



# **ING Bank N.V., Hong Kong Branch**

(Incorporated in the Netherlands with limited liability)

## **Interim Financial Disclosure Statement**

**30 June 2020**

## **Basis of Preparation**

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The Interim Financial Disclosure Statement for the half year ended 30 June 2020 (the “Disclosure Statement”) has been prepared in accordance with the relevant requirements of the Banking (Disclosure) Rules and the disclosure standards as stated in the Hong Kong Monetary Authority’s Supervisory Policy Manual on “Guideline on the application of the Banking (Disclosure) Rules”.

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**Income Statement (unaudited)**

Figures in HKD million	Half year ended 30 June 2020	Half year ended 30 June 2019
Interest income	713	1,004
Interest expense	(421)	(758)
<b>Net interest income</b>	<b>292</b>	<b>246</b>
Other operating income		
Gains less losses arising from trading in foreign currencies	(12)	35
Gains less losses on securities held for trading purposes	-	-
Net fees and commission income	64	57
Others	21	30
<b>Total operating income</b>	<b>365</b>	<b>368</b>
Operating expenses		
Staff expenses	(108)	(102)
Rental expense	(17)	(15)
Other operating expenses	(105)	(96)
<b>Total operating expenses</b>	<b>(230)</b>	<b>(213)</b>
<b>Net income before impairment allowances</b>	<b>135</b>	<b>155</b>
Net (charge)/credit of impairment allowances on advances and other accounts	(298)	2
Gains less losses from the disposal of fixed assets	-	-
<b>(Loss)/profit before taxation</b>	<b>(163)</b>	<b>157</b>
Taxation	26	(27)
<b>(Loss)/profit after taxation</b>	<b>(137)</b>	<b>130</b>

**Balance Sheet (unaudited)**

Figures in HKD million	At 30 June 2020	At 31 December 2019
<b>Assets</b>		
Cash and balances with banks	248	339
Balances with central bank	96	119
Placements with banks and other financial institutions maturing between one and twelve months	493	-
Amount due from overseas offices	24,894	40,050
Trade bills	2,871	8,889
Investment securities	6,010	4,403
Loans and receivables		
Advances to customers	38,848	33,332
Advances to banks and other financial institutions	12,920	16,974
Impairment allowances	(368)	(70)
Accrued interest and other accounts	347	287
Fixed assets	74	90
<b>Total assets</b>	<b>86,433</b>	<b>104,413</b>
<b>Liabilities</b>		
Deposits and balances of central banks, banks and other financial institutions	7,228	8,058
Deposits from customers		
Demand deposits and current accounts	31	199
Savings deposits	1,403	1,252
Time, call and notice deposits	4,711	5,474
Amount due to overseas offices	71,773	88,065
Other liabilities	1,287	1,365
<b>Total liabilities</b>	<b>86,433</b>	<b>104,413</b>

**Supplementary Financial Information (unaudited)**

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**1. Net Fees and Commission Income**

Figures in HKD million	Half year ended 30 June 2020	Half year ended 30 June 2019
Fees and commission income	66	58
Fees and commission expenses	(2)	(1)
	<u>64</u>	<u>57</u>

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**Supplementary Financial Information (unaudited)**
**2. Analysis of Gross Advances to Customers by Industry Sectors and Advances Usage**

Figures in HKD million	At 30 June 2020		At 31 December 2019	
	Gross Advances	Balance covered by collateral and other security	Gross Advances	Balance covered by collateral and other security
<b>Advances for use in Hong Kong</b>				
<i>Industrial, commercial and financial sectors</i>				
- Manufacturing	2,842	201	3,072	-
- Property development	1,600	-	2,550	950
- Property investment	-	-	-	-
- Wholesale and retail trade	500	-	500	-
- Transport and transport equipment	1,711	-	1,713	-
- Financial concerns	3,736	-	2,951	-
- Electricity and gas	7,448	-	5,117	-
- Information technology	-	-	770	-
- Others	180	180	300	300
	<u>18,017</u>	<u>381</u>	<u>16,973</u>	<u>1,250</u>
<i>Individuals</i>				
- For the purchase of other residential properties	-	-	-	-
- Others	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total advances for use in Hong Kong</b>	18,017	381	16,973	1,250
<b>Trade finance</b>	9,983	2,290	5,876	3,299
<b>Advances for use outside Hong Kong</b>	<u>10,848</u>	<u>2,699</u>	<u>10,483</u>	<u>3,032</u>
<b>Gross advances to customers</b>	<u><u>38,848</u></u>	<u><u>5,370</u></u>	<u><u>33,332</u></u>	<u><u>7,581</u></u>

