ING posts FY2022 net result of €3,674 mln
4Q2022 net result of €1,089 mln

Steven van Rijswijk, CEO of ING

2 February 2023

do your thing

Delivering value in 2022

Primary customer growth

+585,000

versus **+507,000** in 2021

% mobile-only active customers[1)]

58%

versus **51%** YE2021

Digi index score[2)]

64%

versus **60%** YE2021

Volume mobilised[3)] in transition finance

€101 bln

versus **€88 bln** in 2021

Net interest income[4)]

+€1.1 bln

versus **€-0.5 bln** in 2021

Distribution to shareholders[5)]

€4.8 bln

versus **€3.9 bln** in 2021

[1)] Retail customers who used the mobile channel at least once in the last quarter
[2)] Average of STP (straight-through-processing) rates of 341 Retail customer journeys; STP rate is the percentage of a customer journey that is handled without manual intervention
[3)] Volume mobilised for WB clients; includes loan products, capital markets, derivatives and advisory propositions that support clients by financing their sustainable activities and in the transition to a more sustainable business model. In case of an ESG lead role the pro-rata share of the transaction is included, otherwise our final take is included
[4)] Excluding net TLTRO impact and the Polish mortgage moratorium
[5)] Amount related to dividend + share buyback (based on payment date)

We are executing our strategy

Our purpose	**Empower people to stay a step ahead in life and in business**			
Our strategic priorities	**Superior customer experience**		**Sustainability**	
2022 realised	**#1 Net Promoter Score in** 6/10 retail countries	**Primary customer base** 14.6 mln	**Volume mobilised[1] in transition finance** €101 bln	**Intermediate 2030 targets for Terra sectors[2]** ✓
2025 target	10/10 retail countries	>17 mln	€125 bln	

[1] Volume mobilised for WB clients; includes loan products, capital markets, derivatives and advisory propositions that support clients by financing their sustainable activities and in the transition to a more sustainable business model. In case of an ESG lead role the pro-rata share of the transaction is included, otherwise our final take is included
[2] Intermediate 2030 targets aligned with net zero pathways for the most-carbon intensive sectors covered by our Terra approach

Our strategy enablers

Seamless digital experience

Scalable Tech & Operations

Safe & secure bank

Our people

2022	2025 targets
52% of workload on (private) cloud	>70%
61% of customer online traffic using Touchpoint	>90%
48% adoption of shared engineering platform	>90%
64% Digi index score[1)]	>75%
12% inbound call reduction (versus 2021)	>30%
49% of KYC workforce in hubs	~60%
32% of operations workforce in hubs	~50%
29% women in senior management	>30%

[1)] Average of STP rates of 341 Retail customer journeys; STP rate is the percentage of a customer journey that is handled without manual intervention

On track for our 2025 targets, improved target on income growth

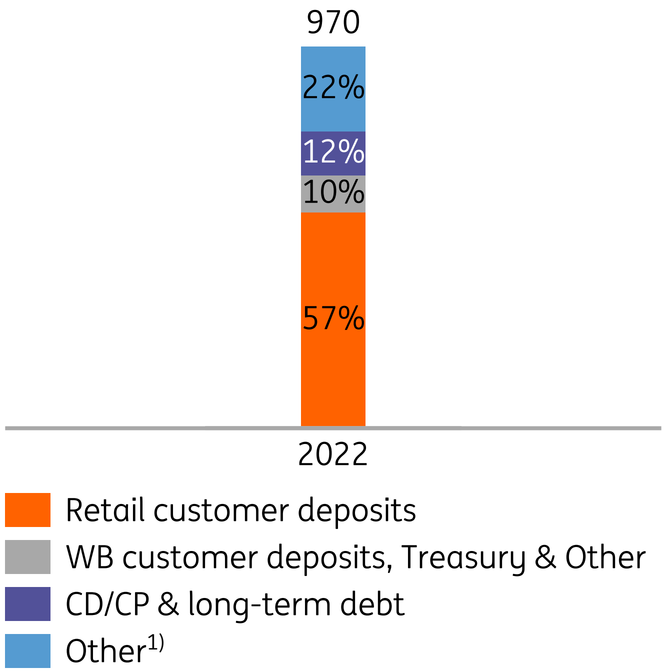
Financial target	2022 actuals	2025 target	Drivers
Fees	+2%	5-10% annual growth	▪ Primary customer growth ▪ Increasing package, service and behavioral fees in daily banking to better reflect cost of service ▪ Strong base in investment products, with growing number of investment accounts ▪ Strong base to capture loan growth
Total income	+5.5%[1)]	**4-5% CAGR**	▪ **For 2023 we expect total income growth >10%** ▪ Liability NII growth depending on central bank rate increases, deposit tracking and customer behaviour ▪ Lending NII growth depending on demand and pricing discipline in the market ▪ Fee growth
Cost/income ratio[2)]	60.3%	50-52%	▪ **For 2023 we expect the C/I-ratio at 55-56%** ▪ Total income growth ▪ Cost pressure from full year inflationary effects and continued investments in our business ▪ Lower regulatory costs once funds required for the DGS and SRF are filled[3)]
CET1 ratio	14.5%	~12.5%[4)]	▪ Intention to converge to our target level in roughly equal steps through pay-out ratio of 50% of resilient net profit and additional distributions
Return on equity[2)]	7.2%	12%	▪ Continued income growth and cost control ▪ Strong diversified asset book and low Stage 3 ratio protects P&L ▪ ~12.5% CET1 ratio target level

1) Excluding net TLTRO impact and the Polish mortgage moratorium
2) Based on 4-quarter rolling average. ING Group RoE is calculated using IFRS-EU shareholders' equity after excluding 'reserved profit not included in CET1 capital'
3) Formal build-up phase of several local Deposit Guarantee Schemes (DGS) and European Single Resolution Fund (SRF) are scheduled to be completed by 2024
4) Implies management buffer (incl. Pillar 2 Guidance) of ~150 bps over fully loaded CET1 requirement of 10.98%

FY2022 results

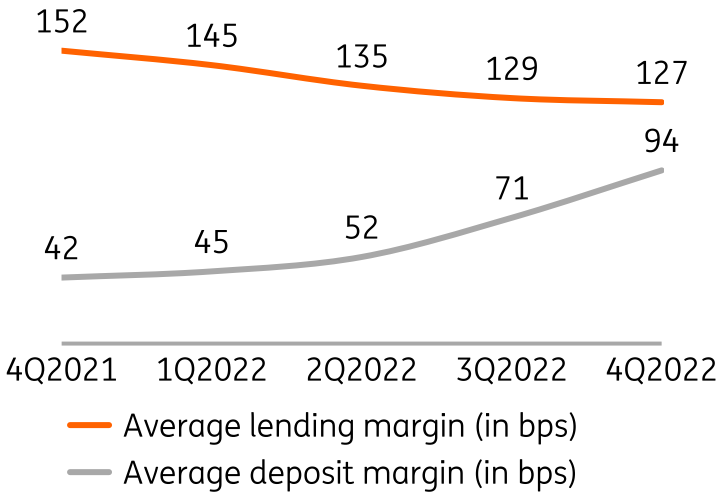
Clear benefit from our funding profile with rising rates and our focus on income diversification

Own funds & liabilities (total in € bln)



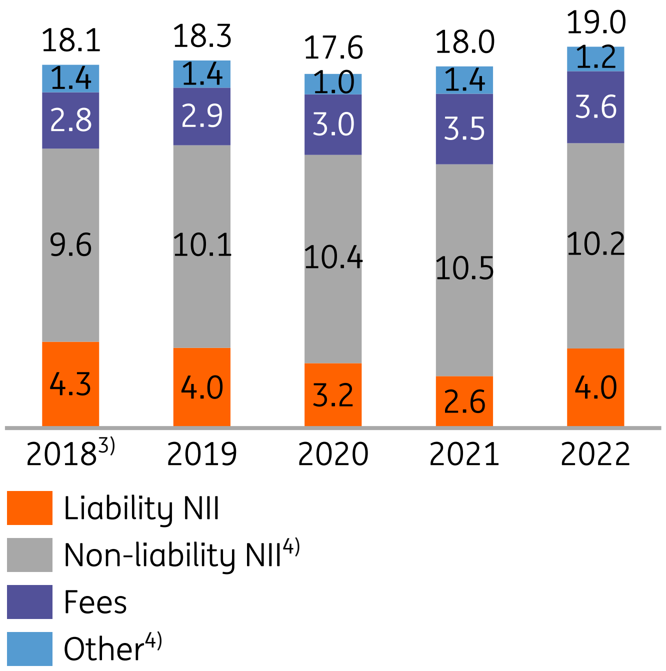
- Attractive funding profile with 57% of balance sheet funded by sticky Retail customer deposits
- Limited dependence on wholesale funding combined with strong rating

Rate environment impact on margins



- Higher deposit margin reflects return to a more normal rate environment
- Lower lending margin reflects delayed tracking of client rates and lower prepayments on mortgages

Total income[2] (in € bln)

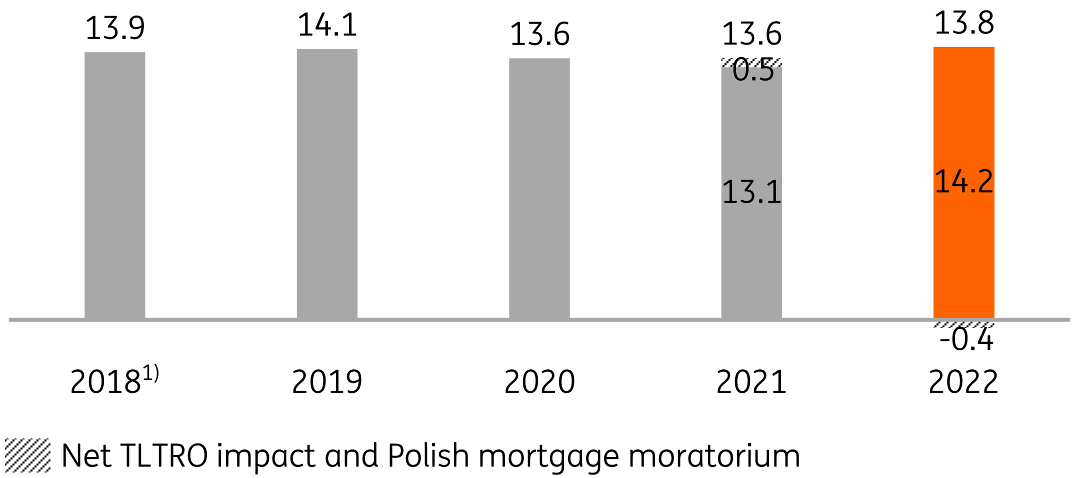


- Quick recovery of liability NII
- Non-liability NII (excl. net TLTRO impact and the Polish mortgage moratorium) reflects a lower margin on mortgages and lower NII in FM
- Fees structurally at a higher level

