ING Investor Update 2022
Chief Executive Officer

13 June 2022
Track record in delivering value

**Strong fee growth**
CAGR 2017-2021
6.7%
versus 1.2% for eurozone peers

**Resilient net interest income (NII)**
CAGR 2017-2021
-0.2%
versus -0.8% for eurozone peers

**Low cost/income ratio**
Average 2017-2021
58.9%
versus 66.4% for eurozone peers

**Well-managed credit risk through-the-cycle**
Average 2012-2021*
23 bps
versus 62 bps for eurozone peers

**Delivering return on equity**
Average 2017-2021
9.0%
on average equity**
versus 6.1% for eurozone peers

**Attractive yield***
Average 2017-2021
6.1%
versus 4.2% for eurozone peers

*Selected eurozone peers: ABN AMRO, BBVA, BNP Paribas, Commerzbank, Credit Agricole, Deutsche Bank, Intesa Sanpaolo, KBC, Rabobank, Santander, Société Générale and UniCredit

** Risk costs over average customer lending

*** ING Group return on equity is calculated using IFRS-EU shareholders’ equity after excluding amounts reserved for future distribution

**** Total return (dividend + share buyback) divided by market capitalisation
**Focus on scale and value**

**Growing the Retail customer base in an optimised network**
- Focus on scale and profitability
- Exited retail activities in countries without short-term feasibility to reach sufficient scale and profitability

**Serving fewer Wholesale clients while optimising RWA**
- Focus on mutually beneficial relationships through a more focused Wholesale Banking network
- Reducing RWA density despite higher RWA from loan growth and regulatory impacts

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* Based on 12.5% CET1; Country return on equity includes Retail and Wholesale activities
** Private individual customers
*** 2021 income includes TLTRO

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![Graph showing country return on equity](image1)

**Country return on equity* 2021 (in %)**

- Romania
- Australia
- Netherlands
- Germany
- Poland
- Spain
- Turkey
- Austria
- Italy
- Belux
- CZ
- France
- Philippines

![Graph showing total customers and retail revenues](image2)

**Total customers** Width 2021 (in mln)

- 2021 retail revenues

**Return on equity** (in %)

- WB 2021
- WB 2017

**Return on equity** (in %)

- 3.6
- 3.7
- 3.8
- 3.9
- 4.0
- 4.1
- 4.2
- 4.3

**# of WB clients**

**Income*** over average RWA (in %)**
Superior customer experience drives value

A superior customer experience
- Relevant
- Easy
- Personal
- Instant
- Across all channels

And across customer segments
- Private individuals and small SME
  - Mobile first, in both sales & service
- Large SME
  - Digital sales and service model
  - Remote and face-to-face advice when needed
- Mid-corporate & Wholesale Banking
  - Relationship banking
  - Sector, network and sustainability expertise
  - Supportive digital delivery

Leads to
- Net Promotor Score (NPS)
- Customer base
- Cross buy
- Primary relationships
Innovative digital approach remains our focus

Building a leading digital bank has proven successful

- **Mobile is the main channel**
  - % mobile-only customers
  - 51% in 2021
  - versus 19% in 2017

- **Majority of sales is digital**
  - 73%
  - in 2021 of the total number of sales in Retail

- **Mobile is how our customers interact**
  - % mobile interactions
  - 91% in 2021
  - versus 63% in 2017

- **Growth digital investment accounts ING Germany**
  - +40%
  - since start pandemic, of which 1/4th new customers

Refocusing to enable a superior customer experience

- **Making our processes end-to-end digital**, local in Retail and global in Wholesale

- **Reusing our Tech components**

- **Extending the usage of centers of excellence in our hubs**

- **51% in 2021**
  - versus 19% in 2017

- **91% in 2021**
  - versus 63% in 2017

- **73%**
  - in 2021 of the total number of sales in Retail

- **+40%**
  - since start pandemic, of which 1/4th new customers
The challenging world around us

Changing macro outlook*

5 year EUR swap rate

-0.1% 0.0% 0.8% 0.9% 1.0% 1.0%


Eurozone inflation rate

1.5% 1.8% 1.6% 0.5% 2.6% 6.4% 2.3% 2.2% 2.2%


Eurozone GDP growth

2.6% 1.8% 1.6% 5.4% 2.2% 1.9% 1.7% 1.3%


* 2022-2025 based on ING forecasts April 2022

External trends

- Digital is a must-have, customer expectations increasing
- Heightened focus on Environmental, Social and Governance (ESG)
- Growing regulatory requirements, local fragmentation remaining
- War on talent
- Geopolitical instability, disrupted supply chains
Our strategy with focus on execution certainty

Purpose
Empower people to stay a step ahead in life and in business

Strategic priorities
Superior customer experience
Sustainability

Enablers
Seamless digital experience
Scalable Tech & Operations
Safe & secure
Our people
Sustainability future-proofs our business

Our focus SDGs* steer our Sustainability Direction

- Decent Work and Economic Growth (8)
- Reduced Inequalities (10)
- Responsible Consumption and Production (12)
- Climate Action (13)

Our priorities

<table>
<thead>
<tr>
<th>Capturing opportunities</th>
<th>Mitigating risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net zero commitment</td>
<td>Climate risk management</td>
</tr>
<tr>
<td>Transition finance</td>
<td>Environmental and social risk (ESR) policy</td>
</tr>
<tr>
<td>Diversity &amp; inclusion</td>
<td></td>
</tr>
</tbody>
</table>

* United Nations Sustainability Development Goal
Our sustainability targets

We have committed to aligning with climate goals limiting the rise in global temperatures to 1.5 degrees Celsius, setting sector-specific intermediate goals matching a global emissions decrease of 45% by 2030.