**Supplementary Financial Information (unaudited)**
**3. Analysis of Gross Advances to Customers by Geographical Areas**

Figures in HKD million	At 30 June 2020	At 31 December 2019
Asia Pacific	33,956	30,715
<i>Of which: Hong Kong</i>	<i>22,461</i>	<i>16,405</i>
<i>Of which: Mainland China</i>	<i>9,887</i>	<i>12,436</i>
Europe	4,498	2,318
America	356	235
Middle East	38	64
	<u>38,848</u>	<u>33,332</u>

The above analysis by geographical area is based on the location of the counterparty after taking into account the transfer of risk. In general, transfer of risk applies when an advance is guaranteed by a party in a location which is different from that of the counterparty.

**4. Impairment Allowances on Advances and Other Accounts**

Figures in HKD million	At 30 June 2020	At 31 December 2019
Stage 1	10	11
Stage 2	-	59
Stage 3	358	-
	<u>368</u>	<u>70</u>

**Supplementary Financial Information (unaudited)**

**5. Impaired Advances to Customers**

Figures in HKD million	At 30 June 2020	At 31 December 2019
Total amount of impaired advances to customers	1,925	-
Individual impairment allowances made in respect of such advances	(358)	-
	<u>1,567</u>	<u>-</u>
Total value of collateral	409	-
Percentage of such advances to total advances to customers	4.96%	0.00%
Analysis of such advances by geographical areas after risk transfer:		
Asia Pacific	711	-
Europe	858	-
America	356	-
Middle East	-	-
	<u>1,925</u>	<u>-</u>

There were no impaired advances to banks and other financial institutions as at 30 June 2020 and 31 December 2019.

**Supplementary Financial Information (unaudited)**

**6. Overdue and Rescheduled Advances to Customers**

Figures in HKD million	At 30 June 2020		At 31 December 2019	
	Amount	% of gross advances to customers	Amount	% of gross advances to customers
<i>(a) Gross amount of advances to customers which have been overdue for:</i>				
Six months or less but over three months	605	1.56%	-	0.00%
One year or less but over six months	-	0.00%	-	0.00%
Over one year	-	0.00%	-	0.00%
	<u>605</u>	1.56%	<u>-</u>	0.00%
<i>Analysis of such advances by geographical areas after risk transfer:</i>				
Asia Pacific	268	0.69%	-	0.00%
Europe	136	0.35%	-	0.00%
America	201	0.52%	-	0.00%
Middle East	-	0.00%	-	0.00%
	<u>605</u>	1.56%	<u>-</u>	0.00%

No advances to banks and other financial institutions and other assets were overdue for more than 3 months as at 30 June 2020 and 31 December 2019.

*(b) Rescheduled advances:*

There were no rescheduled advances to customers, banks and other financial institutions as at 30 June 2020 and 31 December 2019.

*(c) Repossessed assets:*

There were no repossessed assets as at 30 June 2020 and 31 December 2019.

**Supplementary Financial Information (unaudited)**

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**7. Disclosure of Value of Collateral Held Against Overdue Loans and Advances**

Figures in HKD million	At 30 June 2020	At 31 December 2019
Current market value of collateral held against the covered portion of overdue loans and advances	201	-
Covered portion of overdue loans and advances	201	-
Uncovered portion of overdue loans and advances	404	-
Individual impairment allowances made in respect of overdue loans and advances	196	-

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**Supplementary Financial Information (unaudited)**


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**8. International Claims**

Geographical segments and individual countries constituting 10% or more of the aggregate international claims are summarised as follows:

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Figures in HKD million

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	Banks	Official sector	Non-bank private sector		Others	Total
			Non-bank Financial institutions	Non-financial private sector		
<b>At 30 June 2020</b>						
Developed countries of which: Netherlands	25,162	-	-	1,636	-	26,798
Developing Asia and Pacific countries of which: China	11,797	-	2,107	7,704	-	21,608
Offshore centres of which: Hong Kong	286	-	2,548	12,577	-	15,411
<b>At 31 December 2019</b>						
Developed countries of which: Netherlands	40,092	-	-	805	-	40,897
Developing Asia and Pacific countries of which: China	23,282	-	2,111	10,505	-	35,898
Offshore centres of which: Hong Kong	188	-	652	7,719	-	8,559

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The above analysis is prepared with reference to the completion instructions for the Hong Kong Monetary Authority Return of International Banking Statistics. International claims are on-balance sheet exposures to counterparties based on the location of the counterparties after taking into account the transfer of risk, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies.

