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Together for Progress

Same book, new chapter.

Annual Report 2024 - ING Belgium NV/SA

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About this report

ING's purpose is to empower people to stay a step ahead in life and in business

In this report we describe how we live up to our purpose and create value as a bank, as an employer and in society. When our stakeholders look at whether and how ING succeeds in creating value in the short, medium and long term, they examine both our financial and non-financial performance.

This calls for ING Belgium to further raise its profile as a leading bank, 100% dedicated to fulfilling its customers' needs, enabling them to stay a step ahead in life and in business, letting them be in charge of their finances, by making banking simple.

As a financier of the economy, ING wants to do more than its 'fair share'. The bank aims to keep contributing to society by strengthening the competitiveness of its businesses, co-financing the energy transition, and safeguarding the financial independence of current and future generations. The bank feels a responsibility to protect and strengthen customers, the economy and society.

Our approach to integrated reporting

This integrated annual report contains information about our financial and non-financial capital inputs, outputs and impacts that our stakeholders can use to assess how we create value. We disclose our results, strategy and management approach in the context of external developments, as well as risks and opportunities. Our ambition is to better align our financial and non-financial disclosures year by year.

ING Belgium

ING Belgium is a subsidiary of ING Group, a global financial institution of Dutch origin offering banking services through its operating company ING Bank. ING Belgium focuses its core activities on Retail Banking, Business Banking, Wholesale Banking and Private Banking in Belgium and Luxembourg and offers a wide range of products to its clients.

The reporting organisation is ING Belgium NV/SA. In compiling this report, we consider the topics that can have a material impact on our business, including risks, opportunities, regulations and sector trends.

Governance and responsibility

ING's annual report is compiled with active input from business experts, vetted by senior managers. These consolidated financial statements were approved for issue by the Board of Directors on 28 March 2025 and by the General Assembly on 22 April 2025.

Who this report is for

This report is intended to inform stakeholder groups that have an impact on or are impacted by our business. This includes customers, investors and shareholders, regulators and supervisors, employees, government authorities and non-governmental organisations.

It aims to give our stakeholders a balanced overview of our activities and ING's ability to create and sustain value.

Scope and boundaries

The report follows an annual cycle covering the period from January 1 to December 31. The data and content of this report aim to provide an accurate and balanced account of ING's economic, social and environmental performance in 2024. Our reporting scope and boundaries for each material topic and metric are detailed either in the text where the topic is introduced or by references to ing.com.

Assurance

Assurance is provided by KPMG Bedrijfsrevisoren BV – KPMG Réviseurs d'Entreprises SRL (KPMG). KPMG audited the 2024 consolidated financial statements of ING Belgium NV/SA (see the 'Independent auditor's assurance report').

Word of the Chairwoman and the CEO

ING Belgium continues to deliver strong growth in 2024, reinforcing its commitment to customers and society

When presenting the 2024 annual results, it's striking that there's a story behind every deposit or loan on our balance sheet, or behind every click in our ING Banking app. It says something about how we're continuing to evolve together. 2024 marked the start of 'Together for Progress', our new strategic chapter of which we are very proud. Thanks to the efforts of all the teams, not only did we achieve impressive growth figures, we also reinforced our connection with our customers and society. We are grateful to the teams for making ING Belgium, a strong and supporting pillar of the Belgian society.



Hilde Laga
Chairwoman of the Board of Directors
ING Belgium



Peter Adams
Chief Executive Officer
ING Belgium

Strong commercial momentum, confirmed by growth

The bank confirmed its growth trajectory in 2024 and posted a strong result in line with that of 2023. ING Belgium reaped the rewards of its continuous efforts to improve the quality of its services. We were able to focus on the growth of our balances, whether deposits or loans. A key force behind this result was the fixed term account promotion in September.

Specifically, ING Belgium posted a pre-tax profit of €1.2 billion, with a net result of €889 million, and a loan portfolio that grew by more than €5 billion. We are pleased that our 'Together for Progress' strategy benefits our results, our customers and society at large

ING at the forefront of digital services

Our successful approach to the promotional term account shows our digital maturity. We were the only bank to offer fully digital subscription to our term account with a very attractive return. The results were overwhelming: more than 90% of registrations were entirely digital. This campaign highlighted our ambition to be the market leader in savings, investment and digital services. Our revamped in-app onboarding also resulted in a significant increase in the number of app users, an increase in sales via the app and better app scores.

Strengthening of our market position in all segments

We achieved strong results in all our segments. In the retail market, we strengthened our deposit base and in Business Banking and Wholesale Banking, we achieved most of our growth in loans. Besides traditional lending, we also saw more deposit growth among entrepreneurs. We therefore focused strongly on those entrepreneurs by not only guiding them professionally, but also looking at how we can be of service to them for their personal assets.

Our commitment to sustainability

With our 'Together for Progress' strategy, we aim to play our role in our society and to do more than our fair share. All our stakeholders, from employees to customers, from shareholders to society at large, including our regulators, expect us to contribute to the transition to a low carbon economy. We strive to do so, based on our sincere conviction that climate change is real. The growth of our loan portfolio confirms our commitment to finance society, including its transition. In 2024, we made it easier for corporate customers to apply for loans online and more than tripled our sustainable lending volumes in Business Banking. We also succeeded in strengthening our position as a sustainable finance leader in Belgium, Luxembourg and the Nordics for our Wholesale Banking clients. More than ever, we want to take up our social role as a lever for economic development, investment and sustainable growth, thus contributing to a prosperous future for all.

On a separate but no less important note, this annual report is our first to include disclosures in accordance with the EU Corporate Sustainability Reporting Directive (CSRD). This marks a significant milestone in our commitment to transparency, sustainability and responsible business practices. The CSRD enhances the quality and quantity of our sustainability data, helping us to better understand risks, challenges and opportunities for sustainable transformation. At ING Belgium, we continue to put sustainability at the heart of our operations, managing ESG risks, driving positive environmental and social impact while offering significant economic opportunities.

Continuing the growth trajectory in 2025

We are keenly aware of the current economic context and social challenges, such as international geopolitical tensions, the impending climate transition and macroeconomic uncertainties. Nevertheless, in 2025 we want to confirm our strong growth and take up our social responsibility further. Even in uncertain times, thanks to our healthy loan portfolio and low risk costs, we want to remain a lever for the economy, for our entrepreneurs and for society.

ING at a glance

About ING Belgium

ING Belgium is a bank with a history of more than 150 years, providing financial products and services for individuals and companies of all sizes. ING Belgium SA/NV is a subsidiary of ING Groep N.V. and is headquartered in Brussels.

Where ING Group operates

- 60,000 employees serve nearly 40 million customers, corporate clients and financial institutions in over 100 countries.

ING divides the countries in which it operates into 2 markets:

- **Retail Banking:** Australia, Belgium, Germany, Italy, Luxembourg, the Netherlands, Spain, Poland, Romania and Türkiye (in total nearly 40 million customers)
- **Wholesale Banking:** international network and global franchises (approximately 4.000 clients)

ING Belgium activities

- **Retail Banking**: whether it concerns payments and daily banking, borrowing to buy a home, protecting themselves against undesired events, or saving and investing to secure their financial future, customers' expectations on being helped with their financial needs continue to evolve.
- **Private Banking**: we offer our private banking customers the full service of a universal international bank. ING aims to be the preferred private bank for entrepreneurial people in Belgium.
- **Business Banking:** advises and services Belgian entrepreneurs, ranging from the self-employed to international (non-listed) companies and institutions, working in the social and public sectors.
- **Wholesale Banking:** focuses on large, listed and unlisted companies. As part of ING's international network that spans over 35 countries, Wholesale Banking Belgium is able to offer both local and global financial solutions and advice based on deep industry knowledge and data driven insights.

How we help people

ING empowers people to stay a step ahead in life and in business. In line with the strategy laid out by ING Group, ING Belgium wants to make a difference for people and the planet. This means being a digital and sustainability pioneer.

We believe we can achieve this by offering customers:

- **Simple, digital and automated journeys** that save time and money
- **More personal advice** for complex needs
- **Relevant and up-to-date information** for informed decision making
- **Continuous improvement** of our products, services and solutions
- **Sustainable coaching and guidance** to meet and achieve climate goals and offer incentives for the transition towards a low-carbon society
- The assurance to invest in projects that contribute positively to a **sustainable and inclusive society**



Our Brand

Wherever we may be in the world, ING's purpose is and remains always consistent: "Empower people to stay a step ahead in life and in business". From the biggest life changes to the smallest, our role is to empower people and businesses to make their own vision for a better future a reality. Our purpose represents our belief in people's potential. We don't judge, coach or tell people how to live their lives.

Our strategic target audience isn't defined by demographics, age or income. Instead, it's defined by more powerful psychographic criteria that tap into people's emotions and inner motivations. Our strategic target audience has what we call the 'freedom mindset' and can therefore be qualified:

- People who want to live their life without constraints – they want the freedom to grow and do the things that matter most to them.
- People who are curious, open-minded and forward-thinking. They are socially engaged and seek to live a more responsible lifestyle.
- People who expect banks to save them time and to drive sustainable progress. They demand ease of use, transparency and flexibility.

Our sponsorship

ING aims to be the most desired partner of Belgians, helping them realise their financial projects and encouraging them to live their passions.

We focus on sponsorship that most resonates with the interests of our target audience, to create emotional connections beyond the financial : football, music, art and the entrepreneurial world.

In August, we welcomed more than 500 top entrepreneurs and valued Private Banking customers to our ING lounge at Waregem Koerse, Belgium's prestigious horse racing event. For more than 30 years, ING have been a loyal main partner and decided to extend this partnership until 2027.

ING Arena for music and the structural sponsorship of both the Red Flames and the Red Devils, i.e. the women's and men's Belgian football teams respectively, are the two corner stones of ING Belgium's sponsoring strategy. The highlights of 2024 were undoubtedly:

- the RBFA and ING bringing together 1,500 musicians and fans to record the official anthem of the Red Devils: #WUNDERBAR.
- the first ING Night at the ING Arena, inviting 12,000 customers to a sold-out music festival with top bands Portland, K's Choice, Puggy and acclaimed DJ Henri PFR.

Art

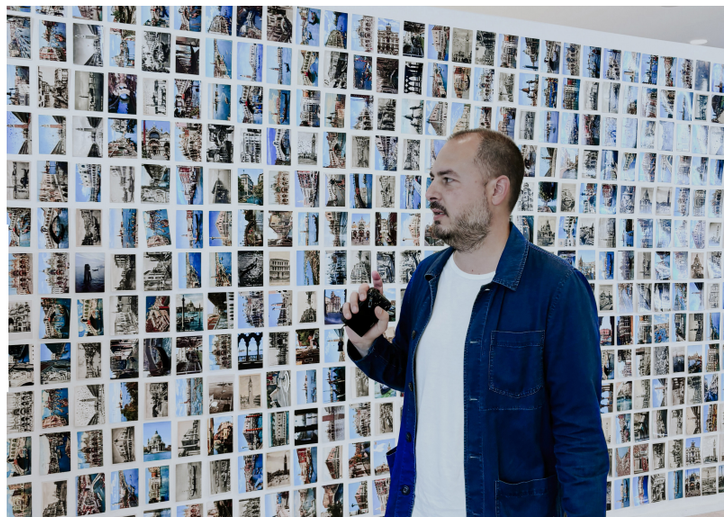
2024 can be seen as a year of transition at ING in terms of art. The year was given over to carefully restoring our world-renowned collection of contemporary art to prepare for the reopening of our Marnix headquarters. Synergies were revived with business segments to position Art as a central part of our brand DNA. Private Banking Customer branches were refurbished with art pieces from the collection, which were in turn used as a recurring theme in presentations at Private banking events.

In order to celebrate the progress of the renovation works and the partial reopening of the central reception hall, artist Oriol Vilanova transformed the Marnix hall with an installation titled "The Merchant of Venice."

In 2024 ING has renewed its creative partnership with KANAL - Centre Pompidou until end of 2028. The opening of this cultural icon and museum for modern and contemporary is foreseen at the start of 2026.







Find out more ->

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Word of the CFO

ING continued to deliver strong growth in 2024

The financial results of 2024 underscore the successful transformation the bank has gone through in the last 3 years, and position the bank more prominently for future growth.

Net results are again in excess of the 1 billion mark. Revenues are slightly decreasing on the back of a less favourable interest rate environment, but good cost discipline and benign costs of risk allows ING Belgium to report a return on equity of 13.4%.

The policy rates of the ECB did reach their peak in the first half of 2024, to then set off on a declining trend in the second half. This resulted in somewhat declining interest rate revenues in the second half of the year. The fact that the total income nonetheless ends on at a strong level of EUR 3,723 million is thanks to solid growth in terms of commission and fee income. As more of our customers discovered our offer in terms of investment products, whether as a starter in Easy Invest or through our renewed offer in Private Banking, investment products related fee income rose significantly.



Hans De Munck
Chief Financial Officer
ING Belgium

Cost discipline and prudence in loan loss provisions

Similar to last year, we were able to keep our costs well under control, even ending up slightly below 2023 levels. Our continued efforts to compensate for inflationary pressure are paying off.

The same holds true for our additions to loan loss provisions. The EUR 148 million is a level that is well below the long-term average one can expect for the credit exposures we run.

All this leads to a net result of EUR 1,086 million, just a tad below our record result of 2023.

Client balance growth showcasing strong commercial muscle

Where 2024 stands out however, and clearly beats 2023 is in terms of growth in client balances.

Our customer deposits have risen by EUR 7 billion over 2024. After we saw EUR 2,6 billion in deposits flow to the much-debated State Bond in 2023, we gained more than our fair share of deposits back as the result of a successful term deposit campaign in September which resulted in an inflow of more than EUR 5 billion. The growth in deposits was however not only limited to our private individual clients, but also business customers and entrepreneurs entrusted us with more funds during 2024.

Profit of today is the capital of tomorrow

The growth in deposits gives us the necessary funding to continue to grow our lending book and take up our transformational role in society. This is exactly what we did in 2024. Our loan book grew by EUR 5,5 billion over the year with a particularly good performance in our business clients segment.

To continue to provide loans to the real economy our bank not only needs the aforementioned deposits but also capital. This is the reason why we attach such importance to our profitability and earnings generation because the profit of today is the capital of tomorrow.

In 2024 we saw all these elements coming nicely together: strong profitability and good deposit growth allowed us to also grow our loan book. ‘Together for Progress’ is the name of our new strategic chapter that we wrote at the start of 2024, and it couldn’t have started in a better way.

Our financial performance

Our financial performance

ING Belgium continued to deliver strong growth in 2024, reinforcing its commitment to customers and society. The bank posted a strong net result of EUR 1,086 million with a return on equity of 13.4%. Total income reached EUR 3.7 billion, close to the bank's record-high income for 2023, while cost discipline kept the banks' expense growth well below the 2024 inflation level. In the falling interest rate environment, deposits increased by EUR 7 billion year-on-year, reaching EUR 110.4 billion. A key force behind this result was the fixed term account promotion in September. ING's loan portfolio grew by more than EUR 5.5 billion to EUR 115.0 billion, confirming the bank's commitment to provide financing to society at large.



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Financial performance highlights

ING Belgium NV/SA key financial indicators

Return on Equity (RoE)			Cost/income ratio (excluding risk costs)[1,2]			Common equity Tier 1 ratio			Net Interest Margin			Risk costs in bps of average customer lending		
2024	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
13.4 %	13.0 %	6.9 %	**54.9 %**	53.6 %	64.9 %	**13.8 %**	15.1 %	17.5 %	**1.67 %**	1.82 %	1.20 %	**13**	13	21

ING Belgium NV/SA consolidated results (in EUR million)

Net result[1]			Result before taxation[1]			of which income[1]			of which operating expenses[1,2]			of which addition to loan loss provision		
2024	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
1,086	1,115	609	**1,459**	1,538	835	**3,723**	3,818	3,033	**2,044**	2,046	1,968	**148**	139	230

ING Belgium NV/SA consolidated balance sheet (in EUR billion)

Total assets			Shareholder equity			Customer lending			Customer deposits			Risk-weighted assets		
2024	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**	**2024**	**2023**	**2022**
163.1	157.9	165.8	**9.4**	9.1	9.6	**115.0**	109.5	107.3	**110.4**	103.4	109.5	**50.8**	48.6	50.2

[1] All 2022 P&L figures have been adjusted for two one-off items: €-93 million for restructuring provision and €-288 million for the de-designation of the interest rate hedge on savings accounts have been excluded.
[2] In the 2023 and 2024 figures for operating expenses and cost/income ratio, €95 million and €72 million of one-off expenses respectively have been excluded.

Financial review

ING Belgium

Result before tax

€1,459 million

ING Belgium posted a strong result before tax of €1,459 million in 2024. This result, which is almost as good as in 2023, has been achieved against the backdrop of a declining interest rate environment. The resulting decrease in net interest income, despite strong growth in customer balances, has partly been compensated by exceptionally strong fee income and high other income. Thanks to the bank's ongoing pursuit of efficiency gains, business growth was realised with a stable operating expense base. Risk costs were comparable with the level recorded in 2023.

CET1 ratio

13.8%

The CET1 ratio decreased to 13.8% from 15.1% at year-end 2023, and remains well above our regulatory requirement. The decrease is driven by a €0.4 billion reduction in CET1 capital, mainly due to a prudential deduction related to the IRB provision shortfall, while RWA increased by €2.2 billion.

Total income

€3,723 million

Total income in 2024 ended at €3,723 million, which is close to the record-high income in 2023. In a declining interest rate environment, characterized by several ECB rate cuts, ING Belgium saw its net interest income decline by €270 million. This reduction was to a large extent compensated by exceptionally high fee income (€98 million increase compared to 2023), mostly from investment products and financial markets, as well as a positive revaluation of an equity stake, visible in other income.

Cost/income ratio

excluding exceptional items*

54.9%

The cost/income ratio excluding exceptional items & risk costs ended at 54.9%, compared to 53.6% in 2023. Total income declined by €95 million compared to last year, as the drop in interest income was not fully compensated by higher fee and other income. Meanwhile, the operating expenses (excl. exceptional items) remained stable, thanks to our continuous strive for efficiency gains.

*The exceptional items that have been excluded: In 2023: €-95 million mainly related to restructuring costs. In 2024: €-72 million mainly related to restructuring costs.

Comments on financial statements

Highlights

In 2024, ING Belgium posted a strong financial result of almost €1.1 billion.

ING Belgium recorded result after tax of €1,086 million, reflecting robust income and strong commercial growth in a declining interest rate environment, while operating expenses were kept stable. Risk costs were moderate, in line with the 2023 level.

Strong commercial momentum is witnessed by growth in all customer balances

By the end of 2024, customers had entrusted ING Belgium with €110.4 billion in deposits, reflecting an increase of €7.0 billion compared to 2023. The bank's competitive term deposit campaign in the autumn largely contributed to this exceptional growth. It also generated an increase in new customers and the opening of more than 80,000 new current accounts. The remaining deposit growth mainly came from business banking customers, in particular the institutional subsegment.

The increase in ING's loan portfolio by €5.5 billion to €115.0 billion confirmed the bank's commitment to provide financing to society at large. Most of this increase came from business and wholesale banking customers.

Growth in customer balances supports the revenue base against the backdrop of declining interest rates

With a total income of €3.7 billion in 2024, this number is close to the bank's record-high income registered in 2023. As the ECB started to reduce policy rates as from the second half of 2024, the bank's net interest income declined by 9% compared to 2023, ending at €2.7 billion.

Meanwhile, ING Belgium grew its fee and commission income by 15%, resulting in its highest figure ever. The increased activity in investment products, higher sales in insurance products in both private and business segments and strong fee growth in Wholesale Banking's financial markets division, all contributed to this good result.

Business growth does not come at the expense of increased costs or loan loss provisions

Thanks to the bank's ongoing pursuit of efficiency gains, business growth was realised with a stable operating expense base. Cost discipline kept the banks' expense growth well below the inflation level of 2024.

In 2024, ING booked €148 million in additions to loan loss provisions. This amount is comparable to what was recorded in 2023 and represents 0.13% of the bank's total loan book, which remains well below the long-term average.

Solvency and liquidity

ING Belgium's capital ratios decreased compared to 2023, resulting in a Common Equity Tier 1 ratio of 13.8% and a Total Capital ratio of 19.0%. The decrease is driven by a prudential deduction in CET1 related to the IRB provision shortfall, while RWA increased by €2.2 billion. The Leverage ratio ended at 4.9%. Liquidity ratios remained solid, significantly above regulatory requirements, providing ample room to meet our short-term and long-term obligations.

Highlights

In EUR millions	2024	2023
Profit after tax	1,086	1,115
Customer deposits	110,416	103,403
Customer loans	115,046	109,497

In %	2024	2023
Common Equity Tier 1	13.8 %	15.1 %
Total capital ratio	19.0 %	20.4 %
Leverage ratio	**4.9 %**	**5.3 %**

Consolidated balance sheet

Assets

ING Belgium NV/SA - Consolidated assets

In EUR millions	2024	2023	%
Cash and balances with central banks	16,451	15,001	9.7 %
Amounts due from banks	3,623	3,657	(0.9) %
Financial assets at fair value through profit and loss	9,884	12,811	(22.8) %
Financial assets at fair value through other comprehensive income	5,333	4,448	19.9 %
Securities at amortised cost	11,027	10,711	3.0 %
Loans and advances to customers	115,046	109,497	5.1 %
Remaining assets	1,783	1,782	0.1 %
Total consolidated assets	**163,149**	**157,907**	**3.2 %**

Liabilities and equity

ING Belgium NV/SA - Consolidated Liabilities and Equity

In EUR millions	2024	2023	%
Deposits and other borrowings from banks	18,869	20,222	(6.7) %
Customer deposits	110,416	103,403	6.8 %
Financial liabilities at fair value through profit and loss	11,350	13,493	(15.9) %
Remaining liabilities	13,127	11,720	12.0 %
Shareholder's equity	9,387	9,069	3.5 %
Total consolidated liabilities and equity	**163,149**	**157,907**	**3.2 %**

For more details, see Consolidated financial statements

Consolidated income statement

ING Belgium NV/SA - Consolidated income statement

In EUR millions	2024	2023	%
Total income	**3,723**	**3,818**	**(2.5)%**
of which: net interest income	2,730	3,001	(9.2) %
of which: net commissions and fees	748	650	15.1 %
of which: other income	245	167	49.7 %
Total expenses (-)	**2,265**	**2,280**	**(0.7)%**
of which: addition to loan loss provision	148	139	6.5 %
of which: regulatory expenses	186	205	(9.3) %
of which: staff expenses	959	985	(2.6) %
of which: other operating expenses	899	856	5.0 %
of which: exceptional items [1]	72	95	(24.2) %
Result before tax excl. exceptional items	**1,531**	**1,633**	**(10.7)%**
Result before tax incl. exceptional items	**1,459**	**1,538**	**(5.1)%**
Taxation (-)	373	423	(11.8) %
Net result	**1,086**	**1,115**	**(2.6)%**
Non-controlling interests (-)	0	0	— %
Net result attributable to Equity holders of the parent	**1,086**	**1,115**	**(2.6)%**

[1] The exceptional item is mainly related to transformation costs

Strategy and Performance

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Our strategy

Together for Progress

2024 was the first year of the implementation of ING Belgium's new strategic chapter Together for Progress. Underpinning this chapter is the desire to fully embrace our role in society.



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Deploying 'Together for Progress', we want to become a bank that is even more outward-looking than it has been in recent years. We continue to play our hugely important role in turning deposits into loans in the real economy, and investing in projects that add value for our customers and society at large.

We are fully committed to growth, creating impact in the Belgian economy and addressing various societal challenges:

- **climate change:** we need to invest billions of euros to ensure that Belgium's footprint is net zero by 2050. It's impossible to do that without a strong banking sector.
- **international competitiveness**: when looking at the competitive position of Belgium, we are losing ground compared to many of our neighbouring countries. We can facilitate this by enabling our entrepreneurs to invest in innovation, digitalization and automation.
- **demographic dynamics:** migration and an ageing population, to name just two. We have a role to play in educating the younger generation and helping them prepare for the future. The Belgian entrepreneurial system is also under tremendous pressure; their biggest constraint today is access to resources and skilled people who can help them to grow their business.
- **polarisation:** there are a few people who have a lot and there are many people who have very little. As a bank we need to appeal to both and offer solutions that are accessible to all.

In short, progress is about doing more than just our fair share. It's about taking the lead, advising and funding actions that help society transition to a net-zero economy, enabling our clients to invest in innovations and technology, and supporting them in dealing with societal challenges.

If we want to be relevant, then we need to increase our weight in the market. And that means we need to grow.











How we help our customers

Providing a superior customer experience

Every day, over 6.000 employees are committed to deliver a superior customer experience, bringing customers' plans to life. More than ever, the bank feels a responsibility to protect and strengthen its customers, the economy and society.



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Digital solutions

Retail Banking

In 2024, we made significant progress in reclaiming our digital leadership position and transforming our service model, to become the most recommended mobile-led bank in Belgium.

Our digital capabilities are reaching new levels of maturity, resulting in improved customer experience and a >50% reduction in manual handling in branches and contact centres. Customer interaction through our app continued to rise. Key figures include 150 million visits per quarter, chat conversations accounting for 43% of contact centre volumes, and 53% of all chat conversations being handled by the chatbot by the end of the year. App availability was also high at 99.9%.

We continued to enrich the digital experience, making 55 daily banking journeys and countless features available in the app. As a result, we are unmatched on the market both in terms of digital sales and the speed with which we are shifting to digital banking. Today 63% of all sales are via the app, and 84% of all sales are digital.

Imagine opening an account in less than 5 minutes

Because onboarding is a moment of truth for the customer, we developed a completely new mobile onboarding journey via the app, in less than a year. In 5 simple steps, a customer not only opens their account instantly, but also gets a guided tour of the app, key products and features.

2024 was also the year we extended our ‘Be First’ approach to democratise the savings market with a fully digital and STP term deposit account. On the back of this we introduced the Promotional Term Deposit offer in the run-up to the maturity of the government bond on 4 September 2024. In addition to an attractive interest rate, we offered simplicity and accessibility. As a result, 93% of all Promotional Term Deposit openings were completed without any manual intervention.

Throughout the year, we offered our customers tools to better secure their financial future, such as a range of free financial health features in the ING Banking app. These include ‘Your Budget’ and ‘ING Save Up’, a digital feature that enables you to save automatically when making a bank transfer or debit card payment.

During the summer, we announced the strengthening of our bancassurance partnership with insurer NN by extending it until 2034. In doing so, private customers can continue to count on a modern insurance offering and a superior digital service for another ten years.



Our digital, mobile-led approach covers all our bank-insurance sales and service journeys. Using the latest technology, we strive to deliver a simple, modern and unique customer experience which is easy, instant, personal and relevant.

Sali Salieski
Head of Retail & Private Banking
ING Belgium



Business Banking

ING Business Banking advises and services Belgian entrepreneurs, ranging from the self-employed to international (non-listed) companies and institutions, working in the social and public sectors.

In 2024, we made the application process to become an ING customer completely digital for self-employed customers, enabling them to open a business account in just a few minutes. Another digital product, unique on the Belgian market, is Instant Business Credit. In just 5 minutes customers can apply for and receive business credit of up to €100,000. Compared to 2023, we noticed an increase of 75% in the credit volume generated by Instant Business Credit. A satisfaction score of 4.4/5 shows this flagship product truly contributes to the competitiveness of our entrepreneurs, which is a key priority for ING.

Payment functionalities also improved. With the launch of WERO, the new European payment system, ING enables European cross-border payments via the app with just a QR code.

At the end of 2024, ING Belgium and leasing company Athlon joined forces to launch ING Full-Service Car Lease. This complete operational leasing formula for passenger vehicles and delivery vans is tailored to the self-employed and SMEs with small fleets. We distinguish ourselves on the Belgian market by serving customers completely digitally via our Business'Bank portal.

Wholesale Banking

ING Wholesale Banking focuses on large, listed and unlisted companies. We build strong relationships with our clients through our superior sector and network expertise, supported by seamless digital delivery. For example, in 2024 we rolled out several new functionalities in InsideBusiness, our digital channel for Wholesale Banking clients: portfolio settlements, utilisation requests and Interest Rate Derivatives product onboarding.

Banking made simple through IT

Mobile First is the foundation of our strategy for Retail and most Business customers. Our app directs customers to other contact channels when necessary, enhancing the overall customer experience. Our customers expect seamless, always-available service that can be accessed anytime, anywhere.

In addition, Tech at ING Belgium has significantly contributed to simplifying banking by greatly streamlining the bank's IT landscape over the past few years. We have achieved this by decommissioning outdated applications used by our customers and colleagues, and reducing the number of technologies by 15%. This effort, combined with major productivity gains through automation and process optimization, has reduced the cognitive load on our engineers and resulted in easier-to-maintain applications.

Furthermore, we are actively modernizing our backend systems to streamline operations, enabling even faster and more efficient processes. With the modernization of our backend systems, we will be able to offer a more seamless and personalized banking experience to our customers. This large-scale migration provides us with the opportunity to continue simplifying our business processes and product offerings. The new systems and simplified landscape will give us the agility to respond swiftly to market and regulatory demands.



The mission of Tech at ING Belgium is to enable our bank to deliver sustained value for all stakeholders through innovative, digitalized, and automated solutions. To achieve this, we ensure that our IT system landscape is simple, secure and future-proof. We continuously align our technology with market trends and standards, optimize the use of our technical talent, and foster innovation. As a result, we have been modernizing our digital and assisted channels to provide an even better user experience for customers and colleagues.

Bahadir Samli
Chief Information Officer - ING Belgium



Investments

Building the investment house of reference in Belgium

We have the true conviction that helping our customers to invest, is our duty of care.

In 2024, ING has grown its investment business and launched new investment solutions to deliver on its ambition to become the reference bank for savings and investments. The number of clients opening an ING Easy Invest account, the digital solution for clients wanting to follow ING's investment strategy, tripled compared to 2023. Invested assets under management, for our retail clients, grew from 40.5bn to 42bn, fully compensating the 1.6bn maturity of the Belgian government bond issued in 2023. The product offer was expanded with a branch 23 pension savings solution (Life Invest Long Term Savings) and with the launch of Invest-Up allowing customers to turn their small change into an investment by simply rounding-up their change into ING's strategy mutual funds.

A stunt rate that opened the way to investment

Without any doubt the most important milestone on our journey to show the way to investment was the launch of a very competitive temporary offer on a fixed term account. As of 26 August until 29 September 2024 anyone could apply to open a promotional ING Term Account with a gross annual interest rate of 3,80%, for both the 6 and 12-month term. On top of that between 5 July and 25 August 2024, everyone had the opportunity to pre-register and thereby receive a gross annual interest rate of 0,20% on top of the 3,80% for opening a promotional ING Term Account. The subscription to this Term account could happen 100% digital via the ING Banking app or Home'Bank, or in an ING branch. This initiative is an example of the bank's ambition to make the savings and investment market accessible to all.



Private Banking

Our recipe for making ING Belgium's favourite private bank

ING's ambition is to become Belgium's favourite private bank especially for entrepreneurs. To achieve this, we hired 40 seasoned private bankers who are genuinely interested in its customer needs and we implemented a new value proposition designed to meet the specific needs of each customer segment. This new commercial approach should make it possible to achieve ING's solid growth ambitions for its private banking business in Belgium. Ambitious to say the least, these objectives are nevertheless realistic, as ING has natural growth potential thanks to strong synergies between the private bank and the business bank. When looking at figures, its seems that the new private banking recipe is doing well with +26% more visits and almost 1000 net new customers.

Our secret ingredient to be the preferred private bank in Belgium is our universality and our unbiased advice for high-performance investments. As a universal bank we provide one integrated approach to our entrepreneurial customers and an direct access to the largest independent investment house in Belgium. Our approach is similar to that of a celebrity chef. Just as a chef puts carefully selected ingredients into a top dish with great expertise, at ING Private Banking we also put together your personal investment portfolio. With the creme de la creme of world-class investments that we select independently for our customers.

“Menu du chef ou à la carte, ING truly cares for its customers. We offer our the choice between a menu composed with the very best investment choices and personalised management for clients requesting a more specific investment solution” Jan Van Sande, Head of Private banking and Wealth Management at ING Belgium.

The end of the year 2024 marked the kick off of an ambitious campaign to promote ING Private Banking and Wealth Management, including a partnership with the high-end magazine Sabato.

Because it is important to keep a step ahead, ING innovated and expanded its offer for private banking clients, providing access to a specific investment product for entrepreneurs (DBI-RDT mutual fund) and to investments in Private Markets.



Accessibility

In 2024 we continued our relentless focus on accessibility and customer experience in each of our segments. Process simplification & digitalization remained core to ING Operations, removing friction from our customer interactions. We also progressively introduced (Gen)AI in select processes, to enhance customer experience and operational effectiveness.

Retail Banking highlights

- We maintained strong levels of performance in terms of accessibility and speed-of-answer in our Contact Center, leading to a high level of customer satisfaction
- We continued to reduce friction in our Contact Center by further digitalizing interactions, promoting chat and deploying a GenAI chatbot. We increased the mobile availability of our daily banking journeys by up to 82% at the end of 2024.
- We launched video servicing in our Contact Centre to support our customers in specific, more complex journeys (such as succession), offering a truly human touch in our contacts.
- We made our Operations truly scalable and resilient during peaks of activity. Our teams were able to process 3 times more account openings and 25 times more Term deposit account openings last September, during our commercial campaign following the maturity of the Government Bonds, while maintaining service levels at par.
- We further improved the customer experience when they become victims of fraud. We launched our Fraud Cases Tracker that provides a clear status of, and updates to, fraud cases directly in our digital channels
- We initiated a partnership with Ecole Hôtelière de Lausanne, a worldwide leader in hospitality education, to further develop our customer-centric mindset and service excellence, called ING Touch. We trained 97% of customer-facing employees to ensure consistent interacting with our customers

Business & Wholesale Banking highlights

- We continued to offer strong accessibility for our Business Banking customers by centralizing frontline support and further promoting the use of the chat channel.
- We expanded our digital outreach capabilities in Know Your Customer (KYC), creating the capability for Business Banking customers to send documents online
- In Wholesale banking our reinforced Ambassador model, offering customers a dedicated point of contact in Operations, led to further improvement in our Net Promoter Score to hit new all-time highs
- We hosted 'Customer in the Room' events with Wholesale Banking customers together with our Operations teams. These sessions were unique opportunities for customers to provide direct feedback to our teams and further improve our services



We have ensured high levels of accessibility and support for our customers via call and chat. The latter was running at full speed, with 50% of our customers using chat as their primary way to interact with us.

Cédric Lebegge
Chief Operating Officer at ING Belgium

Expertise and eagerness to do business

Our Business Banking ambition for 2024 was to surprise our entrepreneurs, by anticipating their needs and providing simple effective lending solutions:

- We contacted over 8,000 customers, aiming at anticipating entrepreneurs' needs and proposing a pre-approved credit offer to support them in further improving their competitiveness.
- Instant Business Credit has contributed significantly to the efficient handling of simple lending requests of up to €100,000. Compared to 2023, the loan volumes produced through Instant Business Credit increased by 75%.
- We organised various campaigns to engage customers from different sectors.

We continue to invest in the support of our customers' transition towards a sustainable and low carbon economy. We consider it as an extended value proposition with sustainable finance solutions to fund, for example, a more environmentally friendly vehicle fleet or interventions that make corporate real estate more energy efficient. We offer customers ESG advice on their strategic transition through our partnerships with external consultants (Pantarein, Intrac and Stadim/Bopro). Our fully digital Sustainability Guide also advises our real estate customers on different sustainable investment scenarios including payback time and CO2 reduction targets for their companies.



At Business Banking, our tagline is 'digital, yet human' because at the heart of doing business, lies the personal contact. The differentiating factor of our approach lies within the expertise of our dedicated bankers, who enable us to be a reliable partner for every segment in society.

Peter Göbel
Head of Business Banking at ING Belgium

In addition to our offer, we believe that personal contact lies at the heart of doing business. To this end, we have developed a total of 9 ecosystems for 9 customer profiles, each with their very specific needs, so that we can assist them with any question at any time. In these ecosystems, specialised bankers with extensive sector knowledge offer products and services that seamlessly match the needs of our entrepreneurial customers. This includes the specific needs of doctors, lawyers, property developers, agricultural companies and logistic companies.

With the ambition to be Europe's best wholesale bank, we aim to set ourselves apart through the 3 core elements of our 'ING Difference' approach:

- **Global reach with local experts.** As part of ING's international network that spans more than 35 countries, our network of experts offer deep local experience with a global perspective.
- **Our sector expertise.** We have dedicated teams focused on sectors such as Telecom, Media, Technology and Healthcare, Energy, Infrastructure, Real Estate and Construction, Commodities, Food and Agri, Transport and Logistics, Financial Institutions, Holdings and Family Offices.
- **Being sustainability pioneers.** We believe that sustainable business is better business. That is why we are committed to being recognised as sustainability leaders, working together with our clients to build a more sustainable future. In Belgium, we support our clients with a range of sustainable products such as Green Loans, Green & Social Bonds, Sustainability Improvement Loans, Green Hedging & Green Supply Chain Finance.

Offering superior value is the foundation on which we build sustainable, long-term relationships with our clients.

Customer feedback

We make banking simple again, by listening carefully to our customers. It is our belief that we can deliver excellent service by constantly adjusting to what our customers tell us. This is why we invest greatly in collecting feedback and adjusting our processes based on the insights gained. We believe time is essential and so we also invest in speeding up innovation and improvement initiatives.

How do we build a customer obsessed enterprise every day? Some examples:

- Throughout 2024, we gathered more than 1.1 million items of customer feedback, which we shared openly across the entire organization through daily feedback emails and in the form of dashboards so trends could be analyzed.
- All channels and journeys monitor their own customer feedback and have improvement ambitions in place in order to maximize the number of 5-star ratings.
- We call customers back when they leave comments that indicate we can help them with a problem. In 2024, we called back more than 3,000 customers.
- To accelerate innovation and optimization, we set up “Customer Rooms” in those areas where customers said we had room for improvement. In these “Customer Rooms”, people from across the entire value chain gather daily to discuss customer feedback and operational data, identify the problems to solve, come up with solutions, test them out, and if successful – scale up these improvements across the entire customer base.
- We created a “First Time Right” team within Customer Services to support our customer-facing colleagues with more complex customer service issues that they cannot solve on the spot. This team steps in to rapidly provide a solution for the customer while at the same time looking for potential process improvements.

Some examples of the type of customer improvements we are making:

- We improved our onboarding flow, so (new) customers can open an account in under 5 minutes.
- We changed the way we visualize transactions and reservations in the app, because our analysis revealed this was creating friction.
- To boost satisfaction, we rolled out an “ING Touch” training trajectory for our branch and call agents, focused on creating a unique welcoming experience.
- We are increasing our offline accessibility by making face-to-face as well as remote appointments more easily accessible.

Finally, because customer satisfaction is the responsibility of every employee, we invite all our staff to an annual CX Day. This entire day is given over to working on customer friction points as well as new ideas to better serve and satisfy our customers. The goal is to glean new ideas for customers and our employees never fail to come up with the goods. This year, we had 100 customer improvement ideas.

ING Scan & Drive – CX Day finalist

In 2024, the CX Day was a first on the market with the Scan & Drive application. This AI-driven calculation tool estimates car loan and insurance costs on the basis of a single photo. This is once again an example of how a simple, modern technology-enabled and unique customer experience can be delivered.



How we support employees

ING's beating heart

What is the heart of a company? That nice, big building downtown, with the company logo? Or the people inside that building working hard together towards a common goal? The building is of course not without its importance, but ultimately it is the people who form the heart of a company or organization. At ING Belgium, we are well aware of this. That is why we support our people in unlocking their full potential.



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In 2024, we reached an important milestone in terms of digitalization. In doing so we have greatly simplified our HR processes for the benefit of our employees who will now be able to focus even more on serving our customers. This new advance towards operational excellence is important in order to ensure that our people - the driving force behind our bank - receive the best support possible. We want them to remain curious. To keep learning. To take on more responsibility. In return, we'll support and help them develop into an even more fulfilled version of themselves. We help our people reach their goals by offering them a diverse and inclusive working environment where everyone is valued and can thrive. We help our people reach their goals by offering them a diverse and inclusive working environment where everyone feels vital and can thrive.

Isabel Carrion
Chief People Officer - ING Belgium

People vision

We strongly believe we have an abundance of talent and potential at ING. We unlock our people's full potential through an inclusive culture where everyone has the opportunity to develop and have a positive impact on our customers and society as a whole.

We trust our employees and encourage them to take their careers in the direction that works best for them. Enabling them to grow in their own way, without being held back. Because doing great things starts by doing your own thing. People on the move advance and grow. Through transparent communication, a supportive work environment, and a focus on employee well-being, we strive at ING to create a workplace where every individual feels valued and contributes to the overall success of our bank.

In 2024, our People Vision was driven by 3 distinct priorities:



Discovering, attracting, developing and retaining the diverse talent we need to deliver great performance



Driving a diverse & inclusive environment where our people can thrive as we meet changing business, technological and workforce shifts

enable by



An enabler for excellent employee experience, efficiency and safety through scaled Tech and Operations

Developing talent at ING

In today's competitive business environment, having a proactive talent development program is key to a company's success. At ING, we want to attract, develop and retain the diverse talent we need to deliver great performance. In 2024, multiple initiatives have been put in place to attract even more highly talented people.

Firstly, we put a lot of effort into **growing our internal talent**. We help our people advance their careers within ING through concrete actions such as proactive sourcing, job fairs, job shadowing etc. As a result, 66% of our 800 vacancies in 2024 were filled by internal candidates.

We also actively build and develop our **leadership** pipeline. Succession plans ensure our talent is ready to take over the reins of leadership in the future. In addition, new leadership development programs have been set up to help our (new) leaders lead by example and bring our people with them.

We also look for new talent **outside the company**. Early 2024, we launched a very successful Private Banking hiring campaign, to further intensify our efforts in this area. This campaign was a great success with40 private bankers being hired in 2024.

Lastly, we believe **young talent** is the source of our future growth. ING's International Talent Programme (ITP) is a two-year program that grooms talented graduates to become ING's future leaders. In Belgium, on average 20 ITP trainees start the program every year in October. The program lasts 18 months during which they take up 3 different positions for six months each, including 1 assignment abroad.

Vitality at ING

In 2023, ING Belgium launched it's **'Vitality Boost Program'**, a new initiative to reduce employees' stress levels. This professional and scientifically based coaching program is an initiative of ASCEL/VOSSCO, our social work association co-managed by ING and trade union representatives. It gives our employees the unique opportunity to go on an Energy Journey (consisting of workshops, one-on-one sessions, challenges) in specific areas (e.g. exercise, nutrition, stress, focus, resilience...).

This high-quality program has been further fine-tuned in 2024 to match the wishes and needs of our people as closely as possible. More than 1,500 ING colleagues have already taken part and have given the program a Net Promoter Score (NPS) of +60. The NPS score measures participant satisfaction with the score ranging from -100 to +100. The higher the score the greater the satisfaction.

At ING, we strike a balance between the benefits of **working in the office (50%) and working from home (50%)**. We encourage our employees to organize their work in a flexible way while ensuring business continuity, customer service and their own well-being. But hybrid working can impact our people's work-life balance, making it more difficult sometimes to switch off at the end of the day. This is why we introduced **4 Working Habits** in 2024 to help our people feel more energized to do the things that really matter to them. These habits were created based on interviews and focus groups with more than 250 of our colleagues across ING globally.

Our colleagues are not alone in this. ING offers support through one-pagers, tips and tricks and regular training sessions.

In 2024, we also introduced **Microsoft Viva Personal Insights**: an app embedded in Teams and Outlook that helps our colleagues work in a more dynamic, effective, and balanced way. It provides insights into our people's individual working habits, and offers them practical tools. For example, a colleague can be given private insights into how much time they spend in meetings or a suggestion to set time aside to focus or switch off.



Diversity, inclusion & belonging at ING

At ING, we believe we can only achieve our goals and deliver on our strategy through a culture of diversity, inclusion and belonging (DIB). A culture where every colleague is respected for who they are – so that our business and customers benefit from their unique perspective and experience.

Belonging is a recent addition to our strategy. What does it mean? If diversity is the 'mix' of people at ING, and inclusion is how we sustain and thrive in that mix, then belonging is how all of us feel within that mix. Because when our contributions are valued and we feel safe to be ourselves, we're part of something bigger: our Orange culture.

Diversity embedded in our HR processes

At ING, we embed DIB in everything related to the employee lifecycle and our talent management approach. Some examples:

- **Hiring 123**, an evidence-based hiring approach designed, among other things, to overcome the unconscious biases and prejudices we all have. This structured approach pushes ING to find the right people by selecting them based on evidence instead of gut feeling.
- **Target of 50% women** in the International Talent Programme (ITP), our 40under40 community of high potentials, at senior management level, ...

Employee networks

To ensure that diversity and inclusion do not remain a dead letter, we create employee networks so that everyone can be themselves. In these networks, like-minded people can meet and collaborate on initiatives that make a difference. Each network is actively supported by ING and sponsored by an ExCo member. We currently have 6 employee networks in Belgium:

- Lioness (women)
- Rainbow Lions (LGBTQI+)
- BEING (black community)
- Crossing (embrace all cultures)
- Ring (below 36 year)
- ENABLE (for people with disabilities)

In addition, on 3 December 2024, the International Day of Persons with Disabilities, we launched official **Disability and Neurodiversity Inclusion Guidelines**. True inclusion is about embracing difference. The guide aims to explain the concepts of disability and neurodiversity, what are reasonable adjustments, and provides our colleagues and leaders practical step-by-step guidance on how and when these should be provided in the workplace.



Find out more ->

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Making the difference

We're a bank. But that doesn't mean we're just in it for the money. On the contrary. In everything we do, we go for impact first. On people, society and the planet. And the fact that we're global means that our impact can be considerable, huge even.

How do we make an impact? By offering you the opportunity to manage your money the way you want to, in a way that is personal, easy, relevant and instantaneous, so that you can make your dreams come true. By helping businesses, organizations and governments do the same. Each at their own level. All the while preserving our planet for future generations.

Why is our impact so huge? Just look at the numbers. Nearly 40 million customers in more than 100 countries. Served by more than 60,000 colleagues worldwide. Each with their own unique talent. They achieve their full potential and share our friendly, inclusive and collaborative "orange culture" and our values of honesty, prudence and responsibility.

Making the difference for our people

ING offers its employees a lot. In 2024, we celebrated the **10th anniversary of our Flexible Reward Plan**. ING was a pioneer in Belgium when it introduced the so-called "cafeteria plan", a revolutionary means of paying our employees. True to our 'do your own thing' motto, we offered colleagues more flexibility and freedom of choice as regards their salary package, while at the same time raising awareness about green mobility and well-being. This plan was a success right from the start.

Today, our employees can opt for a wide range of benefits depending on their personal needs, with a choice of various mobility benefits such as an electric car, bicycle, free parking at the train stations, ICT equipment, payment of health care premiums, pension savings and extra leave. In recent years, employees opted for more than 1,300 Flex Bikes and 40,000 Flex holidays have been taken by our people. ING encourages green mobility and supports the use of soft mobility and multimodality. 60% of ING's car fleet is already electric, meaning we are well on the way to achieving our goal of a fully electric car fleet by 2028.



How we help our environment and society

The biggest challenge society is facing is the climate crisis.
If the world doesn't work together and act, it will have a devastating and lasting impact on life as we know it. We share a deep concern about climate change with many others.
We have a responsibility to define new ways of doing business where planet and people are just as important as economic growth.



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Our own footprint

In 2024, we pursued our own efforts to reduce our direct carbon footprint. At Group level, we defined a tailor-based approach for ING countries to set ambitious direct footprint reduction trajectories towards 2025 (-75% vs 2014). For ING Belgium, this meant a 2024 target of 4.2% reduction in building heating and car travel for business purposes (excluding commuting) compared to 2023, which we achieved comfortably. Since 2014 we have reduced our footprint by 72.9%. In ING buildings where we have management control, we use 77% renewable energy for heating and energy consumption (offices and branches). 99% of our electricity is green through local wind farms. In 2023, we signed our partnership with "Out of Use", the reference in terms of refurbished IT-hardware and recycling, for our own IT equipment, and this collaboration went on in 2024. In terms of our internal mobility, our ING Belgium employees can use public transport for free to go to the office, they can opt for an (electric) Flex Bike, benefit from attractive bike and pedestrian allowances, or can opt for an electric Flex Car. All these advantages can be combined: for instance use your electric car on Monday and come to the office by bike and train on Tuesday. The number of our all-electric company cars keeps increasing and we now have in our car fleet 60% of full electric cars and 34% of plug-in hybrid vehicles. The intention is to move all cars to EV's at the end of their lease contract.

End 2024, all employees working in the Brussels main buildings moved to Marnix, our iconic headquarters. The renovation of the Marnix building to become CO2 neutral progressed well in 2024 which allowed us to empty the Cours-Saint-Michel building and bring these colleagues to Marnix. All furniture from the Cours-Saint-Michel building has been given a second life thanks to our partnership with Relieve. The Marnix renovation will be completed in the course of 2025.

In 2024, we also completed the energy audit of our building portfolio in Belgium and will start rolling out our renovation plan as from 2025.



Education and philanthropy

Climate change educational programmes are essential to best equip our employees not only in their advisory role towards customers but also to understand their own carbon footprint. We make our own employees climate-aware through our "Climate Fresk" programme - a collaborative class-room workshop to teach the fundamental science behind climate change. In addition, we offer microlearning in our "Climate School". Through short videos, employees learn more about current climate challenges at their own pace. We offer specific learning tailored to the needs of the sales front teams in Retail and Wholesale Banking. For our Business Banking sales team, we have developed an ESG training programme with the Solvay Brussels School of Economics and Management and Febelfin. The roll out of this training started in 2024 and will be completed in 2025.

In 2024 we continued our close collaboration with the King Baudouin Foundation with 3 dedicated funds to play our role in a more inclusive society: Fund for a more inclusive digital society EUR 300,000, Fund for a circular economy EUR 250,000 and Fund for financial literacy EUR 90,000 together with 5 asset managers. Our philanthropy activities also included around EUR 275,000 of donations to support various organizations: UNICEF, Devoxx4Kids, YouthStart, BeCode, Natagora, Natuurpunt and GoForest. During our Volunteering Days in collaboration with Time4Society, 565 ING Belgium employees rolled up their sleeves to clean up city streets and natural sites.







Sustainability Statement

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Introduction

2024 is the first year of publication under the CSRD and ING Belgium is part of the first wave of companies in scope of the CSRD. It is actually the first time ING Belgium is disclosing a comprehensive set of ESG information. In the past, sustainability reporting was essentially done at ING Group level.

We have started this exercise by performing the Double Materiality Assessment (DMA) exercise, as requested by the ESRS standards, to identify our material ESG impacts, risks and opportunities (IROs). Whilst ING Group, our mother company, had already performed, and disclosed, sustainability materiality exercises on previous reporting periods, this was another first for ING Belgium.

What have we learned?

Such regulatory disclosure exercise is obviously a must in the context of the EU Green Deal, to promote transparency and standardization, which in turn support the EU ambition to steer capital flows towards the transition to a low-carbon and inclusive economy. But it's much more than a matter of transparency. It has helped us in further embedding ESG dimensions in what we do. The DMA exercise allowed us to better highlight where to prioritize and where to allocate resources. Sustainability is vast and transversal. Hence the necessity to focus to ensure impacts are managed, risks are mitigated, and opportunities are captured. The CSRD provides a structured framework to identify materiality and priorities.

Over the last years, ING Belgium had already worked on sustainability priorities, how to translate those into concrete initiatives and how to monitor progress. The CSRD reporting exercise has helped us confirming we were on the right track. But it has also helped us taking a more comprehensive perspective, given how extensive the ESRS standards are.

Our impact as a financial institution is essentially through our clients, which is corroborated by the conclusions of our DMA exercise. Our role aims at financing the transition and at engaging our clients on their own transformation.



Next to confirming and enhancing our sustainability strategy, the CSRD exercise has also helped further engaging our organization on ESG matters. From our business lines to Risk, from Human Resources to Compliance, from Reporting to data specialists, from the bottom of our organization to the top, many of us have contributed to this Report. ESG employee engagement is a key enabler to our sustainability priorities and participating in this disclosure exercise has grown awareness and expertise.

Going forward the quality of our Sustainability Statement will improve thanks to better ESG data quality and availability, which will also result from our clients' ESG disclosures.

Philippe Wallez
Head of ESG and Public Affairs
ING Belgium

General Information

Effective January 1st, 2024, the new Corporate Sustainability Reporting Directive (CSRD[1]), and its transposition into the Belgian Code of Companies and Associations, has defined new rules and obligations on non-financial reporting requiring the publication of a Sustainability Statement. Detailed disclosure requirements are set out in the European Sustainability Reporting Standards (ESRS), issued by the European Financial Reporting Advisory Group (EFRAG). The reporting is focusing on Environmental, Social and Governance aspects of the Bank and aims at providing more transparency on these matters.

Basis for preparation

Our Sustainability Statement for the year ended 31 December 2024 includes ING Belgium and its subsidiaries, in line with the consolidation scope of our Financial Statements.

We have prepared the Sustainability Statement in accordance with the ESRS and based on the outcome of our Double Materiality Assessment (hereafter: materiality assessment). The ESRS consists of 12 sector agnostic standards of which two are cross cutting and the remaining 10 are topical standards focussing on environmental, social and governance topics.

Our materiality assessment has been performed in accordance with ESRS, supported by the EFRAG implementation guidance, covering our upstream, own operations and downstream value chain components, which is explained further in our Business Model and Strategy section. The double materiality assessment performed defines our material topics and the related impacts, risks and opportunities (IRO's) which we have disclosed in the respective Environment, Social and Governance sections, based on the applicable topical ESRS. As required by ESRS 1, we have included a summary on the EU Taxonomy within our Environment section and included the mandatory tables in the appendix to the Sustainability Statement.

Estimations and uncertainties

The implementation of the CSRD comes with several uncertainties as we navigate this new regulatory landscape. As this is the first reporting, there is a lack of prior experience in applying the new requirements. Additionally, guidance is still evolving, and an industry-specific standard is lacking, making interpretation and implementation more complex. The absence of comparative figures under the new requirements further complicates benchmarking and trend analysis. Moreover, sustainability reporting needs to be fully embedded into ING's existing processes and procedures, requiring adjustments and further enhancement of our internal control environment. Data limitations remain a key challenge, as we work towards improving the accuracy, completeness, and consistency of sustainability information. As a result, ING is expected to refine the reporting approach over time as best practices, regulatory expectations, and market standards develop.

Therefore, in our Sustainability Statement we use data for which a certain degree of uncertainty remains, primarily attributed to external factors. As the regulation is evolving and markets are adapting, we noticed that there is a challenge with regards to data availability. Where (reliable) data is not available, we have used estimates, averages, proxies, assumptions or a combination of these. We are continuously working on improving data and expect this to grow with the adaptation of the legislation in the market.

Quantitative metrics disclosed in the different sections have been either:
- provided by ING Group; or
- submitted to reconciliation, analytical reviews and review controls.

Changes in preparation or presentation of sustainability information

As this is the first year of reporting our Sustainability Statement in accordance with ESRS, there are no possible changes in the preparation or presentation of our Sustainability Statement, nor are there any reporting errors in prior periods.

Incorporation by reference

Some ESRS requirements are already included in other sections of the ING BE Annual Report, due to other reporting requirements we are subject to. In order to avoid duplications, in some cases, reference will be made to these sections outside the sustainability statement:
- SBM-1: a description of the elements of our strategy related to sustainability can be found in our 'Strategy and Performance' section.
- GOV-1: The role of the administrative, management and Supervisory bodies can be found in the 'Corporate governance' section.
- GOV-5: Risk management and internal controls over sustainability reporting can be found in our 'Environmental, social and governance risk' section.

Entity specific disclosures

Besides the list of sustainability matters, as included in ESRS 1, we have assessed whether there are any sustainability-related material impacts, risks and opportunities which are not yet covered by ESRS 1. This assessment was done as part of the qualitative stakeholders engagement step which consisted of consultations with internal and external stakeholders to gather an understanding of their material matters. Consequently, as part of the outcome of the stakeholders engagement step, several additional topics were mentioned but, for clarity and efficiency purposes, mapped to ESRS:
- Sustainable finance has been mapped to E1- Climate change topic
- Data protection and privacy has been mapped to S4 – Data protection sub-topic
- Fair and transparent products and services has been mapped to S4 – Access to quality information sub-topic
- Financial inclusion and capacity building has been mapped to S4 – Social inclusion sub-topic

[1] Any reference to CSRD in this report refers collectively to both the Corporate Sustainability Reporting Directive and its transposition in the Belgian Code of Companies and Associations

Business model and strategy

In line with the ING Group strategy, we aim to put sustainability at the heart of what we do, defining new ways of doing business that align economic growth with positive environmental and social impact. Climate change is one of the world's greatest challenges. Also, people may struggle with inequality, poor financial health, or a lack of basic human rights. ING's purpose is to help customers and society to stay a step ahead of the challenges they are facing. This section provides an overview of the identified material impacts, risks and opportunities, how this interacts with our strategy and business model, insights in the methodology of our double materiality assessment, and the applicable ESRS and disclosure requirements applicable to us.

Together for Progress

Banking made simple remains the guiding principle, for our customers and for ourselves.
Underpinning Together for Progress is the desire to fully embrace our role in society. We are fully committed to growth, acting as a strong partner to create impact in the Belgian economy and to face the challenges that our society is facing. Looking at these 4 challenges through sustainability lenses:

- Climate change: the average global warming since pre-industrial times (around 1850-1900) was estimated to be around 1.47°C[2] in 2024 and is unequivocally caused by human activities, principally through emissions of greenhouse gases. Transforming our economy to net-zero GHG by 2050 is the EU ambition to limit global warming to 1.5°C by the end of the century. For the Belgian economy, the cost of the transition to net-zero by 2050 is estimated at €415bn[3]. Our key role is to finance the transition of the Belgian economy.
- International Competitiveness: we wish to support our entrepreneurs to ensure Belgium regains its competitiveness. This goes as well through supporting our clients in investing in a future-proof and sustainable business-model.
- Demographic dynamics: migration, ageing population, financial independence of younger generations when they retire; our role is also to support the financial health of our clients. Our clients expect from us not only to provide easy solutions to support financial health, but also to share knowledge on financial matters and on sustainability.
- Polarization: the Belgian economy sees growing inequalities. The transition of the Belgian economy to net zero requires a great deal of investments, as indicated above. The transition should leave no-one behind and be inclusive. Our role in society is to facilitate a just transition, by collaborating with other financial players, as well as authorities to care for the more vulnerable population.

Progress is about advising and funding actions that help society transition to a net-zero economy, enabling our customers to invest in innovations and technology, and supporting them in dealing with societal challenges. Our sustainability actions and engagement support our overall Together for Progress strategy and our commitment to create impact in the Belgian economy.

As a company, we aim to deliver value for all our stakeholders. And when looking at their expectations through sustainability lenses, we see again drivers to bring sustainability at the heart of what we do.

- Customers are increasingly expecting their favourite brands, including their bank(s), to move to operate more responsibly and help them in their sustainability journey.
- Employees expect their employer to contribute to a more sustainable future and be transparent on the efforts delivered. Globally, about 40% of millennials select their job because of company sustainability approach. Putting sustainability at the heart will help ING Belgium to give its employees an inspiring purpose but also to attract and retain talents.
- ING Group shareholders: next to asking for a sustainable RoE, which requires a sustainable and future-proof business model, we see that more than 75% of our Group's investors put more emphasis on ESG now than they did 5 years ago.
- Society: creating more impact by investing in projects that add value to society at large. In Belgium, 8 out of 10[4] citizens believe their actions as individuals can have positive impact in addressing global environmental and social challenges. 69%[5] of people in Belgium believe that climate change targets should be part of governmental economic policies. Regulators continue to demand more from companies and individuals through climate legislation and Europe takes the lead with the EU Green Deal.

As a bank, our biggest impact is through our lending activities: an estimated 99% of our GHG emissions are linked to our lending book (part of scope 3[6]), whilst our direct emissions in scope 1 and 2 represent 1%. Our main role is to finance the transition and engage with clients to promote the sustainable transition.

While this approach is applicable to all ING BE entities, in Luxembourg, focus was on managing own carbon footprint, ensuring compliance with ESG reporting requirements and ESG risk management.

[2] As per NASA data
[3] McKinsey 'Net zero or growth? How Belgium can have both' - June 20, 2023
[4] IPSOS / TFI Consumer Research - September 2021
[5] IPSOS / TFI Consumer Research - September 2021
[6] We measure emissions using the Global GHG Accounting & Reporting Standard for the Financial Industry (developed by PCAF – the Partnership for Carbon Accounting Financials)

Our Value Chain

Our business model and strategy are key elements in determining our value chain, which is the starting point of our materiality assessment. Since the assessment expands beyond the financial statement consolidation scope, we have assessed our core business against our own operations and our (in)direct relationships in our upstream and/or downstream value chain. This resulted in the identification of 6 segments in our value chain on which we have performed our materiality assessment, the 6 segments are depicted in the following graphic.

As a financial institution our main business segment, impacting Sustainability matters, is our loan book through which we finance our clients and the economy. The assessment is mostly done at tier 1 direct contractual relationship level (e.g. large corporates we are financing, retail customers we are serving). Associates and joint-ventures which are not consolidated in the financial statements are treated as the other business relationships, i.e. as actors in the value chain (e.g. suppliers, investee companies), and as such are part of our materiality assessment. In accordance with the EFRAG Value Chain Implementation Guidance, intercompany transactions are in scope of sustainability reporting, since these transactions might generate impacts to society and the environment. In our context, intercompany transactions are exclusively related to funding, portfolio replications and capital up/ down streaming purposes, from which material impacts, risks and opportunities are not expected and as such are de-scoped from our value chain for the materiality assessment purpose.

Our value chain - key activities and their relation towards the business actors

	Upstream	Own operations	Downstream			
				Retail banking		
	Supply Chain	**Own operations**	**Wholesale Banking**	**Business Banking**	**Private Individuals**	**Treasury & Other investments[1]**
Activities, products & services	▪ Management of providers of goods and services	▪ Employees management ▪ Properties management	▪ Wholesale lending ▪ Daily Banking (payment & cash management) ▪ Trade Finance ▪ Deposits (incl. saving accounts) ▪ Trading book ▪ Capital Markets Advisory	▪ Product development ▪ Marketing ▪ Distribution of business lending, trade finance, insurances and financial market products ▪ Daily banking services, savings, deposits products	▪ Product development ▪ Marketing ▪ Distribution of mortgages, consumer lending, insurances, investment products ▪ Daily banking services, savings (incl. wealth-management services)	Group Treasury ▪ High Quality Liquid Assets ▪ Hedging instruments ▪ Debt instruments ▪ Shareholder's equity ING Group Investments ▪ Equity holdings
Underlying actors	▪ Corporates	▪ Employees	▪ Large corporates (incl. financial institutions) ▪ Sovereign, sub-sovereign and agencies	▪ Self-employed and Micro (small companies) ▪ Small Medium Enterprises ▪ Mid-corporates clients	▪ Private Individual clients ▪ Private banking clients	▪ Sovereign, sub-sovereign and agencies ▪ Corporate clients ▪ Investee companies

[1] Includes all non client-facing business

Our Materiality Assessment

As required by CSRD, the scope of the sustainability report has been defined by performing a double materiality assessment in accordance with ESRS and taking into account the full value chain of the bank (i.e. upstream, downstream and own operations sub-components). In absence of EFRAG sector specific standards, the materiality assessment was done considering the ESRS sector agnostic list of sustainability matters. A sustainability matter is deemed material when it meets the criteria for impact materiality, financial materiality, or both. The perspectives of materiality are defined as follow:

Impact materiality

Inside-out perspective

- Inside-out perspective is used to measure the actual or potential, positive or negative impacts on people or the environment.
- As a financial institution, this refers to the business we finance, impacts caused or contributed to by ING and impacts which are directly linked to ING's operations, products and services through its business relationships.

Financial materiality

Outside-in perspective

- Outside-in perspective is used to measure the negative and positive impacts of a changing environment and society on ING.
- As a financial institution, it is especially mirrored in climate & environmental risk management.