**Net Zero alignment pathways**

Intermediate targets 2030

- **Oil & Gas** -19% financed volume (vs 2019)
- **Power generation** -53% CO₂ emission intensity (vs 2018)
- **Automotive** -49% CO₂ emission intensity (vs 2020)

Further intermediate sector pathways to be published in our upcoming Climate report in 2H2022.

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**Financing the transition**

in Wholesale Banking

€125 bln volume mobilised* in 2025

Client transition pathways finalised by 2023

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**Financing the transition**

in Retail Banking

**Green alternatives** for our key retail products

€1 bln annual new green financing in 2025 for SMEs and Mid Corporates**

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**Diversity & inclusion**

70% principle for mixed teams

>30% women in senior management by 2025

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* Volume mobilised 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.

** In the Netherlands, target for other countries to be determined.
Our management team

Steven van Rijswijk
Chief Executive Officer

Tanate Phuttrakul
Chief Financial Officer

Ljiljana Čortan
Chief Risk Officer

Pinar Abay
Market Leaders

Andrew Bester
Wholesale Banking

Aris Bogdaneris
Challengers & Growth Markets

Ron van Kemenade
Chief Technology Officer

Marnix van Stiphout
Chief Operations Officer
ING Investor Update 2022
Tech & Operations
A leading digital bank

With a scalable Tech and Operations foundation we grow our business at marginal cost

- **% mobile interactions in 2021**: 91%
- **Customer base on One App % of total 2021 customers**: ~50%
- **Costs under control CAGR 2019-2021**: +0.3%
- **Tech & Operations costs in % of total 2021 costs**: ~40%

* Expenses excluding regulatory costs and incidental items
Scalable Tech & Operations is a key enabler of superior customer experience

- **Reusability**
  - Designing and building once, reuse in countries and segments

- **Modularity**
  - Breaking up customer journeys, facilitating differentiation and optimising reusability

- **Self service**
  - Easier onboarding and usage of modules locally

- **Automation and digitalisation**
  - End-to-end straight-through-processing

- **Shared services and capabilities**
  - Hubs leveraging expertise and using scale to drive productivity

- **Seamless digital experience**
- **Shorter time-to-market**
- **Consistent high quality**
- **Lower cost-to-serve**
Benefits of our scalable Tech foundation

Our scalable Tech foundation

- Reusable services and components
- Banking Technology Platform (Touchpoint)
- Private and public cloud

Used by countries

Proposition A
- Local requirements
- Reusable services and components
- Banking Technology Platform (Touchpoint)
- Private and public cloud

Proposition B
- Local requirements
- Reusable services and components
- Banking Technology Platform (Touchpoint)
- Private and public cloud

Benefits

- Shorter time-to-market
- Consistent high quality
- Increased productivity
- Lower cost-to-serve

Proposition A

Proposition B
Proven Tech capabilities enabling in-country scale

**ING private cloud**
Consolidating and standardising infrastructure

**Banking Technology Platform (Touchpoint)**
Developing and running common application components

**OnePipeline**
Rolling out tooling to support all development, testing and releasing activities of engineers

- **Workload on (private) cloud**
  >70% by 2025
  versus 34% in 2021

- **Customer online traffic using Touchpoint**
  >90% by 2025
  versus 63% in 2021

- **Adoption of shared engineering platform**
  >90% by 2025
  versus ~40% in 2021

* Annual gross cost saving by 2025
Benefits of our scalable Operations

Scalable operations driven by digitalisation and capability hubs

**Automation and digitalisation**
End-to-end straight-through-processing (STP)

**Shared services and capabilities**
Hubs leveraging expertise and using scale

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**Digi Index score***
>75% by 2025
versus 60% in 2021

**Operations in hubs**
~50% by 2025
versus ~25% in 2021

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**Benefits**

- Attract and retain talent
- Increased productivity
- Consistent high quality
- Seamless digital experience

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* Average of STP rates of 351 Retail customer journeys (STP rate: the percentage of a customer journey that is handled without manual intervention). Scope will be extended.
Enabling a superior customer experience at reduced cost-to-serve

- **Straight-through-processing**
  - Digitalising key customer journeys
  - Measuring impact by NPS and cost efficiency

- **Contact centers**
  - Digitalising client contacts
  - Accelerating remote advice
  - Increasing chatbot utilisation

- **Automating and centralising KYC activities**
  - Consolidating in hubs
  - Automating and straight-through-processing

### Key Metrics

- **Digi Index score**
  - >75% by 2025
  - versus 60% in 2021

- **Inbound call reduction**
  - >30% by 2025
  - from 31 mln calls in 2021

- **KYC workforce in hubs**
  - ~60% by 2025
  - versus 36% in 2021

*Annual gross cost saving by 2025*
Delivering value

A scalable Tech & Operations foundation based on proven capabilities

Seamless digital experience
Shorter time-to-market
Consistent high quality
Lower cost-to-serve

Enabling a superior customer experience

We continue investing in our scalable Tech & Operations foundation while largely absorbing cost of inflation and volume growth*

* Based on current business scope
ING Investor Update 2022
Retail Banking

13 June 2022
Serving 37 million customers in 11 countries

A diversified footprint

Total retail customers* 1Q2022 (in mln)

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Netherlands</td>
<td>2.7</td>
</tr>
<tr>
<td>Retail Belux</td>
<td>8.4</td>
</tr>
<tr>
<td>Retail Germany</td>
<td>4.2</td>
</tr>
<tr>
<td>Retail Other C&amp;GM**</td>
<td>1.6</td>
</tr>
<tr>
<td>Retail Other Challengers &amp; Growth Markets</td>
<td>4.5</td>
</tr>
</tbody>
</table>

