four quarter end values.
	Encumbered assets on ING Bank's balance sheet comprise to a large extent mortgages and other loans which are used as cover pool for covered bond programs issued by subsidiaries in the Netherlands, Belgium and Germany, as well as external securitisations and other types of collateralised deposits. Of the total encumbered assets of the Bank, EUR 71 billion are loans and advances, mostly mortgages, that serve as collateral for these type of liabilities. The cover pool assets are not considered encumbered when the securities are retained within ING Bank. The issued securitisations and especially the covered bonds have over-collateralisation, meaning that the assets in the cover pool are higher than the issuance.
(b)	Furthermore, assets are encumbered as a result of the repo- and securities lending business and cash and securities collateral posted for derivative and clearing transactions in which pledging collateral is a requirement. As part of its normal securities financing and derivatives trading activities ING enters into standard master agreements such as ISDA and Global Master Repurchase Agreements (GMRA), which contain Credit Support Annexes (CSA) or other similar clauses. Under the terms of these contracts ING could be required to provide additional collateral in the event ING is downgraded by one of the established rating agencies. Refer to the paragraph Counterparty Credit Risk.
	To optimise the usage of collateral between the entities of the Bank ING has significant intragroup encumbrance

Environmental social and governance risk

Qualitative disclosures

The purpose of the tables below is to describe, in accordance with of Article 449a of Regulation (EU) No 575/2013, in:

- table 1: the integration of environmental risks, including specific information on climate change risks and on other environmental risks, in their business strategy and processes, governance and risk management;
- table 2: the integration of social risks in their business strategy and processes, governance and risk management; and
- table 3: the integration of governance risks in their governance and risk management.

As this information is already disclosed in various places, we have opted to create a navigation map to guide the readers.

Table 1 - Qualitative information on Environmental risk

	Business strategy and processes	**Sources:**
(a)	Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning	(i) Material identified negative impacts and risks on E1-Climate Change: "Identified impacts, risks and opportunities", in the Sustainability Statement part of the Annual Report 2024. (ii) Material identified negative impacts and risks on E4-Impact on State of Species: "Identified impacts, risks and opportunities", in the Sustainability Statement part of the Annual Report 2024. (iii) "Business model and strategy" and "our sustainability governance" in the Sustainability Statement part of the Annual Report 2024
(b)	Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information about the design of business strategy and processes	(i) E1-Climate Change: "Our transition plan", in the Sustainability Statement part of the Annual Report 2024. (ii) Future plans: E4 - Impact on state of species: Our nature strategy, in the Sustainability Statement part of the Annual Report 2024. (iii) E1- Climate Change: "Policies, actions and performance", in the Sustainability Statement part of the Annual Report 2024. (iv) E4-Impact on State of Species: "Policies, actions and performance", in the Sustainability Statement part of the Annual Report 2024. (v) Environmental and social risk (ESR) framework on ing.com.
(c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	2024 Sustainability Statement sections in the Climate Change chapter: (i) Identified impacts, risks and opportunities, (ii) Our Transition Plan, (iii) Our Terra Approach and the EU Taxonomy Regulation chapter.
(d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	Overall actions: (i) E1- Climate Change: "Policies, actions and performance", Sustainability Statement, Annual Report 2024. (ii) E4-Impact on State of Species: "Policies, actions and performance", Sustainability Statement, Annual Report 2024 (iii)Environmental and social risk (ESR) framework on ing.com, Sustainable Business.
	Governance	
(e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels	(i) "Our Sustainability Governance" in the Sustainability Statement, 2024 Annual Report. (ii)"Governance" in the Risk Management chapter, 2024 Annual Report.
(f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions	(i) "Our Sustainability Governance" in the Sustainability Statement part of the Annual Report 2024. (ii)"Governance" in the Risk Management chapter part of the Annual Report 2024.

(g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	(i) "Our Sustainability Governance" in the Sustainability Statement, 2024 Annual Report. (ii)"Governance" in the ESG Risk chapter, 2024 Annual Report.
(h)	Lines of reporting and frequency of reporting relating to environmental risk	(i) Material identified topics as per CSRD Double Materiality Assessment, Annual Report: Sustainability Statement. (ii) Annual Report 2024, ESG Risk, ESG Risk Framework, sub-chapter: "Risk monitoring, reporting and disclosures". (iii) On lines of reporting and governance, see (e).
(i)	Alignment of the remuneration policy with institution's environmental risk-related objectives	(i) Capital Requirements Regulation (CRR) Remuneration Disclosure published on ing.com.; ii)Annual Report 2024, Our leadership and Governance: Remuneration Report.
	Risk management	
(j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework	(i) Annual Report 2024, ESG Risk, chapter: ESG Risk Framework. The ESG risk framework assists in managing ESG risk effectively through the application of the risk management process at varying levels of the organisation. (ii) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies, actions and performance: The Environmental, Social and Governance (ESG) Risk Policy. The ESG Risk Policy outlines ING's approach to effectively identify, assess, mitigate, monitor and report ESG related risks as per ING's ESG risk appetite, by considering applicable and material risks across the value chain as per ING's DMA. The risk cycle describes the processes by which ING can identify, assess, mitigate, monitor, and report ESG risk integrated within the existing risk types.
(k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	(i) Annual Report 2024, ESG Risk chapter, chapter: "Managing ESG Risk". (ii) Annual Report 2024, Sustainability Statement, chapter: 1)Basis for preparation; 2)Business Model and Strategy. (ii) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies and Actions: The Environmental, Social and Governance (ESG) Risk Policy
(l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels	(i) Annual Report 2024, ESG Risk chapter, chapters: 1)"Managing ESG Risk"; 2)Risk Mitigation; 3)Risk monitoring and Disclosures. (ii) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies, actions and performance: The Environmental, Social and Governance (ESG) Risk Policy (iii) Annual Report 2024, Sustainability Statement, chapter: 1)Basis for preparation; 2)Business Model and Strategy (iv) For material identified risks as per CSRD Double Materiality Assessment: 1) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies, actions and performance; 2) Annual Report 2024, Sustainability Statement, E4-Biodiversity and Ecosystems, Policies, actions and performance.
(m)	Activities, commitments and exposures contributing to mitigate environmental risks	(i) Annual Report 2024, ESG Risk chapter, chapter: Risk Mitigation. (ii) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies and Actions: The Environmental, Social and Governance (ESG) Risk Policy (iii) For material identified risks as per CSRD Double Materiality Assessment: 1) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies and Actions, Our Transition Plan; 2) Annual Report 2024, Sustainability Statement, E4-Biodiversity and Ecosystems, Policies and Actions.
(n)	Implementation of tools for identification, measurement and management of environmental risks	(i) Annual Report 2024, ESG Risk chapter.
(o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile	Not present.
(p)	Data availability, quality and accuracy, and efforts to improve these aspects	(i)2024 Annual Report, Sustainability Statement, Basis for Preparation: "Estimations and uncertainties".

(q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits	(i) Annual Report 2024, ESG Risk chapter, chapter: Risk Mitigation. (ii) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies and Actions: The Environmental, Social and Governance (ESG) Risk Policy (iii) For material identified risks as per CSRD Double Materiality Assessment: 1) Annual Report 2024, Sustainability Statement, E1-Climate Change, Policies and Actions. (iv) ESG screening process in the ESR Framework on ing.com
(r)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	Annual Report 2024, ESG Risk, ESG Risk Framework, chapter: "Risk assessment".