A sustainability matter might be material in the short-, medium- or long term, and as such is an essential component of the materiality assessment. In defining our time horizons, we considered industry-specific guidance provided by the EBA for the banking sector and combined these with the ESRS requirements:

- in the qualitative materiality assessment / stakeholders engagement step : Short timeframe (1y), medium timeframe (1-5y) and long timeframe (>5y) have been used consistently in the assessment
- in the quantitative materiality assessment step a more granular approach has been used:
  - Very short-term: less than 1 year
  - Short-term: between 1 and 3 years
  - Medium-term: 3 to 5 years
  - Long-term: over 5 years and at least 10 years

The table below shows an overview of the sector agnostic sustainability matters and the materiality assessment results with regards to their impacts, risks and opportunities:

Sector-agnostic sustainability matters

	Financial materiality			
Sustainability matters	Impact materiality	Risk	Opportunity	Double materiality
E1: Climate change	■	■	■	■
E2: Pollution				
E3: Water and marine resources				
E4: Biodiversity and ecosystems				
E5: Resource use & circular economy				
S1: Own workforce	■	■		■
S2: Workers in the value chain				
S3: Affected communities				
S4: Consumers and end-users	■	■		■
G1: Business conduct		■		■

Thresholds: ■ Material □ Informative – Minimal

Process to identify impacts, risks and opportunities

CSRD requires ING to undertake a Double Materiality Assessment (hereafter: materiality assessment), ING BE identified impacts, risk and opportunities across environmental, social and governance topics considering own operations, upstream and downstream value chain components.

Dimension	Description	
Double materiality	ING must identify both actual and potential: ▪ impacts on people and environment (impact materiality, inside-out), as well as ▪ the sustainability matters that impact ING's financial positions (financial materiality, outside-in).	
Sustainability matters	Sustainability matters are specified at a topic, sub-topic, and sub-subtopic level.	Environmental Social Governance
Time horizon	The assessment has to be performed over the very short, short, medium, and long-term.	Very short: <1 year Short: 1-3 years Medium: 3-5 years Long: >5 years
Value chain	The assessment must consider ING's all the activities and business relationship across the value chain.	Supply chain Wholesale banking Business banking Own operations Retail banking Treasury & other investments

Within ING BE, the materiality assessment has been performed in two steps:

- One qualitative assessment (i.e. stakeholders engagement step) mainly based on professional judgement and stakeholders engagement output.
- One quantitative assessment based on external (e.g. UNEP-FI, ENCORE) and internal data (e.g. balance sheets and portfolios).

Outcomes of both exercises have been then integrated together leading to the final ING BE materiality assessment resulting from qualitative and quantitative approaches.

Details on the approach and methodology used are included in appendices of the Sustainability Statement.

Impact, risks and opportunities

Based on the materiality assessment performed, combining qualitative/stakeholders engagement step and quantitative analysis, we have determined the material impacts, risks and opportunities. These impacts, risk and opportunities (IRO's) have an effect on the environment and society, and on ING's strategy and business model. The table below presents an overview of the impacts, risks and opportunities including insights on the location of these IRO's in our value chain, the respective time horizons, and the affected business models.

Internal controls over sustainability reporting

At ING we have integrated our sustainability-related risk management and internal controls into our existing Enterprise Risk Management (ERM) framework and Three Lines of Defence model, see our 'Risk management" section for more information. This approach strengthens governance over sustainability disclosures, aligning them with financial and non-financial risk oversight.

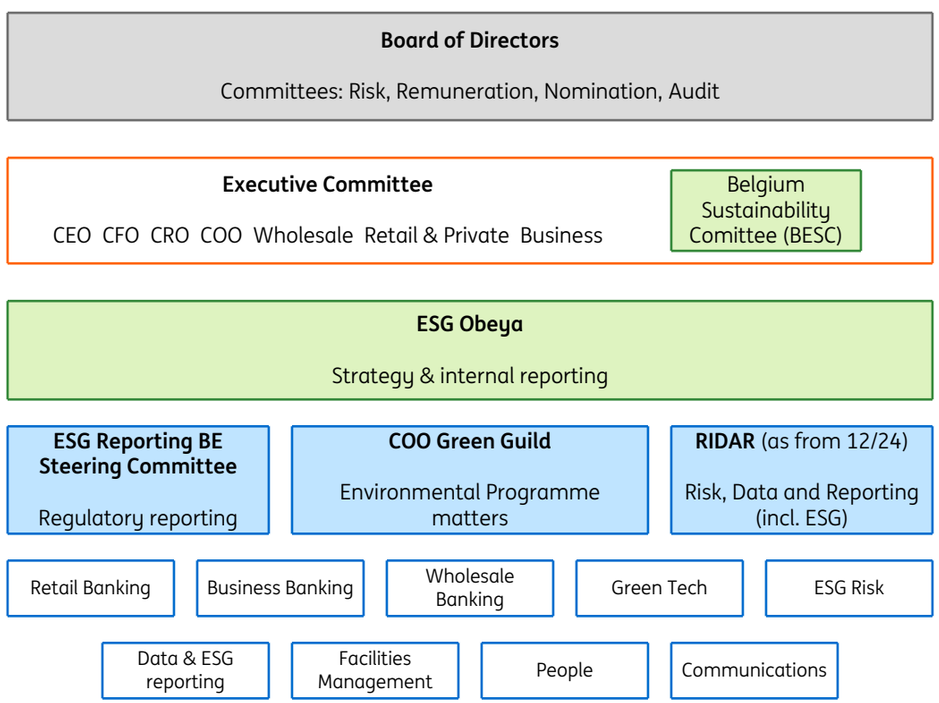
Our material IROs and their link to our value chain

IRO Type	ESRS	Material impacts, risks or opportunities	Upstream	Own operations	Downstream	Short-term	Mid-term	Long-term	Affected business model
Climate Change (E1)									
Negative Impact	E1	Financing activities to carbon-intensive sectors and/or assets resulting in GHG emissions concentration on the environment			◆		◆	◆	Wholesale Banking, Business Banking and Retail Banking
Positive Impact	E1	Financing to low-carbon sectors resulting in GHG emissions avoidance			◆	◆	◆		Wholesale Banking, Business Banking and Retail Banking
Risk	E1	Financing activities to carbon-intensive sectors resulting in financial loss due to transition risk			◆		◆	◆	Business Banking and Retail Banking
Opportunity	E1	Financial and reputational opportunities from supporting clients transitioning to low-carbon business models / assets (financing transition)			◆		◆	◆	Wholesale Banking, Business Banking and Retail Banking
Own Workforce (S1)									
Negative Impact	S1	Gender equality and equal pay for work of equal value: Company culture, policies or processes can contribute to gender inequality, evidenced by a low percentage of women in management positions and a persistent pay gap. The principle of equal treatment is a general principle of European law which states that comparable situations or parties in comparable situations are treated in the same way. In the context of ESRS S1, the term “equal treatment” also refers to the principle of non-discrimination, according to which there shall be no direct or indirect discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion, or belief, political or any other opinion, membership of a national minority, property, birth, disability, age, or sexual orientation.		◆	◆	◆	◆	◆	Own operations
Negative Impact	S1	Measures against violence and harassment: Violence and harassment can negatively impact the physical well-being and mental health of a person, as it may violate the dignity of a person and create an intimidating, hostile, degrading, abusive, humiliating, or offensive working environment. This can lead to anxiety, persistent fear, stress, and or depression. Violence and harassment are typically directed at vulnerable groups such as ethnic, racial, sexual, and other types of minorities, and women.		◆	◆	◆	◆	◆	Own operations
Negative Impact	S1	Work-life balance: As an employer, we could potentially cause or contribute to work-related stress and pressure. This is due to, for instance, unrealistic workloads, deadlines, or expectations which can negatively impact the work-life balance of employees who might be reluctant to take family-related leave, work flexible hours or use daycare services.		◆	◆	◆	◆	◆	Own operations
Negative Impact	S1	Training and skills development: Upskilling provides employees with new competencies and knowledge, opening the door to long-term career advancement, within or beyond their careers at ING. Continuous skills development keeps employees updated on industry trends and best practices, making them resilient and adaptable to change		◆	◆	◆	◆	◆	Own operations
Positive Impact	S1	Diversity: Working in a diverse team exposes employees to new perspectives, experiences, and problem-solving approaches. Diversity, inclusion and belonging initiatives encourage learning and growth, helping ING employees expand their skills and viewpoints, which can enrich both their personal and professional lives. The mutual respect and trust from employees of diverse backgrounds can improve collaboration and communication, creating a supportive work environment where employees feel comfortable contributing ideas.		◆	◆	◆	◆	◆	Own operations
Risk	S1	Gender equality and equal pay for work of equal value: Gender inequalities resulting in a low percentage of women in management positions and a persistent pay gap, in combination with ING’s large workforce compared to peers and other companies, might lead to a turnover risk and an exposure to significant reputational risks due to the increasing societal and regulatory focus on gender equality at the workplace.		◆	◆	◆	◆	◆	Own operations
Risk	S1	Measures against violence and harassment: Situations where unwanted conduct related to a protected ground of discrimination (for example: gender, religion or belief, disability, age, or sexual orientation) occurs with the purpose or effect of violating the dignity of a person, and of creating an intimidating, hostile, degrading, humiliating or offensive environment can potentially trigger legal and regulatory action. Moreover, the mishandling of harassment claims might also lead to the loss of reputation and higher turnover.		◆	◆	◆	◆	◆	Own operations
Risk	S1	Diversity: A lack of diversity in the workplace might impair collaboration and the creation of a supportive and inclusive environment. This potential risk can expose ING to significant reputational risks.		◆	◆	◆	◆	◆	Own operations
Risk	S1	Employment and inclusion of persons with disabilities: Risk of legal and regulatory action related to accessibility in the workplace. This might harm our reputation or lead to compliance issues.		◆	◆	◆	◆	◆	Own operations
Consumers and end-users (S4)									
Negative Impact	S4	Misrepresentation, discrimination, and irresponsible marketing can mislead customers, hinder informed decision-making, and potentially cause financial distress. Additionally, failure to ensure the privacy and security of personal data may result in identity theft, financial losses, and erosion of customer trust. Collectively, these issues harm customer well-being, damage our reputation, and expose us to financial and regulatory risks.			◆		◆	◆	Retail Banking
Risk	S4	Risks arise from the materialisation (financial/non-financial loss) of the identified negative impacts and are associated with failing to uphold fairness, accessibility, and data protection standards. Misrepresentation, irresponsible marketing, and non-discrimination violations could result in customer mistrust, legal challenges, and financial losses. Additionally, inadequate compliance with data privacy regulations risks exposing sensitive customer information, leading to regulatory sanctions, litigation, and reputational damage. Collectively, these risks threaten customer confidence, operational integrity, and may result in financial and reputational risks. These risk are connected to the following topics:"access to quality information", "social inclusion', "privacy"			◆		◆	◆	Retail Banking
Corporate Culture (G1)									
Risk	G1	Corporate Culture: the risk of financial loss, regulatory fines and reputational damage due to incidents related to our corporate culture, meaning our norms, attitudes and behaviours related to decision making, risk taking, and business ethics.		◆	◆	◆	◆		Own operations
Risk	G1	Whistleblowing: the risk of breaches of the values, behaviours and principles in the Orange Code, the Global Code of Conduct, laws and regulations and other internal ING policies as a consequence of not carefully dealing with concerns.		◆	◆	◆	◆		Own operations
Risk	G1	Anti-Bribery and Corruption: the risk of financial loss, reputational damage, loss of banking license or regulatory compliance status due to illicit bribery and corruption activities conducted by ING, its employees and/or third parties acting on behalf of ING, failing to comply with applicable anti-bribery and corruption laws (e.g., UK Bribery Act (UKBA), US Foreign Corrupt Practices Act (FCPA)).		◆	◆	◆	◆		Own operations

Our Sustainability governance

At ING, we have integrated sustainability into our existing governance, for details about the full function of governance bodies and the composition of our Management- and Board of Directors, including their roles, expertises and remuneration please see 'Our leadership and corporate governance' section. In this section we will elaborate on the governance around sustainability,

Sustainability governance structure



Please note that the Executive Committee has more committees than the Belgium Sustainability Committee (BESC), for the purpose of this section we only included the BESC.

It should be noted that, while ING BE ESG governance has an oversight responsibility towards all its subsidiaries, ING Luxembourg also appointed its own local Head of sustainability.

Board of Directors

The Board of Directors (BoD) is responsible to implement, monitor and oversee ING Belgium's business strategy, strategic objectives and risk strategy. In this context, the Board of Directors ensures a holistic approach and integrates ESG factors in the overall strategic framework, taking into account amongst others the advice from the Risk and Audit Committees.

The Risk Committee assists and advises the BoD regarding the monitoring of the overall actual and future risk strategy, taking into account all risk factors (including ESG risk factors), to ensure that they are in line with the business strategy, objectives, corporate culture and values of ING Belgium. Climate-related and environmental risks are an integral part of ING Belgium's overall risk management framework.

The Audit Committee assists and advises the BoD regarding the monitoring of the integrity of the financial and the regulatory reporting processes of ING Belgium s.a. its reporting requirements under CSRD.

For members of the Audit Committee and the Risk Committee, and for the members of ING Belgium's Board of Directors overall, knowledge, skills and experience in the area of climate-related and environmental risk are taken into account in the assessment of the collective suitability of such governance bodies to secure that ING Belgium is equipped with the necessary expertise to make informed and responsible decisions towards sustainable growth.

The BoD plays a crucial role in identifying and assessing the short, medium, and long – term impact of changes to the economic, environmental and social environment in which ING Belgium operates. Throughout the institution appropriate governance arrangements have been set up to provide the BoD a clear oversight on the management of all ESG related risks.

Executive Committee

The ESG strategy, action, targets and progress are presented regularly to the BESC (Belgium Sustainability Committee), which is integrated in the regular ING Belgium Executive Committee. The BESC is chaired by the CEO and is composed of all members of the Executive Committee. Generally, BESC topics are presented by the ESG team, accompanied by relevant business or functional teams. As sustainability is at the heart of what we do, ESG topics have been presented several times in Executive Committee by the relevant tribes or teams for decisions. ESG was a formal agenda point on the Executive Committee agenda in 2024. In addition, the Executive Committee tracks ESG KPIs on a monthly basis, as part of the ESG Performance wall and the ESG change roadmap is discussed by the Executive Committee as part of the monthly change portfolio updates (10 times in 2024). Whenever a new topic in the ESG sphere is being discussed either on an Exco or on a BoD level an educational section before the topic is included in order to deepen their sustainability skills and expertise. For Executive Committee members KPIs related to sustainability targets, please refer to the ING Group Sustainability Statement.

Senior Management level governance

ESG Obeya [7]

For all capabilities related to ESG delivery, setting and monitoring of KPI's and targets, the ESG Obeya has been set up. The ESG Obeya is chaired by the Head of ESG & Public Affairs team, which reports directly to the CEO, and it is steered by the ESG Team. The aim of the ESG Obeya is to ensure that all ESG-related regulations and programmes are monitored, assessed and implemented. It is comprised of around 15 senior leaders from across the organisation, it helps guide the development and implementation of our strategy related to ESG topics, as well as monitoring and reporting on our progress. The ESG Obeya meets on a monthly basis and it is the central escalation point for impediments that require decisions or escalation to the BESC.

ESG Reporting BE Steering Committee

The ESG Reporting BE Steering Committee, which comprises various leaders in domains such as business, risk, and subsidiaries, provides strategic guidance on various legal and regulatory disclosure requirements. It aims to follow up and approve initiatives, roadmaps, architectural design and business impact on regulation and any ING Group program updates with respect to disclosures.

COO Green Guild

The Green Guild has an operational and coordinating mandate and is steered from the Global COO domain. It is an ING Global initiative which centralises targets, data collection and all matters on the Environmental Programme which deals with our operational footprint (ING's GHG emissions in scopes 1, 2 and 3 on business travel), with countries deciding on local implementation. At ING Belgium, the local COO Green Guild representative is responsible along with the ESG Team for steering and monitoring actions to meet the targets and to develop the long term plan locally on reducing carbon emissions in our own operations. For ING Belgium, the KPI owner for the Environmental Programme is the CFO, with all data consolidation, evidences, reporting and control being provided by a Corporate Real Estate Facility Services (CREFS) department representative, with additional controls performed by the local Center of Expertise (CoE) Reporting.

In Luxembourg, COO Green Guild representatives are the members of the Sustainability Office.

ESG Risk, Data and Reporting Committee (RIDAR)

The ESG Risk, Data and Reporting committee steers on all ESG Data and related risk and regulatory reporting matters and it is ultimately responsible for realising program objectives to achieve compliance on ESG regulations. Members have practical insight into strategic and operational issues and are able to align between functional or business issues, from risk, finance, business and operations with their co-chairs being senior leaders on Reporting, Risk and Data management. The RIDAR validates roadmaps, architectural designs and business impact and monitors the initiatives and it is the central point to discuss cross domain impediments. In case of needs, decisions / requests can be raised from the ESG Reporting BE Steering Committee to the RIDAR if Risk and Data Management interventions are needed.

Sustainability department

The ESG team integrates and aligns the ESG approach with the existing business-as-usual governance of the bank, which allows ESG topics to be steered holistically across all domains. Besides being responsible for ING Belgium's overall sustainability approach the ESG team also acts as a centre of expertise, providing the latest sustainability developments impacting financial services industry as well as our clients and other stakeholders. The head of ESG and Public Affairs takes on the responsibility of stakeholder engagement with key external stakeholder groups such as NGOs, federal and regional governments, academics, sector federations and other external bodies.

In Luxembourg, Sustainability Office has equivalent responsibilities.

Business Level Governance

Wholesale Banking

Wholesale Banking is a globally-steered business line and all business governance matters are centralised at ING Group level. Meaning the existence of the Wholesale Banking Sustainability Steering Committee impacts ING Belgium and ING Luxembourg through their Wholesale Banking sustainability commitments and actions. Moreover, each WB sector team has a sectoral global sustainability lead. For more information please consult the ING Group report.

The responsibility for ING's sustainable finance approach with Wholesale Bank clients sits with the local Sustainable Finance department, whose local reporting line is to the Wholesale Bank Sectors management. Functionally, the Sustainable Finance team reports to the Global Sustainable Finance management, which is part of Wholesale Bank Sectors. This team operates as a centre of expertise for engaging and advising wholesale clients, and supports the execution of all relevant sustainable finance solutions across product categories (e.g. green loans, sustainability-linked transactions, ...) in Belgium, Luxembourg and Nordic countries.

Business Banking

Sustainable Finance in Business Bank sits with the Sustainability Business Banking team, reporting to the Head of Business Banking Sales. The team oversees the adoption of sustainability matters in Business Banking while also engaging and advising clients.

[7] ESG Obeya refers to meeting organised within the Bank where team members exchange on ESG strategy linked initiatives

Retail Banking

Retail Banking focuses on different products that can be developed and adopted for our customers. Sustainability is integrated as part of the mortgage offering and follows the same governance as the product, with updates being provided regularly as part of their mortgage product SteerCo. Mobility products are also embedded in the product area and follow the same governance. For investments, dedicated resources have been allocated to tackle ensure the development of investment solutions with a sustainability angle.

ESG Risk Governance

The governance of ESG Risk is integrated and aligned with the existing Risk governance structure. The Head of Strategic Risk Management and the ESG Risk Lead have a key role to implement ESG risk management in the ING Belgium organisation, in line with our regulators and Group requirements, while taking into account our local market specificities. Besides ESG Risk lead, dedicated members of the different Risk departments have been assigned to embed ESG into all relevant Risk domains.

Environment

Climate change is one of the biggest challenges facing society. The financial sector has a role to play in acting on climate change, supporting the transition to a net-zero economy, protecting nature and enabling the circular economy.

As detailed in the General Information section, the double materiality assessment (hereafter: materiality assessment) has identified the E1 Climate Change as material sustainability matter related to “environmental”.

The E1 Climate Change matters, along with their associated Impacts, Risks and Opportunities (IROs) are addressed in these chapters. For each IRO, we highlight how ING Belgium addresses it.



Climate change

Our climate is changing due to the release of greenhouse gas (GHG) emissions into the atmosphere. By mitigating climate change we act to reduce GHG emissions, which for a bank is mainly done through its financing activities. Climate adaptation is essential to reduce ING's vulnerability against the physical impact of climate change. We have an important role to play by reducing the physical risks impact on our portfolio and supporting clients and communities to adapt through finance.

IROs linked to business model and strategy

This section elaborates on the material impacts, risks, and opportunities associated with climate change, and how these factors interact with and influence ING Belgium's strategy and business model.

Climate Change mitigation sub-topic has been assessed as material for Wholesale Banking, Business Banking and Retail Banking value chain components. Climate Change adaptation sub topic has been assessed as material for Business Banking and Retail Banking value chain components.

Our own operations have not been deemed material. For more information on the DMA and an overview of all the IROs see General Information.

Climate change mitigation

Climate change mitigation refers to the process of reducing GHG emissions and holding the increase in the global average temperature to 1.5 °C above pre-industrial levels, in line with the Paris Agreement.

Negative impact on climate change is a result of financings provided to high-emitting companies or less energy efficient properties. Emissions of these companies or properties might lead to an increase in average temperatures and potentially to more extreme weather events over the longer term. For our lending book more specifically, these relate to:

- Wholesale and Business Banking lending: negative impact is mainly a result of financings provided to high-emitting companies.
- Real estate lending: the main source of negative impact in the short- and medium-term is associated with financing of properties with poor energy performance. In the long term, all non net-zero properties are associated with a material negative impact. The negative impact assessment relies on the Energy Performance Building Directive (EPBD).

Risks on climate change mitigation materialises in the form of transition risk, which can lead to financial challenges for ING Belgium's clients and potential losses for ING Belgium through customer defaults and reduced collateral values. When assessing financial risks due to transition risk, the following elements have been considered for:

- Wholesale and Business Banking lending: transition risk for high-emitting companies can arise from efforts to reduce greenhouse gas emissions (GHG) through the adoption of new technologies and retrofits, as well as from additional costs associated with carbon pricing for indirect emissions.
- Real estate lending: change in energy prices and EPBD implementation can lead to negative impact on customer income, payment discipline, and eligibility for property renovation financing.

Lastly, any failure to comply with applicable laws and regulations, internal rules, risk appetite, and societal expectations related to ING Belgium's banking services and activities concerning transition risk exposes ING Belgium to compliance risk. Inadequate mitigation of compliance risk may result in damage to ING Belgium's reputation, legal or regulatory sanctions, and financial loss.

Opportunities are identified in alignment with our clients' own climate transition ambitions, whether related to the decarbonization of their business model, the investment in clean technologies or the decarbonization of their properties and assets, across our 3 business lines.

Climate change adaptation

Climate change adaptation refers to the process of adjusting to actual and anticipated climate change and its impacts. It is intrinsically linked to physical risk, as it involves implementing strategies to manage and mitigate the effects of climate-related physical events.

Physical risks can arise from acute, event-driven occurrences, such as storms and floods, as well as from chronic, long-term shifts and trends, like rising sea levels and temperatures. These risks can expose ING Belgium to financial vulnerabilities through various transmission channels, including but not limited to:

- Wholesale and Business Banking lending: Infrastructure damage, operational interruptions, increased operating costs, impact on the availability of raw materials, damage to production facilities, and higher insurance costs may result in unexpected expenses and significant losses. Consequently, this can lead to reductions in income and profits for borrowers, affecting their ability to repay loans. The loss of income and higher insurance premiums may increase the risk of client default.
- Real estate lending:
  - Frequency and intensity of extreme events affecting clients' real estate may lead to write-offs, asset devaluations, early retirement of existing assets, and a potential reduction in the availability of insurance for assets in high-risk locations. All of these factors could potentially contribute to higher losses for ING Belgium.
  - Impairment of borrowers' abilities to service their loan payments, as well as eligibility for property renovation financing due to financial distress caused by natural disasters.

Financial effect and resilience of ING Belgium's strategy and business model

For our identified negative impacts and risks we have two approaches to determine our current financial effects, more explicitly for physical risk and transition risk. ING Belgium is in the process of integrating the impact of climate risk into its credit risk management, where the process will mature over time while incorporating requirements from the ever changing environment.

The choice of scenario and scenario analysis approach to assess the impact of **transition risk** on lending activities for the Wholesale Banking, Business Banking, and Private Individuals is based on ING Group Climate Stress Test exercise. Two scenarios from Oxford Economics (OE) are used both for a short-term (up to 3 years) and a long-term (up to 10 years) horizons, namely Net Zero (NZ) and Delayed Transition (DT) scenario. Both scenarios are used to assess the impact of increase in carbon price and therefore energy costs. Customers who would not be able to sustain such costs are seen as having a higher risk of defaulting.

Transition risk refers to an institution's financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. This could be triggered by a relatively abrupt adoption of climate and environmental policies, technological progress or changes in market sentiment and preferences. Sectors with high GHG emissions will likely incur significant capital expenditures during the decarbonisation process, along with additional indirect costs from their suppliers' decarbonisation efforts. Demand for carbon-intensive products and technologies may also contract.

Being part of a high-emitting sector does not necessarily mean inevitable default in a decarbonisation scenario. Adhering to regulatory expectations for structured transition planning and avoiding the stigmatisation of economic sectors, combined with sound risk management practices, suggests that these sectors might not disappear entirely. We believe that some of the best companies within these sectors could successfully transform.

The general logic of ESRS suggests that material transition risk is closely tied to assets that could become stranded in a rapid decarbonisation scenario. For banks, this primarily means defaulted loans. We believe that a three-year period is too short to account for defaults caused solely by borrowers' failure to transition. For longer horizons, classifying all exposure to carbon-intensive sectors as potentially stranded assets is overly conservative. A bottom-up approach to transition risk assessment is underdeveloped due to the challenges in predicting long-term financials and collection of transition plans.

Transition risk also refers to the need to upgrade the energy efficiency of real estate objects we finance. It is important to note that the translation of EPBD into national laws of EU member states is expected in May 2026. Until then, regulatory uncertainty remains high, which prevents the establishment of a direct link between EPC label or primary energy demand of real estate objects and respective level of transition risk.

We understand that regulatory pressure caused by high environmental impact is already influencing several economic sectors (e.g. aviation and automotive). Additional regulation in the future could follow, but its impact is not yet known. For the mid-term, we are investigating how ING Group's Terra approach (see ING Group's report), which addresses the majority of emission-intense sectors in ING's Wholesale Banking loan book can cover transition risk. Assessment of transition risk beyond the short-term for the mortgage portfolio is dependent on the translation of EPBD into local law.

For transition risk, we updated our provisions methodology to introduce a transition risk overlay in the form of a Post Model Adjustment (PMA), capturing the costs related to the risks we see in the short term. For 2024, we booked a PMA of € 5 million. See our 'Risk Management - credit risk' section for more information.

For the **physical risk**, analysis is a forward-looking exercise (in line with EBA PIII ESG disclosure), based on RCP 8.5 extreme climate scenario5, assuming a potential temperature increase of 4 degrees Celsius or more above the preindustrial baseline.

For the real estate collaterals, financial materiality can arise due to impact on customer property, which can be damaged, destroyed and/or impaired due to the borrowers ability to service their loan payments. For WB and BB lending clients (general purpose loans), physical risk hazards may threaten revenue-generating facilities and impair the borrowers ability to service their loan payment.

For physical risk, we base our current financial effects on actual events that took place during the reporting year. For 2024, we booked no provision.

With regards to the exposures to physical risk, ING Belgium takes a proactive approach in managing and monitoring the identified risk. Lending criteria on material physical risk requires mandatory credit risk mitigations, either through insurance or alternative credit risk mitigations. These include collecting additional data during the underwriting process proving risk adaptation, controlling financed amount or even rejecting the asset where neither physical risk can be proven or other mitigation can be applied. For commercial- and residential real estate assets it is mandatory to have material hazards incorporated in the current market value of the property.

Through our opportunities we aim to support our clients in their sustainable transition through our product offering. The current financial effects of these product offerings are not measured.

Our Approach to Transition Planning

As guided by the double materiality assessment, we have identified that material impacts, risks and opportunities for climate change mitigation arise from our Wholesale Banking, Business Banking and Retail Banking value chain. Although ING Belgium's own operations are an important topic, our largest impact on the environment and earth's climate is through our financing. Therefore, our approach to transition planning focuses on our financing activities.

We see our financing and services as an opportunity to support our clients' transition ambitions. In this chapter, we will also list some relevant actions to address our identified material opportunities.

While ING Belgium is currently actively reflecting on the elaboration of meaningful and realistic quantitative transition plans, these related disclosures have been phased in for next sustainability statement reporting.

Wholesale Banking portfolio

The Wholesale Banking division is globally managed, given the global nature of these clients and the global nature of ING's relationship with them. With the Terra approach, ING Group measures the global emission intensities associated with (Wholesale Banking) clients active in the most emission-intensive sectors, except for oil & gas where ING Group steers on financial exposure. ING Group uses this information to benchmark these clients' activities against relevant decarbonization scenarios. This allows ING Group to steer its global Wholesale Banking lending portfolio by engaging with these clients and supporting them in their transitions, helping them to drive down emissions caused by their business activities and financing the required change. For more information on ING Group's global approach to transition planning in Wholesale Banking, please refer to ING Group's Sustainability reporting.

ING Belgium is currently exploring how to follow and endorse ING Group's Terra approach for Wholesale Banking, and how to formalize its contribution to this approach. In addition, we are engaging with our ING Belgium Wholesale Banking clients on their own transition plans and sustainability strategy, analysing how ESG factors impact their credit risk and assessing opportunities for transition and green financing.

ING Belgium and ING Luxembourg Wholesale Banking aim to support their clients in their sustainable transition through the Wholesale Banking product offering and more specifically, through the origination of sustainable finance transactions. We differentiate between green and social products and sustainability-linked products. For green and social products, the proceeds are dedicated to finance assets that are in line with the Green or Social Loan/Bond Principles, hence, financing a specific sustainable economic activity. Sustainability-linked products are a client engagement product and designed to change the behaviour of a client and steer their transition. The Sustainability Linked Loan Principles by the Loan Market Association (LMA) are the main market guidance. Our product offering applies to our lending, as well as to our investment activities on capital markets.

Business Banking portfolio

Over 2024, ING Belgium explored how to approach the Commercial Real Estate portfolio decarbonization. We experience challenges with respect to the EP data availability and quality, as well as, similarly to residential real estate (see below), the role of a bank in steering the sector decarbonization. We also face challenge linked to other stakeholders, such as governments and asset owners. We are also exploring how to address the decarbonization of other sectors we finance. And we are investigating whether a sector-agnostic approach can be considered for a part of the portfolio, given the granularity and multiplicity of sectors we finance in the Business Banking division. From 2025, additional efforts will be deployed to further establish a transition pathway for the Commercial Real Estate sector and for our top-GHG-emitting clients on a sector-agnostic basis.

To address opportunities, we offer financing solutions and provide services that can help our Business Banking clients to transition their business model. For example:

- We provide several transition-related lending products for specific EU Taxonomy-aligned purposes, for eco-renovation, for product linked to the European Investment Bank (EIB) sustainability related framework or to the Invest EU Sustainable Guarantee scheme. We also offer sustainable lease solutions for renewable energy financing. For our public sector clients, we offer solutions for green or social financing needs. and for our larger Business Banking clients, we can offer the range of sustainable finance products which are available for our Wholesale Banking clients.
- With the use of the Sustainable Buildings Guide tool, we advise Business Banking clients about the energy-related investment options and their estimated impact, thereby informing the client's decision process.-In addition, we have set up a network of external partners (consultants), referenced by ING Belgium, to support our SME and Midcorp clients in their sustainable transformation and regulatory requirements.

We also invest in our Business Bank sales teams with training and tools to ensure they are equipped for client engagement on sustainability and transition.

Residential Real Estate (RRE) portfolio

Residential Real Estate (mortgages) is a material sector for the ING Belgium Retail lending book and one with material financed emissions. As a bank, ING Belgium can influence its RRE portfolio by adjusting the energy label mix of newly originated loans and by helping customers renovate their homes to improve energy efficiency.

In 2024, the emission intensity of our residential real estate portfolio was 59,43 kg CO2e/m²y.

In line with PCAF's GHG Accounting and Reporting Standard, we use Energy Performance Certificates (EPCs) to calculate emission intensities. Since EPC data is not widely available in Belgium, we use proxies where necessary. We continuously collect EPC data for new and existing homes to improve accuracy.

One of the main challenges in approaching this portfolio decarbonization is to concretely demonstrate the efforts of the bank, considering the dependency on other stakeholders such as National and regional governments, homeowners, and renovation industry players.
For example, reaching net-zero milestones in housing is largely depending on the national energy mix of Belgium and requires governments and institutions to accelerate the installation of new renewable electricity capacity and shift away from fossil fuels, including in the case of ageing nuclear assets. Furthermore, Governments have a primary role in driving changes in consumer behaviour by incentivising, and supporting homeowners to integrate sustainability when building or renovating their homes. The regional Governments in Belgium had implemented some policies to support and incentivize the improvement of the energy performance of the residential stock, but then reduced them. The Flemish Region has however provided some clarity over new measures for homeowners and buy-to-let transactions.

Another challenge faced in Belgium is the fact that three regional authorities are competent for the Energy Performance of buildings, and thus three Energy Performance label scales exist.

Taking into account these challenges, we are refining our approach to transition planning for our RRE lending book, to better reflect our contributions to net-zero goals as a mortgage provider and in line with EPBD objectives. While developing this new approach, we will continue to monitor the CO_2 emissions intensity of our RRE portfolio.

To address the opportunities in this market, we continue to finance our customers and to launch new services to help our clients to renovate. For example:
We provide customers with access to digital platforms that enable them to plan their sustainable renovations. These cover a range of aspects, such as determining what renovation actions to take, linking customers to renovation contractors, and connecting them to subsidies or financing to finance the renovations. We provided in 2024 the ING Sustainable Buildings Guide to our retail customers in Belgium, which provides insights on the energy efficiency impact of various renovation options and thereby supports our client's decision making process.
We finance sustainable homes and renovations through secured and unsecured lending. We offer sustainable mortgages which provide an incentive to customers choosing energy-efficient homes in Belgium. We also offer mortgage features that encourage renovation, for example with an incentivizing pricing grid based on improving energy performance. We also offer unsecured sustainable consumer loans that can be used for energy-efficiency renovations.
Mortgage advisors are trained to engage on sustainable renovations with customers.

In Luxembourg, EP certificates are required for every new mortgage since beginning of 2024. For existing portfolio, EP certificates missing in the credit file are asked to clients, the remediation will continue in 2025. However, considering the progressing run-off of Retail Mass activities, ING Luxembourg didn't develop sustainable Mortgages offering

Overview of our financed emissions per assets classes[8,9,10]

ING calculates absolute financed emissions using the PCAF's Global GHG Accounting and Reporting Standard for the Financial Industry. Emissions data and financial data are the input for our absolute financed emissions calculation. Data are gathered from, among others, CDP (2023 dataset for reporting period 2022/23) and PCAF, and for financial data, from internal databases and Standard & Poor's (S&P) Capital IQ. [11]

Financed emissions YE2024

Asset class		Scopes 1 and 2		Scope 3	
	Outstanding EUR billion	Financed emissions in ktCO2e	Economic intensity in ktCO2e/ EUR billion	Financed emissions in ktCO2e	Economic intensity in ktCO2e/ EUR billion
Residential Real Estate (Mortgages)	44.022	1,448.33	32.90		
Non RRE Lending in scope	53.737	6,183.11	115.06	31,601.90	588.08
Business Loans - Business Banking	37.875	3,747.62	98.95	20,240.75	534.41
Business Loans - Wholesale Banking	15.061	2,387.53	158.52	11,361.15	754.34
Commercial Real Estate WB	0.800	47.96	59.95		
Lending towards sectors that highly contribute to climate change	24.545	5,167.23	210.52	25,591.66	1,042.64
Agriculture, forestry and fishing	0.535	812.54	1,518.77	341.15	637.66
Mining and quarrying	0.680	474.69	698.07	5,360.72	7,883.41
Manufacturing	8.574	2,428.74	283.27	10,377.77	1,210.38
Electricity, gas, steam and air conditioning supply	1.602	618.33	385.97	551.27	344.11
Water supply, sewerage, waste management and remediation activities	0.683	171.90	251.68	269.44	394.49
Construction	2.203	44.06	20.00	3,066.96	1,392.17
Wholesale and retail trade, repair of motor vehicles and motorcycles	6.653	348.55	52.39	4,397.15	660.93
Transportation and storage	2.389	259.82	108.76	1,027.11	429.93
Accommodation and food service activities	0.371	8.29	22.35	146.02	393.58
Real estate activities	0.856	0.31	0.36	54.08	63.18
Lending towards sectors other than those that highly contribute to climate change	29.192	967.92	33.16	6,010.24	205.89
Financial and insurance activities	6.422	104.72	16.31	1,442.03	224.55
Lending to other sectors	22.770	863.20	37.91	4,568.21	200.62
Total Lending	97.759	7,631.43	78.06	31,601.90	323.26
Total Equity investments	0.246	10.86	44.15	76.69	311.75
Total exposures in scope	98.005	7,642.30	77.98	31,678.59	323.23

[8] Scope 1: Direct emissions owned or controlled by a company.
Scope 2: Emissions from the energy purchased by the company.
Scope 3: All other indirect emissions linked to business activities.
[9] The calculation of financed emissions is done using Credit Risk data.
[10] The calculation and disclosure of financed emissions from sovereign debt are currently excluded from this report due to the absence of a standardized and widely accepted methodology. While initiatives such as the PCAF standard have introduced preliminary guidance, these methodologies remain under review and lack consistent application across the industry.
[11] ING BE own operations have been deemed not material and, as such, are not included in the sustainability statement (incl. also e.g. joint ventures, etc)

Policies and actions

Policies, procedures and supporting instruments

The ING Group Environmental, Social and Governance (ESG) Risk Framework provides a definition of ESG risk, the governance structure supporting the management of ESG risk, as well as an overview of the various roles and responsibilities related to ESG risk. The framework outlines ING's approach to managing ESG risk as a risk driver of existing risk types. It is the overarching governing framework for all ESG risk-related management processes and approaches within ING Groep N.V. (reference to the ESG Risk section in the Group Management Report)

The ING Group framework is supported by the double materiality assessment (DMA), the ESG Risk Policy and its supporting documents, ensuring the implementation of obligations, processes, and control requirements from the policy.

The ESG Risk Policy outlines ING's approach to effectively identify, assess, mitigate, monitor and report ESG related risks as per ING's ESG risk appetite, by considering applicable and material elements across the value chain as per ING's double materiality assessment.

ING Belgium has adopted the Group policy requirements in this respect, unless deviation is required pursuant to local laws, regulations and/or supervisory acts. Relevant legislation and supervisory guidance on risk management practices, also ESG-related disclosures including EBA Implementing Technical Standards (ITS) on Pillar 3 disclosures on ESG risk, Corporate Sustainability Reporting Directive (CSRD), EU taxonomy for sustainable activities, Sustainable Finance Disclosure Regulation (SFDR) are taken into account for drafting the policy.

The ESG Risk Policy outlines its objectives and purpose, referencing relevant laws, regulations, and global documentation. It also details the high-level obligations for entities such as ING Belgium and ING Luxembourg, including control objectives to manage and mitigate ESG risks. The obligations are provided for applicable value chain components. For ING Belgium, the Strategic Risk Department, as the local policy owner, oversees and monitors the policy to ensure its implementation. The country CRO holds the ultimate responsibility for the implementation of the Group policy into the local risk management framework. In Luxembourg, CRO has also the ultimate responsibility and oversight and monitoring are done by Head of Integrated Risk

ESG risk is not identified as an independent risk category/risk type but rather as a set of risk drivers affecting the likelihood and severity of existing risk categories/risk types. ESG risk is an overarching set of risk drivers affecting financial, non-financial and other overarching risks. Consequently, ESG risk management is embedded within existing risk processes and procedures related to credit granting criteria, risk appetite steering and credit risk management. ING BE integrates global requirements into local policy annexes taking into account specifics of local regulations and market practices. Mostly such adjustments are done through lending criteria, local systems of loan management and systems of records.

Actions to implement ESG Risk Policy

In the following paragraphs we elaborate on the key initiatives for each of the business lines where Climate Change has been identified as a material risk.

Wholesale Banking

ING Belgium takes into consideration ING Group Wholesale Banking regular reviews of its business strategy and sets decarbonisation objectives for sectors identified as having a high negative impact. These initiatives are supported by the establishment of relevant processes and mitigation actions to address the risks associated with operating in these high-emitting sectors.

- Climate Risk Appetite Statement: The primary source of negative impact in Terra sectors (see Group report for the description of the Terra approach) arises from financing high-emitting corporate clients. However, the contribution varies among clients. We assess the severity of negative impact at the client level, considering their current emissions, financial capacity for transitioning to net-zero, and the quality of their transition plans. Our client-level transition risk assessment which have been progressively integrated in ING BE enables us to differentiate risks effectively. High-severity impact clients are managed by setting risk appetite limits to control financing, including imposing growth constraints from a Group & ING BE perspective.
- Lending policies and steering signals: All Sector Lending Policies and Steering Signals reference the ESG Risk Policy and apply its minimum requirements. In the steering signals, sector transition plans, addressing climate change mitigation and adaptation challenges, are crucial in defining these signals. Lending criteria are established per sector, aligned with the steering. The lending policies includes ESG factors and transmission channels relevant to each sector, detailing acceptable mitigants to address potential financial risks from ESG factors.
- ESG risk assessment tool: For WB, ING Group has developed a new ESG risk assessment approach which considers the Environmental (including Climate), Social and Governance risk factors, negative dependencies of our WB customers, and fully integrates the ESR framework. Tooling was implemented also at ING BE side to support the implementation of the assessment approach in the credit granting process. The new approach was gradually rolled out over 2024, and enhancements and refinements will continue during 2025. Depending on the ESG risk assessment outcome, mitigation actions and escalation to the ESR team, for additional due diligence and (binding) advice, might be required. The process steps are as follows:
  - First, a materiality check is performed for all clients and transactions to determine if a company is likely to have a significant negative impact and/or dependency on an ESG factor, based on its business model. This check is data-driven and relies on the company's primary sector and the typical negative impacts and dependencies of that sector.
  - Second, a data-based ESG factor rating is calculated for all material ESG factors. These ratings capture the overall drivers of risk associated with each ESG factor on a five-point scale, ranging from very low to very high.
  - Third, the Front Office conducts a qualitative assessment and identifies potential mitigants to either reduce the impact or the financial risk of a given transaction. Additionally, the transaction is checked against the minimum standards for the sector and the list of restricted activities and companies.
- Client engagement strategy: Business-driven client engagement strategy aims at enhancing clients' performance and management in terms of climate change mitigation and adaptation.
- ING Group Wholesale Banking Data infrastructure: The ESG data infrastructure is being improved to integrate external and internal ESG data sources across the entire business line. This integration provides a foundation for ESG data-driven solutions, such as centralised corporate client location data and EPC label data for commercial real estate, ensuring the highest possible level of granularity.
- Collateral valuation for Commercial Real Estate: Material risks affecting property value are integrated into ING's collateral valuation practices, including initial valuation, collateral monitoring, and re-valuation.

Mortgages

Transition and physical risks for the mortgage portfolio have been incorporated into ING BE business strategy, data controls, risk appetite, lending criteria, and collateral valuation processes

One of the most crucial actions ING took to achieve more accurate emission-based target setting and to better understand the effectiveness of its business strategy was implementing a set of mandatory data controls. Among these controls is the management of the quality and availability of EPC data & geolocation of the asset.

Risk appetite is aligned with the business strategy and includes specific metrics for managing low-quality EPCs at new origination. Besides transition risk also Physical Risk is fully embedded in the mortgage origination flow.

Breaches in risk appetite are managed within the risk appetite framework, with timely escalation to the local Credit Policy Committee and top management. The incorporation of climate-related risks into lending criteria is aligned with our risk appetite and business strategy whilst also enabling the transition towards more sustainable housing for our clients.

Transition and physical risks are incorporated into collateral valuation through external valuers.

Business Banking

ING regularly reviews its business strategy and works on assessing how to approach the transition of its business banking portfolio and its negative impact. ING also engages with a selection of clients which have a negative impact to better understand their current situation and plans, and to support them in their transition process.

ING takes decisive actions to manage associated risks. In line with its risk appetite, a certain level of risk is accepted, as exposure to such risks is inherent to ING's business model and its ambition to support clients' transition. These risks are regularly assessed, monitored, and managed through client-specific assessments , defining risk appetite limits for exposure to transition risks, key risk indicators related to physical risks, and additional acceptance criteria for specific segments like income-producing real estate & client engagement for real estate transactions for own-use.

Risks that fall outside of ING's risk appetite must be effectively mitigated or will not be accepted. Mitigation strategies may include insurance for physical risks, incorporating transition and physical risks into collateral valuation, or setting covenants.

EU Taxonomy regulations

The EU Taxonomy Regulation (EU Taxonomy) is a published regulation in the Official Journal (Regulation (EU) 2020/852 of 18 June 2020) of the European Commission (EC). This regulation is introducing a reporting obligation for corporates to disclose environmentally sustainable economic activities based on the six environmental goals set out by the EC:

- Climate change mitigation (CCM);
- Climate change adaptation (CCA);
- Sustainable use and protection of water and marine resources (WTR);
- Transition to a circular economy (CE);
- Pollution prevention and control (PPC);
- Protection and restoration of biodiversity and ecosystems (BIO).

Next to the overarching regulation, the two main concepts of the EU Taxonomy for corporates subject to reporting, eligibility and alignment, are introduced in Article 8, Delegated Act EU 2021/2178 (DA). An asset is deemed eligible when the activity is described in the DA, after which an assessment can be performed on whether the asset is also aligned. In order to be aligned, an eligible asset is assessed against the following criteria:

- It has substantial contribution to one of the six environmental goals set out by the EC;
- It does not cause significant harm to any of the other environmental goals; and
- It meets the minimum safeguard criteria.

Green Asset Ratio (GAR) and other relevant Key Performance Indicators

The most relevant key performance indicator (KPI) for credit institutions is the GAR. This is determined as the proportion of taxonomy-aligned assets (numerator) that we finance in relation to total assets covered by that financing, also referred to as "Total GAR assets" (denominator).

The GAR is to be supported by granular templates following Annex VI of DA 2021/2178. These regulatory required templates for EU Taxonomy are included in the 'Appendix to the Sustainability Statement'.

Summary of the main EU Taxonomy metrics - based on turnover

EUR mio	Gross carrying amount	EUT eligible	EUT aligned
Loans and advances, debt and equity securities other than held for trading using turnover KPI's			
Financial corporations	2,550.58	840.91	32.26
Non-financial corporations	5,133.49	4,046.27	659.98
Households	44,341.43	44,341.43	3,926.45
Local governments financing	2,304.47	2,304.47	—
Total assets in numerator and denominator of GAR	**54,329.97**	**51,533.07**	**4,618.69**
EU non-financial corporations, not subject to CSRD	42,115.01		
Non-EU and non-financial corporations, not subject to CSRD	3,797.65		
Derivatives	1,743.51		
On demand bank loans	123.56		
Cash	317.25		
Other assets	23,676.44		
Assets excluded from the numerator, covered in the denominator	**71,773.43**		
Total assets excluded from the numerator and denominator	**26,337.39**		
Total assets in the denominator (GAR)	**126,103.39**		
Green Asset Ratio (GAR)			**3.66 %**

For 2024, ING BE (consolidated view including ING BE subsidiaries and ING Lux) reported an eligibility ratio of 3,66% based on turnover ratio and 3,76% based on capex KPI. These EU Taxonomy aligned assets are also used to calculate the ING BE and ING Lux Green Asset Ratio (GAR). This ratio shows the aligned assets as a percentage of the total assets in scope of the GAR.

ING's largest exposure is derived from private households. In line with ING Group approach, our global residential mortgage portfolio is EU Taxonomy (EUT) eligible. The alignment is mainly determined by energy scores (EP score) and where not available, is based on the top 15 percent of the most energy efficient buildings.

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Social

As an employer, we aim to provide a safe and inclusive workplace, with a workforce that reflects the diversity of our customer base. We believe financially healthy people contribute to a healthy economy and drive social progress, which is why we aim to support customers in meeting their financial commitments now, while building their financial security for tomorrow. We believe every person deserves to be treated with dignity and have their interests considered equally, whether it concerns people in our own workforce or our consumers and end-users.

As detailed in the General Information section, the double materially assessment has identified as material sustainability matters within the following topical ESRS related to "Social":

- European Sustainability Reporting Standards - S1 Own Workforce
- European Sustainability Reporting Standards - S4 Consumers and End-users

For the identified subtopics, we refer to the dedicated sections in Social.



Own workforce

Our own workforce[12] is our greatest asset, we want all our employees to have the skills and capabilities they need to make significant contributions to the continued and sustainable growth of our business. We also want to provide them with a superior employee experience and seek to create a diverse, inclusive, and vital environment that reflects the world we operate in, and where our employees feel they can belong and thrive. As our own workforce is within the value chain of our own operations, this section will describe the material impacts, risks, and opportunities (IROs) in relation to this value chain.

Identified impacts, risks and opportunities

Positive impacts on our own workforce relates to how we develop employees' skills and foster career growth and adaptability. We also strive to promote diversity, which allows for new perspectives and builds trust. The material positive impacts we've identified are linked to the following topics:

- Training and skills development: Upskilling provides employees with new competencies and knowledge, opening the door to long-term career advancement, within or beyond their careers at ING. Continuous skills development keeps employees updated on industry trends and best practices, making them resilient and adaptable to change.
- Diversity: Working in a diverse team exposes employees to new perspectives, experiences, and problem-solving approaches. Diversity, inclusion and belonging initiatives encourage learning and growth, helping ING employees to expand their skills and viewpoints, which can enrich both their personal and professional lives. The mutual respect and trust from employees of diverse backgrounds can improve collaboration and communication, creating a supportive work environment where employees feel comfortable contributing ideas.

Negative impacts on our own workforce could materialise through exposure to unrealistic workloads and expectations and may perpetuate gender inequality, sustain pay gaps and may fail to adequately prevent violence and harassment. These negative impacts can diminish the well-being of our workforce, especially among vulnerable groups such as women and minorities. They are not considered to be widespread or systemic, but could rather relate to individual incidents. The negative impacts are connected to the following topics:

- Gender equality and equal pay for work of equal value: Company culture, policies or processes can contribute to gender inequality, reflected in a low percentage of women in management positions and a pay gap. The term "equal treatment" (equality) refers to the principle of non-discrimination, according to which there shall be no direct or indirect discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion, or belief, political or any other opinion, membership of a national minority, property, birth, disability, age, or sexual orientation.
- Measures against violence and harassment in the workplace: Violence and harassment can negatively impact the physical well-being and mental health of a person, as it may violate the dignity of a person and create an intimidating, hostile, degrading, abusive, humiliating, or offensive working environment. This can lead to anxiety, persistent fear, stress, and/or depression. Violence and harassment are typically directed at vulnerable groups such as ethnic, racial, sexual, and other types of minorities, and women.
- Work-life balance: As an employer, we could potentially cause or contribute to work-related stress and pressure. This is due to, for instance, unrealistic workloads, deadlines, or expectations which can negatively impact the work-life balance of employees who might be reluctant to take family-related leave, work flexible hours or use daycare services.

Risks recognised are inherent and primarily arise from the materialisation of negative impacts. Risks may also pertain to the employment and inclusion of persons with disabilities. For instance, failing to provide adequate workplace accessibility could result in reputational damage.

Company culture, bias and existing policies or processes can contribute to gender inequality, evidenced by a low percentage of women in management positions and a persistent pay gap. The principle of equal treatment is a general principle of European law which states that comparable situations or parties in comparable situations are treated in the same way. In the context of ESRS S1, the term "equal treatment" also refers to the principle of non discrimination, according to which there shall be no direct or indirect discrimination based on any ground such as sex, race, colour, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age or sexual orientation. This latter, also applies to diversity within the own workforce.

Own workforce strategy – Unlocking our people's full potential

"Unlocking our people's full potential", which encompasses our workforce strategy, is an enabler supporting our 'Together for Progress' strategy. External and internal impacts to our workforce including but not limited to geopolitical forces, changing technology and employee expectations are considered as these trends influence business needs and therefore the resulting business model.

We at ING Belgium strongly believe we have an abundance of talent and potential within our own workforce. Thanks to their commitment, we succeed in supporting our customers and contribute to the continued, sustainable growth of our business. To respond to challenges like capability shortages, rapidly advancing technology, and shifting people expectations that strongly impact our changing working environment.

ING strives to provide a safe, diverse, and inclusive workplace. Unlocking our people's full potential is the strategic approach we take to meet this commitment for our workforce, complemented by our policies, targets, actions and data-driven insights. For more on 'unlocking our people's full potential' please refer to our Strategy section.

The governance of our diversity, inclusion and belonging (DIB) strategy, of our measures against harassment and violence, and of our initiatives supporting well-being, employment, and the inclusion of persons with disabilities, is structured in such a way that ING can address its material risks and impacts in a timely and effective manner. To strengthen our adaptability and resilience, tools like the Annual Gender Pay Gap Process and the Organizational Health Index provide valuable insights that guide the refinement of our policies, inform strategic direction, and support the implementation of regulatory changes. Through ongoing policy reviews, residual risk assessments, and

[12] Own workforce refers to our employees and non-employees (contractors and individuals engaged via employment agencies), also referred to as our 'employees'.

the alignment of processes with evolving regulations, we continuously enhance our capacity to manage both current and emerging risks effectively.

Our approach to diversity, inclusion and belonging is focused on understanding, mutual respect, and celebration. We recognise that not everyone experiences work and life in the same way, and so we aim to ensure fairness and equity in everything we do. ING has a diversity, inclusion and belonging strategy in place to foster an inclusive culture and environment. The strategy focuses on mitigating potential negative impacts and highlights the actions we take around disability and gender equality, such as our reporting on our gender pay gap and equal pay for equal work. These aim to ensure fairness for all and mitigate the risk of discrimination. In addition, our employees are expected to adhere to our Global Code of Conduct, which complements our strategy and is focused on fostering and maintaining a safe working environment. Together with focused initiatives on work-life balance and employee training and skill development, the environment we seek to create can enhance employee engagement, improve well-being, and create a strong and diverse performance culture.

ING introduced its global accessibility strategic vision, 'Leave no-one Behind', in 2022, setting out to improve the position of our employees and customers with disabilities. This was expanded upon in December 2024 with the launch of a global strategy for disability and neuro-inclusion for our workforce.

Processes for engaging with own workforce and workers representatives about impacts

We understand that an important part of unlocking our people's full potential is by engaging with our employees and our social partners, listening to their ideas and views. For that reason, we commit to maintaining various engagement channels to better understand how they feel. We hold frequent surveys to get employee feedback on topics such as ING's strategy and working conditions, like our Organisational Health Index (OHI), Employee Experience Index and Well-being survey. We also encourage dialogue through targeted town halls and trainings, while employees have the opportunity to share their opinions more regularly with line managers or in team meetings. Performance management reviews, Works Council and meetings with social partners are an additional, formal setting in which this dialogue can take place. Our Chief People Officer is responsible for the dialogue with social partners and is chairing the Works Council.

Policies, actions, targets and metrics

Workforce characteristics

In addition to our strategy, policies targets and actions, the following table of workforce insights includes the total number of our own employees by head count, with breakdowns by gender, age and details on permanent and temporary employee hours. We also examine other contextual information and methodologies for data compilation to aid in understanding our workforce characteristics. For example, we measure turnover on a monthly basis as it has the potential to impact operational effectiveness. In 2024 total turnover was 11 percent for Belgium & Luxembourg. Additional disclosures include breakdowns for full-time and part-time employees, to obtain a comprehensive insight into our employment practices and impacts.

Our people in numbers

Total headcount
7,132 Employees

Total number of leavers
796

Employees

7,061	71	5,692	1,440
Permanent employees	Temporary employees	Full-time employees	Part-time employees

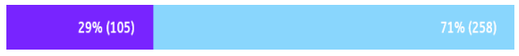
Age distribution

8%	55%	37%
<30 years	30-50 years	> 50 years

Gender distribution



Senior leaders gender distribution



Women Men

	Belgium	Luxembourg
		
Overall headcount	6,230 Women: 48% Men: 52%	902 Women: 47% Men: 53%
Permanent Employees	6,181 Women: 48% Men: 52%	880 Women: 47% Men: 53%
Temporary Employees	49 Women: 39% Men: 61%	22 Women: 36% Men: 64%
Full-time Employees	4,962 Women: 40% Men: 60%	730 Women: 39% Men: 61%
Part-time Employees	1,268 Women: 80% Men: 20%	172 Women: 80% Men: 20%

These numbers are based on year-end figures as of 31 December 2024.
The category 'other' is not applicable.
Senior leaders are employees GJA level 19 and above.

Diversity and inclusion

Diversity and inclusion policy

As part of an internationally operating bank, we are continuously navigating the complexities of global and local regulations. Our global diversity & inclusion (D&I) policy, aligned with and recognised as a policy under the CSRD's policy definition, outlines our global ambitions and targets. Among other things, the D&I policy focuses on the impacts and risks related to 'diversity' and ‘gender equality and equal pay for work of equal value’ and the risks regarding 'employment and inclusion of persons with disabilities'. We have initiatives and guidance addressing the topics of work-life balance (well-being) and training and skill development.

The global D&I policy outlines our approach to creating an inclusive culture and environment where everyone can be themselves and reach their full potential. Our global diversity, inclusion and belonging strategy (DIB) was endorsed by ING's senior management, approved by the Management Board and supported by the Supervisory Board in November 2022 to work towards the ambitions set out in our global D&I policy. This policy is supported by the ING Belgium Executive Committee and is applicable to our own worldwide workforce including Belgium and Luxembourg.

Our D&I policy drives us to:

- Actively support diversity, equity, and inclusion, and embed a culture where everyone is valued and treated with dignity and respect.
- Ensure that people leaders work in partnership with their teams to create and sustain an inclusive working environment where everyone's unique contribution is valued and where everyone feels a sense of belonging.
- Ensure that decisions affecting employment, learning and development, promotion and career development are based on an individual's ability and reflect genuine requirements of the job.
- Conduct annual analyses of our global gender pay gap and equal pay for equal work as part of our commitment to denounce discrimination and to promote equal remuneration for work of equal value for all employees.
- Provide everyone with the appropriate information, and training, on diversity, equity, and inclusion in the workplace.
- Make the necessary adjustments to meet the needs of people with disabilities where reasonable and practicable to do so.
- Strive continually to provide people with a working environment that is free from discrimination and/or harassment of any kind.
- Behave in accordance with the values and behaviours of our Orange Code, which applies to all ING business units in all countries worldwide.

At ING, we denounce all forms of discrimination. Our global D&I policy and global DIB strategy, gender diversity targets, and various DIB action plans are aimed at preventing discrimination and driving inclusion. Discrimination includes any distinction, exclusion or preference based on age, sex, gender identity or expression, gender reassignment, sexual orientation, family responsibility (including pregnancy, maternity, paternity and adoption), partnership status, cultural background, religion, race, ethnicity, physical or mental disability, nationality, political opinion, social origin or any other status, that has the effect of nullifying or impairing equal opportunity or treatment in employment. Any distinction, exclusion or, preference not based on the inherent requirements of the job is deemed as discrimination. Our D&I policy is publicly available on: https://www.ing.com/Sustainability/Our-own-operations/Diversity-inclusion-and-belonging.htm

ING’s workforce policies are aligned with local labour laws and regulations. In addition, we seek alignment with international standards on human rights (such as the UNGPs) through the implementation of EU Directives and the development of internal policies, such as our D&I policy, Whistleblower Policy and other mechanisms, such as our human rights statement and workplace statement.

Actions on Diversity and Inclusion

We take various actions to further understand the impacts coming from outside ING, and we continuously inform our workforce and leaders on best practices related to developments and learnings in DIB. This is exemplified in our collaboration with external organisations to understand the impact of global events, socio-economic movements, and changes in legislation on DIB. For example, we make the most of our memberships of Workplace Pride and the Business Disability Forum to draw on their expertise and guidance to refine our strategy and actions for, respectively, the LGBTQI+ and disability communities. Where appropriate, we participate in external assessments, to understand our maturity on specific areas and our need for focus and improvement in others. In 2024, ING was named as an ‘Advocate’ in the annual Workplace Pride global benchmark, the highest ranking possible for an organisation. ING continues to investigate how we can further mitigate potential negative impacts and risks on our own workforce within the scope of diversity, inclusion and belonging, gender pay and remuneration.

In 2023, we rolled out a diversity, inclusion and belonging learning curriculum for all employees, people leaders and senior leaders to encourage inclusive behaviours at all levels. In 2024, we elaborated on this course and expanded our focus to building the leaders of the future to support a more diverse and inclusive workforce on all levels of the company. The curriculum provides everyone with training on diversity, equity, and inclusion in the workplace. By investing in ensuring our workforce and leaders are self-aware and building understanding of diversity and inclusion, we help to limit the risk of discriminatory behaviour within the organisation.

Our efforts go beyond formal training and skill development as seen in our promotion of inclusion, self-awareness and allyship through our Employee Networks and continuous listening. There are over 45 Employee Networks globally, of which 6 in Belgium, relating to culture, disability, gender, generations, LGBTQI+, and race and ethnicity. Our Executive Directors are actively involved as sponsor of these Employee Networks or as mentor of underrepresented groups. ING Luxembourg launched the Rainbow Lions and Lioness Employee Networks in 2024 and aims to deploy the ENABLE group in 2025.

Through structured dialogue with the leaders of our Employee Networks across ING, the global DIB team can gather feedback on people's experiences. This is used to help shape ING's global DIB strategy and associated actions, both at a global and local level. Efforts are made to resolve issues collaboratively and as far as is possible. In addition, we have incorporated a yearly Inclusion Index in our Organisation Health Index (OHI) survey to analyse different experiences of inclusion based on gender, age, and organisational demographic, enabling us to monitor the effectiveness of the policy and allowing us to take targeted action where required.

Next to these initiatives we also have Belgian specific actions focusing on diversity. In 2024 we put our focus on actions that will enable us to build a leadership pipeline that reflects diversity. We introduced New Gender diversity targets and developed DIB learning paths to build a more diverse leadership team going forward.

Gender diversity

In order to more systemically address the representation of women in senior leadership, a bank-wide gender equity action plan was launched in 2022. This was aimed at making sustainable improvements to how we hire, progress, and retain female talent. This action plan includes results from our gender pay gap and equal pay for equal work analyses, which are designed to highlight disparity and seek to address the inequities that exist in relation to pay and performance. There is also a set of gender-related targets focused on the representation of women in leadership roles as agreed by the Management Banking Board (MBB).

The Global Head of Diversity, Inclusion & Belonging proposes annual gender diversity targets to the HR Management Team, after which they are discussed with the MBB and Supervisory Board for final approval. The workforce or workers' representatives are not involved in this process, but these commitments are shared externally and are publicly available. We track progress against these gender diversity targets internally, and the results are shared with the relevant senior business leaders to drive progress. This progress is also shared quarterly with both the MBB and Supervisory Board ESG committee.

At ING Belgium these guidelines were translated in a company wide KPI for all managers to drive progress on gender diversity in senior leadership roles. These targets are not an end-goal in themselves but are simply milestones to achieving true gender equity at the top. A part of the variable pay of our Executive Committee is linked to the delivery of these internal targets on gender diversity in Belgium.

Gender diversity target 2024		Gender diversity result 2024	
29%	Female ING Senior Leaders - Belgium	30%	Female ING Senior Leaders - Belgium
24%	Female ING Senior Leaders - Luxembourg	26,5%	Female ING Senior Leaders - Luxembourg

Actions regarding gender pay gap (GPG) and equal pay for equal work metrics

At ING we have defined 'Our People Offer' (OPO) which describes how we want to pay and treat our employees fairly and transparently. We ensure that all our remuneration schemes (fixed and variable) and our benefits schemes are gender neutral, which is also stated in our ING Remuneration Regulation Framework (IRRF). Through OPO and our commitment to fair and transparent pay, we actively analyse reward practices to understand and remove structural barriers in the drive towards gender equity.