NPS #1 in 6 out of 11 countries

Provides for well-balanced growth

Total customer balances including assets under management and e-brokerage (in € bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>Customer Lending</th>
<th>Customer Deposits</th>
<th>Off-Balance Sheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1,010</td>
<td>1,198</td>
<td>1,010</td>
</tr>
<tr>
<td>2021</td>
<td>1,010</td>
<td>1,198</td>
<td>448</td>
</tr>
</tbody>
</table>

CAGR +4.4%

With all geographies contributing

Total retail customers* 1Q2022

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Netherlands</td>
<td>2.7</td>
</tr>
<tr>
<td>Retail Belux</td>
<td>8.4</td>
</tr>
<tr>
<td>Retail Germany</td>
<td>4.2</td>
</tr>
<tr>
<td>Retail Other C&amp;GM**</td>
<td>1.6</td>
</tr>
</tbody>
</table>

Total income 2021

<table>
<thead>
<tr>
<th>Region</th>
<th>Income (€ bln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Netherlands</td>
<td>29%</td>
</tr>
<tr>
<td>Retail Belux</td>
<td>21%</td>
</tr>
<tr>
<td>Retail Germany</td>
<td>21%</td>
</tr>
<tr>
<td>Retail Other C&amp;GM**</td>
<td>7%</td>
</tr>
</tbody>
</table>

€12.3 bln

* Private individual customers
** Retail Other Challengers & Growth Markets includes Spain, Italy, Poland, Romania, Turkey, Philippines and Australia
A track record of delivering value

**Superior customer experience**
- +2.9 mln primary customers
- +5.8% CAGR 2017-2021

**Digital leadership**
- 91% interactions via mobile
  - in 2021, versus 63% in 2017

**Non-liability income***
- €+2.0 bln
  - +5.6% CAGR 2017-2021, helping to absorb loss of liability NII

**Cost discipline**
- -6 bps costs over customer balances**
  - in 2021 versus 2017

**Return on equity**
- 15.8%
  - average over 2017-2021 based on 12.5% CET1

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* Total income excluding net interest income on liabilities
** Total expenses excluding regulatory costs and incidental items over average customer balances
Mastering digital leadership is our bread and butter

### Mobile is the main channel
Total number of interactions with ING (in bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>Mobile</th>
<th>Mobile-only active customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>3.0</td>
<td>19%</td>
</tr>
<tr>
<td>2021</td>
<td>6.9</td>
<td>51%</td>
</tr>
</tbody>
</table>

- **x2.3**

### And is becoming more personalised
% personalised customer interactions

<table>
<thead>
<tr>
<th>Year</th>
<th>Mobile</th>
<th>2017</th>
<th>2018**</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>9%</td>
<td>26%</td>
<td></td>
</tr>
</tbody>
</table>

- **x3**

### Helping to boost mobile sales
Mobile sales*

<table>
<thead>
<tr>
<th>Year</th>
<th>Mobile sales*</th>
<th>Digital sales*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>28</td>
<td>148</td>
</tr>
<tr>
<td>2021</td>
<td>97</td>
<td>163</td>
</tr>
</tbody>
</table>

- **x3.5**

* 47% of sales is mobile

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* Number of non-deposit sales per 1,000 active customers
** First year when measurement was introduced
Providing a superior customer experience is in our DNA

<table>
<thead>
<tr>
<th>A superior customer experience</th>
<th>Supported by digital capabilities</th>
<th>Leads to a higher NPS and more primary customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevant</td>
<td>Personalised interactions</td>
<td>NPS ambition</td>
</tr>
<tr>
<td></td>
<td>Green products</td>
<td>#1 NPS in all countries</td>
</tr>
<tr>
<td>Easy</td>
<td>Mobile onboarding</td>
<td>Primary customers</td>
</tr>
<tr>
<td></td>
<td>Mobile engagement and sales</td>
<td>&gt;17 mln by 2025</td>
</tr>
<tr>
<td></td>
<td>Chat</td>
<td>5% annual growth</td>
</tr>
<tr>
<td>Personal</td>
<td>Mobile first, assisted channels</td>
<td>Creating more value</td>
</tr>
<tr>
<td></td>
<td>where needed</td>
<td></td>
</tr>
<tr>
<td>Instant</td>
<td>Straight-through-processing</td>
<td>Primary customers...</td>
</tr>
<tr>
<td></td>
<td>24/7 availability</td>
<td>- ...interact 4x more</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- ...buy 2x more products</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- ...are 10x more loyal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- ...are 3x more profitable</td>
</tr>
</tbody>
</table>
Income diversification strengthens our revenue resilience

Strong fee growth

With additional runway
Growing primary customers
- Primary customers buy 2x more products, including fee-products such as investment products and insurance

Growing fee generating products
- Investment products: core advice and e-brokerage
- Mortgage brokerage (Interhyp)
- Insurance products

Further optimise daily banking fees
- Optimise pricing gap to local peers
- Introduce behavioral fees
- Introduce new value propositions (e.g. premium accounts)
- Further normalisation of international transactions

Leading to continued growth

Fee income target
5-10% annual growth

+9.4%
CAGR 2017-2021
€+700 mln
in 2021 versus 2017
## Retail Netherlands – a digitally led universal bank

