FY2019 results

€4,781 mln underlying net result

+ €17.2 bln net core lending

+ €23.4 bln net customer deposits

+ 830,000 primary customers
About ING

• ING is a global financial institution with a strong European base, offering retail and wholesale banking services to customers in over 40 countries. The purpose of ING is to empower people to stay a step ahead in life and in business.

• Sustainability forms an integral part of ING’s strategy, evidenced by ING’s ranking as Leader in the banks industry group by Sustainalytics and ‘A’ rating in MSCI's ratings universe. ING Group shares are included in major sustainability and Environmental, Social and Governance (ESG) index products of leading providers STOXX, Morningstar and FTSE Russell.

More detailed information can be found on www.ing.com

• ING Bank has more than 54,000 employees. As at 31 December 2019, we had 38.8 million retail customers, with 13.3 million considered primary customers.

• ING Group shares are listed on the exchanges of Amsterdam (INGA NA, INGA.AS), Brussels and on the New York Stock Exchange (ADRs: ING US, ING.N).
ING is active in more than 40 countries

Market leaders:
Netherlands, Belgium, Luxembourg
- Leading retail and wholesale banks
- Evolving into ‘direct-first’ banks
- Improving operational excellence

Challengers:
Germany, Austria, Czech Republic, Spain, Italy, France, Australia.
- Leading ‘direct-first’ banks
- Further integrating retail and wholesale banking capabilities
- Broadening lending capabilities

Growth Markets:
Poland, Romania, Turkey, the Philippines and our stakes in Asia
- Strong positions in fast-growing countries
- Evolving into ‘direct-first’ banks
- Developing digital leadership capabilities

Wholesale Banking
Network and global franchises
- International network: more than 40 countries
- Extensive international client base across all regions
- Global franchises: Industry Lending and Financial Markets; Trade Finance and Cash Management

Disclaimer: Please note that ING Bank does not have a banking license in the US and is therefore not permitted to conduct banking activities in the US. Through its wholly owned subsidiary ING Financial Holdings Corporation and its affiliates, ING offers a full array of wholesale financial products such as lending, corporate finance and a full range of financial markets products and services to its corporate and institutional clients.
ING Wholesale Banking worldwide

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ING is a global financial institution with a strong European base.

**Customer deposits**

<table>
<thead>
<tr>
<th>Region</th>
<th>4Q2019</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Netherlands</td>
<td>8%</td>
<td>2%</td>
</tr>
<tr>
<td>Belgium</td>
<td>17%</td>
<td>18%</td>
</tr>
<tr>
<td>Germany</td>
<td>31%</td>
<td>18%</td>
</tr>
<tr>
<td>Other challengers</td>
<td>24%</td>
<td>17%</td>
</tr>
<tr>
<td>Growth Markets</td>
<td>17%</td>
<td>10%</td>
</tr>
<tr>
<td>WB Rest of World</td>
<td>18%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Customer lending**

<table>
<thead>
<tr>
<th>Region</th>
<th>4Q2019</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Netherlands</td>
<td>31%</td>
<td>31%</td>
</tr>
<tr>
<td>Belgium</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Germany</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Other challengers</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>Growth Markets</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>WB Rest of World</td>
<td>6%</td>
<td>7%</td>
</tr>
</tbody>
</table>

**Employees**

<table>
<thead>
<tr>
<th>Region</th>
<th>4Q2019</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Netherlands</td>
<td>27%</td>
<td>7%</td>
</tr>
<tr>
<td>Belgium</td>
<td>17%</td>
<td>29%</td>
</tr>
<tr>
<td>Germany</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Other challengers</td>
<td>10%</td>
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</tr>
<tr>
<td>Growth Markets</td>
<td>7%</td>
<td>17%</td>
</tr>
<tr>
<td>WB Rest of World</td>
<td>15%</td>
<td>17%</td>
</tr>
</tbody>
</table>

**Total income**

<table>
<thead>
<tr>
<th>Region</th>
<th>FY2019</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Netherlands</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Belgium</td>
<td>10%</td>
<td>3%</td>
</tr>
<tr>
<td>Germany</td>
<td>12%</td>
<td>29%</td>
</tr>
<tr>
<td>Other challengers</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Growth Markets</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>WB Rest of World</td>
<td>16%</td>
<td>13%</td>
</tr>
</tbody>
</table>
Our purpose

We believe all sustainable progress is driven by people with the imagination and determination to improve their future and the futures of those around them.