The gender pay gap (i.e. the difference between the average remuneration of men and women) is one of the measurements we use towards this commitment and is a practice ING committed itself to in 2021 ahead of industry standards and regulatory requirements. In 2022 we laid the groundwork to understand gender pay more thoroughly, and to provide a baseline to understand any gaps from 2021 onwards. Our analysis, supported by an externally assessed methodology, is divided into two parts: unadjusted gender pay gap and adjusted gender pay gap. This two-fold approach allows for more nuance, which is necessary given the complexity of the topic and change in analysis compared to previous years:

- The 2024 gender pay gap calculation methodology continues to use fixed compensation and variable remuneration (VR)[13], but has been adjusted following new regulatory requirements mandating reporting of the GPG for the respective reporting year. Previously, ING reflected the GPG with a one-year gap.
- To accommodate reporting for the current fiscal year, the 2024 GPG analysis used a target variable remuneration figure instead of the actual paid variable remuneration, the latter of which was used for the 2022 and 2023 analyses. This VR Target[14] represents the expected bonus an employee may receive based on the target performance of the Group, business line or functions and the individual.

Separate to the gender pay gap, we also initiated equal pay for equal work analysis to assess whether there is equal remuneration for men and women for work done of equal value. We use our Global Job Architecture to aid this analysis, which organises all job profiles within ING into a standardised structure allowing for easier comparison of capabilities and accountabilities across countries and business lines. Using this architecture, we were able to perform an 'equal pay for equal work' assessment and the results were shared with relevant senior leaders. The results acknowledged that there are existing circumstances where it is appropriate to reward employees differently. These cases are reviewed and affirmed, while action is taken for unjustified differences to ensure parity.

Unadjusted gender pay gap

ING follows the guidelines laid out by the European Banking Authority (EBA), which collects benchmarking data on the gender pay gap from banks under its supervision (including ING) per fiscal year as of 2023. ING is ahead of this requirement, having begun collecting data on gender pay globally and publishing its unadjusted and adjusted global gender pay gap in 2022. Using the EBA's definition, the unadjusted gender pay gap represents the difference in the mean remuneration paid to men and women expressed as a percentage of the mean remuneration paid to men.

[13] All non-regular remunerations paid by ING to the employee, including allowances, complementary bonuses, and commission.
[14] VR schemes (VR target) are designed in a gender-neutral way, are based on the Global Job Architecture and can vary per location. VR targets are expressed as a percentage of fixed pay.

At the end of 2023, the unadjusted gender pay gap[15] was 16 percent for Belgium as well as for Luxembourg. For 2024, using annual fixed remuneration and target bonus, the unadjusted gender pay gap of ING globally was 16 percent for Belgium and 15 percent for Luxembourg.

According to our analysis, this gap is caused by the higher representation of men in more senior, higher-paying roles than women. Fluctuations in the unadjusted gender pay gap can be mainly explained by career events, such as i) new joiners and leavers (including internal mobility), ii) compensation changes together with level changes, and iii) compensation changes while no other change happens. In the course of 2025, we will analyse whether the change in methodology, from actual paid bonus to target bonus, had a (significant) impact on the results. In the Annual Report 2025 we will also publish the 2024 unadjusted gender pay gap using actual paid bonus.

The results of ING's unadjusted gender pay gap reinforces our aim to increase the representation of women in senior roles[16]. To strengthen our understanding of the unadjusted gender pay gap, we conducted a deeper analysis to assess where and why these differences in pay between men and women occur. This next level of work is known as our 'adjusted gender pay gap' reporting.

Adjusted gender pay gap

Our adjusted gender pay gap analysis accounts for several factors to make the comparisons meaningful, including country differences and job classification. Certain job profiles in the global ING job catalogue are associated with higher pay than the reference group and there are proportionally more male than female employees in these job profiles. To subtract for country differences and the job catalogue effects, ING calculates its adjusted gender pay following the Oaxaca-Blinder method.

The adjusted gap analysis results show 1 percent for 2024 for both Belgium and Luxembourg.

While we are encouraged by the fact that our adjusted gender pay gap shows there are objective, explainable reasons for our unadjusted pay gap, we realise there is more to be done, especially about the under-representation of women in leadership positions, and we remain fully committed to improving this.

Country/Entity	UGPG24	UGPG23	UGPG22	AGPG24	AGPG23	AGPG22
Belgium	16%	16%	16%	1%	1%	1%
Luxembourg	15%	16%	15%	1%	1%	1%

Remuneration ratio

In line with the ESRS definition, ING discloses the remuneration ratio within ING. We determined the ratio of the total remuneration (i.e., the annualised total fixed and variable remuneration (VR)) based on the VR target of the highest paid employee in ING compared to the median total remuneration of all ING staff, excluding the highest paid employee. Total remuneration includes base salary, role-based allowance, fixed collective allowances, discretionary VR, collective VR, sales incentive, other incidental VR, retention award, and annual variable allowances. Within ING Belgium we have a remuneration ratio of 18.

	Remuneration Ratio
Belux	18

Actions on disability and neurodiversity

We recognise our role to support disability inclusion and our responsibility to provide accessibility in banking and employment, in support of our employees and customers with and without disabilities.

ING has an existing Global Accessibility & Inclusivity Centre of Excellence (CoE) that is responsible for ensuring our digital and physical environment is accessible for all at ING through universal design. ING is currently implementing mandatory accessibility obligations throughout its internal policies with the aim to inform ING employees of their responsibilities more thoroughly in delivering an accessible bank for persons with disabilities and/or neurodiversity. With these accessibility obligations, we aim to set an internal global standard for accessibility. Accessibility is also a part of the ING ESG Risk framework.

In 2024, ING introduced a new global disability and neuro-inclusion strategy, aimed to break down the barriers people face and ensure everyone has the support they need to thrive. During a three-year period between 2025-2027, Belgium and Luxembourg, together with all countries across ING, will be expected to take several strategic actions to help drive change, create more equity and improve people's experience at ING no matter where they work and what they do. Furthermore, ING will continue to share its accessibility efforts through global internal and external communications on disability awareness-related days, including Global Accessibility Awareness Day (GAAD) and International Day for Persons with Disabilities (IDPD). The purpose is to raise awareness of key topics and build understanding within the organisation, contributing to an open, safe, and caring culture and to encourage people to share their lived experiences so we can better support them.

In Belgium, we introduced with the ENABLE network Inclusion guidelines for People with Disabilities.

Work-life balance

At ING we consider a healthy work-life balance important for sustainable and engaged employees. We promote a flexible way of working among our employees through different programmes such as hybrid working, international remote working, and various paid-time off programmes in order to support our employees in distinct phases of their life. Our broad range of family-related or personal event-related leave, such as parental leave and care leave, is in compliance with local legislation and requirements. In 2024 we launched ING's 'Working Habits', which provides tailored insights and proposals for healthy and effective ways of working. This scalable technology is enhanced by global training for our managers which equips them with practical tips to adopt 'best practice' working habits with

[15] Gender pay gap is calculated for all staff working for ING entities in Belgium or Luxembourg, including ING Bank Belgium branch due to methodological restrictions, excluding Record Credits and Fiducré as staff numbers are below the EBA threshold of 250.

[16] See definition of women in senior leadership in appendix Definition of environment, social and governance element

their teams. As part of our ambition to promote wellbeing, including mental wellbeing, physical wellbeing, and a healthy work-life balance, we are working towards a global wellbeing strategy in 2025.

Training and skill development

Through our engagement with our workforce, we understand that to achieve our strategic ambitions we must attract, develop, and retain fit-for-future talents. Therefore, we have both scalable and curated learning and development offerings tailored to our employees' roles and growth to meet our current and future skills and capability needs. This includes domain-level academies, mandatory and non-mandatory learnings (online and in-person) and both formal and informal development opportunities for our range of employee scales.

To complement our training agenda, we also focus on talent development. In 2024 we performed strategic talent reviews across the bank for more than 280 senior roles to better identify and understand the leadership, skill and capability needs of our domains to grow the difference.

Given the new local regulation, a training target was added as KPI for all Belgian ING managers to reach the required five learning days for 2024.

Whistleblower Policy

Regarding the risks and negative impacts related to 'measures against violence and harassment', our Whistleblower Policy provides instructions on treating concerns in a careful and proportionate manner, aimed to ensure that ING takes appropriate, lawful, and timely action in case of concerns related to human rights by or within ING. We deem it important that our employees can report, anonymously or not, alleged irregularities ('Concerns') in accordance with our Whistleblower Policy. Concerns raised through this process are treated confidentially and are not disclosed externally, on a case-by-case basis.

In Belgium a mandatory training was rolled out in 2024 to highlight the importance of speaking up and voicing concerns and showcase the end-to-end process for both anonymous and normal reporting, including the support that can be expected by ING to help resolve the situation. On top of these initiatives, mental wellbeing support is provided in Belgium and in Luxembourg via the Employee Assistance Program for our staff and partners.

Our actions against violence and harassment in the workplace

We are committed to upholding both the requirements set by human rights, laws, and regulations, as well as the exacting standards of our Orange Code. The Orange Code describes the behaviours and values ING aspires to and which function as our promise: 'Integrity above all, by balancing the rights and interests of all stakeholders'. Through our Orange Code and our Global Code of conduct, we can fulfil our purpose of empowering people while countering potential negative impacts and risks related to, for example, violence and harassment. We recognise that raising concerns can be challenging, therefore we create a safe environment that encourages employees to share concerns and speak up through multiple initiatives and channels, globally and locally. These channels, such as the OHI survey and the Whistleblower process, that ensure employees feel supported and heard are globally known, encompass mature processes and are made available on ING's intranet, with guidance and trainings additionally available so employees and managers have a full understanding of the infrastructure in place.

In accordance with our Whistleblower Policy and related control standards, we record and monitor concerns according to specific categories, as represented in the adjacent table. The overview contains concerns reported with respect to our own workforce, through the dedicated whistleblower channel. The concerns are reported quarterly (in numbers and on content) to ING Group Compliance.

Whistleblower cases are categorised into the categories that link to internationally recognised human rights:
- Discrimination
- Aggression, violence, and bullying
- Breach of confidentiality and data privacy related to an employee.
- (Sexual) Harassment.
- Work-pressure/unrealistic targets.
- Retaliation

In 2024, 22 concerns were identified as in-scope of the ING Whistleblowing Policy for Belgium, and 4 for Luxembourg[17]. In 2024 we did not identify any fines, penalties, or compensation of damages related to reported incidents and complaints.

[17] See definition of Whistleblowing cases "in scope" and "not in scope" in appendix Definition of environment, social and governance element

Whistleblower category of concerns
Accounting, internal accounting controls or auditing matters
Aggression and violence
Anti-trust/competition law
Breach of confidentiality and data privacy related to client/employee
Bullying
Climate, Environment and Human Rights
Conflicts of interest
Discrimination
Fraud/theft
Harassment
Market abuse / Insider trading
Other undesirable behaviour
Other: (i) breach of any external law or (ii) breach of any ING policy
Retaliation
Sexual harassment
Unfair customer treatment
Work pressure/unrealistic targets
Working environment
Workers conflict

To understand if any of the whistleblower cases are considered a severe human rights incident, we applied three elements of severity as per ESRS 1: scale, scope and the remediability of the impact to the whistleblower categories mentioned above. Based on our assessment, no severe human rights incidents connected to our own workforce were identified in the reporting period.

We have escalation channels in place to report on incidents related to diversity, inclusion and belonging. We are also continuously designing and developing interventions in close cooperation with Human Resources and our Compliance team to improve ‘speak up’ and escalation behaviour across the organisation. For more information, please refer to our Governance section.

Consumers and End-Users

Consumers and end-users of ING Belgium's services include companies and private individuals who we provide our services to. In accordance with the outcome of ING Belgium's double materiality assessment, in this section we focus on private individual customers within our Retail Banking (RB) domain, also referred to as our 'customers'. At ING, we strive to make access to our products fair and our communication transparent, and respect the rights of our customers when providing our services. This includes mitigating impacts and risks related to access to quality information, social inclusion, and privacy.

We assessed the materiality in acknowledgement that the topics are particularly relevant to customers in a vulnerable position. A customer is in a vulnerable position when, due to their personal circumstances, they are especially susceptible to harm or exclusion, particularly when ING Belgium is not acting with appropriate levels of care. Customers in a vulnerable position may include, elderly customers, customers who experience (temporary) sensory, physical, cognitive, neurodiverse disabilities, or chronic disease and customers with reading difficulties.

Identified impacts, risks and opportunities

Negative impacts relate to practices that compromise fairness, inclusivity, and data security and can harm customer wellbeing, damage our reputation, and expose us to financial and regulatory risks. The negative impacts are not widespread or systemic, but based on individual incidents and are linked to the following topics:

- Access to quality information: There are potential negative impacts related to 'Unfair Customer Treatment', due to mis-selling, as well as ING Belgium (deliberately) misrepresenting a financial product or providing an unclear or unfair presentation of the financial product. These practices might lead to customers making uninformed decisions, potentially leading to financial distress.
- Social inclusion: There are potential negative impacts on our customers due to non-discrimination violations and ING Belgium's failure to provide access to products and services. This may result in the exclusion of customers due to accessibility barriers or regional restrictions, unequal treatment among customers, and the mis-selling of products through misleading marketing.
- Privacy: There are potential negative impacts related to data privacy in accordance with existing data protection legislation (e.g. GDPR). Failure to meet this responsibility can result in potential negative impacts for our customers, including identity theft, financial loss due to fraudulent activities, loss of privacy, and emotional distress.

Risks arise from the materialisation of the identified negative impacts and are associated with failing to uphold fairness, inclusivity, and data security.

Assessment of current financial effects are mainly based on the engagement with our customers, mainly through our complaints channels. For our legal claims processes, we rely on the existing approach based on the recognition and measurement criteria of provisions in the Financial Statements. For 2024, there are no other significant current financial effects. Please also refer to chapter 'Legal Proceedings'.

Strategy

We strive to make banking easy, instant, personal, and relevant so customers can stay up to date with all that ING Belgium offers. We aim to clearly price products and services, avoid complicated jargon and always be accessible. We strive for inclusion of all our customers, with and without disabilities.

Access to quality information and social inclusion are important in promoting financial health and accessibility. Enhancing financial literacy is also essential to empower customers to make informed decisions. These topics, along with related issues such as non-discrimination, access to products and services, and responsible marketing, are validated through our customer-centric compliance risk assessment. Additionally, safeguarding customer privacy and data security is a key compliance and reputational priority, reflecting our responsibility to protect personal information. We manage related risks by continuously assessing the regulatory environment for updates and implementing these in line with our governance measures. This ensures we remain compliant while safeguarding our strategy to provide superior customer value. The processes for managing our risks and impacts, as laid out in this section, are integrated into existing risk management and compliance processes.

Processes for engaging with customers

At ING Belgium, we regularly engage with our customers in order to understand any concerns they may have and to improve our services and activities. This engagement is the responsibility of our head of Retail. For more information on how we collect and handle customer feedback, please refer to the 'Customer feedback' section of the 'Strategy and Performance' part of this report. Furthermore, we continue to encourage inclusive and accessible product and service development throughout ING Belgium. In addition to our general engagement activities, we use our complaints channels to gain a clearer picture of the impacts we have on our customers. We refer to our complaints and remediation process in this section for more information.

Policies, actions and performance

Complaints and remediation process

In addition to our general engagement activities, we use our complaints channels to gain a clearer picture of the impacts we have on our customers. The insights we obtain into complaints can help us to implement structural changes in our products and processes. This includes the need to be transparent about the complaints process and to keep customers informed about the progress of the handling of a complaint. All complaints must be assessed regularly, and root cause analyses must be carried out to mitigate risks of customer harm. Customers can also raise complaints about ING Belgium's financial products through third parties, including distributors, brokers (e.g. via Record Credits) and manufacturers (e.g. of insurance or investment product).
There are several ways our customers can file a complaint. An ING Belgium client has the possibility to file a complaint by means of the ING Banking app, Home'Bank, or by requesting the creation of an official complaint at a branch or via the call and chat channel.

Customers are made aware of these channels via publicly available information e.g. ING Belgium website (within the contact section and/or on specific product pages, FAQ's and search engine) and via the Terms & Conditions which are provided to the client during onboarding. Furthermore, a call centre, branch and/or chat agent can provide further information regarding complaints processes when a customer contacts ING Belgium. In fact, complaints are primarily managed through contact centres and branches, and most complaints are resolved upon initial contact. If

unresolved, they are escalated to the central team for complaints management at ING Belgium, the Customer Care Team.

We evaluate the complaints handling process, for instance, through an assessment of the time it takes to resolve complaints and how frequently we do so. Next to that, we ask clients to fill in a survey after their complaint was handled, to collect their feedback. A change in products, financial compensation and/or apologies can help to address any negative impacts on customers. We analyse complaints to implement structural changes in products, processes, policies, procedures, and communication, and involve relevant risk parties and internal stakeholders as needed.

We value our customers and evaluate their concerns seriously and, while not embedded in our customer focused policies, we do not tolerate retaliation by any employee. Next to that, complaints are being treated as confidential to protect the customer.

ING Belgium's subsidiaries which are also dealing with retail customers (ING Luxembourg, Record Credits and Fiducré), have their own complaint handling procedures, which are different from ING Belgium's, though comparable. Customers are, for each subsidiary, adequately informed about the complaint mechanisms, the entities have their own complaint handling processes and the complaints are regularly analysed to define improvement actions.

Over the course of 2024 ING Group developed a minimum set of standardised labels on human rights (like discrimination, accessibility, privacy) and ESG. These labels will be applied to complaints and are operational in 2025, enabling us to perform root cause analyses and to rectify service breakdowns, improve the customer journey, address potential human rights abuses and provide appropriate remedy, help senior management better understand customer protection and further strengthen customer trust. ING Group is currently developing an internal approach to enable a granular and systematic identification of severe human rights incidents. All the subsidiaries of ING Group, including ING Belgium and ING Luxembourg, are expected to implement these labels.

Actions regarding access to quality information and social inclusion

We have introduced various measures to make ING Belgium a more accessible bank, such as issuing bank cards with a notch on top so clients can insert them correctly. These cards are also useful for customers with limited hand functionality. Furthermore, we want to make sure everyone can easily understand our terms and conditions, that the information on our websites is readily accessible and that customers can use our online banking channels and mobile app irrespective of their situation. As part of the European Accessibility Act, ING Belgium and its subsidiaries are part of the program ING Group started in 2022 in all EU countries where ING has Retail Banking activities, to align digital channels with the EU's Web Content Accessibility Guidelines standard (WCAG 2.1).

To further mitigate potential material negative impacts and risks related to social inclusion, ING Group is collaborating with the United Nations Environment Programme Finance Initiative under the Principles for Responsible Banking to contribute to setting a measurement standard for the financial health impact of our industry. This initiative aims to promote financial inclusion and resilience. ING Belgium will start working on financial health measurements in 2025. ING Belgium has already implemented several tools (Save Up, Look Ahead, Budget tool) designed to encourage its customers to build savings and manage their expenses effectively. ING Luxembourg is able to send alerts via the ING Banking app to support customers in their budget management.

As mentioned, it is pivotal to continuously improve social inclusion and to ensure our customers have uninterrupted access to their products and relevant information. We continuously monitor and optimize the performance and uptime of our channels to meet customer expectations and ensure seamless banking experiences. We track the availability of our mobile app as explained in the 'Digital solutions' section of the 'Strategy and performance' chapter in this annual report. We further comment on the accessibility of our channels in the 'Accessibility' section of the same chapter.

ING Belgium, just as all the other locations in which ING operates, implements the policies created by ING Group Compliance. ING Group provides a global database in which outcomes of our monitoring, complaints analyses, event analysis or regulatory interactions are recorded. Issues are monitored on a local and global level. In relation to products and services, we perform periodic reviews in the context of the Product Approval and Review Process, which may lead to the remediation of a product if, for example, it is considered unfit for our customers.

To mitigate the risk of social inclusion, ING Belgium also works on digital inclusion. In 2024, ING Belgium allocated €2.06mio to our BeeGo partnership, to make our digital products and services more accessible. Via BeeGo, we employ students in the main ING Belgium branches across the country to help clients with the app installation and some digital banking services. In 2024, about 32,500 BeeGo interactions with clients took place, with a high Customer Satisfaction CSAT score at 4.1.

Actions regarding privacy

ING Belgium manages personal data protection and retention risks via its Global Data Protection and Data Retention frameworks and control standards. Potential material impacts are identified and addressed by relevant data protection (risk) assessments such as:

- Data Protection Impact Assessment – performed at processing activity level and allowing for an in-depth scrutiny of personal data processing activities in line with applicable regulations and data protection principles;
- Legitimate Interest Assessment – performed in order to assess whether ING Belgium can rely on legitimate interest as a lawful basis in case of certain personal data processing activities; in the case of this assessment the legitimate interests of ING Belgium are considered and balanced against the interests and rights of individuals in scope of the processing;
- Transfer Impact Assessment – performed in case personal data is transferred to a non-EEA country; in this case the soundness of contractual and technical protective measures and controls is assessed.

All assessments mentioned lead to concrete risk identification and impact mitigation measures which are implemented on a granular level (business process or IT asset level). This enables ING Belgium to continuously identify, manage and limit relevant data protection risks, as data protection risk assessments represent an integral part of defining new business processes or introducing changes to existing ones.

Equally, personal data protection considerations are assessed and documented at product level, within the PARP process. Furthermore, the data protection framework consists of policies and control standards which are subject to continuous monitoring and periodic assessment and measurement.

In case of security incidents impacting personal data (e.g. data breaches) it is our policy to take the necessary containment and mitigation measures as soon as possible after identifying such an occurrence. As part of this policy we assess related data protection risks and impacts and determine whether external reporting to supervisors is required, ensuring compliance with regulatory requirements. Depending on the impacts and risks related to the incident, we undertake 'lessons learned' sessions to enhance workflows to prevent similar future occurrences in order to improve the protection of customer personal data. These lessons learned take into account, first and foremost, the potential or actual impact of a data breach occurrence on affected customers.

The effectiveness of our data protection and retention controls is monitored and tested periodically as part of the ING Key Control Testing framework. Data protection and retention controls are managed in line with implemented data protection governance. Relevant business process asset and contract owners are supported in identifying and managing data protection and retention risks, including by implementing appropriate mitigation measures, by dedicated first and second line teams, the Data Protection Executive Office and Data Protection Compliance. The Personal Data Protection Statement for ING Belgium provides information on how an individual can submit a data protection related complaint (https://www.ing.be/en/individuals/daily-banking/personal-data-protection-statement-for-ing-belgium-nv-sa).

For 2024, relevant improvements of the personal data protection framework have been delivered, with a focus on the retention and deletion of data. We continuously optimise data protection processes with the aim to ensure the compliant embedding of data protection requirements in relevant business processes.

Global Personal Data Protection Internal Policy

Just as we strive to enable customers to engage with ING Belgium without issue or interruption, we also make sure to protect all the information they provide to us throughout their ING journey. The same applies for our business partners, service providers and our employees. In line with the EU's General Data Protection Regulation (GDPR) and other applicable data protection requirements, ING Belgium aims to process personal data for a specific business purpose in a fair and lawful manner, observing the rights and liberties of data subjects in scope of our activities. To fulfil this ambition, ING Belgium has implemented the Global Personal Data Protection Internal Policy (GPDP) which reflects the requirements based on laws and regulations, industry standards and ING's internal risk appetite. This GPDP contains specific requirements and controls which ensure the necessity and accuracy of the personal data ING Belgium is processing.

It is our policy to have operational flows regarding data subject rights (such as the right to access personal data, right to erase personal data which no longer needs to be retained, right to object to data processing etc.) and that these are adequately provided to all individuals whose personal data is subjected to processing. This means that ING Belgium has implemented operational flows which allow us to process requests concerning access to personal data, the amendment/correction of personal data, opposition to processing of personal data etc. in a timely manner.

In line with our policies, ING Belgium strives to be transparent about what we do with the personal data of customers, employees, suppliers and business partners, who we share personal data with and why. Our business entities, support functions, as well as the third parties that we engage with, must ensure that the data subject is granted a level of protection equivalent to that guaranteed by the GDPR, especially if personal data is transferred outside of the European Economic Area. Part of the data protection scope is that personal data is managed in a safe and secure manner, in line with current information security standards. Each subsidiary has their own privacy statement that is published on their website.

- For ING Belgium: https://www.ing.be/en/individuals/daily-banking/personal-data-protection-statement-for-ing-belgium-nv-sa
- For Record Credits: https://www.recordcredits.be/fr/rgdp
- For Fiducre: https://www.fiducre.be/nl/web/fiducre/legals
- For ING Luxembourg: https://www.ing.lu/webing/content/siteing/en/Individuals/legal-documents-/legal-documents/content/Data_protection/Privacy_statement.html.

Data Protection policies are in place to facilitate and drive compliance with the provisions of data protection laws, including the GDPR which reflects the fundamental right to privacy.

With respect to data privacy, ING Belgium has signed the Febelfin code on "good banking relationship" where chapter 3 deals specifically with discretion, confidentiality and protection of personal data. (https://febelfin.be/media/pages/over-febelfin/9cf7924695-1694763195/bonne-relation-bancaire.pdf).

Metrics

We aim to limit the number of complaints and/or breaches related to access to quality information, social inclusion, data privacy, and associated reputational risks. If these occur, we take actions to remediate risks and impacts, as described in the previous paragraph. For our reputational risks, we have a Compliance Risk Framework which contains risk appetite indicators used for internal monitoring. In 2024, we achieved an availability rate of our critical business services of 99,5%.

Regarding engagement with customers we monitor and report the Net Promotor Score (NPS) for Retail Banking, which concerns the measurement for customer satisfaction and loyalty.

Governance

Our culture drives the way we do business and impacts all our stakeholders. We are guided by ING's Orange Code, which sets our values and behaviours principles ensuring we work with integrity, transparency and high standards of business ethics. Employees are encouraged to speak up and report concerns and have a zero tolerance approach to any form of bribery and corruption.

As detailed in the General Information section, the Double Materially Assessment has identified sustainability matters within the following topical ESRS related to "Governance":

- European Sustainability Reporting Standards - G1 Business Conduct with a focus on Whistleblowing, Corporate Culture and Anti Bribery and Corruption sub-topics.

The specific sustainability matters, along with their associated Impacts, Risks and Opportunities (IRO's) are addressed in this chapter. For each IRO, the adopted policies to manage material sustainability matters are outlined,including the related actions, metrics and targets.



Business conduct

Business conduct refers to the way we do business, which is generally translated in a code of conduct. A code of conduct represents the standard to which an organisation and its employees need to adhere to and entails the values, principles, and ethical standards in which an entity operates.

Identified impacts, risks and opportunities

As explained in more detail in our Business Model and Strategy section we have performed our double materiality assessment on our own operations in the value chain - in line with the scope and definition of business conduct - and concluded the Risks as displayed in the below table material to ING.

The remainder of this section will focus on these identified material risks, which are defined as follows:

- Corporate Culture: the risk of financial loss, regulatory fines and reputational damage due to incidents related to our corporate culture, meaning our norms, attitudes and behaviours related to decision making, risk taking, and business ethics.
- Anti-Bribery and Corruption: the risk of financial loss, reputational damage, loss of banking license or regulatory compliance status due to illicit bribery and corruption activities conducted by ING, its employees and/or third parties acting on behalf of ING, failing to comply with applicable anti-bribery and corruption laws (e.g., UK Bribery Act (UKBA), US Foreign Corrupt Practices Act (FCPA)).
- Whistleblower: the risk of breaches of the values, behaviours and principles in the Orange Code, the Global Code of Conduct, laws and regulations and other internal ING policies as a consequence of not carefully dealing with concerns.

These risks have an effect on our own operations and therefore policies and internal guidelines are in place. Corporate culture is addressed by our Orange Code and Global Code of Conduct, and bribery and corruption are addressed by our Anti-bribery and corruption Policy and zero-tolerance statement. The protection of whistleblowers is addressed by our Whistleblower Policy and internal guidelines. Our Orange Code, Global Code of Conduct (together our Corporate Culture), Anti-bribery and corruption Policy and Whistleblower Policy are described in the following paragraphs.

Assessment of current financial effects is mainly based on ING's internal risk database (including engagement with our workforce and our whistleblower channels). For 2024, there are no significant current financial effects.

Our governance around policies and other control measures has been designed in such a way that ING is able to identify and assess actual and potential risks in due time. Through application of our risk management cycle activities, we can mitigate upcoming and existing risks. However, longer-term horizons face critical uncertainty due to the evolving regulatory landscape and the limited ability to forecast which exact macroeconomic and social developments will unfold.

Corporate culture

Our operations touch many lives: customers, employees, shareholders, suppliers and society at large. Each individual within these groups has a reasonable expectation that we act with integrity. At ING, we all have a duty to put integrity above all we do and to live up to the values we hold. We will not ignore, tolerate or excuse behaviour that breaches our values. To do so would break the trust of society and the trust of the thousands of great colleagues who do the right thing to take this company forward every day.

Our corporate culture starts with the Orange Code which is a declaration of who we are with “integrity above all” being the overarching principle. The ING Global Code of Conduct links the Orange Code and main ING policies and guidelines. While the Orange Code sets out general values and behaviours, the ING policies and guidelines are much more specific and state the rules more in detail.

Our values and behaviours	Main ING policies and procedures		
	Business Conduct Framework		
The **Orange Code** is a manifesto that describes our way of working. It is comprised of our values and behaviours	Orange Code Global Investigations Charter	**ING Global Code of Conduct**	**Whistleblower Policy**
Zero tolerance on corruption and bribery	**Anti-bribery and corruption Policy**	ABC High-Risk Roles Guidance	Global Event Management Procedure

All policies are available and easily accessible for all staff on the ING intranet and ING.com.

Training and awareness are of great importance for policies to be effective. Global mandatory trainings are developed for business conduct related policies (e.g. Global code of conduct, whistleblower, anti-bribery and corruption).

Besides these policies, ING has several internal processes and guidelines in place to provide guidance towards the actions and monitoring of the risks and policies.

Policies, actions, targets and metrics

The Orange Code

The Orange code describes what we can expect from each other when we turn up to work each day. It is a set of standards that we collectively value, strive to live up to, and invite others to measure us by. The Orange Code is comprised of the ING Values and the ING Behaviours:

Values	Behaviours
We are honest	You take it on and make it happen.
We are prudent	You help others to be successful.
We are responsible	You are always a step ahead.

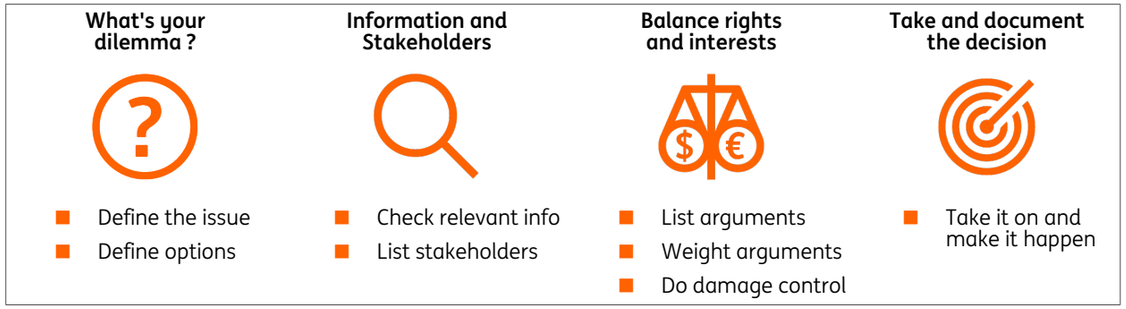
The Orange Behaviours are embedded in commitments we make to each other and the standards by which we measure each other's performance and is published on ING.com.

Risk culture

Having a sound risk culture enables us to play our role in society responsibly and to keep the bank safe and secure. Our employees contribute to ING's risk culture by acting with the right mindset and living up to our Orange Code and Global Code of Conduct. To monitor ING's risk culture, we developed a risk culture monitoring methodology that displays the risk culture maturity across ING entities. We look at four key behaviours from ING's risk culture framework: Risk awareness, risk judgement, escalation & follow-up and leadership. To understand the behaviours, we identify the formal and informal drivers of risk culture. Risk culture is not easily captured by a single data point, so we combine different sources, such as the annual risk culture survey, professional judgement, and quantitative indicators. We track the progress of our risk culture maturity on an annual basis, and the MBB and SB actively discuss the risk culture on a bi-annual basis.

Orange Code decision-making

Balancing the rights and interests of all our stakeholders is one of the key Orange Code principles. To further enhance risk judgement, we continued to apply the Orange Code decision-making model to dilemmas. This four-step model supports well-balanced and informed decision-making.



In 2024, the focus has been on supporting decision-making and advisory bodies at ING, dealing with e.g. environmental and social risk, product approval and review processes, data ethics or model validation, in organising dilemma dialogues as part of their decision-making process.

Behavioural risk

Behavioural risk is an increasingly important area for ING and across the financial industry. It arises when behavioural patterns are at the root of financial and non-financial risks in the organisation. The complexity of this type of risk is that it is less tangible compared to other risk areas because it focuses on behavioural patterns and their drivers. There are patterns in how decisions are made, how people communicate, and whether they can and are willing to take ownership. Behaviour is driven by formal and informal mechanisms. Examples of formal drivers are the processes ING applies and how its governance is structured. Informal drivers are less tangible, such as group dynamics or underlying beliefs that influence behaviour.

Behavioural risk assessments

Behavioural risk assessments identify and analyse undesired behaviours within ING and provide management with specific direction on how to change these behaviours. They focus on the effectiveness of groups rather than individuals, the role of leadership, and on less visible aspects such as team dynamics and unwritten social norms. The goal is to understand and systematically assess what drives undesired habits at ING. The behavioural risk management framework is used as a guide across ING to identify behavioural risks in the organisation which require deeper investigation.

Behavioural risk interventions

Based on the results of the executed behavioural risk assessments, interventions are taken to mitigate the behavioural risks in a focused manner. Effective mitigation requires a deep understanding of what drives undesired behaviours. Behavioural and organisational science theories and evidence-based techniques and tools play an important role in designing and facilitating interventions.

In 2024, a global activation plan aimed at promoting productive conversations, to improve speak-up and escalation behaviour, has been rolled out across the organisation. This intervention has been designed for senior leadership teams and is supported by an e-learning and a toolkit for further cascading the intervention to the underlying teams.

Whistleblowing policy

At ING we systematically look for ways to enhance and harmonise our 'speak up' channels for undesirable behaviour. Concerns can be reported to a variety of channels, like managers, HR, trusted advisors and whistleblower reporting officers. End of 2024, the external provider changed. The external reporting line (Vault) now provides a web and app reporting functionality, allowing for more accessibility and ensuring anonymity of the reporter if requested. The platform also functions as a case management and reporting tool for the Whistleblowing Reporting Officers. We want our people to feel safe to raise concerns and to be confident that we will treat any concern raised adequately.

We support our people to raise whistleblower concerns by providing them with an anonymous reporting option; treating all identifying information with utmost confidentiality; disclosing reporters' rights; and having strict anti-retaliation measures in place. Also, customers, shareholders, suppliers and other stakeholders can report any suspicions and complaints on misconduct or behaviour via Complaints about our conduct | ING.be.

ING does not tolerate any form of retaliation and any employee, including (senior) management, is strictly prohibited from retaliating against a reporter or against anyone providing information or who otherwise assists in an investigation. The Whistleblower Policy and Procedure outline the minimum mechanisms to ensure fair, timely, careful and proportionate follow-up on concerns raised. At ING Belgium, the whistleblowing reporters are responsible to lead the investigations. The department of Corporate Special Investigations (CSI), part of Non Financial Risk Services, may intervene for conducting the investigations. CSI and the whistleblowing reporters conduct the investigation in an independent, objective, impartial and confidential manner. At ING Luxembourg, investigative teams with the required expertise are set-up depending on the content of reports and investigations are carried out in line with the Global Investigations Charter.

In 2024, the protection of reporters was further reiterated in an updated Whistleblower Policy and a revamp of both global and specialists trainings. Furthermore, ING Belgium operating under specific related national laws transposing the EU Directive 2019/1937 have created local policy annexes where necessary.

A new mandatory global e-learning was rolled out to all employees educating them on the whistleblower channel, anonymity and confidentiality, their rights as reporters and the importance of anti- retaliation, and information on how the follow up of concerns is handled. Furthermore, a specialist learning journey for whistleblower reporting officers was launched to provide a one-stop shop for mandatory obligations, investigative interviewing, useful guidance and templates.

Anti-bribery and corruption policy

ING has a zero-tolerance approach to bribery and corruption in all its relationships and business dealings. ING does not, and will not, accept and pay bribes or offer improper inducements or anything that could be perceived as such. ING expects the same from its business partners, and third parties that perform services or deliver business on its behalf. Investigations into possible breaches of anti-bribery regulations fall outside the authority of ING entities and are the sole responsibility of CSI, to ensure independence, objectivity and confidentiality. Instances of bribery or corruption need to be reported in accordance with ING's Global Immediate Event Reporting Procedure. This includes reporting to the local Executive Committee and Management Board Bank (MBB).

ING has a Key Risk Indicator (KRI) in place to monitor on a monthly basis the "Zero tolerance to instances of Bribery and/or Corruption by ING employees and/or Third Parties". The reporting is based on event data included in INGs Non-Financial Risk (NFR) Management tool, iRisk. NFR related events are captured in the system and iRisk provides standard reports to be used for Risk Reporting. The Global Event Management Procedure requires all ING entities to record instances of bribery and/or corruption in iRisk. The data and reporting on instances of bribery and/or corruption is not validated by an external body.

For 2024, there were no instances of convictions and fines related to violations of anti-bribery or anti-corruption laws for ING Belgium and ING Luxembourg. Therefore, no provisions were taken in accordance with the Global Event Management Procedure and to accounting principles.

Procedure and Registration principles.

ING has published an updated Anti-Bribery & Corruption policy (ABC policy), effective 1 April, 2024, internally on the intranet and externally on www.ing.com. The policy is aligned with relevant local and international laws including the US Foreign Corrupt Practices Act (FCPA) and UK Bribery Act (UKBA).

ABC training of staff

Global mandatory training on anti-bribery and corruption has been designed to provide all employees, including contractors, understanding of the bribery and corruption risks faced by ING, the risks they may be exposed to and how these risks are managed by ING. After the completion of the training, the learners will be able to:

- recognise the importance of our role in fighting bribery and corruption,
- highlight the consequences of bribery and corruption on the society and the organization
- recognise how we identify, manage, and mitigate potential bribery and corruption risks, and
- escalate any suspicious behaviour or suspicions of potential bribery/corruption risks through appropriate channels The anti-bribery and corruption training is part of the Financial Crime and Fundamentals e-learning.

Anti-bribery and anti-corruption training completion rates (End of December)	High Risk Roles training	General ABC training
Percentage of employees trained BE	**77.59%**	**95,49%**
Number of employees (int. + ext.) enrolled BE	*299*	*9338*
Number of employees (int. + ext.) trained BE	*232*	*8917*
Percentage of employees trained LUX	**93.52%**	**95,52%**
Number of employees (int. + ext.) enrolled LUX	*108*	*1163*
Number of employees (int. + ext.) trained LUX	*101*	*1111*
Duration and method	1,30 hour e-learning	1,30 hour e-learning
Frequency	Once every 3 years	Once every 3 years

Employees with a New Joiner status receive an additional specific ABC training. Therefore, same employee can appear multiple times in the data.

The general ABC training, which is part of the Financial Crime and Fundamentals e-learning, was rolled out in Q1 2023 and new joiners are expected to undertake the training upon joining ING. The percentage in the table compares the number of employees enrolled for the training to the number of employees that completed the training.

ING has a robust approach for identifying the roles with an increased exposure to bribery and corruption risks; these roles at risk which are also known as High Risk Roles. The High Risk Role Guidance defines in detail the job activities considered to be at risk or vulnerable from the bribery and corruption risk perspective. All employees in a High Risk Role are enrolled in specific HRR training and the training takes about one hour to complete . It covers the following key areas of activity.

- The regulatory requirements relating to anti-bribery and corruption, the risks for the financial industry and the impact of a regulatory breach.
- The internal anti-bribery and corruption governance, risks & controls framework.
- The ING Gifts & Entertainment (G&E) approach (roles and responsibilities relating to registering G&E).
- What are the risks associated with Public Officials (POs) and why they do represent an enhanced risk.
- The bribery and corruption risks in the hiring process.
- The bribery and corruption risks when engaging with third parties.

Annually, a targeted specific training for members of Board of Directors and Executive Committee of ING Luxembourg takes place in a classroom session either virtually or in person.

This is different from the eLearning mode of training adopted for other HRR learners. (including EB at country level).

Our leadership and Corporate Governance

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Corporate governance for ING Belgium is mainly regulated by the Code of Companies and Associations, the Bank Law[18] and the Governance Manual for the Banking Sector issued by the National Bank of Belgium. The Bank Law and the NBB Governance Manual describe the prudential expectation of the supervisor regarding good governance of a financial institution. The Governance Manual implements among other things, applicable EBA guidelines on internal governance.

Pursuant to applicable law and its articles of association, ING Belgium is managed by an Executive Committee and a Board of Directors, each with the powers assigned to them in accordance with applicable law. All executive directors are also members of the Board of Directors[19].

The Board of Directors approved the Governance Memorandum as well as the Charters of the Board of Directors, the Executive Committee, the Audit Committee, the Risk Committee, the Remuneration Committee and the Nomination Committee on 31 January 2025. The Governance Memorandum entered into force on . The Governance Memorandum and the Charters are updated on a regular basis.

[18] The law of 25 April 2014 on the supervision of credit institutions and stock broking firms.
[19] executive directors are referred to as “executive directors”, directors who are not executive directors are referred to as “non-executive directors”. Executive and “non-executive” directors are collectively referred to as ‘directors’.

ING Belgium ID card

→ **Registered name:** In Dutch, ING België; in French, ING Belgique; in English, ING Belgium; in German, ING Belgien.

→ **Registered office:** Avenue Marnix / Marnixlaan 24, B-1000 Bruxelles, Belgique.

→ **Company registration:** The bank is registered in the Register of legal persons of Brussels under company number 0403 200 393.

→ **Duration:** The company has been established for an unlimited duration.

Legal form, incorporation, publication

ING Belgium is incorporated under Belgian law as a public limited company (naamloze vennootschap - société anonyme) on 30 January 1935. The Articles of Association of the company have been amended regularly, most recently by notarial deed on 27 June 2022.

Object of the company

Under Article 3 of its Articles of Association, the object of the company is to perform all transactions, for itself or on behalf of third parties, in Belgium or abroad, that are part of banking in the broadest sense, including all transactions in connection with cash and security deposits, as well as any credit transactions and all financial, stock exchange, issue, commission and brokerage transactions.

It may also perform all other activities that credit institutions are or will be permitted to perform in Belgium or abroad such as, but without any limitation, all brokerage and insurance commissions, all finance lease contracts and any form of lease of any movable or immovable property, all advice and studies on behalf of third parties in the context of its activities.

It may participate by means of contribution, transfer, amalgamation, subscription, acquiring a shareholding or any other form of investment in securities or movable rights, of financial intervention or under any other form, in all undertakings, businesses, partnerships or companies with an identical, analogous, similar or related purpose or with a purpose that contributes directly or indirectly to its own achievement or development.

It may perform all transactions of whichever nature, commercial, industrial, financial, movable or immovable, which are directly or indirectly related to its object or may promote the achievement thereof.

License and supervision

ING Belgium is a licensed credit institution governed by the Bank Law, authorised and supervised by the European Central Bank (ECB) and also under the supervision of investor and consumer protection of the Financial Services and Markets Authority (FSMA)

Issued share capital

The issued share capital of ING Belgium amounts to EUR 2,316,682,638.01 and is currently represented by 55,414,649 ordinary shares, without par value.

The bank has not issued any other class of shares. The bank's shares are not listed. ING Bank N.V. is the sole shareholder of ING Belgium.

Registered auditor

KPMG Bedrijfsrevisoren BV/SRL - KPMG Réviseurs d'Entreprises BV/SRL. Represented by Stéphane Nolf.

Board of Directors

The General Assembly appoints directors and may dismiss them at any time. Outgoing directors are eligible to stand for re-election.

Composition and responsibilities

The number of directors is determined by the General Assembly, considering the complexity and the extent of the company's activities, as well as the legislation applicable to credit institutions and the Belgian Code of Companies and Associations. On 31 December 2024, the Board of Directors was composed of 17 members.

The main responsibility of the Board of Directors is to define the bank's general strategy and to supervise the Executive Committee. The Board of Directors chooses a chair among its members who is not a member of the Executive Committee.

Decision making

In accordance with the Articles of Association, the Board may only deliberate and reach valid decisions if the majority of its members are present or represented (except in case of force majeure). If the Board fails to reach a quorum, it may duly deliberate at a follow-up meeting if at least one third of the directors are present or represented.

Board decisions are taken by simple majority vote. In the event of a tied vote, the presiding member has the casting vote. The Board of Directors may decide by unanimous and written agreement between the directors.

The Board of Directors met 10 times in 2024.

Remuneration

In accordance with the Articles of Association, the general assembly determines the remuneration of the directors for their non-executive mandate. For more information, see the paragraph on Remuneration of the executive and non-executive directors.

External functions exercised by directors

The exercise of external functions by directors and senior management of Belgium-based financial institutions is subject to articles 61, 62 and 62/1 of the Bank Law, the Royal Decree of 8 February 2022 ratifying the Regulation of the National Bank of Belgium of 9 November 2021, relating to the external functions of the leaders of regulated undertakings and related NBB guidelines.

ING Belgium publishes the details of such mandates on its website.



Composition of the Board of Directors[1]

Hilde Laga → **2028**
Chairwoman of the Board of Directors

Peter Adams → **2026**
Chairman of the Executive Committee

Peter Göbel → **2028**
Executive Director

Cédric Lebegge → **2027**
Executive Director

Hans De Munck → **2030**
Executive Director

Bahadır Şamlı → **2026**
Executive Director

Sali Salieski → **2026**
Executive Director

Sandra Šimundža → **2029**
Executive Director

Ellen Aelvoet → **2024**
(until 31 December 2024)
Executive Director

Pinar Abay[2] → **2026**
Non-executive Director
Member of the Management Board Banking, ING Bank N.V.

Michał Bolesławski → **2029**
Non-executive Director

Ronald Dirk Oort → **2028**
Non-executive Director

Ingrid De Poorter → **2030**
Independent Non-executive Director

Nancy Dhollander → **2025**
Independent Non-executive Director

Sabine Everaet → **2027**
Independent Non-executive Director

Koenraad Van Gerven → **2025**
Independent Non-executive Director

Jean Hilgers → **2030**
(from 22 April 2024)
Independent Non-executive Director

Anne-Sophie Castelnau → **2024**
(until 22 April 2024)
Non-executive Director

[1] Expiry dates are shown opposite each Director's name
[2] Non-Executive Director who represents the sole shareholder

Advisory board committees

The Board of Directors has four permanent committees: the Risk Committee, the Audit Committee, the Remuneration Committee and the Nomination Committee. Each committee comprises at least three non-executive directors, of which at least one member (and the majority for the Audit Committee) is independent within the context of the article 3, 83° Bank Law.

Risk Committee

The Risk Committee assists and advises the Board of Directors in monitoring, among other things, the risk profile of the company as well as the structure and operation of the internal risk management and control systems. The risks of the bank must remain within the limits defined by its risk appetite framework.

A risk appetite framework must be defined for the following risk categories: market, operational, credit, compliance, strategic, reputational and liquidity risk.

The purpose of the Risk Committee is to advise the Board of Directors in matters related to the risk strategy and risk tolerance, both for current and future risks. The risks for the bank must remain within the risk limits. The Risk Committee met nine times in 2024.

Composition of the Risk Committee

Chairwoman Ingrid De Poorter
Members Koenraad Van Gerven
Ronald Dirk Oort
Jean Hilgers (from 22 April 2024)

Audit Committee

The Audit Committee assists the Board of Directors in monitoring, among other things, the integrity of the financial statements of ING Belgium, the compliance with legal and regulatory requirements, and the independence and performance of ING's internal and external auditors. The Audit Committee's responsibilities extend to ING Belgium and its Belgian and foreign subsidiaries. It met five times in 2024. Matters it dealt with included examination of the bank's financial statements for 2023 and the interim results for 2024.

The Committee also analysed the reports prepared by the bank's internal control functions. The Audit Committee reports to the Board of Directors at the Board meeting following each of its own meetings.

Composition of the Audit Committee

Chairman Koenraad Van Gerven
Members Ingrid De Poorter
Nancy Dhollander
Jean Hilgers (from 22 April 2024)

In compliance with the Bank Law and the Code of Companies and Associations, the majority of members of the Audit Committee of ING Belgium is independent.

These persons are Koenraad Van Gerven, Nancy Dhollander, Ingrid De Poorter and Jean Hilgers. Their curriculum vitae and active participation in ING Belgium's Board of Directors demonstrate their capabilities in accounting and audit.

Remuneration Committee

The Remuneration Committee advises the Board of Directors, among other things, on the terms and conditions of employment (including their remuneration) of executive directors for their executive mandate, and the policies and general principles on which the terms and conditions of employment of executive directors and of senior managers of ING and its subsidiaries are based. The Remuneration Committee met five times in 2024.

Composition of the Remuneration Committee

Chairwoman Nancy Dhollander
Members Ingrid De Poorter
Hilde Laga

Nomination Committee

The Nomination Committee advises the Board of Directors, among other things, on the composition and functioning of the Board of Directors and Executive Committee. The Committee also looks at the composition of the Board of Directors and develops the policy to increase the diversity in the Board (gender, age, cultural background, etc.). The Nomination Committee met five times in 2024.

Composition of the Nomination Committee

Chairwoman Nancy Dhollander
Members Sabine Everaet
Hilde Laga

Executive Committee

The Board of Directors appoints and dismisses the executive directors after having obtained the supervisory approval.

Composition and responsibilities

The Executive Committee has the most extensive management powers to conduct ING Belgium's business, except for matters reserved by applicable law to the General Assembly or to the Board of Directors.

The Executive Committee is composed of the executive directors, and chaired by the Chairperson of the Executive Committee, the Chief Executive Officer. The Executive Committee carries out its duties autonomously within the general policy set by the Board of Directors, the policies of ING Group and in accordance with the law and regulation.

The Executive Committee is accountable to the Board of Directors on the exercise of its collective responsibilities. It represents ING Belgium in accordance with the Articles of Association.

Internal allocation of responsibilities and decision-making

In accordance with the Articles of Association, the Executive Committee may only deliberate and reach valid decisions if the majority of its members are present or represented (except in case of force majeure). If the Executive Committee fails to reach a quorum, it may duly deliberate at a follow-up meeting if at least one third of the directors are present or represented.

Decisions are taken by simple majority vote. In the event of a tied vote, the chair has the casting vote. The Executive Committee may decide by unanimous and written agreement between the executive directors.

Each member of the Executive Committee is directly in charge of a number of areas of responsibility. In accordance with the applicable law, this internal allocation of tasks is described in the Governance Memorandum and communicated to the regulator. Decisions of the Executive Committee are taken on a collegial basis and all executive directors are loyally bound by decisions taken.

Within the Executive Committee, a member takes on the responsibility for AML/CFT (anti-money laundering/ combatting financing terrorism) and makes sure that the effective management takes up the necessary AML/CFT responsibilities. The AML Executive (Sandra Šimundža) is responsible for all duties described in the law of 18 September 2018 on AML/CFT.

As mentioned above, the activities of the Executive Committee are governed by a charter, last reviewed on 31 January 2025 (effective since 1 February 2025).

Remuneration

Article 9.4, paragraph 2 of the bank's Articles of Association stipulates that the Board of Directors determines, on the advice of the Remuneration Committee and in accordance with the remuneration policy of the bank, the remuneration of the executive directors. For more information, see also the paragraph on Remuneration of executive and non-executive directors.

Meetings

The Executive Committee generally meets once a week. Additional meetings are convened based on agenda and urgency.

Delegated decision making through committees

Several special committees report directly to the Executive Committee and have received a delegated decision authority. These are: the Assets and Liabilities Management Committee (Alco BeLux), the Non-Financial Risk Committee (NFRC), the Credit Policy Committee, the Product Committee, the Data Council, the Financial Market Risk Committee, the KYC Committee, the Sourcing Committee and the ING Belgium Sustainability Committee.

Composition of the Executive Committee[1]



Peter Adams
Chief Executive Officer
Chairman of the Executive Committee

Sali Salieski
Head of Retail & Private Banking
Executive Director

Sandra Šimundža
Chief Risk Officer
Executive Director

Ellen Aelvoet
Head of Wholesale Banking
Executive Director
(until 31 December 2024)

Cédric Lebegge
Chief Operating Officer
Executive Director

Hans De Munck
Chief Financial Officer
Executive Director

Peter Göbel
Head of Business Banking
Executive Director

Bahadır Şamlı
Chief Information Officer
Executive Director

[1] Situation on 31 December 2024.

Remuneration of executive and non-executive directors

This section is part of the global audited financial statements.

Breakdown of remuneration paid to directors

As determined by the General Meeting the total remuneration allocated to the directors for 2024 was EUR 0,793 million. This amount includes both the fees of the directors and the fees relative to the participation in the Committees.

Loans and advances to directors

Loans and advances to directors

In EUR thousands	2024	2023
Loans and advances	670	760
Total	**670**	**760**

The loans and advances granted to the directors are at market conditions.

Breakdown of remuneration paid to executive directors

The total compensation for executive directors now consists of two main components:

- The base salary, which represents the total guaranteed annual income;
- Variable remuneration, of which payment takes place in two portions: an upfront portion and a deferred portion.
  - The upfront portion is half cash and half ING Group shares or similar financial instruments. The latter half is subject to a retention period of one year;
  - The deferred portion with a deferral period of four (or five) years applies a tiered vesting schedule. Each annual allocation is half cash units and half ING Group share units or similar financial instruments. The latter half is also subject to a retention period of one year.

Variable remuneration is awarded under the condition precedent of the non-occurrence of any of the following circumstances: misbehaviour or serious error, malfeasance, fraud, significant failure of risk management, significant changes in the economic and regulatory capital base, specific conduct which has led to material re-statement of the Group's annual account or caused significant harm.

In addition to the base salary and incentive plans, the executive directors also enjoy benefits similar to those granted to most other employees of ING Belgium, such as medical insurance, life insurance, use of company cars and representation allowances.

Breakdown of remuneration paid to executive directors

In EUR thousands	2024	2023
Short term employee benefits	4,998	4,624
Post-employment benefits	1,231	1,347
Other long term benefits	502	459
Termination benefits	0	0
Share-based payments	925	857
Total	**7,656**	**7,287**

Pension scheme for executive directors

The pensions of the executive directors are based on a defined contribution group insurance plan, insured through a contract with AXA Belgium NV/SA.

Other principal contractual stipulations regarding remuneration of executive directors

If an individual's function as executive director is terminated otherwise than through retirement, dismissal or serious misconduct, remuneration will be paid equal to 12 months of the base salary.

In the case of long-term illness, the executive director will receive 100% of his or her last base salary for the first 12 months, 90% for the next 12 months and 50% afterwards.

No termination or long-term illness allowances were paid in 2024.

Corporate Governance and Diversity

Diversity and the Board of Directors

Diversity in the composition of the Board of Directors is assessed on a yearly basis by the Nomination Committee.

The diversity needed for a well-functioning board is more than just gender diversity. It also relates to other factors such as professional background, age, demographics, skills, competencies and experience of the members.

ING Belgium fully respects the legally required gender diversity requirements, to have at least one-third gender diversity in its Board of Directors. The gender diversity of the Board of Directors has moreover improved considerably over the past five years, coming from 19% female representation in 2016 to 41% by the end of December 2024.

The Board of Directors is actively helping ING Belgium to scout women for the Executive Committee too.

ING Belgium's Governance Memorandum stipulates that the term of office of a director expires at the end of the annual general meeting held the year in which the director in question reaches the age of 70. An ordinary or extraordinary general assembly of shareholders may, based on the proposal of the Chairman of the Board, extend or renew for one additional term the mandate of a director who has reached the age limit. The additional term may not be longer than two years.

Diversity and the Executive Committee

ING Belgium is convinced that diversity is a strategic priority and that a good gender balance adds value to decision-making at the highest level. In 2024, the Executive Committee had eight members, including two women, or a 25% female representation. In addition, we continue to actively identify and develop women to be ready to take more senior positions in the future.

Differences in nationality and business background are equally valued and positively contribute to the diversity of our Executive Committee. In addition, age and language diversity are also monitored.



The Executive Directors themselves are engaged in diversity actions of the company, acting as mentors for under represented employee groups and sponsors for our employee networks.

ING Belgium has been going through significant development in which diversity, inclusion and unconscious bias have been priorities of the executive committee in the redeployment of both employees and managers.

More information on diversity can be found in the section 'Strategy & performance'.

Non-financial information

Concerning the non-financial information pertaining to ING Belgium NV/SA, we refer to the "Our leadership and corporate governance" chapter in the 2024 Annual report of ING Group NV, the parent company of ING Bank NV and thus also of ING Belgium NV/SA.

Conflict of interest (COI)

Concerning the settlement of conflicts of interest, ING Belgium is subject to and applies all requirements of articles 7:96 CCA and 72 of the Bank Law and has established internal policy in this respect. In 2024, no decisions or transactions gave rise to the application of the procedure set forth in article 7:96 CCA.

Capital management

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Capital management

ING Belgium's capital management strategy ensures sufficient capital to cover risks, from both regulatory and economic perspectives, at all levels and comply with local and global regulations, while delivering value for our shareholder. ING Belgium's capital position remained strong despite the uncertain geopolitical environment. At both the consolidated and standalone level, ING Belgium has sufficient buffers to withstand various stressed scenarios.

Capital management strategy

The Group Treasury Balance Sheet & Capital Management (BS&CM) department of ING Belgium is responsible for maintaining the adequate capitalisation of ING Belgium and its subsidiaries at all times, in order to manage the risks associated with ING Belgium's business activities. This involves the management, planning and allocation of capital within ING Belgium and also the execution of necessary capital transactions.

BS&CM monitors and plans capital adequacy on consolidated and stand-alone levels. ING Belgium takes an integrated approach to assessing the adequacy of its capital position in relation to its risk profile and its operating environment, including both internal and regulatory requirements.
ING Belgium applies the following main capital definitions:

- Common Equity Tier 1 (CET1): is defined as shareholders' equity less regulatory adjustments. CET1 capital divided by risk-weighted assets equals the CET1 ratio.
- Tier 1 capital: is defined as CET1 capital plus Additional Tier 1 (hybrid) capital and other regulatory adjustments. Tier 1 capital divided by risk-weighted assets equals the Tier 1 capital ratio.
- Total capital: is Tier 1 capital plus subordinated Tier 2 liabilities and regulatory adjustments. Total capital divided by risk-weighted assets equals the Total capital ratio.
- CET1 ratio target - is built on the CET1 requirements specified for ING Belgium, augmented by an internal management buffer.
- Leverage ratio (LR) – is defined as Tier 1 capital divided by the leverage exposure.
- Minimum Required Eligible Liabilities (MREL) – is composed of Total capital and other bail-in-able liabilities, under the form of Non-Preferred Senior debt. MREL ratios are based on both risk-weighted assets and leverage exposure.

Capital developments

Since January 2014, ING Belgium has been reporting its capital requirements and available capital as per the CRD IV and CRR1 (commonly referred to as Basel III), subsequently supplemented by CRD V and CRR2, (Basel III reforms) published on 7 June 2019.

In June 2024, ING Belgium executed the following capital transactions:

- Redemption and renewal of EUR 750 million subordinated Tier 2 to ING Bank N.V., initially issued in June 2014, redeemed and renewed in 2019 for the same amount,
- Issuance of EUR 600 million Non-Preferred Senior (NPS) intragroup debt to ING Bank N.V.

As a result, as at 31 December 2024, ING Belgium consolidated CET1 capital amounts to EUR 7.0 billion; AT1 capital to EUR-equivalent 1.3 billion; Tier 2 capital to EUR-equivalent 1.4 billion; and total capital to EUR-equivalent 9.6 billion.
From a bail-in (resolution) capital perspective, on top of the existing EUR 5.8 billion Non-Preferred Senior (NPS) intragroup debt, the issuance of EUR 600 million NPS in June brings ING Belgium's Own Funds and Eligible Liabilities to a total amount of 13.9 billion (including Daisy Chain impact, see the MREL section below).

Processes for managing capital

BS&CM ING Belgium also ensures that sufficient capital is available by setting targets and limits relevant to the above-mentioned metrics for ING Belgium, and by ensuring adherence to ING's solvency risk appetite statements by planning and executing capital management transactions. The ongoing assessment and monitoring of capital adequacy is embedded in BS&CM's capital planning process as part of the ICAAP framework. As part of the dynamic business planning process, ING prepares a capital plan on a regular basis and assesses continuously the timing, need and feasibility for capital management actions in scope of its execution strategy. Sufficient financial flexibility should be preserved to meet important financial objectives. Risk appetite statements are at the foundation of the capital plan and are cascaded to the different businesses in line with ING Belgium's risk management framework. Contingency capital measures and early warning indicators are in place in conjunction with ING 's contingency and recovery plan to support the strategy in times of stress. Adverse planning and stress testing, which reflect the outcome of the annual risk assessment, are integral components of ING Belgium's risk and capital management framework. It allows to (i) identify and assess potential vulnerabilities in ING Belgium's businesses, business model, portfolios or operating environment; (ii) understand the sensitivities of the core assumptions used in ING Belgium's strategic and capital plan; and (iii) improve decision making and business steering through balancing risk and return following a forward looking and prudent management approach.

Regulatory capital requirements

Regulatory capital is required to support credit, market and operational risks. The adequacy of ING Belgium's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision (The Basel Committee) and European Union Directives, as transposed into Belgian Law, and Regulations as implemented by the NBB and the ECB for supervisory purposes. The solvency ratios compare the amount of

eligible capital (CET1, Tier 1 and Total capital) with the total of risk-weighted assets (RWAs). In 2010, the Basel Committee issued the Basel III solvency requirements which superseded Basel II, implemented in the EU via CRR and CRD. In accordance with the CRR, in 2024 the minimum Pillar I capital requirements were as follows:

- Common Equity Tier 1 ratio: 4.5%
- Tier 1 ratio: 6%
- Total Capital ratio: 8%

The revised capital adequacy directive (CRD IV supplemented by CRD V) aims at strengthening the resilience of banks, in particular through the introduction of capital buffers.
The Capital Conservation buffer of 2.5% of RWA is designed to ensure that banks build up capital buffers outside periods of stress, which can be drawn down as losses are incurred. The Countercyclical buffer (ranges from 0% to 2.5% of RWA) aims to mitigate cyclical systemic risks and to counter pro-cyclicality in lending. The level of countercyclical buffer requirement per country of exposure and its time of application are determined by national authorities (NBB in Belgium), based on macroeconomic developments. Banks may also be subject to a Systemic Bank buffer (currently 1% to 5%) determined to reflect their impact on the global economy (Global Systemically Important Banks – GSIB) or on the domestic economy (Domestic Systemically Important Banks – DSIB). The list of GSIBs is published annually by the Financial Stability Board. ING Bank NV is considered a GSIB resulting in a 3% additional capital requirement. ING Belgium is subject to a DSIB buffer of 1.5% in 2023. Since 2022, the sectoral systemic risk buffer (SSyRB) replaces the macroprudential add-ons for Belgian residential real estate. The SsyRB was based on a CET1 (Common Equity Tier 1) add-on of 9% on residential mortgage Credit Risk Weighted Assets which expired on 1 April 2024, and was revised to 6% as from this date.

Therefore, in order to determine the overall Pillar I capital requirements as at 2024 Q4, the ratios need to be augmented with the combined buffer requirements, i.e. for ING Belgium: 2.5% Capital Conservation Buffer, 1.5% (DSIB) systemic buffer, 0.97% counter-cyclical buffer, and 0.91% Sectoral Systemic risk buffer (SSyRB). This results in the following target ratios:

- Core Tier 1 ratio: 10.37%
- Tier 1 ratio: 11.87%
- Total Capital ratio: 13.87%.

Regulatory developments

On 31 May 2024, the EU formally adopted the amended Capital Requirements Regulation (CRR III) and Capital Requirements Directive (CRD VI) that implement the finalised Basel III framework in the European Union. These Regulations were published in the EU's Official Journal on 20 June 2024. Most of the CRR III changes apply from 1 January 2025, however some of the provisions are phased in over the coming years. Specifically, the output floor will be generally phased in over 5 years, with some of the output floor and general phase-in provisions lasting until 2032. CRR III also requires secondary legislation that has not yet been finalised. CRD VI must be transposed by the EU Member States into regulations and administrative provisions. Most of them shall apply from January 2026.