<table>
<thead>
<tr>
<th>Digitally led bank</th>
<th>Delivering value</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Digital customer base</strong>*&lt;sup&gt;*&lt;/sup&gt;</td>
<td><strong>Fee income</strong></td>
<td><strong>Sustainability</strong></td>
</tr>
<tr>
<td>&gt;80% of 4.5 mln primary customers uses mobile</td>
<td><strong>+7%</strong>&lt;sup&gt;1&lt;/sup&gt; CAGR 2019-2021</td>
<td>▪ Supporting energy transition of our clients with launch of sustainable products</td>
</tr>
<tr>
<td>&gt;8 mln daily digital interactions</td>
<td>67% daily banking/total fee income</td>
<td>▪ Improving our impact on financial health</td>
</tr>
<tr>
<td><strong>Superior customer experience</strong></td>
<td><strong>Cost-to-serve</strong></td>
<td><strong>Income</strong></td>
</tr>
<tr>
<td>4.6 ★★★★★ app rating**</td>
<td><strong>63%</strong></td>
<td>▪ Regain liability margin</td>
</tr>
<tr>
<td><strong>Top 10</strong> in iOS apps ranking***</td>
<td>less branches</td>
<td>▪ Continued fee growth in daily banking, insurance and investment products</td>
</tr>
<tr>
<td></td>
<td>35%</td>
<td>▪ Expand our digital proposition to business banking</td>
</tr>
<tr>
<td></td>
<td>less call volumes versus 2019</td>
<td><strong>Operating expenses</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Increase digitalisation of key customer journeys</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Consolidation of activities in hubs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Decommission legacy IT systems</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Continued optimisation of assisted channels</td>
</tr>
</tbody>
</table>

### Cost/income ratio <50% by 2025 versus 56% in 2021

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* As per 1Q2022  
** iOS and Android rating per 1Q2022  
*** Source: data.ai, ranking by number of active users
Retail Belgium – transforming our franchise to make banking easier

**Digital transformation**
- **Digital customer base***
  - >70% of 1.1 mln primary customers uses mobile
  - ~2 mln daily digital interactions

- **Improving customer experience**
  - 4.3 ★★★★★ app rating**
  - versus 3.2 in 2019

**Delivering value**
- **Fee income**
  - +18% CAGR 2019-2021
  - 27% daily banking/total fee income

- **Cost-to-serve**
  - 30% less branches versus 2019

**Focus**

**Sustainability**
- Supporting energy transition of our clients with launch of sustainable products

**Income**
- Regain liability margin
- Continued fee growth in insurance and investment products
- Expand our digital proposition to business banking

**Operating expenses**
- Increase digitalisation of key customer journeys
- Consolidation of activities in hubs
- Decommission legacy IT systems
- Continued optimisation of assisted channels

**Cost/income ratio <58% by 2025 versus 67% in 2021**

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* As per 1Q2022
** iOS and Android rating per 1Q2022
Retail Germany – a market leading digital bank with further room to grow

**A growth engine**

- Digital customer base*
  - ~85% of 2.3 mln primary customers uses mobile

- Superior customer experience
  - 4.8 ★★★★★
  - app rating**
  - #1 NPS

- Primary customers
  - +0.9 mln
  - +14% CAGR since 2017

**Delivering value**

<table>
<thead>
<tr>
<th>CAGR 2017-2021</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+23%</td>
<td>+5%</td>
<td>+26%</td>
</tr>
<tr>
<td>fee income</td>
<td>mortgages balances</td>
<td>mortgage brokerage (Interhyp)</td>
<td>assets under management</td>
</tr>
<tr>
<td></td>
<td>+10%</td>
<td></td>
<td>+18%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>e-brokerage volumes</td>
<td>consumer lending</td>
</tr>
</tbody>
</table>

**Focus**

- **Sustainability**
  - Scale up green mortgage and investment product offering

- **Income**
  - Leverage large customer and deposit base to increase primary customers
  - Regain liability margin
  - Grow daily banking, investment and brokerage fee businesses
  - Scale up digital-only SME business segment

- **Operating expenses**
  - Increasing digitalisation of key customer journeys

- **Cost/income ratio <50% by 2025 versus 58% in 2021**

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*As per 1Q2022
**iOS and Android rating per 1Q2022
Retail Other Challengers & Growth Markets – fast growing digital challenger banks

Fast growing banks

- Digital customer base*
  ~90% of 6.1 mln primary customers uses mobile

- Superior customer experience
  #1 NPS in 5 out of 7 countries**

- Primary customers
  +1.8 mln
  +9% CAGR since 2017

Net core lending growth
€+28 bln
+8% CAGR since 2017

The power of diversification

Our 3 largest non-eurozone countries

- Primary Customers
  +1.3 mln
  +12% CAGR since 2017

- Total income
  €+682 mln
  +9% CAGR since 2017

- Fee income
  €+123 mln
  +14% CAGR since 2017

Focus

Sustainability
- Supporting energy transition of our clients with launch of sustainable products

Income
- Grow primary customers
- Grow consumer lending, investment and insurance products
- Regain liability margin
- Further optimise daily banking fees

Operating expenses
- Leverage scalable Tech and Operations
- Continued optimisation of assisted channels

Cost/income ratio <59% by 2025 versus 68% in 2021

* As per 1Q2022
** #1 NPS in Poland, Australia, Spain, Romania and Philippines
Roadmap to 2025 targets

**Primary customers**
- Further improve customer experience
- Roll out green products
- Further improve mobile capabilities
- Increase straight-through-processing

**Total income**
- Positive interest rates
- Profitable lending growth
- Fee growth

**Fee income**
- Primary customer growth
- Grow investment products and brokerage
- Further optimise daily banking fees

**Cost-to-serve**
- Increase digitalisation of key customer journeys
- Continued optimisation of assisted channels

- Income growth in line with Group guidance
- 5-10% annual growth
- Cost/income ratio <50% by 2025

**Return on equity***
- >18%
- by 2025

* Based on 12.5% CET1
Wholesale Banking franchise

- Unique value proposition
- Sustainability leadership
- Strong brand
- Highly engaged workforce
- High NPS
Track record of delivering value

