

What ING is doing
to fight climate change
in five bite-sized pieces

Our approach to climate change is one of the most important things we have to talk about, especially because we're aiming to be a banking leader in sustainability. It's also one of the most complicated. So we wanted to try and tell it in a really simple way.



do your thing



Bigger size = bigger impact

ING is a large global bank. Being big means that we have a role to help fund what the economy needs to keep going. Yes, some banks are greener than we are. But our bigger size means we can make a bigger impact.

Companies have to change to make it in a low-carbon world, and change is expensive. Our scale allows us to **advise and finance** what's needed to thrive in a **climate-friendly future** – that's how we can really make an impact.

At the same time, we also manage our own environmental impact and are striving for net zero in our own operations.

Climate change is a serious threat for the world, our customers and our business. We feel the urgency and continue to take action in line with the pathway to **reach net zero by 2050**.

Change can't happen overnight

It's called a **low-carbon transition** for a reason. Just think about all the individual companies and households that need to change in order to get to a low-carbon future, from new business models to technology innovations and more.

Our main role as a bank in the transition process is **to encourage and facilitate these changes** with our clients, financing what they need to face a climate-friendly future.

It's about making progress quickly step by step.

We also work with peer banks, governments, experts and others so we all make progress together.





We put our financing to work

There are certain things we finance and certain things we won't. As a bank, our most positive impact on climate change comes with our financing. If we say: **"Yes, we'll finance that – if you also make these sustainability improvements."**

Because helping clients improve makes a bigger impact than excluding them altogether. We talk to clients about what they're doing to transition, then advise them and help finance those changes. We aim to steer the **most carbon-intensive parts of our loan book towards net zero by 2050**, which we call our Terra approach. We were the first large global bank to measure this in a detailed scientific way and have since recruited other banks to do the same.

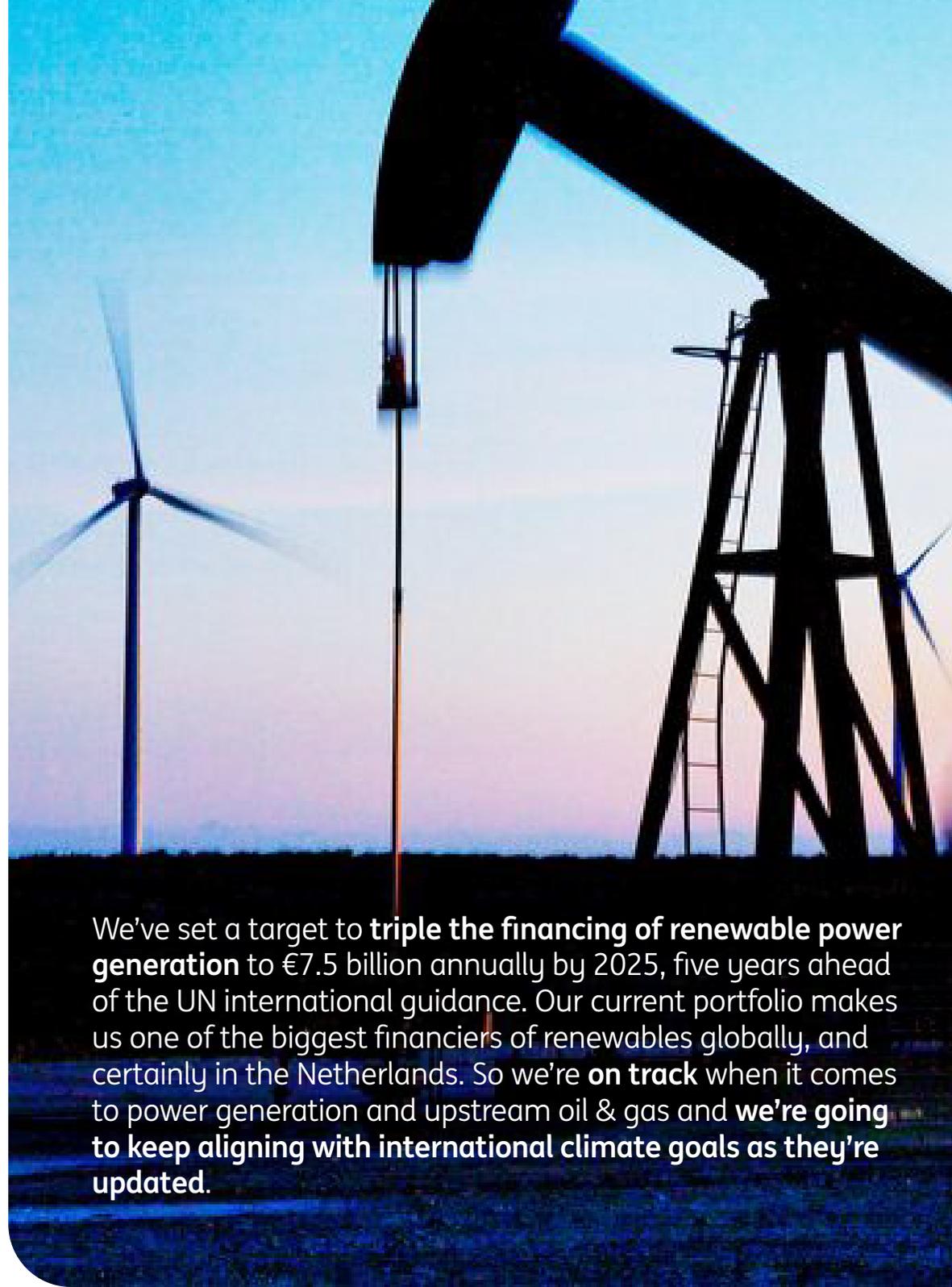
What's the deal with fossil fuels?