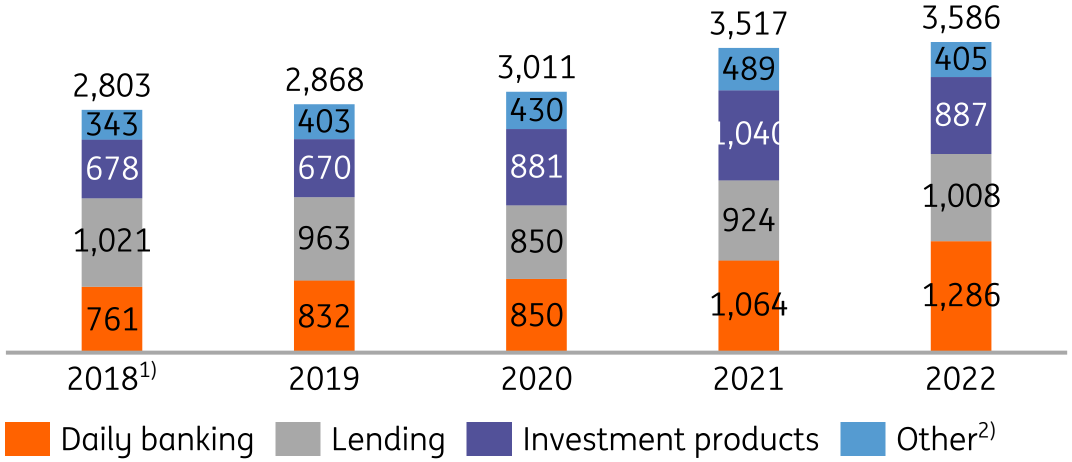
[1] Includes deposits from banks, financial liabilities at FV through P&L and other
[2] Excluding net TLTRO impact and the Polish mortgage moratorium
[3] For 2018 underlying income is shown
[4] Non-liability NII includes lending (excluding net TLTRO impact and the Polish mortgage moratorium), Financial Markets and Treasury; Other Includes investment income and other income

NII up, continued fee growth in 2022

Net interest income (in € mln)



Net fee & commission income per product category (in € mln)

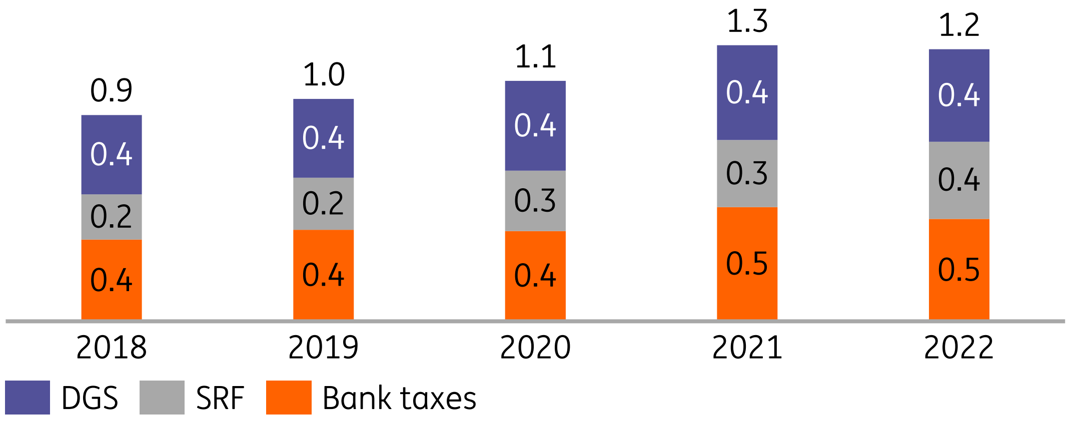


- NII excluding net TLTRO impact and the Polish mortgage moratorium, was up by €1.1 bln, or 8.0%, compared with 2021. This increase was fully driven by a strong recovery of liability NII
  - Liability NII was up by 53% following central bank rate increases while deposit tracking has been limited so far
  - Lending NII was 8% lower reflecting delayed tracking of higher cost of funds in client rates as well as reduced levels of prepayments on mortgages, which has bottomed out by year-end 2022
- Fee income increased by 2% from the high level achieved in 2021
  - Daily banking fees were up 21%, reflecting higher package fees, recovery of international payments and introduction of new fees
  - Lending fees grew 9%, driven by higher deal activity in WB, while mortgage fees were slightly lower reflecting growing uncertainty
  - Investment product fees decreased by 15%, as uncertain market circumstances led to a lower number of trades and lower stock markets during the year, notwithstanding a larger base due to continued new account openings

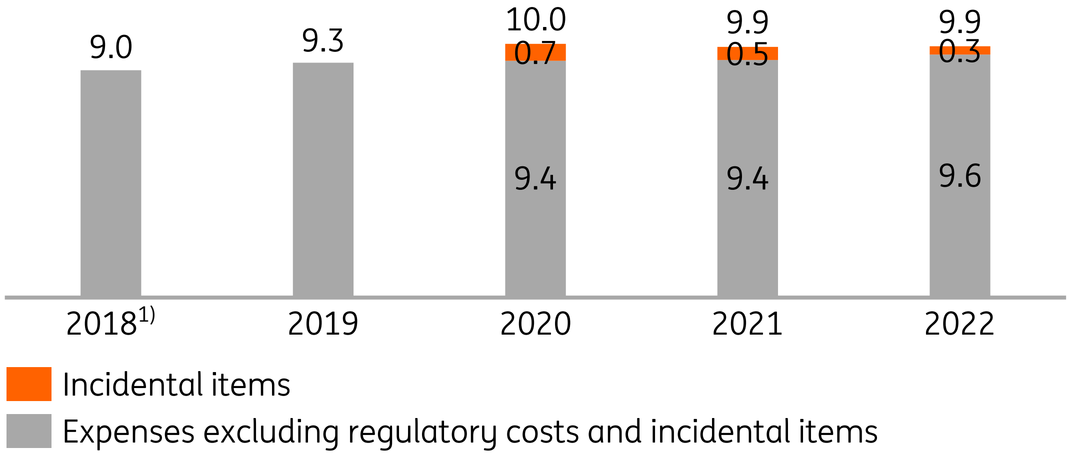
[1] For 2018 underlying income is shown
[2] Other includes Insurance products and Financial Markets

Containing expenses while investing for the future

Regulatory expenses (in € bln)



Expenses excluding regulatory costs (in € bln)

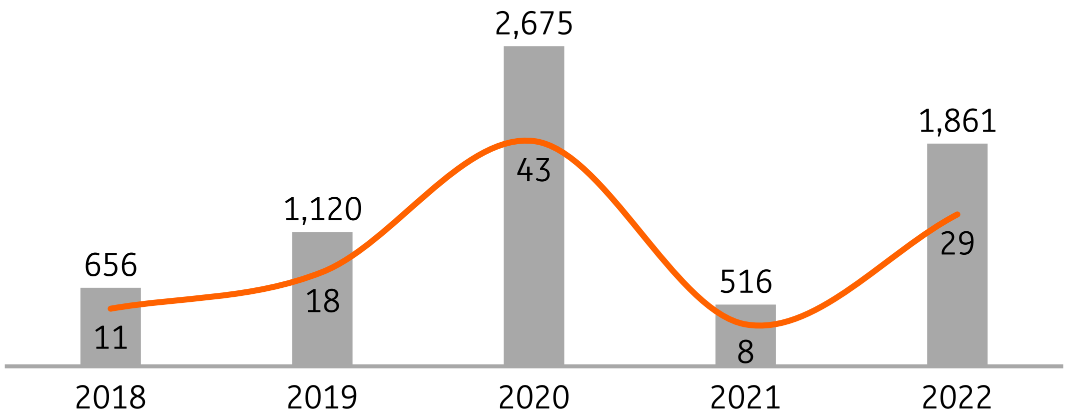


- FY2022 expenses were flat YoY and included slightly lower regulatory costs and €325 mln of incidental items, primarily restructuring costs
- Excluding regulatory costs and these incidental items, FY2022 expenses were impacted by the significant increase in inflation, which was partially absorbed by the savings from earlier management actions
- The main impact on staff expenses was from wage indexation (partially legally required and automatic), CLA increases and voluntary compensation schemes to support our employees in coping with the rising cost of living
- Also on our procured expenses we are not immune to rising inflation, notably also the effect of high energy prices
- While keeping focus to manage our cost base, we continue to invest in our businesses
- Managing our expenses is supported by benefits from earlier management actions and our strategic efforts to further develop our scalable tech and operations foundation, including our hub-strategy and further digitisation of customer journeys
- For 2023, we continue to focus on cost control, as we do expect to see some cost pressure in the short term from full-year inflationary effects as well as continuing investments in our businesses