**Supplementary Financial Information (unaudited)**

**9. Non-bank Mainland China Exposures**

Figures in HKD million

At 30 June 2020

<b>Types of Counterparties</b>	<b>On-balance sheet exposure</b>	<b>Off-balance sheet exposure</b>	<b>Total</b>
1. Central government, central government-owned entities and their subsidiaries and Joint Ventures (“JVs”)	17,404	6,885	24,289
2. Local governments, local government-owned entities and their subsidiaries and JVs	2,564	508	3,072
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	8,035	2,626	10,661
4. Other entities of central government not reported in item 1 above	1,147	343	1,490
5. Other entities of local governments not reported in item 2 above	495	-	495
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	4,806	2,448	7,254
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>34,451</b>	<b>12,810</b>	<b>47,261</b>
Total assets after provisions	86,433		
On-balance sheet exposures as % of total assets	39.86%		

**Supplementary Financial Information (unaudited)**

**9. Non-bank Mainland China Exposures (Continued)**

Figures in HKD million

At 31 December 2019

Types of Counterparties	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and Joint Ventures (“JVs”)	11,821	11,583	23,404
2. Local governments, local government-owned entities and their subsidiaries and JVs	2,026	692	2,718
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	7,196	2,271	9,467
4. Other entities of central government not reported in item 1 above	1,215	345	1,560
5. Other entities of local governments not reported in item 2 above	496	-	496
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	5,222	3,558	8,780
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>27,976</b>	<b>18,449</b>	<b>46,425</b>
Total assets after provisions	104,413		
On-balance sheet exposures as % of total assets	26.79%		

**Supplementary Financial Information (unaudited)**

**10. Currency Risk**

Figures in HKD million

**At 30 June 2020**

	<b>USD</b>	<b>EUR</b>	<b>CNY</b>	<b>Others</b>	<b>Total</b>
Spot assets	42,981	22,258	1,313	1,018	67,570
Spot liabilities	(49,810)	(24,428)	(498)	(1,014)	(75,750)
Forward purchases	10,166	2,175	465	86	12,892
Forward sales	(3,277)	(1)	(1,276)	(86)	(4,640)
Net long position	<u>60</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>72</u>
Net structural position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net option position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**At 31 December 2019**

	<b>USD</b>	<b>EUR</b>	<b>CNY</b>	<b>Others</b>	<b>Total</b>
Spot assets	48,373	34,554	891	704	84,522
Spot liabilities	(55,812)	(34,537)	(889)	(703)	(91,941)
Forward purchases	9,151	8	50	123	9,332
Forward sales	(1,728)	(17)	(50)	(123)	(1,918)
Net (short)/long position	<u>(16)</u>	<u>8</u>	<u>2</u>	<u>1</u>	<u>(5)</u>
Net structural position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net option position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Net position in a particular foreign currency is disclosed if the net position (regardless of sign) constitutes 10% or more of the total net position in all foreign currencies.

There is no structural position/ option position in any currency as at 30 June 2020 and 31 December 2019.

**Supplementary Financial Information (unaudited)**

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**11. Liquidity**

**11.1 Liquidity Ratios**

	For the quarter ended 30 June 2020	For the quarter ended 30 June 2019
Average Liquidity Maintenance Ratio (“LMR”)	42.52%	38.79%

The Branch complies with the minimum requirement of LMR in accordance with the Banking (Liquidity) Rules issued by the Hong Kong Monetary Authority (“HKMA”).

The average LMR is calculated as the simple average of each calendar month’s average LMR.

**11.2 Liquidity Risk Management**

ING Bank N.V., Hong Kong Branch (“the Branch”) manages its liquidity under the ING Global Funding and Liquidity Risk framework, which is defined and set by the ING Bank N.V.’s Management Board.

Funding and liquidity risk is the risk that ING Group (the “Group”) or one of its subsidiaries/branches cannot meet its financial liabilities when they are due, at a reasonable cost and in a timely manner. ING incorporates funding and liquidity management in its business strategy globally and applies the above funding and liquidity risk framework in order to manage such risks within pre-defined boundaries.