Table 2 - Qualitative information on Social risk

	Business strategy and processes	Sources:
(a)	Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning	(i)For material identified topics as per CSRD Double Materiality Assessment, Annual Report 2024, Sustainability Statement: 1)S1-Own Workforce, chapter: "Own workforce strategy – Unlocking our people's full potential"; 2)1)S4-Consumers and End-Users, chapter "Strategy". (ii) Annual Report 2024, Risk Management, ESG Risk chapter: ESG Risk Management Cycle, including identification, assessment, mitigation and monitoring of the material identified and important ESG factors. (iii)Human Rights section as part of the Sustainability Strategy disclosed on the ING website.
(b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	(i) ESR page: Part of the human rights policy: https://www.ing.com/Sustainability/Sustainable-business/Environmental-and-social-risk-ESR.htm and (ii) Human rights page: part of the assessment of saliencies, taking a risk based approach tho address the most severe human rights impacts arising from ING's activities (following the UNGP Reporting Framework). (iii)For material identified topics as per CSRD Double Materiality Assessment, 2024 Annual Report, Sustainability Statement: 1)S1-Own Workforce, chapter "Strategies, Policies and Targets", section: Actions, targets and metrics; 2)1)S4-Consumers and End-Users, chapter: "Strategies, Policies and Targets".
(c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	(i) ESR framework on ing.com sets the requirements for onboarding clients (ESR client assessment) and on a transactional level (ESR transaction assessment). The human rights policy in the ESR framework is overarching.
	Governance	
(d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to:	ESG Risk governance is overarching across E, S and G risks, allowing for harmonized and centralized risk management across these topics. (i) "Our Sustainability Governance" in the Sustainability Statement part of the Annual Report 2024. (ii) Annual Report 2024, ESG Risk, ESG Risk Framework, sub-chapter: "Governance".
(i)	Activities towards the community and society	
(ii)	Employee relationships and labour standards	
(iii)	Customer protection and product responsibility	
(iv)	Human rights	
(e)	Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	ESG Risk governance is overarching across E, S and G risks, allowing for harmonized and centralized risk management across these topics. (i) Annual Report 2024, Sustainability Statement: "Our Sustainability Governance". (ii) Annual Report 2024, ESG Risk, ESG Risk Framework, sub-chapter: "Governance".

(f)	Lines of reporting and frequency of reporting relating to social risk	(i) Material identified topics as per CSRD Double Materiality Assessment, Annual Report: Sustainability Statement. (ii) Annual Report 2024, ESG Risk, ESG Risk Framework, sub-chapter: "Risk monitoring, reporting and disclosures ". (iii)Human Rights publication. (iv) On lines of reporting and governance, see (e).
(g)	Alignment of the remuneration policy in line with institution's social risk-related objectives	(i) Capital Requirements Regulation (CRR) Remuneration Disclosure published on ing.com.;ii) Annual Report 2024, Our leadership and Governance: Remuneration Report.
	Risk management	
(h)	Definitions, methodologies and international standards on which the social risk management framework is based	ESG Risk Framework is overarching across E, S and G risks, allowing for harmonized and centralized risk management across these topics. Description of the ESG risk management cycle and its components: Annual Report 2024, ESG Risk, ESG Risk Framework.
(i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	
(j)	Activities, commitments and assets contributing to mitigate social risk	
(k)	Implementation of tools for identification and management of social risk	
(l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits	ESR Client screening process in the ESR framework on ing.com
(m)	Description of the link (transmission channels) between social risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	Annual Report 2024, ESG Risk, ESG Risk Framework, chapter: "Risk assessment".

Table 3 - Qualitative information on Governance risk

	Governance	Sources:
(a)	Institution's integration in their governance arrangements of the governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	(i) Annual Report 2024, Sustainability Statement: "Our Sustainability Governance" and (ii) ESR screening process (section 2 in ESR framework on ing.com).
(b)	Institution's accounting of the counterparty's highest governance body's role in non-financial reporting	Not present
(c)	Institution's integration in governance arrangements of the governance performance of their counterparties including:	(i) ESR Client Assessment guidance and (ii) ESR screening process (section 2 in ESR framework on ing.com).
(i)	Ethical considerations	
(ii)	Strategy and risk management	
(iii)	Inclusiveness	
(iv)	Transparency	
(v)	Management of conflict of interest	
(vi)	Internal communication on critical concerns	
	Risk management	
(d)	Institution's integration in risk management arrangements the governance performance of their counterparties considering:	(i) ESR Client Assessment guidance and (ii) ESR screening process (section 2 in ESR framework on ing.com).
(i)	Ethical considerations	
(ii)	Strategy and risk management	
(iii)	Inclusiveness	
(iv)	Transparency	
(v)	Management of conflict of interest	
(vi)	Internal communication on critical concerns	

Climate change Transition risk

Transition risks refer to any negative financial and/or non-financial impact due to the effect of the transition to a net zero and more environmentally sustainable economy. The transition includes:

- Climate and environment related policy changes.
- Technological changes.
- Market sentiment and demand changes.

Templates 1, 2, 3 and 4 as disclosed hereunder are providing information on indicators of potential climate change transition risk of the banking book of ING.

Credit quality of exposures

The purpose of Template 1 of the Pillar 3 ESG ITS is to show information on those assets prone to risks related to the transition to a low-carbon and climate-resilient economy, i.e. transition risk. In particular, institutions must disclose information on their exposures towards non-financial corporations that operate in sectors that contribute highly to climate change and in carbon-related sectors, and on the quality of those exposures, including credit quality information on non-performing exposures, stage 2 exposures and related impairments and provisions.

In particular, institutions must disclose in this template information on the gross carrying amount of loans and advances, debt securities and equity instruments provided to non-financial corporates, other than those included in the held-for-trading or held-for-sale portfolios, classified by NACE economic sector. The sectors have been determined by EBA as those highly contributing to climate change.

In addition, institutions must provide in column b of the template a further breakdown of exposures towards companies excluded from EU Paris-aligned Benchmarks. In column 'b', ING used data acquired from an external data provider (Bloomberg) for the data on companies considered to do significant harm to environmental objectives (article 12.2). Given that the data provider is looking to continuously enhance their product by including more companies in their data set, ING's exposure towards companies excluded from the Paris-aligned benchmark has slightly decreased compared to YE23.

The greenhouse gas (GHG) financed emissions (scope 1, 2 and 3) have been incorporated in columns i, j and k. For the calculations, we make use of an external data provider (CDP) to estimate our loan book emissions. ING discloses scope 3 emissions for both upstream and downstream, covering our whole footprint of the value chain. ING calculates absolute financed emissions using the PCAF's Global GHG Accounting and Reporting Standard for the Financial Industry.

ING makes use of the PCAF Data Quality Scores (1 to 5) to assess the accuracy of our emissions estimates. As per the PCAF standard, data quality score 1 and 2 relate to high-quality data coming from a company's disclosure or actual asset-level data. Score 3 relates to medium-quality using estimates based on physical data, whereas data quality 4 and 5 relate to low-quality data, i.e. based on revenue or sector average proxies. At ING we are continuously working on improving our data to be able to have the highest quality emissions estimates on all asset classes. More information on the PCAF scores are in the Sustainability Statement part of the Annual Report 2024.

For the maturity buckets, the following assumptions have been used:

- Where the amount is repaid in installments, the exposure shall be allocated in the maturity bucket corresponding to the last installment (in line with ITS Annex II instructions).
- Where the amount is on demand such as interbank loans, the exposure shall be allocated in the shortest maturity bucket “< 5 years”.
- Where an exposure has no stated maturity for reasons other than the counterparty having the choice of the repayment date, or in the case of equity holdings, the amount of this exposure shall be disclosed in the largest maturity bucket “> 20 years” in line with ITS Annex II instructions.

Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

	2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Sector/subsector	Gross carrying amount (Mln EUR)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)							
			Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
1	**Exposures towards sectors that highly contribute to climate change***	**188,690**	**12,401**	**1,602**	**24,208**	**6,452**	**-2,900**	**-260**	**-2,542**	**220,308,921**	**170,357,416**	**13.96 %**	**142,940**	**29,706**	**12,139**	**3,905**	**5**
2	A - Agriculture, forestry and fishing	3,161			443	83	-42	-4	-35	6,749,550	1,953,409	— %	1,664	1,250	105	142	6
3	B - Mining and quarrying	7,504	3,008	1	2,256	531	-241	-9	-228	28,419,271	24,960,378	25.80 %	5,473	1,515	490	27	4
4	*B.05 - Mining of coal and lignite*	2	1							15,598	15,384	— %	2				1
5	*B.06 - Extraction of crude petroleum and natural gas*	2,985	736		1,153	132	-107	-4	-102	21,701,881	19,131,640	10.87 %	2,256	550	158	21	4
6	*B.07 - Mining of metal ores*	2,627	1,410		765	332	-110	-1	-107	2,064,602	1,688,020	41.49 %	2,170	454		4	3
7	*B.08 - Other mining and quarrying*	453	103	1	167	62	-22	-4	-18	377,736	176,349	11.80 %	340	109	3	2	3
8	*B.09 - Mining support service activities*	1,437	758		172	4	-2		-1	4,259,454	3,948,985	32.40 %	705	402	329		6
9	C - Manufacturing	47,791	3,618	783	5,978	1,630	-744	-94	-623	82,339,097	71,770,934	32.92 %	40,997	4,802	1,192	800	3
10	*C.10 - Manufacture of food products*	7,676	10	3	1,271	225	-83	-9	-69	7,502,147	6,653,210	14.53 %	6,278	935	166	298	3
11	*C.11 - Manufacture of beverages*	1,273	428		82	12	-11	-3	-7	1,220,085	929,247	17.04 %	910	78	278	7	4
12	*C.12 - Manufacture of tobacco products*	3								139	120	— %	3				
13	*C.13 - Manufacture of textiles*	469			98	30	-14	-1	-12	400,135	374,621	0.04 %	349	109	3	8	3
14	*C.14 - Manufacture of wearing apparel*	2								616	509	— %	2				5

15	*C.15 - Manufacture of leather and related products*	58		1	4	1	-1		-1	47,861	45,403	— %	53	5			3
16	*C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	923			356	43	-34	-11	-22	506,277	426,346	— %	612	239	34	39	5
17	*C.17 - Manufacture of pulp, paper and paperboard*	1,021	14	1	225	27	-7	-3	-4	655,317	480,903	26.67 %	699	311	7	5	4
18	*C.18 - Printing and service activities related to printing*	426	5		81	7	-8	-4	-4	86,769	67,320	— %	326	85	9	6	4
19	*C.19 - Manufacture of coke oven products*	3,262	2,236	142	835	12	-6		-5	18,177,578	16,547,859	52.43 %	2,911	311		40	2
20	*C.20 - Production of chemicals*	3,962	11	1	362	428	-146	-14	-131	5,658,258	4,257,163	14.29 %	3,227	273	412	50	3
21	*C.21 - Manufacture of pharmaceutical preparations*	1,485	2		94	25	-20	-3	-17	332,721	225,162	47.46 %	1,445	33	5	2	2
22	*C.22 - Manufacture of rubber products*	2,080	12	13	290	69	-36	-8	-26	3,507,605	3,287,297	23.30 %	1,690	298	40	53	3
23	*C.23 - Manufacture of other non-metallic mineral products*	1,726	222	5	246	22	-8	-2	-5	3,155,739	1,117,447	21.33 %	1,563	102	46	14	3
24	*C.24 - Manufacture of basic metals*	3,802	393	301	78	65	-45	-3	-41	5,339,191	3,068,057	27.08 %	3,443	308	34	18	2
25	*C.25 - Manufacture of fabricated metal products, except machinery and equipment*	2,952	16	46	426	61	-40	-5	-33	3,969,882	3,651,054	21.15 %	2,386	422	60	83	3
26	*C.26 - Manufacture of computer, electronic and optical products*	5,199	1	9	251	10	-6	-1	-4	3,842,173	3,625,245	83.58 %	4,830	335	3	31	1
27	*C.27 - Manufacture of electrical equipment*	1,949	13	103	330	146	-63	-5	-57	5,718,135	5,689,165	38.75 %	1,842	84	5	18	2
28	*C.28 - Manufacture of machinery and equipment n.e.c.*	1,653	11	22	295	85	-36	-10	-25	7,135,051	7,066,278	19.58 %	1,388	197	23	46	7
29	*C.29 - Manufacture of motor vehicles, trailers and semi-trailers*	3,052	127	65	75	56	-23		-22	5,072,967	4,988,206	47.61 %	2,800	240	3	8	2
30	*C.30 - Manufacture of other transport equipment*	639	20	1	123	75	-29	-4	-25	989,676	945,177	22.70 %	611	19	1	8	2
31	*C.31 - Manufacture of furniture*	381	22		63	32	-21	-3	-18	247,606	197,469	— %	223	111	32	15	5
32	*C.32 - Other manufacturing*	3,766	76	69	390	199	-106	-7	-96	8,749,970	8,106,166	29.89 %	3,380	306	29	51	4
33	*C.33 - Repair and installation of machinery and equipment*	33			3		-1			23,197	21,510	— %	29	1	2		3
34	D - Electricity, gas, steam and air conditioning supply	19,888	1,314	600	2,810	471	-133	-12	-113	26,129,413	10,270,273	9.69 %	10,903	4,381	4,161	443	6
35	*D35.1 - Electric power generation, transmission and distribution*	18,569	1,113	537	2,786	451	-114	-12	-95	22,494,656	8,863,769	9.24 %	9,626	4,362	4,153	427	7
36	*D35.11 - Production of electricity*	13,078	1,016	39	2,401	435	-101	-11	-83	18,136,714	6,117,064	8.11 %	6,042	2,717	3,894	425	7
37	*D35.2 - Manufacture of gas; distribution of gaseous fuels through mains*	980	201	63	5	17	-17		-16	3,351,676	1,389,480	22.95 %	942	18	4	16	2
38	*D35.3 - Steam and air conditioning supply*	339			19	4	-2		-2	283,080	17,024	— %	334	1	4		3
39	E - Water supply; sewerage, waste management and remediation activities	2,867	1	4	368	163	-142	-3	-138	1,783,700	797,308	3.39 %	2,180	387	131	169	4
40	F - Construction	10,025	26	60	1,271	435	-232	-25	-197	7,792,225	7,474,419	5.70 %	7,326	1,599	856	243	4

41	*F.41 - Construction of buildings*	5,453	7	14	763	304	-157	-13	-139	938,701	865,743	2.55 %	4,189	544	610	109	3
42	*F.42 - Civil engineering*	1,740	14	17	184	33	-26	-4	-20	1,114,207	1,020,722	7.73 %	1,144	493	45	58	4
43	*F.43 - Specialised construction activities*	2,833	4	29	323	97	-50	-8	-38	5,739,317	5,587,954	10.73 %	1,993	562	202	76	4
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	35,837	2,937	43	5,407	1,263	-736	-69	-641	41,711,469	39,131,487	11.45 %	29,966	3,542	737	1,592	7
45	H - Transportation and storage	25,148	1,490	111	1,823	541	-188	-12	-166	22,840,051	12,336,410	8.57 %	16,037	6,875	2,071	165	5
46	*H.49 - Land transport and transport via pipelines*	7,314	362	85	709	425	-127	-8	-114	6,104,788	4,953,211	2.39 %	5,334	1,519	355	106	4
47	*H.50 - Water transport*	9,862	1,106	8	332	51	-32	-1	-31	10,864,501	4,740,646	12.76 %	5,930	3,216	697	19	5
48	*H.51 - Air transport*	2,379			117	2				4,378,694	1,343,328	18.61 %	544	1,231	603		8
49	*H.52 - Warehousing and support activities for transportation*	5,379	4	6	573	59	-26	-4	-19	1,413,275	1,235,308	4.80 %	4,049	882	414	34	4
50	*H.53 - Postal and courier activities*	215	18	12	91	4	-3		-2	78,793	63,918	1.79 %	179	26	4	6	3
51	I - Accommodation and food service activities	2,201			297	162	-80	-5	-72	644,304	564,233	1.34 %	1,593	479	100	29	4
52	L - Real estate activities**	34,266	8		3,556	1,173	-362	-26	-328	1,899,842	1,098,564	0.37 %	26,802	4,875	2,295	294	4
53	**Exposures towards sectors other than those that highly contribute to climate change***	**49,805**	**271**	**215**	**5,582**	**1,019**	**-608**	**-105**	**-466**				**36,883**	**7,172**	**4,403**	**1,348**	**5**
54	K - Financial and insurance activities																
55	Exposures to other sectors (NACE codes J, M - U)	49,805	271	215	5,582	1,019	-608	-105	-466				36,883	7,172	4,403	1,348	5
56	**TOTAL**	**238,495**	**12,672**	**1,817**	**29,789**	**7,471**	**-3,509**	**-366**	**-3,007**	**220,308,921**	**170,357,416**	**13.96 %**	**179,823**	**36,877**	**16,541**	**5,254**	**5**

