

Uniting Belgium and the Netherlands

Investor Day 2019

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Frankfurt • 25 March 2019

thinkforward



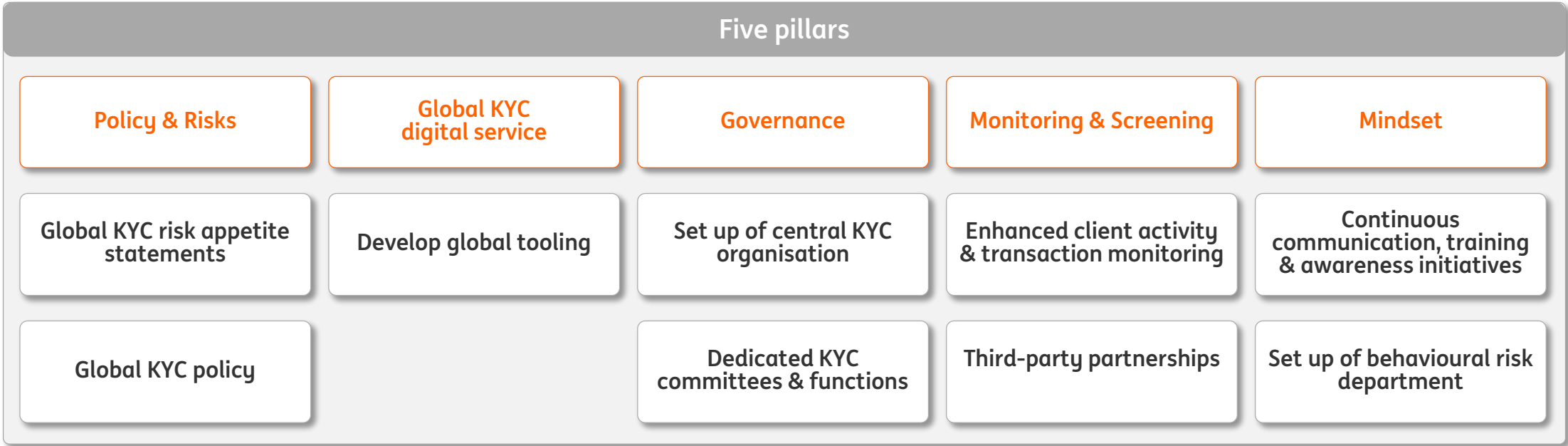
Key points

- A more robust KYC environment in place in the Netherlands
- Improving cross-border scalability brings value in the Benelux
- The rationale to unite Belgium and the Netherlands is even more relevant today than in 2016
- Since 2016, we have reached important milestones in Unite: all our retail customers will be on the same digital channels already in 2019
- While executing this complex transformation we delivered strong financial and commercial results
- Our agile way of working helped to improve efficiency and to maintain our digital leadership in the Netherlands
- We're extending our platform with third party offerings in banking and beyond