The Branch is a full branch of the Group and it applies both the Group’s and its own localized funding and liquidity risk frameworks in order to manage the Group’s pre-defined boundaries and the Branch’s local regulatory limits at the same time.

The Branch distinguishes several key drivers of future liquidity and funding needs:

- Refinancing needs resulting from maturing liabilities and asset growth;
- Current and future regulatory requirements;
- Risk appetite statements set by ING’s funding and liquidity risk function;
- The outcomes of various stress tests; and
- Ability to distribute and transfer liquidity.

Taking into consideration the abovementioned factors, the Branch assesses its current and future liquidity adequacy and, if deemed necessary, takes steps to further improve the liquidity position and to ensure sufficient counterbalancing capacity; this is achieved by executing the annual Internal Liquidity Adequacy Assessment Process (“ILAAP”).

Liquidity Management is performed by the Group Treasury and covers the areas of (i) intra-day liquidity risk (ILAAP); (ii) short term cash management (overnight and tomorrow next); (iii) funding risk (1 week to 1 year tenors); (iv) structural liquidity risk (1 year+ tenors); and (v) stress testing. Group Treasury operates under the oversight of and limits set by the Assets & Liabilities Committee (“ALCO”) and the Market Risk Management department of the Branch.

**Supplementary Financial Information (unaudited)**

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**11. Liquidity (Continued)**

**11.2 Liquidity Risk Management (Continued)**

**11.2.1 Governance**

In line with the Group's overall governance, the funding and liquidity risk management of the Branch falls under the supervision of the Branch's ALCO. It approves the funding and liquidity risk appetite that is cascaded from the Group's ALCO towards the Branch's ALCO and it simultaneously takes fully into account all relevant local HKMA regulations. The ALCO members (which include representatives of staff departments from the Chief Risk Officer ("CRO") and Chief Financial Officer ("CFO") domain, as well as Group Treasury and commercial business lines) have oversight and are locally responsible for managing funding and liquidity risk.

The Branch's second line market risk management function is responsible for developing and maintaining the Branch's policies, standards, guidelines and risk appetite for funding and liquidity risk management. The Financial Risk function measures funding and liquidity risks, is responsible for stress testing activities and controls the liquidity requirements related to commercial products. The local finance function is responsible for reporting and providing management information related to funding and liquidity management.

In order to effectively monitor and manage funding and liquidity risk, the Group has set up a comprehensive funding and liquidity framework. This framework contains the following main components:

- Charters: setting out the governance;
- Policies: providing background on what needs to be done and the corresponding obligations;
- Minimum standards: setting out the mandatory rules and requirements to be met related to a policy;
- Guidance: including all additional useful information to support the funding and liquidity risk framework; and
- Templates and tools: supporting the performance of the funding and liquidity risk management tasks.

**11.2.2 Funding and Liquidity Management Strategy and Objectives**

The Branch's liquidity position is the responsibility of local management, with support from the Regional Office (the "RO"), especially Group Treasury in Singapore. The funding, liquidity strategy and planning is in line with the Group's strategy, risk appetite and identified risks.

As the Branch is operating in a global network of other ING branches under the Group, the Branch's funding strategy depends largely on the centralized funding strategy of the Group. The main pillars of the funding and liquidity strategy and objectives are aimed at diversification targets for short and long-term sources as part of the overall funding plan. Another essential component of ensuring funding diversity is maintaining market access to new funds and managing existing funding and liquidity sources.

**Supplementary Financial Information (unaudited)**

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**11. Liquidity (Continued)**

**11.2 Liquidity Risk Management (Continued)**

**11.2.3 Funding and Liquidity Risk Tolerance and Reporting**

**Local Risk Appetite Statement (“RAS”) setting process**

Metrics and limits are set to measure the current exposure according to bank-wide Risk Appetite principles. The starting point for each principle is to set a limit for the Group on a consolidated basis. To address the liquidity risk throughout the bank, consolidated RAS metrics and limits are cascaded to first level ALCO (i.e. ING Bank N.V. Limited) where appropriate.

Each first level ALCO must comply with the limits and/or monitoring metrics set in the bank-wide RAS. Any limit breach must be reported to ALCO Bank and may lead to corrective measures. Higher level ALCOs are responsible to allocate the limits to lower level ALCOs and local entities.