* In accordance with the Commission Delegated Regulation EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks -Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

** The financed emissions of L- Real estate activities include the business loans belongs to NACE L sector, and other CRE assets possibly from other NACE sectors, to be consistent with PCAF methodology on asset classifications

Loans collateralised by immovable property collateral – Energy efficiency of the collateral

The purpose of template 2 of the Pillar 3 ESG ITS shows the gross carrying amount of loans collateralised with immovable property and of repossessed real estate collaterals with a breakdown by EPC label of the collateral.

The information on the level of energy efficiency of the collaterals is key to determine the climate change transition risk faced by these exposures.

The template consists of two main sections:

- Level of energy efficiency based on Energy Performance in kWh/m² of the collateral. Loans collateralised by immovable properties non-eligible for EPC have been scoped out;
- Level of energy efficiency based on EPC labels of the collateral. Only collateral that could have an EPC label that meet the Energy Performance of Buildings Directive are reported in this section. For instance, a (piece of) land might be given as collateral but is not eligible for EPC.

In line with the ITS instructions, the Energy Performance in kwh/m² is determined based on the EPC label or estimated in the absence of the EPC label. The extent to which this data is estimated and not based on EPC labels is visible in row 5 for EU area and row 10 for non-EU area. Data quality improvement projects are ongoing locally on EPC labels and Energy Performance data availability, as well as the development of new local and central models to estimate the energy efficiency score where not available. As of June 2024, we do not perform any central calculations for proxies, all EP estimations are carried out by the local units to better reflect local characteristics. All EP models are reviewed by ESG Risk department prior to implementation.

In countries where EPC labels are issued with a higher level than A, these have been included in the column A. Same, in countries where EPC labels are present that are lower than G, these have been added to the column G. On the collected labels, only valid labels have been considered meaning labels that have been issued by the authorized authority and not older than 10 years. Consequently, actual EPC labels that were included in June 2024 from a collateral with construction year prior to 2013 are not longer considered as actuals in December 2024, which explains the increase in column o (without EPC label of collateral).

The decrease in EPC labels availability in EU countries from 100.7mln in June 2024 to 87.6mln in December is explained by two major adjustments in countries where ING has a strong presence. In Belgium EPC labels are no longer consider if they are in any form estimated and in Germany EPC labels that were emitted before the year 2013 are not considered in the template.

Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

	2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Counterparty sector	**Total gross carrying amount amount (in MEUR)**															
			Level of energy efficiency (EP score in kWh/m² of collateral)						**Level of energy efficiency (EPC label of collateral)**							**Without EPC label of collateral**	
			0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G		Of which level of energy efficiency (EP score in kWh/m² of collateral) estimated
1	**Total EU area**	**374,583**	**69,544**	**101,449**	**82,508**	**26,216**	**33,810**	**2,612**	**30,687**	**12,128**	**16,683**	**8,636**	**9,495**	**4,902**	**5,100**	**286,951**	**68 %**
2	Of which Loans collateralised by commercial immovable property	56,467	8,245	12,213	4,290	1,980	2,411	326	5,752	1,695	1,721	895	368	247	289	45,500	36 %
3	Of which Loans collateralised by residential immovable property	318,114	61,297	89,236	78,219	24,236	31,399	2,286	24,935	10,433	14,962	7,742	9,127	4,655	4,811	241,449	75 %
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	2	1			0	0	0								2	0 %
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	206,477	54,665	56,890	51,632	14,018	29,014	259								196,478	100 %
6	**Total non-EU area**	**47,054**	**4,284**	**452**	**324**	**41**	**49**	**32**								**47,054**	**9 %**
7	Of which Loans collateralised by commercial immovable property	7,910	3,108	445	305	41	49	32								7,910	37 %
8	Of which Loans collateralised by residential immovable property	39,145	1,176	7	20	0		0								39,145	3 %
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties																0 %
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	4,026	3,432	215	280	29	38	32								4,026	100 %

Alignment metrics

The sectors (columns a and b) represent the NACE codes that cover the most carbon intensive parts of the value chain and the exposure in these sectors (column c). The sectors in this template are managed under ING's Terra approach. Except for the Shipping sector, each sector has a specific metric to measure the carbon intensity of the activities in terms of CO_2 or CO_2 equivalent (column d). The Steel sector is steered on an alignment score that is translated into a CO_2 equivalent intensity metric. ING does not cover the Chemicals sector due to lack of data and absence of external guidance to determine the scoping for this sector. Please refer to the technical notes in the Sustainability Statement in the ING Group Annual Report 2024 for the detailed description of the methodologies used for the scoping of activities and the calculation of the intensity metric.

ING steers the portfolio based on pathways that are derived from the IEA Net Zero scenarios for the Sectors. These convergence with the global IEA objectives for 2030 and 2050 and take ING's specific composition of the portfolio into account. The distance to the pathway (column f) represents the distance of the intensity level (column d) per the reference year (column e) to the 2030 target on the Sector's convergence pathway. A positive sign means that the emission intensity needs to decrease further to meet the 2030 objective. A negative sign means that the sector has already met the 2030 target. For Shipping and Steel this column is left blank as the metric for these Sectors is based on a score that measures convergence with the pathway. For Shipping, ING follows the Poseidon Principles methodology which is based on the initial International Maritime Organization (IMO) GHG strategy of a 50% GHG reduction by 2050.

The Target (column g) represents the intensity level for the year of reference plus 3 years on the Sector's convergence pathway. Except for Aviation and Shipping, this means the Sectors' convergence pathway intensity level for 2027. ING does not steer the portfolio on the intensity levels for the year of reference plus 3 years. Under ING's NZBA commitment, ING steers the portfolio with targets for 2030 and 2040 only that are derived from the 2050 global climate objectives. Note that ING's CSRD Sustainability Statement also reports progress towards the 2030 emission intensity targets of the Sectors. These are also based on the Sector's convergence pathways. In addition, ING also reports the total required reduction from the baseline year of measurement towards the 2030 target. For more details on the transition plans please read the Sustainability Statement part of the Annual Report.

In general, the alignment metric is improving which reflects the ambition of ING to steer towards our NZE2050 pathways. Compared to June, Upstream oil & gas' exposure has decreased, from €1.2 bln in June 2024 to 1.0 bln in December 2024, in line with ING's ambition to decrease the exposure in that sector. For Power generation, the exposure increased with most of it going towards renewables. More detailed explanations on the changes by sector can be found in the Sustainability Statement, part of the Annual Report 2024.