A more robust KYC environment in the Benelux

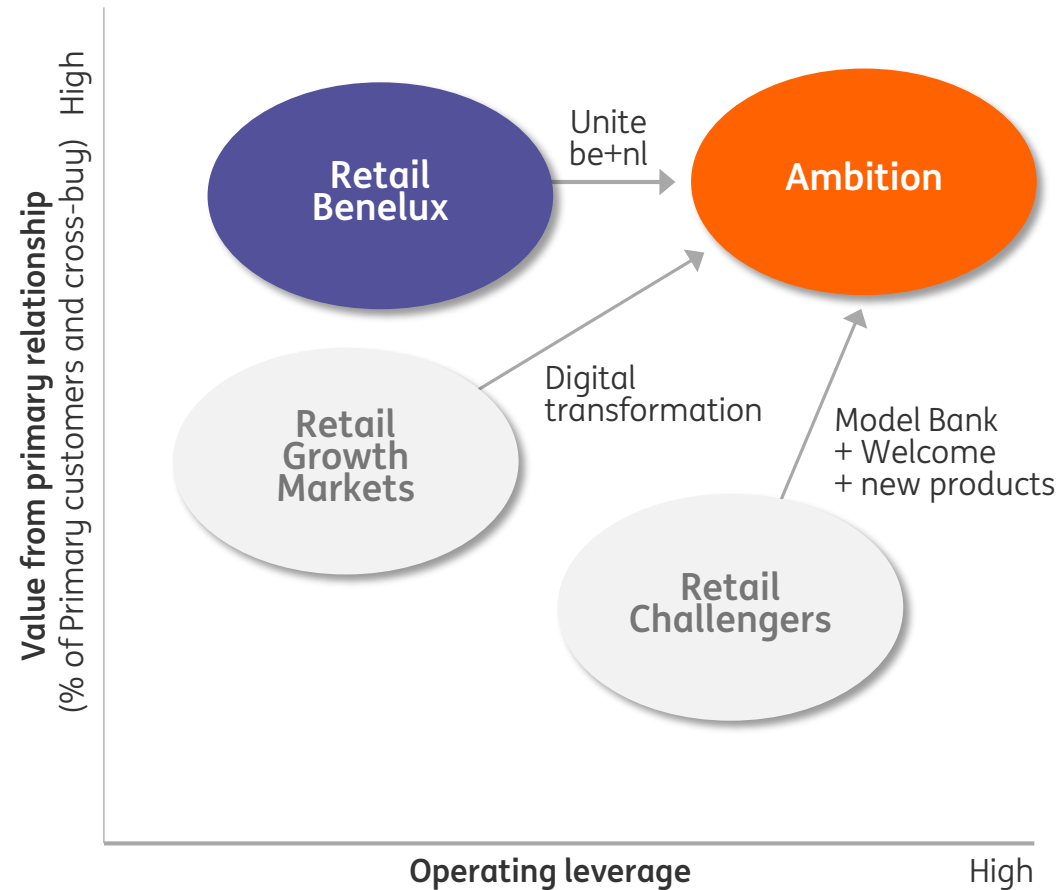
KYC programme for file enhancement

Structural solutions



Improving cross-border scalability brings value in the Benelux

Across markets, we are at different stages...

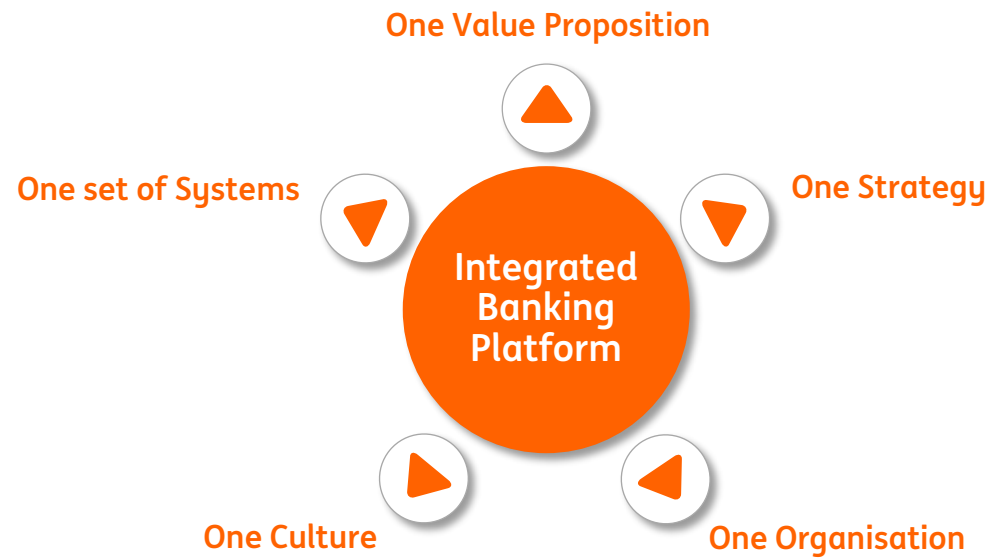


...with different key accelerators to capture value potential

Retail Benelux
Improve (digital) service model to improve **cross-border scalability** and **cost efficiency**

Rationale to unite is even more relevant today

One integrated banking platform to serve >11 million customers and 17 million prospects



...but with **2 legal entities**
2 balance sheets
2 ledgers

To offer best-in-class customer experience...