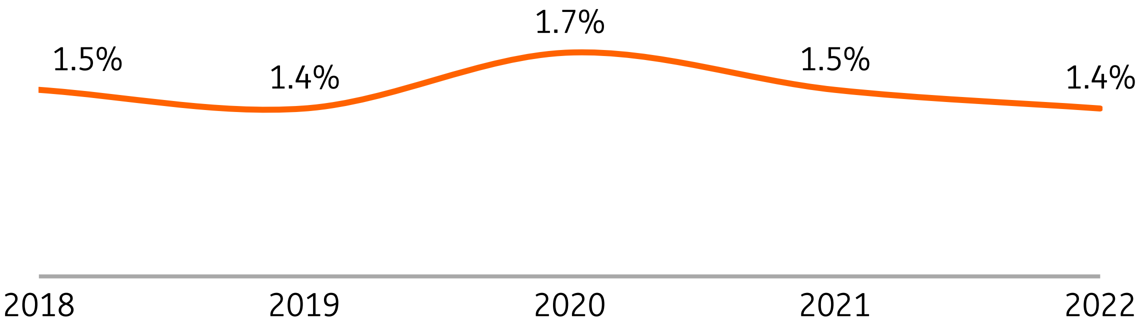
[1)] For 2018 underlying expenses are shown

FY2022 risk costs reflected geopolitics and macro uncertainty

Risk costs (in € mln and in bps over customer lending)



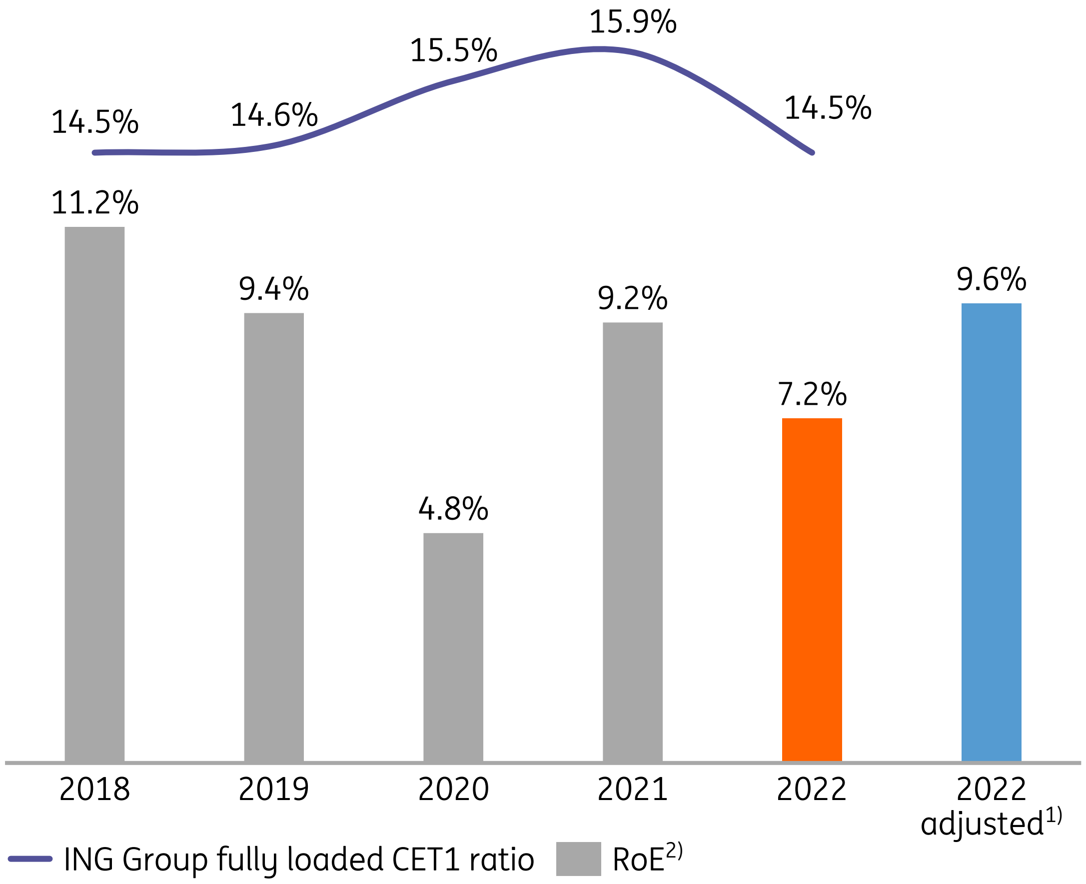
Stage 3 ratio



- 2022 risk costs were €1,861 mln, or 29 bps over average customer lending, slightly above our through-the-cycle average of ~25 bps
- Risk costs were largely driven by provisioning on Russia-related exposure and additions reflecting deteriorated macro-economic indicators. Management overlays for the risks from second order effects of the deteriorated macroeconomic outlook were largely offset by a release of Covid-related overlays. At year-end 2022 the total amount of overlays amounted to €453 mln
- Stage 3 ratio remained low at 1.4% at year-end 2022. We remain confident on the quality of our loan book
  - Well-diversified loan book in terms of product type, client segment and geography
  - Almost fully senior and well-collateralised with the majority of exposure in Wholesale Banking to investment grade customers
  - Historically, provisioning has been more than sufficient to cover actual write-offs

Our 12% return on equity target

CET1 ratio and return on equity



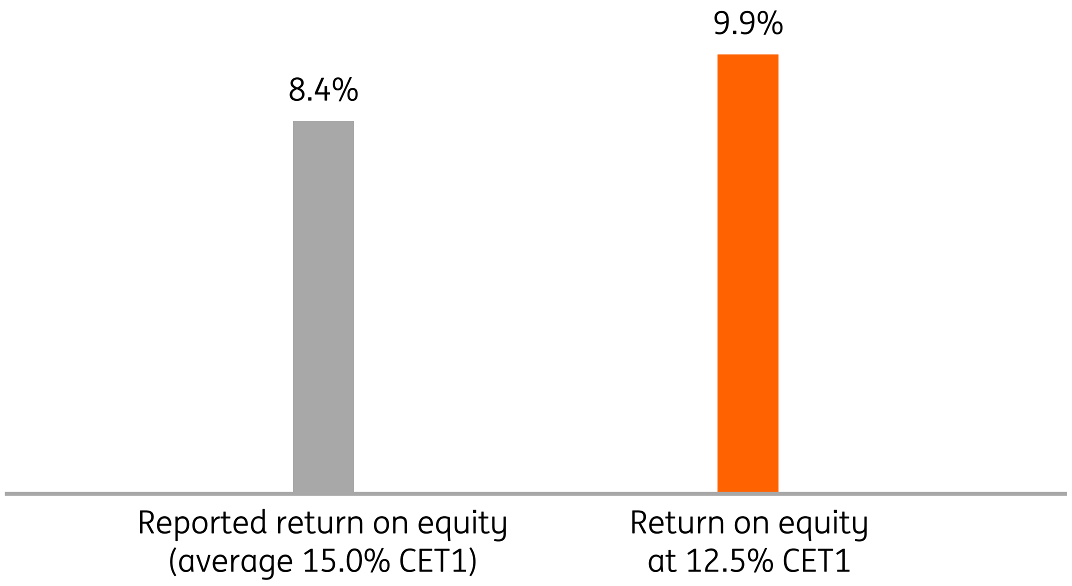
- Our RoE target is 12% by 2025
- 2022 RoE mainly reflected higher risk costs, as well as a significant equity position. Adjusted for incidental costs, our through-the-cycle average risk costs and at 12.5% CET1, our 2022 RoE was 9.6%
- Our 12% RoE target is influenced by several factors
  - Continued primary customer growth
  - Targeted 4-5% total income CAGR and 5-10% annual fee growth
  - Maintain high asset quality and a low Stage 3 ratio through our strong risk management framework
  - Lower regulatory costs once funds required for the DGS and SRF are filled
  - Convergence of our CET1 ratio, currently at 14.5%, with our target of ~12.5%
  - Effective tax rate 28-30%

[1)] 2022 adjusted RoE calculated excluding incidental cost items, at our through-the-cycle average risk costs of ~25 bps over customer lending and at 12.5% CET1
[2)] For 2018 underlying RoE is shown; RoE is calculated using ING Group's IFRS-EU shareholders' equity after excluding 'reserved profit not included in CET1 capital'