First and lower level ALCOs and local entities are encouraged to set their own RAS and/or related limits. Limits defined under the Group wide RAS prevail over such limits, except when conflicting with stricter local regulatory requirements. Therefore, a review of (additional) local RAS is mandatory to assure that Group wide and local RAS is complementing each other.

Updating a local RAS is done on an annual process. In addition, principles, metrics and limits may be amended when deemed necessary anytime during the year as long as they are approved by the required committee.

**Components of local RAS Setting:**

- Group Strategy, Dynamic Plan and local regulation:  
The strategy, Group-wide RAS, stress testing and the Dynamic Plan (“DP”) are the starting point of the local RAS setting. In general, the strategy will not be updated annually. Only significant changes trigger review in the DP, Group wide and local RAS.
- Local risk identification & assessment:  
The local risk identification and assessment process must be completed before initiating the local RAS setting process. Risk identification is the process of detecting potential new risks and changes in known risks. Significant risks that are specific to local circumstances could be managed and monitored by setting a local RAS and/or limits.
- Head office defined RAS principles and limits:  
Head office defined RAS principles and limits prevail over local RAS principles and limits. When defining a local RAS, the Group-wide RAS must be taken as the starting point. This can, however, be supplemented with local principles, metrics and limits.
- Local risk appetite principles & metrics:  
If local risk identification identifies significant local risks that are not covered by the Bank-wide RAS, (e.g. based on regulatory requirements or strategic/DP objectives), ALCOs and local entities are required to evaluate whether new local RAS are to be set. New local RAS principles and metrics are prepared and proposed by market risk management function, agreed upon with both first and second line representatives and approved by ALCO.

## **Supplementary Financial Information (unaudited)**

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### **11. Liquidity (Continued)**

#### **11.2 Liquidity Risk Management (Continued)**

##### **11.2.3 Funding and Liquidity Risk Tolerance and Reporting (Continued)**

- Local limit:  
An integral review of the risk appetite limits must be executed annually. However, review of the local RAS limits is a continuous process. Local RAS limits can be changed during the year, based on, for example, analyses of monitoring findings, internal or external developments, regulatory developments, peer review and stress test results. As a result of this review, risk appetite limits can be continued unchanged/reconfirmed, adjusted or newly set. Local limits are prepared and proposed by market risk management function, agreed upon with both first and second line representatives and approved by ALCO.

##### **Local RAS Reporting**

Local RAS reporting refers to reports in which the compliance with the RAS limits is monitored. Local RAS reporting to ALCO is a second line responsibility (exact responsibilities may vary and are detailed at local level). However, first line must ensure they stay within the limits, which involves a form of first line monitoring. The ALM risk function independently monitors the compliance with both Group's and local risk appetite and the corresponding limits.

To comply with one of the Group's funding & liquidity adequacy and RAS, the Branch is obliged to monitor and manage the Liquidity Coverage Ratio ("LCR"). Next to the Group's requirements with respect to LCR, the Branch has to comply with local regulatory requirements of the HKMA. As the Branch is earmarked as a Category 2 entity, it needs to comply with the LMR requirements together with the HKMA Stable Funding Requirement.

##### **11.2.4 Stress Testing**

The Funding & Liquidity Stress Testing forms part of the overall Funding & Liquidity framework. It allows ING to examine the effects of exceptional but plausible future events on ING's liquidity position and provides insight into which entities, business lines or portfolios are vulnerable to which types of risk and/or under which scenarios.

The scope of the Funding & Liquidity Stress Testing framework includes the funding and liquidity risks of the Branch's balance sheet, all underlying business lines, on- and off-balance sheet positions as well as contingent assets and liabilities. The Net Liquidity Position ("NLP") and Time-to-Survive ("TTS") are two pre-determined output metrics both of which are affected as a result of the application of specific scenarios and parameters.

The Funding & Liquidity Stress Testing framework distinguishes between idiosyncratic and market-wide scenarios (and a combination of the two) and differentiates between stress events that develop in a gradual or fast manner. The generic design of the Funding & Liquidity Stress Testing framework, which is based on empirical evidence supplemented with expert judgment, can easily be applied to a specific scenario, for example as input for the firm-wide stress testing or reverse stress testing.