All our customers:

- Experience “one ING” across Belgium and the Netherlands
- Can perform all of their daily banking activities online
- Benefit from the best-rated banking app
- Experience an increased pace of innovation
- Receive pro-active contacts through use of analytics skills
- Get first-time-right response for queries without handovers
- Retain branch access, with staff fully focused on advice
- Experience multi-language online capabilities

...and leverage scale

- Combined scale and high level of standardisation across countries will allow us to:
 - Amortise (IT) investments over 11 million customers
 - Share operating costs
 - Bring innovations faster to market

Note: recap Investor Day 2016

Unite be+nl will deliver same digital channels for retail customers in 2019



Prioritisation based on customers and safety first

Achievements to date

- Integration of Record Bank in BE
- New customer service organisation across both countries
- Cross-border Ops & Tech organisation
- Harmonised cross-border value proposition designed

~600k
Record Bank
customers
migrated

~600
branches
closed

~2,000
FTEs
reduced*

Next steps

- OneApp and OneWeb for all retail customers in NL and BE
- Migration of BE retail customers with a de-risked phased approach
- Same data and assisted channels platform
- Harmonised products fully in place across NL and BE
- Initiate data centre migration for BE

OneApp
live for
20 mln**
customers

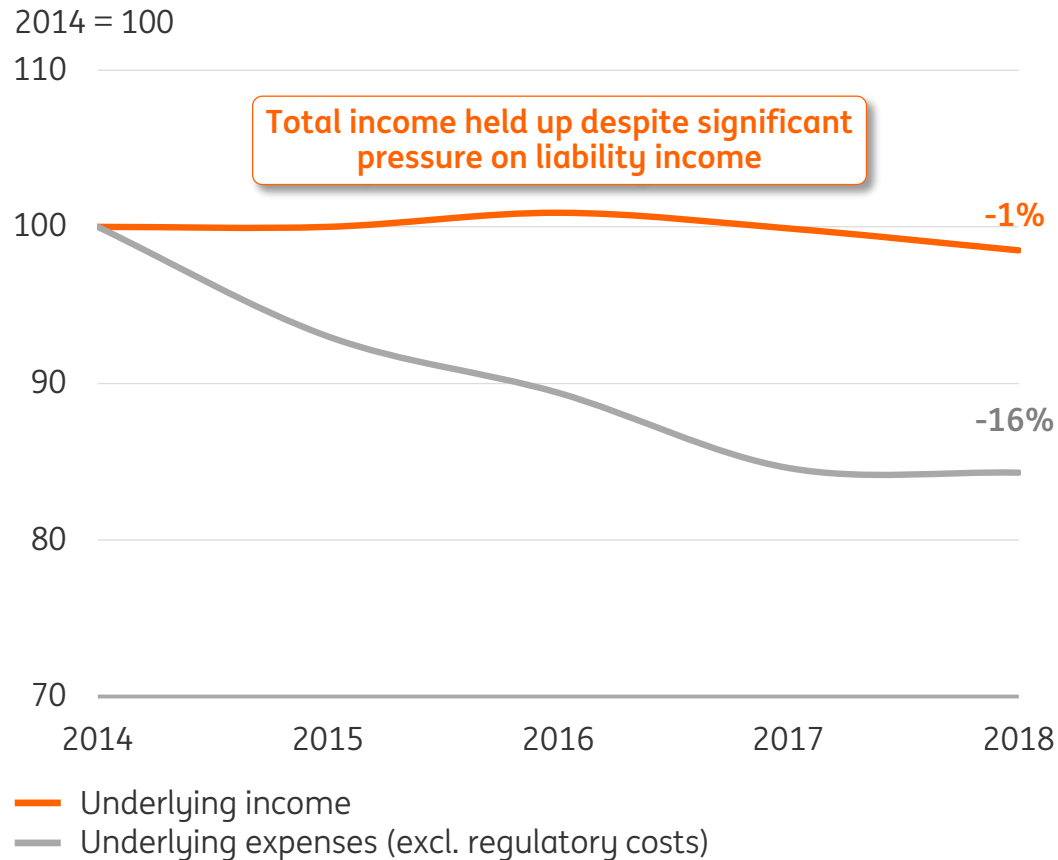
~60%
harmonised
retail product
offering

3,500
total FTEs
reduction
end-2021*

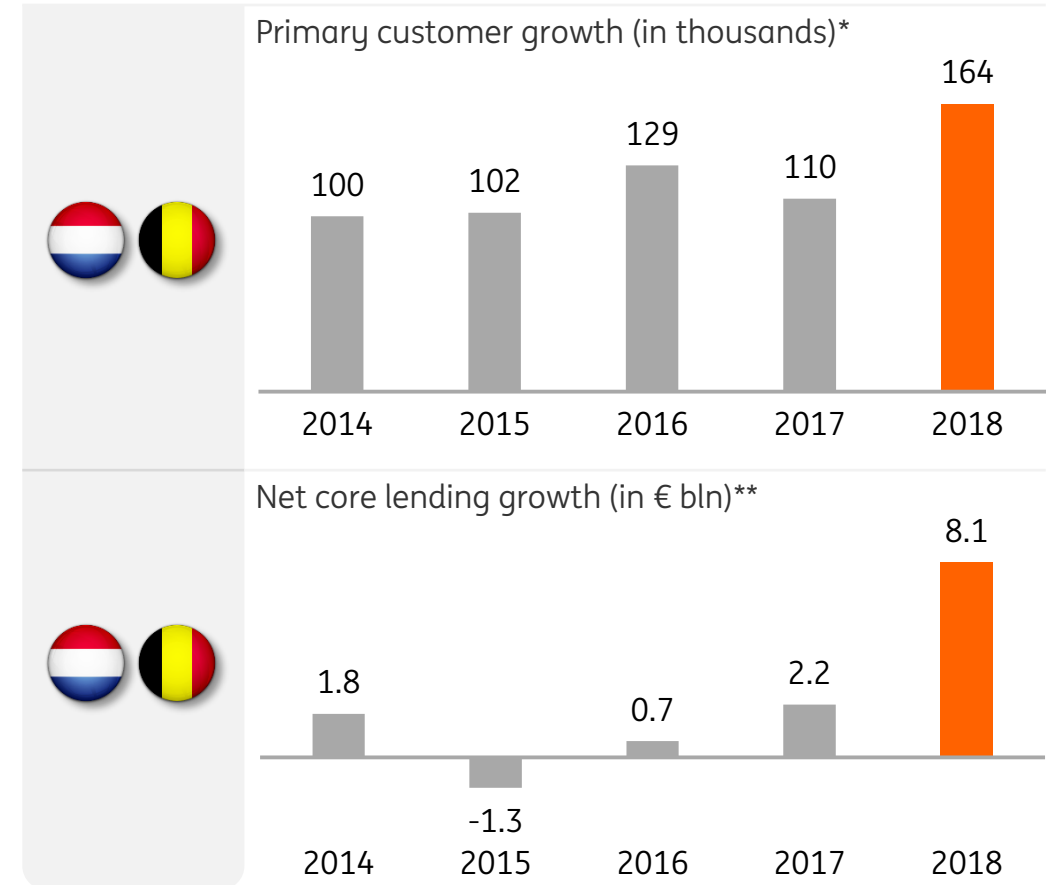
* Internal and external FTEs excluding temporary backfill staffing and in scope of Accelerating Think Forward plans ** ~20 mln customers for the Netherlands, Belgium and Germany

We delivered strong results during this complex transformation

Strong operating leverage in Belgium and the Netherlands...



...supported by strong commercial momentum



Note: All financials shown are related are Retail; figures Belgium include Luxembourg
 * Primary customer growth in Belgium excludes impact integration of Record Bank (approx. 80k)
 ** Excluding Bank Treasury and WUB run-off portfolio

Our agile way of working helped to improve efficiency...

We transformed to an agile organisation in the Netherlands and Belgium...