Continued attractive shareholder return

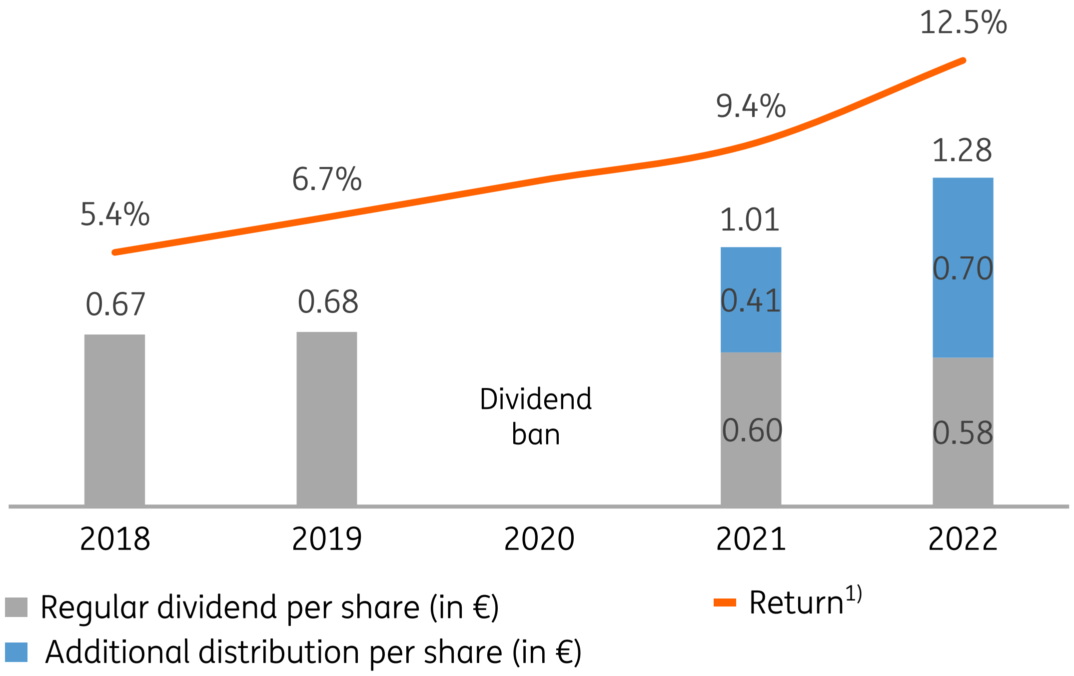
Strong capital generation

Average 2018-2022



Attractive shareholder return

Based on payment date



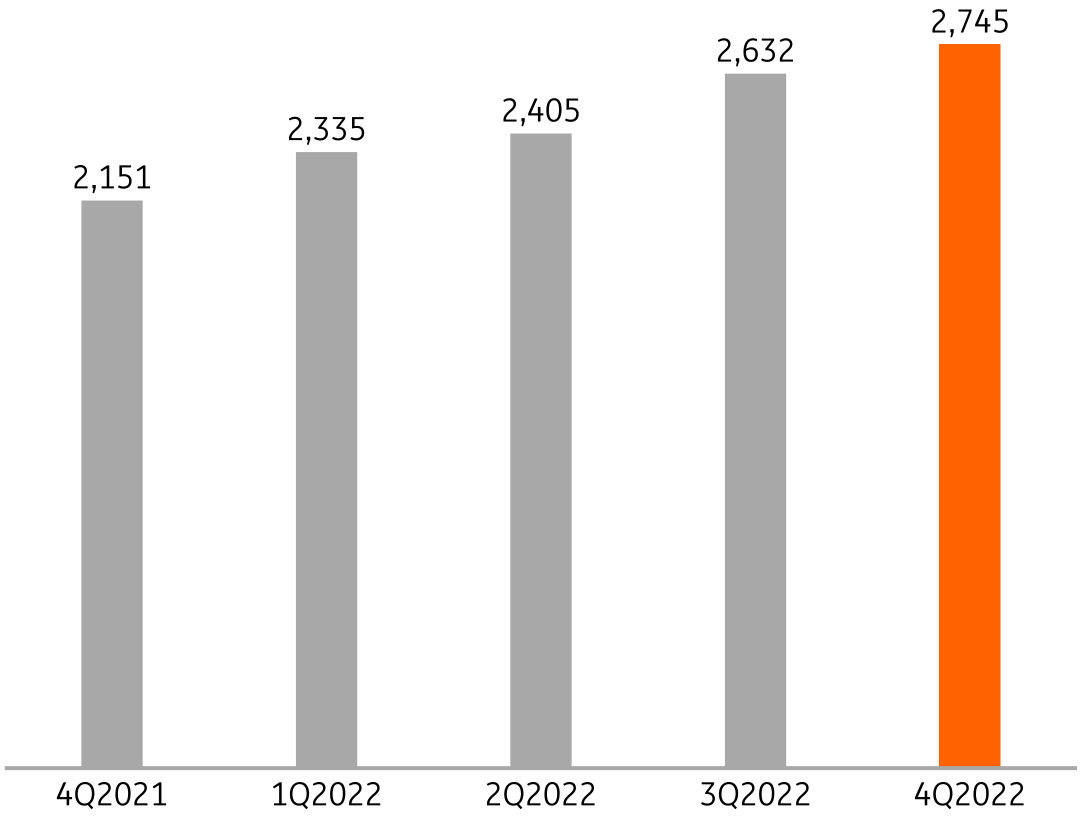
- Strong capital generation and CET1 ratio allow for an attractive shareholder return
- We have returned ~€14 bln to shareholders since 2018
- We intend to converge our CET1 ratio to our target level of ~12.5% by 2025 in roughly equal steps, resulting in a >100% pay-out ratio

[1] Based on average market value (share price * number of shares outstanding at the end of each quarter)

4Q2022 results

Pre-provision profit up YoY and QoQ

Pre-provision profit excl. volatile items[1] and regulatory costs (in € mln)

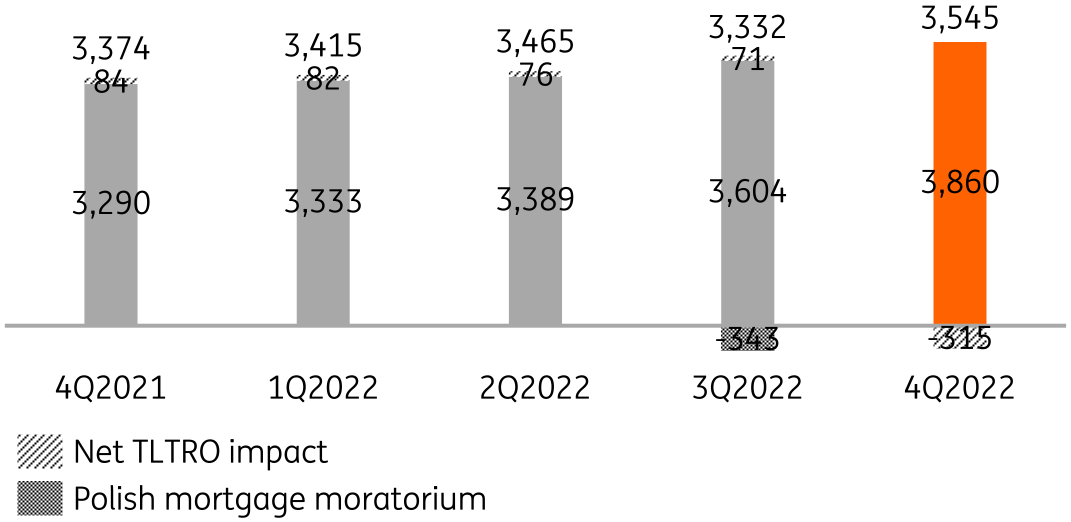


- 4Q2022 pre-provision profit, excluding volatile items and regulatory costs, increased on both comparable quarters
- Strong NII development, reflecting the positive effect of rising interest rates on liability NII. This offset pressure on lending NII, as client rates generally track higher funding costs with a delay and income from prepayment penalties normalised
- Impact of the challenging environment was visible in other P&L lines through
  - Higher uncertainty led to lower stock markets and less trading activity, affecting fees on investment products
  - Continued inflationary pressure on staff expenses
- Volatile items this quarter included €-315 mln net TLTRO impact reflecting the negative impact of unwinding our TLTRO-related derivative position as a result of ECB's decision to change the conditions for the TLTRO programme, and the remaining TLTRO benefit until 23 November 2022

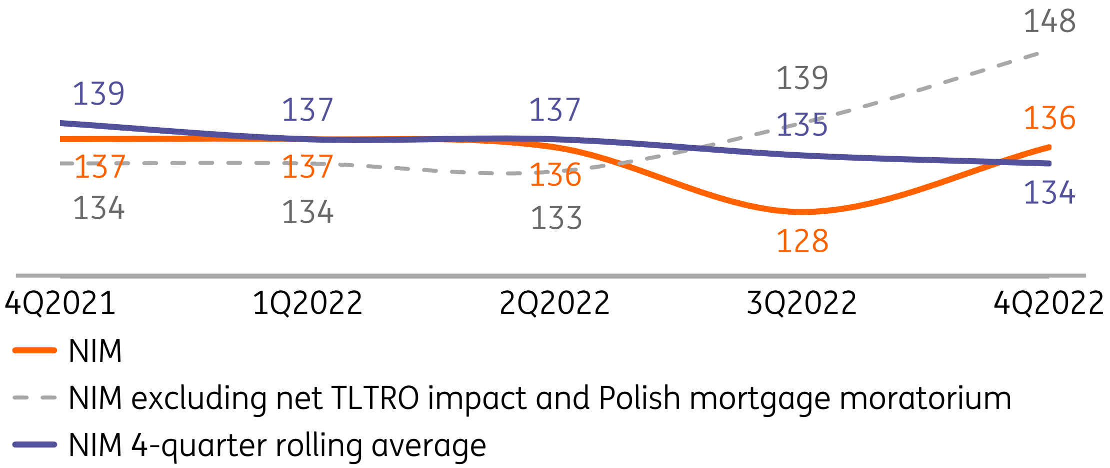
[1] As included in volatile items on slide 24

Strong NII momentum and higher NIM

Net interest income (in € mln)



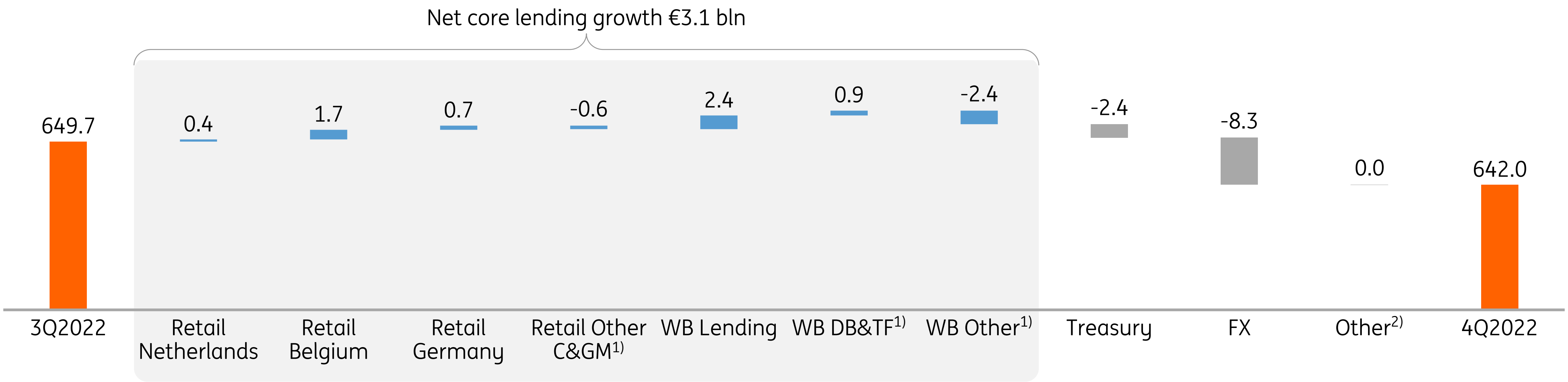
Net interest margin (in bps)