**Focus on mutually beneficial client relationships**
Total income per client
+67%
in 2021 versus 2017

**Low cost/income ratio**
Average 2017-2021
52.7%
versus 72.1% for WB peers

**Improved income/average RWA**
+20 bps
in 2021* versus 2017

**Well-managed credit risk through-the-cycle**
Average 2012-2021**
39 bps
versus 58 bps for WB peers

**Decreased RWA density absorbing growth and regulatory impact**
RWA/customer lending
-10%
in 2021 versus 2017

**Delivering return on equity**
Average 2017-2021***
8.4%
versus 4.5% for WB peers

* Income includes TLTRO benefit in 2021
** Risk costs over average customer lending
*** Based on 12.5% CET1

Selected Wholesale Banking peers: Barclays, BNP Paribas, Commerzbank, Credit Agricole, Deutsche Bank, Intesa Sanpaolo, Société Générale, Standard Chartered, UniCredit
Clients choose us because of our value proposition

<table>
<thead>
<tr>
<th>Typical client profile</th>
<th>Value proposition</th>
<th>Evidenced by</th>
<th>Leading to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate and institutional clients with international activities in a sector where we have strong expertise</td>
<td><strong>Our global reach with local knowledge</strong>&lt;br&gt;Banking services in more than 40 countries</td>
<td><strong>35%</strong> of income is cross-border</td>
<td><strong>NPS 59 points</strong>&lt;br&gt;in 2021, +20 points since 2017 and 12 points higher than peer average</td>
</tr>
<tr>
<td><strong>We are sector experts</strong>&lt;br&gt;Real Estate &amp; Infrastructure; TMT*; Commodities; Food &amp; Agriculture; Transportation &amp; Logistics; Healthcare; Energy; Financial Institutions</td>
<td><strong>We are sustainability pioneers</strong>&lt;br&gt;Designed first sustainability linked loan in 2017</td>
<td><strong>+61%</strong> more repeat deals** 2021 versus 2017</td>
<td></td>
</tr>
<tr>
<td><strong>€~88 bln</strong> transition finance volume mobilised*** in 2021</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Telecommunications, Media & Technology
** Based on number of drawdown events between 2018-2021 versus 2014-2017
*** Volume 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.
Well-structured client solutions

**WB product offering**
- Capital Markets/Advisory
- Financial Markets
- Cash Management
- Trade Finance/Working Capital
- Specialised Finance
- Corporate Lending

**Structured in line with risk appetite**
- **Flow**
  - Focused on client business
- **Trade**
  - Short-term, self-liquidating
- **Asset-backed**
  - ~2/3 of book is fully or partially secured
- **Structured**
  - ~100% senior creditor position
- **Diversified**
  - Caps on exposures in place
- **Low risk**
  - 80% of outstanding is investment grade

**Leading role**
- Top 10 player in euro investment grade corporate bonds globally
- The leading global cash pooling business with Bank Mendes Gans
- Top 3 Trade & Commodity Finance player globally
- Top 10 renewable energy financing bank globally
- Top 5 European loan syndications bookrunner

* Financial Markets rates and Foreign Exchange, Payments and Cash Management
Our priorities to further improve return on equity

Support the green transition finance need

Increase capital efficiency

Ensure efficient and seamless digital delivery
Support the green transition finance need

ING is well positioned to capture the opportunity

Pioneer in sustainability linked loans since 2017

Innovative Terra* approach since 2018

Deep sector expertise

Top 10 renewable energy financing bank

US$5 tln** annual bank financing opportunity (IEA report)

Well aligned with ING's sector coverage

Targets

Net Zero alignment pathways and 2030 targets
for all Terra sectors by 2022

Client transition pathways
finalised by 2023

€125 bln
transition finance volume mobilised in 2025

* Terra approach is about steering our portfolio towards the new low-carbon technology and away from high-carbon technology to reach Net Zero by 2050 goals (www.ing.com/Sustainability/Sustainable-business/Terra-approach.htm)


*** Lending credit outstandings, excluding Financial Institutions; TMT; Healthcare; Food, Beverages & Agri; Trade & Commodity Finance; Other

- Buildings
- Transport
- Industry
- Infrastructure
- Electricity generation
- Fuel production

- North America
- Europe
- Asia
- Rest of world

- 16.7
- 22.4
- 13.0
- 6.5
- 20.9
- 16.7
- 51.1
- 0.8
- 0.7
- 0.3
- 0.7
- 0.5
- 1.0
- 1.7
- 1.0
- 0.8
- 0.5
- 1.7
- 1.0
- 0.8
- 0.5
- 1.7
- 1.0
- 0.8
- 0.5
Increase capital efficiency

Absorbed regulatory add-on and volume growth

<table>
<thead>
<tr>
<th>RWA (€ bln)</th>
<th>RWA 2017</th>
<th>Regulatory impact</th>
<th>New volumes</th>
<th>Management actions and improved profile of the loan book</th>
<th>RWA 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>146</td>
<td>35</td>
<td>14</td>
<td>-46</td>
<td>149</td>
</tr>
</tbody>
</table>

Room for optimisation

Income/average RWA*

<table>
<thead>
<tr>
<th>Year</th>
<th>ING</th>
<th>Peer average</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>3.9%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>3.7%</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>3.6%</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>3.5%</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>4.1%</td>
<td></td>
</tr>
</tbody>
</table>

Further levers to improve

<table>
<thead>
<tr>
<th>How?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus on mutually beneficial client relationships</td>
</tr>
<tr>
<td>Increase distribution Reduce final take</td>
</tr>
<tr>
<td>Optimise deal structures to minimise capital allocation</td>
</tr>
<tr>
<td>Focus on higher value specialist solutions and advisory propositions</td>
</tr>
</tbody>
</table>

Selected Wholesale Banking peers: Barclays, BNP Paribas, Commerzbank, Credit Agricole, Deutsche Bank, Intesa Sanpaolo, Société Générale, Standard Chartered, UniCredit

* Income includes TLTRO benefit in 2021
Ensure efficient and seamless digital delivery