We empower people and organisations to realise their own vision for a better future – however modest or grand.

Empowering people to stay a step ahead in life and in business.
ING’s Think Forward strategy

Purpose

Empowering people to stay a step ahead in life and in business.

Customer Promise

Clear and Easy, Anytime, Anywhere, Empower, Keep Getting Better

Strategic Priorities

Creating a differentiating customer experience
1. Earn the primary relationship
2. Develop analytics skills to understand our customers better
3. Increase the pace of innovation to serve changing customer needs
4. Think beyond traditional banking to develop new services and business models

Enablers

Simplify & Streamline, Operational Excellence, Performance Culture, Lending Capabilities
Creating a differentiating customer experience

| Clear and easy       | • Clear products  
|                     | • Plain language  
|                     | • Fair prices     
|                     | • Simple processes |
| Anytime, anywhere    | • Mobile first    
|                     | • Omnichannel experience  
|                     | • Advice when needed |
| Empower              | • Personalised interfaces  
|                     | • Insightful tools  
|                     | • Tailored offers   |
| Keep getting better  | • Continuous improvement  
|                     | • Setting the standard in service |

- Earn the primary relationship
- Develop analytics skills to understand our customers better
- Increase the pace of innovation to better serve customer needs
- Think beyond traditional banking to develop new services and business models
ING’s Think Forward strategy aims to create a differentiating customer experience by **simplifying and streamlining** our organisation, by further striving for **operational excellence**, by enhancing **the performance culture** within our company, and by expanding our **lending capabilities**.

<table>
<thead>
<tr>
<th>Simplify and streamline</th>
<th>We need to be agile, with short reporting lines and with the right people empowered to make important decisions quickly.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operational excellence</td>
<td>We need to set clear operational excellence benchmarks and measure performance throughout the company.</td>
</tr>
<tr>
<td>Performance culture</td>
<td>We need to excel at attracting and keeping the talented people we need to get us where we want to be.</td>
</tr>
<tr>
<td>Lending capabilities</td>
<td>We have strong savings gathering and lending capabilities, but savings and lending are not in balance in many of our business units. To achieve balanced growth, we need to develop our lending capabilities, particularly in areas such as consumer and SME lending.</td>
</tr>
</tbody>
</table>
Customer needs are changing rapidly, as is our playing field. To stay a step ahead, we announced in October 2016 that we would accelerate the execution of our strategy and transform ING.

**Foundations:** We will unite the foundations ING is built upon. And we will simplify and streamline global support functions. This will help us collaborate better across borders and innovate faster.

**Businesses:** On top of these foundations, we will unite similar businesses. For this we introduced five change programmes (see outer circle), creating best-in-class, ‘omnichannel’ financial platforms that offer services beyond banking.

**Future vision:** Our ultimate goal is to get to a completely united ING. Offering one single empowering experience to people and businesses around the world.
Our transformation supports all key components of our strategy

Keeping the bank **safe** and **compliant** with regulation

Building **one foundation** for all

Improving **cross-border scalability** with one platform, one ING experience

Enhancing our **value propositions** (for all financial matters and beyond)
Global KYC programme towards a robust KYC environment

### Five pillars

<table>
<thead>
<tr>
<th>Policy &amp; risks</th>
<th>Global KYC digital service</th>
<th>Governance</th>
<th>Monitoring &amp; screening</th>
<th>Mindset</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global KYC risk appetite statements</td>
<td>Develop global solutions</td>
<td>Set up of global KYC organisation</td>
<td>Enhanced client activity &amp; transaction monitoring</td>
<td>Continuous communication, training &amp; awareness initiatives</td>
</tr>
<tr>
<td>Global KYC Policy and Standards</td>
<td></td>
<td>Dedicated KYC committees &amp; functions</td>
<td></td>
<td>Set up of behavioural risk department</td>
</tr>
</tbody>
</table>