- Excluding the net TLTRO impact, NII increased 17.3% YoY, primarily due to an accelerated recovery of liability margins as interest rates increased. Combined with higher FX ratio hedging results, this more than offset pressure on mortgage margins due to rising interest rates, as client rates generally track higher funding costs with a delay, as well as declining income from prepayment penalties
- Sequentially, NII was 7.1% higher, when excluding the TLTRO impact and the Polish mortgage moratorium booked in 3Q2022. The increase was mainly driven by higher liability margins
- NIM rose 9 bps to 148 bps when excluding net TLTRO impact and the Polish mortgage moratorium, mainly reflecting higher NII on liabilities

Continued loan growth, albeit at a lower pace

Customer lending (in € bln)

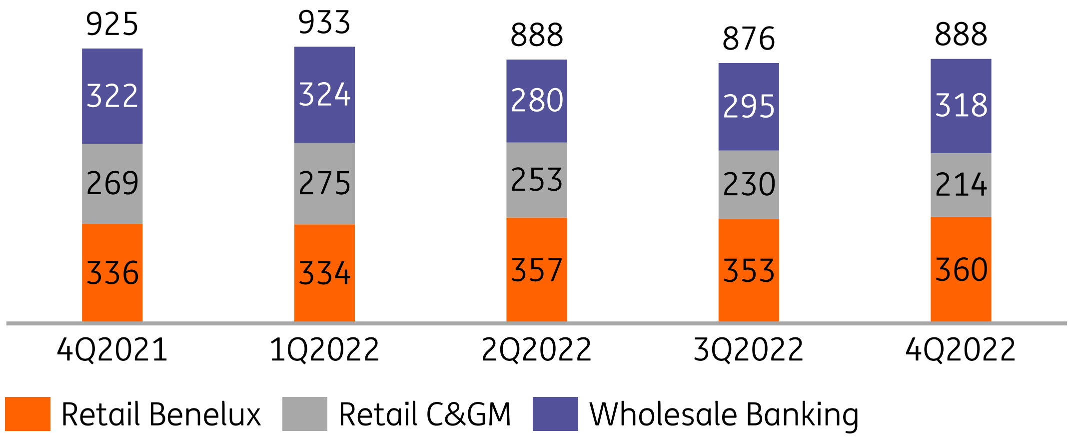


- Net core lending growth was €3.1 bln
  - Retail Banking was €2.2 bln higher. Mortgages grew by €1.4 bln, primarily reflecting growth in Germany. Other lending increased by €0.8 bln, primarily in business lending
  - Wholesale Banking increased by €0.9 bln, mainly reflecting good growth in Lending and Working Capital Solutions, partly offset by a decrease in Trade and Commodity Finance
- Net core deposits growth was €7.2 bln, driven by a €10.4 bln inflow in Retail Banking, with a €3.2 bln seasonal outflow in Wholesale Banking

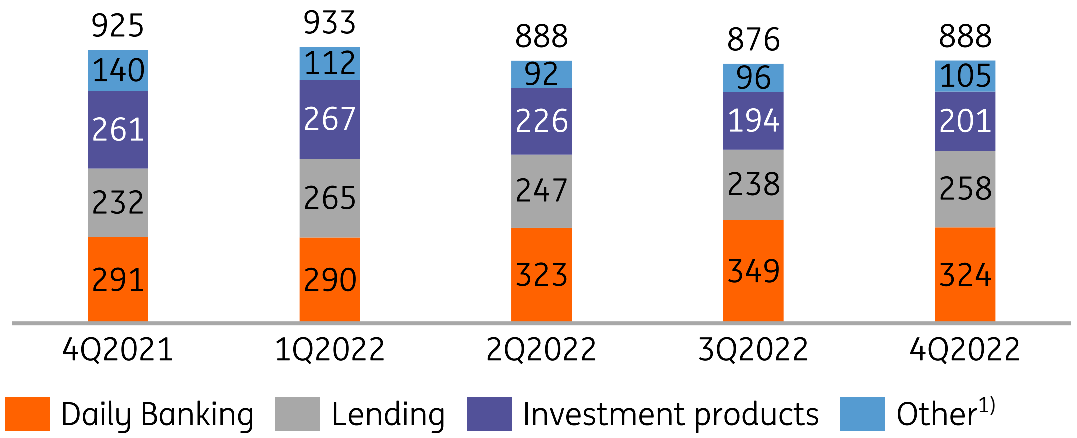
[1] C&GM is Challengers & Growth Markets; DB&TF is Daily Banking & Trade Finance; WB Other includes Financial Markets
[2] Other includes run-off portfolios (Lease, WUB and Retail France) €-0.2 bln and Other €0.2 bln

Fees supported by daily banking and lending, fee base growing

Net fee & commission income per business line (in € mln)



Net fee & commission income per product category (in € mln)

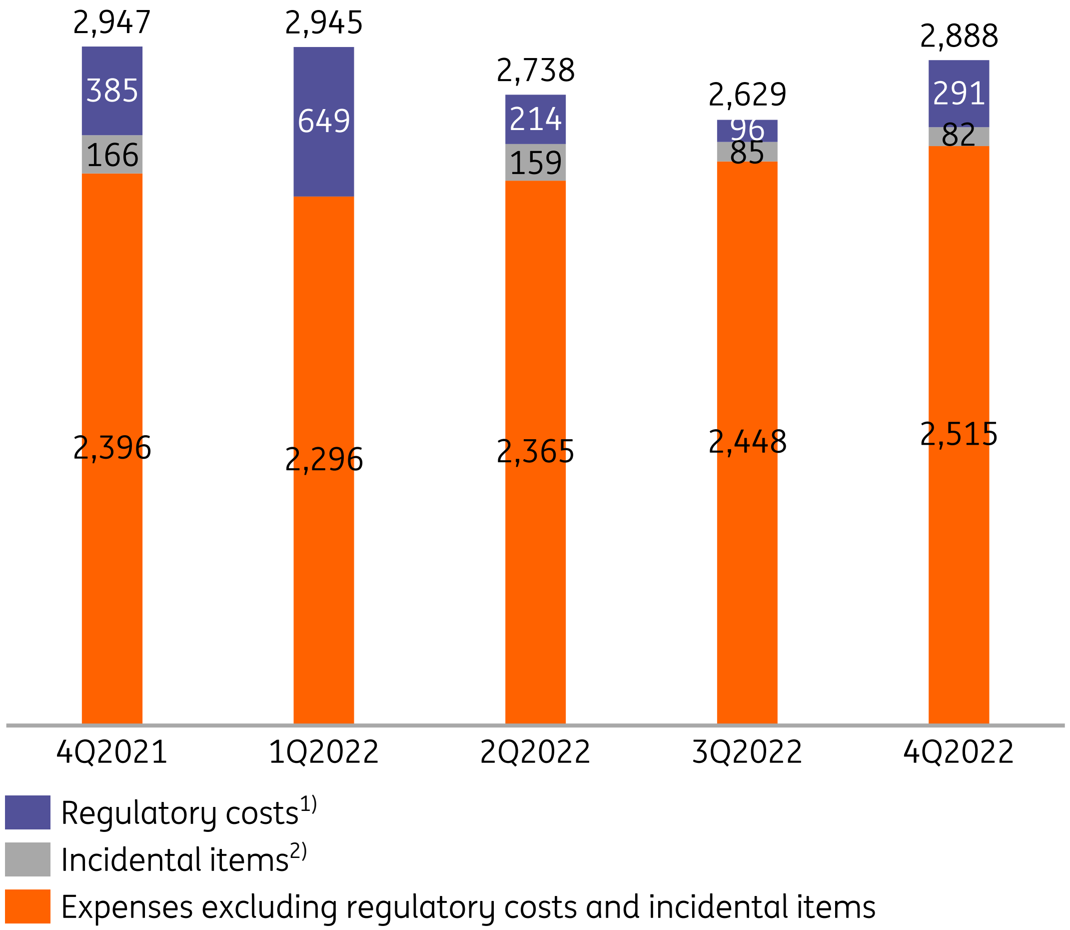


- Compared to 4Q2021, fee income declined 4.0%
  - In Retail Banking, fees were 5.3% lower. Fees were up in Retail Benelux, driven by strong growth in daily banking, reflecting increased fees on payment packages and new service fees, while in Retail C&G lower investment product fees reflected a decline in stock markets and subdued trading activity. Lending fees were slightly lower due to reduced activity in mortgage markets
  - Fees in Wholesale Banking were slightly lower by 1.2%, as fees from several large deals in Lending could not fully compensate for the impact of adverse market conditions in Trade and Commodity Finance and Financial Markets
- Sequentially, fees were 1.4% higher, mainly driven by higher lending fees in Wholesale Banking and slightly higher fees on investment products. This more than compensated for seasonally lower travel-related fees in Retail Banking

[1] Other includes insurance products and Financial Markets

Operating expenses well-contained in inflationary environment

Expenses (in € mln)