Key levers to enhance our digital delivery

- Seamless end-to-end customer journeys
- Easy to access omni-channel experience
- Growing presence on our clients' platforms of choice
- Digitally enabled relationship management increasing speed of response
- Personalised overviews, insights, and smart alerts
Roadmap to a >10% return on equity

**Total income**
- Grow profitable lending
- Transaction Services and Financial Markets benefit from positive rates
- Grow fee income
- Capture green transition opportunity

**Costs**
- Ensure efficient and seamless digital delivery
- Centralisation of activities in hubs

**Capital**
- Increase capital efficiency
- Decrease RWA density

**Risk costs**
- Focus on diversification
- Be selective at the gate
- Pro-active management
- Strong credit risk culture

- Income growth in line with Group guidance
- Cost/income ratio <50% by 2025
- Improve income*/RWA
- Maintain low through the cycle risk costs

**Return on equity**
- >10%
- by 2025

* Income includes TLTRO benefit in 2021
** Based on 12.5% CET1
ING Investor Update 2022

Chief Risk Officer

13 June 2022
Value protected by a strong credit risk management framework

**Focus on diversification**
- Caps on exposures to mitigate concentration risk
  - Clients
  - Products
  - Sectors
  - Specific books (e.g. Leveraged Finance)
  - Countries

**Selective at the gate**
- Granular cascaded risk appetite boundaries / limits
- Focus on senior creditor position (~100%) and secured structures
- Disciplined origination with combined front office and Risk sign off

**Pro-active management**
- Early warning based monitoring
- Structured watch list process
- Agile restructuring strategies to maximise recovery value

---

**Strong credit risk culture**
- Effective three lines-of-defence model
- Learning-loops and feedback ensure continuous improvements
- Ongoing risk awareness initiatives including pioneering on behavioural risk management
Portfolio view confirms strong credit risk position

Diversified by geography and product
Lending credit outstandings* 2021

Lower loan-to-value Retail mortgages

Focus on lower risk in Wholesale
Split loan book***

Well-secured loan book
Lending credit outstandings* 2021

Combined with prudent provisioning
Coverage ratio 2021

* Lending and money market credit outstandings, including guarantees and letters of credit, but excluding undrawn committed exposures (off-balance sheet positions)
** Other includes Retail-related Treasury lending and Other Retail Lending
*** Based on Wholesale Banking internal counterparty rating distribution of lending credit outstandings

- ** NL
- ** Belux
- ** Germany
- ** Rest of Europe
- ** Rest of world

- Residential mortgages
- Consumer Lending
- Business Lending
- Wholesale Banking
- Other**

- Investment grade
- Non-investment grade

<table>
<thead>
<tr>
<th>2017</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>67%</td>
<td>57%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2017</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>65%</td>
<td>80%</td>
</tr>
<tr>
<td>35%</td>
<td>20%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Group</th>
<th>Retail Banking</th>
<th>Wholesale Banking</th>
</tr>
</thead>
<tbody>
<tr>
<td>34%</td>
<td>29%</td>
<td>41%</td>
</tr>
</tbody>
</table>

- Fully secured
- Partially secured
- No cover

€787 bln

- €787 bln

€787 bln

€787 bln
Strong track record in managing credit risk through-the-cycle

Lowest risk costs in eurozone peer group
Risk costs in bps over average customer lending

Stage 3 ratio well below eurozone peer average

Source: Bloomberg, Annual disclosures
Eurozone peers include ABN AMRO, BBVA, BNP Paribas, Commerzbank, Credit Agricole, Deutsche Bank, Intesa Sanpaolo, KBC, Rabobank, Santander, Société Générale and UniCredit
* Highest annual average
Managing Russia-related exposure

- Since sanctions in 2014, caps are applicable and exposure reduced to <1% of loan book
- Pro-active approach to manage exposure and de-risk, taking into account value for all stakeholders
  - No new business with Russian companies
  - Engaging with existing clients
  - >25% reduction of exposure since the end of February 2022
- Longer term exposures are largely covered by €1.2 bln ECA, CPRI and European parent guarantees
- (Un)expected losses already largely included in CET1 capital through risk costs and increased RWA in 1Q2022

### Total Russia-related exposure* (in € bln)

<table>
<thead>
<tr>
<th></th>
<th>28 February**</th>
<th>31 March</th>
<th>30 April</th>
<th>31 May</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.7</td>
<td>6.0</td>
<td>5.8</td>
<td>5.0</td>
<td></td>
</tr>
</tbody>
</table>

### Onshore exposure* and equity (in € bln)

<table>
<thead>
<tr>
<th></th>
<th>28 February**</th>
<th>31 March</th>
<th>30 April</th>
<th>31 May</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
</tbody>
</table>

### Offshore exposure* (in € bln)

<table>
<thead>
<tr>
<th></th>
<th>28 February**</th>
<th>31 March</th>
<th>30 April</th>
<th>31 May</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.3</td>
<td>4.8</td>
<td>4.5</td>
<td>3.9</td>
<td></td>
</tr>
</tbody>
</table>

* Lending credit outstandings, including pre-settlement, money market and investment limits, excluding off-balance sheet positions
** As published on 4 March 2022
*** Amount as of 31 May 2022 based on preliminary numbers
Operational resilience and strengthening our gatekeeper role

**Operational resilience**
- Uninterrupted services during the pandemic with high channel availability in 2020 and 2021
- Smooth functioning of working from home for employees
- No major cybersecurity incidents in 2020 and 2021
- Focus on security of identity and access management, with systematic scanning for vulnerabilities
- Data analytics to spot anomalies
- Third party cooperation to detect emerging trends in fraud and cybercrime
- Operational risk losses stable despite increased digital channel usage driven by the pandemic