### Business as usual
We continue our efforts to counter financial and economic crime

Continued focus on know your customer (KYC)

- The number of FTE working globally on know your customer (KYC) related activities has increased to ~4,000
- We made further progress in the global rollout of KYC tools that enable us to onboard customers and monitor their transactions across our global network in a more effective and consistent way
- We completed the implementation of our systematic integrated risk assessments in all business lines and regions, ensuring uniform and consistent KYC risk assessments across the bank
- In Italy, we continue to take steps to improve processes and management of KYC as required by Banca d'Italia

We keep investing in regulatory compliance

- We announced an investment in US-based regulatory technology company Ascent. The company uses machine learning and natural language processing to help build, manage and automate regulatory compliance
- Following the announcement to investigate the possibilities to cooperate on transaction monitoring with four Dutch banks, a project structure and work streams have been set up as part of a proof of concept to enable data sharing
- In Belgium, ING has joined forces with other banks and fintech Isabel Group to more effectively identify suspicious transactions
Sustainability is embedded in our purpose

Sustainability direction 2018-2022 focuses on two themes

**Purpose**
- Empowering people to stay a step ahead in life and in business

**Themes**
- Climate action
- Financial health
  - Terra approach
  - Build partnerships for impact
  - Digital tools
  - Innovation, inclusion, empowerment

We have a leading sustainability role among banks

We are empowering customers and society at large*

<table>
<thead>
<tr>
<th>Responsible Finance portfolio (in € bln)**</th>
<th>Industry ESG leaders</th>
<th>Climate Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers feeling financially empowered (in mln, Retail)</td>
<td>6 (2017)</td>
<td>11 (2022)</td>
</tr>
<tr>
<td></td>
<td>7 (2018)</td>
<td>15 (2022)</td>
</tr>
<tr>
<td></td>
<td>32 (2022)</td>
<td>29 (2022)</td>
</tr>
<tr>
<td>Our own environmental impact CO2 emissions (in kilotons)</td>
<td>64 (2017)</td>
<td>50 (2020)</td>
</tr>
<tr>
<td></td>
<td>57 (2018)</td>
<td>50 (2020)</td>
</tr>
</tbody>
</table>

* To be updated with Annual Report publication in March 2020.
** The amounts reported under the categories Industry ESG Leaders and Climate Finance may overlap with one another. Totals should not be added up.
Important milestones on innovation achieved in 4Q2019

• In Poland, ING is the first bank on the Polish market to introduce account aggregation within Moje ING (internet and mobile)

• Yolt has grown to over 1 million registered users and won the Best Personal Finance App award at the International Payments Awards 2019. It has now expanded to offer open banking for businesses

• In line with our strategy to create innovative fintech solutions and then support them in becoming independent companies, ING is spinning out Katana, the advanced analytics platform that supports trading portfolio managers in making faster and sharper investment decisions

We are recognised as a leader in sustainability

• ING was recognised as an A-list company for leadership on climate action for the fifth year in a row by CDP, the leading global environmental disclosure platform

• In 2019 we reinforced our commitment to help our customers reach their sustainability goals by closing more than twice the amount of sustainable finance deals compared to the previous year

• In 4Q2019, ING has supported 13 sustainability improvement loans, plus 3 green loans and 12 sustainable bonds

- €1.1 bln syndicated Green loan – Largest Green loan issued within the global transportation sector

- €500 mln Green covered bond – 1st Green covered bond for the company

Our focus on building an innovative and sustainable bank
ING's Management Board Banking

CEO
Ralph Hamers

CFO
Tanate Phutrakul

CRO
Steven van Rijswijk

COO / CTO
Roel Louwhoff

Head of Wholesale Banking
Isabel Fernandez

Head of Market Leaders
Pinar Abay

Head of Challengers & Growth Markets
Aris Bogdaneris
Follow us to stay a step ahead

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Facebook.com/ING  YouTube.com/ING  Flickr.com/INGGroup
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 2018 ING Group consolidated annual accounts. The Financial statements for 2019 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.

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