**Supplementary Financial Information (unaudited)**

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**11. Liquidity (Continued)**

**11.2 Liquidity Risk Management (Continued)**

**11.2.4 Stress Testing (Continued)**

The outcomes of the stress tests are taken into consideration across all the key aspects of the Branch's funding and liquidity risk framework and liquidity management:

- risk appetite framework (through RAS);
- risk identification and assessment;
- monitoring of the liquidity position;
- the contingency funding plan; and
- early warning indicators.

The Funding & Liquidity Stress Testing framework is also subject to regular internal validation.

In line with European Central Bank ("ECB") regulation, ING's liquidity position is stress tested on a monthly basis under a particular scenario that forms part of the Funding and Liquidity RAS. In addition, the results of the stress scenarios are monitored and evaluated on a regular basis and provide input for any follow-up on the need for additional contingency measures. The results of stress testing either confirm sound liquidity risk management, or reveal weaknesses that may require mitigating actions such as an adjustment of liquidity risk management strategies, tolerance, positions, or crisis plans.

The results of the stress tests may result in the adjustment of the contingency funding plan. The contingency funding plan addresses the contingency liquidity risk which specifically relates to the organization, planning and actions to address liquidity shortfalls under stressed conditions. Unexpected events, economic conditions, market fluctuations, earnings problems or situations beyond ING's control could cause either a short- or long-term liquidity crisis. The contingency funding plan supports taking effective mitigating measures to maintain or regain financial strength, viability and market trust. The contingency funding plan is developed in conjunction with the Branch's Recovery Plan and is tested on a regular basis.

**Supplementary Financial Information (unaudited)**

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**12. Disclosure on Remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a Sound Remuneration System issued by the HKMA, the Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office. Please refer to 2019 annual report of ING Group N.V. for details.

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**13. Contingent Liabilities and Commitments**

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Figures in HKD million	At 30 June 2020	At 31 December 2019
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The following is a summary of the contractual amount of each significant class of contingent liabilities and commitments:

Direct credit substitutes	469	4,673
Transaction-related contingencies	971	8,475
Trade-related contingencies	10,305	8,027
Forward forward deposits placed	9,138	1,245
Other commitments		
With an original maturity of under 1 year or are unconditionally cancellable	40,676	40,941
With an original maturity of 1 year and over	2,603	2,988
	64,162	66,349
	64,162	66,349

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**Supplementary Financial Information (unaudited)**

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**14. Derivatives**

Figures in HKD million	At 30 June 2020	At 31 December 2019
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The contractual/notional amounts of derivatives are disclosed as follows:

Exchange rate contracts	13,615	11,088
Interest rate contracts	4,322	5,396
	17,937	16,484

The amounts are shown on a gross basis and do not take into account the effect of bilateral netting arrangements.

The contract/notional amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet date. They do not represent amounts at risk.

Figures in HKD million	At 30 June 2020	At 31 December 2019
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Total positive and negative fair value of each class of derivatives are disclosed as follows:

Exchange rate contracts		
- Positive fair value	72	2
- Negative fair value	(5)	(26)
	67	(24)
Interest rate contracts		
- Positive fair value	-	-
- Negative fair value	-	-
	-	-

**15. Comparative Figures**

Certain comparative figures have been reclassified to conform to the financial statements presentation adopted in the current year.

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Hong Kong, 30 September 2020

## Group Consolidated Financial Information

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### 1. Capital Position and Capital Adequacy Ratios

The information set out below is based on the consolidated accounts of ING Group N.V. (the “Group”).

Figures in EUR million	At 30 June 2020 (Unaudited)	At 31 December 2019 (Audited)
Shareholders’ funds	54,305	53,769
Capital Adequacy Ratios		
Common Equity Tier 1 Ratio	15.0%	14.6%
Tier 1 Ratio	16.9%	16.7%
Total Capital Ratio	19.6%	19.1%

The capital adequacy ratios of the Group have been calculated in accordance with the Basel Capital Accord and incorporated market risk associated with trading portfolios.

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### 2. Other Financial Information

Figures in EUR million	Half year ended 30 June 2020 (Unaudited)	Half year ended 30 June 2019 (Unaudited)
Pre-tax profit	1,558	3,586

  

Figures in EUR million	At 30 June 2020 (Unaudited)	At 31 December 2019 (Audited)
Total assets	984,842	891,744
Total liabilities	929,515	837,082
Total loans and advances to customers	616,709	611,765
Total customer deposits	605,798	574,433

Details of the above information can be obtained from the Group 2020 Interim report and the Group 2019 Annual report.

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