**Strengthening Know Your Customer (KYC)**
- Global organisation in place
- Global policy and risk appetite statements rolled out
- Continuous KYC-focused behavioral risk assessments
- Larger workforce with upscaled skills for KYC-related activities in front office, compliance and KYC organisation, including in hubs
- Ongoing roll-out of global standards, systems and operations to support the customer KYC lifecycle
- Collaboration with peers on activities related to anti-money laundering (AML)
Focus on effective and efficient risk management

**Effective and efficient**
- Further developing third-party cooperation in areas such as anti-money laundering and cyber security
- Simplifying and further digitalising/automating risk processes
- Focusing on effectiveness of controls, with risk-based approach

**Pro-active approach**
- Identifying and adapting to new and emerging risks, such as climate risk
- Embedding new risks into risk management frameworks
- Continuously adapting our organisation and governance
- Having the right skill set

**Enabling opportunities**
- Enabling opportunities within our risk appetite to support sustainable business opportunities
- Supporting capital velocity
Track record of delivering value

Resilient income in a negative rate environment

Total income (in € bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>17.7</th>
<th>18.1</th>
<th>18.3</th>
<th>17.6</th>
<th>18.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>15%</td>
<td>15%</td>
<td>16%</td>
<td>17%</td>
<td>19%</td>
</tr>
<tr>
<td>2018</td>
<td>53%</td>
<td>53%</td>
<td>55%</td>
<td>59%</td>
<td>57%</td>
</tr>
<tr>
<td>2019</td>
<td>25%</td>
<td>24%</td>
<td>22%</td>
<td>18%</td>
<td>14%</td>
</tr>
</tbody>
</table>

- Liability income came down by €-1.4 bln since 2019
- Fee and loan growth fully offset pressure on liability income

Diversified fee income growth

Net fee and commission income (in € bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily banking</td>
<td>2.7</td>
<td>2.8</td>
<td>2.9</td>
<td>3.0</td>
<td>3.5</td>
</tr>
<tr>
<td>Lending</td>
<td>0.3</td>
<td>0.3</td>
<td>0.4</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Investment products</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Other</td>
<td>0.7</td>
<td>0.8</td>
<td>0.8</td>
<td>0.9</td>
<td>1.1</td>
</tr>
</tbody>
</table>

- Reflecting higher daily banking package prices, fee introductions, new account openings in investment products and higher deal activity

Cost discipline

Total expenses (in € bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses excl. regulatory and incidental items</td>
<td>9.8</td>
<td>10.7</td>
<td>10.4</td>
<td>11.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Regulatory expenses</td>
<td>0.9</td>
<td>0.8</td>
<td>1.0</td>
<td>0.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Incidental items</td>
<td>8.9</td>
<td>9.0</td>
<td>9.3</td>
<td>9.4</td>
<td>9.4</td>
</tr>
</tbody>
</table>

- Expenses excluding regulatory costs and incidental items were well-controlled despite investments in compliance and risk capabilities
- Regulatory costs have gone up meaningfully

* CAGR based on expenses excluding regulatory expenses and incidental items
Adapting to the world around us

Impact from negative rate environment on margins

Lending and deposit margins (in bps)

- Deposit margin significantly reduced
- Lending margin reflects strong pricing discipline coupled with transitional benefits from Dutch mortgage prepayments and floored contracts

Changing macro outlook*

5 year EUR swap rate

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate (bps)</td>
<td>-0.5%</td>
<td>0.0%</td>
<td>0.8%</td>
<td>0.9%</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

Eurozone inflation rate

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate (%)</td>
<td>0.5%</td>
<td>2.6%</td>
<td>6.4%</td>
<td>2.3%</td>
<td>2.2%</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

Eurozone GDP growth

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate (%)</td>
<td>-5.9%</td>
<td>5.4%</td>
<td>2.2%</td>
<td>1.9%</td>
<td>1.7%</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

Impacting our P&L

- Less certain outlook on lending demand
- Normalising lending margins
- Liability income growth
- Cost inflation

* 2022-2025 based on ING forecasts April 2022
Lending growth to absorb lending margin normalisation

Eurozone GDP growth

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2.6%</td>
</tr>
<tr>
<td>2018</td>
<td>1.8%</td>
</tr>
<tr>
<td>2019</td>
<td>1.6%</td>
</tr>
<tr>
<td>2020</td>
<td>-5.9%</td>
</tr>
<tr>
<td>2021</td>
<td>5.4%</td>
</tr>
<tr>
<td>2022</td>
<td>2.2%</td>
</tr>
<tr>
<td>2023</td>
<td>1.9%</td>
</tr>
<tr>
<td>2024</td>
<td>1.7%</td>
</tr>
<tr>
<td>2025</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

Profitable lending growth

- Focus on value through pricing discipline and risk framework
- Growth outlook for Retail Banking remains strong. Less certain outlook on lending demand in Wholesale Banking

Customer lending (in € bln)

<table>
<thead>
<tr>
<th>Year</th>
<th>Lending (in € bln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>571</td>
</tr>
<tr>
<td>2018</td>
<td>597</td>
</tr>
<tr>
<td>2019</td>
<td>616</td>
</tr>
<tr>
<td>2020</td>
<td>604</td>
</tr>
<tr>
<td>2021</td>
<td>633</td>
</tr>
<tr>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
</tr>
</tbody>
</table>

CAGR +2.6%  
Profitable growth

Lending margin normalisation

- Dutch mortgage portfolio margin to normalise in a rising interest rate environment due to fewer prepayments
- Loss of benefit on floored contracts
- Profitable lending growth to absorb lending margin normalisation
Managing the interest rate risk in our deposit book

**Majority of deposits is related to retail eurozone**

Total Customer deposits 31 December 2021 (in € bln)