Yes, we're involved in the energy sector. As a big bank we can play a big role in **helping the transition to renewable energy**, rather than excluding entire industries.

Currently, about 80% of the world's energy still comes from fossil fuels. Don't forget, even in a net-zero world, there'll still be a need for some fossil fuels. We need them for things like fertilizers, chemicals, plastics and steel-making. The world also can't completely prioritise decarbonisation over making sure **energy remains affordable and the supply remains secure**.

So what do we do? We're phasing out financing to coal-fired power plants aiming to reach zero by 2025, and we're no longer providing dedicated finance to new oil and gas fields. We're also phasing out our upstream oil and gas financing to reach zero by 2040, which is at least ten years ahead of most climate scenarios.

However, **the best way to reduce fossil fuel demand is to increase the availability of renewable energy**. That is why we are not only phasing out fossil fuel financing, but also providing more and more renewable energy financing.



We've set a target to **triple the financing of renewable power generation** to €7.5 billion annually by 2025, five years ahead of the UN international guidance. Our current portfolio makes us one of the biggest financiers of renewables globally, and certainly in the Netherlands. So we're **on track** when it comes to power generation and upstream oil & gas and **we're going to keep aligning with international climate goals as they're updated**.



June 2024

We want to be a banking leader

It may sound like a lofty ambition, but we want to be a **banking leader in sustainability**. That's why we're putting sustainability at the heart of what we do. We finance a lot of sustainable activities, but we still finance more that are not sustainable. This is a reflection of society.

We want to take a **leading role in the transition to a green economy**. We're already pioneers in many ways. We were one of the first banks to commit to the Paris Agreement's climate goals and a pioneer in developing a detailed science-based approach that helps us to get there.

We've innovated with green and sustainable products and services, like the world's **first sustainability-linked loan**.

But the world is moving fast and we're committed to making progress. Our ambitions are high and **we have much more to do**, both in financing the transition to a low-carbon economy as well as managing the risks from climate change.

For more information, please visit ing.com/climate

Together we're making the difference.