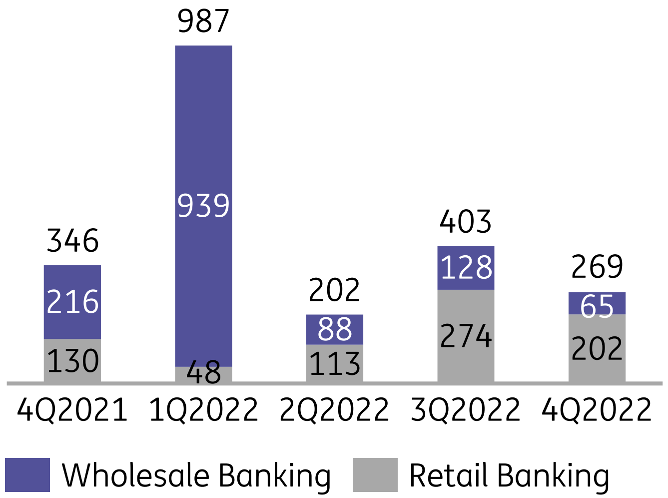


- Excluding regulatory costs and incidental items, expenses were 5% higher YoY, well below inflation levels. This increase was primarily attributable to higher staff costs, due to indexation and CLA increases, as well as a small increase in FTE. Marketing costs were also higher, as we invest in growth of our customer base
- Sequentially, expenses excluding regulatory costs and incidental items were 2.7% higher, mainly driven by higher staff and marketing costs
- Regulatory costs were lower YoY, mainly due to a 50% add-on in the annual Dutch bank tax in 4Q2021
- QoQ regulatory costs were up, as the full-year Dutch bank tax is paid in the fourth quarter
- Incidental cost items in 4Q2022 were €82 mln, reflecting €43 mln restructuring costs, €30 mln for allowances to employees to help cover their increased energy costs and €9 mln for hyperinflation accounting in Turkey

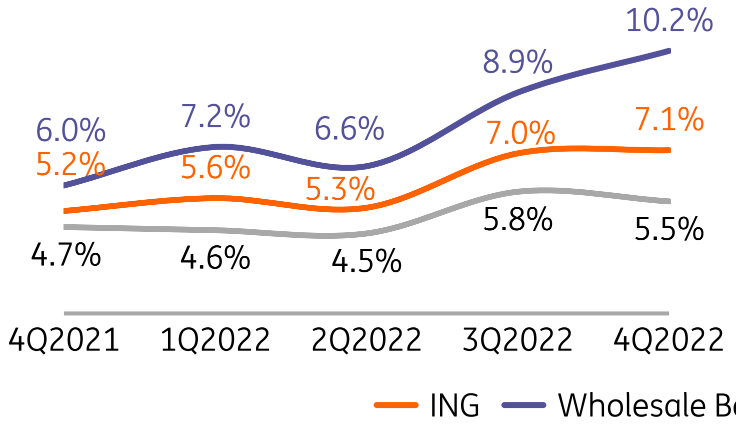
[1] Formal build-up phase of several local DGS and SRF are scheduled to be completed by 2024
[2] Incidental expenses as included in volatile items on slide 24

Risk costs reflecting high quality loan book and prudent provisioning

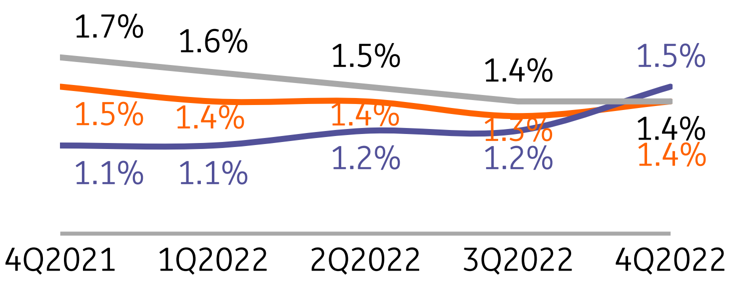
Risk costs per business line (in € mln)



Stage 2 ratio



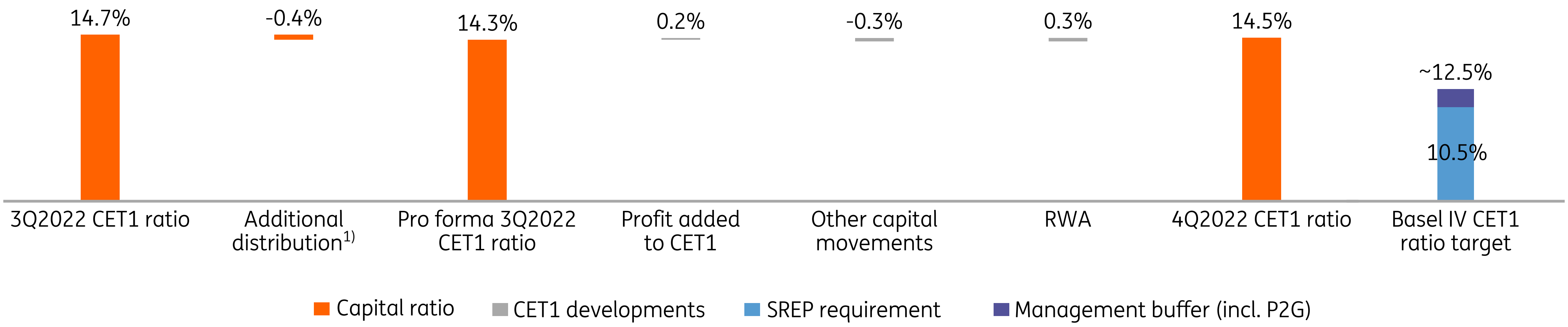
Stage 3 ratio



- Risk costs were €269 mln, or 17 bps of average customer lending, below the through-the-cycle average of ~25 bps
- Risk costs included a €112 mln release of Stage 2 provisions for the Russian portfolio and a €46 mln release related to management overlays for risks from second order effects of the current economic environment, primarily in Wholesale Banking
- Risk costs in Retail Banking included additions to Stage 3 provisions for business lending in Retail Benelux and collective Stage 3 provisions in Retail C&G, primarily for consumer loans and business lending. In Wholesale Banking, risk costs further reflected an increase in Stage 3 provisions, mainly driven by additions for a limited number of new files
- Although Stage 2 outstandings were lower, the Stage 2 ratio increased slightly to 7.1%. This was driven by Wholesale Banking, where the effect of lower Stage 2 outstandings was more than offset by a decrease of total credit outstandings, partly due to a €29.5 bln repayment of TLTRO funds. The Stage 3 ratio remained low at 1.4%

ING Group CET1 ratio remained strong at 14.5%

ING Group CET1 ratio development (in %)



- The CET1 ratio remained strong at 14.5%. In line with our distribution policy, 50% of the 4Q2022 resilient net profit has been reserved outside of CET1 capital for future distribution. In total, €1,411 mln remains reserved for distribution
- CET1 capital was €2.0 bln lower, mainly reflecting the additional distribution of €1.5 bln and €-0.8 bln FX impact
- RWA decreased by €7.0 bln, including €-5.7 bln of FX impacts
  - Credit RWA excluding FX impacts decreased by €3.6 bln, mainly reflecting a better overall profile of the loan book and model updates
  - Operational RWA were €2.3 bln higher reflecting AMA model updates
  - Market RWA were €0.1 bln lower
- The proposed final 2022 dividend is €0.389 per share, subject to AGM approval on 24 April 2023

[1] €1.5 bln additional distribution as announced on November 3, 2022 and completed on January 16, 2023

Wrap up and Q&A

Appendix

Our 4Q2022 results overview

In € mln	Reported P&L	Volatile items	P&L excluding volatile items
Net interest income	3,545	-301	3,846
Net fee and commission income	888	1	886
Investment income	15	0	15
Other income	420	-92	512
Total income	**4,868**	**-392**	**5,259**
Expenses excl. regulatory costs	2,596	82	2,515
Regulatory costs	291	0	291
Operating expenses	**2,888**	**82**	**2,806**
Gross result	**1,980**	**-473**	**2,453**
Addition to loan loss provisions	269	1	268
Result before tax	**1,711**	**-475**	**2,186**
Taxation	575		
Non-controlling interests	48		
Net result	**1,089**		

Volatile income and expense items

Volatile items (in € mln)

	4Q2021	1Q2022	2Q2022	3Q2022	4Q2022
WB/FM – valuation adjustments	3	-70	90	-15	-2
Capital gains/losses	5	26	8	-3	0
Hedge ineffectiveness[1)]	-24	81	-31	-431	-71
Other items income[2)]	92	-68	-155	-218	-319
Total volatile items – income	**76**	**-31**	**-89**	**-668**	**-392**
Incidental items - expenses[3)]	-166	0	-159	-85	-82
Total volatile items	**-90**	**-31**	**-247**	**-753**	**-473**

1) 3Q2022: includes €-288 mln to unwind a macro fair value hedge of deposits in Belgium

2) 4Q2021: €84 mln TLTRO III benefit and €8 mln reversal of the estimated loss on the transfer of ING's RB operations in Austria to bank99
1Q2022: €82 mln TLTRO III benefit and a €-150 mln impairment on our equity stake in TTB
2Q2022: €76 mln TLTRO III benefit and €-231 mln due to hyperinflation accounting in Turkey
3Q2022: €71 mln TLTRO III benefit, €-343 mln impact Polish mortgage moratorium, €+100 mln from the transfer of our investment business in France, €-31 mln hyperinflation impact and €-15 mln impairment on our equity stake in TTB
4Q2022: €-315 mln net TLTRO III impact, €+14 mln from the transfer of our investment business in France and €-17 million hyperinflation impact

3) 4Q2021: €155 mln of redundancy provisions and impairments in RB OC&GM and €11 mln of redundancy and restructuring costs in RB Netherlands
2Q2022: €97 mln restructuring costs in RB Belgium and €18 mln in Retail OC&GM and €43 mln hyperinflation impact (o.w. €32 mln impairment)
3Q2022: €75 mln for adding interest-on-interest to compensation for certain Dutch consumer credit products and €10 mln hyperinflation impact
4Q2022: €43 mln restructuring costs, €30 mln energy allowances for employees and €9 mln hyperinflation impact

Hyperinflation accounting in Turkey

Application of IAS 29 to consolidation of ING Turkey

- We applied IAS 29 (‘Financial Reporting in Hyperinflationary Economies’) to the consolidation of our subsidiary in Turkey, effective as of 1 January 2022, as cumulative inflation in Turkey over the last three years has exceeded 100%
- The application of IAS 29 resulted in a negative accounting impact on ING Group’s net result in 4Q2022 of €-34 mln, reflecting the adjustments for changes in the general purchasing power of the Turkish lira. The full-year impact on net result is €-363 mln
- Resilient net profit and shareholders’ distribution has not been affected as the total P&L impact was treated as a significant item not linked to the normal course of business, in line with ING’s distribution policy