- The profitability of Retail deposits is highly correlated to market interest rates
- After a period of profitability erosion the recent pick-up in rates will provide relief

**Replicated in the short term**

Replication composition by tenor

- A considerable part of our replication is short-term, with material impact once short-term interest rates turn positive
- Full impact of rising interest rates to be realised over time
### NII sensitivity of the retail eurozone replicating book

**Sensitivity Retail eurozone replicating book (without pass-through)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Delta in NII versus 2021 replicating result in € bln</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>+0.2</td>
</tr>
<tr>
<td>2023</td>
<td>+0.7</td>
</tr>
<tr>
<td>2024</td>
<td>+1.1</td>
</tr>
<tr>
<td>2025</td>
<td>+1.5</td>
</tr>
</tbody>
</table>

- **Forward rates (Apr-22) - no pass-through**
- **Spot rates (Apr-22)**

**Implied year average €STR rate in bps (April 2022)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>-34</td>
</tr>
<tr>
<td>2023</td>
<td>107</td>
</tr>
<tr>
<td>2024</td>
<td>140</td>
</tr>
<tr>
<td>2025</td>
<td>139</td>
</tr>
</tbody>
</table>

---

**Pass-through and negative charging**

**Pass-through**

- 10 bps pass-through equals ~€350 mln on Retail eurozone savings
- Pass-through is expected to vary per country

**Negative charging**

- Current run rate of ~€300 mln annual NII benefit is set to reduce over 2022 and to stop once ECB rates move to zero

---

**Sensitivity Retail eurozone replicating book (including illustrative 50% pass-through scenario)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Delta in NII versus 2021 replicating result in € bln</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>+0.2</td>
</tr>
<tr>
<td>2023</td>
<td>+0.8</td>
</tr>
<tr>
<td>2024</td>
<td>+1.4</td>
</tr>
<tr>
<td>2025</td>
<td>+2.0</td>
</tr>
</tbody>
</table>

- **Forward rates (Apr-22) - with 50% pass-through scenario**

- Sensitivity scenario assumes the discontinuation of negative charging and an illustrative 50% pass-through scenario of positive rates

* Based on constant investment principles
Drivers of future fee growth

Net fee and commission income (in € bln)

- Daily banking
  - Optimise pricing of payment packages
  - Introduce behavioral fees
  - Introduce new value propositions (e.g. premium accounts)
  - Further normalisation of international transactions

- Investment products
  - Account openings on existing products
  - Inflow from savings into investment products
  - Drive best practices across countries

- Lending
  - Increased primary syndications

- Other
  - Focus on higher value specialist solutions and advisory propositions
  - Insurance partnerships

* Illustrative representation
We will manage our costs below inflation

Expenses excluding regulatory costs and volatile items

<table>
<thead>
<tr>
<th>Year</th>
<th>Total expenses excluding regulatory costs and incidental items*</th>
<th>Eurozone inflation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>$\text{Flat expenses in 2022}$</td>
<td>6.4%</td>
</tr>
<tr>
<td>2022</td>
<td>Below inflation</td>
<td>2.6%</td>
</tr>
<tr>
<td>2023</td>
<td>2.3%</td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td>2.2%</td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td>2.2%</td>
<td></td>
</tr>
</tbody>
</table>

Retail Banking
- Optimise assisted channels
- Digitalise key customer journeys
- Full-year benefits from country exits to materialise by 2023

Wholesale Banking
- Ensure an efficient and seamless digital delivery

Tech and Operations
- Consolidated and standardised infrastructure on cloud
- Increase % of straight-through-processing
- Decommission legacy IT systems
- Consolidation of activities in hubs

Regulatory costs
- Regulatory costs expected approximately €0.4 bln lower in 2025 compared with 2021, after completion of Single Resolution Fund and several local Deposit Guarantee Schemes

* Illustrative representation
Cost/income ratio of 50-52% by 2025

**Lending NII**
- Profitable lending growth to absorb lending margin normalisation

**Liability NII**
- Positive interest rates
- (Primary) customer growth

**Net fee and commission income**
- Diversified fee income growth of 5-10% per year

**Total expenses**
- Flat expenses in 2022 (excluding regulatory costs and incidental items) and below inflation from 2023 onwards
- Regulatory costs approximately €0.4 bln lower in 2025

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* Illustrative representation, excluding €522 mln of incidental items in expenses in 2021
CET1 ratio at ~12.5% by 2025

Our distribution policy
- Annual pay-out ratio of 50% of resilient net profit
- Structural excess capital will be returned to shareholders

Additional distribution of structural excess capital
- CET1 ratio target of ~12.5% by 2025
- Total annual distribution will take into account in capital planning: prevailing (geopolitical) uncertainties, loan demand, risk migration and regulatory impacts
- At a share price below book value the preference for returning excess capital is via share buyback

Distribution according to policy**
- According to policy
  - €~17 bln

Potential uses of retained earnings
- Lending growth
- Negative risk migration
- Regulatory requirements
- Inorganic growth
- Additional shareholder distribution

Capital build up 2022-2025, based on analyst consensus*

- €~27 bln
- ~10
- ~7

* Company compiled sell-side equity analyst consensus post-1Q2022
** Subject to supervisory approval for excess capital distribution and shareholders' approvals for annual resilient net profit distribution
Our financial targets

**Total income**
CAGR 2021-2025
+3%
+1% average 2017-2021

**Fee income**
Annual growth
5-10%
+7% average 2017-2021

**Cost/income-ratio**
By 2025
50-52%
59% average 2017-2021

**CET1 ratio**
By 2025
~12.5%
14.9% 1Q2022

**Return on equity***
By 2025
12%
9% average 2017-2021

* ING Group return on equity is calculated using IFRS-EU shareholders’ equity after excluding amounts reserved for future distribution
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. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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