Template 3: Banking book - Climate change transition risk: Alignment metrics

2024	a	b	c	d	e	f	g
	Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mln EUR)	Alignment metric	Year of reference	Distance to IEA NZE2050 in % *	Target (year of reference + 3 years)
1	Power Generation	2720; 3511	11,600	63 kg CO2e / MWh	2024	-4%	124
				€1,001 million	2024	-61%	3,131
2	Fossil fuel combustion - Upstream oil & gas	0610; 0620	1,013	11 million tonnes CO2e	2024	-78%	63,0
3	Fossil fuel combustion - Mid- & downstream oil & gas	0620; 0910; 1920; 4671; 4950	7,410	19.1 kg CO2e / boe	2024	31%	16.29
4	Automotive	2910; 2932; 3299; 4519; 6419; 6492; 6499; 7711	3,964	0.146 kg CO2/vkm	2024	45%	0.13
5	Aviation	2110; 7735	4,148	844 g CO2e/RTK	2023	33%	756
6	Shipping	5020	8,620	-7.6% Alignment Delta	2023		0.0
7	Cement	2351; 2363	655	0.688 t CO2 / t cement	2024	33%	0.585
				0.83 SSP Alignment Score	2024		0
8	Steel	2410; 2420; 2445; 2451; 2452; 2550; 3821; 4612; 4662; 4672; 5222; 7711	1,996	1.93 t CO2 / t steel	2024	32%	1.62
9	Chemicals						
10	Commercial Real Estate	6810;6820;6831;6832	26,197	39.5 kg CO2e / m2	2024	131%	24.2

* PiT distance to 2030 NZE2050 scenario in % (for each metric)

Top 20 carbon-intensive firms in the world

Template 4 is showing aggregated information of ING's exposures towards the top 20 carbon-intensive companies in the world. It includes information on the average maturity of the exposures, providing some insight on how these exposures may be impacted by longer-term climate change transition risks. For more information on our decarbonizing strategy for the Oil & Gas sector we refer you to the Climate report.

The identification of the counterparties constituting the list of the 20 companies considered to have the highest emissions is based on the most recent published list by CDP (The Carbon Majors Database - CDP Carbon Majors Report 2017) and more particularly the sample emission from 2015.

The assets that are considered in this table are: loans and advances, debt securities and equity instruments. As per December 2024, ING's total exposure towards the top 20 was €1.6 bln, which is €0.4 bln lower compared to June 2024. This represents 0.2% of the gross carrying amount of the portfolio. This amount includes indirect financing of non-recourse discount type of invoices issued by these companies and aimed at financing their suppliers or the customers of the 20 companies considered to have the highest emissions.

The column CCM shows the portion of the exposure of these top 20 companies that contributes to climate change mitigation in alignment with the EU Taxonomy (EUT). Since the majority of the exposure within the top 20 are outside Europe, the EUT criteria are not fit for these types of exposures therefore an assessment is not possible (column c).

Template 4: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

	a	b	c	d	e
	Gross carrying amount (aggregate) in EUR million	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
1	1,627	0.2 %	—	2.5	8

Climate change physical risk

'Physical risk' is defined as the risk of losses arising from any negative financial impact on the institution stemming from the current or prospective impacts of the physical effects of environmental factors on the institution's counterparties or invested assets.

Template 5 discloses hereunder provide information on the indicators of potential climate change physical of the banking book of ING.

Exposures subject to physical risk

Template 5 provides information on exposures in the banking book (including loans and advances, debt securities and equity instruments not held for trading and not held for sale) towards non-financial corporates, on loans collateralised by immovable property and on repossessed real estate collateral that are exposed to chronic and/or acute climate-related hazards, with a breakdown by NACE economic sector.

Further, the ITS mentions that a breakdown of the exposures by geography of location of the activity of the counterparty or of the collateral should be disclosed. For this December 2024 disclosures, based on a best effort basis, we used for the NACE sectors the country of residence of the counterparty to define the geographical breakdown rather than the requested location of the activity.

Determination of geographical areas

The ITS stipulates that the breakdown shall cover the geographical areas exposed to negative impact from climate change physical events. Based on this, ING decided to disclose separate templates for countries with the highest sensitivity based on gross carrying amounts, besides the consolidated template reflecting the entire ING portfolio exposed to negative impact from climate change physical events. As the NUTS classification is only defined for EU member states and knowing that ING has significant exposure outside of the EU, ING preferred to use the country breakdown for the geographical overview.

Sensitivity methodology

In absence of clear guidance whether banks should report physical risk excluding or including supporting measures (i.e. inherent or residual risks) such as insurance coverage or government schemes, and based on the discussions in the industry, we decided to disclose the inherent risk (also market practice) as information on the supporting measures is not readily available for all the physical risk factors or all exposures. Besides, residual risk would not provide the risk level of information to determine which exposures are physical at risk.

For the loans collateralized by immovable property (rows 17 and 18) and repossessed collaterals (row 19) and NACE sectors for Business Banking clients, we collected granular location data and matched it with individual climate hazards assessed with an ING tool that has been internally developed. During this process, the collaterals were assessed against 3 chronic and 6 acute (2 chronic and 1 acute specific for the Netherlands) different climate risk hazards using their geographical location. The climate risk hazards have been mapped and aggregated into acute and/or chronic events as required in the ITS. For each assets, the level of risk is classified between low to high. For a specific collateral, the asset is considered at risk for acute (respectively chronic) if at least one of the hazard level of risk within the acute (respectively chronic) hazards is high. Additionally, these level of risk are provided for three different time horizons, and as the ITS suggests, the maturity of the loan was used to determine which time horizon to use in the assessment.

In terms of methodology, for the NACE sectors (rows 1 to 17), we have use a combination of resources. For business banking clients, the location of its headquarter (where the company was registered) was used to assess physical risk. For these counterparties, the internal tool was used with 4 chronic and 6 acute (1 chronic and 1 acute specific for the Netherlands) climate hazards assessed. For clients were the geolocation data is not available, estimations on the physical risk scores were based on the available ones, per country and subsector. It was decided to apply a different approach for wholesale and business bank exposures. This is due to a single location being a reasonable characterisation of the physical risk for business bank exposures. Wholesale exposures, on the other hand, may have multiple locations which have varying financial importance for a counterparty. Hence, a single approach was deemed inappropriate for the full book. Moreover, the wholesale approach is also in line with the one used for the double materiality assessment.

The wholesale bank assessment approach is using 2 chronic and 6 acute physical risks of each NACE sector. In this approach focus is on the sector of operation and physical risk transmission channels as opposed to head office location. Moreover, as wholesale counterparties may be affected by a range of acute and chronic physical risks either directly or through their supply chain, physical risk exposure for these counterparties is deemed to be a combination of both acute and chronic physical risk.

Consolidated table and breakdown per sensitive geographical area

This table represents the sensitivity exposure for the consolidated ING portfolio. EUR 38.0 billion of our portfolio is sensitive to physical risk with EUR 25.1 billion (66%) being sensitive to chronic climate change events. The sensitive portfolio decreased compared to last year following a methodology update on the wholesale banking portfolio. Based on the size of our portfolio, Belgium, The Netherlands and Germany, covering 63% of our portfolio, are separately reported.

Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
			Gross carrying amount (Mln EUR)												
			of which exposures sensitive to impact from climate change physical events												
	Consolidated		Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	3,161	375	350	74	6	4	662	87	57	69	3	-5	-1	-3
2	B - Mining and quarrying	7,504	646	332	368		2	347	52	947	200	41	-27	-1	-25
3	C - Manufacturing	47,791	5,009	1,401	672	17	2	5,025	183	1,890	814	74	-118	-14	-97
4	D - Electricity, gas, steam and air conditioning supply	19,888	1,720	1,622	2,734	228	5	2,799	53	3,452	532	97	-41	-4	-35
5	E - Water supply; sewerage, waste management and remediation activities	2,867	51	15	18		1	3	10	72	21	4	-4		-4
6	F - Construction	10,025	3,048	822	660	9	3	4,045	121	374	477	15	-98	-9	-84
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	35,837	2,714	688	338	8	2	2,311	484	953	473	37	-73	-8	-60
8	H - Transportation and storage	25,148	1,630	1,188	540	1	3	1,409	526	1,425	170	18	-21	-2	-18
9	I - Accommodation and food service activities	2,201	105	43	11		4	42	56	62	24	10	-5		-5
10	J - Information and communication	16,915	548	221	96	1	2	520	125	220	80	7	-14	-1	-12
11	M - Professional, scientific and technical activities	6,714	999	663	747	46	5	2,368	58	29	227	10	-30	-6	-21
12	N - Administrative and support service activities	13,364	1,019	440	166	1	2	1,371	176	79	150	5	-32	-2	-28
13	O - Public administration and defence; compulsory social security	1,803	104	119	761	72	9	1,048	1	7					
14	P - Education	239	22	18	50	1	5	83	7	1	3	—	-1	—	—

15	Q - Human health and social work activities	5,971	182	161	251	8	6	489	88	25	85	3	-4	-2	-2
16	R - Arts, entertainment and recreation	788	70	31	11	1	3	76	13	24	7	—	-1	—	—
17	S - Other service activities	830	38	34	107	5	4	172	8	3	9	1	-2	-1	-1
18	Loans collateralised by residential immovable property	357,527	192	241	801	1,854	21	2,095	986	6	371	24	-7	-3	-4
19	Loans collateralised by commercial immovable property	67,638	325	135	42	8	5	229	280	1	59	34	-3	—	-2
20	Repossessed collaterals	2													

Belgium

For Belgium, EUR 15.0 billion of our portfolio is sensitive to physical risk with EUR 14.2 billion being sensitive to chronic climate change events.

Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
			Gross carrying amount (Mln EUR)												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Belgium		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	344	93	61	58		6	210	1	1	18	1	-3	-1	-2
2	B - Mining and quarrying	146	21	15	3		3	26		12	9				
3	C - Manufacturing	4,869	1,309	578	396	3	4	2,106	7	173	439	15	-50	-6	-41
4	D - Electricity, gas, steam and air conditioning supply	1,467	304	321	435		8	998	8	54	4		-3		-2
5	E - Water supply; sewerage, waste management and remediation activities	455	1	2			6	2	1		1				
6	F - Construction	4,842	2,485	440	559	9	4	3,438	28	26	418	12	-91	-8	-79

7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	5,311	986	380	315	5	4	1,601	33	52	189	8	-40	-4	-33
8	H - Transportation and storage	1,708	452	172	146		4	733	10	27	66	2	-8	-1	-6
9	I - Accommodation and food service activities	336	4	4	11		7	13	6		2				
10	J - Information and communication	992	234	55	77		4	355	2	9	32	1	-12	-1	-10
11	M - Professional, scientific and technical activities	3,280	840	612	735	46	7	2,211	17	5	198	7	-23	-4	-17
12	N - Administrative and support service activities	1,598	541	158	158	1	5	850	5	3	113	2	-28	-1	-26
13	O - Public administration and defence; compulsory social security	1,243	102	114	761	72	0	1,048	1						
14	P - Education	119	14	13	50	1	11	76		1	3				
15	Q - Human health and social work activities	2,959	101	107	217	7	11	402	29	1	16	1	-3	-1	-1
16	R - Arts, entertainment and recreation	323	16	6	10	1	5	25	2	6	4				
17	S - Other service activities	297	25	28	103	4	6	159	1		6				
18	Loans collateralised by residential immovable property	46,902	14	26	120	47	1		207		35	6	-1		-1
19	Loans collateralised by commercial immovable property	17,363	18	19	14	2	1		54		4	2	-1		

The Netherlands

For The Netherlands, EUR 7.3 billion of our portfolio is sensitive to physical risk with EUR 4.5 billion being sensitive to chronic climate change events.

Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
			Gross carrying amount (Mln EUR)												
			of which exposures sensitive to impact from climate change physical events												
			Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	**Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions**		
	The Netherlands		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	1,953	170	275	15	6	5	367	80	18	35				
2	B - Mining and quarrying	693	36	27	234		8	39	49	208					
3	C - Manufacturing	6,603	432	140	14		2	277	105	205	98	9	-7	-1	-6
4	D - Electricity, gas, steam and air conditioning supply	1,326	58	29	387		7	251	4	219	7	2	-2		-1
5	E - Water supply; sewerage, waste management and remediation activities	552	14	8			1	1	6	15	1				
6	F - Construction	2,151	185	167	28		3	173	77	130	20	1	-1		
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	9,437	733	220	6		3	380	393	186	138	7	-12	-2	-9
8	H - Transportation and storage	3,453	253	162	8	1	3	240	69	114	32				
9	I - Accommodation and food service activities	1,164	65	39			4	28	48	28	19				
10	J - Information and communication	2,197	69	19			3	40	20	28	16	1	-1		
11	M - Professional, scientific and technical activities	1,029	59	47			3	67	33	6	8		-4		-3
12	N - Administrative and support service activities	2,889	131	50			3	135	36	10	24		-1		-1

13	O - Public administration and defence; compulsory social security						0								
14	P - Education	104	7	5			2	5	7						
15	Q - Human health and social work activities	1,864	65	49	27	1	3	70	57	15	65				
16	R - Arts, entertainment and recreation	369	45	17			3	50	10	2	3				
17	S - Other service activities	244	9	6	1		1	6	7	4	2				
18	Loans collateralised by residential immovable property	123,034	115	194	595	1,635	17	2,095	438	6	326	10	-3	-2	
19	Loans collateralised by commercial immovable property	26,158	238	116	28	6	4	229	158	1	55	32	-2		-2

Germany

For Germany, EUR 1.6 billion of our portfolio is sensitive to physical risk with EUR 1.2 billion being sensitive to both acute and chronic climate change events.

Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
	Germany		Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity							of which Stage 2 exposures	Of which non-performing exposures
1	A - Agriculture, forestry and fishing	16	1				0			1					
2	B - Mining and quarrying	21			19		17	19							
3	C - Manufacturing	3,542	421	10		14	1	368	12	65	5		-17		-17
4	D - Electricity, gas, steam and air conditioning supply	3,247	123	177	319	110	7	510	11	209	10				

5	E - Water supply; sewerage, waste management and remediation activities	431					0								
6	F - Construction	42	5				1	4		1	1				
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	705	53			3	2	40	4	12	3	3	-2		-1
8	H - Transportation and storage	1,356	11	6	23		2	26	5	8					
9	I - Accommodation and food service activities						0								
10	J - Information and communication	2,379	87	19		1	1	98	8	1					
11	M - Professional, scientific and technical activities	260	20				1	18	2	1					
12	N - Administrative and support service activities	1,137	116	35			3	136	13	2					
13	O - Public administration and defence; compulsory social security	11					0								
14	P - Education	2					0								
15	Q - Human health and social work activities	105					1								
16	R - Arts, entertainment and recreation						0								
17	S - Other service activities						0								
18	Loans collateralised by residential immovable property	96,930	2	4	13	41	1		60		-3	-1			
19	Loans collateralised by commercial immovable property	1,721					0								

Green Assets Ratio (GAR) information

Template 6 disclosed hereunder provide information on the GAR key performance indicators. More information on the GAR is disclosed in the ING Annual report 2024 in the Sustainability Statement section.

While Delegated Regulation (EU) 2021/2178 requires entities to estimate and disclose the GAR twice, once based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for general purpose lending, and again based on the capital expenditure (CapEx) taxonomy alignment of the counterparty for the same general purpose lending exposures, in this template institutions shall only disclose the GAR once, based on the turnover alignment of the counterparty for the general purpose lending part only.