Impact on results (in € mln)

	4Q2022	FY2022
Profit or loss		
Net interest income	14	40
Net fee and commission income	1	4
Investment income	0	0
Other income	-32	-322
Total income	**-17**	**-279**
Expenses excl. regulatory costs	9	62
Regulatory costs		
Operating expenses	**9**	**62**
Gross result	**-26**	**-341**
Addition to loan loss provisions	1	2
Result before tax	**-27**	**-343**
Taxation	7	21
Net result	**-34**	**-363**

Challengers & Growth Markets FY2022[1)]

Germany

Total income	2,714 mln
Mortgages	91.3 bln
Other lending	35.6 bln
Customer deposits	138.9 bln
RWA	48.0 bln

Australia

Total income	895 mln
Mortgages	35.2 bln
Other lending	9.2 bln
Customer deposits	32.4 bln
RWA	8.4 bln

Spain

Total income	883 mln
Mortgages	21.8 bln
Other lending	9.4 bln
Customer deposits	44.1 bln
RWA	12.8 bln

Italy

Total income	338 mln
Mortgages	7.8 bln
Other lending	5.4 bln
Customer deposits	13.6 bln
RWA	7.1 bln

Poland

Total income	1,494 mln
Mortgages	11.9 bln
Other lending	20.9 bln
Customer deposits	40.5 bln
RWA	21.8 bln

Romania

Total income	525 mln
Mortgages	2.6 bln
Other lending	4.9 bln
Customer deposits	10.9 bln
RWA	5.5 bln

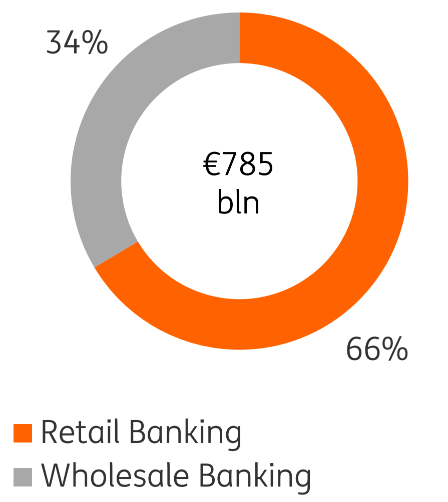
Turkey

Total income	206 mln
Mortgages	0.1 bln
Other lending	3.5 bln
Customer deposits	3.4 bln
RWA	4.5 bln

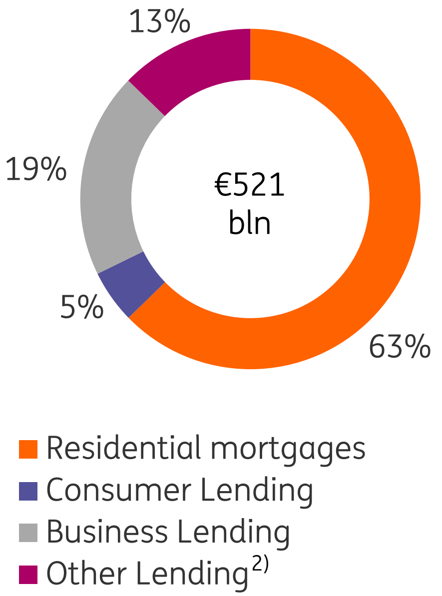
[1)] Total Bank results per country (Retail and Wholesale combined) based on booking office, amounts in €; Mortgages and Other lending based on customer lending

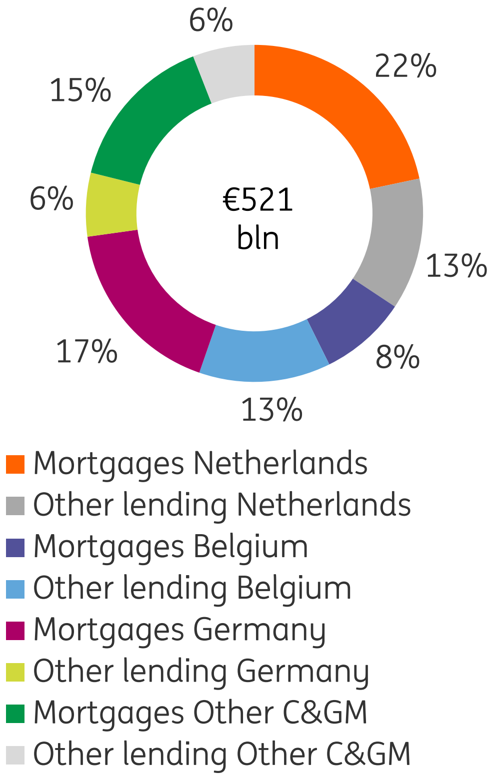
Well-diversified lending credit outstandings[1)] by activity

ING Group

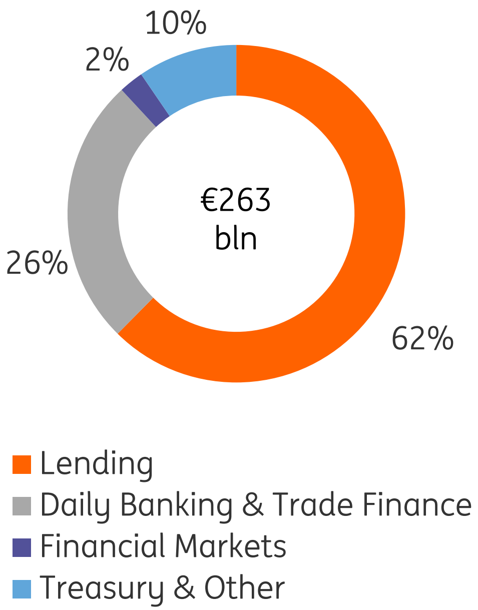


Retail Banking





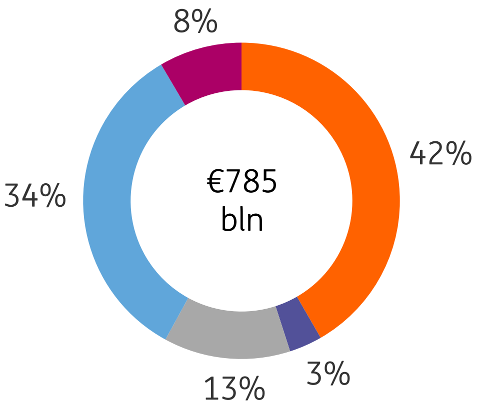
Wholesale Banking



- ING has a well-diversified and well-collateralised loan book with a strong focus on own-originated mortgages and senior loans

[1)] Lending and money market credit outstandings, including guarantees and letters of credit, excluding undrawn committed exposures (off-balance sheet positions)
[2)] Other includes €61 bln Retail-related Treasury lending and €5 bln Other Retail Lending

Our lending book is senior and well-collateralised



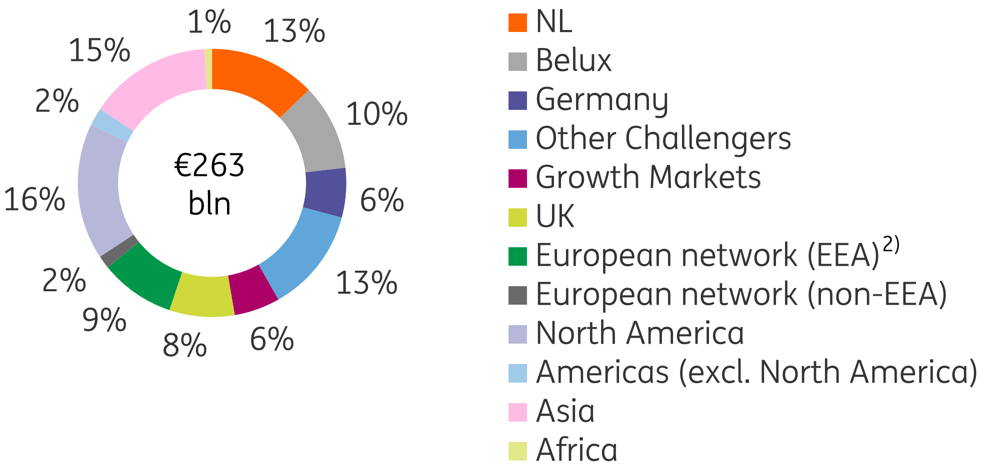
Residential Mortgages €327 bln	▪ Average LTV of 57% with low Stage 3 ratio at 0.9% ▪ Risk metrics remained strong
Consumer Lending €26 bln	▪ Relatively small book, largely home improvement and car related term loans ▪ Stage 3 ratio at 4.2%
Business Lending €102 bln	▪ Portfolio concentrated in Belgium, the Netherlands and Poland ▪ Stage 3 ratio at 3.0%
Wholesale Banking €263 bln	▪ Leveraged Finance: €7.6 bln (capped at €10.1 bln), well-diversified over sectors ▪ Oil & Gas: €15.4 bln of which €2.1 bln with direct exposure to oil price risk (Reserve Based Lending (€1.4 bln) and Offshore business (€0.7 bln)), Stage 3 at 3.3% ▪ Trade & Commodity Finance: €24.0 bln, Stage 3 at 1.8%
Commercial Real Estate	▪ Total €48.9 bln (6.2% of loan book), booked in RB and WB ▪ Well-diversified capped loan book ▪ LtV at 46% and low Stage 3% at 1.2%
Russia	▪ €2.5 bln offshore exposure[2)], of which €0.8 bln with ECA or CPRI cover ▪ Equity-at-risk Russian subsidiary €0.3 bln ▪ €7.6 bln total credit RWA on Russia-related exposure