CRR III impacts RWA measurements through:

1. enhancing the robustness and/or risk sensitivity of the standardised approaches for credit risk, credit valuation adjustments (CVA) risk and operational risk;
2. constraining the use of the internal model approaches, by placing limits on certain inputs used to calculate capital requirements under the internal ratings-based (IRB) approach for credit risk and by removing the use of the internal model approaches for CVA risk and for operational risk;
3. introduction of a risk-sensitive output floor based on the standardised approaches.

Minimum Requirement for own funds and Eligible Liabilities (MREL)

In addition to regulatory capital requirements, the so-called "banking package" (CRR2-SRMR2-BRRD2) imposes a minimum requirement for bail-in-able liabilities in case of (near) financial failure. This requirement is known as MREL (Minimum Requirement for own funds and Eligible Liabilities). The purpose of MREL is to build a solvency buffer capable of absorbing losses in case a bank is "failing or likely to fail" (FOLTF), and to rebuild capital without recourse to public funds to allow the bank to maintain its critical functions.

For ING Belgium, which is part of a group under direct supervision of the ECB, the MREL requirement is set by the SRB (Single Resolution Board) on a yearly basis. The first binding intermediate target had to be met as of 01.01.2022, and the fully loaded binding target applies since 01.01.2024. For ING Belgium the current fully loaded MREL requirement is the highest of 25.3% of RWA (including combined buffer) and 5.9% of Leverage Ratio Exposure. RWA are currently the binding constraint for ING Belgium. Since 1 January 2024, ING Belgium also has to comply with the so-called "Daisy Chain regulation", according to which the MREL stack of ING Luxembourg has to be fully deducted from the ING BE MREL stack and de-weighted accordingly (at standalone level).

As ING Belgium is not a resolution entity, the MREL issuances must be intragroup, in the form of NPS (Non-Preferred Senior) long-term debt, which has to be subordinated to all ING Belgium operating liabilities.

Capital adequacy assessment

During 2024, the entities of ING Belgium were adequately capitalised in relation to their risk profile and strategic objectives.

ING Belgium's capital position remained sound despite the challenging economic and geopolitical environment. At both the consolidated and standalone level, ING Belgium has sufficient buffers to withstand various stressed scenarios. Comparing ING Belgium's capital ratios versus the overall SREP requirement (MDA including buffer requirements), ING Belgium's capital position as at 31 December 2024 is the following:

- CET1 ratio at 13.77% vs 11.36% requirement
- Tier 1 ratio is at 16.33% vs 13.19% requirement
- Total Capital ratio at 18.99% vs 15.62% requirement

Following the introduction of the Single Supervisory Mechanism (SSM) at the end of 2014, ING Group and its subsidiaries file a single Internal Capital and Liquidity Adequacy Assessment Process (ICLAAP) report to the European Central Bank (ECB). On a yearly basis ING Belgium provides extensive documentation on the ICLAAP to the ECB Joint Supervisory Team as prescribed in the Basel III framework. This documentation includes a description of changes since last year (in terms of operational performance, market & political environment and regulatory developments), ING Belgium current and forward-looking capital and funding & liquidity position, risk appetite, stress testing and ICLAAP cycle execution and improvements.

Dividend and distribution policy

ING Belgium pays dividends to ING Bank N.V. in line with its dividend policy, which is flexible enough to meet its local capital adequacy requirements, while also optimising ING Bank's capital position. A dividend of EUR 0.7 billion was distributed in April 2024.

Hereunder the calculation of the Capital Position and the Capital Ratios of ING Belgium:

Capital Position - Capital Ratio

	2024 rules	2023 rules
In EUR millions/in %	CRR/CRD V fully loaded	CRR/CRD V fully loaded
Shareholders' equity (parent)	**9,387**	**9,069**
Regulatory adjustments:		
Goodwill and intangibles deducted from Tier 1	-14	-9
Provision shortfall	-637	-321
Revaluation reserve cash flow hedge	107	82
Other adjustments	-201	-188
Prudential filters:		
Profit of the year	-1,086	-1,115
Available capital - Common equity Tier 1	**7,000**	**7,353**
Subordinated loans qualifying as Tier 1 capital	1,299	1,259
Available capital - Tier 1	**8,299**	**8,612**
Supplementary capital - Tier 2	1,351	1,293
BIS capital	**9,650**	**9,905**
Risk-weighted assets	**50,823**	**48,607**
Common Equity Tier 1 ratio	13.8 %	15.1 %
Tier 1 ratio	16.3 %	17.7 %
Total Capital Ratio	**19.0 %**	**20.4 %**

Ratings

ING Belgium's credit ratings and outlook are shown in the table below. Each of these ratings only reflects the view of the applicable rating agency at the time the rating was issued. Any explanation of the significance of a rating may be obtained only from the rating agency.

	Moody's	Fitch
Short-term rating	P-1	F1+
Long-term rating	A1	AA-
Outlook	Negative	Stable

https://www.ing.be/en/individuals/about-us/investor-information/ratings-ing-belgium-sa-nv

A security rating is not a recommendation to buy, sell or hold securities and each rating should be evaluated independently of other ratings. There is no assurance that any credit rating will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the rating agency if, in the rating agency's judgment, circumstances so warrant. ING Belgium accepts no responsibility for the accuracy or reliability of the ratings.

Risk management

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Word of the CRO

Resilient risk management as the foundation for sustainable growth



Sandra Šimundža
Chief Risk Officer
ING Belgium

In today's world, balancing growth and risk is more critical than ever. At ING Belgium, robust risk management is the foundation of sustainable, long-term growth. This report shares how we navigated 2024's challenges and opportunities, maintained a healthy asset quality and strong risk profile across all material risks, that in combination with strong risk culture is positioning us for continued success.

ING Belgium successfully navigated 2024's complexities. Despite subdued business confidence, rising bankruptcies, and geopolitical uncertainties we maintained a stable asset quality of our lending portfolio. We continuously align our lending guidelines and appetite to cater for customer needs aligned with the broader economic context.

Strong performance amidst uncertainty

ING Belgium's asset quality remained solid, with a stable non-performing loan (NPL) ratio. Discipline in applying sector approach has been pivotal for the healthy growth of the lending book, while prudent exposure management enabled us to keep risk costs below long-term averages, resulting with overall asset quality well within our risk appetite. We've continued to incorporate sustainability practices in our risk management framework to steer clients toward more sustainable future. Leveraging on its broad risk management framework and diligent planning capabilities, ING ensured sound capital and liquidity buffers throughout 2024, well above regulatory imposed minima.

Balancing technology and expertise

In response to evolving client needs for better and faster service, we continued to invest in risk models enabling greater automation for our credit assessments, ensuring consistency and objectivity in evaluation. Coupling model results with subject matter expertise of our bankers and risk managers, it is ensured that we take 360° view while making decisions. This combination of technology and expertise strengthens our commercial capabilities and ensures responsible banking.

A culture of risk awareness

At ING Belgium, everyone is a risk manager - we expect everyone to act with diligence, due care, responsibility and prudence. In 2024 we continue to promote speak up culture and emphasized culture of continuous improvement by learning from mistakes throughout the organization, contributing to healthy working environment. Management of compliance and non-financial risk continued to be top of mind of risk managers and strong focus and discipline enabled us to remain within risk appetite thresholds in 2024 and that will continue in 2025.

Emerging threats and future challenges

Looking ahead, we anticipate continued pressure on bankruptcies - given the economic outlook. Emerging challenges - in particular the misuse of AI for deepfakes or sophisticated identity theft - are a key concern. The rapid development of AI necessitates a robust risk framework, from identification to management and prevention. Continuing geopolitical instability and resulting macroeconomic outlook poses increased compliance and cybersecurity threats, equally demanding our attention. In 2025, we will keep addressing these challenges, alongside those from increasing regulation and the evolving macroeconomic environment. We will continue to support vulnerable businesses with tailored solutions and help them navigate through those challenges..

Safeguarding trust and building a sustainable future

The risk function's mission goes beyond protecting the bank's capital, liquidity, and regulatory compliance. We ensure our risk frameworks align with our business strategy, promote healthy competition, and build trust with our customers and society at large. This requires balanced decisions and ongoing resilience and reliability. By integrating digital transformation, healthy growth, and robust risk management and metrics, we are building a resilient and sustainable future for ING Belgium. We are more than a financial institution; we are a responsible partner, committed to the long-term well-being and financial stability of our customers and communities.

Risk management in Belgium

As a financial institution offering banking services, ING Belgium is exposed to a variety of risks. We manage these risks through a comprehensive risk management framework that integrates risk management into strategic planning and daily business activities. This aims to safeguard ING's financial strength and reputation by promoting the identification, measurement, and management of risks at all levels of the organisation. Taking measured risks aligned with its risk appetite is core to ING Belgium's business.

This section sets out how ING Belgium manages its risks on a day-to-day basis. It explains how the risk management function is embedded within the organisation based on the 'three lines of defence' model. It describes the key risks that arise from ING Belgium's business model and how these are managed by dedicated risk management departments, with various specific areas of expertise. The section provides qualitative and quantitative disclosures about solvency, credit, market, funding and liquidity, ESG (including climate and environmental), operational, information technology (IT), compliance, model and, business and strategy risks.

Basis of disclosure (*).

The risk management section contains information relating to the nature and extent of the risks of financial instruments as required by International Financial Reporting Standards (IFRS) 7 'Financial Instruments: Disclosures'. These disclosures are an integral part of ING Group Consolidated financial statements and are indicated with the symbol (*). This is applicable for the chapters, paragraphs, graphs or tables within the risk management section that are indicated with this symbol in the respective headings or table header.

This risk management section includes additional disclosures beyond those required by IFRS standards, such as certain legal and regulatory disclosures. Not all information in this section can be reconciled back to the primary financial statements and corresponding notes, as it is prepared using risk data that differs to the accounting basis of measurement. Disclosures in accordance with Part Eight of CRR2 and CRD V, and as required by the supervising authority, are published in our "Additional Pillar III Report," which can be found on our website..

Top and emerging risks

The risks listed below are defined as existing and emerging risks that could cause actual results to differ, in some instances materially, from those anticipated. They may have a material impact on the reputation of the company, introduce volatility in future operating results or impact ING's medium- and long-term strategy, including the ability to pay dividends, maintain appropriate levels of capital or meet liquidity and funding targets. An emerging risk is defined as a new or future risk that might challenge ING; thus, these risks require proactive identification and monitoring. The impact on the organisation is therefore more difficult to assess compared to other risks. These risks are on top of existing risks.

The topics mainly originated from the annual risk assessment that feeds into, among others, the annual review of the Stress Testing Framework and the Risk Appetite Framework. The sequence in which the risks are presented below is not indicative of their likelihood of occurrence or the potential magnitude of their financial consequences.

The 2024 risk assessment confirmed our top and emerging risks. The top risks in 2024 relate to geopolitical risk, people risk, cybercrime, inflation risk, and IT risk. Environmental risk remains an emerging risk, and reflects the impact that climate change may have on ING's financial position and/or reputation.

Geopolitical risk

Geopolitical risk is an important concern for ING. Election outcomes in major economies such as the US and in Europe can lead to policy shifts that impact financial markets, regulatory environments, and trade relations. Ongoing conflicts, such as the war in Ukraine and conflict in the Middle East further heighten uncertainty, often causing market volatility and disrupting cross-border transactions. Additionally, escalating trade tensions between the US and China can affect global supply chains and alter investment flows.

In 2024, ING conducted ad hoc risk assessments on significant geopolitical events to inform potential risk-reduction measures if needed.

International elections

There were an unprecedented number of national elections in 2024, with over 60 countries holding elections and nearly half of the global population voting. This surge in electoral activity has led to significant political shifts worldwide, including the rise of far-right parties in Europe and notable opposition victories such as the Labour Party win in the United Kingdom. These developments will introduce new economic policies and reshape public policy, impacting trade, immigration, and the climate agenda.

US-China relations and regional tensions

US-China relations face renewed strain, with recent US plans to reintroduce tariffs on Chinese imports. These tariffs could potentially impact global trade, increasing costs for businesses dependent on Chinese goods. These tensions are intensified by rising military activities in the Asia-Pacific region, where Chinese military exercises near Taiwan and the Philippines have raised regional security concerns. The US has reaffirmed its commitments to defend

Taiwan and strengthen its alliance with the Philippines. Further tensions could escalate into further financial disconnection between the two major economies, causing significant disruption to global economic markets.

Deglobalisation

The period of Western-based liberalisation and globalisation is being challenged by a global trend towards polarisation and more assertive political policies. The rise of nationalism, protectionism, populist movements and anti-global sentiments in recent years has created an environment of increasing uncertainty. This could potentially lead to a reversal or slowdown of globalisation.

The war in Ukraine

The war in Ukraine continued to pose a significant geopolitical risk in 2024. The conflict has intensified, with Russian forces making advances and Ukraine conducting attacks on Russian territory. This escalation has heightened concerns among global leaders about sustaining military support, especially in light of potential policy shifts under the incoming US administration. The conflict has disrupted energy markets and supply chains, with an increased risk of further sanctions affecting global trade and increasing operational risk for businesses with exposure to the region. For further detailed information on sanctions see 'Compliance risk'.

Middle East tensions

Tensions in the Middle East escalated, specifically between Israel and Iran, leading to significant military engagements. Israel launched retaliatory airstrikes on Iran, targeting military sites, following a series of escalations beginning with the assassination of key members of militant groups in the Middle East. These developments disrupted energy markets, leading to increased oil prices and contributing to global economic uncertainty. These tensions have raised concerns about a wider regional conflict, potentially disrupting the global supply chain.

Our exposures

ING Belgium has mainly Wholesale Banking lending exposure on Russian clients and limited exposures on Ukraine clients. As a result of the war in Ukraine and related international response measures, including sanctions and capital controls, we may be exposed to increased risk of default of counterparties located in Russia and Ukraine, counterparties of which the ultimate parent is located in Russia, or may be considered effectively controlled or influenced through Russian involvement, and other counterparties in sectors affected by the international response measures. Furthermore, since 2022 the counterparty exposure against the Russian rouble has been reduced to zero.

The Russian and Ukrainian exposures are under continuous monitoring. Uncertainties on the evolution of the conflict will remain for some time to come. Since the start of the war, business and risk departments have worked on several sensitivity analyses and stress tests to assess the potential downside impact of the war.

As of 31 December 2024, ING Belgium's total Russia-related exposure was approximately EUR 0.16 billion, compared to EUR 0.18 billion as of 31 December 2023. Early in March 2022, we intensified monitoring of counterparties, continued managing our exposure and announced a decision to not do new Russia related business. The ING Belgium Russia-related exposure decreased by EUR 0.68 billion between year-end 2021 and 2024.

From a credit risk perspective, ING Belgium does not currently hold any material exposure to the Middle Eastern parties involved, which however immaterial will still be continuously and closely monitored.

People risk

People risk remains as a significant concern for ING in 2024. Competitive pressures, especially in digital and specialised finance roles, make it challenging to attract and retain top talent. Also, employee concerns on compensation and benefits are amplified by the rising cost of living, leading to further retention challenges. Additionally, there is a growing demand for flexible work arrangements and enhanced career development opportunities, adding to the complexity of managing workforce stability. On how ING mitigates the risks related to skill shortage, see 'Own workforce' in the 'Sustainability statement'.

Cybercrime risk

Cybercrime risks continue to grow in scope and complexity, driven by geopolitical tensions and technological advancements. Cybercrime risk was the highest risk in the 2024 risk assessment. As technology evolves, ING faces increased exposure to cybersecurity threats such as malware, ransomware, and distributed denial of services (DDoS) attacks. The emergence of generative AI heightens this risk, enabling threat actors to quickly develop and refine new attack methods. The number of threat actors is also expected to rise as barriers to entry for cyberattacks decrease.

Vulnerabilities in the cybersecurity of ING's third-party providers present additional risks. Cyber incidents impacting these providers could disrupt their ability to deliver critical services for ING.

Regulatory measures such as the EU's Data Act, Cyber Resilience Act (CRA), and Digital Operational Resilience Act (DORA) mandate proactive management of cyber, information technology (IT), and data-related risks. These measures require banks to maintain comprehensive frameworks and protocols to ensure resilient hardware and software infrastructures.

ING mitigates this risk by implementing relevant controls, regularly identifying and monitoring potential threats. For more details and mitigation actions, see 'Non-financial risk'.

Inflation risk

Inflation rates continued to moderate globally, prompting major central banks to adjust monetary policies accordingly. The European Central Bank and the Bank of England implemented rate cuts as inflation gradually approached target levels, marking a shift from the aggressive tightening cycles seen in previous years. In the US, the Federal Reserve implemented rate cuts with caution, influenced by mixed economic signals and the potential impact of the recent presidential election. Political shifts following the election will most likely add to inflation outlook uncertainty, as new policies could affect trade, taxation, and fiscal spending. Despite signs of easing, central banks remain cautious, balancing the need to support economic recovery with the goal of maintaining price stability in a complex environment.

For more details and mitigation actions, see 'Credit risk'.

IT risk

IT risks stem from potential failures in maintaining and protecting the IT infrastructure. This risk includes system design flaws, physical damage to data centres, or infrastructure failures, all of which can disrupt banking operations and impact service delivery. In Europe, evolving digital transformation regulations such as DORA mandate strict requirements on IT resilience, requiring banks to ensure that their digital infrastructure can withstand and recover quickly from operational disruptions. DORA also addresses concentration risk by requiring rigorous oversight on third-party providers critical to IT operations. Additionally, new AI developments can enhance the IT landscape, but incorrect usage can lead to serious issues beyond IT.

Model risk

Model risk arises from potential errors in the design, implementation, or use of models that inform critical decision-making. Estimation errors, incorrect assumptions, and input inaccuracies can lead to unreliable outputs, affecting risk assessments, financial forecasts, and regulatory compliance. The growing reliance on AI models, machine learning, and advanced analytics has heightened the complexity of managing this risk, as these tools require rigorous model validation to ensure accuracy.

Environmental risk

Environmental risk remains one of the most critical concerns the world is facing, impacting ING and the global economy through regulatory pressures, and the increased frequency and intensity of climate-related events. Regulatory bodies worldwide have imposed stricter guidelines to disclose and manage environmental impact. Physical risks from climate change, such as extreme weather events and natural disasters, are intensifying operational challenges and impacting asset values. Additionally, the world's growing population and human behaviour contribute to loss of biodiversity, adding pressure on environmental stability. These risks also affect our clients and customers, especially those in high-transition industries and in regions vulnerable to physical risks. Transition risks, driven by policy, technological or market changes toward a low-carbon economy, also pose challenges and could potentially lead to stranded assets.

For more details and mitigation actions, see 'Environmental, social and governance risk'.

Risk governance

ING's risk governance follows the three lines of defence model. In general, this means that the first line of defence executes ING's strategy and owns the associated risks. The second line of defence reviews and challenges these risks. The third line of defence provides independent assurance.

The risk function is an independent internal control function.

The Risk function responsibilities and organisation within ING Belgium has in first instance to comply with requirements of Applicable Law, ING Belgium Articles of Association, and ING Belgium Governance Memorandum.

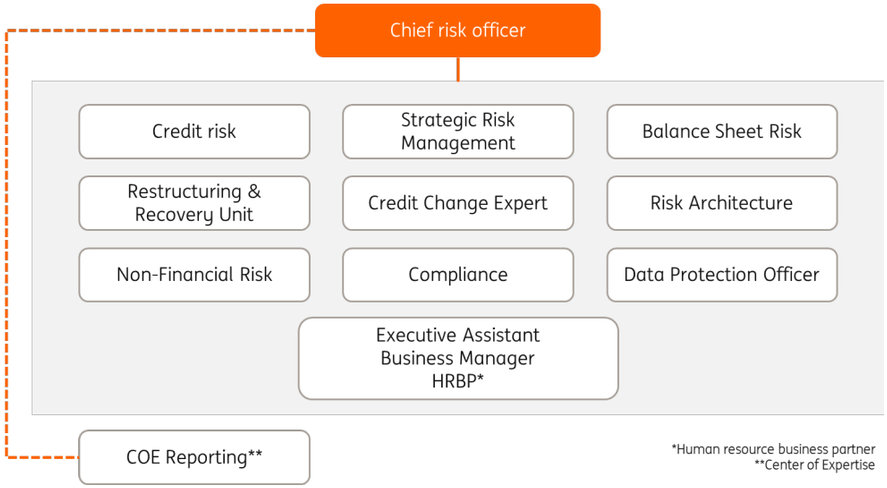
As part of ING Group, ING Belgium Risk functions are responsible to ascertain that local processes are properly designed and effective in line with the group risk framework and standards. They are empowered and enabled to make decisions in alignment with global risk standards. ING Belgium Risk organisation shall mirror the global function to support functional alignment, considering the proportionality principle. Main responsibilities include:

I. Give advice and guidance on the implementation and embedding of the group risk management framework, global policies, and standards in the local processes, if required include and monitor approved local additions, waivers, and deviations,
II. Ascertain that local processes are effective and aligned with group risk framework and standards. Monitor and timely escalate local strategy/policy/processes breaches, non-adherence, and events,
III. Provide expertise as input for global risk strategies, policies, and standards,
IV. Oversee the risk profiles at entity level by risk type and report to the Board of Directors, via the Risk Committee, and global risk functions,
V. Adhere to and monitor the risk appetite statements following ING Belgium's risk strategy.

This governance framework ensures that risk is managed in line with the risk appetite as approved by the Management Board Bank (MBB) and the Supervisory Board (SB) at Group level and is cascaded throughout ING group. ING Belgium risk appetite framework is approved by the Executive Committee (ExCo) and the Board of Directors.

Organisational structure

ING Belgium's Chief Risk Officer (CRO) bears primary overall responsibility for the risk management function. The CRO is responsible for the management and control of risk on a consolidated level to ensure that ING Belgium's risk profile is consistent with its financial resources and the risk appetite. The CRO is also responsible for establishing and maintaining a robust organisational basis for the management of risk throughout the organisation, as illustrated in the below chart.



The governance framework of ING Belgium aligns with ING Group's framework and meets local (regulatory) requirements. Senior management is responsible for the implementation of and adherence to policies, procedures and standards. These are regularly reviewed and updated via relevant risk committees to reflect changes in requirements, markets, products and practices. For more detail on internal control framework, please consult section on Non-Financial Risk.

Risk culture

ING's risk culture encompasses our shared values, beliefs, knowledge, and understanding of financial and non-financial risks we're facing daily. Having a sound risk culture is one of the key enablers of our strategy, essential in performing ING's role in society responsibly and living upon our orange code promise "integrity above all".

In 2024, we continued to enhance risk awareness, foster risk judgement, and empower our employees to voice their concerns effectively. Starting with our leader's tone at the top, we engaged everyone to feel accountable to be a risk manager. We strongly believe in recognizing colleagues who exemplify the right behaviours, as this also contributes to fostering a sound risk culture.

Orange Code and the global Code of Conduct

The Orange Code and the global Code of Conduct are the foundation of ING Belgium's risk culture. The global Code of Conduct defines the most essential conduct principles expected from ING employees in their daily activities, to create additional risk awareness and better meet expectations stated in external rules and guidelines. ING Belgium employees are required to take an annual e-learning and attest to their adherence to the global Code of Conduct.

The Orange Code is a declaration of who we are. It describes what we can expect from each other when we turn up to work each day. It is a set of standards that we collectively value, strive to live up to, and invite others to measure us by.

The Orange Code is the sum of two parts, the ING Belgium's values and ING Belgium's behaviours, with integrity being the overarching principle. The ING values (being honest, prudent and responsible) are non-negotiable promises we make to the world, principles we seek to stick to, no matter what. The ING Belgium's behaviours (take it on and make it happen, help others to be successful, and always be a step ahead) represent our way to differentiate ourselves. The Orange Code is embedded in commitments we make to each other and the standards by which we measure each other's performance.

Orange Code decision-making

To enhance risk awareness, we continued to support monitoring risk culture and compliance risk in the business. This included training by the cultural and ethics experts with the goal to enhance balanced decision-making in line with the Orange Code decision-making model. This four-step model supports moral learning and well-balanced decision-making.



Risk appetite framework

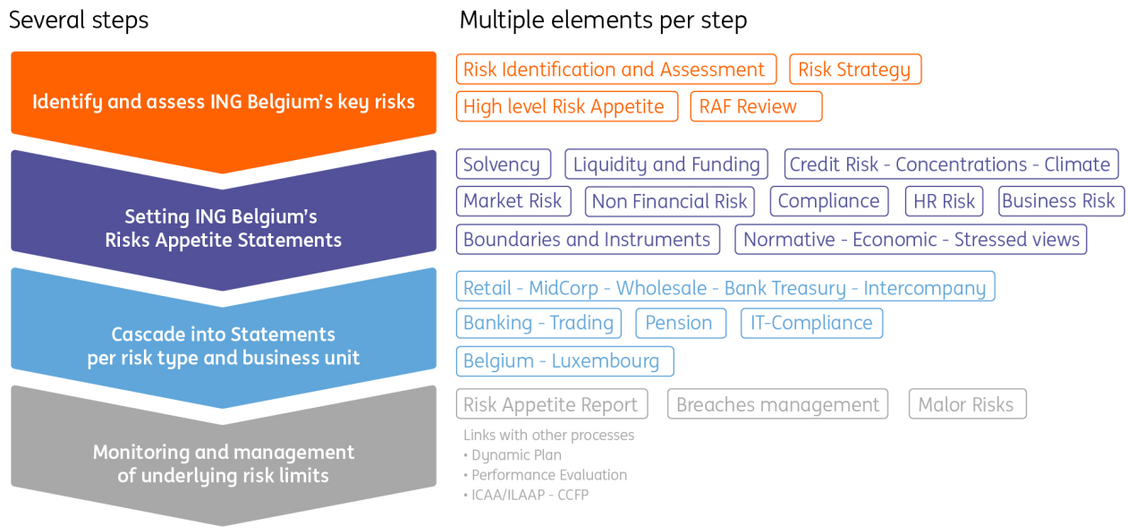
The Risk Appetite Framework (RAF) is one of the key elements of the Risk Framework. Its objective is to set an appropriate risk appetite at a consolidated level across the different risk categories and to allocate the risk appetite throughout the organisation.

ING Belgium's Risk Appetite Framework is based on ING Group Risk Appetite Framework, adapted to take into account local business and regulatory specificities. It is reviewed on a yearly basis and each time adapted to changing economic and regulatory environment in order to manage new types of risks.

The RAF governance explains the setup of the overarching global risk appetite. Within the RAF, ING Belgium monitors a range of financial and non-financial risk metrics with an aim to keep our risk profile in line with our risk appetite while executing our strategy. ING Belgium's RAF, which is approved by the Board of Directors, defines the desired risk profile that is to be integrated in the strategic decision-making and financial planning process. It is designed to be able to withstand market volatility and stress, while meeting regulatory requirements.

ING Belgium Risk Appetite is the maximum level of risk the Bank is willing to accept for growth and value creation across all risk categories. It is expressed in terms of solvency risk, liquidity & funding risk, credit risk, market risk and non-financial risk. Articulating the Risk Appetite achieves clarity over the total risk ING Belgium wishes to bear.

ING Belgium Risk Appetite consists of specific risk appetite statements that are approved by the Board of Directors (Risk Committee) or Executive Committee–level committees on an annual basis (or more frequently if this is felt necessary) and benchmarked quarterly in the Risk Committee versus the actual situation.



Process

The risk appetite process is focused on setting the appetite at ING Belgium consolidated level and across the different risk categories. It is essentially a top-down process, which bases itself on the ambition of ING Bank in terms of its risk profile, the regulatory environment and the economic context. It encompasses several steps as presented below:

Step 1. Identify and assess ING Belgium's key risks

The outcome of the risk identification and risk assessment process is used as the starting point for the review of the RAF. Within this step, the risks ING Belgium faces when executing its strategy are identified in the context of the current economic, political, social, regulatory and technological environment. The assessment identifies whether the potential impact is material and if it is sufficiently controlled within ING Belgium's risk management function. It benchmarks the current risk framework against regulatory developments. Known risks are re-assessed either to confirm risk levels or to take account of potential changes. The assessment is executed following the current set of risk appetite statements.

Step 2. Set Risk Appetite Framework

Based on ING Belgium's risk assessment and risk strategy, boundaries for the overarching risk frameworks are set.

In order to achieve this risk ambition, ING Belgium articulated the following statements:

- Regulatory based Risk Appetite Statements (RAS): be in a position to meet current and forthcoming regulatory constraints and targets.
- Own Support RAS: be able to restore its capital and liquidity position following a stress situation on its own strength. In case of more extreme situation, ING Belgium can also rely on the support of ING Group as being a key entity within ING Group.

Safe and Compliant: shift the focus from improvements in risk measurement to a transformational approach in risk management supported by a data-driven mindset.

Step 3. Cascade into statements per risk type and business unit

Once the overarching risk appetite thresholds have been set and approved by the Board of Directors, the statements are translated into risk-type-specific statements and lower-level thresholds which are set and approved by senior risk committees, like Executive Committee, ALCO BeLux and Bank NFRC BeLux. Cascading is done via several detailed risk appetite statements which have been defined per risk type, the combination of which aimed to ensure compliance with the overarching solvency, concentration and funding and liquidity Risk Appetite Statements.

ING Belgium has started including climate risk in its RAF by, among other things, introducing climate risk as one of the dimensions to determine sector concentration as part of the credit risk appetite statements. In the coming years, ING will extend the inclusion of climate risk impact on other risk types with the aim to ensure that the potential risks stemming from e.g., transition risk and physical risk are properly captured in the Risk Appetite Framework.

Step 4. Monitor and manage underlying risk limits

In order to verify that ING Belgium remains within its Risk Appetite Framework, Risk Appetite Statements are subject to quarterly monitoring and, if necessary, appropriate actions are taken.

Stress testing

Stress testing is an important risk management tool that provides input for strategic decisions and capital planning. The purpose of stress testing is to assess the impact of plausible but severe stress scenarios on ING Belgium's capital and liquidity position. Stress tests provide complementary and forward-looking insights into the vulnerabilities of certain portfolios, with regards to adverse macroeconomic circumstances, stressed financial markets, and changes in the (geo)political climate. In addition to assessing P&L, capital and liquidity positions of ING Belgium for a range of different scenarios, idiosyncratic risks were also included. The outcomes of these stress tests helped management to get insight into the potential impact and to define actions to mitigate this potential impact.

Types of stress tests

Within ING Belgium, different types of stress tests are performed. The most comprehensive type of stress tests are the firm-wide scenario analyses, which involve setting scenario assumptions for all the relevant macroeconomic and financial market variables. These assumptions usually follow a qualitative narrative that provides a background to the scenario. In addition to firm-wide scenario analyses, ING Belgium executes scenario analyses for specific countries or portfolios. Furthermore, sensitivity analyses are performed, which focus on stressing one or more risk drivers, usually without an underlying scenario narrative. Finally, ING Belgium performs reverse stress tests, which aim to determine scenarios that could lead to a pre-defined severe adverse outcome.

Process

The stress testing process consists of several stages, which are:

- Risk identification and risk assessment: It identifies and assesses the risks ING Belgium is facing when executing its strategy based on the current and possible future economic, political, regulatory and technological environment. It provides a description of the main risks and risk drivers related to the nature of ING Belgium's business, activities and vulnerabilities.
- Scenario definition and parameterisation: Based on the outcome of the previous step, a set of scenarios is determined with the relevant scope and set of risk drivers for each scenario, as well as its severity, the key assumptions and input parameters. The output of this phase includes a quantitative description of the stress scenarios to be analysed, the relevant output metrics and, when applicable, a narrative description.
- Impact calculation and aggregation: Based on the quantitative description of the stress scenarios determined in the previous step, the impact is determined for the relevant scenario, scope and horizon. The impact calculation and aggregation can be part of a recurring process or part of a specific process set-up for one-off stress tests.
- Scenario reporting: For each stress test, a report is prepared after each calculation which describes the results of the scenario and gives a recap of the scenario with its main assumptions and parameters. The stress-test report is sent to the relevant committees and/or senior management. It is complemented, if needed, with advice for management action based on the stress-testing results.
- Scenario control and management assessment: depending on the outcomes of the stress test and the likelihood of the scenario, mitigating actions may be proposed. Mitigating actions may include, but are not limited to, sales or transfers of assets and reductions of risk limits.

Methodology

Detailed and comprehensive models are used to calculate the impact of the scenarios. In these models, statistical analysis is combined with expert opinion to make sure that the results adequately reflect the scenario assumptions.

The methodologies are granular and portfolio-specific and use different macroeconomic and market variables as input variables. The calculations are in line with our financial and regulatory reporting frameworks. The stress-testing models are subject to review by Model Risk management.

Market risk

Market risk is the risk that movements in market variables, such as interest rates, equity prices, foreign exchange rates, credit spreads and real estate prices negatively impact ING Belgium earnings, capital, or market value. Market risk either arises through positions in the banking book or trading book. The banking book positions are intended to be held in the long-term (or until maturity) or for the purpose of hedging other banking book positions. The trading book positions are typically held with a short-term trading intent or in order to hedge other positions in the trading book. Policies and processes are in place to monitor the inclusion of positions into either a trading or a banking book as well as to monitor the transfer of risk between the trading and banking books.

ING Belgium recognises the importance of sound market risk management. Its risk management approach consists of a cycle of five recurring activities: risk identification, risk assessment, risk control, risk monitoring and risk reporting.

- Risk identification is a joint effort of the first and second of the three lines of defence. The goal of risk identification is to detect potential new risks and any changes in known risks.
- Identified risks are assessed and measured by means of various risk metrics to determine the importance of the risk to ING Belgium and subsequently to identify the control measures needed.
- Risk control measures used by ING Belgium include policies, procedures, minimum standards, limit frameworks, buffers and stress tests.
- Risk monitoring occurs to check if the implemented risk controls are executed, complied with across the organisation, and are effective.
- Market risk management practices and observations are reported to the necessary governing departments and approval bodies.

Governance (*)

A clear governance framework defines specific roles and responsibilities of business management units, market risk management, and treasury in the management of market risks. Internal approval bodies per activity are clearly identified and effective in the recurring activities of the risk management framework.

In particular, the supervision of market risk falls under the responsibility of the Executive Committee and is delegated to the Assets and Liabilities Committee (ALCO). The local ALCO Belux sets the market risk appetite and monitors the bank's adherence to the risk appetite for market risk in line with the overall limits set at group level by ING Bank ALCO, and sets additional limits where appropriate. Relevant Executive Committee members are present in the ALCO Belux.

The Group organisational structure facilitates top-down risk management by recognising that risk taking and risk management to a large extent occur at the regional/local level. Bottom-up reporting from regional/local units to head office units allows each management level to fully assess the market risk relevant at the respective levels.

Several committees govern the communication between the parties involved in market risk management at ING Group and ING Belgium levels.

The following sections elaborate on the various elements of the risk management framework for:

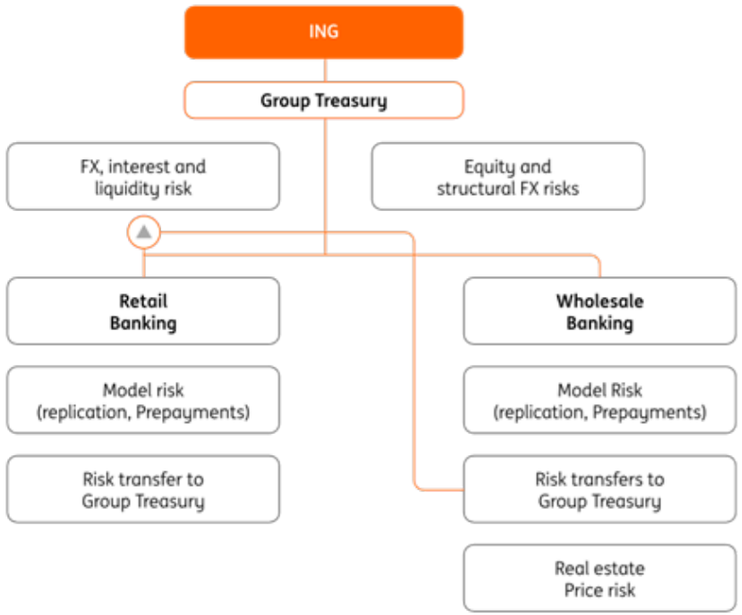
- Market risk in banking book;
- Market risk in trading book; and
- Market risk capital.

Market risk in banking books (*)

ING Belgium makes a distinction between the trading and banking (non-trading) book. Positions in banking book originate from the market risks inherent in commercial products that are sold to clients, Group Treasury exposures and from the investment of own funds (core capital). Both the commercial products, and the products used to hedge market risk exposures in these products are intended to be held until maturity, or at least for the long term.

Risk transfer (*)

Market risks in the banking book are managed via the risk transfer process. In this process the interest rate, FX, funding and liquidity risks are transferred from the commercial books through matched funding or replication to Group Treasury, where they are centrally managed. The scheme below presents the transfer and management process of market risks in the banking book:



Risk measurement (*)

The main concepts and metrics used for measuring market risk in the banking book are described below per risk type.

Interest rate risk in the banking books (*)

Interest rate risk in the banking book is defined as the exposure of the bank's earnings, capital, and market value to adverse movements in interest rates originated from positions in the banking book.

ING Belgium centralises interest rate risk management from commercial books (that capture the products sold to clients) to globally managed interest rate risk books. This enables a clear demarcation between commercial business results and results arising from potentially unhedged interest rate positions.

ING Belgium distinguishes two types of activities that generate interest rate risk in the banking books:

- Commercial business
- Group Treasury exposures including strategic interest rate positions

Group Treasury is responsible for managing the transferred interest rate risk in the banking book from the commercial positions and its strategic interest rate position within a defined risk appetite translated into limits. These limits are monitored on a continuous basis and reported to ALCO BeLux.

Commercial activities can result in linear interest rate risk due to different re-pricing properties of assets and liabilities. Also, interest rate risk can arise from customer behaviour and/or convexity risk depending on the nature of the underlying product characteristics.

Customer behaviour risk is defined as the potential future (value) loss due to deviations in the actual behaviour of clients versus the modelled behaviour with respect to the embedded options in commercial products. General sources of customer behaviour risk, among other things, include the state of the economy, competition, changes in regulation, legislation and tax regime, developments in the housing market and interest rate developments.

From an interest rate risk perspective, commercial activities can typically be divided into the following main product types: savings and current accounts (funds entrusted), mortgages, and loans:

Savings and demand deposits are generally invested in such a way that both the value is hedged and the sensitivity of the margin to market interest rates is minimised. This is achieved by creating the investment profile distributed from short term to long term, which dampens the immediate impact from changes in the market rates as well as stabilize margin in longer horizon. Interest rate risk is modelled based on the stability of deposits and the pass-through rate. This takes account of different elements, such as pricing strategies, volume developments and the level and shape of the yield curve. Savings volumes are typically assumed to be relatively stable and less sensitive to rate changes.

Interest rate risk for mortgages arises due to prepayment or other embedded optionalities. In modelling this risk, both interest-rate-dependent prepayments and constant prepayments are considered. Next to a dependence on interest rates, modelled prepayments may include other effects such as seasoning, seasonality and the reset date of the loan. In addition, the interest sensitivity of embedded offered rate options may be considered.

Wholesale Banking loans typically do not experience interest-rate-dependent prepayment behaviour. These portfolios are match-funded, taking the constant prepayment model into account, and typically do not contain significant convexity risk. Wholesale Banking loans can have an all-in rate floor or a floor on a reference rate.

Customer behaviour in relation to mortgages, loans, savings and demand deposits is modelled, based on extensive research. However, the substantial change in the interest rate environment in recent years makes the research more challenging than before and may increase model risk. Models are backtested and updated when deemed necessary in an annual procedure. Model parameters and the resulting risk measures are approved by ALCO Belux, and are closely monitored on a monthly basis.

Linear risk transfers take place from commercial business books to the treasury book (Group Treasury), if necessary, by using estimations of customer behaviour. The originating commercial business is ultimately responsible for estimating customer behaviour, leaving convexity risk and (unexpected) customer behaviour risk with the commercial business. Risk measurement and the risk transfer process take place at least monthly. However, if deemed necessary, additional risk transfers can take place.

The commercial business manages the convexity risk that is the result of products that contain embedded options, like mortgages. Here the convexity risk is defined as the optionality effects in the value due to interest rate changes, excluding the first-order effects. In some cases, convexity risk is transferred from the commercial books to treasury books using cap/floor contracts and swaptions.

In the following sections, the interest rate risk exposures in the banking book are presented. ING Belgium quantifies risk measures from both earnings and value perspectives. Net interest income (NII)-at-Risk is used to provide the earnings perspective and the net present value (NPV)-at-Risk figures provide the value perspective. Please note that the interest rate risk that stems from the commercial business is assumed to be linearly hedged but no additional corrective management actions are taken into account in the NPV-at-Risk measure. In the NII-at-Risk measure, a more dynamic hedging process is taken into account.

Net Interest Income (NII) at Risk (*)

The NII-at-Risk measures the impact of changes in interest rates on the forecasted net interest income (before tax) of the banking book, excluding the impacts of credit spread sensitivity, fees and fair value impact. Future projected balance sheet developments are included in the risk metric. NII-at-risk provides insight into the sensitivity of ING Belgium's NII under alternative interest rate scenarios against what is projected in a base scenario.

In its risk management, ING Belgium monitors the NII-at-Risk under a three-year time frame. Interest rates are stressed during the first year versus the prevailing curve, taking gradual changes over the first year. The rate changes considered comprise both upward and downward scenarios, as well as parallel (equal movements across the yield curve) and non-parallel scenarios.

The impact of changing interest rates on ING's NII is predominantly caused by the following factors:

- Change in returns of (re-)investments of client deposits;
- Change in client deposit rates (mainly savings), (partially) tracking changes in market interest rates;
- Change in the amortization profile of mortgages, due to an increase or decrease in expected prepayments;
- Open interest rate positions, leading to changes in return because of different market rates; and
- Assumed volume development of the balance sheet in line with ING's dynamic plan.

For projecting the change in client deposit rates, ING Belgium uses a client rate model that describes the relation to market interest rates and client deposit rates. The model is calibrated under a range of interest rate scenarios. Per scenario, the actual change in client deposit rates may deviate from this calibrated model. The actual NII development of customer deposits may, indeed, differ from the provided scenarios, depending on, among others, actual interest rate and savings client rate evolution, as well as changes to ING Belgium's balance sheet composition, such as net deposit growth and relative share of savings deposits and non-remunerated current accounts.

The NII-at-Risk figures in the table below reflect a parallel, linear interest rate movement during a year ('ramped') under the assumption of balance sheet developments in line with the ING Belgium's dynamic plan with a time horizon of one year. The majority of the risk comes from fixed-rate positions, most notably non-remunerated current accounts and variable-rate savings accounts.

NII-at-Risk banking portfolio per business - year one (*)

	2024		2023	
		Ramped, unfloored		Ramped, unfloored
In EUR million	parallel ▼	parallel ▲	parallel ▼	parallel ▲
Wholesale banking	14	-14	-12	11
Retail banking	-29	34	-30	24
Total	**-15**	**20**	**-42**	**35**

NII-at-Risk banking portfolio per currency - year one (*)

	2024		2023	
		Ramped, unfloored		Ramped, unfloored
In EUR million	parallel ▼	parallel ▲	parallel ▼	parallel ▲
Euro	-14	19	-39	33
US Dollar	-1	1	-2	2
Others	0	0	-1	0
Total	**-15**	**20**	**-42**	**35**

EUR ramped is at +/- 110bps for 2023 and at +/- 120bps for 2024 in 1 year
USD ramped is at +/- 110bps for 2023 and at +/- 120bps for 2024 in 1 year

The change in NII under a declining and upward interest rate scenarios may not be equal. This is due to different expected reactions in prepayment behaviour of mortgages and different pricing developments of commercial loans and deposits products (mainly savings). This is caused by embedded options, explicit or implicit pricing floors and other (assumed) pricing factors.

Year-on-year variance analysis

The limited NII-at-Risk compared to the baseline NII projection is in line with ING Group and ING Belgium's IRRBB strategy of stable NII.

The lower NII-at-Risk figures as per year-end 2024, despite slightly higher interest rate shocks applied, are mainly driven by targeted hedging transactions and lower sensitivity from interest rate changes on deposits, for which the model assumptions have been updated and aligned with latest customer behaviour. The interest rate risk from the re-adjustments of the positions to actual interest rate changes has been continuously hedged during the year, limiting the remaining sensitivity to further interest rate movements. Group Treasury positions give rise to limited earnings sensitivity. All positions have been managed within the risk appetite limits throughout 2024.

Net Present Value (NPV) at Risk (*)

NPV-at-Risk measures the impact of changing interest rates on the value of the positions in the banking book. The NPV-at-Risk is defined as the outcome of an instantaneous increase or decrease in interest rates from applying currency-specific scenarios. The NPV-at-Risk asymmetry between the downward and upward shock is mainly caused by convexity risk in the mortgage and savings portfolio.

The full value impact cannot be directly linked to the financial position or profit and loss account, as fair value movements in the banking book are not necessarily reported through the profit and loss account or through other comprehensive income (OCI). The changes in value are expected to materialise over time in the profit and loss account if interest rates develop according to (shocked) forward rates throughout the remaining maturity of the portfolio. The majority of the risk comes from positions exhibiting negative convexity due to embedded optionality, most notably variable rate savings rate and fixed rate mortgages.

NPV-at-Risk banking portfolio per business (*)

	2024		2023	
In EUR million	Unfloored parallel ▼	Unfloored parallel ▲	Unfloored parallel ▼	Unfloored parallel ▲
Wholesale banking	-2	0	-37	33
Retail banking	-279	-139	-181	-186
Total	**-281**	**-139**	**-218**	**-153**

NPV-at-Risk banking portfolio per currency (*)

	2024		2023	
In EUR million	Unfloored parallel ▼	Unfloored parallel ▲	Unfloored parallel ▼	Unfloored parallel ▲
Euro	-280	-140	-220	-151
US Dollar	-1	1	0	0
Others	0	0	2	-2
Total	**-281**	**-139**	**-218**	**-153**

EUR (unfloored) is at +/- 120bps (2023: +/-110bps)
USD (unfloored) is at +/- 120bps (2023: +/-110bps)

Year-on-year variance analysis

The NPV-at-Risk for the Retail Banking activities in a downward interest rate shock increased mainly due to the higher shock level applied in 2024. The interest rate risk from the re-adjustments of the positions to interest rate changes has been continuously hedged during the year, limiting the remaining sensitivity to further interest rate changes. Group Treasury positions give rise to limited value sensitivity. All positions have been managed within the risk appetite limits throughout 2024.

[Basis Point Value (BPV) (*)

The basis point value (BPV) measures the impact of a one-basis-point increase in interest rates on the net present value of an instrument, in this case the banking book positions. To a large extent the BPV and NPV-at-Risk therefore reflect the same risk, the main difference being that BPV does not reflect convexity risk arising under more severe interest rate shocks. The scope of the reported metrics is all positions in the Group Treasury books and the mortgage loans, business loans, current accounts, savings accounts, term deposits, credit cards and overdrafts in the business books, representing the majority of banking book positions with embedded optionality, while matched-funded positions are expected to give rise to limited value sensitivity to interest rate levels.

BPV banking books per currency (*)

In EUR thousands	2024	2023
Euro	-204	119
US Dollar	17	-4
Others	1	-5
Total	**-186**	**110**

Year-on-year variance analysis

The overall BPV position in the banking book is relatively limited, considering the continuous hedging of the (linear) interest rate risks arising from the commercial activities, including the re-adjustments of the positions to interest rate increases. All positions have been managed within the risk appetite limits throughout 2024.

Foreign exchange (FX) risk in banking books (*)

The FX exposures in banking book result from core banking business activities (business units doing business in other currencies than their base currency), foreign currency investments in subsidiaries (including realised net profit and loss) and strategic equity stakes in foreign currencies. The related FX risks are limited for ING Belgium, as no structural FX risk position resides on the balance sheet.

Credit Spread risk in banking books (*)

Credit spread risk is defined as risk driven by the changes of the market price for credit risk, for liquidity and potentially other characteristics of credit-risky instruments, which is not captured by another existing prudential framework such as IRRBB or by expected credit/(jump-to-)default risk. CSRBB Framework is implemented based on EBA Guidelines. Metrics used are NPV-at-Risk, NII-at-Risk and Market Value Changes-at Risk and view the positions across different accounting treatments.

Credit spread risk is not part of the internal risk transfer towards Group Treasury and therefore remains in the business unit it originated in. Group Treasury itself is also an important driver of credit spread risk via its HQLA investment portfolio and issuance activities.

Market risk in trading books (*)

In 2024, ING Belgium continued to have limited positions in its trading book, undertaking trading activities with the sole intention to support and develop its client-driven franchise and deliver a differentiating experience by offering multiple market and trading products. All market risk positions in the trading book are transferred to the trading location either in London or Amsterdam, by means of 'back-to-back' transactions, thereby centralising the risks and their management within these locations.

Governance (*)

The Financial Markets Risk Committee (FMRC) is the governing body overseeing activities related to Financial Markets and trading book. Within ING Belgium the duty of the committee primarily intends to monitor the respect of the limited risk appetite, ensuring the effectiveness of the 'back-to-back' risk transfer to ING in London or Amsterdam for the trading books activities. The local risk team keeps the oversight of the market risk appetite of trading activity and reports to the FMRC on risk neutrality assessment of the trading book.

Risk measurement (*)

ING Belgium uses a comprehensive set of methodologies and techniques to measure its limited market risk in the trading book such as Value at Risk (VaR) and Historical Value at Risk (HVaR). Systematic validation processes are in place within ING Group to validate the accuracy and internal consistency of data and parameters used for the internal models and modelling processes.

The Historical Value at Risk (HVaR) methodology is used as primary risk measure for the trading book activities. The HVaR for market risk quantifies, with a one-sided confidence level of 99%, the maximum overnight loss that could occur due to changes in risk factors (e.g. interest rates, equity prices, foreign exchange rates, credit spreads, implied volatilities) if positions remain unchanged for a time period of one day.

Next to general market movements in these risk factors, HVaR also takes into account market data movements for specific moves in e.g. the underlying issuer of securities. A single model that diversifies general and specific risk is used. The potential impact of historical market movements on today's portfolio is estimated, based on equally weighted observed market movements of the previous year (260 days). When simulating potential movements in risk factors, depending on the risk factor type, either an absolute or a relative shift is used. The data used in the computations is updated daily. ING Belgium uses HVaR with a one-day horizon for internal risk measurement, management control, and backtesting, and HVaR with a ten-day horizon for determining regulatory capital. To compute HVaR with a ten-day horizon the one-day risk factor shifts are scaled by the square root of ten and then used as an input for the revaluation. The same model is used for all legal entities within ING with market risk exposure in the trading portfolio.

For ING Belgium the limited risks relating to trading book positions reflects in limited one day HVaR of maximum EUR 0.02 million over 2024, and the remaining risks have been managed within risk appetite over the entire 2024.

Backtesting (*)

Backtesting is a technique for the ongoing monitoring of the plausibility of the HVaR model in use. Although HVaR model estimates potential future trading results, estimates are based on historical market data. In a backtest, the actual daily trading result (excluding fees and commissions) is compared with the one-day HVaR. In addition to using actual results for backtesting, ING Belgium also uses hypothetical results, which exclude the effects of intraday trading, fees, and commissions. When an actual or a hypothetical loss exceeds the HVaR, an 'outlier' occurs. The relevant occurrences of 'outliers' for ING Belgium over the year 2024 were limited.

Market risk capital

Economic Capital

The Market Risk Economic Capital (MREC) measures the capital ING Belgium must hold to protect itself against unexpected value movements due to changes in market variables and model risk, and covers market risk sub-types such as: interest rate and basis risk, credit spread risk, customer behaviour risk, FX risk, equity risk, real estate price risk, and pension risk.

MREC is calculated as the 99.9% worst value loss that can be incurred from one-year shocks to the underlying risk drivers. While aggregating the different economic capital market risk figures for the different portfolios, diversification benefits are taken into account as it is not expected that all extreme market movements will appear at the same moment.

Regulatory Capital

Considering the limited exposure remaining within ING Belgium trading book, thanks to its back-to-back setup within ING Bank, the Market Risk regulatory capital held to protect against losses due to market risks stemming from positions in the trading book remains consequently limited and stable.

Funding and liquidity risk (*)

Introduction (*)

Funding and liquidity (F&L) risk is the risk that ING Belgium cannot meet its financial liabilities when they come due, at reasonable cost and in a timely manner. ING Belgium incorporates funding and liquidity management in its business strategy and has established a funding and liquidity risk framework to manage these risks within pre-defined boundaries.

The following sections elaborate on the various elements of funding and liquidity risk:

- Funding and Liquidity risk framework
- Funding and Liquidity risk management strategy and objectives
- Funding and Liquidity adequacy and risk appetite
- Funding and Liquidity risk indicators
- Liquidity stress testing
- Contingency Capital and Funding plan

Funding and liquidity risk framework (*)

Macroeconomic and market environment are important considerations in ING Belgium's Funding and liquidity framework. The macroeconomic environment is comprised of various exogenous factors over which ING Belgium has no control, but which may have a material impact on its funding and liquidity position. The main macroeconomic factors analysed on a regular basis include:

- performance of global and local macroeconomic indicators;
- developments and risks arising from geopolitical tensions and trends;
- monetary policy with a focus on the alternative monetary measures employed by central banks in recent years as a result of the global energy crisis and the recent period of high inflation; and
- regulatory requirements; e.g. understanding the changing regulatory landscape as well as the impact of ING's actions on existing regulatory boundaries.

The strategic ambitions of ING Belgium, together with the design and execution of the funding plan, are assessed under both current and projected market conditions. An emphasis is placed on understanding overall market trends and developments.

The Executive Committee, staff departments from the CRO and CFO domains as well as Group Treasury have oversight of, and are responsible for, managing funding and liquidity risks under the supervision of the ALCO BeLux, as delegated by the Executive committee, being the highest approval authority overseeing the execution of the overall strategy set by the Board of Directors. The ALCO BeLux elaborates the funding and liquidity strategy, target funding and liquidity position, and the risk appetite based on recommendations from Group Treasury, Balance Sheet Risk and Finance.

ING Belgium's funding and liquidity risk governance is based on the three lines of defence structure to set clear division of responsibilities as well as an independent risk control challenge process. Group Treasury and the business lines have the first line of defence responsibilities. Group Treasury's main responsibility is to manage ING Belgium's liquidity and funding position by executing ING Belgium's funding plan, maintaining access to both the short- and the long-term professional funding markets and managing the liquidity buffer. Business lines are responsible for managing the funding and liquidity positions from the originated business, a large part of which is replicated by Group Treasury. As the second line of defence, Balance Sheet Risk is responsible for adherence to local and global ING's policies, standards and guidelines on F&L risk management as well as for proposing the F&L risk appetite to the ALCO Belux. Furthermore, Balance Sheet Risk measures funding and liquidity risks, executes stress testing, provides management information and controls the liquidity and funding requirements on commercial products. The Finance function is responsible for management information and regulatory reporting related to funding and liquidity risk management. For the third line of defence, Corporate Audit Services is responsible for independently assessing the design, effectiveness and implementation of the Funding & Liquidity risk framework.

Funding and liquidity risk management strategy and objectives (*)

The main objective of ING Belgium's funding and liquidity risk management is to maintain sufficient liquidity to ensure safe and sound operating business under normal market circumstances and in times of stress.

ING Belgium ensures readily accesses to a large variety of funding sources, both short- and long-term. ING Belgium's funding mix mainly consists of retail and corporate deposits, contributing respectively for 42 percent and 33 percent of its total funding. These funding sources provide a (relatively) stable funding base in particular for retail deposits. The remainder of the required funding is attracted primarily through a combination of short- and long-term professional funding. Group Treasury manages the professional funding in line with the F&L risk appetite, with the aim of ensuring a sufficiently diversified and stable funding base.

ING Belgium Funding MIX		
in %	2024	2023
Funding type		
Retail deposits	42.3 %	42.9 %
Corporate & other deposits	32.9 %	34.9 %
Deposits and other borrowings from banks	17.2 %	15.3 %
Public debt	5.9 %	5.0 %
Subordinated debt	1.8 %	1.9 %
Total	**100.0 %**	**100.0 %**

Funding and liquidity adequacy and risk appetite (*)

ING Belgium identifies key drivers of short-term and future liquidity and funding needs on an ongoing basis through the periodic risk-identification process. The risk-identification process is regularly performed and is a joint effort of the 1st and 2nd lines of defence to detect potential new emerging risks and changes in known risks. Taking into consideration the identified risk drivers, ING Belgium regularly assesses its current and future liquidity adequacy and, if deemed necessary, takes action to further improve its liquidity position and maintain sufficient counterbalancing capacity. A Liquidity Adequacy Statement is formulated on a regular basis to substantiate and reflect the management view on the current funding and liquidity position as well as the potential future challenges. The Liquidity Adequacy Statement is an important part of ING Belgium's ILAAP process.

ING Belgium assesses its Funding & Liquidity (F&L) adequacy through three lenses – stress, economic and normative:

- Through the **stress lens,** ING Belgium evaluates its ability to withstand periods of prolonged funding and liquidity stress for both normative and economic requirements, or vis-à-vis internal limits, under idiosyncratic, market-related, combined idiosyncratic and market-related, and climate risk scenarios, which lead to customer deposit outflows, deterioration of access to funding markets, and lower liquidity value of counterbalancing capacity
- Through the **economic lens**, ING Belgium assesses the extent to which its customers, professional counterparties and investors are comfortable in providing deposits and funding in tenors, currencies and instruments necessary to sustainably fund the business (intraday, short-term and long-term) in a going concern situation.
- Through the **normative lens**, ING Belgium ascertain that the bank is in the position to meet current and forthcoming home and host regulatory requirements.

For each lens, ING Belgium has established a set of risk appetite statements which define ING Belgium's risk appetite commensurate with the principles of liquidity adequacy.



The bank's counter-balancing capacity should be sufficient in adverse and stressed market circumstances.

The time-to-survive in an F&L stress situation must be sufficient.



Funding of longer-term assets and investments must be done by stable and longer-term liabilities.

Funding of short-term assets may not lead to significant dependency on short-term professional markets.

Diversification of the funding profile must be in place, across fund providers, instrument types, geographic markets, tenors and currencies.

The bank should be able to meet payment and settlement obligations on a timely basis.

Geographical dependencies with respect to intra-group funding are to be limited.



We comply with home and host regulatory funding & liquidity requirements.

ING Belgium's liquidity risk appetite expresses the level of liquidity risk ING Belgium is willing to take in pursuit of its strategic objectives. The Liquidity Risk Appetite Statements (RAS) are aligned with ING Belgium's and ING Group's strategy, and is reviewed (at least) on an annual basis.

The funding and liquidity risk appetite statements are translated into metrics which are used to regularly measure and manage ING Belgium's funding and liquidity risk. The risk appetite with respect to the stress lens aims to have sufficient counterbalancing capacity under various internally defined stress scenarios. Regarding the economic perspective, internally defined metrics are used to stimulate a diversified funding base and to prevent overreliance on professional funding. Finally, the liquidity coverage ratio (LCR) and the Net Stable Funding Ratio (NSFR) regulatory metrics are monitored in terms of both ING Belgium's risk appetite and normative requirements. ING Belgium's Liquidity RAS is built up of three levels:

- RAS Level 1 are considered in conjunction with each other for the purpose of steering the ING Belgium's funding and liquidity positions as they differ in assumptions, horizon and scope.
- RAS Level 2 are additional principles that allow assessing different aspects of ING Belgium's liquidity position and/or balance sheet (ratios).
- RAS Level 3 are additional principles and early warning signals that allow assessing aspects of the funding and liquidity position or represent a further specification of RAS Level 1 or Level 2.

Funding and liquidity indicators (*)

ING Belgium liquidity risk indicators

	2024	2023
Liquidity buffer (in € billion)[1]	43.6	41.3
LCR[2]	123 %	125 %
NSFR[3]	129 %	124 %
Asset encumbrance (AE)[4]	8 %	9 %
Survival period (severe stress)	>12 months	>12 months

[1] Consolidated Liquidity Buffer is reflected as a fixed point in time.
[2] Consolidated LCR is based on a 12-month rolling average.
[3] Consolidated NSFR is reflected as a fixed point in time.
[4] Consolidated AE is reflected as a median of the end-of period values for each of the four quarters of the previous year.

The liquidity buffer (counterbalancing capacity) is expressed as the market value of the underlying positions and consists largely of deposits at central banks and highly liquid assets qualifying as HQLA for the LCR. In addition to the HQLA, other securities, mainly retained covered bonds and ABS, further strengthen the available liquidity buffer. Depending on the underlying assets, haircuts are applied on the market value to determine the liquidity value of the buffer. The size and composition of the liquidity buffer depends on ING Belgium's risk appetite and regulatory standards. It is solely composed of assets that are 'unencumbered' and freely available for liquidity purposes. Group Treasury ensures operational management of all liquidity buffers within ING Belgium.

The market value of the liquidity buffer increased to €43.6 bln as of 31 December 2024; this was partly attributed to the expansion of retail deposits following the promotional campaign on term deposits. Similarly, NSFR has improved by 5% while LCR was managed in line with the steering level. The Asset Encumbrance ratio was maintained at a stable level of 8% throughout the year.

Funding sources (*)

ING Belgium applies the following key principles regarding its utilisation of professional market funding sources:

- Maintaining adequate market access in both normal and stressed but operable market conditions.
- Managing risks by adhering to internally and externally imposed risk limits and balance sheet ratios.
- Optimising the cost of funding under the above principles.

With respect to funding sources, ING Belgium manages its balance sheet prudently, whereby short-term funding is primarily used for funding short-term assets. ING Belgium aims to fund longer term assets and investments by stable and longer-term liabilities. Next to this, ING Belgium monitors exposures in major currencies such as the USD. Monitoring and control of the USD funding is performed through a dedicated USD funding and liquidity risk framework.

ING Belgium reviews its funding plan on at least a quarterly basis, assessing market developments, own balance-sheet evolution and projection, and funding requirements, and ensures its funding mix remains well diversified and accordingly in line with its risk appetite.

Intraday liquidity management

Group Treasury actively manages its short-term funding and liquidity positions, and the risks to meet payment and settlement obligations on a timely basis under both normal and stressed conditions. The objective of managing intraday liquidity and its risks at ING Belgium focuses on preventing damage to the institution's own liquidity position. Intraday liquidity management is managed through the intraday risk appetite statement, by setting amongst others monitoring metrics and triggers on daily net negative liquidity positions and levels of payments outflows.

Collateral position management

The objective of the collateral management is to ascertain that ING Belgium can meet collateral requirements. Group Treasury actively manages the liquidity risk of its collateral positions to meet ING Belgium's collateral needs, and resources, under both normal and stressed conditions and in accordance with internal and regulatory requirements.

Liquidity stress testing (*)

Funding and liquidity stress testing forms part of the overall F&L framework. It allows ING Belgium to examine the effect of exceptional but plausible future events on its funding and liquidity position and provides insight into which business lines or portfolios are vulnerable to which types of risk drivers or scenarios. Liquidity stress testing is an important tool in identifying, assessing, measuring and controlling funding and liquidity risks stemming from on- and off-balance sheet positions, providing a complementary and forward-looking perspective to other funding and liquidity risk management tools.

The Net Liquidity Position (NLP) is the main stress-testing measure and is measured at different time horizons. The stress-testing framework considers idiosyncratic, market-wide, combined (idiosyncratic plus market-wide) and climate-stress scenarios, and stresses multiple dimensions of its liquidity position such as deposits, drawings, off-balance sheet commitments, market values impacts, etc. Moreover, it differentiates between stress events that develop in a gradual or in a fast manner. The design of the framework is based on empirical evidence supplemented by expert judgment.

The framework can be extended to additional ad hoc scenarios. For example, it can be used as input for firm-wide stress testing and reverse stress testing.

Outcomes of the stress tests are considered in the key aspects of ING Belgium's funding and liquidity risk framework and risk management practice, including:

- Risk Appetite Framework (through risk appetite statements)
- Risk identification and assessment

- Monitoring of the liquidity and funding position
- Business actions (if needed)
- Contingency funding plan
- Early-warning indicators

The funding and liquidity stress testing framework is also subject to regular internal validation by its model validation unit.