For the stock, GAR (climate change mitigation), GAR (climate change adaptation), GAR (climate change mitigation and climate change adaptation) shall correspond to the KPI included in columns (b), (g) and (l) respectively of Template 8, accordingly.

As expected, the GAR % slightly increased compared to previous disclosures. Big part of the GAR comes from residential mortgages, which increased with €2 bln compared to June 2024 mainly driven by portfolio growth. Another portion of taxonomy alignment comes from financial and non-financial corporations whose increase was mainly driven by the inclusion of subsidiaries and SPVs of companies subject to CSRD as of this reporting year.

Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures

Template 6: Summary of key performance indicators (KPIs) on the Taxonomy-aligned exposures

	KPI (in %)			
2024	Climate change mitigation	Climate change adaptation	Total (Climate change mitigation + Climate change adaptation)	% coverage (over total assets)*
GAR stock	6.87 %	0.01 %	6.88 %	35.68 %
GAR flow	2.30 %	0.02 %	2.32 %	13.86 %

* % of assets covered by the KPI over banks´ total assets

Summary of assets for the calculation of GAR

Template 7 disclosed hereunder provide information on assets for the calculation of GAR (in Million EUR). Institutions shall disclose in this template information on gross carrying amount of institutions' loans and advances, debt securities and equity instruments on their banking book, with a breakdown of the information by type of counterparty, including financial corporations, non-financial corporations, households, local governments as well as real estate lending towards households, and the taxonomy eligibility and taxonomy alignment of the exposures with regard to the environmental objectives of climate change mitigation and climate change adaptation as referred to in Article 9, points (a) and (b), of Regulation (EU) 2020/852.

In particular, institutions shall include in this template information necessary for the calculation of the GAR in accordance with Delegated Regulation (EU) 2021/2178. While Delegated Regulation (EU) 2021/2178 requires institutions to estimate and disclose the GAR twice, once based on the turnover taxonomy alignment of the counterparty (for non-financial corporates) for general purpose lending, and again based on the CapEx taxonomy alignment of the counterparty for the same general purpose lending exposures, in this template institutions shall only disclose the GAR once based only on the turnover alignment of the counterparty for the general purpose lending part.

The information included in the table below relates to climate change mitigation and climate change adaptation as referred to in Article 9, points (a) and (b), of Regulation (EU) 2020/852. More information on the GAR is disclosed in the ING Annual report 2024 in the Sustainability Statement section.

Template 7 - Mitigating actions: Assets for the calculation of GAR

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Disclosure reference date T														
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
	Million EUR	Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional /adaptation	Of which enabling
	GAR - Covered assets in both numerator and denominator																
	GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	401,996	364,943	57,513	55,195	549	1,055	1,361	106	0	0	27	366,303	57,618	55,195	549	1,082
2	Financial corporations	28,340	7,423	462	0	78	142	235	46	0	0	2	7,658	508	0	78	144
3	Credit institutions	24,490	6,028	311	0	32	52	98	2	0	0	1	6,126	313	0	32	53
4	Loans and advances	13,182	3,080	212	0	27	48	70	1	0	0	0	3,150	213	0	27	48
5	Debt securities, including UoP	11,257	2,945	99	0	4	4	28	1	0	0	0	2,973	100	0	4	5
6	Equity instruments	51	3	0	0	0	0	0	0	0	0	0	3	0	0	0	0
7	Other financial corporations	3,850	1,395	150	0	47	90	136	44	0	0	1	1,532	195	0	47	91
8	of which investment firms	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Equity instruments	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

16	of which insurance undertakings	73	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Loans and advances	73	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Debt securities, including UoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Non-financial corporations (subject to NFRD disclosure obligations)	22,704	6,612	1,856	0	470	913	1,126	60	0	0	25	7,738	1,916	0	470	938
21	Loans and advances	22,608	6,600	1,850	0	470	907	1,120	60	0	0	25	7,719	1,910	0	470	933
22	Debt securities, including UoP	97	12	6	0	0	6	6	0	0	0	0	18	6	0	0	6
23	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Households	348,580	348,580	55,195	55,195	0	0	0	0	0	0	0	348,580	55,195	55,195	0	0
25	of which loans collateralised by	348,580	348,580	55,195	55,195	0	0	0	0	0	0	0	348,580	55,195	55,195	0	0
26	of which building renovation loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	of which motor vehicle loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	Local governments financing	2,371	2,328	0	0	0	0	0	0	0	0	0	2,328	0	0	0	0
29	Housing financing	2,304	2,304	0	0	0	0	0	0	0	0	0	2,304	0	0	0	0
30	Other local governments financing	67	24	0	0	0	0	0	0	0	0	0	24	0	0	0	0
31	Collateral obtained by taking possession: residential and commercial immovable properties	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	**TOTAL GAR ASSETS**	**401,998**	**364,943**	**57,513**	**55,195**	**549**	**1,055**	**1,361**	**106**	**0**	**0**	**27**	**366,304**	**57,618**	**55,195**	**549**	**1,082**
	Assets excluded from the numerator for GAR calculation (covered in the denominator)																
33	**EU Non-financial corporations (not subject to NFRD disclosure obligations)**	141,519															

34	Loans and advances	140,400
35	Debt securities	884
36	**Equity instruments**	235
37	**Non-EU Non-financial corporations (not subject to NFRD disclosure obligations)**	74,280
38	**Loans and advances**	74,138
39	Debt securities	63
40	Equity instruments	79
41	Derivatives	28,890
42	On demand interbank loans	3,194
43	Cash and cash-related assets	1,645
44	Other assets (e.g. Goodwill, commodities etc.)	186,161
45	**TOTAL ASSETS IN THE DENOMINATOR (GAR)**	**837,686**
	Other assets excluded from both the numerator and denominator for GAR calculation	
46	Sovereigns	67,386
47	Central banks exposure	78,339
48	Trading book	43,092
49	**TOTAL ASSETS EXCLUDED FROM NUMERATOR AND DENOMINATOR**	**188,816**
50	**TOTAL ASSETS**	**1,026,503**

Summary of assets for the calculation of GAR (%)

Template 8 disclosed hereunder provide information on the percentage of the assets compared to the total covered assets for the calculation of GAR. This information is based on Template 7 data, while exhibiting the proportion of assets funding taxonomy relevant sectors.

Template 8 - Mitigating actions: GAR % - KPIs on stock

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					
	% (compared to total covered assets in the denominator)	Proportion of eligible assets funding taxonomy relevant sectors	Of which environmentally sustainable	Of which specialised lending	Of which transitional	Of which enabling	Proportion of eligible assets funding taxonomy relevant sectors	Of which environmentally sustainable	Of which specialised lending	Of which adaptation	Of which enabling	Proportion of eligible assets funding taxonomy relevant sectors	Of which environmentally sustainable	Of which specialised lending	Of which transitional /adaptation	Of which enabling	Proportion of total assets covered
1	GAR	44 %	7 %	7 %	0 %	0 %	0 %	0 %			0 %	44 %	7 %	7 %	0 %	0 %	36 %
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	91 %	14 %	14 %	0 %	0 %	0 %	0 %			0 %	91 %	14 %	14 %	0 %	0 %	36 %
3	Financial corporations	26 %	2 %		0 %	1 %	1 %	0 %			0 %	27 %	2 %		0 %	1 %	1 %
4	Credit institutions	25 %	1 %		0 %	0 %	0 %	0 %			0 %	25 %	1 %		0 %	0 %	1 %
5	Other financial corporations	36 %	4 %		1 %	2 %	4 %	1 %			0 %	40 %	5 %		1 %	2 %	0 %
6	of which investment firms																0 %
7	of which management companies	23 %	17 %		0 %	8 %	1 %	0 %				23 %	18 %		0 %	8 %	0 %
8	of which insurance undertakings	0 %	0 %		0 %	0 %	0 %	0 %				0 %	0 %		0 %	0 %	0 %
9	Non-financial corporations subject to NFRD disclosure obligations	29 %	8 %		2 %	4 %	5 %	0 %			0 %	34 %	8 %		2 %	4 %	1 %
10	Households	100 %	16 %	16 %								100 %	16 %	16 %			34 %
11	of which loans collateralised by residential immovable property	100 %	16 %	16 %								100 %	16 %	16 %			34 %