[1)] Other includes €61 bln Retail-related Treasury lending and €5 bln Other Retail Lending
[2)] Lending credit outstandings, money market, investment and pre-settlement, including guarantees and letters of credit, excluding undrawn committed exposures (off balance positions)

Wholesale Banking lending credit outstandings[1)]

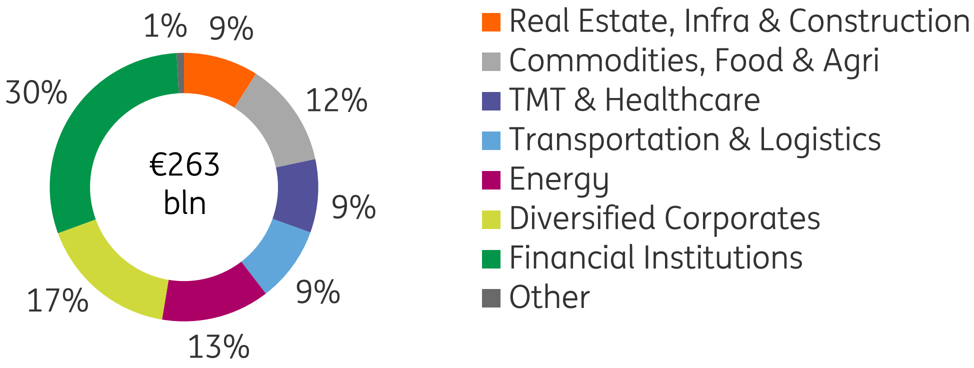
Loan portfolio is well diversified across geographies…

Wholesale Banking

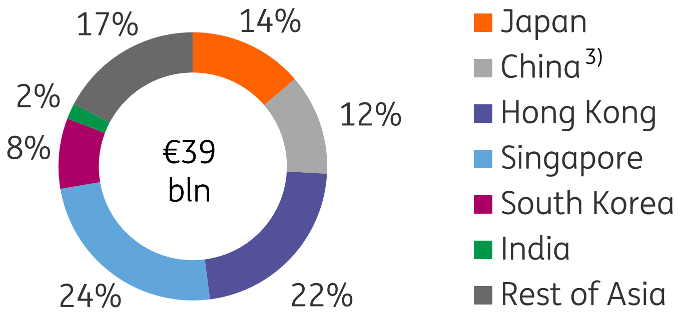


…and sectors

Wholesale Banking excluding Treasury & Other



Wholesale Banking Asia

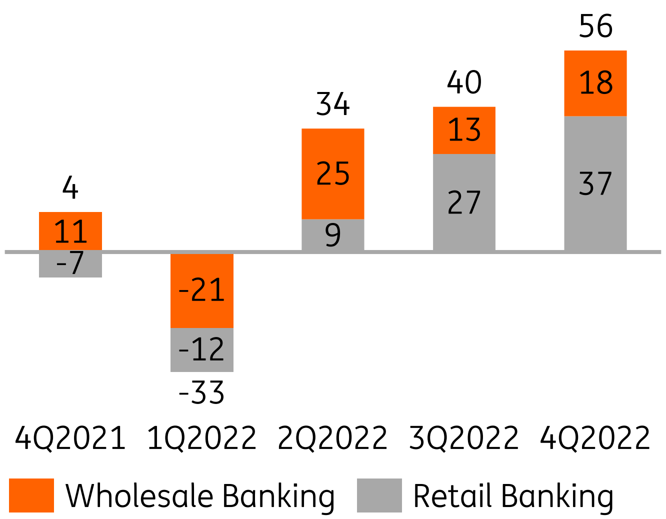


Oil and gas (Up-, mid- and downstream)

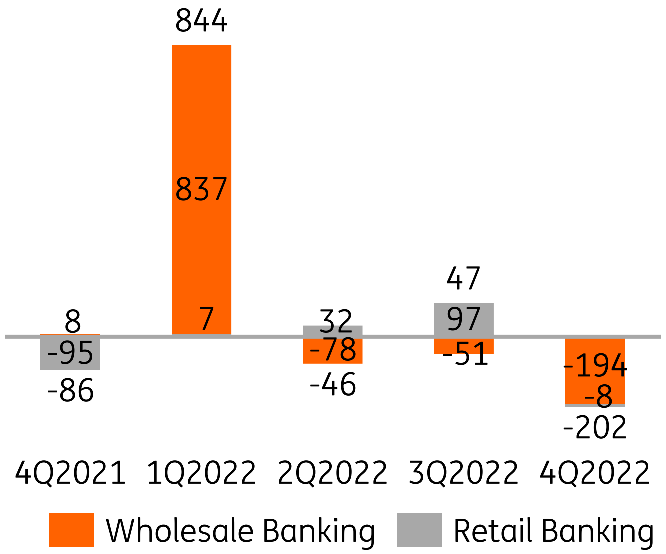
1) Lending and money market credit outstandings, including guarantees and letters of credit, excluding undrawn committed exposures (off-balance sheet positions)
2) European Economic Area
3) Excluding our stake in Bank of Beijing (€1.6 bln at 31 December 2022)

Provisioning per Stage

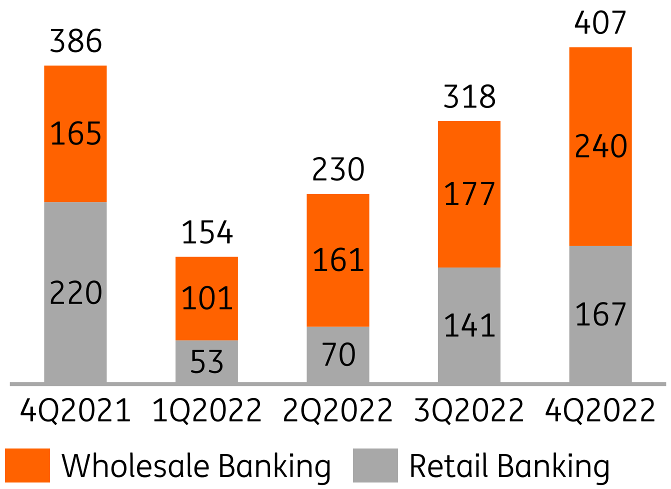
Stage 1 provisioning (in € mln)



Stage 2 provisioning (in € mln)



Stage 3 provisioning (in € mln)



Main drivers 4Q2022

- Addition to overlay related to potential impact of secondary risks from the current economic environment

Main drivers 4Q2022

- Release for Russia exposure, mainly reflecting lower Russia-related exposure
- Release of overlay related to potential impact of secondary risks from the current economic environment

Main drivers 4Q2022

- Collective provisioning in Retail Banking
- Additions for individual files in Wholesale Banking

Note: provisioning as shown per Stage excludes off-balance sheet provisioning and modifications

Important legal information

ING Group's annual accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU'). In preparing the financial information in this document, except as described otherwise, the same accounting principles are applied as in the 2021 ING Group consolidated annual accounts. The financial statements for 2022 are in progress and may be subject to adjustments from subsequent events. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to a number of factors, including, without limitation: (1) changes in general economic conditions and customer behaviour, in particular economic conditions in ING's core markets, including changes affecting currency exchange rates and the regional and global economic impact of the invasion of Russia into Ukraine and related international response measures (2) effects of the Covid-19 pandemic and related response measures, including lockdowns and travel restrictions, on economic conditions in countries in which ING operates, on ING's business and operations and on ING's employees, customers and counterparties (3) changes affecting interest rate levels (4) any default of a major market participant and related market disruption (5) changes in performance of financial markets, including in Europe and developing markets (6) fiscal uncertainty in Europe and the United States (7) discontinuation of or changes in 'benchmark' indices (8) inflation and deflation in our principal markets (9) changes in conditions in the credit and capital markets generally, including changes in borrower and counterparty creditworthiness (10) failures of banks falling under the scope of state compensation schemes (11) non-compliance with or changes in laws and regulations, including those concerning financial services, financial economic crimes and tax laws, and the interpretation and application thereof (12) geopolitical risks, political instabilities and policies and actions of governmental and regulatory authorities, including in connection with the invasion of Russia into Ukraine and related international response measures (13) legal and regulatory risks in certain countries with less developed legal and regulatory frameworks (14) prudential supervision and regulations, including in relation to stress tests and regulatory restrictions on dividends and distributions (also among members of the group) (15) regulatory consequences of the United Kingdom's withdrawal from the European Union, including authorizations and equivalence decisions (16) ING's ability to meet minimum capital and other prudential regulatory requirements (17) changes in regulation of US commodities and derivatives businesses of ING and its customers (18) application of bank recovery and resolution regimes, including write-down and conversion powers in relation to our securities (19) outcome of current and future litigation, enforcement proceedings, investigations or other regulatory actions, including claims by customers or stakeholders who feel misled or treated unfairly, and other conduct issues (20) changes in tax laws and regulations and risks of non-compliance or investigation in connection with tax laws, including FATCA (21) operational and IT risks, such as system disruptions or failures, breaches of security, cyber-attacks, human error, changes in operational practices or inadequate controls including in respect of third parties with which we do business (22) risks and challenges related to cybercrime including the effects of cyberattacks and changes in legislation and regulation related to cybersecurity and data privacy (23) changes in general competitive factors, including ability to increase or maintain market share (24) inability to protect our intellectual property and infringement claims by third parties (25) inability of counterparties to meet financial obligations or ability to enforce rights against such counterparties (26) changes in credit ratings (27) business, operational, regulatory, reputation, transition and other risks and challenges in connection with climate change and ESG-related matters (28) inability to attract and retain key personnel (29) future liabilities under defined benefit retirement plans (30) failure to manage business risks, including in connection with use of models, use of derivatives, or maintaining appropriate policies and guidelines (31) changes in capital and credit markets, including interbank funding, as well as customer deposits, which provide the liquidity and capital required to fund our operations, and (32) the other risks and uncertainties detailed in the most recent annual report of ING Groep N.V. (including the Risk Factors contained therein) and ING's more recent disclosures, including press releases, which are available on www.ING.com.

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