In line with supervisory expectations, ING Belgium's liquidity position is stress tested (at least) on a monthly basis using a wide range of scenarios that form part of the funding and liquidity risk appetite statement. The results of all internal stress scenarios are monitored and assessed on a monthly basis. In addition, ad hoc scenarios based on current economic and market developments are run to determine their potential impacts on the funding and liquidity position of ING. In 2024, this included stress test scenarios assessing the impact of Belgian federal elections.The internal stress scenarios and their corresponding results serve as input in the decision on holding additional contingency measures.

Contingency funding planning

ING Belgium's contingent F&L risks are addressed in its Contingency Capital and Funding Plan (CCFP). The objectives of the CCFP include the following:

- Establishment of a monitoring framework to detect approaching contingent events as well as their impact on ING Belgium's F&L position.
- Provision of a plan for responding to various and increasing levels of a bank's liquidity and capital shortfall under adverse and stressed conditions.
- Designation of management responsibilities, crisis communication methods and channels, and reporting requirements.
- Identification of contingent capital and liquidity sources that can be used under various and increasing adverse as well as stressed circumstances.
- Description of steps which should be taken to ensure that the bank's sources of capital and liquidity are sufficient to fund scheduled operating requirements and meet the institution's commitments with minimal costs and disruption.

Within ING Belgium, a dedicated crisis team for contingency purposes consisting of key Executive Committee members and senior management representatives is responsible for liquidity management in times of crisis. The contingency funding measures are reviewed and tested on a regular basis.

Year-on-year variance analysis

ING Belgium has maintained its funding and liquidity position in line with its risk appetite and steering levels across the year. ING Belgium ended 2024 with material liquidity surpluses as reflected in its indicators, that emerged in the course of the year after the successful Promotional Term Deposit campaign launched at the maturity of the State Bond issued by the Federal Debt Agency one year before. Thanks to the overall expansion of commercial deposits, complemented by Covered Bond and MREL issuances and the existing liquidity support of ING Bank, the liquidity metrics remained above internal and regulatory targets in line with projections.

An operational outage impacting ING Belgium mainframe in Q1 2024 paralysed business applications during two consecutive days. Risk and Treasury functions proactively triggered the CCFP alert phase and intensified monitoring, though no early warning thresholds had been breached. After a week of close monitoring, the Crisis team decided to deactivate the alert phase following the regular and steady pattern of the deposits and stable liquidity indicators.

In conclusion, ING Belgium has carefully managed its funding and liquidity position throughout 2024, in line with its projected developments and in accordance with its risk appetite and liquidity steering levels, thanks to its comprehensive Funding and Liquidity framework.

Analysis of assets and liabilities by maturity

Analysis of assets by contractual maturity (2024)

In EUR thousands	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Maturity not applicable	Total
Cash and balances with central banks	16,450,985	0	0	0	0	0	**16,450,985**
Amounts due from banks	3,154,921	69,844	174,027	219,849	4,641	0	**3,623,281**
Financials assets at fair value through profit and loss	332,706	367,787	926,374	2,692,914	5,514,017	50,623	**9,884,421**
- trading assets	140,484	163,279	269,487	484,193	751,786	0	**1,809,230**
- non-trading derivatives	180,371	178,186	633,269	2,208,721	4,758,683	0	**7,959,229**
- designated as at fair value through profit and loss	11,852	26,321	23,618	0	0	0	**61,790**
- mandatorily at fair value through profit or loss	0	0	0	0	3,549	50,623	**54,172**
Financial assets at fair value through OCI	8,259	20,379	131,051	1,777,752	3,354,251	41,769	**5,333,461**
Securities at amortised cost	166,734	103,292	709,581	4,832,863	5,214,793	0	**11,027,262**
Loans and advances to customers	9,997,935	8,257,704	10,457,669	36,029,331	50,303,428	0	**115,046,067**
Intangible assets	0	0	0	0	0	14,187	**14,187**
Current tax assets	945	0	2,829	2,063	0	0	**5,837**
Deferred tax assets	0	0	181	137	904	0	**1,222**
Other assets	558,699	112,247	87,667	0	0	239,420	**998,034**
Remaining assets (where maturities are not applicable)	0	0	0	0	0	764,207	**764,207**
Total assets	**30,671,184**	**8,931,252**	**12,489,378**	**45,554,909**	**64,392,034**	**1,110,206**	**163,148,964**

Analysis of assets by contractual maturity (2023)

In EUR thousands	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Maturity not applicable	Total
Cash and balances with central banks	15,001,197	0	0	0	0	0	**15,001,197**
Amounts due from banks	3,164,922	88,022	282,170	118,549	2,955	0	**3,656,618**
Financials assets at fair value through profit and loss	394,607	516,115	854,219	3,133,585	7,899,009	13,414	**12,810,949**
- trading assets	134,902	137,873	226,503	133,061	1,267,214	0	**1,899,553**
- non-trading derivatives	247,446	351,036	600,912	3,000,524	6,626,850	0	**10,826,768**
- designated as at fair value through profit and loss	12,259	27,206	26,804	0	0	0	**66,269**
- mandatorily at fair value through profit or loss	0	0	0	0	4,945	13,414	**18,359**
Financial assets at fair value through OCI	17,767	33,565	39,410	1,707,147	2,612,676	37,586	**4,448,151**
Securities at amortised cost	318,980	38,435	736,894	4,758,452	4,858,486	0	**10,711,247**
Loans and advances to customers	8,775,302	7,296,887	10,837,820	33,959,886	48,627,350	0	**109,497,245**
Intangible assets	0	0	2,879	6,652	0	0	**9,531**
Current tax assets	500	917	4,926	3,078	0	0	**9,421**
Deferred tax assets	0	0	0	0	2,587	0	**2,587**
Other assets	629,081	163,152	95,510	1	46,426	6,202	**940,372**
Remaining assets (where maturities are not applicable)	0	0	0	0	0	819,718	**819,718**
Total assets	**28,302,356**	**8,137,093**	**12,853,828**	**43,687,350**	**64,049,489**	**876,920**	**157,907,036**

Analysis of liabilities by contractual maturity (2024)

In EUR thousands	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Maturity not applicable	Total
Subordinated loans	0	0	0	0	1,329,318	1,320,972	**2,650,291**
Debt securities in issue	1,799	252,262	1,303,357	4,149,466	2,601,561	0	**8,308,445**
Amounts due to banks	3,361,969	778,815	2,328,494	11,322,947	1,070,468	5,864	**18,868,557**
Customer deposits and other funds on deposit	96,341,800	5,139,746	8,850,505	82,607	1,224	0	**110,415,882**
Financial liabilities at fair value through profit and loss	428,379	595,629	1,890,524	6,712,538	1,722,834	0	**11,349,904**
- trading liabilities	177,351	180,984	361,647	686,747	439,159	0	**1,845,887**
- non trading derivatives	237,160	414,645	1,478,877	5,861,292	1,189,851	0	**9,181,824**
- designated as at fair value through profit and loss	0	0	50,000	164,500	99,531	0	**314,031**
- other trading liabilities	8,161	0	0	0	0	0	**8,161**
Other liabilities	1,184,301	157,286	584,989	168,919	72,903	0	**2,168,398**
- Current tax liab	0	0	71,884	9,307	0	0	**81,191**
- Deferred tax liab	0	0	49,996	1,126	8,475	0	**59,597**
- Provisions	44,076	22,515	16,530	12,681	13,616	0	**109,418**
- Other liabilities	1,140,224	134,772	446,579	145,806	50,811	0	**1,918,192**
Total liabilities	**100,810,622**	**6,923,738**	**14,957,869**	**22,436,478**	**6,798,307**	**1,834,463**	**153,761,476**

Analysis of liabilities by contractual maturity (2023)

In EUR thousands	Less than 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Maturity not applicable	Total
Subordinated loans	0	0	0	0	1,292,986	1,264,351	**2,557,337**
Debt securities in issue	13,298	21,605	43,662	3,893,460	2,461,680	0	**6,433,705**
Amounts due to banks	3,626,210	4,040,523	2,798,317	6,704,385	2,935,085	117,695	**20,222,213**
Customer deposits and other funds on deposit	94,341,309	4,134,506	4,810,401	94,438	19,321	2,889	**103,402,864**
Financial liabilities at fair value through profit and loss	483,627	604,112	808,908	3,627,932	7,968,291	0	**13,492,871**
- trading liabilities	150,476	162,518	375,994	548,956	683,445	0	**1,921,390**
- non trading derivatives	325,731	441,594	432,914	2,889,476	7,217,312	0	**11,307,027**
- designated as at fair value through profit and loss	0	0	0	189,500	67,534	0	**257,034**
- other trading liabilities	7,420	0	0	0	0	0	**7,420**
Other liabilities	1,655,473	187,239	635,409	165,602	85,504	0	**2,729,226**
- Current tax liab	0	0	134,881	1,487	0	0	**136,368**
- Deferred tax liab	897	0	13,444	12,133	5,426	0	**31,900**
- Provisions	47,505	8,044	28,341	17,902	17,360	0	**119,152**
- Other liabilities	1,607,071	179,195	458,743	134,079	62,717	0	**2,441,806**
Total liabilities	**100,119,917**	**8,987,985**	**9,096,697**	**14,485,817**	**14,762,867**	**1,384,935**	**148,838,216**

Solvency risk

Solvency risk is the risk of lacking sufficient capital to fulfil the business objectives, regulatory and internal requirements or market expectations. A bank that is insolvent is unable to pay its debts and will be forced into bankruptcy.

The level and quality of capital is crucial for the resilience of individual banks. Banks are expected to assess the risks they face, and in a forward-looking manner ensure that all material risks are identified, managed and covered sufficiently by loss absorbing capital to ensure continuity in case of materialization of unexpected risks in times of stress. Given the interdependencies to other financial and non-financial risks this balancing act of capital adequacy needs to be done within a sound and integrated management approach coherently linking all moving parts of ING Belgium in line with the long-term business strategy.

Governance

ING's solvency risk governance is based on the three lines of defence structure setting a clear division of responsibilities as well as an independent risk control challenge process.

Group Treasury ("GT") Balance Sheet & Capital Management, as first line of defence, is responsible for maintaining the adequate capitalisation of ING Group and ING Bank entities, to manage the risk associated with ING's business activities. This involves not only managing, planning, and allocating capital within ING Group, ING Bank and its various entities, but also helping to execute necessary capital market transactions, term (capital) funding, and risk management transactions. ING takes an integrated approach to assess the adequacy of its capital position in relation to its risk profile and operating environment. This means GT Balance Sheet & Capital Management takes into account both regulatory and internal, economic-based metrics and requirements, as well as the interests of key stakeholders, such as shareholders and rating agencies.

Strategic Risk acts as second line of defence and is therefore responsible for all the risk topics within the ICAAP Framework. This starts with the annual Risk Identification & Risk Assessment process which functions as starting point for the annual review of the related building blocks. Strategic Risk coordinates the annual review of the Risk Appetite Framework and as part of this proposes the Solvency Risk Appetite. The output of the Risk Assessment is also used by Strategic Risk for the annual review of ICAAP Stress Test scenarios and the Economic Capital framework. By doing so, Strategic Risk challenges the execution, management, and control processes in relation to the business activities.

As the third line of defence, Corporate Audit Services provides an ongoing independent and objective assessment of the effectiveness of internal controls to mitigate risks embedded in ING's business processes, including risk management activities performed by both the first and second line of defence.

The Board of Directors remains ultimately responsible to oversee ING's overall ICAAP Framework whereas the Executive Committee is responsible for the functioning of the ICAAP processes by managing and executing. Delegated decision power is mandated towards ALCO Belux. The Capital Management Committee Committee owns delegated responsibilities concerning the ICLAAP processes and brings together expertise and knowledge from different key departments involved and functions as an oversight body, responsible for maintaining a sound and effective processes and ensuring that the different elements of the ICAAP fit coherently together as an integral part of the institution's overall management framework.

ICAAP framework

ING Belgium's Internal Capital Adequacy Assessment Processes (ICAAP) aims to ensure that capital levels are adequate to cover all material risks at all levels and to ensure compliance with regulations and internal requirements. ING Belgium follows an integrated approach to assess the adequacy of its capital position in relation to its business activities, underlying business strategy, market positioning risk profile and operating environment. This implies taking into account the interests of its various stakeholders such as regulators, shareholders, investors, rating agencies, clients and customers.

The continued strength of ING Belgium's capital position, the adequacy of the financial position and the risk management effectiveness are essential for achieving the ING strategy. ING Belgium's ICAAP ultimately supports this strategy and contributes thereby to the continuity of ING Belgium.

Managing ING Belgium's capital requirements and allocation entails finding a balance between the forces governing supply and demand. The uncertainties surrounding these factors are a reflection of changing market circumstances and continuous unpredictability in regulatory and macroeconomic forces. The process of balancing these strategic goals is captured in the ICAAP framework and enabled by the building blocks and elements facilitating the ICAAP.

The following building blocks have been defined in the ICAAP Framework, which are applied for both the 'normative' and 'economic' perspective as defined in the ECB Guide to ICAAP that was published in November 2018:

- Risk Identification & Assessment
- Risk appetite
- Solvency Stress testing
- Planning and forecasting
- Capital management
- Continuity

Risk Identification & Assessment

ING Belgium's capital management and solvency risk management starts with the risk identification & risk assessment process. Main purpose of this process is to detect potential new risks and to identify changes in the potential impact of known risks. On an annual basis, ING Belgium performs a thorough review of its solvency risks. Within this assessment, bottom-up assessments are combined with top-down assessments, including a questionnaire and workshops with senior management. The results of the Risk Assessment are discussed in

Executive Committee (ExCo) and Risk Committee (RiCo). Once approved, the conclusions of the Risk Assessment feed into the annual review of the Risk Appetite Framework, the Stress Testing Framework and the Economic Capital Framework. In addition to this annual process, ING Belgium also re-assesses its risks as part of the Capital Adequacy Statement, a quarterly process to assess ING Belgium's capital adequacy.

Solvency risk appetite

As explained in the Risk Appetite Framework section in the previous chapter, ING Belgium has established overarching Solvency risk boundaries. Boundaries are risk appetite statements that are essential for risk management activity, making it of paramount importance to respect these boundaries. The Board of Directors is responsible for approving and monitoring the boundaries, which are complemented by a sequence of risk type specific instruments. These underlying risk appetite statements are cascaded down into the organisation to the lowest level deemed necessary and dedicated risk thresholds are set that are used for day-to-day monitoring and management of ING Belgium's risks.

Capital planning

The Capital Plan is an integral part of the Dynamic Plan, ING Belgium's financial and business planning process. Its objective is to inform and advise the management on the capital development and needs of ING Belgium, under base case and adverse scenarios. It describes how ING Belgium shall manage the expected capital constraints taking into consideration growth projections, capital and risk evolution, macro and market conditions, both under the normative and economic perspective. The Capital Plan is updated at least once a year, discussed and approved by local management. Within these updates, ING Belgium takes into account recent regulatory, market and risk developments and ensures that the capital planning adheres to the solvency risk appetite set by the Board of Directors.

Capital management

Among the solvency management tools the formulation of the CET1 target forms a key element. The target ratio which is based on the Management Buffer concept enables ING Belgium's senior management to steer, benchmark and assess ING Belgium current and future capital levels much more efficiently. The Capital Management Buffer aims to protect the interests of key stakeholders and plays an important role in the overall capital adequacy governance. The general rationale behind the concept of the management buffer is that it provides an additional cushion on top of the regulatory minimum requirements (e.g. SREP requirements) to withstand a certain level of stress and to facilitate awareness and preparedness to take management actions. ING Belgium reviews its capital management buffer on a regular basis to determine its effectiveness, robustness and updates it as appropriate.

Stress testing

Solvency stress testing allows a bank to examine the effect of exceptional but plausible future events on the solvency position and provides insight into which entities or portfolios are vulnerable to which type of risks or in which type of scenarios. Solvency stress testing is an important tool in identifying, assessing, measuring and controlling risks to capital, providing a complementary and forward-looking perspective to other solvency risk management tools.

ING Belgium distinguishes the following three types of stress test analyses:

- Sensitivity analysis: Within these analyses, ING Belgium assess the impact of a pre-defined shock in one or more risk drivers. The key purpose of sensitivity analyses is to monitor the impact of this pre-defined (or standardized) shock over time to get an understanding of how the risk profile of ING Belgium has developed;
- Scenario analysis: Scenario analyses are used to assess the impact of historical, statistical and/or hypothetical circumstances on the financial position of ING Belgium. These stress tests often build on a qualitative scenario narrative and reflect risk topics that are deemed relevant for ING Belgium given, for example, its business model. Scenarios can be derived from historical realizations, but also reflect e.g. potential macro-economic,geopolitical or climate risk related events. These scenarios can be used for one-off analyses, but can also be translated into a set of regular or standardised stress tests that are assessed on a quarterly basis; and
- Reverse stress testing: The purpose of reverse stress testing is to identify scenarios that could lead to a pre-defined outcome. This could for example be a pre-defined solvency level. The added value of reverse stress testing is to explore risk drivers and stress scenarios outside the existing range.

The outcome of solvency stress test analyses are taken into account in capital planning, but also for setting risk appetite statements and the capital management buffer.

Contingency & recovery planning

Contingent capital events are unexpected situations or business conditions that may increase the risk with respect to ING Belgium's capital position. These events may be ING Belgium specific or arise from external factors. The Contingency Capital (& Funding) Plan (CCFP) sets out the organisation and actions in case of contingency events. The CCFP has a suite of monitoring metrics that are aligned with the Risk Appetite Statements that are in place for managing ING Belgium's capital, liquidity & funding position. The Recovery Plan is designed by ING to timely detect and act upon possible major and unforeseen deterioration of its solvency position. The plan has integrated several Risk Appetite Statements for timely identification of possible stress on the company. Incorporating Risk Appetite Statements in both plans ensures a seamless continuum between the ING Belgium's business-as-usual management and its contingency or recovery management.

Assessing capital adequacy: Capital Adequacy Statement (CAS)

The Capital Adequacy Statement (CAS) is ING Belgium's semi-annual assessment of its capital adequacy and takes into account different elements with respect to its capital position. The degree to which ING Belgium's capital position is considered to be adequate depends on a variety of internal and external drivers:

- Current supervisory requirements and (expected) requirements going forward.
- Current internal requirements and (expected) requirements going forward.
- Coherence of the available capital with the (realization of) strategic plans.
- The ability to meet internal and external requirements in the case of stressed events or should a risk materialize

The CAS assesses the adequacy of ING Belgium's capital position in relation to above mentioned drivers and states the extent to which the capital position consequently is considered as adequate. On a semi-annual basis the CAS document is prepared. At each year-end, the management body provides a comprehensive assessment of ING Belgium's capital adequacy, supported by the ICAAP outcomes, in the form of a more detailed Capital Adequacy Statement.

Capital developments

ING Belgium's capital ratios decreased compared to 2023, due to lower CET1 capital combined with higher RWA. Year-on-year. ING Belgium's CET1 capital decreased by EUR 0.4 billion, mainly due to prudential deduction related to IRB provision shortfall, while RWA increased by EUR 2.2 billion.

ING Belgium continues to maintain a strong and high-quality capital level. At the end of December 2024, ING Belgium consolidated had a CET1 ratio of 13.8% versus an overall SREP requirement (including combined buffer requirement) of 11.4%. The Tier 1 ratio was 16.3%, while the total capital ratio was 19.0%. The leverage ratio was at 4.9%.

MREL requirements

Minimum Requirement for own fund and Eligible Liabilities (MREL) applies to ING Belgium at stand-alone (solo) level. MREL provides additional capacity to absorb losses and facilitate recapitalisation in case of resolution. ING Belgium is however not a resolution entity, as ING Group has a single point of entry resolution strategy.

MREL requirements were 25.3% on RWA and 5.9% on leverage exposure as per December 2024. ING Belgium meets these MREL requirements with MREL ratios of 27.5% on RWA and 9.1% on leverage exposure at the end of December 2024. As of that date, total MREL amounted to EUR 13.9 billion, to be compared to EUR 50.8 billion RWA and EUR 153.4 billion Leverage exposure for ING Belgium solo.

For additional detail, please refer to Note 27 in consolidated financial statement section, as well as Capital management chapter.

Credit risk

Credit risk is the risk of loss from the default and/or credit rating deterioration of clients. Credit risks arise in ING Belgium's lending, financial market and investment activities. The credit risk section provides information on how ING Belgium manages, measures and monitors credit risk and gives an insight into the ING Belgium portfolio from a credit risk perspective.

Governance (*)

Credit risk within ING Belgium is part of the second line of defence. ING Belgium's credit risk strategy is to maintain a diversified loan and bond portfolio, while avoiding large risk concentrations. The emphasis is on managing business developments within the business lines by means of a top-down risk appetite framework, which sets concentration limits. The aim is to support relationship-banking activities, while maintaining internal risk/reward guidelines and controls.

Credit analysis at portfolio level is monitored using (among the others) metrics such as economic capital, regulatory capital, exposure at default (EAD), probability of default (PD), risk weighted assets (RWA), and loss given default (LGD). To ensure efficient use of ING Belgium's capital, the risk appetite is monitored and managed at portfolio level by risk and finance together. Credit analysis at transactional level focuses on the risk amount, tenor, structure of the facility and profile of the borrower. ING Belgium's credit risk managers make use of publicly available information, information provided by the counterparty, peer group comparisons, industry comparisons and quantitative techniques.

In ING Belgium, the ultimate approval authority for credit proposals resides with the executive committee of ING Belgium. The executive committee has delegated authorities based on amounts, tenors and risk ratings to lower levels in the organisation. Transactions are approved via a dual signatory approval system that requires an individual sign-off from both front office and credit risk management. For larger and higher risk credits, a committee structure exists whereby the credit risk chair takes the final decision with support of the respective committee members, thereby ensuring accountability. Retail has a delegated authority to decide within policies and mandates approved by credit risk. Any decisions outside those policies or above the delegated mandate require a specific credit risk approval.

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The Credit Risk function encompasses the following activities:

- Measuring, monitoring and managing credit risks in the bank's portfolio, including evaluation of scenario and stress test results
- Challenging and approving new and modified transactions and borrower reviews, including involvement in the process of assigning risk ratings to indicate a client's creditworthiness
- Managing the levels of provisioning and risk costs, and advising on impairments
- Providing consistent credit risk policies, systems and tools to manage the credit lifecycle of all activities.

Credit risk categories (*)

In the following table the different types of credit risk categories are described and a reconciliation with the notes in the financial statements is also included:

Reconciliation between credit risk categories and financial assets (*)

Credit risk category	Notes in the Annual Accounts
Pre-settlement (PS) risk arises when a client defaults on a transaction before settlement and ING must replace the contract by a trade with another counterparty at the then prevailing (possibly unfavourable) market price. This credit risk category is associated with derivatives transactions (exchange-traded derivatives, over-the-counter (OTC) derivatives and securities financing transactions).	Note 4: Financial assets at fair value through profit or loss Note 14: Financial liabilities at fair value through profit or loss Note 34: Offsetting financial assets and liabilities
Settlement risk arises when there is an exchange of value (funds or instruments) and receipt from its counterparty is not verified or expected until after ING has given irrevocable instructions to pay or has paid or delivered its side of the trade. The risk that ING delivers but does not receive delivery from its counterparty.	Note 4: Financial assets at fair value through profit or loss Note 11: Other assets Note 14: Financial liabilities at fair value through profit or loss Note 16: Other liabilities
Money market (MM) risk arises when ING places short-term deposits with a counterparty in order to manage excess liquidity. In the event of a counterparty default, ING may lose the deposit placed.	Note 2: Cash and balances with central banks[1] Note 3: Loans and advances to banks Note 7: Loans and advances to customers
Lending risk is the risk that the client (counterparty, corporate or individual) does not pay the principal interest or fees on a loan when they are due, or on demand for letters of credit (LCs) and guarantees provided by ING.	Note 2: Cash and balances with central banks Note 3: Loans and advances to banks Note 4: Financial assets at fair value through profit or loss Note 5: Financial assets at fair value through other comprehensive income Note 7: Loans and advances to customers Note 36: Contingent liabilities and commitments
Investment risk is the credit default and risk rating migration risk that is associated with ING's investments in bonds, commercial paper, equities, securitisations and other similar publicly traded securities. This can be viewed as the potential loss that ING may incur from holding a position in underlying securities whose issuer's credit quality deteriorates or defaults.	Note 4: Financial assets at fair value through profit or loss Note 5: Financial assets at fair value through other comprehensive income Note 6: Debt securities

[1]Regulatory deposits to Central Banks are treated in the Lending Risk category.

Credit risk appetite and concentration risk framework (*)

The credit risk appetite and concentration risk framework enable ING Belgium to prevent undesired high levels of credit risk and credit concentrations within various levels of the ING Belgium portfolio. Credit risk exposure is the total amount of outstanding plus the unused portion of commitments. It can be measured on various levels, such as customer, legal or economic one obligor group, product, portfolio, customer type, industry and country.

Credit risk appetite is the maximum level of credit risk ING Belgium is willing to accept for growth and value creation. The credit risk appetite is linked to the overall ING Belgium risk appetite framework. The credit risk appetite is expressed in quantitative and qualitative measures. Having a credit risk appetite achieves:

- Clarity about the credit risks that ING Belgium is prepared to assume, target setting and prudent risk management.
- Consistent communication to different stakeholders.
- Guidelines on how to align reporting and monitoring tools with the organisational structure and strategy.
- Alignment of business strategies and key performance indicators of business units with ING's credit risk appetite through dynamic planning.

The credit risk appetite is set at different levels and dimensions within ING. The credit risk appetite framework specifies the scope and focus of the credit risk which ING takes, and the composition of the credit portfolio, including its concentration and diversification objectives in relation to business lines, locations, sectors and products. The credit risk appetite framework has also been extended to embed climate risk elements. The first steps towards introducing climate risk elements in the credit risk appetite framework were taken in 2022 and these have further evolved and matured in 2024. The climate risk elements within the credit risk appetite framework allow for more efficient steering of sector concentrations from a climate risk perspective.

Credit risk appetite statements (RAS) and concentration limits are set and reviewed on an annual basis by the Executive Committee of ING Belgium and the concentration limits are ratified by the Board of Directors.

The credit risk appetite and concentration risk framework are composed of:

- **Country risk concentration:** Country risk is the risk that arises due to events in a specific country (or group of countries). In order to manage the maximum country event loss ING Belgium is willing to accept, limitations are set at the level of ING Bank N.V. consolidated. The estimated level is correlated to the risk rating assigned to a given country. Actual country limits are set by means of country instruments, which are reviewed monthly and updated when needed. For countries with elevated levels of geopolitical or severe economic cycle risk, monitoring is performed on a more frequent basis with strict pipeline and exposure management.
- **Single name and industry sector concentration:** ING Belgium has established a credit concentration risk framework in order to identify, measure and monitor single name concentration and industry sector concentration (systemic risk). The same concept of boundaries and instruments are applied.
- **Sector and product concentration risk:** These are managed via the credit risk appetite framework
- **Scenarios and stress tests:** Stress testing evaluates ING Belgium's financial stability under severe, but plausible stress scenarios, and supports decision-making that assures ING Belgium remains a financially going concern even after a severe event occurs. In addition to the bank-wide stress testing framework described above, ING Belgium performs regularly sensitivity analyses to assess portfolio risks and concentrations. In light of the ongoing inflationary pressure, ING Belgium incorporated specific scenarios for the stress tests to gain insight into the portfolio sensitivity.
- **Product approvals:** The product approval and review process (PARP) assesses and manages risks associated with the introduction of new or modified products. It ensures that sound due diligence is performed by relevant stakeholders and the relevant risks (credit, operational, compliance, etc.) are addressed appropriately.
- **Sector strategy and risk appetite papers:** These are detailed analyses of defined products and/or industries. They identify the major risk drivers and mitigants, the internal business mandate, and propose the risk (including business) parameters – and potentially the maximum product and/or portfolio limit – to undertake that business. A sector strategy and risk appetite paper is always prepared by the front office responsible for the internal business mandate and requires an approval from the designated approval authority. Sector strategy and risk appetite papers may carry various names and/or may have geographical and/or business limitations (e.g. local vs global).
- **Credit approval process:** The purpose of the credit approval process is that individual transactions and the risk associated with these transactions are assessed on a name-by-name basis. For each type of client there is a dedicated process with credit risk managers specialised along the business lines of ING, including the use of automated decision making in certain cases. The credit approval process is supported by a risk rating system and exposure monitoring system. Risk ratings are used to indicate a client's creditworthiness which translates into a probability of default. This is used as input to determine the maximum risk appetite that ING has for a given type of client (reference benchmark). The determination of the delegated authority (the amount that can be approved at various levels of the organisation) is a function of the risk rating of the client and ING's credit risk exposure on the client. Where necessary, underwriting standards are reviewed and refined to limit the credit risk to portfolios particularly sensitive to certain market circumstances

Credit risk models (*)

Within ING Belgium, internal Basel compliant models are used to determine probability of default (PD), exposure at default (EAD) and loss given default (LGD) for regulatory and economic capital purposes. These models also form the basis of ING's IFRS 9 loan loss provisioning (see "IFRS 9 models" below).

There are two main types of PD, EAD and LGD models used throughout ING Belgium:

- **Statistical models** are created where a large set of default or detailed loss data is available. They are characterised by a sufficient number of data points that facilitate meaningful statistical estimation of the model parameters. The model parameters are estimated with statistical techniques based on the data set available.
- **Hybrid models** contain characteristics of statistical models combined with knowledge and experience of experts from risk management and front office staff, literature from rating agencies, supervisors and academics. These models are especially appropriate for 'Low Default Portfolios', where limited historical defaults exist.

Credit risk rating process (*)

In principle, all risk ratings are based on a Risk Rating (PD) Model that complies with the minimum requirements detailed in CRR/CRDIV/CRD V, ECB Supervisory Rules and EBA guidelines. This concerns all borrower types and segments.

ING Belgium's PD rating models are based on a 1-22 internal risk rating scale (1=highest rating; 22=lowest rating) referred to as the 'master scale', which roughly corresponds to the rating grades that are assigned by external rating agencies, such as Standard & Poor's, Moody's and Fitch. For example, an ING rating of 1 corresponds to an S&P/Fitch rating of AAA and a Moody's rating of Aaa; an ING rating of 2 corresponds to an S&P/Fitch rating of AA+, and so on.

The 22 internal risk rating grades are composed of the following categories:

- Investment grade (risk rating 1-10);
- Non-investment grade (risk rating 11-17);
- Sub-standard (risk rating 18-19); and
- Non-performing (risk rating 20-22).

The three first categories (1-19) are risk ratings for performing loans. The ratings are calculated in IT systems with internally developed models based on data that is either manually or automatically fed. Under certain conditions, the outcome of a manually fed model can be challenged through a rating appeal process. Risk ratings for non-performing loans (NPL) (20-22) are set by the global or regional credit restructuring department. For securitisation portfolios, the external ratings of the tranche in which ING has invested are leading.

Risk ratings assigned to clients are reviewed at least annually, with the performance of the underlying models monitored regularly. Some of these models are global in nature, such as models for large corporates, commercial banks, insurance companies, central governments, local governments, funds, fund managers, project finance and leveraged companies. Those models are developed at ING Group level. Other models are more specific to ING Belgium. These ING Belgium models are Belgium consumer, Belgium business and the Record Credits rating model.

Rating models for retail clients are predominantly statistically driven and automated, such that ratings can be updated on a monthly basis. Rating models for large corporates, institutions and banks include both statistical characteristics and manual input, with the ratings being manually updated on at least an annual basis. More frequent review (e.g. quarterly for clients on watch, restructuring, ...) are performed where considered necessary, for example portfolios and clients most at risk from macro-economic conditions.

In line with evolving regulatory expectations on models and emerging industry practices ING is nearing the end of the multi-year redevelopment process of its credit risk models. This is also in line with ING's model governance to ensure continuous improvement of models.

Credit risk systems (*)

The acceptance, maintenance, measurement, management and reporting of credit risks at all levels of ING Belgium is executed through single, common credit risk data standards using shared credit risk tools that support standardised and transparent credit risk practices. ING has chosen to develop credit risk tools centrally with the philosophy of using a single source of data in an integrated way. This includes applying a combination of the ING policy, the regulatory environment in which we operate and the daily processes that are active through the Group. Disciplined application in these three areas is essential for achieving high data quality standards.

The credit risk control unit (CRCU), which is part of the Credit Risk department, manages the CRCU control framework offering quality assurance on the regulatory areas of responsibility: the design or selection, implementation, oversight, and performance of the rating systems. This framework leans on control execution in other teams such as model development in Integrated Risk where the combination of these different teams is considered for the CRCU self-assessment.

ING Belgium has a Model Risk Management Committee (MoRMC) with the aim to oversee the use, design, validation of all models used locally. The aim of this Committee is to improve oversight of models but also ensure all stakeholders using models, validating them, developing them etc, collaborate efficiently. The MoRMC is an advisory committee and has as such no decision power.

Credit risk portfolio (*)

ING Belgium's credit exposure is mainly related to traditional lending to individuals and businesses followed by investments in bonds and securitised assets, and money market. Loans to individuals are mainly mortgage loans secured by residential property. Loans (including guarantees issued) to businesses are often collateralised but can be unsecured based on internal analysis of the borrowers' creditworthiness. Bonds in the investment portfolio are generally unsecured, but predominantly consist of bonds issued by central governments and EU- and/or OECD-based financial institutions. Secured bonds, such as mortgage-backed securities and asset backed securities are secured by the underlying diversified pool of assets (commercial or residential mortgages, car loans and/or other assets) held by the securities issuer. For money market, exposure is mainly deposits to central banks. The last major credit risk source involves pre-settlement (PS) exposures which arise from trading activities, including derivatives, repurchase transactions and securities lending/borrowing transactions. This is also commonly referred to as counterparty credit risk.

Portfolio analysis per business line (*)

The ING Belgium portfolio is divided into two main businesses:

- Retail Banking includes loans to individuals, small and medium enterprises and institutions.
- Wholesale Banking includes Group Treasury exposures, transaction services, lending and Financial Markets.

Total outstandings of ING Belgium in terms of rating classes and economic sectors per line of business are shown below. The outstanding nominal amount is a measure of the on-balance exposure, based on the drawings or trades open, with specific definitions per product category.

For lending this aligns with the AnaCredit definition, sum of outstanding principal amount (including past due principal) + past due fees + past due interest. For pre-settlement, settlement and money market limits, this is the total current approved maximum amount of trades that are open under the respective first limit time band, adjusted for the appropriate risk factor (e.g., potential future exposure (PFE), or risk weighting).

Total outstandings of ING Belgium SA/NV consolidated portfolio in terms of risk classes per line of business[1] (*)

In EUR millions		Wholesale Banking		Retail Banking		Total (All)	
Risk class[2]		2024	2023	2024	2023	2024	2023
Investment grade	1 (AAA)	8,454	6,729	54	19	**8,508**	**6,748**
	2-4 (AA)	21,383	21,455	7,227	6,578	**28,610**	**28,033**
	5-7 (A)	13,901	13,266	20,940	18,991	**34,841**	**32,257**
	8-10 (BBB)	7,878	8,276	24,142	25,472	**32,021**	**33,748**
Non-Investment grade	11-13 (BB)	3,548	3,896	31,063	30,161	**34,610**	**34,058**
	14-16 (B)	446	471	11,660	10,470	**12,106**	**10,942**
	17 (CCC)	252	272	1,177	1,041	**1,429**	**1,313**
Substandard grade	18 (CC)	43	289	365	407	**408**	**697**
	19 (C)	8	39	738	441	**745**	**480**
Non-performing loans	20-22 (D)	408	179	3,177	3,171	**3,586**	**3,350**
Total		**56,321**	**54,872**	**100,544**	**96,752**	**156,865**	**151,624**
Economic sector[3,4]							
Private Individuals		8	7	49,179	48,389	**49,187**	**48,395**
Central Banks		15,933	16,342			**15,933**	**16,342**
Real Estate		2,179	1,976	12,117	9,781	**14,296**	**11,757**
Central Governments		7,669	6,577	3,037	2,091	**10,706**	**8,668**
Services		884	971	8,226	8,145	**9,110**	**9,116**
Lower Public Administration		2,097	2,590	6,847	6,638	**8,944**	**9,227**
Commercial Banks		8,791	9,192	3	138	**8,793**	**9,330**
Chemicals, Health & Pharmaceuticals		2,248	2,003	3,553	3,294	**5,801**	**5,297**
Natural Resources		4,007	3,801	846	762	**4,853**	**4,563**
Food, Beverages & Personal Care		1,101	938	3,039	2,897	**4,140**	**3,835**
Non-Bank Financial Institutions		3,423	3,425	586	660	**4,009**	**4,085**
Transportation & Logistics		2,174	2,204	1,743	1,692	**3,917**	**3,896**
Builders & Contractors		600	657	3,298	4,031	**3,898**	**4,688**
General Industries		974	804	2,195	2,333	**3,169**	**3,137**
Other		4,234	3,387	5,876	5,903	**10,110**	**9,290**
Total		**56,321**	**54,872**	**100,544**	**96,752**	**156,865**	**151,624**

1 Based on credit risk measurement contained in lending, pre-settlement, money market and investment activities.
2 Rating is based upon ING Internal Rating Master scale. ING Master scale is further mapped to external Rating (S&P And FITCH).
3 Economic sectors below 2% of the total portfolio are not shown separately but grouped in Other.
4 Economic sectors are based upon NAICS codes

Overall portfolio

The total ING Belgium portfolio outstanding amounted to EUR 157 billion at the end of Q4 2024, which was an increase of +4% compared to 2023 (EUR +5.2 billion). This is explained by an increase in Wholesale Banking of +3% (EUR +1.4 billion) and in Retail Banking of +4% (EUR +3.8 billion).

Rating distribution

Ratings wise, the increase in Wholesale Banking is mostly observed in risk classes AAA and A, primarily driven by an increase in outstanding at central governments. Within Retail Banking, there has been an increase in exposure in rating class A and B, mostly in real estate.

Industry

Looking from an industry breakdown perspective, the most important movement in Wholesale Banking can be observed in central governments, an increase in outstanding by EUR +1.1 billion. In Retail Banking, the most important movement can be observed for real estate, which increased by EUR +2.3 billion. This was primarily driven by increases in revolving credits for EUR +1.1 billion and term loans for EUR +1.0 billion. Overall, economic sector movements show real estate increased by EUR +2.5 billion, central governments by EUR +2.0 billion and private individuals by EUR +0.8 billion. Builders & contractors decreased by EUR -0.8 billion, commercial banks by EUR -0.6 billion.

The table below shows the country risk concentration of the ING Belgium portfolio:

Total outstanding of ING Belgium consolidated portfolio in terms of geographic area per line of business[1,2] (*)

In EUR millions	Wholesale Banking		Retail Banking		Total (All)	
	2024	2023	2024	2023	2024	2023
Europe	50,833	49,679	100,338	96,568	**151,171**	**146,247**
Belgium	21,646	21,991	94,149	90,059	**115,795**	**112,049**
Luxembourg	10,047	9,048	4,466	4,866	**14,513**	**13,914**
France	4,850	4,328	715	645	**5,565**	**4,973**
Rest of Europe	14,290	14,312	1,007	999	**15,298**	**15,310**
America	4,755	4,411	150	134	**4,906**	**4,546**
Asia	491	525	38	29	**529**	**554**
Africa	225	237	16	19	**241**	**257**
Rest of World	17	19	2	2	**19**	**21**
Total	**56,321**	**54,872**	**100,544**	**96,752**	**156,865**	**151,624**

(1): Geographic areas are based on Country of Residence. For Europe, the top 3 countries are shown, all others were put in Rest of Europe. Remaining countries were grouped per continent, of which the top 3 are shown with the remainder in Rest of World.

(2): Based on the total amount of credit risk in the respective column using ING Bank's internal credit risk measurement.

The increase of outstanding in Belgium (+2.5%) is the result of an increase in Retail Banking (EUR +4.1 billion). The increase in Luxembourg (EUR +0.6 billion), is driven primarily by central banks (EUR +0.9 billion), compensated by a decrease in private individuals (EUR -0.3 billion).

ING Belgium SA/NV portfolio, outstandings by economic sectors and geographical area (2024) [1,2,3] (*)

In EUR millions	Geographic area[2]								Total
Economic sector[1,3]	Belgium	Luxembourg	France	Rest of Europe	America	Asia	Africa	Rest of World	2024
Private Individuals	45,382	3,052	126	492	93	33	8	2	**49,187**
Central Banks	10,196	5,737	0	0	0	0	0	0	**15,933**
Real Estate	13,064	946	242	36	7	0	0	0	**14,296**
Central Governments	7,541	82	873	1,904	115	0	191	0	**10,706**
Services	8,434	219	197	256	3	2	0	0	**9,110**
Lower Public Administration	6,824	76	1,029	452	562	0	0	0	**8,944**
Commercial Banks	133	328	1,759	5,339	1,169	54	6	5	**8,793**
Chemicals, Health & Pharmaceuticals	4,025	98	104	1,024	549	0	0	0	**5,801**
Natural Resources	1,354	2,067	12	1,193	97	127	3	0	**4,853**
Food, Beverages & Personal Care	3,378	61	234	423	39	5	0	0	**4,140**
Non-Bank Financial Institutions	956	691	639	1,647	2	74	0	0	**4,009**
Transportation & Logistics	1,874	350	27	445	962	224	25	9	**3,917**
Builders & Contractors	3,330	220	45	295	6	0	0	2	**3,898**
General Industries	2,617	191	65	257	30	1	8	0	**3,169**
Other	6,687	395	213	1,534	1,273	8	0	0	**10,110**
Risk class									
Investment grade	69,332	11,899	4,650	13,351	4,291	425	15	16	**103,980**
Non-Investment grade	42,327	2,394	878	1,660	606	104	175	2	**48,146**
Substandard grade	1,079	56	2	11	1	0	4	0	**1,153**
NPL grade	3,056	164	35	276	8	1	47	0	**3,586**
Total	**115,795**	**14,513**	**5,565**	**15,298**	**4,906**	**529**	**241**	**19**	**156,865**

1 Based on the total amount of credit risk in the respective column using ING Bank's internal credit risk measurement methodologies. Economic sectors below 2% of the total portfolio are not shown separately, but grouped in Other.

2 Geographic areas are based on Country of Residence. For Europe, the top 3 countries in 2024 are shown, all others were put in Rest of Europe. Remaining countries were grouped per continent, of which the top 3 are shown with the remainder in Rest of World.

3 Economic sectors are based upon NAICS codes.

ING Belgium SA/NV portfolio, outstandings by economic sectors and geographical area (2023)[1,2,3] (*)

In EUR millions	Geographic area[2]								Total
Economic sector[1,3]	Belgium	Luxembourg	France	Rest of Europe	America	Asia	Africa	Rest of World	2023
Private Individuals	44,403	3,341	127	443	42	27	10	2	**48,395**
Central Banks	11,480	4,853	0	0	0	0	9	0	**16,342**
Real Estate	10,628	918	165	38	8	0	0	0	**11,757**
Central Governments	5,760	51	671	1,907	108	4	167	0	**8,668**
Services	8,461	165	164	223	2	101	0	0	**9,116**
Lower Public Administration	6,607	89	1,306	576	649	0	0	0	**9,227**
Commercial Banks	267	238	1,303	6,287	1,165	57	8	5	**9,330**
Chemicals, Health & Pharmaceuticals	4,044	94	18	372	768	1	0	0	**5,297**
Natural Resources	1,195	1,893	14	1,155	166	119	20	0	**4,563**
Food, Beverages & Personal Care	3,022	96	272	428	8	0	9	0	**3,835**
Non-Bank Financial Institutions	952	763	576	1,777	16	0	0	0	**4,085**
Transportation & Logistics	2,091	251	19	435	823	232	33	12	**3,896**
Builders & Contractors	3,975	345	71	289	6	0	0	1	**4,688**
General Industries	2,554	257	91	190	45	0	0	0	**3,137**
Other	6,610	559	176	1,191	741	13	0	1	**9,290**
Risk class									
Investment grade	68,537	10,408	4,132	13,449	3,905	318	18	19	**100,785**
Non-Investment grade	39,568	3,374	790	1,546	641	234	156	3	**46,312**
Substandard grade	809	51	5	285	0	1	25	0	**1,177**
NPL grade	3,135	80	46	30	0	1	57	0	**3,350**
Total	**112,049**	**13,914**	**4,973**	**15,310**	**4,546**	**554**	**257**	**21**	**151,624**

1 Based on the total amount of credit risk in the respective column using ING Bank's internal credit risk measurement methodologies. Economic sectors below 2% of the total portfolio are not shown separately, but grouped in Other.

2 Geographic areas are based on Country of Residence. For Europe, the top 3 countries are shown, all others were put in Rest of Europe. Remaining countries were grouped per continent, of which the top 3 are shown with the remainder in Rest of World.

3 Economic sectors are based upon NAICS codes.

Portfolio analysis per geographical area (*)

The portfolio analysis per geographical area emphasises the centricity of BeLux in ING Belgium's credit portfolio. In terms of singular countries, the largest share of the overall portfolio is Belgium with 73.8% in 2024 (73.9% in 2023) followed by Luxembourg with 9.3% (9.2% in 2023).

The most noticeable trend in Belgium was the increase in exposure with real estate (EUR +2.4 billion), central governments (EUR +1.8 billion) and private individuals (EUR +1.0 billion). In Luxembourg, there was an increase with central banks (EUR +0.9 billion) and natural resources (EUR +0.2 billion). Commercial banks in France increased by EUR +0.5 billion and central governments by EUR +0.2 billion.

In terms of rating distribution in individual countries, the total share of investment grade and non-investment grade remains substantial for Belgium in 2024 at 96.4% (2023: 96.5%). NPL grade assets slightly reduced for Belgium in 2024 at 2.6% (2023: 2.8%). Investment grade and non-investment grade for Luxembourg remain substantial as well with 98.5% in 2024 (2023: 99.1%). In America a small increase in investment grade to 87.5% is noted (2023: 85.9%), non-investment grade decreasing in 2024 to 12.3% (2023: 14.1%). In the African continent credit quality improved as the percentage of Investment and Non-Investment grade assets in 2024 increased to 79.1% (2023: 67.7%).

Credit risk mitigation (*)

ING Belgium's lending and investment businesses are subject to credit risk. As such, the creditworthiness of our customers and investments is continually monitored for their ability to meet their financial obligations to ING Belgium. In addition to determining the credit quality and creditworthiness of the customer, ING Belgium uses various credit risk mitigation techniques and instruments to mitigate the credit risk associated with an exposure and to reduce the losses incurred subsequent to an event of default on an obligation a customer may have towards ING Belgium. The most common terminology used in ING Belgium for credit risk protection is 'cover'. While a cover can be an important mitigant of credit risk and an alternative source of repayment, generally it is ING Belgium's practice to lend on the basis of the customer's creditworthiness rather than exclusively relying on the value of the cover. Within ING Belgium, there are two distinct forms of cover: assets and third-party obligations.

Cover forms (*)

As stated, within ING Belgium, there are two distinct forms of cover. First, where the asset has been pledged to ING Belgium as collateral or security, ING Belgium has the right to liquidate it in case the customer is unable to fulfil its financial obligation. As such, the proceeds can be applied towards full or partial compensation of the customer's outstanding exposure. This may be tangible (such as cash, securities, receivables, inventory, plant and machinery, and mortgages on real estate properties) or intangible (such as patents, trademarks, contract rights and licences). Second, where there is a third-party obligation, indemnification or undertaking (either by contract and/or by law), ING Belgium has the right to claim from that third party an amount if the customer fails on its obligations. The most common examples are guarantees (such as parent guarantees and export credit insurances) or third-party pledged mortgages.

Cover valuation methodology (*)

General guidelines for cover valuation are established to ensure consistency of the application within ING Group. These general guidelines also require that the asset values underlying the cover need to be monitored on a regular basis, in principle at least annually. Cover assets are revalued accordingly and whenever there is reason to believe that the market is subject to significant changes in conditions. The frequency of monitoring and revaluation depends on the type of cover.

The valuation method also depends on the type of cover. For asset collateral, the valuation sources can be the customer's balance sheet (e.g. inventory, machinery and equipment), nominal value (e.g. cash and receivables), market value (e.g. securities and commodities), independent valuations (commercial real estate) and market indices (residential real estate). For third-party obligations related to parent guarantee, the valuation is based on the value that is attributed to the contract between ING Belgium and that third party. For third-party mortgage however, the valuation follows the same rule as defined for mortgage (mandate) being treated under independent valuation or for revaluation (indexation) purposes.

Where collateral values are used in the calculation of stage 3 individual Loan Loss provisions, haircuts may be applied to the valuation in specific circumstances, to sufficiently include all relevant factors impacting the future cash flows. ING Belgium applies haircuts on collateral values used in the calculation of loan loss provisions to reflect the increased risk of inflated asset prices in certain sectors of the economy. In case of outdated valuations the haircuts are further increased in individual files. The haircut reflects the risks of adverse price developments between the moment of valuation of an asset and the actual settlement/cash receipt.

Cover values

This section provides insight on the types of cover and to which extent a loan is collateralised. The cover disclosures are presented by risk category: Lending, Investment, Money-Market and Pre-settlement. The cover amounts are presented by the most relevant collateral forms, being mortgages and financial collateral (cash and securities), and the most relevant third-party obligation being guarantees. ING Belgium obtains cover options which are eligible for credit risk mitigation under CRR/CRDIV, as well as those that are not eligible.

The cover values are presented for the total portfolio of ING Belgium. Cover of both AIRB and SA portfolios are presented in detail reflecting ING Belgium's complete portfolio. Next to that, detailed information is provided on the coverage for the performing and non-performing portfolio. To increase the understanding of the reader on the nature of the collateralised loans, insight is given in the industry and geographic breakdown of ING Belgium's portfolio as well. For comparability reasons with previous tables, outstanding is used to show ING Belgium's portfolio.

Cover can either be valid for all limits, sub-limits or a particular outstanding of a borrower. The Mortgage cover value (Mortgages and Mandates) of ING Belgium for LGD calculation purposes is based on a conservative proxy of the collateral value, being the minimum of initial inscription and market value.

Exposures are categorised into different Value to Loan (VTL) buckets that give insight in the level of collateralisation of ING Belgium's portfolio. VTL is calculated as the cover value divided by the outstanding at the balance sheet date.

The first two tables give an overview of the collateralisation of the total portfolio of ING Belgium with a breakdown of the value on the Consumer Lending portfolio, Business Lending portfolio and focus on the investment, Money Market and Pre-settlement.

The consumer lending portfolio comprises residential mortgage loans and other consumer lending loans, which mainly comprise credit cards, term loans and overdrafts to consumers and are related to individuals. Whereas Business lending portfolio is related to loans for business purposes.

The "Mortgages" cover type category groups cover such as mortgage inscriptions and mortgage mandates. These cover types have a favourable loss-given-default treatment.

The category "Eligible financial collateral" covers the pledged cash and pledged securities. By definition, these cover types are highly liquid. Their value after haircut used in LGD is therefore high. Nonetheless, the share of the portfolio being covered by this type of cover is limited.

The categories "Guarantees" and "Other" include cover such as state guarantees, Pledged Floating Charges, guarantees from non-financial institutions, etc. Higher haircuts apply on these collateral types when calculating LGD, compared to previous cover type categories. Typically, Business Lending makes use of these cover types to a limited extent.

Reconciliation with previous section ‘Portfolio analysis per business line' (*)

Within ING Belgium we manage our credit exposure through two different lenses. On the one hand, we follow up on the exposure through the two main business lines (Retail Banking and Business Banking) in line with our servicing model. Next to that, we also monitor exposure through the nature of the exposure (consumer lending, business lending, investment and money markets and pre-settlement). The previous section ‘Portfolio analysis per business line’ provides the reader with a split of the ING Belgium portfolio between the categories ‘Wholesale banking’ and ‘Retail Banking’. Considering that this section provides the reader with a split of the ING Belgium portfolio between ‘Consumer lending’, ‘Business lending’, ‘Investments and Money Markets’ and ‘Pre-settlement, this part elaborates on how to reconcile those two ways of dividing the ING Belgium portfolio with each other.

In general, consumer lending exposure is included in the Retail Banking business line, whereas other exposure is split between both. The biggest part of the pre-settlement exposure is part of Wholesale Banking business lines.

Below you can find an overview on how, in 2024, the different types of exposure are included in the two business lines.

- Consumer Lending: The total amount of EUR 49 billion is mainly (99,99%) in the business line ‘Retail Banking’.
- Business Lending: The total amount of EUR 73 billion is from 70% (EUR 51 billion) in the business line ‘Retail banking’. The remaining part of EUR 22 billion is in the Wholesale Banking business line.
- The Investment and Money Market is 100% booked in the Wholesale Banking business line.
- Pre-settlement: Of which, 86% of exposure is towards Wholesale banking and 14% is towards Retail Banking.

Cover values including guarantees received - Total ING Belgium – 2024[1] (*)

In EUR millions/in %	Outstandings	Cover type					Value to Loan		
		Mortgages	Eligible Financial Collateral	Other CRR/CRDIV eligible	Guarantees	Non CRR/CRD IV eligible	No Cover	Partially covered	Fully covered
Consumer Lending	49,038	73,262	1,309	189	1,226	47,223	4.2 %	2.9 %	92.9 %
Business Lending	72,985	42,967	1,885	28,454	24,204	63,161	34.4 %	12.8 %	52.8 %
Investment and Money Market	31,943	0	0	0	25	0	99.9 %	— %	0.1 %
Total Lending, Investment and Money Market	153,966	116,229	3,194	28,643	25,454	110,384	38.4 %	7.0 %	54.6 %
Pre-settlement	2,899	0	0	0	0	0	100.0 %	— %	— %
Total ING Belgium	**156,865**	**116,229**	**3,194**	**28,643**	**25,454**	**110,384**	**38.4 %**	**7.0 %**	**54.6 %**

1 The value of the covers is not limited to the outstandings

Cover values including guarantees received - Total ING Belgium – 2023[1] (*)

In EUR millions/in %	Outstandings	Cover type					Value to Loan		
		Mortgages	Eligible Financial Collateral	Other CRR/CRDIV eligible	Guarantees	Non CRR/CRD IV eligible	No Cover	Partially covered	Fully covered
Consumer Lending	48,103	70,988	1,459	204	377	44,745	3.6 %	3.8 %	92.6 %
Business Lending	72,058	42,185	2,337	29,294	21,907	58,787	36.1 %	11.9 %	52.0 %
Investment and Money Market	29,582	0	0	0	30	0	99.9 %	— %	0.1 %
Total Lending, Investment and Money Market	149,743	113,173	3,796	29,498	22,313	103,533	38.2 %	7.0 %	54.8 %
Pre-settlement	1,881	0	0	0	0	0	100.0 %	— %	— %
Total ING Belgium	**151,624**	**113,173**	**3,796**	**29,498**	**22,313**	**103,533**	**38.2 %**	**7.0 %**	**54.8 %**

1 The value of the covers is not limited to the outstandings

Over the year, the collateralisation level of the total portfolio remained stable. Excluding the pre-settlement portfolio, the portion of ING Belgium's exposure that is fully collateralised stands at 54.6% in 2024, slightly down from 54.8% in 2023. As investments typically do not require cover, the percentage for 'no cover' in this portfolio is 100%. The increase in guarantees within consumer lending is largely driven by a reclassification of credit insurance covers from non-CRR/CRD IV eligibles.

Credit quality (*)

Credit risk categories

	Regular	Watch list	Restructuring[1]	Non-performing[1]
Possible ratings	1–19	1–19	11–20	20-22
Typical ratings	1–14	15–17	18–20	20-22
Deterioration in risk	Not significant	Significant	Significant	Significant
Significant intervention	Not required	Not required	Required	Required
Includes impairments	No	No	Yes	Yes
Account Ownership	Front Office	Front Office	Front Office	Front Office
Credit Risk Management	Regular	Regular	Credit Restructuring	Credit Restructuring
Primary Manager	Front Office	Front Office	Credit Restructuring	Credit Restructuring
Accounting provisioning	Stage 1 and 2	Stage 1 and 2	Stage 2 and 3	Stage 3

[1] More information on the Restructuring and Non-performing categories can be found in the Credit restructuring section

Credit quality outstandings (*)

In EUR millions	2024	2023
Neither past due nor non-performing	132,391	130,082
Business lending performing past due	1,723	1,464
Consumer lending performing past due	292	322
Non-performing	3,586	3,347
Total lending and investment	**137,993**	**135,215**
Money market	15,974	14,527
Pre-settlement	2,899	1,881
Total	**156,865**	**151,623**

Past-due obligations (*)

Retail Banking continuously measures its portfolio in terms of payment arrears. The retail portfolios are closely monitored on a monthly basis to determine if there are any significant changes in the level of arrears. The methodology is principally extended to loans to private individuals, such as residential mortgage loans, car loans, and other consumer loans. An obligation is considered 'past-due' if a payment of interest or principal is more than one day late on any material obligation. ING Belgium aims to help its customers as soon as they are past due by communicating to remind them of their payment obligations. In its contact with the customers, ING Belgium aims to solve the (potential) financial difficulties by offering a range of measures (e.g. payment arrangements, restructuring). If the arrears continue to exist, the obligor is transferred to a restructuring unit. The obligor is downgraded to risk rating 20 (non-performing) when the arrears exceed 90 days on any material obligation. The tables below capture all past due exposures starting from day 1.

Aging analysis (past due but performing): Consumer lending portfolio, outstandings (*)

In EUR millions

		2024				2023			
	Region	**Past due for 1–30 days**	**Past due for 31–60 days**	**Past due for 61–90 days**	**Total**	**Past due for 1–30 days**	**Past due for 31–60 days**	**Past due for 61–90 days**	**Total**
Europe	Belgium	175	47	27	**249**	223	43	29	**294**
	Luxembourg	21	5	3	**29**	21	2	2	**25**
	Rest of Europe	12	0	0	**13**	1	1	0	**2**
Rest of the world		0	0	0	**0**	0	0	0	**0**
Total		**210**	**52**	**30**	**292**	**246**	**46**	**31**	**322**

The past due but performing consumer lending outstanding decreased by €30 million, especially driven by the repayments from Belgian customers in the 1-30 days bucket.

Aging analysis (past due but performing): Business lending portfolio, outstandings

In EUR millions

		2024				2023			
	Region	Past due for 1–30 days	Past due for 31–60 days	Past due for 61–90 days	Total	Past due for 1–30 days	Past due for 31–60 days	Past due for 61–90 days	Total
Europe	Belgium	904	17	13	**935**	788	98	11	**897**
	Luxembourg	176	7	5	**189**	384	8	11	**403**
	United Kingdom	68	0	0	**68**	106	0	0	**106**
	Netherlands	85	0	0	**85**	2	0	0	**2**
	Norway	14	0	0	**14**	28	0	0	**28**
	Germany	0	0	0	**0**	1	0	0	**1**
	Rest of Europe	23	0	0	**23**	1	0	0	**1**
Rest of the world		409	0	0	**409**	25	0	0	**25**
Total		**1,680**	**25**	**19**	**1,723**	**1,336**	**106**	**22**	**1,464**

Total outstanding for past due but performing in business lending increased by EUR 259 million, driven by the increase in the 1-30 bucket of non-Europe customers.

ING Belgium has aligned the regulatory concept of non-performing with that of the definition of default. Hence, in Wholesale Banking, obligors are classified as non-performing when a default trigger occurs. Below, we highlight cases which could lead to a default status:

1. ING Belgium believes the borrower is unlikely to pay if the borrower has evidenced significant financial difficulty, to the extent that it will have a negative impact on the future cash flows of the financial asset. The following events could be seen as indicators of financial difficulty:
   - The borrower (or third party) has started insolvency proceedings
   - A group company/co-borrower has NPL status
   - Indication of fraud (affecting the company's ability to service its debt)
   - There is doubt as to the borrower's ability to generate stable and sufficient cash flows to service its debt
   - Restructuring of debt
2. ING Belgium has granted concessions relating to the borrower's financial difficulty, the effect of which is a reduction in expected future cash flows of the financial asset below current carrying amount.
3. The obligor has failed in the payment of principal, interest or fees, the total past due amount is above the materiality threshold and this remains the case for more than 90 consecutive days.

Credit restructuring (*)

Credit Restructuring & Recovery Tailor Made or Regional Restructuring Unit (RRU) is the dedicated and independent department that deals with non-performing business loans and business loans that hold a reasonable probability that ING Belgium will end up with a loss, if no specific action is taken. RRU deals with business accounts or portfolios requiring an active approach, which may include renegotiation of terms & conditions and business or financial restructuring.

The Restructuring and Recovery Unit (RRU) is responsible for tailor made restructuring and recovery activities for the Business & Wholesale Lending segments.

RRU performs the following activities:

- Management both on a portfolio and individual file level of problem loan customers with credit risk exposures > 1m. Finding solutions for business customers in financial difficulty, in close collaboration with the commercial organisation and Risk. The department advises, implements and executes strategies to achieve successful turnarounds (restructuring) or exits at the lowest possible risk costs (recovery).
- The main purpose is to mitigate credit risk losses for bank and clients as much as possible, while being compliant with all regulatory requirements and balancing the interest of the various stakeholders.
- Ensure lessons learned and feedback loops, to ensure our portfolio remains healthy and policies are timely adjusted to stay within Risk Appetite
- Overall coordination of the quarterly Loan Loss Provision process of ING Belgium, including the Loan Loss Provision calculations (Individual Stage 3 Provisions): This includes all segments and all products within ING Belgium and ING Luxembourg and all provision stages (stage 1, 2 and 3) as well as so called add-on and or post model adjustments.
- Steering Sox-processes related to the above
- Produce adequate reporting & dashboards on all RRU activities.

ING Belgium uses three distinct statuses in categorising the management of clients with (perceived) deteriorating credit risk profiles, i.e., there is doubt as to the performance and the collectability of the client's contractual obligations:

1. **Watch List**: Usually, a client is first classified as Watch List when there are concerns of any potential or material deterioration in the credit risk profile that may affect the ability of the client to adhere to its debt service obligations or to refinance its existing loans. Watch List status requires more than usual attention, increased monitoring and quarterly reviews. Some clients with a Watch List status may develop into a Restructuring status or even a Recovery status.
2. **Restructuring:** A client is classified as Restructuring when there are concerns about the client's financial stability, credit worthiness, and/or ability to repay, but where the situation does not require the recall or acceleration of facilities nor the liquidation of the collateral (yet). ING Belgium's actions aim to maintain the going concern status of the client and if possible secondary to reduce the net risk of ING by:
   - Restoring the client's financial stability.
   - Supporting the client's turnaround.
   - Restoring the balance between debt and equity.
   - Restructuring the debt to a sustainable situation.
   - Improving the collateral position of the Bank.
3. **Recovery:** A client is classified as in Recovery when ING and/or the client concludes that the client's financial situation cannot be restored and a decision is made to end the (credit) relationship or even to enter into bankruptcy. ING will prefer an amicable exit but will enforce and liquidate the collateral or claim under the guarantees if deemed necessary.

Where Watch list clients are managed by the business and regular credit risk, the RRU will become responsible for clients in Restructuring & Recovery.

Watch List, Restructuring and Recovery are discussed at least on a quarterly basis between the Front Office, RRU, and the respective Credit Risk Management executives, at which time it may be decided to change the status of an account from Watch List to Restructuring or Recovery or vice versa.

Forbearance (*)

Forbearance occurs when a client has financial difficulties and ING decides to grant concessions towards the client. Forborne exposures are exposures in respect of which forbearance measures have been granted. Forbearance measures can be either modifications to existing contractual terms and conditions or total or partial refinancing or even new facilities being granted. Examples include reduction of loan principal, and/or interest payments, extended payment terms, debt consolidations and deferral of foreclosures.

For corporate customers, ING Belgium applies forbearance measures to support clients with fundamentally sound business models that are experiencing temporary difficulties. The aim is to support the client to breach a specific period of liquidity needs.

For retail, clear criteria have been established to determine whether a client is eligible for forbearance – generally as part of an automated process. Specific approval mandates are in place to approve the measures, as well as procedures to manage, monitor and report the forbearance activities.

ING reviews the performance of forborne exposures at least quarterly, either on a case-by-case (business) or on a portfolio (retail) basis.

All exposures are eligible for forbearance measures, i.e. both performing (Risk ratings 1-19) and non-performing (risk ratings 20-22) exposures. ING uses specific criteria to move forborne exposures from non-performing to performing or to remove the forbearance statuses that are consistent with the corresponding European Banking Authority (EBA) standards. An exposure is reported as forborne for a minimum of two years. An additional one-year probation period is applied to forborne exposures that move from non-performing back to performing.