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
12 of which building renovation loans																0 %
13 of which motor vehicle loans																0 %
14 Local government financing	98 %										98 %					0 %
15 Housing financing	100 %										100 %					0 %
16 Other local governments financing	35 %										35 %					0 %
17 Collateral obtained by taking possession: residential and commercial immovable properties	22 %										22 %					0 %

Template 8 - Mitigating actions: GAR % - KPIs on flows

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
	Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					Proportion of eligible assets funding taxonomy relevant sectors					
		Of which environmentally sustainable					Of which environmentally sustainable					Of which environmentally sustainable				
			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional /adaptation	Of which enabling	
1 <u>GAR</u>	20 %	2 %	2 %	0 %	0 %	0 %	0 %			0 %	20 %	2 %	2 %	0 %	0 %	14 %
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	74 %	9 %	7 %	0 %	1 %	1 %	0 %			0 %	75 %	9 %	7 %	0 %	1 %	14 %
3 Financial corporations	25 %	1 %		0 %	0 %	1 %	0 %			0 %	26 %	2 %		0 %	0 %	1 %
4 Credit institutions	25 %	1 %		0 %	0 %	1 %	0 %			0 %	25 %	1 %		0 %	0 %	1 %
5 Other financial corporations	25 %	2 %		0 %	2 %	6 %	3 %			0 %	32 %	5 %		0 %	2 %	— %
6 of which investment firms																

7	of which management companies																— %
8	of which insurance undertakings																— %
9	Non-financial corporations subject to NFRD disclosure obligations	27 %	10 %		2 %	5 %	4 %	0 %			0 %	31 %	10 %		2 %	5 %	1 %
10	Households	100 %	11 %	11 %								100 %	11 %	11 %			12 %
11	of which loans collateralised by residential immovable property	100 %	11 %	11 %								100 %	11 %	11 %			12 %
12	of which building renovation loans																0 %
13	of which motor vehicle loans																0 %
14	Local government financing																0 %
15	Housing financing																0 %
16	Other local governments financing																0 %
17	Collateral obtained by taking possession: residential and commercial immovable properties																0 %

Summary of other climate change mitigating actions that are not covered in Regulation (EU) 2020/852

The purpose of this template is to report other climate change mitigation measures and includes exposures of institutions that are not aligned with the Taxonomy under Regulation (EU) 2020/852, but which nevertheless are supporting counterparties in the transition and adaptation process for climate change mitigation and adaptation objectives (Exposures aligned to the EU Taxonomy are reported in templates 6 to 9).

The financial instruments included in this template, loans and bonds, contribute to the mitigation of physical and transition-based risks arising from climate change. According to the nature and characteristics of the assets included in this template, and with the current availability of information, these exposures have been considered as contributing to mitigate climate change, and it is mentioned in the table when it is transition risks and/or physical risks. As the Taxonomy's technical criteria are still being implemented, the approach is based on the best effort basis, so for this first publication the exposures that was confirmed that it could not meet the EUT alignment requirements were included.

Template 10: Other climate change mitigating actions

	Type of financial instrument	Type of counterparty	Gross carrying amount (million EUR)	Type of risk mitigated (Climate change transition risk)	Type of risk mitigated (Climate change physical risk)	Qualitative information on the nature of the mitigating actions
1	Bonds (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	1,326	Yes	No	The eligibility of these Green Bonds was assessed based on criteria set under the Sustainable Investments Guidelines for GT Investments. As a result, issuers' Green Bond Documentations such as Green Bond Frameworks, Second Party Opinions and Allocation Reports were assessed. Green bonds of which the proceeds will be applied entirely towards green projects or activities that promote climate change mitigation, adaptation or other environmentally sustainable purposes.
2		Non-financial corporations	—	—	—	
3		Of which Loans collateralised by commercial immovable property	—	—	—	
4		Other counterparties	2,306	Yes	No	
5	Loans (e.g. green, sustainable, sustainability-linked under standards other than the EU standards)	Financial corporations	9	Yes	Yes	Sustainable loans provided by former Groenbank for investments that have a "green" certificate (groenverklaring) issued by the Dutch Government.
6		Non-financial corporations	1,132	Yes	Yes	1. EUR 45 mln Loans that fall under the EIB scheme that can be used to fund transactions with a sustainable character. These loans are issued to initiative that positively impacts: (1) energy transition, (2) increase energy efficiency buildings, (3) Circulair economy, (4) Sustainable mobility.These loans do not necessarily meet EUT Technical Screening Criteria and the customer receiving it are not always subject to NFRD, but they do contribute to a more sustainable economy, hence in scope of Template 10. 2. EUR 3 mln Loans BMKB-Groen used for making buildings more sustainable such as purchase of solar panels or Heat Pumps. These loans do not necessariliy meet EUT Technical Screening Criteria, or customers are not NFRD. Hence in scope of Template 10. 3. EUR 1.076 mln sustainable loans provided by Groenbank for investments that have a "green" certificate (groenverklaring) issued by the Dutch Government. 4. EUR 37 million Sustainable Impact Loans Split over Financial/non-financial/other corporations and households.
			11,547	Yes	No	EUR 11.6 bln Loans considered sustainable for financing renewable energy (wind and solar) for the purpose of climate change mitigation
7		Of which Loans collateralised by commercial immovable property	4,620	Yes	No	Green commercial buildings from The Netherlands with an EPC label A.
8		Households	16	Yes	Yes	1. Green loans (former Groenbank) to private individuals. Collateral info is not available for these loans (EUR 16 million).
9		Of which Loans collateralised by residential immovable property				
10		Of which building renovation loans				
11		Other counterparties	5	Yes	Yes	Sustainable loans provided by former Groenbank for investments that have a "green" certificate (groenverklaring) issued by the Dutch Government.

Other risks

Non-financial risk

AMA

Article 446 of the CRR requires institutions to disclose information on the approaches for the management of operational risk that should help to understand the assessment of own funds requirements for operational risk. This information is disclosed in the 'Risk management' section of the annual report. The table below provides information on the calculation of own funds requirements for operational risk management.

EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

Banking activities	Relevant indicator			Own funds requirements	Risk exposure amount
2024	Year-3	Year-2	Last year		
Banking activities subject to basic indicator approach (BIA)					
Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches					
Subject to TSA:					
Subject to ASA:					
Banking activities subject to advanced measurement approaches AMA	18,561	22,575	22,615	3,080	38,500

EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

Banking activities	Relevant indicator			Own funds requirements	Risk exposure amount
2023	Year-3	Year-2	Last year		
Banking activities subject to basic indicator approach (BIA)					
Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches					
Subject to TSA:					
Subject to ASA:					
Banking activities subject to advanced measurement approaches AMA	18,061	18,461	18,654	3,080	38,500

Appendices

Disclosure Index

Disclosure index EBA guidelines and ITS			
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	EU CCyB1	Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	7
	EU CCyB2	Amount of institution-specific countercyclical capital buffer	10
	EU KM1	Key metrics template	5
Own funds	EU CC1	Composition of regulatory own funds	11
	EU CC2	Reconciliation of regulatory own funds to balance sheet in the audited financial statements	14
	EU CCA	Capital instruments' main features, at 31 December 2022	On the corporate website ing.com
	IFRS 9-FL	Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs	15
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