Agile structures and processes

- Multi-disciplinary teams
- End-to-end responsibility
- Delayed organisation

Agile mindset

- Customers are the starting point
- High level of autonomy: empowerment
- Focus on development craftsmanship



...which contributes to value creation

Faster time-to-volume



Improve efficiency













Increase engagement



...and to maintain our digital leadership in the Netherlands

ING app has very high market penetration in NL...

Top 10 smartphone-apps*

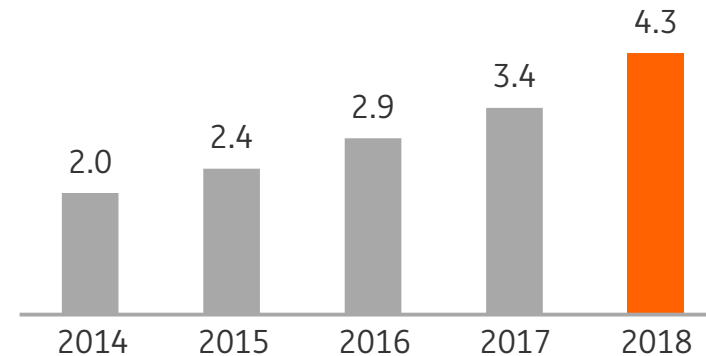
-  WhatsApp
-  Google Maps
-  Facebook
-  YouTube
-  Facebook Messenger
-  Google Search
-  Gmail
-  Google-Play
-  Drive
-  ING

* Stichting Internet Domeinregistratie Nederland 2018

...and our customers love it



App users (in mln)



Best rated banking app in NL

iOS



4.6 ★★★★★
(42,262 votes)

Android



4.4 ★★★★★
(44,177 votes)

We are extending our platform with third party offerings in banking and beyond

ING Shop (repositioned in 2018)



Shopping platform for customers to increase loyalty and drive digital interactions, partnering with trusted A-brands

>1,200
3rd party offerings

1 mln
products sold
in 2018

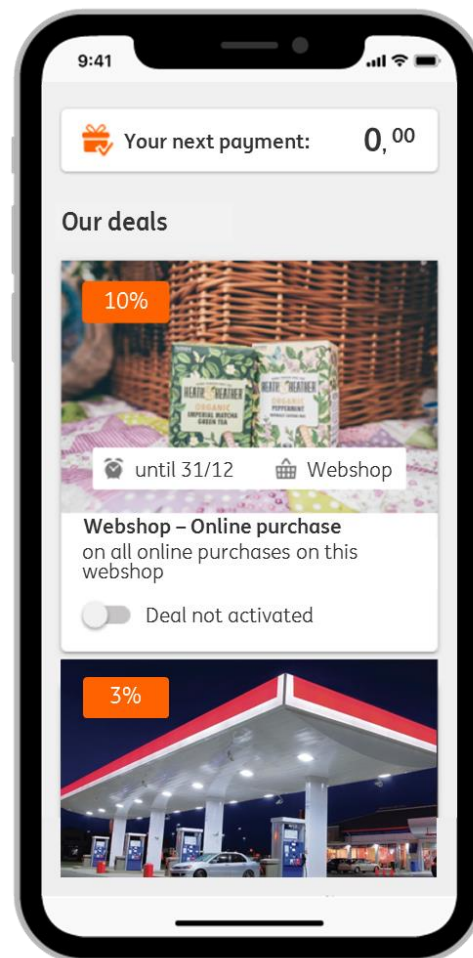
~€30 mln
turnover in
2018

ING+ deals (launched 4Q18)



Cash-back platform with discounts for customers, thanks to exclusive deals ING has negotiated with various A-brands

~50,000
users so far



Makelaarsland (acquired 1Q18)



Innovative broker evolving into housing platform to connect with customers for all housing needs throughout their life

Best Real Estate
Broker NL
last 4 years

2 mln
interactions
in 2018

~40,000
house
viewings
in 2018

Funding Options (launched 1Q19)



Platform to empower entrepreneurs to start, run and grow their business with various funding options (e.g. crowdfunding, factoring)

>1,400
leads
in 2019 YTD

~40%
non-ING
customers

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. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

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