ING Belgium's total forborne assets decreased by EUR 0.4 billion compared to 31 December 2023. Wholesale banking decreased by EUR 0.2 billion and Retail Banking decreased by EUR 0.2 billion. For Wholesale banking the drop in Forbearance can be explained by a few obligors with material forborne assets reaching the end of the probation period. For Retail banking the drop in forbearance is mainly driven by decreased non-performing forborne assets which have an extended probation period.

Summary forborne portfolio [1] (*)

	2024				2023			
In EUR millions/in %	Forborne assets	of which: performing	of which: non-performing	Percentage of portfolio	Forborne assets	of which: performing	of which: non-performing	Percentage of portfolio
Wholesale banking	128	45	83	0.08 %	327	319	8	0.22 %
Retail banking	2,058	862	1,196	1.31 %	2,244	906	1,339	1.48 %
Total	**2,185**	**907**	**1,278**	**1.39 %**	**2,571**	**1,224**	**1,346**	**1.70 %**

1 Undrawn commitments are excluded.

Summary forborne portfolio by forbearance type [1] (*)

	2024				2023			
In EUR millions/in %	Forborne assets	of which: performing	of which: non-performing	Percentage of portfolio	Forborne assets	of which: performing	of which: non-performing	Percentage of portfolio
Loan modification	1,948	817	1,131	1.24 %	2,376	1,095	1,281	1.57 %
Refinancing	237	90	147	0.15 %	195	129	65	0.13 %
Total	**2,185**	**907**	**1,278**	**1.39 %**	**2,571**	**1,224**	**1,346**	**1.70 %**

1 Undrawn commitments are excluded.

Wholesale Banking

As of December 2024, Wholesale Banking forborne assets amounted to EUR 0.1 billion (2023: 0.3 billion), which represented 0.1 % (2023: 0.6%) of the total Wholesale Banking portfolio.

Wholesale Banking: Forborne portfolio by geographical area[1] (*)

in EUR million		2024			2023		
Region		Outstandings	Of which: performing	Of which: non-performing	Outstandings	Of which: performing	Of which: non-performing
Europe	Germany	75	0	75	75	75	0
	Belgium	46	39	7	217	209	8
	Netherlands	6	6	0	7	7	0
	Denmark	0	0	0	20	20	0
	France	0	0	0	4	4	0
	United Kingdom	0	0	0	2	2	0
	Rest of Europe	0	0	0	1	1	0
Australia		0	0	0	1	1	0
Total		**127**	**45**	**83**	**327**	**319**	**8**

[1] Geographic areas are based on Country of Residence.

Wholesale Banking: Forborne portfolio by economic sector (*)

In EUR millions	2024			2023		
Industry	Outstandings	Of which: performing	Of which: non-performing	Outstandings	Of which: performing	Of which: non-performing
Chemicals, Health & Pharmaceuticals	75	0	75	75	75	0
Food, Beverages & Personal Care	35	34	1	29	29	1
Retail	7	0	7	7	0	7
Services	6	6	0	0	0	0
Media	5	5	0	20	20	0
Transportation & Logistics	0	0	0	105	105	0
Real Estate	0	0	0	68	68	0
General Industries	0	0	0	10	10	0
Natural Resources	0	0	0	7	7	0
Builders & Contractors	0	0	0	5	5	0
Total	**127**	**45**	**83**	**327**	**319**	**8**

The main concentration of forborne assets was in Germany with 59.0% (2023: 23.0%) of the total Wholesale Banking (WB) forborne assets. WB forborne assets decreased by EUR 0.2 billion compared to 2023 thanks to improved quality mainly in the industries Transportation and Logistics, and Real Estate. WB's forborne assets are mainly concentrated in Chemicals, Health & Pharmaceuticals and Food, Beverages & Personal Care. These two economic sectors accounted for 87% of the total WB forborne outstanding.

Retail Banking

As of the end of December 2024, Retail Banking forborne assets totalized EUR 2.1 billion (2023: € 2.2 billion), which represented 1.3% (2023: 2.3%) of the total Retail Banking portfolio.

Retail Banking: Forborne portfolio by geographical area[1] (*)

in EUR million		2024			2023		
Region		Outstandings	Of which: performing	Of which: non-performing	Outstandings	Of which: performing	Of which: non-performing
	Belgium	1,941	800	1,142	2,146	835	1,311
	Luxembourg	78	40	38	59	44	15
	France	5	1	5	9	7	2
	Netherlands	3	1	2	5	1	5
Europe	United Kingdom	2	0	2	3	1	2
	Hungary	1	1	0	2	0	2
	Rest of Europe	4	3	1	1	1	1
Rest of World		22	16	6	18	17	0
Total		**2,058**	**862**	**1,196**	**2,244**	**906**	**1,339**

[1] Geographic areas are based on Country of Residence. For Europe, the top 6 countries in 2023 and 2024 are shown, all others were put in Rest of Europe.

The main concentration of forborne assets in a single country was in Belgium with 94.3% (2023: 95.6%) of total Retail Banking forborne assets and 95.5% (2023: 98.0%) of the non-performing forborne assets. Next to that, Luxembourg had 3.8% (2023: 2.6%) of the total Retail forborne assets.

Non-performing loans (*)

The ING Belgium loan portfolio is under constant review. Loans with past due financial obligations of more than 90 days are reclassified as non-performing. For the commercial lending portfolios, there generally are reasons for declaring a loan non-performing prior to being 90 days past due. These include, but are not limited to, ING Belgium's assessment of the customer's perceived inability to meet its financial obligations, or the customer filing for bankruptcy or bankruptcy protection.

The table below represents the economic sector breakdown of credit risk outstanding for loans and positions that have been classified as non-performing loans:

Non-performing loans: ING Belgium portfolio, outstanding's by economic sector and business lines (*)

In EUR millions	Wholesale Banking		Retail Banking		Total	
Economic sector [1]	2024	2023	2024	2023	2024	2023
Private Individuals	0	0	1,525	1,593	1,525	1,593
Real Estate	0	0	486	357	486	357
Services	49	49	253	303	302	352
Natural Resources	161	0	54	55	215	55
Builders & Contractors	0	0	183	182	183	182
Chemicals, Health & Pharmaceuticals	81	0	94	77	175	78
Food, Beverages & Personal Care	52	52	104	108	157	160
Automotive	0	0	135	170	135	170
General Industries	8	6	116	121	124	127
Retail	7	7	94	77	100	85
Transportation & Logistics	25	33	40	47	65	79
Media	0	0	41	34	41	34
Central Governments	22	25	0	0	22	25
Other	4	5	52	44	56	49
Total	**408**	**178**	**3,177**	**3,169**	**3,586**	**3,347**

[1] Based on lending and investment outstandings

Non-performing loans: ING Belgium SA/NV portfolio, outstanding's by economic sector and geographical areas (2024) [1,2] (*)

In EUR millions

	Geographic area									
Economic sector	Belgium	Luxemburg	Russian Federation	Germany	France	United Kingdom	Rest of Europe	America	Australia	Total
Private Individuals	1,453	44	0	2	4	9	12	1	0	1,525
Real Estate	370	88	0	0	25	0	4	0	0	486
Services	293	5	0	0	3	1	1	0	0	302
Natural Resources	54	0	161	0	0	0	0	0	0	215
Builders & Contractors	175	7	0	0	0	0	0	0	0	183
Chemicals, Health & Pharmaceuticals	94	0	0	81	0	0	0	0	0	175
Food, Beverages & Personal Care	154	0	0	0	0	0	2	0	0	157
Automotive	126	8	0	0	0	0	0	0	0	135
General Industries	120	0	0	2	0	0	0	1	0	124
Retail	97	0	0	0	3	0	0	0	0	100
Transportation & Logistics	39	1	0	0	0	0	0	0	0	65
Media	35	0	0	0	0	0	0	6	0	41
Central Governments	0	0	0	0	0	0	0	0	0	22
Other	45	9	0	0	1	2	0	0	0	56
Total	**3,056**	**164**	**161**	**85**	**35**	**12**	**18**	**8**	**0**	**3,586**

[1] Economic sector based on NAICS codes.

[2] Geographic areas are based on Country of Residence. For Europe, the top 6 countries in 2024 are shown, all others were put in Rest of Europe. Remaining countries were grouped per continent.

Non-performing loans: ING Belgium SA/NV portfolio, outstanding's by economic sector and geographical areas (2023) [1] (*)

In EUR millions

	Geographic area									
Economic sector	Belgium	Luxemburg	Russian Federation	Germany	France	United Kingdom	Rest of Europe	America	Australia	Total
Private Individuals	1,528	45	0	2	3	2	11	0	0	1,593
Real Estate	297	16	0	0	35	0	9	0	0	357
Services	340	8	0	0	3	0	1	0	0	352
Natural Resources	55	0	0	0	0	0	0	0	0	55
Builders & Contractors	180	3	0	0	0	0	0	0	0	182
Chemicals, Health & Pharmaceuticals	77	0	0	0	0	0	0	0	0	78
Food, Beverages & Personal Care	157	0	0	0	2	0	1	0	0	160
Automotive	166	5	0	0	0	0	0	0	0	170
General Industries	125	1	0	0	0	0	2	0	0	127
Retail	82	0	0	0	2	0	0	0	0	85
Transportation & Logistics	46	1	0	0	0	0	0	0	0	79
Media	34	0	0	0	0	0	0	0	0	34
Central Governments	0	0	0	0	0	0	0	0	0	25
Other	46	1	0	0	1	2	0	0	0	49
Total	**3,132**	**80**	**0**	**2**	**46**	**4**	**24**	**0**	**0**	**3,347**

[1] Economic sector based on NAICS codes.

In 2024, the non-performing loans (NPL) portfolio increased to EUR 3.59 billion (31 December 2023: EUR 3.35 billion). This increase was driven by Wholesale Banking (EUR 0.23 billion) while Retail Banking was stable. The decrease in Belgium was mostly driven by Private Individuals (EUR -0.075 billion), Services (EUR -0.047 billion) and Automotive (EUR -0.039 billion), while the Russian Federation increased in Natural Resources (EUR +0.161 billion). The top three regions by NPL outstanding are Belgium, Luxembourg and the Russian Federation.

Loan Loss Provisioning (*)

ING Belgium recognises loss allowances based on the expected credit loss model (ECL) of IFRS 9, which is designed to be forward-looking. The IFRS 9 impairment requirements are applicable to on-balance sheet financial assets measured at amortised cost or fair value through other comprehensive income (FVOCI), such as loans, debt securities and lease receivables, as well as off-balance sheet items such as undrawn loan commitments, certain financial guarantees and undrawn committed revolving credit facilities.

ING distinguishes between two types of calculation methods for credit loss allowances:

- Individual Lifetime ECL for credit-impaired (Stage 3) financial instruments with exposures above EUR 1 million
- Collective 12-month ECL (Stage 1) and Lifetime ECL (Stage 2) for portfolios of financial instruments, as well as Lifetime ECL for credit impaired exposures (Stage 3) below EUR 1 million.

IFRS 9 models (*)

The IFRS 9 models leverage the advanced internal rating-based (AIRB) models (PD, LGD, EAD), which include certain required conservatism. In order to meet IFRS 9 requirements, such regulatory conservatism is removed from the ECL parameters (PD, LGD and EAD). The IFRS 9 models apply two types of adjustments to the ECL parameters: (1) inclusion of economic outlook and (2) for stage 2 and stage 3 assets only, reflection of the lifetime horizon. The IFRS9 model parameters are estimated based on statistical techniques and supported by expert judgement.

ING Belgium has aligned the Definition of Default for regulatory purposes with the definition of 'credit-impaired' financial assets under IFRS 9 (Stage 3). To comply with the new regulatory technical standards (RTS) and EBA guidelines, ING Belgium updated its Definition of Default in the first quarter of 2020.

Climate and environmental risks in IFRS 9 models (*)

ING Belgium is evolving in its credit risk management framework to develop a better understanding of emerging climate and environmental risks. Banks, including ING, are in the process of collecting and analysing empirical historical data and moving towards embedding these emerging risks into their credit risk management processes and eventually into their IFRS 9 ECL models.

Climate risk drivers (physical and transition risks) can reduce the ability of businesses and households to fulfil their obligations due on existing lending contracts. These may also lead to depreciation/erosion of collateral values which would translate into higher credit losses and loan-to-value ratios in the lending portfolio of ING.

At this point in time, it is not yet possible to incorporate climate risk separately into IFRS 9 ECL models given the lack of sufficient empirical historical data and data limitations in the risk assessments on client level.

Where climate and environmental factors have impacted the economy in the recent past or present, these impacts will currently be implicitly embedded in ING Belgium's ECL models through the projected macroeconomic indicators (e.g. indirectly via GDP growth and unemployment rates). We note however that ING Belgium's ECL models are primarily sensitive to the short-term economic outlook as we use a 3-year time horizon for macroeconomic outlook, after which a mean reversion approach is applied, and therefore the longer-term environmental/climate risk is not yet incorporated.

With regard to our evaluation of climate-related matters, where such events have already occurred (e.g. floods, stranded assets etc.), the impact of such events are individually assessed in the calculation of stage 3 Individual provisions and factored into ING Belgium's normal credit monitoring and identification processes. For example, we consider whether the affected assets have suffered a significant increase in credit risk (or are credit impaired) and whether the ECL is appropriate.

Reconciliation gross carrying amount (IFRS 9 eligible) and statement of financial position

In EUR million	2024						2023					
	Gross Carrying Amount	Allowances for credit losses	Cash on hand	Equity instruments at FVOCI	Fair value changes of the hedged items in portfolio hedge of interest rate risk	Statement of financial position	Gross Carrying Amount	Allowances for credit losses	Cash on hand	Equity instruments at FVOCI	Fair value changes of the hedged items in portfolio hedge of interest rate risk	Statement of financial position
Amounts held at Central Banks	16,134	0	317	0	0	16,451	14,645	0	356	0	0	15,001
Loans and Advances to Banks	3,623	0	0	0	0	3,623	3,657	0	0	0	0	3,657
Financial Instruments FVOCI Debt securities	5,259	-1	0	42	0	5,299	4,411	-1	0	38	0	4,448
Securities at Amortised Cost	11,029	-2	0	0	0	11,027	10,714	-3	0	0	0	10,711
Loans and Advances to customers	116,330	-1,284	0	0	0	115,046	110,736	-1,243	0	0	4	109,497
Total on-balance (IFRS 9 eligible)	**152,409**	**-1,287**	**317**	**42**	**0**	**151,481**	**144,163**	**-1,248**	**356**	**38**	**4**	**143,313**
Guarantees and other commitments (IFRS 9 eligible)	5,323	-54				5,269	5,332	-50				5,282
Total Gross Carrying Amount (IFRS 9 eligible)[1]	**157,732**	**-1,341**	**317**	**42**	**0**	**156,750**	**149,495**	**-1,298**	**356**	**38**	**4**	**148,595**

[1] Table does not include loan commitments given. Comparatives have been adjusted accordingly.

This table presents the reconciliation between the Statement of Financial Position and the gross carrying amounts used for calculating the expected credit losses. No expected credit loss is calculated for cash, equity instruments at FVOCI, or Fair value changes of the hedged items in portfolio hedge of interest rate risk. Therefore, these amounts are not included in the total gross carrying amount (IFRS 9 eligible).

Portfolio quality (*)

The table below describes the portfolio composition over the different IFRS 9 stages and rating classes. Of the total ING Belgium credit risk portfolio (IFRS 9 eligible), 91% of total outstanding is classified as stage 1 (2023: 89%), while stage 2 and 3 make up 7% (2023: 8%) and 2% (2023: 2%) of total outstanding, respectively.

ING Belgium Portfolio per rating class & IFRS Stage, outstanding's and allowances amount 2024 [1,3] (*)

In EUR thousands		12-month ECL (Stage 1)		Lifetime ECL not credit impaired (Stage 2)		Lifetime ECL credit impaired (Stage 3)[2]		Total	
Rating class		Gross carrying amount	Provision	Gross carrying amount	Provision	Gross carrying amount	Provision	Gross carrying amount	Provision
Investment grade	1 (AAA)	8,518,717	151	0	0	0	0	**8,518,717**	**151**
	2-4 (AA)	30,346,707	2,974	299,959	28	0	0	**30,646,666**	**3,002**
	5-7 (A)	32,808,579	4,715	454,256	289	0	0	**33,262,835**	**5,003**
	8-10 (BBB)	30,808,973	7,321	1,865,309	3,223	0	0	**32,674,282**	**10,544**
	11-13 (BB)	32,480,532	23,248	1,891,763	8,954	0	0	**34,372,295**	**32,202**
Non-Investment grade	14-16 (B)	7,992,942	29,712	4,091,421	66,085	0	0	**12,084,363**	**95,797**
	17 (CCC)	342,481	1,931	1,087,352	31,709	0	0	**1,429,833**	**33,640**
Substandard grade	18 (CC)	0	0	407,354	21,762	0	0	**407,354**	**21,762**
	19 (C)	0	0	745,599	43,125	0	0	**745,599**	**43,125**
NPL grade	20-22 (D)	0	0	0	0	3,590,527	1,096,142	**3,590,527**	**1,096,143**
Total		**143,298,932**	**70,052**	**10,843,013**	**175,175**	**3,590,527**	**1,096,142**	**157,732,472**	**1,341,368**

1 Includes impact from change in accounting policy as disclosed in table Changes in gross carrying amounts and loan loss provisions.

2 Stage 3 lifetime credit impaired provision includes €0.1million on purchased or originated credit impaired.

3 The table presents only IFRS 9 eligible exposures.

ING Belgium Portfolio per rating class & IFRS Stage, outstanding's and allowances amount 2023 [1] (*)

In EUR thousands		12-month ECL (Stage 1)		Lifetime ECL not credit impaired (Stage 2)		Lifetime ECL credit impaired (Stage 3)[2]		Total	
Rating class		Gross carrying amount	Provision	Gross carrying amount	Provision	Gross carrying amount	Provision	Gross carrying amount	Provision
Investment grade	1 (AAA)	6,732,727	113	15,095	1	0	0	**6,747,822**	**114**
	2-4 (AA)	27,286,011	2,898	596,940	608	0	0	**27,882,950**	**3,505**
	5-7 (A)	30,488,181	5,932	622,304	848	0	0	**31,110,484**	**6,779**
	8-10 (BBB)	30,743,010	8,985	1,644,380	5,469	0	0	**27,958,227**	**14,454**
Non-Investment grade	11-13 (BB)	26,494,868	27,690	2,920,654	16,720	0	0	**33,844,686**	**44,410**
	14-16 (B)	6,584,950	28,134	4,311,863	77,116	0	0	**10,896,813**	**105,249**
	17 (CCC)	339,099	1,852	973,371	35,630	0	0	**1,312,470**	**37,481**
Substandard grade	18 (CC)	0	0	696,769	74,629	0	0	**696,769**	**74,629**
	19 (C)	0	0	478,622	33,364	0	0	**478,622**	**33,364**
NPL grade	20-22 (D)	0	5	0	0	3,234,295	927,993	**3,234,295**	**927,998**
Total		**128,668,845**	**75,608**	**12,259,998**	**244,384**	**3,234,295**	**927,993**	**144,163,138**	**1,247,985**

1 Total outstanding excludes non-IFRS 9 eligible assets (for such exposures no IFRS stage is available: mainly guarantees, letters of credit and pre-settlement exposures).
IAS 37 provisions are established for non-credit replacement guarantees not in the scope of IFRS 9. Total IAS 37 provisions are excluded.

Change in gross carrying amounts and loan loss provisions (*)

The table below provides a reconciliation by stage of the gross carrying/nominal amount and allowances for loans and advances to banks and customers, including financial guarantees and other commitments. The transfers of financial instruments represent the impact of stage transfers upon the gross carrying/nominal amount and associated allowance for ECL. This includes the net remeasurement of ECL arising from stage transfers, for example, moving from a 12-month (Stage 1) to a lifetime (Stage 2) ECL measurement basis. The net remeasurement line represents the changes in provisions for facilities that remain in the same stage.

Please note the following comments with respect to the movements observed in the table below:

- Next to the growth in gross carrying amount the proportion of provision was quite stable in 2024 compared to 2023. Stage 3 gross carrying amount increased by EUR +0,2 billion (+7.3%) from EUR 3,3 billion at December 2023 to EUR 3,6 billion at December 2024, mainly as a result of EUR +1 billion transfer to Stage 3 which is partly offset by EUR -0,6 billion derecognitions. Stage 3 provisions increased by EUR +0,1 billion to EUR 1,1 billion as of 31 December 2024, mainly driven by the transfer from Stage 2 and the net remeasurement of existing Stage 3 gross carrying amount.
- Stage 2 gross carrying amount decreased by EUR -2,4 billion (12%) from EUR 13,2 billion to EUR 10,8 billion in 2024, largely driven by EUR -1,3 billion net transfers to stage 1 mainly due to the impact of changes in risk drivers in mortgage and wholesale banking portfolios (including positive PD migration) and EUR -1,7 billion decrease due to derecognised financial assets. This was partly offset by an increase in the gross carrying amount by EUR +1,4 billion. Stage 2 provisions decreased by EUR -0,1 billion to EUR 0,2 billion as of 31 December 2024.

Changes in gross carrying amounts and loan loss provisioning 2024 [1,2,3] (*)

In EUR thousands	Stage 1		Stage 2		Stage 3[1]		Total	
	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions
Opening balance	**128,668,845**	**75,608**	**12,259,998**	**244,384**	**3,234,295**	**927,993**	**144,163,138**	**1,247,985**
Impact of inclusion of off-balance sheet items IFRS 9 eligible [3]	4,251,016	1,403	969,771	4,186	112,357	44,063	**5,333,144**	**49,652**
Adjusted opening balance	**132,919,861**	**77,011**	**13,229,769**	**248,570**	**3,346,652**	**972,178**	**149,496,282**	**1,297,759**
Transfer into 12-month ECL (Stage 1)	5,931,544	3,437	-5,866,897	-53,071	-64,647	-7,673	**0**	**-57,307**
Transfer into lifetime ECL not credit impaired (Stage 2)	-4,280,451	-4,789	4,535,936	64,983	-255,485	-19,799	**0**	**40,395**
Transfer into lifetime ECL credit impaired (Stage 3)	-314,419	-815	-733,815	-54,881	1,048,234	164,774	**0**	**109,078**
Net remeasurement of loan loss provisions[2]	0	-19,474	0	-2,572	0	161,771	**0**	**139,725**
Net repayment / increase in the gross carrying amount	-1,432,349	0	1,402,349	0	234,446	0	**204,446**	**0**
New financial assets originated or purchased	22,264,718	24,993	0	0	0	0	**22,264,718**	**24,993**
Financial assets that have been derecognised	-11,789,973	-10,311	-1,724,329	-27,850	-593,340	-70,247	**-14,107,642**	**-108,408**
Changes in gross carrying amounts and loan loss provisions	**10,379,071**	**-6,959**	**-2,386,756**	**-73,391**	**369,208**	**228,826**	**8,361,523**	**148,476**
Write-offs	0	0	0	0	-125,333	-125,333	**-125,333**	**-125,333**
Recoveries of amounts previously written off	0	0	0	0	0	1,859	**0**	**1,859**
Foreign exchange and other movements	0	-1	0	-4	0	18,612	**0**	**18,607**
Closing balance	**143,298,932**	**70,051**	**10,843,013**	**175,175**	**3,590,527**	**1,096,142**	**157,732,472**	**1,341,368**

1 Stage 3 is total non-performing loans (including POCI instruments).

2 Including changes in models/risk parameters.

3 The off balance-sheet items under IFRS 9 do not include undrawn credit facilities

Changes in gross carrying amounts and loan loss provisioning 2023 [1,2,3] (*)

In EUR thousands	Stage 1		Stage 2		Stage 3[1]		Total	
	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions	Gross carrying amount	Provisions
Opening balance	**129,569,358**	**63,455**	**14,928,306**	**290,150**	**3,323,760**	**936,848**	**147,821,424**	**1,290,453**
Transfer into 12-month ECL (Stage 1)	5,154,727	4,241	-5,084,642	-61,544	-70,085	-7,177	0	-64,480
Transfer into lifetime ECL not credit impaired (Stage 2)	-4,865,928	-6,596	5,127,448	75,239	-261,520	-19,759	0	48,885
Transfer into lifetime ECL credit impaired (Stage 3)	-299,847	-529	-456,672	-14,665	756,519	100,775	0	85,580
Net remeasurement of loan loss provisions[2]	0	-3,857	0	-5,073	0	203,247	0	194,317
Net repayment / increase in the gross carrying amount	-12,759,490		1,484,388	0	240,225	0	-11,034,877	0
New financial assets originated or purchased	29,160,962	27,080	0	0	0	0	29,160,962	27,080
Financial assets that have been derecognised	-17,290,937	-8,139	-3,738,830	-38,751	-543,331	-105,249	-21,573,098	-152,139
Changes in gross carrying amounts and loan loss provisions	**-900,513**	**12,201**	**-2,668,308**	**-44,795**	**121,808**	**171,836**	**-3,447,013**	**139,242**
Write-offs	0	0	0	0	-211,273	-211,273	-211,273	-211,273
Recoveries of amounts previously written off	0	0	0	0	0	2,566	0	2,566
Foreign exchange and other movements	0	-48	0	-972	0	28,016	0	26,996
Closing balance	**128,668,845**	**75,608**	**12,259,998**	**244,384**	**3,234,295**	**927,993**	**144,163,138**	**1,247,985**

1 Stage 3 is total non-performing loans (including POCI instruments).

2 Including changes in models/risk parameters.

3 The table presents only on balance sheet exposures IFRS 9 eligible.

Exposure per stage, coverage ratio and stage ratios[1,2]

In EUR millions	2024				2023			
Balance sheet	Gross carrying amount	Allowances for credit losses	Coverage ratio	Stage ratio	Gross carrying amount	Allowances for credit losses	Coverage ratio	Stage ratio
Loans and advances to banks (including central banks)	**20,074**	**0**	**— %**		**18,658**	**0**	**— %**	
Stage 1	20,071	0	— %	100.0 %	18,656	0	— %	100.0 %
Stage 2	3	0	1.0 %	— %	2	0	2.8 %	— %
Stage 3	0	0	— %	— %	0	0	— %	— %
Loans and advances to customers	**116,329**	**1,284**	**1.1 %**		**110,741**	**1,243**	**1.1 %**	
Of which : Residential mortgages	44,701	192	0.4 %		41,807	186	0.4 %	
Stage 1	39,182	12	— %	87.7 %	35,321	12	— %	84.5 %
Stage 2	4,327	32	0.7 %	9.7 %	5,206	37	0.7 %	12.5 %
Stage 3	1,191	148	12.4 %	2.7 %	1,280	136	10.7 %	3.1 %
Of which : Consumer Lending (excl. Residential mortgages)	5,259	94	1.8 %		6,986	102	1.5 %	
Stage 1	4,460	8	0.2 %	84.8 %	6,011	9	0.2 %	86.0 %
Stage 2	600	27	4.4 %	11.4 %	787	31	3.9 %	11.3 %
Stage 3	200	59	29.7 %	3.8 %	188	62	32.9 %	2.7 %
Of which : Loans to public authorities	9,668	5	— %		8,859	6	0.1 %	
Stage 1	9,585	4	— %	99.1 %	8,859	4	0.1 %	95.8 %
Stage 2	61	0	0.6 %	0.6 %	345	1	0.2 %	3.9 %
Stage 3	22	0	1.2 %	0.2 %	25	0	1.4 %	0.3 %
Of which : Corporate lending	56,701	992	1.8 %		53,089	951	1.8 %	
Stage 1	49,167	41	0.1 %	86.7 %	45,506	45	0.1 %	85.7 %
Stage 2	5,484	111	2.0 %	9.7 %	5,841	174	3.0 %	11.0 %
Stage 3	2,050	840	41.0 %	3.6 %	1,741	732	42.0 %	3.3 %
Other IFRS 9 Eligible financial instruments[1]	**21,330**	**57**	**0.3 %**	**— %**	**20,096**	**50**	**0.3 %**	
Stage 1	20,074	5	— %	94.1 %	18,158	2	— %	94.3 %
Stage 2	1,053	5	0.5 %	4.9 %	1,800	6	0.3 %	5.1 %
Stage 3	202	47	23.3 %	0.9 %	138	42	34.1 %	0.6 %
Total Gross Carrying Amount (IFRS 9 eligible)	**157,732**	**1,341**	**0.9 %**		**149,495**	**1,293**	**0.9 %**	

1 Includes Off-balance sheet IFRS 9 eligible guarantees and other commitments given. Comparatives have been adjusted accordingly.
2 The exposure classification to residential mortgages, consumer lending and corporate lending is aligned to the regulatory definition.

Financial assets modified (*)

The table below provides the following information:

- Financial assets that were modified during the year (i.e. qualified as forborne) while they had a loss allowance measured at an amount equal to lifetime ECL.
- Financial assets that were reclassified to stage 1 during the period.

For the financial assets that have been modified, the underlying gains or losses are considered immaterial and thus not recognised in P&L.

Financial assets modified (*)

In EUR millions	2024	2023
Financial assets modified during the period		
Amortised costs before modification	234	393
Financial assets modified since initial recognition		
Gross carrying amount at 31 December of financial assets for which loss allowance has changed to 12-month measurement during the period	294	601

Macroeconomic scenarios and sensitivity analysis of key sources of estimation uncertainty (*)

Methodology

Our methodology in relation to the adoption and generation of macroeconomic scenarios is described in this section. We continue to follow this methodology in generating our probability weighted ECL, with consideration of alternative scenarios and management adjustments supplementing this ECL where, in management's opinion, the consensus forecast does not fully capture the extent of recent credit or economic events. The macroeconomic scenarios are applicable to certain parts of ING Belgium's portfolio.

The introduction of IFRS 9, with its inherent complexities and potential impact on the carrying amounts of our assets and liabilities, represents a key source of estimation uncertainty. In particular, ING Belgium's reportable ECL numbers are highly sensitive to the forward-looking macroeconomic forecasts used as inputs within Group models and specific local models used by ING Belgium, the probability-weights applied to each of the three scenarios, and the criteria for identifying a significant increase in credit risk. As such, these crucial components require consultation and management judgement, and are subject to extensive governance.

Baseline scenario (*)

As a baseline for IFRS 9, ING Belgium has adopted a market-neutral view combining consensus forecasts for economic variables (GDP, unemployment) with market forwards (for interest rates, exchange rates and oil prices). Input from a leading third-party service provider is used to complement the consensus with consistent projections for variables for which there are no consensus estimates available (most notably house prices and – for some countries –unemployment), to generate alternative scenarios, to convert annual consensus information to a quarterly frequency and to ensure general consistency of the scenarios. As the baseline scenario is consistent with the consensus view it can be considered as free from any bias.

The relevance and selection of macroeconomic variables is defined by the ECL models under credit risk model governance. The scenarios are reviewed and challenged by two panels. The first panel consists of economic experts from Global Markets Research and risk and modelling specialists, while the second panel consists of relevant senior managers

Alternative scenarios and probability weights (*)

Two alternative scenarios are taken into account: an upside and a downside scenario. The alternative scenarios have technical characteristics as they are based on the forecast errors of the leading third-party service provider.

To understand the baseline level of uncertainty around any forecast, the leading third-party service provider keeps track of all its forecast errors of the past 20 years. The distribution of forecast errors for GDP, unemployment, house prices and share prices is applied to the baseline forecast creating a broad range of alternative outcomes. In addition, to understand the balance of risks facing the economy in an unbiased way, the leading third-party service provider runs a survey with respondents from around the world and across a broad range of industries. In this survey the respondents put forward their views of key risks. Following the survey results, the distribution of forecast errors (that is being used for determining the scenarios) may be skewed.

For the downside scenario, ING has chosen for the 90th percentile of that distribution because this corresponds with the way risk management earnings-at-risk is defined within the Group. The upside scenario is represented by the 10th percentile of the distribution. The applicable percentiles of the distribution imply a 20% probability for each alternative scenario. Consequently, the baseline scenario has a 60% probability weighting. Please note that, given their technical nature, the downside and upside scenarios are not based on an explicit specific narrative.

Macroeconomic scenarios applied (*)

The macroeconomic scenarios applied in the calculation of loan loss provisions are based on the consensus forecasts.

Baseline assumptions

The general picture that the consensus conveys is that global economic growth is going through a weak spell. Inflation has been coming down as energy prices have moderated, demand has weakened and pandemic-related supply problems have eased. Higher interest rates play their part in slowing demand. Although central banks could well be done with hiking interest rates – as inflation continues to fall – the lagged impact of past monetary tightening is still feeding through to the real economy. This is expected to cause GDP growth to come in even weaker in 2024, but pick up thereafter as the negative effects from tight monetary policy and high inflation fade. The high interest-rate environment is currently causing corrections in house prices, especially in markets where prices surged during the pandemic. Housing market corrections are assumed to gradually decrease in strength.

The June 2024 consensus expects global output (as measured by the weighted average GDP growth rate of ING's 25 main markets) to slow from 2.6 percent in 2023 to 2.4 percent in 2024. For 2025-2026, economic growth is expected to come in at 2.3 percent and 2.4 percent respectively.

The ongoing resilience in the US has continued into 2024, supported by stronger than expected consumer spending and business investment. Still, economic activity is expected to gradually moderate given the recent tightening of financial market conditions and increase in oil prices, which could delay the Fed cutting rates. Overall, while no recession is expected anymore, the US is expected to see economic growth slow over 2024 and 2025. The consensus expects the growth rate of the US economy to fall from 2.5 percent in 2023 to 2.3 percent in 2024 and further to 1.7 percent in 2025. After that it is expected to recover to 2.1 percent in 2026.

The eurozone economy is just coming out of broad stagnation as consumers are regaining some purchasing power and financial conditions are becoming more favourable. This is boosted by a more benign inflation environment, which has allowed the ECB to cut interest rates for a first time after an aggressive series of hikes. For now, the recovery is very modest and is not expected to gain much strength either over the course of the year as the eurozone still faces significant headwinds. Think about energy insecurity and weak global demand for example. Consensus expects the eurozone to grow by only 0.6% in 2024, before recovering to 1.4% on average in 2025-2026.

Elsewhere in Europe, the outlook is becoming more upbeat. Gradual recovery in the Polish economy is underway, led by household consumption. The upturn is so far gradual though, given external headwinds (particularly from Germany). The economy is expected to grow by 3.0 percent this year, picking up to 3.5 percent in 2025 and 2026. The consensus expectation for Türkiye is to see growth slow from 3.3 percent in 2024 to 3.0% in 2025 and picking back up again to 3.7% in 2026. Overall, consensus has become a lot more upbeat about the Turkish economy in recent months. The Russian economy transformed more successfully than expected into a war economy, which has boosted consensus economic expectations. Growth is expected to come in at 3.0 percent in 2024, before slowing to 1.6 percent and 1.4 percent in 2025 and 2026.

For China, economic underperformance continues as it still struggles with the impact of the real estate correction and weak domestic demand. Guidance from central authorities suggest that fiscal stimulus will likely be more accommodative than previously anticipated. There are growing signs that authorities are turning to a big manufacturing push through high-value technology investments and 'new productive forces'. While this may help in the short-term, medium-term consensus projections are more downbeat. For 2024, consensus expects 5.0 percent growth, down to 4.4 percent in 2025 and 4.1 percent in 2026.

Economic momentum in Australia is expected to be soft, reflecting recent data, which indicates that consumer confidence is at a low point and household consumption growth remains weak. In addition, tight monetary policy and high inflation are squeezing real disposable incomes, further weighing on activity. After growing by 2.1 percent in 2023, the outlook sees a growth rate of 1.3 percent for 2024 and some pick-up to 2.2 percent and 2.5% for 2025-2026.

When compared to the December 2023 consensus forecast, the June 2024 forecast assumes significantly better economic circumstances in 2024. Global GDP is expected to increase by 2.4 percent in 2024 (compared to 1.8 percent assumed before) and is expected to grow by 2.3 percent in 2025 (2.3 percent assumed before). The upgrade for 2024 mainly reflects the better than expected economic performance of the US, which was once assumed to be in recession around the middle of the year. Other advanced markets have seen smaller upgrades to their outlooks.

Alternative scenarios and risk

The baseline scenario assumes continued steady economic growth on the back of easing inflation and financial conditions becoming more favourable. However, a longer period of weakness, due to even more concerning geopolitical tensions, persistent elevated inflation and the outcome of US elections – for example related to trade escalations - could lead to a more protracted and deeper economic slowdown. As such, the balance of risks to the

baseline outlook is negative, and the alternative scenarios have a downward skew in line with the outcomes of Oxford Economics' Global Risk Survey.

The downside scenario – though technical in nature – sees a recession in 2024 for most countries. Unemployment increases strongly in this scenario and house prices in most countries show outright falls. The downside scenario captures the possible impact from geopolitical developments, persistent inflation and the US election outcome.

The upside scenario – while equally technical in nature – reflects the possibility of a better economic out-turn because of a substantial loosening of monetary policy, buoyant consumer spending, and policy stimulus in China.

Management adjustments applied this year (*)

In times of volatility and uncertainty where portfolio quality and the economic environment are changing rapidly, models alone may not be able to accurately predict losses. In these cases, management adjustments can be applied to appropriately reflect ECL. Management adjustments can also be applied where the impact of the updated macroeconomic scenarios is over- or underestimated by the IFRS 9 models.

Management adjustments to ECL models (*)

In EUR millions	2024	2023
Inflation and interest rate increases / second-order impact adjustments	0	37
Real Estate Overlay (CPF model)	7	0
Climate transition risk	5	0
Large Corporates & Ultra-low Default Portfolios (Phase 2)	2	0
Other Adjustments	-9	-16
Total	**4**	**21**

[1] Due to changing management adjustments applicable to ING Belgium, the overview has changed compared to previous year published annual report.

Looking at the macro-economic context, ING has performed some assessments from which it has been agreed that exit criteria are met on all sectors except for Real Estate. It is therefore agreed to release the overarching overlay on inflation and interest rate increase risk, and book a new overlay (6,5mio) on Real Estate exposure (in Wholesale Banking & Business Banking).

Large Corporates & Ultra-Low Default Portfolios (uLDP) Phase 2 Model PMA (2mio) to capture the impact from newly redeveloped IRB/feeder models on particularly Large Corporates and Project Finance. The impact is primarily driven by the new ratings and subsequent Stage 2 migration on clients that face a material rating downgrade, although it is noted that for some clients and locations there are also rating upgrades. The re-rating process to these new models is expected to start in second quarter of 2025.

Other Adjustments is grouping of smaller adjustments, performed to better reflect the expected credit loss.

Sensitivity analysis of key sources of estimation uncertainty (*)

The table below presents the analysis on the sensitivity of key forward-looking macroeconomic inputs used in the ECL collective-assessment modelling process and the probability-weights applied to each of the three scenarios. Accordingly, ING Belgium considers these portfolios to present the most significant risk of resulting in a material adjustment to the carrying amount of financial assets within the next financial year. ING Belgium also observes that, in general, the Wholesale Banking business is more sensitive to the impact of forward-looking macroeconomic scenarios.

The purpose of the sensitivity analysis is to enable the reader to understand the extent of the impact from the upside and downside scenario on model-based reportable ECL.

In the table below the Real GDP is presented in percentage year-on-year change, the unemployment in percentage of total labour force and the house price index (HPI) in percentage year-on-year change.

Group - Sensitivity analysis provisions - 2024 (*)

		2025	2026	2027	Un-weighted ECL (Eur millions)	Probability -weighting	Reportable ECL[1] (Eur millions)
Belgium							
Upside scenario	Real GDP	2,2	2,6	2,1	534	20.0 %	579
	Unemployment	5,1	5,0	4,9			
	HPI	4,8	4,5	4,4			
Baseline scenario	Real GDP	1,1	1,5	1,6	569	60.0 %	
	Unemployment	5,7	5,7	5,6			
	HPI	3,2	4,1	3,8			
Downside scenario	Real GDP	-0,6	-0,2	1,1	654	20.0 %	
	Unemployment	7,0	8,0	8,0			
	HPI	1,2	2,9	2,5			

1 Excluding management adjustments

Group - Sensitivity analysis provisions - 2023 (*)

		2024	2025	2026	Un-weighted ECL (Eur millions)	Probability -weighting	Reportable ECL (Eur millions)
Belgium							
Upside scenario	Real GDP	1.5	2.7	2.3	568	20.0 %	619
	Unemployment	5.3	5.0	4.9			
	HPI	1.3	5.6	4.5			
Baseline scenario	Real GDP	0.9	1.5	1.8	604	60.0 %	
	Unemployment	5.6	5.5	5.4			
	HPI	0.4	5.2	3.9			
Downside scenario	Real GDP	-1.3	-0.2	1.2	713	20.0 %	
	Unemployment	7.3	8.0	7.9			
	HPI	-2.2	3.9	2.6			

When compared to the sensitivity analysis of 2023, the macroeconomic inputs are overall more favourable. This is driven by an improved macroeconomic outlook, mainly because economies prove to be rather resilient to increased interest rates, particularly in US, as well as recovery in house prices in, among others, the Netherlands.

While the table above does give a high-level indication of the sensitivity of the output to the different scenarios, it does not provide insight into the interdependencies and correlations between different macroeconomic variable inputs. On total ING Belgium level, the unweighted ECL for all collective provisioned clients in the upside scenario was EUR 534 million, in the baseline scenario EUR 569 million and in the downside scenario EUR 654 million compared to EUR 579 million reportable collective provisions as at 31 December 2024 (excluding all management adjustments). This reconciles as follows with the reported ECLs:

Belgium - Reconciliation of model (reportable) ECL to total ECL (*)

	2024	2023
Total reportable collective provisions	574	619
ECL from individually assessed impairments	763	657
ECL from management adjustments	4	21
Total ECL[1]	**1,341**	**1,298**

1 Total ECL includes On balance (in 2024: EUR 1306 millions and in 2023: EUR 1251 millions) and Off balance sheet (in 2024: EUR 46 millions and in 2023: EUR 47 millions) exposures

Criteria for identifying a significant increase in credit risk (SICR) (*)

All assets and off-balance sheet items that are in scope of IFRS 9 impairment and which are subject to collective ECL assessment are allocated a 12-month ECL if deemed to belong in Stage 1, or a lifetime ECL if deemed to belong in Stages 2 and 3. An asset belongs in Stage 2 if it is considered to have experienced a significant increase in credit risk since initial origination or purchase. ING Belgium considers the credit risk of an asset to have significantly increased when either a threshold for absolute change in lifetime probability of default (PD) or a relative change in lifetime PD is hit.

It should be noted that the lifetime PD thresholds are not the only drivers of stage allocation. An asset can also change stages as a result of other triggers, such as having over 30 days arrears, being on a Watch List or being forborne. Refer to section 1. Basis of preparation and material accounting policy information, in Consolidated Financial statement chapter for an exhaustive list. Furthermore, this analysis is rudimentary in the sense that other parameters would change when an asset changes stages.

Absolute lifetime PD threshold (*)

The absolute threshold is a fixed value calibrated per portfolio/segment and provides a fixed threshold that, if exceeded by the difference between lifetime PD at reporting date and lifetime PD at origination, triggers Stage 2 classification. The thresholds for the absolute change in lifetime PD vary between 75bps for Retail portfolios, 100bps for Wholesale and 250bps for SMEs, based on the characteristics of the specific portfolio.

Relative Lifetime PD threshold (*)

The relative threshold defines a relative increase of the lifetime PD beyond which a given facility is classified in Stage 2 because of significant increase in credit risk. The relative threshold is dependent on the individual PD assigned to each facility at the moment of origination and a scaling factor calibrated in the model development phase that is optimised depending on the observed default rates and overall average riskiness of the portfolio. While the scaling factor is associated with a complete portfolio/segment, the PD at origination is facility-specific and, in this sense, the relative threshold may differ facility by facility.

Ultimately the relative threshold provides a criterion to assess whether the ratio (i.e. increase) between lifetime PD at reporting date and lifetime PD at origination date is deemed a significant increase in credit risk. If the threshold is breached, SICR is identified, and Stage 2 is assigned to the given facility.

The threshold for the relative change in lifetime PD is inversely correlated with the PD at origination; the higher the PD at origination, the lower the threshold. The logic behind this is to allow facilities originated in very favourable ratings to downgrade for longer without the need of a Stage 2 classification. In fact, it is likely that said facilities will still be in favourable ratings even after a downgrade of a few notches. However, facilities originated in already unfavourable ratings grades are riskier and even a single-notch downgrade might represent a significant increase in credit risk and thus a tighter threshold will be in place. Still, the relative threshold is relatively sensitive for investment grade assets while the absolute threshold primarily affects non-investment grade assets.

Average Threshold Ratio

The table below reports the average increase in PD at origination to be classified in Stage 2, taking into account the PD at origination of the facilities included in each combination of asset class and rating quality. In terms of rating quality, assets are divided into “Investment grade” and “Non-investment grade” facilities. Rating 18 and 19 are not included in the table since facilities are not originated in these ratings and they constitute a staging trigger of their own (i.e. if a facility is ever to reach rating 18 or 19 at reporting date, it is classified in Stage 2). In the table values are weighted by IFRS 9 exposure and shown for both year-end 2023 and year-end 2024.

In order to represent the thresholds as a ratio (i.e. how much should the PD at origination increase in relative terms to trigger Stage 2 classification) the absolute threshold is recalculated as a relative threshold for disclosure purposes. Since breaching only relative or absolute threshold triggers Stage 2 classification, the minimum between the relative and recalculated absolute threshold is taken as the value of reference for each facility.

Quantitative Significant increase in credit risk (SICR) thresholds (*)

	2024		2023	
Average threshold ratio	Investment grade (rating grade 1-10)	Non-investment grade (rating grade 11-17)	Investment grade (rating grade 1-10)	Non-investment grade (rating grade 11-17
Asset class category				
Business Lending	3.0	2.3	3.0	2.3
Consumer Lending	2.9	2.4	3.0	2.5
Governments and Financial Inst.	2.9	1.8	3.0	1.7
Other Wholesale	2.5	1.8	2.7	1.8

As is apparent from the disclosures above, as per ING Belgium methodology, the threshold is tighter the higher the riskiness at origination of the assets, illustrated by the noticeable difference between the average threshold applied to investment grade facilities and non-investment grade facilities.

Sensitivity of ECL to PD lifetime PD thresholds (*)

The setting of PD threshold bandings requires management judgement and is a key source of estimation uncertainty. On ING Belgium level, the total ECL collective-assessment for performing assets is EUR 242 million (without taking management adjustments into account). To demonstrate the sensitivity of the ECL to these PD thresholds bandings, analysis was run on all collectively assessed assets, which assumed all assets (stage 1 and 2) were below the threshold and apportioned a 12-month ECL. On the same asset base, analysis was run which assumed all performing assets were above the threshold and apportioned a lifetime ECL. This gave rise to hypothetical collective-assessment ECLs of EUR 147 million release and EUR 602 million increase respectively. Please note that in this analysis, all other ECL risk parameters (except for the stage) were kept equal.

Environmental, Social and Governance (ESG) risk

Environmental, social and governance (ESG) risk is not identified as an independent risk category/ risk type. Rather, it is a set of drivers affecting the likelihood and severity of existing risk categories/risk types.

ESG risk is an overarching set of risk drivers affecting:

- Financial risks: solvency risk, credit risk, market risk, funding and liquidity risk;
- Non-financial risks: operational risk, IT risk, reputational/litigation risk, compliance risk;
- Other overarching risks: model risk and business risk.

ESG risk is defined as any negative financial and/or non-financial impact on ING due to the present or future impacts from ESG factors on and stemming from ING's own operations – as well as its business activities as a company, its counterparties, and any sourced processes. The ESG risk definition considers:

- ESG risk with regards to own operations: The risk of any negative financial and/or non-financial impact due to an ESG factor causing damage to ING's infrastructure, or due to an adverse reputational impact resulting from non-compliance with ING's commitments and ESG-related laws, regulations and disclosures.

- ESG risk with regards to business activities: The risk of any negative financial and/or non-financial impact due to an ESG factor causing damage to ING's business activities (for example from lending to counterparties, investment exposures, funding activities and sourcing processes).

Governance and next steps

Environmental and social impacts are important dimensions for ING Belgium. Banks can have an impact on the rest of society by supporting further positive practices and contributing to change. When it comes to risk, climate risk (amongst others) is a key dimension that should be taken into account in risk assessments. ING Group has embedded ESG in its risk strategy and ING Belgium is contributing to this initiative and will continue to do so.

The existing ESG Governance via ING Belgium sustainability committee (BESC) set up in 2022, was revisited to become a more important part of the Executive Committee. Besides BESC, additional governance has been rolled out, with specific focus on Risk, Data & Reporting, given the transversal nature of ESG risk to ensure aligned approach between the different segments of the bank.

For 2025 the focus to further embed ESG structurally in our risk management processes will remain.

Managing our climate risk in practice

In 2024, ING Belgium continued and accelerated its efforts with regards to the integration of climate & environmental risks into the regular risk management framework.

Building further upon one of the key priorities of 2023, development of a data driven C&E risk classification based on a Group wide developed methodology allowed for the integration of C&E into the RAS management framework for all segments.

For Retail customers, the focus of the climate RAS is mainly on the impact of energy performance on the risk for mortgage loans, in line with the business ambitions to decarbonize the mortgage book. In Business banking, a sector specific climate RAS has been put in place, allowing ING Belgium to steer the share of its portfolio with identified transition risk within risk appetite boundaries.

Concerning physical risk, one of the priorities for 2024, a dedicated assessment has been embedded in loan origination processes across segments. Focus in 2025 will shift to embed the assessment more structural & process embedded, relying on Group developed services.

The monitoring framework for the Energy Performance of our residential real estate in new production for retail & business banking was further strengthened by the implementation of an industrialized monitoring & reporting solution, enabling accurate steering & cross segment comparison. The initial scope of collection of energy performance collection has also been expanded in 2024, now also including non-residential assets to ensure a more comprehensive view and understanding of our real estate portfolio.

Furthermore, efforts have persisted to further refine the identification of sector specific ESG risks resulting in the development of client ESG assessments during loan origination, that will be implemented in 2025 in all relevant processes.

ING Belgium has also updated its requirements towards our valuers with regards to collateral valuation and has integrated physical & transition risk into the valuation process. Consequently, also the collateral monitoring framework is now quantifying & considering climate & environmental risk.

Regulatory reporting

Under the Corporate Sustainability Reporting Directive (CSRD), ING Belgium is, as from year end 2024, committed to report on environmental, social and governance topics assessed as material for the Bank (cfr new section on sustainability statement in this report).

Besides it, as part of the Group, ING Belgium also contributes to the reporting of data on climate and environmental risks for EBA Pillar 3 and EU Taxonomy eligibility and alignment. In 2025, ING Belgium will publish its first standalone Pillar 3 on ESG.

Supporting our clients

The best way for ING Belgium to manage climate risk is to continue to help our clients manage the transition towards a more sustainable world. The Sustainable Buildings Guide, an interactive tool that helps businesses and families on their way to improving the energy performance of their property, also answers to the need of identifying what the proxy CO2 emission is of the asset and indicates which kind of investments will improve both CO2 emissions and energy performance. Including physical risk in our lending journey & collateral valuation helps raising awareness and understanding to risks that could potentially negatively impact them.

The risk department continues to support the business lines to develop sustainable products and ensure that our policies make this transition possible by facilitating flexibility features & loosen tenor constraints.

Risk and the business lines are working closely together to ensure that sustainable products are fully in line with regulatory expectations, including the EU Taxonomy when applicable by setting the necessary standards to which these products must adhere to.

Model risk

Model risk is the risk that the financial or reputational position of ING is negatively impacted as a consequence of the use of models. Model risk can arise from errors in the development, implementation, use or interpretation of models, or from incomplete or wrong data etc., leading to inaccurate, non-compliant or misinterpreted model outputs.

A model is defined as a quantitative method, system, or approach that applies statistical, economic, financial, or mathematical theories, techniques, and assumptions to process input data into quantitative estimates or whose inputs are partially, fully qualitative or based on expert judgement.

A tool or solution (a candidate model) is considered a model when:

- It covers quantitative approaches embedding some degree of uncertainty or prediction, with a quantitative output.
- It is used multiple times without changing or reconsidering the assumptions, model parameters or weighting factors.
- The outcome is used for decision-making.

Model Governance

The growing complexity and number of models created and utilised every year for decision-making makes it important to manage and control the associated model risk accordingly. Within ING Group the overarching responsibility for this risk type lies within Model Risk Management (MoRM) department.

The MoRM, is responsible for challenging the identification and assessment of model risk, and for monitoring and reporting global model risk exposure at the aggregated level. The department sets and maintains a model risk management framework containing: (1) model governance, policies and procedures, (2) model risk appetite, and (3) the global model inventory tool. MoRM is also responsible for providing independent validation of models in use within ING Group. For that purpose, the department has four specialised dedicated teams, each focusing on different family of models, namely: Credit Risk Model Validation, Banking Book Risk Model Validation, Trading Book Risk Model Validation and Data Science Model Validation.

Model lines of defence

ING's model risk and control structure is based on the three model lines of defence (MLoD) approach. This approach aims to provide a sound governance framework for model risk management by defining and implementing three different management layers with distinct roles and oversight responsibilities.

In terms of composition and main activities within three model lines of defence (MLoD):

- The 1st MLoD is composed of the model owners, model users, data management and model development, and is accountable for, among others, the development, implementation and use of the models as well as monitoring models' performance.
- The 2nd MLoD is composed of model validation and model risk oversight, which owns the model risk management framework, proposes the model risk appetite, provides challenge to model risk identification and assessment and provides an independent validation of models used within ING.
- The 3rd MLoD is the internal audit, reviewing the quality of model risk management execution in all lines of defence and providing independent assurance.



An important difference with the financial and non-financial risk lines of defence is that models can also be owned by risk management domains (normally a 2nd LoD), e.g. for bank-wide stress testing, or by the audit service (normally a 3rd LoD), e.g. to support prioritisation of their audits. In that case, both domains (risk management or audit service) become 1st MLoD.

Model risk appetite (Model RAS)

The model risk appetite is designed to determine the level of model risk ING is willing to accept in pursuit of its strategic objectives. Model RAS metrics are focused on credit risk and market risk models, which have elevated supervisory attention.

Model risk management

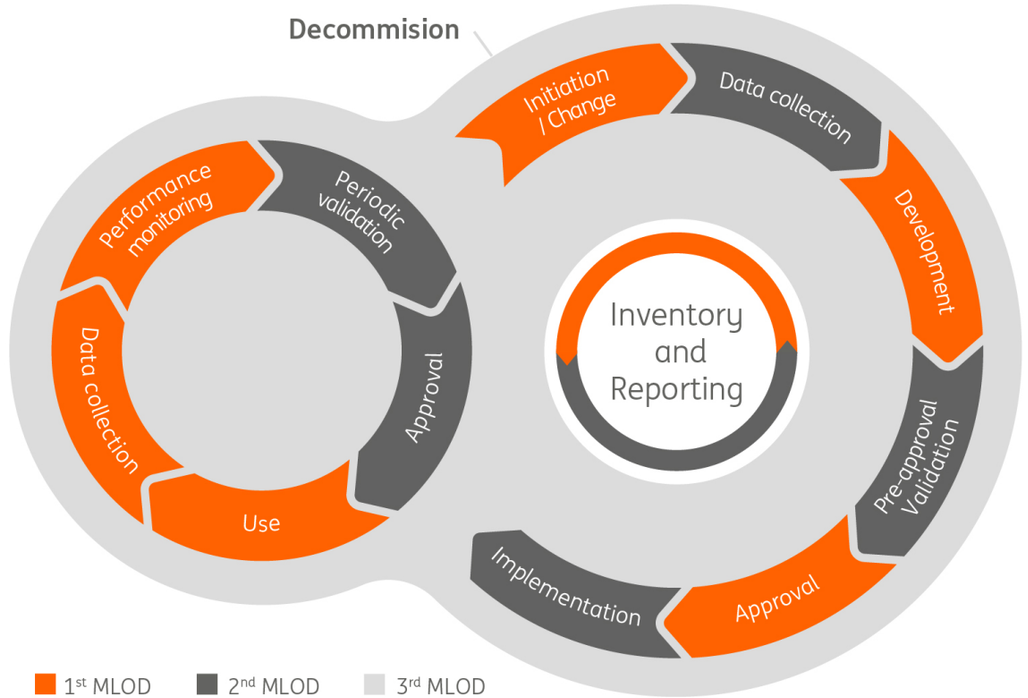
The MoRM policy framework comprises the total set of measures and tools put in place to manage model risk. To enable setting model risk management standards that are proportionate to a model's importance, ING classifies models based on their materiality and reputational risk. The classification determines the depth and extent of the applied model risk management activities, including model validation.

The MoMRC policy framework is continuously reviewed to adequately incorporate ING's model data ethics principles and integrating a risk-based approach to model validation. Next to the generic MoRM policy framework, dedicated model validation frameworks are in place. These set the validation standards for the key model types such as credit, market, liquidity, operational risk, IRRBB, KYC and other model categories. These frameworks are continuously being enhanced to keep up-to-date with regulatory and technical developments.

On an aggregated level, model risk is monitored via analysis of data from the global model inventory.

Model lifecycle

The next figure provides a schematic overview of the model lifecycle, where orange represents the activities of the 1st MLoD, grey represents the 2nd MLoD and light grey is the 3rd MLoD. The objectives of the different processes are outlined below:



Initiation or change: The initiation of the development of a new model or change of an existing model can be triggered by different factors. These may be (1) internal, such as the introduction of a new product that cannot be handled by the existing models, a change in ING's organisation, financial or commercial strategy or findings and issues by an auditor, validator or based on monitoring; or (2) external, such as innovation/new technology that becomes available (for example the Fintech models), new or upcoming supervisory regulations or ongoing technical developments.

Data collection is the process of defining and collecting data that meets the defined data quality requirements for model development. The process includes the definition of the data needed, assessment of data availability and quality, assumptions and limitations, as well as the gathering of the data needed for the analyses, impact study and testing during the model development process.

Model development is a structured process that leads to a model that is consistent with the model owner requirements, bank policy and relevant regulation where applicable.

Pre-approval validation is an independent assessment to determine whether a newly developed or materially changed model is valid for its intended use. The approach to model validation is proportional to the model risk as reflected in the ING model risk classification.

The objective of the **model approval** stage is to ensure models are formally approved by the designated approval authority prior to deployment.

During the **implementation** stage, the model is deployed in a production environment, after completion of required model testing and corresponding approval.

In the **model use** stage, the model is applied by the users for the specific purpose it was designed for. The model can only be used after formal approval for use of the model.

The objective of **model monitoring i**s to determine if the model is performing as expected by regularly assessing model accuracy and/or predictive ability, considering internal or external developments that may influence model performance. Model performance monitoring begins when the model is deployed for use and continues until the model has officially been decommissioned.

Periodic validation assesses, on a regular basis, whether a model is still valid for its intended use and if the model is used as intended, taking into consideration any internal or external changes since the last validation. The frequency of periodic validation depends on the model risk, model type and applicable regulation.

A model that is/will no longer be used must be **decommissioned.**

Continuous model inventory and reporting: Keeping an inventory of all models and their status during their lifecycle is a continuous process. It supports management and control of the models in scope, both per individual model and the overarching management of all ING's models. Periodic model risk reporting provides the relevant internal and external stakeholders with an overview of the models in use and the associated model risk given the defined model risk appetite.

Implementation of model risk framework at ING Belgium

In order to streamline the integration of the model risk strategy of ING within ING Belgium, the guiding policies and frameworks describing this strategy are formally adopted by ING Belgium.

ING Belgium has in place a dedicated advisory committee, the ING Belgium Model risk Management committee chaired by the Chief Risk Officer to steer/manage/direct all Credit Risk models used within ING Belgium, both regulatory models (referring to the A-IRB credit risk rating systems as well as the IFRS 9 layers) as Credit Decision models (abbreviated CDM models), equally models developed in-house as models developed for ING Belgium by a third party, or purchased from a third party.

The committee is set up to ensure a smooth communication, acknowledgments and effective decision-making on:

- Model performance monitoring
- (Pre-approval and periodic) model validation results
- Progress and updates on actions to be taken to address model weaknesses (identified during performance monitoring, or as validation findings or audit findings)
- New initiatives and (re)-developments of models.

Non-Financial Risk

Non-financial risk (NFR) is defined as the risk of financial loss, legal or regulatory sanctions, or reputational damage due to inadequate or failing internal processes, people and systems, a failure to comply with laws, regulations and standards, or external events.

The Non-Financial Risk (NFR) function monitors if risk controls are implemented, based on policies and minimum standards which are embedded in ING Belgium business processes in all divisions. The necessary infrastructure is in place to enable management to track events and non-financial risk issues. A comprehensive system of internal controls that are reviewed and updated as necessary creates an environment of continuous improvement in managing non-financial risk.

Governance

Non-Financial Risk Committees (NFRCs) and Management Teams (MTs) manage, measure and monitor operational risks. NFRCs exist at Bank level and at other relevant levels. Non-financial risk topics are an integral part of the agenda of regular MTs at all levels in the organisation. ING Belgium NFRC is the primary approval and oversight committee for non-financial risk matters.

The Head of Non-Financial Risk Management (NFR) reports to the Chief Risk Officer (CRO) of ING Belgium and is responsible for the monitoring of the quality and adequacy of non-financial risk management in the organisation.

To avoid potential conflicts of interests, it is imperative that staff in this function are independent and objective when advising business management on non-financial risk matters in their business unit or business line. To facilitate this, a strong functional reporting line to the next higher level within Non-Financial Risk Management (NFR) is in place. The functional reporting line has clear accountabilities regarding objectives setting, remuneration, performance management and appointment of new staff as well as obligations to veto and escalate.

Operational risk management

Risk categories

ING Belgium categorises operational risks in several risk areas. All operational risks cover the risk of financial loss, regulatory sanctions or reputational damage but related to different underlying reasons:

- Compliance risk is the risk of ING's integrity being impaired, which can result in reputational damage, legal or regulatory sanctions, or financial loss, due to a failure (or perceived failure) to comply with applicable laws, regulations and standards. See more in 'Compliance Risk'.
- Information (technology) risk is related to breaches of confidentiality, integrity or availability of information or a lack of information quality within business processes and/or the supporting IT systems.
- Continuity risk is the risk of business disruptions (loss of people, processes, systems, data, premises) making ING unable to continue the delivery of key services and products to an acceptable pre-defined level.
- Control risk is the risk that the internal controls will fail to prevent errors. This can happen due to ineffective organisational structures and governance procedures (including unclear roles and responsibilities and inadequate reporting structure), ineffective monitoring and enforcement of risk mitigating measures or an ineffective risk culture.
- Processing risk is the risk of complete or partial failure of internal processes which can be caused by failed (transaction) processing (input, execution, output) or failing process management caused by missing and/or ineffective (key) process controls.
- Unauthorised activity risk is the risk of employees performing outside the normal course of their business, intentionally giving unauthorised approvals or overstepping their authority.
- Personal and physical security risk is the risk of endangering the security or safety of ING employees and assets or people and assets at ING locations due to criminal and environmental threats. It also covers risk caused by unsafe work conditions, business travel and events and insecure workplaces that might have an impact on ING organisation's confidentiality, integrity or availability.
- Employment practice risk is the consequence of acts that are inconsistent with employment, health and/or safety laws, regulations or agreements, from payment of personal injury claims, or from diversity/discrimination events.
- Fraud is the deliberate abuse of procedures, systems, assets, data, products and/or services of ING by those who intend to deceitfully or unlawfully benefit themselves and/or others. This definition of fraud is specified in the following two categories of fraud.
  - Internal fraud: acts of fraud which involves at least one internal party performed by or in collusion with an ING employee or agent with the consequence of financial loss, regulatory fines, litigation loss, business disruption and/or reputational damage for ING.
  - External fraud: acts of fraud or scams by individuals and/or parties excluding ING staff (including contractors), with the consequence of financial loss, regulatory fines, litigation loss, business disruption and/ or reputational damage for ING.

Operational risk includes the related risk of reputation loss, as well as legal risk but strategic risks are not included.

Reputational risk is defined as the potential that adverse publicity regarding ING Belgium's business practices and associations, whether accurate or not, will cause a loss of confidence in the integrity of ING Belgium. Reputational risk is multidimensional and reflects the perception of other market participants, like customers, counterparties, shareholders, investors or regulators that can adversely affect ING Belgium's ability to maintain existing or establish new business relationships and continued access to sources of funding (e.g., through the interbank or securitisation markets).

Measurement approach

ING uses an internal model in line with the Advanced Measurement Approach (AMA) to determine the regulatory and economic capital amounts that are necessary to cover potential losses resulting from non-financial risks. ING Belgium applies ING Bank's Operational Risk Capital model in which the risk profile is closely tailored to the internal risk profile of ING Belgium and its divisions, by using scenario data for capturing severe risks and internal loss and Risk and Control Self-Assessment (RCSA) data for capturing day-to-day risks. The business has a strong role in assessing scenario severities and the NFR function in validating the results. The internal data are combined with external loss data (ORX) in the AMA capital calculation.

Main developments in 2024

Cybercrime and fraud

As in previous years, cybercrime remained a continuous threat in 2024 to customers and companies in general and to financial institutions in particular. Phishing is still the preferred starting point of different fraud attempts, and several different waves are happening in parallel, both by using the bank's identity as well as the identity of well-known brands or institutions. The increase in the sophistication of the storytelling leads to victims falling for such scams as false investment opportunities or romance scams. Business customers have seen a resurgence of invoice scams while phishing and ransomware attacks remain a major concern. ING Belgium continues to enhance the control environment to protect the customers by detecting and responding to fraud while also protecting itself against cyber-attacks including distributed denial-of-service (DDoS), targeted attacks and more specifically ransomware attacks.

Operational Resilience

In a world of constant change and threats, operational resilience helps to stay a step ahead and remain a safe and compliant bank. Operational Resilience focusses on pro-actively embedding measures to minimize impact of disruptions towards clients (versus Business Continuity Management that focusses on all measures once disruption has occurred). During 2024 the maturity of Operational Resilience was enhanced by a standardized documentation of the end-to-end processes supporting the 14 Critical Business Services. Impact tolerances defining the thresholds that need to be respected throughout the whole chain of the underlying processes and their monitoring have been implemented. Severe but plausible scenarios were described and will be tested in 2025. Possible gaps identified during these tests will be analysed, to identify improvements for becoming even more mature and resilient.

Digital Operational Resilience Act (DORA)

Having Operational Resilience embedded in our business-as-usual has helped ING to move to the next level as required by DORA. The IT services, assets and suppliers, both Intragroup and Third party, identified as critical for the 14 Critical Business Services are closely monitored from an availability perspective and via Incident and Crisis Management. Measures have been sharpened to ensure that both IT services and suppliers comply with the DORA requirements on IT Risk, IT Security, IT Resilience, IT & Business Continuity and all Sourcing aspects. Testing of IT Resilience, IT and Business Continuity will happen in 2025. ING will also continue in 2025 to become DORA compliant from a sourcing perspective by adapting contracts for non-DORA critical services. All other DORA related requirements are embedded in the Business-as Usual as from 2025. Impediments will be noted transparently as (Accepted) Issues, especially with regards to Contingency plans which are not feasible due to either strategic decisions, monopolistic position on the market or too expensive investments.

Compliance risk

Compliance risk is defined as a threat posed to ING's standing resulting from failure to act in line with applicable laws and regulations, internal rules (including ING's Orange Code and global Code of Conduct) and/or societal expectations. A failure to adequately mitigate compliance risk may lead to damage to ING's reputation and/or legal/regulatory sanctions, and/or financial loss.

The implementation and execution of policies and procedures related to Compliance risk policies is an ongoing activity. In this context, and as part of the primary objective of the Board of Directors to remain a safe and compliant Bank, ING Belgium continued in 2024 to take a number of enhancement measures (e.g. in the data protection area, updated tooling to detect suspicious patterns and entities and point out hidden relationships, process of accepting new clients and the review of customer due diligence documentation). ING Belgium pursued initiatives to promote a stronger risk culture and improve operational excellence in the management of non-financial risks. ING Belgium is committed to comply with all applicable laws, regulations and standards in each of the markets and jurisdictions ING Belgium operates in.

Compliance risk is part of ING Belgium's second Line of Defence. It is tasked with instructing, advising, challenging and having oversight of the first Line of Defence in their management of compliance risks as well as raising awareness, influencing and stimulating a sound compliance risk culture and training by making sure that:

- Every employee is responsible for managing Compliance risks and complying with the letter as well as the spirit of applicable laws and regulations, ING Orange Code, Global Code of Conduct, ING policies and standards, ING Risk Appetite and with related Compliance advices and instructions.
- All employees participate in regular Compliance trainings and make sure to understand how to live up to the Compliance requirements that impact his/her daily professional function and business activities.
- Every employee timely reports on known or suspected Compliance related concerns, issues and/or failures to Compliance or appropriate Management.

Governance

The Head of Compliance reports hierarchically to the ING Belgium Chief Risk Officer (CRO), and functionally to the ING Group Chief Compliance Officer. The Head of Compliance has direct access to all executive directors, as well as to the President of the Board of Directors, the Audit Committee, the Risk Committee, Corporate Audit Services and the regulators. The Head of Compliance is tasked with the overall responsibility to manage Compliance risk and to deliver upon the activities described in the Compliance Charter.

The Compliance function (Compliance Officers) within ING Belgium is a function independent of the bank's operational and commercial activities. All employees within the Compliance function are expected to act with an objective and independent mindset and should have the adequate status, knowledge, skillset and authority to be effective in the execution of their duties.

Definitions

Risk categories

ING Belgium categorised the key compliance risks into four compliance risk categories. The following broader risk categories apply:

- **Financial Crime Risk** refers to the risks of the bank's products and services being abused for illicit purpose generating or disguising Financial and/or Economic Crimes (FEC).
- **Conduct Risk** refers to the compliance risks arising from potential or perceived misconduct by ING Belgium or its employees towards its customers, market integrity, business partners and other stakeholders.
- **Organisational Risk** refers to the compliance risks arising from potential or perceived flaws in the way that ING Belgium is organised and structured including its regulatory and reporting framework.
- **Data Protection Risk** refers to the compliance risks arising from actual, potential, or perceived flaws associated with personal data protection and data retention across ING globally.

The controls to mitigate the compliance risks associated with the above-mentioned risk areas are designed and embedded within ING Belgium. The effectiveness of the controls as designed is tested periodically, and senior management is aware of their responsibility to ensure their processes are compliant with applicable laws and regulations, internal policies and the Orange Code.

In cases where an employee from ING Belgium suspects a breach of external laws and regulations, internal policies and minimum standards and/or the Orange Code they are encouraged to (anonymously) speak up in line with the Whistle-blower policy using the most appropriate channel, e.g. the external web platform. .

Financial Economic Crime (FEC) Policy and Minimum Standards

ING Belgium FEC Policy and Minimum Standards directly reflect relevant national and international laws, regulations and industry standards.

Management of ING Belgium maintains local procedures to comply with local laws, regulations and the ING Group FEC Policy and Minimum Standards. Where local laws and regulations are more stringent, the local laws and regulations are applied. Likewise the FEC Policy and Minimum Standards prevail when the standards therein are stricter than stipulated in local laws and regulations and if not specifically forbidden (data privacy or bank secrecy).

The implementation and execution of policies and procedures related to anti-money laundering (AML) is an ongoing activity. In this context, and as part of the primary objective of the Board of Directors to remain a Safe and Compliant bank, we continue to take a number of enhancement measures to strengthen our management of compliance risks, support a stronger risk culture and improve operational excellence in non-financial risk. Local programmes have been executed to improve client files as well as customer due diligence documentation. We are committed to comply with all applicable laws, regulations and standards in each of the markets and jurisdictions we operate in.

Consolidated financial statements

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Consolidated financial statements

Consolidated statement of financial position (as at 31 December 2024)

In EUR thousands	Note	2024	2023
Assets			
Cash and balances with central banks	**2**	16,450,985	15,001,197
Loans and advances to banks	**3**	3,623,281	3,656,619
Financial assets at fair value through profit or loss	**4**	9,884,421	12,810,949
of which: trading assets		1,809,230	1,899,553
of which: non-trading derivatives		7,959,229	10,826,768
of which: designated as at fair value through profit or loss		61,790	66,269
of which: mandatorily at fair value through profit or loss		54,172	18,359
Financial assets at fair value through other comprehensive income	**5**	5,333,461	4,448,151
Debt securities	**6**	11,027,262	10,711,247
Loans and advances to customers	**7**	115,046,067	109,497,244
Investments in associates	**37.2**	153,605	68,734
Real estate investments	**8**	16,630	6,202
Property and equipment	**9**	764,207	750,984
Intangible assets	**10**	14,187	9,531
Current tax assets		5,837	9,421
Deferred tax assets	**29**	1,222	2,587
Other assets	**11**	827,799	934,170
Total assets		**163,148,964**	**157,907,036**
			0

	Note	2024	2023
Liabilities			
Deposits and other borrowings from banks	**12**	12,403,418	14,387,792
Customer deposits	**13**	110,415,882	103,402,864
Financial liabilities at fair value through profit or loss	**14**	11,349,904	13,492,871
of which: trading liabilities		1,854,048	1,928,810
of which: non-trading derivatives		9,181,824	11,307,027
of which: designated as at fair value through profit or loss		314,031	257,034
Current tax liabilities		81,191	136,368
Deferred tax liabilities	**29**	59,596	31,900
Provisions	**15**	109,418	119,152
Other liabilities	**16**	1,918,192	2,441,806
Debt securities in issue	**17**	8,308,445	6,433,705
Senior non-preferred debt		6,465,139	5,834,420
Subordinated loans	**17**	2,650,291	2,557,337
Liabilities held for sale		0	0
Share capital repayable on demand		0	0
Total liabilities		**153,761,476**	**148,838,216**
Equity			
Shareholder's equity	**18**	9,387,319	9,068,637
of which: Share capital and share premium		2,768,195	2,768,195
of which: Other reserves		-71,222	-12,772
of which: Retained earnings		6,690,346	6,313,214
Non-controlling interests		169	183
Total equity		**9,387,488**	**9,068,820**
Total liabilities and equity		**163,148,964**	**157,907,036**

References relate to the accompanying notes. These are an integral part of the Consolidated financial statements.

Consolidated statement of profit and loss (as at 31 December 2024)

In EUR thousands	Note	2024	2023
Continuing operations			
Interest income using effective interest rate method		5,712,305	5,201,464
Other interest income		2,765,387	2,574,034
Total interest income	**19**	**8,477,692**	**7,775,498**
Interest expense using effective interest rate method		-2,919,662	-2,154,458
Other interest expense		-2,827,254	-2,620,423
Total interest expense	**19**	**-5,746,916**	**-4,774,882**
Net interest income		**2,730,776**	**3,000,616**
Fee and commission income		1,114,925	1,051,360
Fee and commission expense		-366,791	-401,050
Net commission income	**20**	**748,135**	**650,309**
Investment income	**21**	-14,718	-976
Valuation results on non-trading derivatives	**22**	47,518	27,293
Net trading income	**23**	48,147	44,341
Share of profit from associates	**37.2**	88,392	-13
Impairment of associates and joint ventures		-1,524	0
Result on disposal of group companies		0	1
Net result derecognition of FA measured at amortised cost		0	0
Other income	**24**	76,772	96,375
Total income		**3,723,498**	**3,817,947**

	Note	2024	2023
Addition to loan loss provisions (-)		-148,476	-139,242
Staff expenses (-)	**25**	-959,075	-984,688
Regulatory expenses (-)		-185,887	-205,088
Other operating expenses (-)	**26**	-971,309	-950,998
Total expenses		**-2,264,748**	**-2,280,017**
Result before tax from continuing operations		**1,458,750**	**1,537,930**
Taxation (-)	**29**	-372,778	-423,095
Net result from continuing operations		**1,085,972**	**1,114,835**
Net result (before non-controlling interests)		**1,085,972**	**1,114,835**
Net result attributable to Non-controlling interest		19	33
Net result attributable to Equityholders of the parent		1,085,953	1,114,802

References relate to the accompanying notes.
These are an integral part of the Consolidated financial statements.

Consolidated statement of comprehensive income (as at 31 December 2024)

In EUR thousands	2024	2023
Net result (before non-controlling interests)	**1,085,972**	**1,114,835**
Other comprehensive income, net of tax	**-58,450**	**-43,397**
Items that will not be reclassified to the statement of profit or loss:	**10,462**	**2,882**
Remeasurement of the net defined benefit asset/liability	18,256	9,226
Unrealised revaluations property in own use	-6,136	-5,573
Net change in fair value of equity instruments at fair value through other comprehensive income	2,310	331
Change in fair value of own credit risk of financial liabilities at fair value through profit or loss	-1,241	-73
Related tax	-2,728	-1,028
Items that may subsequently be reclassified to the statement of profit or loss:	**-68,912**	**-46,279**
Net change in fair value of debt instruments at FVOCI	-58,738	-8,446
Changes in cash flow hedge reserve	-33,439	-53,245
Exchange rate differences	0	0
Share of other comprehensive income of associates and other income	0	0
Related tax	23,265	15,412
Total comprehensive income	**1,027,522**	**1,071,438**
Comprehensive (loss)/income attributable to:		
Non-controlling interests	-14	25
Equity holders of the parent	1,027,536	1,066,267

Consolidated statement of changes in equity (2024)

In EUR thousands	Share capital and share premium	Revaluation and other reserves	Retained earnings	Net profit current year	Non-controlling interests	Total
Balance as at 31 December 2023	**2,768,195**	**–12,772**	**5,198,413**	**1,114,801**	**183**	**9,068,820**
Effect of change in accounting policy	0	0	0	0	0	**0**
Balance as at 1st January 2024	2,768,195	–12,772	5,198,413	1,114,801	183	**9,068,820**
Net profit transferred to reserves	0	0	1,114,801	-1,114,801	0	**0**
Net change in tangible fixed assets revaluation reserve	0	-4,602	10,510	0	0	**5,908**
Net change in fair value of equity instruments at fair value through other comprehensive income	0	2,310	0	0	0	**2,310**
Net change in fair value of own credit risk of financial liabilities at fair value through profit or loss	0	-931	0	0	0	**-931**
Net change in fair value of debt instruments measured at FV through other comprehensive income	0	-43,899	0	0	0	**-43,899**
Net change in cash flow hedges	0	-25,013	0	0	0	**-25,013**
Net change in actuarial gains / losses on pension defined benefit plans	0	13,685	0	0	0	**13,685**
Total amount recognised in other comprehensive income	**0**	**-58,450**	**1,125,311**	**-1,114,801**	**0**	**-47,940**
Net result from continuing and discontinued operations	0	0	0	1,085,953	-14	**1,085,939**
Total comprehensive income	**0**	**-58,450**	**1,125,311**	**-28,848**	**-14**	**1,038,008**
Dividends (previous year)	0	0	-722,607	0	0	**-722,607**
Other changes	0	0	3,276	0	0	**3,276**
Balance as at 31 December 2024	**2,768,195**	**-71,222**	**5,604,393**	**1,085,953**	**169**	**9,387,488**

Consolidated statement of changes in equity (2023)

In EUR thousands	Share capital and share premium	Revaluation and other reserves	Retained earnings	Net profit current year	Non-controlling interests	Total
Balance as at 31 December 2022	**2,768,195**	**35,771**	**6,431,041**	**330,585**	**158**	**9,565,750**
Effect of change in accounting policy	0	0	0	0	0	**0**
Balance as at January 2023	2,768,195	35,771	6,431,041	330,585	158	**9,565,750**
Net profit transferred to reserves	0	0	330,586	-330,586	0	**0**
Net change in tangible fixed assets revaluation reserve	0	-9,330	5,147	0	0	**-4,183**
Net change in fair value of equity instruments at fair value through other comprehensive income	0	147	0	0	0	**147**
Net change in fair value of own credit risk of financial liabilities at fair value through profit or loss	0	-55	0	0	0	**-55**
Net change in fair value of debt instruments measured at FV through other comprehensive income	0	-6,351	0	0	0	**-6,351**
Net change in cash flow hedges	0	-39,928	0	0	0	**-39,928**
Net change in actuarial gains / losses on pension defined benefit plans	0	6,974	0	0	0	**6,974**
Total amount recognised in other comprehensive income	**0**	**-48,543**	**335,733**	**-330,586**	**0**	**-43,396**
Net result from continuing and discontinued operations	0	0	0	1,114,811	25	**1,114,836**
Total comprehensive income	**0**	**-48,543**	**335,733**	**784,225**	**25**	**1,071,440**
Dividends (previous year)	0	0	-1,568,361	0	0	**-1,568,361**
Other changes	0	0	0	-9	0	**-9**
Balance as at 31 December 2023	**2,768,195**	**-12,772**	**5,198,413**	**1,114,801**	**183**	**9,068,820**

Consolidated statement of cash flows (31st December 2024)

In EUR thousands	Note	2024	2023
Cash flows from operating activities			
Result before tax		**1,458,750**	**1,537,930**
Adjusted for:			
Depreciations, amortization and impairments	**9,10**	93,080	112,218
Addition to loan loss provisions		148,476	139,242
Other		113,207	70,412
Taxation	**29**	-372,778	-423,095
Changes in:			
-Loans and advances to/from banks, not available on demand	**3,12**	-2,670,915	9,177,624
-Trading assets & liabilities	**4,14**	15,561	-3,118
-Loans and advances to customers	**7**	-5,697,299	-2,354,042
-Customer deposits and other funds on deposit	**13**	7,013,017	-6,122,629
-Other		285,142	1,203,009
Net cash flow used in/(from) operating activities		**386,241**	**3,337,551**
Cash flows from investing activities			
Investments and advances:			
-Associates		-5,275	-16,533
-Financial assets at FVOCI	**5**	-3,514,538	-1,451,813
-Securities at amortised cost	**6**	-1,436,374	-2,099,126
-Property and equipment	**8,9**	-82,839	-76,495
-Other investments		-7,033	0
Disposals and redemptions:			
-Associates	**37**	7,272	4,306
-Financial assets at FVOCI	**5**	2,702,545	709,951
-Securities at amortised cost	**6**	1,109,602	932,946
-Property and equipment	**8,9**	27,077	19,310
-Other investments		0	54
Net cash flow used in/(from) investing activities		**-1,199,563**	**-1,977,400**

	Note	2024	2023
Cash flows from financing activities			
Proceeds from debt securities	**28**	1,795,238	1,195,260
Repayments of debt securities	**28**	-74,777	-170,210
Proceeds from issuance of subordinated loans and other borrowings	**28**	600,000	2,275,000
Repayments of subordinated loans and other borrowings	**28**	0	0
Repayments of leasing activities	**28**	-54,622	-54,223
Repayment of TLTRO		0	-6,600,000
Dividends paid		-722,607	-1,564,910
Net cash flow used in/(from) financing activities		**1,543,232**	**-4,919,083**
Cash and cash equivalents at beginning of year		**14,581,276**	**18,140,208**
Treasury bills and other eligible bills		0	0
Amounts due from/to banks		-1,139,798	-419,921
Cash and balances with central banks		16,450,985	15,001,197
Cash and cash equivalents at end of year		**15,311,187**	**14,581,276**
Evolution of the cash and cash equivalent		**729,910**	**-3,558,932**

References relate to the accompanying notes. These are an integral part of the Consolidated financial statements

Interest and dividend received and paid

In EUR thousands	2024	2023
Interest received	8,477,692	7,775,498
Interest paid	5,746,916	4,774,882
Dividend received	6,160	531
Dividend paid	722,607	1,564,909

The table above presents the interest and dividend received and paid.

Notes to the Consolidated financial statements

1. Basis of preparation and material accounting policy information

1.1 Reporting entity and authorisation of the Consolidated financial statements

ING Belgium NV/SA is an international financial institution active in banking, insurance and asset management and a subsidiary of ING Bank N.V. ING Belgium NV/SA is a limited liability company, and its registered office is Avenue Marnixlaan 24, 1000 Brussels.

These consolidated financial statements were approved for issue by the Board of Directors on 28 March 2025 and by the General Assembly on 22 April 2025.

1.2 Basis of preparation of the Consolidated financial statement

The ING Belgium Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and with supplementary disclosures.

IFRS as adopted by the EU are IFRS Standards and IFRS Interpretations as issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC) with some limited modifications such as the temporary 'carve-out' from IAS 39 'Financial Instruments: Recognition and Measurement' (herein, referred to as IFRS).

Under the EU carve-out, ING Belgium applies fair value hedge accounting to portfolio hedges of interest rate risk (macro hedging). For further information, reference is made to paragraph 1.5.4 Derivatives and hedge accounting of this note and to note 32. Derivatives and hedge accounting.

The ING Belgium Consolidated financial statements have been prepared on a going concern basis and there are no significant doubts about the ability of ING Belgium to continue as a going concern.

The Consolidated financial statements are presented in euros and rounded to the nearest thousand, unless stated otherwise. Amounts may not add up due to rounding.

1.2.1 Presentation of Risk management disclosures

To improve transparency, reduce duplication and present related information in one place, certain disclosures of the nature and extent of risks related to financial instruments required by IFRS 7 'Financial instruments: Disclosures' are included in the 'Risk management' section and 'Capital management' section of the Annual Report. These disclosures are an integral part of ING Belgium's Consolidated financial statements. This is applicable for the chapters, paragraphs, graphs or tables within the risk management section that are indicated with this symbol * in the respective headings or table header.

1.3 Changes to accounting policies and presentation

ING Belgium has consistently applied its accounting policies to all periods presented in these Consolidated financial statements.

1.3.1 Changes in IFRS effective in 2024

The following amendments to IFRS became effective in the current reporting period (and have been EU endorsed) with no significant impact for ING Belgium:

- Amendments to IFRS 16 'Leases': Lease Liability in a Sale and Leaseback (issued in September 2022).
- Amendments to IAS 1 'Presentation of Financial Statements': Classification of Liabilities as Current or Non-current (issued January 2020) and Non-current liabilities with Covenants (issued in October 2022).
- Amendments to IAS 7 'Statement of Cash flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements (issued in May 2023).

1.3.2 Upcoming changes in IFRS after 2024

ING Belgium has not adopted early any of the following Standards, interpretations or amendments which have been issued but are not yet effective, and is in the process of assessing possible impacts for ING Belgium.

Effective in 2025 (endorsed by the EU):

- Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates': Lack of Exchangeability (issued in August 2023).

The implementation of the above amendments is expected to have no significant impact on ING Belgium's Consolidated financial statements when they become effective.

Effective in 2026 (not yet endorsed by the EU):

- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments Disclosure': Classification and Measurement of Financial Instruments (issued in May 2024).
- Annual improvements to IFRS Accounting Standards: Volume 11 (issued July 2024).

Effective in 2027 (not yet endorsed by the EU):

- New Standard IFRS 18 'Presentation and Disclosure in Financial Statements' (issued April 2024)

In addition, in May 2024, the IASB also issued a new accounting Standard IFRS 19 'Subsidiaries without Public Accountability: Disclosures'. However, it is not applicable for the consolidated financial statements of ING Belgium.

1.4 Significant judgements and critical accounting estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements in the process of applying its accounting policies and to use estimates and assumptions. The estimates and assumptions affect the reported amounts of the assets and liabilities and the amounts of the contingent assets and contingent liabilities at the balance sheet date, as well as reported income and expenses for the year. The actual outcome may differ from these estimates. The process of setting assumptions is subject to internal control procedures and approvals.

ING Belgium has identified areas that require management to make significant judgements and use critical accounting estimates and assumptions based on information and financial data that may change in future periods. These areas are:

- Loan loss provisions (financial assets)(refer to note 1.5.7 Impairment of financial assets);
- The determination of the fair values of financial assets and liabilities (refer to 1.5.3 Fair values of financial assets and liabilities);
- Provisions (refer to note 1.15 Provisions, contingent liabilities, and contingent assets)

For further discussion of the significant judgements and critical accounting estimates and assumptions in these areas, reference is made to the relevant parts in paragraph 'Financial instruments' (specifically 'Impairments of financial assets' and 'Fair values of financial assets and liabilities', 'Provisions, contingent liabilities and contingent assets' and the applicable notes to the Consolidated financial statements.

1.5 Financial instruments

1.5.1 Recognition and derecognition of financial instruments

ING Belgium applies IFRS 9 'Financial Instruments' to the recognition, classification, measurement and derecognition of financial assets and financial liabilities and the impairment of financial assets. ING Belgium applies the requirements of IAS 39 'Financial Instruments: Recognition and Measurement' for hedge accounting purposes.

Recognition of financial assets

Financial assets are recognised in the balance sheet when ING Belgium becomes a party to the contractual provisions of the instrument. For a regular way purchase or sale of a financial asset, trade date and settlement date accounting are applied depending on the classification of the financial asset.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where ING Belgium has transferred the rights to receive the cash flows from the financial asset or assumed an obligation to pass on the cash flows and has transferred substantially all the risks and rewards of the asset. If ING Belgium neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, it derecognises the financial asset if it no longer has control over the asset. The difference between the carrying amount of a financial asset that has been derecognized and the consideration received is recognised in profit or loss.

Recognition of financial liabilities

Financial liabilities are recognised on the date that the entity becomes a party to the contractual provisions of the instrument.

Derecognition of financial liabilities

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished and the consideration paid is recognised in profit or loss.

1.5.2 Classification and measurement of financial instruments

Financial assets

ING Belgium classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss); and
- those to be measured at amortised cost (AC).

At initial recognition, ING Belgium measures a financial asset at its fair value plus, in the case of a financial asset not at Fair Value through Profit or Loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in the statement of profit or loss.

Financial assets – Debt instruments

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows at initial recognition.

Business models

Business models are classified as Hold to Collect (HtC), Hold to Collect and Sell (HtC&S) or Other depending on how a portfolio of financial instruments as a whole is managed. ING Belgium's business models are based on the existing management structure of the bank and refined based on an analysis of how businesses are evaluated and reported, how their specific business risks are managed and on historic and expected future sales. Sales are permissible in a HtC business model when these are due to an increase in credit risk, take place close to the maturity date (where the proceeds from the sales approximate the collection of the remaining contractual cash flows), are insignificant in value (both individually and in aggregate) or are infrequent.

Contractual cash flows Solely Payments of Principal and Interest (SPPI)

The contractual cash flows of a financial asset are assessed to determine whether they represent SPPI. Interest includes consideration for the time value of money, credit risk and for other basic lending risks such as consideration for liquidity risk and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

In assessing whether the contractual cash flows are SPPI, ING Belgium considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Sustainability-linked loans contain ESG margin ratchets that are linked to sustainability KPIs of the borrower. When assessing such loans for SPPI, ING considers the magnitude of the ESG margin ratchet on the contractual cash flows of the loan or whether it forms part of interest, representing compensation for credit risk or a component of the profit margin.

Based on the entity's business model for managing the financial assets and the contractual terms of the cash flows, there are three measurement categories into which ING Belgium classifies its debt instruments:

- Amortised Cost (AC):

Debt instruments that are held for collection of contractual cash flows under an HtC business model where those cash flows represent SPPI are measured at AC. Interest income from these financial assets is included in Interest income using the effective Interest Rate (EIR) method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.

- Fair Value through Other Comprehensive Income (FVOCI):

Debt instruments that are held for collection of contractual cash flows and for selling the financial assets under an HtC&S business model, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are recognised in OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in Investment income or Other income, based on the specific characteristics of the business model. Interest income from these financial assets is included in Interest income using the EIR method. Impairment losses are presented as a separate line item in the statement of profit or loss.

- Fair Value through Profit or Loss (FVPL):

Debt instruments that do not meet the criteria for AC or FVOCI are measured at FVPL. This includes debt instruments that are held-for-trading (presented separately as Trading assets) and all other debt instruments that do not meet the criteria for AC or FVOCI (presented separately as Mandatorily at FVPL). ING Belgium may in some cases, on initial recognition, irrevocably designate a financial asset as classified and measured at FVPL. This is the case where doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise on assets measured at AC or FVOCI. Fair value movements on trading securities, trading loans and deposits (mainly reverse repos) are presented fully within valuation result and net trading income, this also includes interest. The interest arising on financial assets designated as at FVPL is recognised in profit or loss and presented within Interest income or Interest expense in the period in which it arises. The interest arising on a debt instrument that is part of a hedge relationship, but not subject to hedge accounting, is recognised in profit or loss and presented within Interest income or Interest expense in the period in which it arises.

ING Belgium reclassifies debt instruments if, and only if, its business model for managing those financial assets changes. Such changes in business models are expected to be very infrequent. There have been no reclassifications during the reporting period.

Financial assets – Equity instruments

All equity investments are measured at fair value. ING Belgium applies the fair value through OCI option to investments which are considered strategic, consisting of investments that add value to ING Belgium's core banking activities.

There is no subsequent recycling of fair value gains and losses to profit or loss following the derecognition of investments if elected to be classified and measured as FVOCI. However, the cumulative gain or loss is transferred within equity to retained earnings on derecognition of such equity instruments. Dividends from such investments continue to be recognised in profit or loss as Investment income when ING Belgium's right to receive payments is established. Impairment requirements are not applicable to equity investments classified and measured as FVOCI.

Other remaining equity investments are measured at FVPL. All changes in the fair value are recognised in Valuation result and Net trading income in the Consolidated statement of profit or loss.

Financial liabilities

Financial liabilities are classified and subsequently measured at AC, except for financial guarantee contracts, derivatives and liabilities designated at FVPL. Financial liabilities classified and measured at FVPL are presented as follows:

- the amount of change in the fair value that is attributable to changes in own credit risk of the liability designated at FVPL is presented in OCI. Upon derecognition this Debit Valuation Adjustment (DVA) impact does not recycle from OCI to profit or loss; and
- the remaining amount of change in the fair value is presented in profit or loss in 'Valuation results and net trading income'. Interest on financial liabilities at FVPL is also recognised in the valuation result, except for items voluntarily designated as FVPL for which interest is presented within 'Interest income' (expense).

A financial guarantee contract is a contract that requires ING Belgium to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Such a contract is initially recognised at fair value and is subsequently measured at the higher of (a) the amount determined in accordance with impairment provisions of IFRS 9 'Financial instruments' (see section 1.5.7. Impairment of financial assets) and (b) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition principle of IFRS 15 'Revenue from contracts with customers'.

Repurchase transactions and reverse repurchase transactions

Securities sold subject to repurchase agreements (repos), securities lending and similar agreements continue to be recognised in the consolidated statement of financial position. The counterparty liability is measured at FVPL (designated) and included in Other financial liabilities at FVPL if the asset is measured at FVPL. Otherwise, the counterparty liability is included in Deposits and other borrowings from banks, Customer deposits, or Trading, as appropriate.

Securities purchased under agreements to resell (reverse repos), securities borrowings and similar agreements are not recognised in the consolidated statement of financial position. The consideration paid to purchase securities is recognised as Loans and advances to customers, Loans and advances to banks, Other financial assets at FVPL or Trading assets, as appropriate. The difference between the sale and repurchase price is treated as interest and amortised over the life of the agreement using the effective interest method for instruments that are not measured at FVPL.

1.5.3 Fair values of financial assets and liabilities

All financial assets and liabilities are recognised initially at fair value. The fair value of a financial instrument on initial recognition is generally its transaction price (that is, the fair value of the consideration given or received). ING Belgium recognises the difference as a gain or loss at inception.

Subsequently, except for financial assets and financial liabilities measured at amortised cost, all the other financial assets and liabilities are measured at fair value.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It assumes that market participants would use and take into account the characteristics of the asset or liability when pricing the asset or liability. Fair values of financial assets and liabilities are based on unadjusted quoted market prices where available. Such quoted market prices are primarily obtained from exchange prices for listed financial instruments. Where an exchange price is not available, quoted prices in an active market may be obtained from independent market vendors, brokers, or market makers. In general, positions are valued at the bid price for a long position and at the offer price for a short position or are valued at the price within the bid-offer spread that is most representative of fair value in the circumstances. In some cases where positions are marked at mid-market prices, a fair value adjustment is calculated.

For certain financial assets and liabilities, quoted market prices are not available. For such instruments, fair value is determined using valuation techniques. These range from discounting of cash flows to various valuation models, where relevant pricing factors including the market price of underlying reference instruments, market parameters (volatilities, correlations, and credit ratings), and customer behaviour are taken into account. ING Belgium maximises the use of market observable inputs and minimises the use of unobservable inputs in determining the fair value. It can be subjective dependent on the significance of the unobservable input to the overall valuation. All valuation techniques used are subject to internal review and approval. Most data used in these valuation techniques are validated on a daily basis when possible.

When a group of financial assets and liabilities are managed on the basis of their net risk exposures, the fair value of a group of financial assets and liabilities are measured on a net portfolio level.

To include credit risk in fair value, ING Belgium applies both Credit and Debit Valuation Adjustments (CVA, DVA, also known as Bilateral Valuation Adjustments or BVA). Own issued debt and structured notes that are designated at FVPL are adjusted for ING Belgium's own credit risk by means of a DVA. Additionally, derivatives valued at fair value are adjusted for credit risk by a BVA. The BVA is of a bilateral nature as both the credit risk on the counterparty (CVA) as well as the credit risk on ING Belgium (DVA) are included in the adjustment. All input data that is used in the determination of the BVA is based on market implied data. Additionally, wrong-way risk (when exposure to a counterparty is increasing and the credit quality of that counterparty deteriorates) and right-way risk (when exposure to a counterparty is increasing and the credit quality of that counterparty improves) are taken into account in the measurement of the valuation adjustment.

To include the funding risk, ING Belgium applies an additional 'Funding Valuation Adjustment' (FVA) to the uncollateralised derivatives based on the market price of funding liquidity.

ING Belgium also applies to certain positions other valuation adjustments to arrive at the fair value such as Bid-Offer adjustments, Model Risk Adjustments and Collateral Valuation Adjustments (CollVA).

Significant judgements and critical accounting estimates and assumptions:

Even if market prices are available, when markets are less liquid, there may be a range of prices for the same security from different price sources. Selecting the most appropriate price requires judgement and could result in different estimates of fair value.

Valuation techniques are subjective in nature and significant judgement is involved in establishing fair values for certain financial assets and liabilities. Valuation techniques involve various assumptions regarding pricing factors. The use of different valuation techniques and assumptions could produce significantly different estimates of fair value.

Price testing is performed to assess whether the process of valuation has led to an appropriate fair value of the position and to an appropriate reflection of these valuations in the statement of profit or loss. Price testing is performed to minimise the potential risks for economic losses due to incorrect or misused models.

Assessing whether a market is active, and whether an input is observable and significant, requires judgement. ING Belgium categorises its financial instruments that are either measured in the statement of financial position at fair value or of which the fair value is disclosed, into a three-level hierarchy based on the observability and significance of the valuation inputs. The use of different approaches to assess whether a market is active, whether an input is observable, and whether an unobservable input is significant could produce different classification within the fair value hierarchy as well as potentially different deferral of the Day One profit or loss.

Reference is made to 'Fair value of assets and liabilities' and to the 'Market risk' paragraph in the 'Risk management' section of the Annual Report for the basis of the determination of the fair value of financial instruments and related sensitivities.

1.5.4 Derivatives and hedge accounting

IFRS 9 includes an accounting policy choice to defer the adoption of IFRS 9 hedge accounting and to continue with hedge accounting under IAS 39. ING Belgium decided to exercise this accounting policy choice and did not adopt IFRS 9 hedge accounting as of 1 January 2018. Furthermore, ING Belgium applies fair value hedge accounting for portfolio hedges of interest rate risk (macro fair value hedges) in accordance with the EU carve-out version of IAS 39.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Fair values are obtained from quoted market prices in active markets, including market transactions and valuation techniques (such as discounted cash flow models and option pricing models), as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Fair value movements on derivatives are presented in profit or loss in 'Valuation result and net trading income', except for derivatives in either a formal hedge relationship and so-called economic hedges that are not in a formal hedge accounting relationship where a component is presented separately in interest result in line with ING Group's risk management strategy.

Embedded derivatives are separated from financial liabilities and other non-financial contracts and accounted for as a derivative if, and only if:

a. the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.
b. a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
c. the combined instrument is not measured at fair value with changes in fair value reported in profit or loss.

If an embedded derivative is separated, the host contract is accounted for as a similar free-standing contract.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. ING Group designates certain derivatives as hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge), hedges of highly probable future cash flows attributable to a recognised asset or liability or a forecast transaction (cash flow hedge), or hedges of a net investment in a foreign operation. Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

At the inception of the transaction ING Belgium documents the relationship between hedging instruments and hedged items, its risk management objective, together with the methods selected to assess hedge effectiveness. ING Belgium also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit or loss, together with fair value adjustments to the hedged item attributable to the hedged risk.

If the hedge relationship no longer meets the criteria for hedge accounting, the cumulative adjustment of the hedged item is, in the case of interest-bearing instruments, amortised through the statement of profit or loss over the remaining term of the original hedge or recognised directly when the hedged item is derecognised. For non-interest-bearing instruments, the cumulative adjustment of the hedged item is recognised in the statement of profit or loss only when the hedged item is derecognised.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in the Other Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit or loss. Amounts accumulated in the Other Comprehensive Income are recycled to the statement of profit or loss in the periods in which the hedged item affects net result. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the Other Comprehensive Income at that time remains in the Other Comprehensive Income and is recognised when the forecast transaction is ultimately recognised in the statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in the Other Comprehensive Income is transferred immediately to the statement of profit or loss.

Non-trading derivatives that do not qualify for hedge accounting

Derivative instruments that are used by ING Belgium as part of its risk management strategies, but which do not qualify for hedge accounting under ING Belgium's accounting policies, are presented as non-trading derivatives. Non-trading derivatives are measured at fair value with changes in the fair value taken to the statement of profit or loss.

1.5.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset, and the net amount is reported, in the statement of financial position when ING Belgium has a current legally enforceable right to set off the recognised amounts and intends to either settle on a net basis or to realise the asset and settle the liability simultaneously. Offsetting is applied to derivatives, repurchase and reverse repurchase agreements and cash pooling arrangements. A significant portion of offsetting is applied to derivatives and related cash margin balances, which are either directly cleared through central clearing parties or cleared through clearing members of central clearing parties. Reference is made to Note 33 Offsetting financial assets and liabilities for further information.

1.5.6 Credit risk management classification and maximum credit risk exposure

Credit risk management disclosures are provided in the 'Credit risk' paragraph 'Credit risk categories' of the 'Risk management' section in the Annual Report.

The maximum credit risk exposure for items in the statement of financial position is generally the carrying value for the relevant financial assets. For the off-balance sheet items the maximum credit exposure is the maximum amount that could be required to be paid. Reference is made to note 35. Contingent liabilities and commitments for these off-balance sheet items. Collateral received is not taken into account when determining the maximum credit risk exposure.

The manner in which ING Belgium manages credit risk and determines credit risk exposures for that purpose is explained in the paragraph Credit risk appetite and concentration risk framework of the 'Risk management' section in the Annual Report.

1.5.7 Impairment of financial assets

An Expected Credit Loss (ECL) model is applied to financial assets accounted for at AC or FVOCI such as loans, debt securities and lease receivables, as well as off-balance sheet items such as undrawn loan commitments, certain financial guarantees issued, and undrawn committed revolving credit facilities. Under the ECL model ING Belgium calculates the expected credit losses (ECL) by considering on a discounted basis the cash shortfall it would incur in case of a default and multiplying the shortfall by the probability of a default occurring. The ECL is the sum of the probability-weighted outcomes. The ECL estimates are unbiased and include reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions. ING Belgium's approach leverages the Advanced Internal Ratings Based (AIRB) models that are used for regulatory purposes. Adjustments are applied to make these models suitable for determining ECL. ECL is recognised on the balance sheet as loan loss provisions (LLP).

Three stage approach

Financial assets are classified in one of the below three Stages at each reporting date. A financial asset can move between Stages during its lifetime. The Stages are based on changes in credit quality since initial recognition and defined as follows:

- *Stage 1*

Financial assets that have not had a significant increase in credit risk since initial recognition (i.e., no Stage 2 or 3 triggers apply). Assets are classified as Stage 1 upon initial recognition (with the exception of purchased or originated credit impaired (POCI) assets) and ECL is determined by the probability that a default occurs in the next 12 months (12 months ECL).

- *Stage 2*

Financial assets showing a significant increase in credit risk since initial recognition. For assets in Stage 2 ECL reflects an estimate on the credit losses over the remaining maturity of the asset (lifetime ECL); or

- *Stage 3*

Financial assets that are credit impaired. Also, for these assets ECL is determined over the remaining maturity of the asset.

Significant increase in credit risk

ING Belgium established a framework, incorporating quantitative and qualitative indicators, to identify and assess significant increases in credit risk (SICR). This is used to determine the appropriate ECL Stage for each financial asset.

The main determinate of SICR is a quantitative test, whereby the lifetime Probability of Default (PD) of an asset at each reporting date is compared against its lifetime PD determined at the date of initial recognition. If the delta is above pre-defined absolute or relative thresholds the item is considered to have experienced an SICR. Furthermore, any facility which shows an increase of 200% between the PD at the date of initial recognition and the lifetime PD at the reporting date (i.e. threefold increase in PD) must be classified as Stage 2. This is considered a backstop within the quantitative assessment of SICR. Refer to 'Criteria for identifying a significant increase in credit risk' in the 'Risk Management' section of the Annual Report for more details on relative and absolute PD thresholds, including quantitative disclosures on those thresholds.

Consequently, if the above quantitative SICR thresholds are exceeded, the item moves from Stage 1 to Stage 2 (unless the item is credit-impaired). In these instances, items are no longer assigned a 12-month ECL and instead are assigned a lifetime ECL. Items can return to Stage 1 if there is sufficient evidence that there is no longer a significant increase in credit risk. Refer to 'Criteria for identifying a significant increase in credit risk' in the 'Risk Management' section of the Annual Report for more details on relative and absolute PD thresholds, including quantitative disclosures on those thresholds.

ING Belgium also relies on a number of qualitative indicators to identify and assess SICR. These include:

- Forbearance status.
- Watch List status.
- Intensive care management.
- Collective SICR Assessment.
- Substandard Internal rating; and
- Arrears status. (Including 30 days past due used as a backstop).

An asset that is in Stage 2 will move back to Stage 1 when none of the above criteria are in place anymore. However, if the asset was moved to Stage 2 based on the forbearance status, then the asset stays in Stage 2 for at least 24 months. If the asset was classified as Stage 2 due to 30 days past due trigger, then the asset is moved back to Stage 1 only after three months from when the trigger no longer applies.

Credit-impaired financial assets (Stage 3)

Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment includes arrears of over 90 days on any material credit obligation, indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy, or distressed restructuring. The definition of credit impaired under IFRS 9 (Stage 3) is aligned with the definition of default used by ING Belgium for internal risk management purposes, which is also the definition used for regulatory purposes.

An asset (other than a POCI asset) that is in Stage 3 will move back to Stage 2 when, as at the reporting date, it is no longer considered to be credit-impaired, subject to certain probation periods. The asset will migrate back to Stage 1 when its credit risk at the reporting date is no longer considered to have increased significantly since initial recognition.

Macroeconomic scenarios

ING Belgium has established a quarterly process whereby forward-looking macroeconomics scenarios and probability weightings are developed for the purpose of ECL. ING Belgium applies data predominantly from a leading

service provider enriched with the internal ING Belgium view. A baseline, up-scenario and down-scenario are determined to reflect an unbiased and probability-weighted ECL amount. As a baseline scenario, ING Belgium applies the market-neutral view combining consensus forecasts for economic variables such as unemployment rates, GDP growth, house prices, commodity prices, and short-term interest rates. Applying market consensus in the baseline scenario ensures unbiased estimates of the expected credit losses.

The alternative scenarios are based on observed forecast errors in the past, adjusted for the risks affecting the economy today and the forecast horizon. The probabilities assigned are based on the likelihoods of observing the three scenarios and are derived from confidence intervals on a probability distribution. The forecasts for the economic variables are adjusted on a quarterly basis.

The probability weights applied to each of the three scenarios

ING Belgium uses three macroeconomic scenarios when determining IFRS 9 ECL (baseline, upside and downside). The management approach used to determine the weights of each scenario and in selecting the parts of the distribution of forecast errors from which the weights are derived and disclosed in the Alternative scenarios and probability weights and the sensitivity analysis is in the 'Risk Management' section of the Annual Report.

Measurement of ECL

ING Belgium applies a collective assessment method to measure ECL for Stage 1, Stage 2, and certain Stage 3 assets. Other credit-impaired assets subject to ECL measurement apply the individual assessment method.

Collectively assessed assets (Stages 1 to 3)

For collective assessed assets, ING Belgium applies a model-based approach. ECL is determined by, expressed simplistically, multiplying the probability of default (PD) with the loss given default (LGD) and exposure at default (EAD), adjusted for the time value of money. Assets that are collectively assessed are grouped on the basis of similar credit risk characteristics, taking into account loan type, industry, geographic location, collateral type, past due status, and other relevant factors. These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated and the loss in case the debtor is not able to pay all amounts due.

For Stage 3 assets the PD equals 100% and the LGD and EAD represent a lifetime view of the losses based on characteristics of defaulted facilities.

For the measurement of ECL, ING Belgium's expected credit loss models (PD, LGD, EAD) used for regulatory purposes have been adjusted. These adjustments include removing embedded prudential conservatism (such as floors) and converted through-the-cycle estimates to point-in-time estimates. The models assess ECL on the basis of forward-looking macroeconomic forecasts and other inputs. For most financial assets, the expected life is limited to the remaining maturity. For overdrafts and certain revolving credit facilities, such as credit cards, the maturity is estimated based on historical data as these do not have a fixed term or repayment schedule.

Individually assessed assets (Stage 3)

ING Belgium estimates ECL for individually significant credit-impaired financial assets within Stage 3 on an individual basis. ECL for these Individually assessed assets are determined using the discounted expected future cash flow method. To determine expected future cash flows, one or more scenarios are used. Each scenario is analysed based on the probability of occurrence and includes forward looking information.

In determining the scenarios, all relevant factors impacting the future cash flows are taken into account. These include expected developments in credit quality, business, and economic forecasts, and estimates of if/when recoveries will occur taking into account ING Belgium's restructuring/recovery strategy.

The best estimate of ECL is calculated as the weighted average of the shortfall (gross carrying amount minus discounted expected future cash flow using the original EIR) per scenario, based on best estimates of expected future cash flows. Recoveries can arise from, among other things, the repayment of the loan, collateral recovery, and the sale of the asset. Cash flows from collateral and other credit enhancements are included in the measurement of ECL of the related financial asset when it is part of or integral to the contractual terms of the financial asset and the credit enhancement is not recognised separately. For the individual assessment, with granular (company or asset-specific) scenarios, specific factors can have a larger impact on the future cash flows than macroeconomic factors.

When a financial asset is credit-impaired, interest is no longer recognised based on the accrual income based on the gross carrying amount of the asset. Rather, interest income is calculated by applying the original EIR to the AC of the asset, which is the gross carrying amount less the related loan loss provision.

Purchased or Originated Credit Impaired (POCI) assets

POCI assets are financial assets that are credit-impaired on initial recognition. Impairment on a POCI asset is determined based on lifetime ECL from initial recognition. POCI assets are recognised initially at an amount net of LLP and are measured at AC using a credit-adjusted effective interest rate. In subsequent periods any changes to the estimated lifetime ECL are recognised in profit or loss. Favourable changes are recognised as an impairment gain even if the lifetime ECL at the reporting date is lower than the estimated lifetime ECL at origination.

Write-off and debt forgiveness

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovery and/or collectability of amounts due.

The following events can lead to a write-off:

- after a restructuring has been completed and there is a high improbability of recovery of part of the remaining loan exposure (including partial debt forgiveness).
- in a bankruptcy liquidation scenario.
- after divestment or sale of a credit facility at a discount.
- specific fraud cases with no recourse options.

When a loan is uncollectable, it is written off against the related loan loss provision. Subsequent recoveries of amounts previously written off are recognised in the statement of profit or loss.

Debt forgiveness (or debt settlement) involves write-off but also involves the forgiveness of a legal obligation, in whole or in part. This means that ING Belgium forfeits the legal right to recover the debt. As a result, the financial asset needs to be derecognised.

Presentation of ECL

ECL for financial assets measured at AC are deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the ECL is recognised in OCI, instead of deducted the carrying amount of the asset. ECL also reflects any credit losses related to the portion of the loan commitment that is expected to be drawn down over the remaining life of the instrument. The ECL on issued financial guarantee contracts, in scope of IFRS 9 and not measured at FVPL, are recognised as liabilities and presented in other provisions. ECL are presented in profit or loss in addition to loan loss provision.

Significant judgements and critical accounting estimates and assumptions:

The calculation of ECL requires a number of judgements and estimates. In particular,

- ING Belgium makes various assumptions about the risk of default, the credit loss rates in case of a default and expected future cash flows. For collective provisions, ING Belgium applies significant judgement when estimating modelled parameters such as PD, LGD and EAD, including the selection and calibration of relevant models. For Stage 3 individual provisioning, the determination and probabilities of restructuring and recovery scenarios, as well as the amount and timing of expected future cash flows, may be particularly subjective.
- Forward-looking macroeconomic scenarios used in impairment assessments are uncertain in nature. The use of alternate forward-looking macroeconomic scenarios can produce significantly different estimates of ECL. This is demonstrated in the sensitivity analysis in the 'Risk Management' section of the Annual Report, where the unweighted ECL under each of the three scenarios for some significant portfolios is disclosed.
- When determining whether the credit risk on a financial asset has increased significantly (criteria for identifying a significant increase in credit risk), ING Belgium considers reasonable and supportable information to compare the risk of default occurring at reporting date with the risk of a default occurring at initial recognition of the financial asset. Whilst judgement is required in applying a PD rating to each financial asset, there is significant judgement used in determining the Stage allocation PD banding thresholds. The process of comparing a financial asset's PD with the PD banding thresholds determines its ECL Stage. Assets in Stage 1 are allocated a 12-month ECL, and those in Stage 2 are allocated a lifetime ECL, and the difference is often significant. As such, the judgement made in assigning financial asset PDs and the PD banding thresholds constitutes a significant judgement. Analysis of the sensitivity associated with the assessment of significant increase in credit risk is presented in the 'Risk Management' section of the Annual Report.
- Judgement is exercised in management's evaluation of whether there is objective evidence that larger exposures are credit impaired.
- To reflect the risks that are not properly captured by the ECL models (including climate risk), a number of management adjustments to the model-based ECL were necessary as at 31 December 2024. Reference is made to the 'Management adjustments applied this year' paragraph in the 'Risk management' section of the Annual Report.

1.5.8 Modification of financial instruments

In certain circumstances ING Belgium grants borrowers' postponement, reduction of loan principal and/or interest payments on a temporary period of time to maximise collection opportunities, and if possible, avoid default, foreclosure, or repossession. When such postponement, reduction of loan principal and/or interest payments are executed based on credit concerns they are also referred to as forbearance (refer to the 'Risk Management' section of the Annual Report for more details) and require analysis on whether the contractual terms have been substantially modified or not. A similar assessment is needed when contractual terms are modified for reasons other than forbearance.

ING Belgium determines whether there has been a substantial modification using both quantitative and qualitative factors. If the modification results in a substantial modification of the terms of the loan, the original loan is derecognised and a new loan is recognised at fair value at the modification date. In case of a non-substantial modification, a modification gain or loss is recognised in profit or loss.

1.5.9 Accounting for Targeted Longer-Term Refinancing Operations (TLTRO)

ING Belgium participated in the Targeted Longer-Term Refinancing Operations (TLTRO III) which mainly affected prior periods as, in March 2024 ING Belgium repaid the final amount of its TLTRO III participation. ING Belgium considered TLTRO funding provided by the ECB to banks to be on market terms on the basis that the ECB has established a separate market with TLTRO programmes. They have specific terms which are different from other sources of funding available to banks, including those provided by the ECB. Consequently, the rate under TLTRO was considered to be a market conforming rate and TLTRO funding was recognised fully as a financial liability.

ING Belgium interpreted the whole rate set by the ECB under TLTRO as a floating rate on the financial liability, being the market rate for each specific period in time. This resulted in discrete rates for discrete interest periods over the life of TLTRO. The change in the applicable rate between interest periods was seen as a change in the floating rate and was accounted for prospectively. Similarly, if the ECB announced changes in the rate for the amounts already drawn under the existing TLTRO, then such changes also represented a change in a floating rate. Following this, such changes led to the recognition of an increased interest in the relevant period of life of the exposure, rather than by the recognition of an immediate modification gain or loss at the moment of the change of terms by the ECB. If the change related to the periods already passed, the impact for those past periods was recognised in profit or loss immediately. Reference is made to Note 11. Deposits and other borrowings from banks, note 18. Interest result and note 34.1 Financial assets pledged as collateral for additional information.

1.6 Consolidation

The ING Belgium Group (the Group) comprises ING Belgium NV/SA (the Parent Company), and all other subsidiaries. Subsidiaries are entities controlled by ING Belgium NV/SA. Control exists if ING Belgium NV/SA is exposed to or has rights to variable returns and has the ability to affect those returns through the power over the subsidiary.

For interest in structured entities, the existence of control requires judgement as these entities are designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. This judgement includes, for example, the involvement in the design of the structured entity, contractual arrangements that give rights to direct the structured entites' relevant activities and commitment to ensure that the structured entity operates as designed.

Transactions between ING Belgium NV/SA and its subsidiaries are eliminated on consolidation. Reference is made to note 36.1 Consolidated subsidiaries for a list of principal subsidiaries and their statutory place of incorporation and a description of ING's activities involving structured entities is included in note 37. Structured entities.

ING Belgium and its Belgian group companies are subject to legal restrictions regarding the amount of dividends they can pay to their shareholders. The Belgian Code of Companies and Associations contains the restriction that dividends can only be paid up to an amount equal to the excess of the company's own funds over the sum of the paid-up capital and reserves required by law. Certain Group companies are also subject to other restrictions in certain countries, in addition to the restrictions on the amount of funds that may be transferred in the form of dividends, or otherwise, to the parent company.

Furthermore, in addition to the restrictions regarding the minimum capital requirements that are imposed by industry regulators in the countries in which the subsidiaries operate, other limitations exist in certain countries.

1.7 Segment reporting

An operating segment is a distinguishable component of ING Belgium, engaged in providing products or services, whose operating results are regularly reviewed by the Executive Board of ING Belgium to make decisions about resources to be allocated to the segments and assess its performance. A geographical area is a distinguishable component of ING Belgium engaged in providing products or services within a particular economic environment that is subject to risks and returns that differ from those of segments operating in other economic environments.

ING Belgium examines its performance both by line of business and geographic perspective and has identified two reportable segments by line of business. The geographical analyses are based on the location of the office from which the transactions are originated.

1.8 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of ING Belgium Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Consolidated financial statements are presented in euros, which is the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transactions. Exchange rate differences resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in equity as part of qualifying cash flow hedges or qualifying net investment hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange rate differences on non-monetary items, measured at fair value through profit or loss, are reported as part of the fair value gain or loss. Non-monetary items are retranslated at the date the fair value is determined. Exchange rate differences on non-monetary items measured at fair value through other comprehensive income are included in other comprehensive income and get accumulated in the revaluation reserve in equity.

Exchange rate differences in the statement of profit or loss are generally included in 'Valuation results and net trading income'. Reference is made to note 22. Net trading income, which discloses the amounts included in the statement of profit or loss. Exchange rate differences relating to the disposal of debt and FVPL equity securities are considered to be an inherent part of the capital gains and losses recognised in Investment income. As mentioned below, in Group companies relating to the disposals of group companies, any exchange rate difference deferred in equity is recognised in the statement of profit or loss in 'Result on disposal of group companies'. Reference is also made to note 17. Shareholders' equity, which discloses the amounts included in the statement of profit or loss.

Group companies

The results and financial positions of all group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities included in each statement of financial position are translated at the closing rate at the date of that statement of financial position;
- Income and expenses included in each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange rate differences are recognised in a separate component of equity.

On consolidation, exchange rate differences arising from the translation of a monetary item that forms part of the net investment in a foreign operation, and of borrowing and other instruments designated as hedges of such investments, are taken as shareholder equity. When a foreign operation is sold, the corresponding exchange rate differences are recognised in the statement of profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the balance sheet date.

1.9 Investments in associates and joint ventures

Associates are all entities over which ING Belgium has significant influence but not control. Significant influence is the ability to participate in the financial and operating policies of the investee. It generally results from a shareholding of between 20% and 50% of the voting rights or through situations including, but not limited to one or more of the following:

- Representation on the board of directors;
- Participation in the policymaking process; and
- Interchange of managerial personnel.

Joint ventures are entities over which ING Belgium has joint control.

Investments in associates and joint ventures are initially recognised at cost and subsequently accounted for using the equity method of accounting.

ING Belgium's investment in associates and joint ventures (net of any accumulated impairment loss) includes goodwill identified on acquisition. ING Belgium's share of its associates and joint ventures post-acquisition profits or losses is recognised in the statement of profit or loss, and its share of post-acquisition changes in reserves is recognised in equity. The cumulative post-acquisition changes are adjusted against the carrying amount of the investment. When ING Belgium's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any long-term interests in the associate like uncollateralised loans that are neither planned nor likely to be settled in the foreseeable future, ING Belgium does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Unrealised gains on transactions between the ING Belgium Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless they provide evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The recoverable amount, being the higher of fair value less cost of disposal and value in use, of the investment in associate and joint venture is determined when there is an indication of potential (reversal of) impairment. An impairment loss is recognised when the carrying amount of the investment exceeds its recoverable amount. Goodwill on acquisitions of interests in associates and joint ventures is not tested separately for impairment but is assessed as part of the carrying amount of the investment. An impairment loss is subsequently reversed if there is indication of a reversal and there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed to the extent that the recoverable amount exceeds its carrying amount, but cannot exceed the original impairment loss.

1.10 Property and equipment

Property in own use

Land and buildings held for own use are stated at fair value at the balance sheet date. Depreciation is recognised on a straight-line basis over the estimated useful life (in general 20–50 years). On disposal, the related revaluation reserve is transferred to retained earnings.

Equipment

Equipment is stated at cost less accumulated depreciation and any impairment losses. The cost of the assets is depreciated on a straight-line basis over their estimated useful lives, which are generally as follows: two to five years for data processing equipment, and four to ten years for fixtures and fittings.

Disposal of property and equipment

The difference between the proceeds on disposal and net carrying value is recognised in the statement of profit or loss under Other net income.

Right of use assets

ING Belgium as the lessee

A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a corresponding liability representing its obligation to make lease payments at the date at which the leased asset is available for use by ING. Each lease payment is allocated between the repayment of the liability and finance cost. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received and any initial direct costs and restoration costs.

The right-of-use asset is included in the statement of financial position line item 'Property and equipment', the lease liability is included in the statement of financial position line item 'Other liabilities'. Refer to note 8. Property and equipment and to note 15. Other liabilities.

Subsequent to initial recognition, the right-of-use asset amortises using a straight-line method to the income statement over the life of the lease. The lease liability increases for the accrual of interest and decreases when payments are made. Any remeasurement of the lease liability due to a lease modification or other reassessment results in a corresponding adjustment to the carrying amount of the right-of-use asset.

1.11 ING Belgium as lessor

When ING acts as a lessor, a distinction should be made between finance leases and operating leases. For ING as a lessor these are mainly finance leases and are therefore not included in 'Property and equipment'. Instead, the present value of the lease payments is recognised as a receivable under Loans and advances to customers or Loans and advances to banks. The difference between the gross receivable and the present value of the receivable is unearned finance lease income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

1.12 Goodwill and other intangible assets

ING Belgium assesses at each reporting period, whether there is an indication that a non-financial asset may be impaired. Irrespective of whether there is an indication of impairment, intangible assets with an indefinite useful life, including goodwill acquired in a business combination, and intangible assets not yet available for use, are tested annually for impairment. Goodwill is allocated to groups of CGUs (that is, the group of cash generating units) for the purpose of impairment testing. These groups of CGUs represent the lowest level at which goodwill is monitored for internal management purposes. Goodwill is tested for impairment by comparing the carrying value of the group of CGUs to the recoverable amount of that group of CGUs. The carrying value is determined as the IFRS net asset value including goodwill. The carrying value is determined on a basis that is consistent with the way in which the recoverable amount of the CGU is determined. The recoverable amount is estimated as the higher of fair value less costs of disposal and value in use. Impairment of goodwill, if applicable, is included in the statement of profit or loss in Other operating expenses and is not subsequently reversed.

Computer software

Computer software that has been purchased or generated internally for own use is stated at cost less amortisation and any impairment losses. Amortisation is calculated on a straight-line basis over its useful life which generally does not exceed five years. Amortisation is included in Other operating expenses.

Other intangible assets

Other intangible assets are capitalised and amortised over their expected economic life, which is generally between three and ten years. Intangible assets with an indefinite life are not amortised.

1.13 Taxation

Income tax on the result for the year consists of current and deferred tax. Income tax is recognised in the statement of profit or loss but it is recognised directly in equity if the tax relates to items that are recognised directly in equity.

Uncertain tax positions are assessed continually by ING Belgium and in case it is probable that there will be a cash outflow, a current tax liability is recognized.

Deferred income tax

Deferred income tax is provided in full, using the liability method, for temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated statement of financial position. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets and liabilities are not discounted.

Deferred tax assets are recognised when it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided for temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future. The tax effects of income tax losses available for carry forward are recognised as an asset where it is probable that future taxable profits will be available against which these losses can be utilised.

Fair value remeasurements of debt and equity instruments measured at FVOCI and cash flow hedges are recognised directly in equity. Deferred tax related to this fair value remeasurement is also recognised directly in equity and is subsequently recognised in the statement of profit or loss together with the deferred gain or loss.

1.14 Provisions, contingent liabilities, and contingent assets

A provision is a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits, however the timing or the amount is uncertain. Provisions are discounted when the effect of the time value of money is significant using a pre-tax discount rate.

Reorganisation provisions include employee termination benefits when ING Belgium is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

A liability is recognised for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a minimum threshold, the liability is recognised only upon reaching the specified minimum threshold.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ING Belgium; or a present obligation that arises from past events but is not recognised because it is either not probable that an outflow of economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the statement of financial position but are rather disclosed in the notes unless the possibility of the outflow of economic benefits is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ING Belgium. Contingent assets are recognised in the statement of financial position only when realisation of the income that arises from such an asset is virtually certain. Contingent assets are disclosed in the notes when an inflow of economic benefits is probable.

Significant judgements and critical accounting estimates and assumptions:

The recognition and measurement of provisions is an inherently uncertain process involving using judgement to determine when a present obligation exists and estimates regarding probability, amounts and timing of cash flows.

ING Belgium may become involved in governmental, regulatory, arbitration and legal proceedings and investigations and may be subject to third-party claims. With or without reference to the above, ING Belgium may also offer compensation to certain customers. Judgement is required to assess whether a present obligation exists and to estimate the probability of an unfavourable outcome and the amount of potential loss. The degree of uncertainty and the method of making the accounting estimate depends on the individual case, its nature and complexity. Such cases are usually one of a kind. For the assessment of related provisions ING Belgium consults with internal and external legal experts. Even taking into consideration legal experts' advice, the probability of an outflow of economic benefits can still be uncertain and the provision recognised can remain sensitive to the assumptions used. Reference is made to note 14. Provisions. For proceedings where it is not possible to make a reliable estimate of the expected financial effect, that could result from the ultimate resolution of the proceedings, no provision is recognised, however disclosure is included in the financial statements. Reference is made to note 41. Legal proceedings .

Critical accounting estimates and assumptions for the reorganisation provision are in estimating the amounts and timing of cash flows as the announced transformation initiatives are implemented over a period of several years. Reference is made to note 14. Provisions.

1.15 Irrevocable Payment Commitments on contributions to SRF and DGS

ING makes contributions to the Singe Resolution Fund (SRF) and Deposit Guarantee Schemes (DGS). The annual contributions are paid in cash or, in some cases, partly using Irrevocable Payment Commitments (IPC's) that become payable if and when called. Cash contributions are accounted for as levies as described in section 1.14 above, while IPC's are disclosed as contingent liabilities in Note 35 'Contingent liabilities and commitments'. Cash collateral posted on IPC's to the SRF is accounted for as an interest bearing financial asset at amortised cost. Government bonds posted as collateral for IPC's to DGS continue to be recognized as assets of ING as securities at amortised cost.

1.16 Other liabilities

Defined benefit plans

The net defined benefit asset or liability recognised in the statement of financial position in respect of defined benefit pension plans is the fair value of the plan assets less the present value of the defined benefit obligation at the balance sheet date.

Changes in plan assets include mainly:

- Return on plan assets are recognised as staff costs in the statement of profit or loss. It is determined using a high-quality corporate bond rate (identical to the discount rate used in determining the defined benefit obligation) at the start of the reporting period; and
- Remeasurements which are recognised in Other comprehensive income.

The defined benefit obligation is calculated by external independent qualified actuaries through actuarial models and calculations using the projected unit credit method. This method considers expected future payments required to settle the obligation resulting from employee service in the current and prior periods, discounted using a high-quality corporate bond rate. Inherent in these actuarial models are assumptions including discount rates, rates of increase in future salary and benefit levels, mortality rates, consumer price index and the expected level of indexation. The assumptions are based on available market data as well as management expectations and are updated regularly.

Changes in the defined benefit obligation include mainly:

- Service cost which is recognised as staff costs in the statement of profit or loss;
- Interest expenses are recognised as staff costs in the Statement of profit or loss. It is determined using a high-quality corporate bond rate at the start of the period;
- Remeasurements which are recognised in Other comprehensive income (equity) and not recycled to the Statement of profit or loss;
- Any past service cost relating to a plan amendment is recognised in profit or loss in the period of the plan amendment; and
- Gains and losses on curtailments and settlements are recognised in the statement of profit or loss when the curtailment or settlement occurs.

The recognition of a net defined benefit asset in the Consolidated statement of financial position is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plans

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as staff expenses in the profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Other post-employment obligations

Some group companies provide other post-employment benefits to former employees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using an accounting methodology similar to that for defined benefit pension plans

1.17 Income recognition

Interest

Interest income and expense are recognised in the statement of profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, ING Belgium estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Interest results on instruments classified at Amortised Cost, assets measured at FVOCI and derivatives in a formal hedge accounting relationship is presented in ‘Interest income (expense) using effective interest rate method’. Interest result on financial assets and liabilities voluntarily designated as at FVPL and derivatives in so called economic hedges and instruments designated at fair value are presented in ‘Other interest income (expense)’. Interest result on all other financial assets and liabilities at FVTPL is recognised in ‘Valuation results and net trading income’.

Fees and commissions

Fees and commissions are generally recognised as the service is provided. Loan commitment fees for loans that are likely to be drawn down are deferred (together with related direct costs) and recognised as an adjustment to the effective interest rate on the loan. Loan syndication fees are recognised as income when the performance obligation has been satisfied based on the particular contract and ING Belgium has retained no part of the loan package for itself or has retained a part at the same effective interest rate as the other participants. Commission and fees arising from negotiating, or participating in the negotiation of, a transaction for a third party – such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses – are recognised on completion of the underlying transaction. Portfolio and other management advisory and service fees are

recognised based on the applicable service contracts as the service is provided. Asset management fees related to investment funds and investment contract fees are recognised on a pro-rata basis over the period the service is provided. The same principle is applied for wealth management, financial planning and custody services that are continuously provided over an extended period of time. Fees received and paid between banks for payment services are classified as commission income and expenses.

Lease income

The proceeds from leasing out assets under operating leases are recognised on a straight-line basis over the life of the lease agreement. Lease payments received in respect of finance leases when ING is the lessor are divided into an interest component (recognised as interest income) and a repayment component based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

1.18 Expense recognition

Expenses are recognised in the statement of profit or loss as incurred or when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Fee and commission expenses are generally a result from a contract with ING service providers in order to perform the service for ING Belgium's customers. Costs are generally presented as 'Commission expenses' if they are specific, incremental, directly attributable, and identifiable to generate commission income.

Share-based payments

ING Belgium only engages in share-based payment transactions with its staff and directors. Share-based payment expenses are recognised as a staff expense over the vesting period. A corresponding increase in equity is recognised for equity-settled share-based payment transactions. A liability is recognised for cash-settled share-based payment transactions. The fair value of equity-settled share-based payment transactions are measured at the grant date, and the fair value of cash-settled share-based payment transactions are measured at each balance sheet date. Rights granted will remain valid until the expiry date, even if the share-based payment scheme is discontinued. The rights are subject to certain conditions, including a pre-determined continuous period of service.

1.19 Statements of cash flows

The statement of cash flows is prepared in accordance with the indirect method, distinguishing cash flows from operating, investing, and financing activities. In the net cash flow from operating activities, the result before tax is adjusted for those items in the statement of profit or loss and changes in items per the statement of financial position, which do not result in actual cash flows during the year.

For the purposes of the statement of cash flows, Cash and cash equivalents include deposits and other borrowings from banks and loans and advances to banks that are on demand. Furthermore, it includes treasury bills and other eligible bills shorter than three months. Investments qualify as a cash equivalent if they are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash flows arising from foreign currency transactions are translated into the functional currency using the exchange rates at the date of the cash flows.

The net cash flow shown in respect of Loans and advances to customers relates only to transactions involving actual payments or receipts. The Addition to loan loss provision which is deducted from the item Loans and advances to customers in the statement of financial position has been adjusted accordingly from the result before tax and is shown separately in the statement of cash flows.

The difference between the Net cash flow in accordance with the statement of cash flows and the change between the opening and closing balance of Cash and cash equivalents in the statement of financial position is due to exchange rate differences and is presented separately in the cash flow statement.

Liabilities arising from financing activities are debt securities, lease liabilities and subordinated loans.

Interest received, interest paid and dividends received are included in operating activities in the Consolidated statement of cash flows. Dividends paid are included in financing activities in the Consolidated statement of cash flows.

Notes to the Consolidated statement of financial position

Assets

2. Cash and balances with central banks

Cash and balances with central banks		
In EUR thousands	2024	2023
Amounts held at central banks	16,133,731	14,645,138
Cash and bank balances	317,254	356,059
Total	**16,450,985**	**15,001,197**

The movement in Cash and balances with central banks reflects ING's active liquidity management. Amounts held at central banks reflect on demand balances. The minimum mandatory reserve maintained with central banks as of 31 December 2024 was EUR 1.0 billion (31 December 2023: EUR 0.9 billion).

ING Belgium uses Irrevocable Payment Commitments (IPCs) for a part of its contributions to the Single Resolution Fund (SRF). Under Cash and bank balances, ING Belgium has EUR 62 million of IPCs outstanding to the SRF as at 31 December 2024 . Please refer to Note 36. Contingent liabilities and commitments.

3. Loans and advances to banks

Loans and advances to banks		
In EUR thousands	2024	2023
Loans and advances to banks	3,622,774	3,656,427
Cash advances, overdrafts and other balances	574	261
Loan loss provisions	-66	-70
Total	**3,623,281**	**3,656,618**

On 31 December 2024, Loans and advances to banks include loans and advances with credit institutions amounting to EUR 2,335 million (31 December 2023: EUR 2,510 million) and other demand deposits amounting to EUR 1,285 million (31 December 2023: EUR 1,146 million). Reference is made to Note 7. Loans and advances to customers for information on finance lease receivables included in Loans and advances to banks.

As at 31 December 2024 and at 31 December 2023, all loans and advances to banks are non-subordinated.

4. Financial assets at fair value through profit or loss

Financial Assets at fair value through profit and loss		
In EUR thousands	2024	2023
Trading assets	1,809,230	1,899,553
Non-trading derivatives	7,959,229	10,826,768
Designated as at fair value through profit and loss	61,790	66,269
Mandatorily at fair value through profit or loss	54,172	18,359
Total	**9,884,421**	**12,810,950**

On 31st December 2024, the total financial assets at fair value through profit and loss amounted to EUR 9.9 billion (31 December 2023: EUR 12.8 billion).

Trading assets mainly comprise derivates closed with clients in relation to their risk management practices. ING Belgium is hedging these positions with ING group entities. We also refer to note 14. Financial liabilities at fair value through profit or loss and 22. Valuation Results on non-trading derivatives.

The YoY decrease in Financial Assets at FVtPL is mainly visible in non-trading derivatives, which consist of derivatives that are hedging interest rate risk positions in the balance sheet. These derivatives are two-fold : (1) those who are currently in a hedge accounting relationship and (2) derivatives which are hedging economic risk for the bank but are not or no longer in a designated hedge accounting relationship. It is important to note that the valuation movements visible on the derivatives in a hedge accounting relationship are compensated by the opposite movement in the fair value hedge adjustment on the hedged balance sheet items. The position consisting of formerly (but now de-designated) hedge accounting derivatives can be considered a closed position where the valuation movements of payer swaps offset the opposite movement for the receiver swaps. Hence Note 4 and 14 should be read together.

The 2.9 bln decrease in non-trading derivatives assets is largely due to market evolutions. In 2024, the financial markets were characterized by high levels of volatility. In response to declining inflation and slowing economic growth, the ECB implemented several rate cuts in 2024. Interest rates initially increased in 2024, but decreased by year end to below the interest rates at end 2023 (For example, the IRS 10Y decreased from 2.48% at 31 Dec 2023 to 2.36% at 31 December 2024).

Please find below the detail per category:

Non-trading derivatives used for risk management purposes

Non-trading derivatives by type

In EUR thousands	2024	2023
Derivatives used in fair value hedges	1,859,935	2,476,700
Derivatives used in cash flow hedges	0	0
Other non-trading derivatives	6,099,293	8,350,068
Total	**7,959,229**	**10,826,768**

Reference is made to section Derivatives and hedge accounting for information on derivatives designated in hedge accounting.

Other non-trading derivatives mainly include interest rate swaps and foreign exchange currency swaps for which no hedge accounting is applied.

Designated as at fair value through profit or loss

Designated as at fair value through profit and loss by type (in assets)

In EUR thousands	2024	2023
Loans and receivables	61,790	66,269
Total	**61,790**	**66,269**

Mandatorily at fair value through Profit and Loss (FVTPL)

Mandatorily at fair value through profit or loss by type

In EUR thousands	2024	2023
Equity securities	50,624	13,430
Debt securities	3,549	4,913
Loans and receivables	0	16
Total	**54,172**	**18,359**

Equity securities are individually insignificant for ING Belgium. For debt securities total exposure reference is made to Note 6. Debt securities.

5. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income

In EUR thousands	2024	2023
Equity securities	41,768	37,586
Debt securities	5,257,536	4,410,565
Loans and advances	34,156	0
Total	**5,333,461**	**4,448,151**

Changes in fair value through other comprehensive income financial assets

The following table presents changes in fair value of equity securities and debt instruments at fair value through other comprehensive income:

Changes in fair value through other comprehensive income financial assets

	Fair value through other comprehensive income equity securities		Fair value through other comprehensive income debt instruments[1]		Fair value through other comprehensive income loans & advances		Total	
In EUR thousands	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	**37,586**	**36,424**	**4,410,565**	**3,700,653**	**0**	**0**	**4,448,151**	**3,737,077**
Effect of changes in accounting policy	0	0	0	0	0	0	**0**	**0**
Additions	2,114	1,853	3,477,380	1,449,960	35,044	0	**3,514,538**	**1,451,813**
Amortisations	0	0	514	0	0	0	**514**	**0**
Transfers and reclassifications	0	0	0	0	0	0	**0**	**0**
Changes in unrealized revaluations[2]	2,309	331	72,315	–7,177	-856	0	**73,767**	**–6,846**
Realized gains/ losses	0	0	-21,340	–1,269	0	0	**-21,340**	**–1,269**
Impairments	0	0	-544	–22	-32	0	**-576**	**–22**
Reversal of impairments	0	0	-535	–56	0	0	**-535**	**–56**
Disposals and redemptions	-241	–1,022	-2,702,304	–708,929	0	0	**-2,702,545**	**–709,951**
Exchange rate differences	0	0	21,485	–22,595	0	0	**21,485**	**–22,595**
Changes in the composition of the group and other changes	0	0	0	0	0	0	**0**	**0**
Closing balance	**41,768**	**37,586**	**5,257,536**	**4,410,565**	**34,156**	**0**	**5,333,461**	**4,448,151**

1 Fair value through other comprehensive income debt instruments includes both debt securities and loans and advances.

2 Changes in unrealised revaluations include changes on hedged items which are recognised in the statement of profit or loss.

6. Debt securities

Securities at amortised cost consist entirely of debt securities.

Debt securities by type

In EUR thousands	2024	2023
Debt securities at amortised cost	11,027,262	10,711,247
Debt securities at fair value through other comprehensive income	5,257,536	4,410,565
Total	**16,284,799**	**15,121,812**

ING Belgium's total exposure to debt securities of EUR 16,285 million (31 December 2023: EUR 15,122 million) is specified as follows by type of exposure:

Debt securities by type and balance sheet lines

	Debt securities at FVOCI		Debt securities at amortised cost		Total	
In EUR thousands	2024	2023	2024	2023	2024	2023
Government bonds	3,319,412	2,563,181	6,411,341	6,500,905	**9,730,753**	**9,064,085**
Covered bonds	965,701	914,649	2,592,468	2,607,194	**3,558,169**	**3,521,843**
Corporate bonds	0	29,232	5,033	5,066	**5,033**	**34,298**
Financial institutions' bonds	460,983	360,634	1,214,871	978,492	**1,675,854**	**1,339,126**
ABS portfolio	512,879	543,768	805,200	623,033	**1,318,079**	**1,166,801**
Subtotal before loan loss provisions	5,258,975	4,411,462	11,028,913	10,714,690	**16,287,887**	**15,126,152**
Loan loss provisions	-1,438	-898	-1,651	-3,442	**-3,089**	**-4,340**
Debt securities portfolio	**5,257,536**	**4,410,565**	**11,027,262**	**10,711,247**	**16,284,799**	**15,121,812**

7. Loans and advances to customers

Loans and advances to customers

In EUR thousands	2024	2023
Loans to public authorities	9,668,475	8,858,985
Residential mortgages	44,701,036	41,807,027
Other personal lending	5,259,567	6,986,066
Corporate lending	56,701,053	53,088,686
Loan loss provisions	-1,284,065	-1,243,520
Total	**115,046,067**	**109,497,244**

For details on credit quality and loan loss provisioning, refer to 'Risk management – Credit risk' paragraph 'Credit quality' and 'Loan Loss Provisioning'.

The increase in residential mortgage of EUR 2.9 billion in 2024 is mainly explained by the reclassification from Other personal lending to residential mortgage (+ EUR 2.1 billion).

No individual loan or advance has terms and conditions that significantly affect the amount, timing, or certainty of the consolidated cash flows of ING Belgium.

Loans and advances to customers and Loans and advances to banks include finance lease receivables and are detailed as follows:

Finance lease receivables

Finance lease receivables

In EUR thousands	2024	2023
Maturities of gross investment in finance lease receivables		
- within 1 year	1,341,163	1,372,352
- between 1-2 years	1,080,633	1,072,058
- between 2-3 years	904,773	864,756
- between 3-4 years	705,191	679,195
- between 4-5 years	458,598	456,942
- more than 5 years	1,272,866	1,184,836
Total	**5,763,224**	**5,630,138**
Unearned future finance income on finance leases	-485,166	-433,249
Net investment in finance leases	**5,278,059**	**5,196,889**
Included in Loans and advances to banks	4,540	4,533
Included in Loans and advances to customers	5,273,519	5,192,356
Net investment in finance leases	**5,278,059**	**5,196,889**

The finance lease receivables mainly relate to the financing of equipment and real estate and are mainly part of corporate lending. To a lesser extent, the finance lease receivables relate to real estate for third parties, where ING is the lessor. Interest income in 2024 on finance lease receivables amounted to EUR 178 million (2023: EUR 135 million).

8. Real estate investments

Changes in real estate investments

In EUR thousands	2024	2023
Opening balance	**6,202**	**6,202**
Additions	9,006	0
Gains (losses) from fair value adjustments	1,422	0
Closing balance	**16,630**	**6,202**

9. Property and equipment

Property and equipment by type

In EUR thousands	2024	2023
Property in own use	406,363	344,505
Equipment	157,235	202,220
Right-of-use assets	200,609	204,259
Total	**764,207**	**750,984**

Changes in property, equipment and right of use assets

In EUR thousands	Property in own use		Equipment		Right-of-use assets		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	**344,505**	**370,305**	**202,219**	**168,939**	**204,259**	**215,602**	**750,984**	**754,846**
Additions	28,680	32	45,152	76,463	44,367	70,699	**118,199**	**147,195**
Transfers	54,493	1,360	-54,493	-1,360	0	0	**0**	**0**
Depreciations	-4,522	-3,191	-27,457	-30,338	-49,107	-51,365	**-81,086**	**-84,894**
Revaluations	7,879	-5,573	0	0	0	0	**7,879**	**-5,573**
Impairments	-1,682	-3,758	-7,485	-8,436	-451	-9,569	**-9,618**	**-21,763**
Reversal of impairments [1]	2,307	1,508	0	0	0	0	**2,307**	**1,508**
Remeasurements	0	0	0	0	2,474	-21,033	**2,474**	**-21,033**
Disposals	-25,297	-16,178	-847	-3,057	-933	-75	**-27,077**	**-19,310**
Exchange rate differences	0	0	0	0	0	0	**0**	**0**
Changes in the composition of the group and other changes	0	0	146	8	0	0	**146**	**8**
Closing balance	**406,363**	**344,505**	**157,235**	**202,219**	**200,609**	**204,259**	**764,207**	**750,984**
Gross carrying amount	**602,494**	**552,698**	**1,124,587**	**1,201,306**	**509,060**	**463,546**	**2,236,141**	**2,217,550**
Accumulated depreciations	-174,223	-180,464	-967,352	-999,087	-280,282	-231,169	**-1,421,857**	**-1,410,719**
Accumulated impairments	-21,907	-27,729	0	0	-14,524	-14,073	**-36,431**	**-41,802**
Accumulated revaluation surplus	0	0	0	0	0	0	**0**	**0**
Accumulated remeasurement	0	0	0	0	-13,645	-14,044	**-13,645**	**-14,044**
Net book value	**406,363**	**344,505**	**157,235**	**202,219**	**200,609**	**204,259**	**764,207**	**750,984**

1 Reversals of impairments of property and equipment are presented as Other operating expenses in the statement of Profit or Loss.

ING Belgium considers valuations from third-party experts in determining the fair values of property in own use.

10. Intangible assets

Changes in intangible assets (Software)

	Software	
In EUR thousands	2024	2023
Opening balance	**9,531**	**14,395**
Additions	0	0
Capitalised expenses	7,033	0
Amortisations	-4,682	-7,069
Impairments	0	0
Reversal of impairments	0	0
Disposals	0	-54
Changes in the composition of the group and other changes	2,305	2,259
Closing balance	**14,187**	**9,531**
Gross carrying amount as at 31 December	358,630	349,327
Accumulated amortisations as at 31 December	-344,443	-339,796
Accumulated impairments as at 31 December	0	0
Net book value	**14,187**	**9,531**

Software includes internally developed software amounting to EUR 3.5 million (2023: EUR 6.5 million). In 2024, ING Belgium has started the development of new software for an amount of EUR 7.0 million. Software is reviewed for indicators of impairment on a quarterly basis.

11. Other assets

Other assets by type

In EUR thousands	2024	2023
Net defined benefit assets	68,840	48,219
Accrued interest and rents	4,021	4,097
Other accrued assets (other than interest income from financial assets)	96,262	103,726
Others	658,676	778,128
Total	**827,799**	**934,170**

Liabilities and Equity

12. Deposits and other borrowings from banks

Deposits and other borrowings from banks

In EUR thousands	2024	2023
Non-Interest bearing	57,134	60,971
Interest bearing	12,346,284	14,326,821
Total	**12,403,418**	**14,387,792**

Bank deposits decreased by about -2 billion due to fewer deposits taken from both ING entities (-0.8 billion) and external counterparties (-1.2 billion).

For additional details, please refer to Note 28. Changes in liabilities arising from financing activities and capital management section.

For the details of the applicable rates and impact on net interest income reference is made to Note 19. Interest result.

13. Customer deposits

Customer deposits

In EUR thousands	2024	2023
Current accounts / Overnight deposits	50,507,756	50,500,667
Savings accounts	36,384,460	35,929,821
Term deposits	23,461,729	16,927,600
Other	61,938	44,777
Total	**110,415,882**	**103,402,864**

Customer deposits increased by EUR 7,0 billion mainly due to a successful promotional term account campaign (EUR 5,5 billion) aiming to recover the outflow in 2023 due to the State Bond issuance.

14. Financial liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit and loss

In EUR thousands	2024	2023
Trading liabilities	1,854,048	1,928,810
Non-trading derivatives	9,181,824	11,307,027
Designated as at fair value through profit and loss	314,031	257,034
Total	**11,349,904**	**13,492,871**

Trading liabilities mainly comprise derivates closed with clients in relation to their risk management practices. ING Belgium is hedging these positions with ING group entities. We also refer to note 4. Financial assets at fair value through profit or loss.

The YoY decrease in Financial liabilities at FVtPL is mainly visible in non-trading derivatives, which consist of derivatives that are hedging interest rate risk positions in the balance sheet. These derivatives are two-fold : (1) those who are currently in a hedge accounting relationship and (2) derivatives which are hedging economic risk for the bank but are not or no longer in a designated hedge accounting relationship. It is important to note that the valuation movement visible on the derivatives in a hedge accounting relationship are compensated by the opposite movement in the fair value hedge adjustment on the hedged balance sheet items. The position consisting of formerly (but now de-designated) hedge accounting derivatives can be considered a closed position where the valuation movements of payer swaps offset the opposite movement for the receiver swaps. Hence Note 4 and 14 should be read together.

The 2.1 bln decrease in non-trading derivatives liabilities is largely due to market evolutions. In 2024, the financial markets were characterized by high levels of volatility. In response to declining inflation and slowing economic growth, the ECB implemented several rate cuts in 2024. Interest rates initially increased in 2024, but decreased by year end to below the interest rates of end 2023 (For example, the IRS 10Y decreased from 2.48% at 31 Dec 2023 to 2.36% at 31 December 2024).

Please find below the detail per category:

Non-trading derivatives

Non-trading derivatives by type

In EUR thousands	2024	2023
Derivatives used in fair value hedges	2,212,364	2,079,996
Derivatives used in cash flow hedges	275	550
Other non-trading derivatives	6,969,185	9,226,481
Total	**9,181,824**	**11,307,027**

Reference is made to section Derivatives and hedge accounting for information on derivatives used for hedge accounting. Other non-trading derivatives mainly include interest rate swaps and foreign currency swaps for hedging purposes, but for which no hedge accounting is applied.

Designated as at fair value through profit or loss

Designated as at fair value through profit and loss by type (in liabilities)

In EUR thousands	Carrying amount		Difference between the carrying amount and the amount contractually payable at maturity	
	2024	2023	2024	2023
Debt securities	314,031	257,034	-846	6453
Funds entrusted	0	0	0	0
Subordinated loans	0	0	0	0
Total	**314,031**	**257,034**	**-846**	**6,453**

15. Provisions

Provisions by type

In EUR thousands	2024	2023
Reorganisation provisions	41,397	46,648
Litigation provisions	6,443	13,680
Other provisions[1]	7,535	9,057
Total provisions under IAS37	**55,374**	**69,385**
Loan loss provisions for guarantees (IFRS 9)[1]	54,044	49,767
Total provisions	**109,418**	**119,152**

[1]In 2024 the Loan loss provisioning on guarantees have been removed from "Other provisions" as they are already included in the section dedicated on credit risk LLP

Changes in provisions

	Reorganisation		Litigation		Other Provisions[1]		Total	
in EUR thousands	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance as of 1 January	**46,648**	**146,813**	**13,680**	**17,107**	**58,825**	**59,990**	**119,152**	**223,910**
Impact of exclusion of off-balance sheet items IFRS 9 eligible [1]	0	0	0	0	-49,768	0	-49,768	0
Adjusted opening balance as of 1 January	**46,648**	**146,813**	**13,680**	**17,107**	**9,057**	**59,990**	**69,385**	**223,910**
Additions	66,462	80,189	1,032	4,835	2,023	5,737	69,517	90,761
Interest	0	0	0	0	0	0	0	0
Releases	-301	-959	-6,357	-4,882	-2,212	-2,909	-8,870	-8,750
Utilised	-71,412	-179,395	-1,913	-3,380	-941	-10,107	-74,266	-192,882
Exchange rate differences	0	0	0	0	0	5,477	0	5,477
Net remeasurement	0	0	0	0	0	-5,184	0	-5,184
Changes in the composition of the group and other changes	0	0	0	0	-392	5,821	-392	5,821
Closing balance	**41,397**	**46,648**	**6,443**	**13,680**	**7,535**	**58,825**	**55,375**	**119,153**

[1] In 2024 the Loan loss provisioning on guarantees have been removed from "Other provisions" as they are already included in the section dedicated on credit risk LLP

The amounts included are based on best estimates with regard to amounts and timing of cash flows required to settle the obligation.

Reorganisation provisions

In 2024 and 2023, the additions to the reorganisation provisions mainly relate to restructuring activities linked to workforce optimization. These initiatives are implemented over a period of several years and the estimate of the reorganisation provisions is inherently uncertain.

Litigation provisions

Reference is made to Note 42. Legal proceedings for developments in litigation provisions.

Other provisions

The movements of 2024 on" other provisions" are explained by the increase on other risk and charges, and the release of a provision for an onerous contract.

For details and changes on loan loss provisioning, refer to 'Risk management – Credit risk' paragraph Loan loss provisioning.

16. Other liabilities

Other liabilities

In EUR thousands	2024	2023
Net defined benefit liability	2,576	4,831
Other staff-related liabilities	34,229	33,127
Other taxation and social security contributions	133,403	124,063
Income received in advance	13,034	13,020
Costs payable	586,069	609,533
Lease liability	209,947	215,742
Others	938,933	1,441,490
Total	**1,918,192**	**2,441,806**

Disclosures in respect of Net defined benefit liabilities are provided in Note 30. Pension and other staff-related liabilities.

Other staff-related liabilities include vacation leave provisions, jubilee provisions, disability/illness provisions and liabilities related to variable compensations.

Others includes primarily transactions not settled at the balance sheet date. These transactions are short term in nature and are settled after the closing date of the balance sheet.

Lease liabilities relate to right-of-use assets. Disclosures with respect to right-of-use assets are provided in Note '9. Property and equipment'.

17. Debt securities in issue, senior non-preferred debt, and subordinated loans

The maturities of the debt securities are as follows:

Debt securities in issue - maturities

In EUR thousands	2024	2023
Within 1 year	1,557,418	78,565
More than 1 year but less than 2 years	974,126	1,469,006
More than 2 years but less than 3 years	1,700,340	974,050
More than 3 years but less than 4 years	0	1,450,404
More than 4 years but less than 5 years	1,475,000	0
More than 5 years	2,601,561	2,461,680
Total fixed rate debt securities	**8,308,445**	**6,433,705**

Changes in senior non-preferred debt

In EUR thousands	2024	2023
Opening balance	**5,834,420**	**3,512,352**
Additions	600,000	2,275,000
Other	30,719	47,068
Closing balance	**6,465,139**	**5,834,420**

Changes in subordinated loans

In EUR thousands	2024	2023
Opening balance	**2,557,337**	**2,595,441**
Exchange rate differences and other	92,953	-38,104
Closing balance	**2,650,290**	**2,557,337**

On 31st December 2024, subordinated loans are included in the calculation of the total capital ratio, of which EUR 1.30 billion (2023: EUR 1.26 billion) of loans qualify as Tier 1 capital and EUR 1.35 billion (2023: EUR 1.29 billion) of loans qualify as Tier 2 capital. These loans have been placed with ING Belgium by ING Bank NV.

18. Shareholders' equity

Shareholders' equity

In EUR thousands	2024	2023
Share Capital and Share premium		
Share capital	2,316,683	2,316,683
Share premium	451,512	451,512
	2,768,195	**2,768,195**
Revaluation reserves of which :		
-Property in own use	94,679	99,281
-Equity securities at fair value through other comprehensive income	-995	-3,305
-Debt instruments at fair value through other comprehensive income	-32,780	11,119
-Cash flow hedge	-107,082	-82,069
-Credit liability	-171	760
-Actuarial reserve (-)	-24,874	-38,558
	-71,222	**-12,772**
Other reserves	**6,690,346**	**6,313,214**
Total	**9,387,319**	**9,068,637**

The issued capital is represented by 55,414,649 shares without par value (55,414,649 as of 31 December 2023). All shares are fully paid.

The reserves including retained earnings mainly include the reserves available for distribution, result brought forward, consolidation reserves and legal reserves.

The revaluation reserves consist of different types of reserves. Subsequent to initial recognition, property and equipment is revalued to fair value. The revaluation surplus is recognised in equity, through the tangible assets revaluation reserve. A subsequent revaluation decrease must be charged against this reserve to the extent that the reserve is positive.

Gains and losses arising from the revaluation of a financial instrument designated as a hedge are deferred in the hedge revaluation reserve.

Share capital

	Number of shares		Amounts	
In units/in EUR thousands	2024	2023	2024	2023
Issued share capital	55,414,649	55,414,649	2,316,683	2,316,683
Total	**55,414,649**	**55,414,649**	**2,316,683**	**2,316,683**

The table below shows the changes in revaluation reserves:

Changes in revaluation reserves (2024)

In EUR thousands	Property in own use	Equity securities at FVOCI	Debt instruments at FVOCI	Cash flow hedge	Credit liability	Actuarial Reserve	Total
Opening balance	**99,280**	**-3,305**	**11,120**	**-82,069**	**760**	**-38,558**	**-12,772**
Changes in credit liability reserve	0	0	0	0	-931	0	**-931**
Unrealised revaluations	5,908	2,310	-27,894	0	0	13,685	**-5,991**
Realised gains/losses transferred to the statement of profit or loss	-10,510	0	-16,005	-25,013	0	0	**-51,528**
Changes in composition of the group and other changes	0	0	0	0	0	0	**0**
Closing balance	**94,679**	**-995**	**-32,779**	**-107,082**	**-171**	**-24,874**	**-71,222**

Changes in revaluation reserves (2023)

In EUR thousands	Property in own use	Equity securities at FVOCI	Debt instruments at FVOCI	Cash flow hedge	Credit liability	Actuarial Reserve	Total
Opening balance	**108,610**	**–3,452**	**17,471**	**–42,141**	**815**	**–45,532**	**35,771**
Changes in credit liability reserve	0	0	0	0	–55	0	**–55**
Unrealised revaluations	–4,183	147	–6,351	0	0	6,974	**–3,413**
Realised gains/losses transferred to the statement of profit or loss	–5,147	0	0	–39,928	0	0	**–45,075**
Changes in composition of the group and other changes	0	0	0	0	0	0	**0**
Closing balance	**99,280**	**–3,305**	**11,120**	**–82,069**	**760**	**–38,558**	**–12,772**

Notes to the Consolidated statement of profit or loss

19. Interest result

Interest result[1]		
In EUR thousands	2024	2023
Interest income on loans	4,834,526	4,419,828
Interest income on impaired loans	4,121	7,660
Interest income on financial assets at fair value through OCI	122,585	61,274
Interest income on financial assets at amortised cost	116,348	71,292
Interest income on non-trading derivatives (hedge accounting)	634,726	641,410
Interest income using effective interest rate	**5,712,306**	**5,201,464**
Other interest income	**2,765,387**	**2,574,034**
Total interest income	**8,477,692**	**7,775,498**

[1]Table has been updated to a more aggregated view for presentation purposes and comparatives have been adjusted accordingly. Negative interest on assets and liabilities is no longer presented separately.

Interest result[1]		
In EUR thousands	2024	2023
Interest expense on deposits and other borrowings from banks (-)	909,075	718,416
Interest expense on customer deposits and other funds on deposit (-)	1,452,009	894,996
Interest expense on debt securities (-)	149,174	91,945
Interest expense on subordinated loans (-)	197,413	184,107
Interest on non-trading derivatives (hedge accounting) (-)	211,991	264,995
Interest expense using effective interest rate method (-)	**2,919,662**	**2,154,458**
Other interest expense (-)	**2,827,254**	**2,620,423**
Total interest expenses (-)	**5,746,916**	**4,774,882**
Net interest income	**2,730,776**	**3,000,616**

In a declining interest rate environment, characterized by several ECB rate cuts, ING Belgium saw its net interest income declined by €270 million.

The decline in total net interest income in 2024 from EUR 3 billion to EUR 2,7 billion is mainly due to :

- An increase in interest expense on deposits of EUR 748 million driven by (1) high volumes attracted on promotional term deposits (2) higher interest paid on current and savings accounts vs 2023
- Which is partly offset by higher interest income on loans (+EUR 411 million) mainly due to EUR 4.9 billion volume increase on short term loans and EUR 2.9 billion volume increase on mortgages as well as interest increase on longer term loans.

20. Commission result

Net fee and commission income

In EUR thousands	2024	2023
Payment Services	315,675	309,186
Securities business	101,989	87,796
Insurance and other broking	92,162	80,735
Portfolio management	434,406	400,832
Lending business	39,180	30,831
Financial guarantees and other commitments	70,800	72,175
Other	60,713	69,805
Total fee and commission Income	**1,114,925**	**1,051,360**
Payment Services (-)	84,546	74,652
Securities business (-)	7,029	5,992
Portfolio management (-)	94,850	85,148
Lending business (-)	0	3
Distribution of products (Externally) (-)	136,958	192,177
Financial guarantees and other commitments (-)	16,643	19,954
Other (-)	26,764	23,124
Total fee and commission expense	**366,791**	**401,050**
Total net commission income	**748,135**	**650,309**

While the increase of EUR 98 million in net commission result is driven by a variety of items, the most important drivers are our investment and insurance products, combined with good performance of the financial markets as well as our lending business.

Payment services fees are earned by providing services for deposit accounts, cards, cash management and transaction processing including interchange. Securities fees and commissions are fees for securities brokerage and securities underwriting. Portfolio management fees include fees earned for asset management activities, fiduciary and related activities in which ING Belgium holds or invests assets on behalf of its customers. Fees and commissions from Lending business include income earned for lending advisory, origination, underwriting and loan commitments which are not part of the effective interest rate. Financial guarantees and other commitments fees and commissions are earned from bank guarantees, letters of credit and other trade finance related products, factoring and leasing. Fees paid for distribution of products are all fees paid for the distribution of ING's products and services through external providers.

All of ING's net fee and commission income are in scope of IFRS 15 'Revenue from Contracts with Customers'. Reference is made to Note 40. Segment reporting which includes net fee and commission income disaggregated by line of business.

21. Investment income

Investment income

In EUR thousands	2024	2023
Income from real estate investments	1,463	41
Dividend income	5,160	250
Total	**6,623**	**292**
Realised gains/losses on disposal of debt instruments measured at FVOCI	-21,340	-1,268
Realised gains/losses (-) and impairment on debt securities	**-21,340**	**-1,268**
Total	**-14,718**	**-976**

The income from real estate investments is linked to revaluations in our Investment Property portfolio. This includes a positive revaluation for ING Lease Belgium for rental of a property, partially offset by a fair value decrease for New Immo Schuman.

The realised losses on disposal of debt instruments measured at FVOCI is linked to the bond sales executed in Q3 and Q4 2024 driven by the decision to adjust the Investment Portfolio of ING Belgium to reflect current economic reality.

22. Valuation results on non-trading derivatives

Valuation results on non-trading derivatives

In EUR thousands	2024	2023
Change in fair value of derivatives relating to:		
- fair value hedges	-488,523	-1,321,994
- other non-trading derivatives	31,774	39,278
Net result on non-trading derivatives	**-456,749**	**-1,282,716**
Change in fair value of assets and liabilities (hedged items)	503,673	1,311,429
Valuation results on assets and liabilities designated as at fair value through profit and loss (excl trading)	594	-1,420
Total	**47,518**	**27,293**

In general, the fair value movements are influenced by changes in the market conditions, such as stock prices, credit spreads, interest rates and currency exchange rates. The decrease in the valuation of both derivatives and hedged items is largely due to market evolutions. In 2024, the financial markets were characterized by high levels of volatility. In response to declining inflation and slowing economic growth, the ECB implemented several rate cuts in 2024. Interest rates initially increased in 2024, but decreased by year end to below the interest rates of end 2023 (For example, the IRS 10Y decreased from 2.48% at 31 Dec 2023 to 2.36% at 31 December 2024).

23. Net trading income

Net trading income

In EUR thousands	2024	2023
Securities trading results	-1	-357
Foreign exchange transactions results	57,459	65,935
Derivatives trading results	-8,571	-22,995
Other	-740	1,758
Total	**48,147**	**44,341**

Net trading income relates to trading assets and trading liabilities which include assets and liabilities that are classified under IFRS as Trading but are closely related to servicing the needs of the clients of ING. ING offers products that are traded on the financial markets to institutional clients, corporate clients, and governments. ING's trading books are managed based on internal limits and comprise a mix of products with results which could be offset. A significant part of the derivatives in the trading portfolio are related to servicing corporate clients in their risk management to hedge for example currency or interest rate exposures. From a risk perspective, the gross amount of trading assets must be considered together with the gross amount of trading liabilities, which are presented separately on the statement of financial position. However, IFRS does not always allow the netting of these positions in the statement of financial position. Reference is made to Note 4 'Financial assets at fair value through profit or loss' and Note 14 'Financial liabilities at fair value through profit or loss' for information on trading assets and trading liabilities respectively.

Securities trading results include the results of market making in instruments such as government securities, equity securities, corporate debt securities, money-market instruments.

Foreign exchange transactions results include gains and losses from spot and forward contracts, options, futures, and translated foreign currency assets and liabilities. The result on currency trading is included in foreign exchange transactions results.

Derivatives trading results include the results of derivatives such as interest rate swaps, options, futures, and forward contracts.

Other trading results include the results of trading loans and funds entrusted.

24. Other income

Other income

In EUR thousands	2024	2023
Realised result on sale	1,598	-1,296
Other	75,175	97,671
Total	**76,772**	**96,375**

As per December 2024, the other net income decreased due to the margin realised on doubtful receivables bought from other financial institutions which is partially offset by realised capital gains on the sale of leased assets.

25. Staff expenses

Staff expenses

In EUR thousands	2024	2023
Salaries	615,694	633,000
Pension costs	53,594	56,169
Other staff-related benefit costs	-131	1,108
Social security costs	139,797	140,825
Share-based compensation arrangements	3,234	1,870
External employees	110,886	115,242
Education	5,060	4,548
Other staff costs	30,942	31,926
Total	**959,075**	**984,688**

In 2024, total staff costs fell by -2.6% owing to continued digitization efforts.

26. Other operating expenses

Other operating expenses

In EUR thousands	2024	2023
Depreciation of property and equipment	81,087	84,895
Amortisation of intangible assets	4,682	7,069
Computer costs	103,386	109,869
Office expenses	38,983	39,233
Travel and accommodation expenses	36,017	39,207
Advertising and public relations	49,356	47,342
External advisory fees	37,355	41,972
Addition/(release) of provision for reorganisations	66,161	79,230
Impairments	7,311	20,255
Other	546,971	481,927
Total	**971,309**	**950,998**

“Depreciation of property and equipment” includes EUR 49.1 million (2023: EUR 51.4 million) related to depreciation of right-of-use assets.

The ‘addition of provision for reorganisation’ relates to restructuring activities in Belgium linked to the workforce optimisation.

“Other” includes, among others, recharges and services purchased from other ING entities (EUR 409 million), which account for most of the year-on-year increase. Outsourcing expenses (EUR 84 million) and sundry general expenses (EUR 20 million) are also included in ‘Other’.

Regulatory costs

Regulatory costs (bank levies)

In EUR thousands	2024	2023
Contribution to regulator	14,209	11,009
Belgian Bank Levy on Client Deposits	140,130	102,640
Contribution SRF	0	41,908
Contribution Deposit Guarantee Scheme	45,751	60,540
Total	**200,090**	**216,097**

In 2024 Regulatory costs mainly consisted of contributions to the Deposit Guarantee Fund and the Belgian bank levy. In 2024 there was no contribution to the Single Resolution Fund, as the available funds in the SRF exceeded the regulatory target. The Belgian bank levy increased in 2024 mainly due to a higher tax rate (from 0,13231 % to 0,17581% , for the taxable basis exceeding 50 billion). The contribution to the DGS was lower due to a deposit outflow effect triggered by a Belgian government bond issuance.

Impairment of tangible and intangible assets

Impairment of tangible and intangible assets (2024)

In EUR thousands	Impairment losses	Reversal of impairments	Total
Property and equipment	9,168	-2,307	6,861
Right of use asset - Property	451	0	451
Total	**9,618**	**-2,307**	**7,311**

Impairment of tangible and intangible assets (2023)

In EUR thousands	Impairment losses	Reversal of impairments	Total
Property and equipment	12,194	-1,508	10,686
Right of use asset - Property	9,569	0	9,569
Total	**21,763**	**-1,508**	**20,255**

27. Audit fees

Total audit and non-audit services include the following fees for services provided by ING Belgium's auditor.

Auditor's remuneration

In EUR thousands	2024	2023
Audit fees	3,606	3,260
Audit related fees	70	150
Total	**3,676**	**3,410**

Notes to the consolidated statement of cash flows

28. Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities

	Debt securities in issue		Subordinated loans		Other borrowings from banks (MREL)		Lease liabilities		Total	
In EUR thousands	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	**6,433,704**	**5,162,895**	**2,557,337**	**2,595,441**	**5,834,420**	**3,512,352**	**215,742**	**224,432**	**15,041,203**	**11,495,120**
Effect of changes in accounting policy	0	0	0	0	0	0	0	0	**0**	**0**
Cash flows:										
Additions	1,795,239	1,195,260	0	0	600,000	2,275,000	0	0	**2,395,239**	**3,470,260**
Redemptions and disposals	-74,777	-170,210	0	0	0	0	-54,622	-54,223	**-129,399**	**-224,433**
Non cash changes:										
Amortisations	3,840	2,688	0	0	0	0	0	0	**3,840**	**2,688**
Changes in fair value	126,639	216,943	0	0	0	0	0	-23,020	**126,639**	**193,923**
Foreign exchange movements	0	0	92,954	-38,104	0	0	0	75	**92,954**	**-38,029**
Other	23,800	26,128	0	0	30,719	47,068	48,827	68,478	**103,346**	**141,674**
Closing balance	**8,308,445**	**6,433,704**	**2,650,291**	**2,557,337**	**6,465,139**	**5,834,420**	**209,947**	**215,742**	**17,633,822**	**15,041,203**

Additional borrowings related to MREL requirements amount to EUR 0.6 billion in 2024 and EUR 2.28 billion in 2023. MREL loans are subordinated in case of resolution by ING Bank N.V. MREL instruments are considered as non-preferred senior debts.

Additional notes to the consolidated financial statements

29. Taxation

Changes in deferred tax

In EUR thousands	Net liability (-) Net assets (+) Opening balance	Change through equity	Change through net result	Exchange rate differences	Net liability (-) Net assets (+) Ending balance
2024					
Financial Assets at FVOCI	-5,242	12,729	0	508	7,995
Financial Assets and Liabilities at FVPL	-39,380	0	-25,570	1,631	-63,319
Depreciation	-5,173	0	-1,140	0	-6,313
Cash flow hedges	28,051	9,042	0	-622	36,471
Pension and post-employment benefits	-9,941	-4,449	-483	-104	-14,976
Other provisions	-672	0	253	0	-419
Loans and advances	50,680	313	-20,401	0	30,592
Unused tax losses carried forward	1,243	0	-1,243	0	0
Other	-48,879	-1,934	2,436	-27	-48,404
Total	**-29,313**	**15,701**	**-46,148**	**1,387**	**-58,374**
Presented in the statement of financial position as:					
Deferred tax liabilities	-31,900				-59,596
Deferred tax assets	2,587				1,222
Total	**-29,313**				**-58,374**

Changes in deferred tax

In EUR thousands	Net liability (-) Net assets (+) Opening balance	Change through equity	Change through net result	Exchange rate differences	Net liability (-) Net assets (+) Ending balance
2023					
Financial Assets at FVOCI	-3,515	1,995	0	-3,723	-5,242
Financial Assets and Liabilities at FVPL	-25,023		-45,054	30,698	-39,380
Depreciation	188	-6,482	231	890	-5,173
Cash flow hedges	15,303	14,532	0	-1,784	28,051
Pension and post-employment benefits	-7,192	-2,338	-411	0	-9,941
Other provisions	22,774		-23,009	-437	-672
Loans and advances	54,720	9,872	-13,912	0	50,680
Unused tax losses carried forward	0	0	1,243	0	1,243
Other	-47,547	-558	-734	-40	-48,879
Total	**9,708**	**17,021**	**-81,646**	**25,604**	**-29,313**
Presented in the statement of financial position as:					
Deferred tax liabilities	-35,205				-31,900
Deferred tax assets	44,913				2,587
Total	**9,708**				**-29,313**

The 2024 net deferred tax position equalled EUR - 58,4 million, of which EUR 1,2 million deferred tax asset, and EUR 59,6 million deferred tax liabilities. The deferred taxes were mainly triggered by the difference in valuation of financial instruments in IFRS and Local GAAP, and by the timing difference in tax deductibility of impairments and provisions.

In 2024 the balance sheet changes related to deferred taxes, amount to EUR 15,7 million. The main movements stem from a decrease in fair value of Bonds (EUR +10,25 million DTA), a decrease relating to amortisation of the cash flow hedge (EUR +9 million DTA), a value increase in the pension and post-employment benefits (EUR - 4,4 million DTL), and an increase in the real estate valuation (EUR -1,5 million DTL).

In 2024 a deferred tax charge of EUR 46,1 million has been accounted for. The main movements relate to:

- the fair valuing of various financial instruments for a net amount of EUR 25,6 million DTL
- a decrease of previously recognised DTA (EUR -20,4 million) that essentially relates to loan loss provisions that were not deductible at the moment they were created.

Deferred tax in connection with unused tax losses carried forward

In EUR thousands	2024	2023
Total of unused tax losses carried forward	**137**	**1,243**
Unused tax losses carried forward not recognised as a deferred tax asset	0	0
Unused tax losses carried forward recognised as a deferred tax asset	137	1,243

Total unused tax losses carried forward analysed by expiry terms

	Deferred tax asset recognised	
In EUR thousands	2024	2023
Within 1 year	0	1,243
More than 1 year but less than 5 years	137	0
More than 5 years but less than 10 years	0	0
More than 10 years but less than 20 years	0	0
Unlimited	0	0
Total	**137**	**1,243**

In 2023 and 2024, all deferred tax assets are recognised. The deferred tax asset for unused tax losses booked in 2023 was fully used in 2024. The new asset of 2024 (EUR 0,137 million) is expected to be used in less than 5 years.

Statement of Profit or Loss - Taxation

Taxation by type

	Belgium		Luxembourg		TOTAL	
In EUR thousands	2024	2023	2024	2023	2024	2023
Current taxation	266,728	264,168	59,901	77,881	326,629	342,049
Deferred taxation	51,990	70,245	-5,842	11,401	46,148	81,646
Total	**318,718**	**334,413**	**54,059**	**89,282**	**372,777**	**423,695**

Reconciliation of the weighted average statutory income tax rate to ING Group's effective income tax rate

In EUR thousands	2024	2023
Result before tax from continuing operations	1,458,834	1,537,930
Weighted average statutory tax rate	25 %	25 %
Weighted average statutory tax amount	**365,146**	**384,944**
Permanent differences affecting current tax		
Participation exemption	-24,455	-2,299
Other income not subject to tax	-8,485	0
Expenses not deductible for tax purposes	48,921	38,285
Current tax from previously unrecognised amounts	0	0
State and local taxes	0	0
Adjustments to prior periods	-8,355	2,165
Differences affecting deferred tax		
Impact on deferred tax from change in tax rates	0	0
Deferred tax benefit from previously unrecognised amounts	0	0
Write-off/reversal of deferred tax assets	0	0
Effective tax amount composed by:	**372,771**	**423,095**
Current tax	326,629	342,049
Deferred tax	46,148	81,646
Effective tax rate	**25.55 %**	**27.51 %**

In 2024, the corporate income tax amounted to EUR 373 million.

In 2024 the effective tax rate was 25,55% mainly caused by non-deductible expenses partially compensated by exempted incomes. A large part of the non-deductible expenses relates to the Belgian bank levy that became 100% non-deductible in 2024.

Corporate income tax is only a part of the taxes contributed by ING. The total tax contribution supported by ING amounts to around EUR 700 million, considering other tax contributions such as non-recoverable VAT, bank levies and local taxes. Taxes not related to income are accounted in general expenses. In addition to that ING withholds substantial amounts of taxes on behalf of clients.

Both Belgium and Luxembourg have enacted new legislation to implement the global minimum top-up tax. ING estimates the impact of this new legislation as low. No minimum top-up tax for 2024, and no minimum top-up tax is expected to be due in the coming years (2025, 2026), considering currently applicable tax legislation.

30. Pension and other staff-related liabilities

30.1 Overview

ING Belgium sponsors a defined benefit retirement plan. This plan is closed since 2007 and not available to the employees who joined after the closure. It is partially funded by ING. It provides a retirement benefit. Annual contributions are paid to the funds at a rate that is necessary to adequately finance the accrued liabilities of the plan, calculated in accordance with local legal requirements. The plan complies with applicable local regulations concerning investments and funding levels. During 2025 the expected expenses for ING Belgium for the defined benefit retirement plan are estimated to be EUR 4,7 million.

The bank provides certain employees with other post-employment and post-retirement benefits. These are primarily post-retirement health-care benefits and post-employment defined-benefit early retirement plans provided to employees and former employees. The assets of all of ING Belgium's defined contribution plans are held in independently administered funds. Contributions are generally determined as a percentage of pay.

As of 31 December 2024, all defined contribution plans are funded according to the minimal return guarantee imposed by law in Belgium.

Moreover, the defined contribution plan in force for new employees to ING Belgium as of January 2007, presents an estimated overfunding of about EUR 18.7 million (3.7% of individual account amount) that has been funded by ING Belgium as minimum guarantee reserve.

Pension and other staff-related liabilities

Evolution of defined other staff-related liabilities

In EUR thousands	2024	2023
Opening balance		
Present value of the defined benefit obligation	459,229	484,444
Fair value of plan asset (-)	-525,493	-527,832
Surplus (-) or deficit in the defined benefit pension plan	**-66,264**	**-43,388**
- Other assets	-68,840	-48,219
- Other liabilities	2,576	4,831

Movements in defined benefit obligations

In EUR thousands	2024	2023
Opening balance	**484,444**	**485,631**
Current service costs	6,236	7,983
Interest costs	15,158	18,888
Actuarial gains (-) or losses arising from changes in demographic assumptions	-553	-534
Actuarial gains (-) or losses arising from changes in financial assumptions	-989	10,973
Employee's contribution	-509	-867
Benefits paid	-43,795	-37,630
Exchange rate differences	-763	0
Closing balance	**459,229**	**484,444**

Movements in the fair value of plan assets

	Amounts used	
In EUR thousands	2024	2023
Opening balance	**527,832**	**519,263**
Expected return on plan assets	15,918	18,533
Actuarial gains or losses (-) on plan assets	16,698	19,773
Employer's contribution	7,543	8,909
Employee's contribution	336	236
Benefits paid	-43,795	-37,631
Exchange differences	960	-1,251
Closing balance	**525,493**	**527,832**

Weighted averages of basic actuarial assumptions

In %	2024	2023
Discount rates	3.25 %	3.2 %
Consumer price inflation	2.0 %	2.0 %
Expected rates of salary increases (excluding promotional increase)	by age group	by age group

Sensitivity analysis: impact of changes in significant actuarial assumptions on the defined benefit obligation 2023

In EUR thousands	2024	2023
Discount rates - increase/decrease of 1%	-26,129	-29,915
Mortality rates - increase/decrease of 1 year	4,381	4,630
Expected rates of salary increase (excl promotional increase) - increase/decrease of 0.25%	3,174	4,416
Consumer price inflation - increase/decrease of 0.25%	**94**	**-770**

As of 31 December 2016, it has been decided to perform also an IAS19 valuation of all Defined Contribution plans (considered as Defined Benefit plans under IAS19 rules with respect to the legal guaranteed interest rate).

According to the plan rules the valuation method (Projected Unit Credit - PUC) consists in the projection at retirement age of the minimum reserve vested for each employee with the minimum return as currently foreseen by law (2.5% since 2025). The net present value (using all actuarial assumption accordingly to the IAS19 rules such as discount rate, mortality, and turnover) of the obtained minimum capital represent the defined benefit obligation.

In the event that this defined benefit obligation is higher than the individual account of the concerned person, a liability should be recognised. As a result of the calculation made, it appeared that the liability to be recognised is lower than the market value of the dedicated assets, the fund has built up in order to fund the minimum return obligation.

30.2 Pension investment strategy

The primary financial objective of the ING Belgium employee benefit plan is to secure participant retirement benefits, As such, the key objective in the plan's financial management is to promote stability and, to the appropriate extent, growth in funded status (i.e. the ratio of market value of assets to liabilities). The investment strategy for the plan's portfolio of assets (the fund) balances the requirement to generate returns with the need to control risk, in particular to minimise the plan assets' volatility. This strategy is under the responsibility of each independent legal entity entitled to manage the different plans.

The asset mix is recognised as the primary mechanism to influence the reward and risk structure of the fund in an effort to accomplish the plan's funding objectives. Desirable target allocations among identified asset classes are set, and within each asset class, careful consideration is given to balancing the portfolio between industry sectors, geographies, interest rate sensitivity, dependence on economic growth, currency and other factors that can affect investment returns.

The assets are managed by professional investment firms. They are bound by precise mandates and measured against specific benchmarks. Among the managers, consideration is given among others to balancing security concentration, investment style and the reliance on particular active investment strategies. The fund's asset mix is reviewed on a regular basis and is under the responsibility of the entities entitled to manage their fund.

Plan assets

In EUR thousands	2024	2023
Equity securities	160,766	153,478
Debt securities	238,117	245,624
Real estate	34,606	33,280
Other	92,003	95,450
Total	**525,493**	**527,832**

The plan assets of ING Belgium do not include any property occupied by ING or any own financial instruments except for a small number of own actions held by an index fund or by an actively managed fund. The actual return of the main defined-benefit plan in Belgium for 2024 was 8.37% net and the return of the main defined-contribution plan in Belgium for 2024 was 8.8% net.

30.3 Determination of expected return on assets

As of 1 January 2013 and accordingly to new IAS 19 standard, expected return on assets will be considered as equal to the discount rate i.e. the interest rate on AA-corporate with a duration of 10 years. Nevertheless, future return on assets is one of the key elements in the risk appreciation. Considering the strategic allocation of the asset portfolio of main plans, and using defensive assumptions per asset class, future return on asset is estimated to:

- 4.30% for the main defined benefit plan in Belgium (closed plan)
- 4.70% for the main defined contribution plan in Belgium.

30.4 Sensitivity analysis of key assumptions

ING performs sensitivity analyses on the most significant assumptions: discount rates, mortality, expected rate of salary increase and indexation. The sensitivity analysis has been carried out under the assumption that the changes occurred at the end of the reporting period. The sensitivity analysis calculates the financial impact on the defined benefit obligation of an increase or decrease of the weighted averages of each significant actuarial assumption, all other assumptions held constant. In practice, this is unlikely to occur, and some changes of the assumptions may be correlated. Changes to mortality, expected rate of salary increase, and indexation would have no material impact on the defined benefit obligation. The most significant impact would be from a change in the discount rate. An increase or decrease in the discount rate of 1% creates an impact on the defined benefit obligation of EUR 27.0 million (decrease) and EUR 30.6 million (increase), respectively.

31. Share-based payments

The 'Long-term Sustainable Performance Plan' (LSPP) is the plan under which the shares grant and vest.

The main characteristics of the LSPP are as follows:

- a 100% share plan, for Deferred Shares.
- vesting is dependent on the ING Group performance target.
- 4 year graded vesting with 25% vesting each year
- settlement based on a distribution election (sell all/retain all/sell to cover).

Since 2019, ING no longer grants Performance Shares (PS) under the LSPP plan. Only Deferred Shares are still granted in case the variable reaches a certain hurdle or for Identified and Regulated Staff.

In 2023 and 2024, there was no movement in stock options.

31.1 Distinguishing Identified/Regulated Staff

ING Belgium makes the distinction between Identified Staff and Non-Identified Staff for variable remuneration pay-out. Identified Staff are employees selected by the Identified Staff selection method as approved by the Supervisory Board at group level (in cooperation with Risk and HR) who have a key responsibility in the organisations and are therefore deemed to have a crucial impact on the financial stability and/or risk profile of ING Belgium.

Their awarded variable pay is split into two parts:

- **An Upfront part**, which will be delivered partially in Upfront cash and in Upfront shares..
  - Upfront cash component is not held in LSPP and is equivalent to Cash paid and managed through local payroll.
  - For Upfront shares, a one-year retention period will apply. Thus, they vest one year after having been granted.
- **A Deferred part**, which will be delivered partially in Deferred Cash and in Deferred shares.
  - 2 types:
    - **4-year deferral system:** 1/4 Deferred Cash will vest each year after having been granted, for 4 years. Deferred shares have a retention period of 1 year. 1/4 of the Deferred shares will vest each year after the retention period (grant date +1 year). All deferred units are vested after 5 years.
    - **5-year deferral system:** 1/5 Deferred Cash will vest each year after having been granted for 5 years. Deferred shares have a retention period of 1 year. 1/5 of the Deferred shares will vest each year after the retention period (grant date +1 year). All deferred units are vested after 6 years.

31.2 Changes in share awards

Changes in share awards

	Share Awards		Weighted Average Grant Date Fair Value	
In EUR	2024	2023	2024	2023
Opening balance	**435,675**	**424,373**	**9**	**8**
Transferred	-12,504	-13,306	9	8
Granted	336,516	245,424	13	10
Vested	-193,125	-207,920	9	8
Forfeited	-9,327	-12,896	11	9
Closing balance	**557,235**	**435,675**	**11**	**9**

The fair value of share awards granted is recognised as an expense under staff expenses and is allocated over the vesting period of the share awards. The model takes into account the risk-free interest rate, the current stock prices, expected volatilities and current dividend yields of the performance peer group used to determine ING's Total Shareholder Return (TSR) ranking.

As of 31 December 2024, total unrecognised compensation costs related to share awards amounted to EUR 2,549,814. These costs are expected to be recognised over a weighted average period of 2.1 years.

32. Fair value of assets and liabilities

32.1. Financial assets and liabilities

The following table presents the estimated fair values of ING Belgium's financial assets and liabilities. Certain items per the statement of financial position are not included in the table, as they do not meet the definition of a financial asset or liability. The aggregation of the fair values presented below does not represent, and should not be construed as representing, the underlying value of ING Belgium.

Fair value of financial assets and liabilities

	2024		2023	
In EUR thousands	Fair value	Carrying amount	Fair value	Carrying amount
Financial Assets				
Cash and balances with central banks	16,450,985	16,450,985	15,001,197	15,001,197
Loans and advances to banks	3,621,283	3,623,281	3,656,618	3,656,618
Financial assets at fair value through profit and loss:				
of which: trading assets	1,809,230	1,809,230	1,899,553	1,899,553
of which: non-trading derivatives	7,959,229	7,959,229	10,826,768	10,826,768
of which: designated as at fair value through profit and loss	61,790	61,790	66,269	66,269
of which: mandatory as at fair value through profit and loss	54,172	54,172	18,359	18,359
Financial assets at fair value through other comprehensive income	5,333,461	5,333,461	4,448,151	4,448,151
Securities at amortised cost	10,327,134	11,027,262	9,930,791	10,711,247
Loans and advances to customers	112,521,484	115,046,067	106,900,770	109,497,244
Other assets	844,429	844,429	934,170	934,170
Total Financial Assets	**158,983,196**	**162,209,906**	**153,682,646**	**157,059,576**

Fair value of financial assets and liabilities

	2024		2023	
In EUR thousands	Fair value	Carrying amount	Fair value	Carrying amount
Financial Liabilities				
Deposits and other borrowings from banks	12,353,520	12,403,418	14,390,693	14,387,793
Customer deposits	110,414,275	110,415,882	103,402,852	103,402,864
Financial liabilities at fair value through profit and loss:				
of which: trading liabilities	1,854,048	1,854,048	1,928,810	1,928,810
of which: non-trading derivatives	9,181,824	9,181,824	11,307,027	11,307,027
of which: designated as at fair value through profit and loss	314,031	314,031	257,034	257,034
Other liabilities	1,918,192	1,918,192	2,441,806	2,441,806
Debt securities in issue	8,279,966	8,308,445	5,909,115	6,433,705
Senior non-preferred debt	6,515,053	6,465,139	5,831,520	5,834,420
Subordinated loans	2,650,291	2,650,291	2,557,337	2,557,337
Total Financial Liabilities	**153,481,202**	**153,511,271**	**148,026,194**	**148,550,796**

32.2 Valuation methods

The estimated fair values represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is a market-based measurement, which is based on assumptions that market participants would use and takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability.

Fair values of financial assets and liabilities are based on quoted prices in active market where available. When such quoted prices are not available, the fair value is determined by using valuation techniques.

In 2024, volatility levels were lower compared to previous year's. Following years of rising interest rates, markets experienced rate cuts. Currency markets remained volatile, with the USD staying strong against many currencies, while the EUR fluctuated. Credit spreads varied throughout the year, initially widening due to geopolitical tensions and economic uncertainties, but later narrowing as conditions stabilised.

Financial assets and liabilities, including Level 3, are valued using agreed methodologies, targeting the most appropriate estimate of fair value.

32.3 Valuation control framework

The valuation control framework covers the product approval process (PARP), pricing, market data assessment and independent price verification (IPV), valuation adjustments, model use and fair value hierarchy. Valuation processes are governed by various governance bodies, including Local Parameter Committees, the Global Valuation and Impairment Committee, the Market Data Committee and the Valuation Model Committee. All relevant committees meet on a regular basis (monthly/quarterly), where the agenda covers the aforementioned valuation controls.

The Global Valuation and Impairment Committee is responsible for the oversight and the approval of the outcome of impairments (other than loan loss provisions) and valuation processes. It oversees the quality and coherence of valuation methodologies and performance. The Valuation Model Committee is responsible for the approval of all valuation models used for the Fair Valuation V (IFRS) and Prudent Valuation (CRR) of positions measured at fair value. The Local Parameter Committee discusses the valuation results and monitors the performance of the valuation activities carried out on local or regional level. The Market Data Committee is responsible for the approval of the market data used in valuation.

32.4 Valuation adjustments

Valuation adjustments are an integral part of the fair value. They are the adjustments to the output from a valuation technique in order to appropriately determine a fair value in accordance with IFRS13. ING considers various fair value adjustments including Bid-Offer adjustments, Model Risk adjustments, Bilateral Valuation Adjustments (BVA, consisting of Credit Valuation Adjustments or CVA and Debit valuation Adjustments or DVA), Collateral Valuation Adjustment (CollVA) and Funding Valuation Adjustment (FVA).

The following table presents the model's reserves for financial assets and liabilities:

Valuation adjustment

In EUR thousands	2024	2023
Bid/Offer	-4,205	-7,842
Model Risk	-584	-447
CVA	-16,454	-9,832
DVA	9,131	13,169
FVA	-3,344	-1,117
Total Valuation Adjustments	**-15,456**	**-6,069**

Overall, the valuation adjustment reserve increased from 6mln in 2023 to 15.5mln in 2024.The valuation adjustment is mainly explained by the change in Fair value in CVA, DVA, FVA on derivatives with clients. In 2024 the driving factors are due to a change in inventory and higher CDS curves for some of our counterparties.

.Bid-Offer Adjustment

For positions price based upon mid-market input parameters, Bid-Offer adjustments are required in order to reflect the valuation of that position based on bid price or offer price. In practice this adjustment accounts for the difference in valuation from 'mid to bid' and 'mid to offer' for long and short exposures respectively. In principle assets are valued at the bid prices and liabilities are valued at the offer price. For certain assets or liabilities, where a market-quoted price is not available, the price used is the fair value that is most representative within the bid-offer spread.

Model Risk Adjustment

Financial instruments that are valued using a valuation model can be subject to model risk. Model risk is the risk of possible financial loss resulting from a pricing model or model-based parameter deficiencies and/or uncertainties.

Bilateral Valuation Adjustments (Credit and Debit Valuation Adjustments)

Bilateral Valuation Adjustment is the valuation adjustment reflecting the counterparty credit risk of derivative contracts. It has a bilateral nature, where both the counterparty's credit risk (i.e. Credit Valuation Adjustment or CVA) and ING's own credit risk (Debit Valuation Adjustment or DVA) are taken into account:

- CVA is the fair value adjustment applicable to derivative instruments to account for the possibility that the counterparty defaults (i.e. it is the market value of the counterparty's credit risk).
- DVA is the fair value adjustment applicable to derivative instruments to account for the possibility that ING defaults (i.e. it is the market value of ING's credit risk).

The calculation of CVA and DVA on derivatives is based on their expected exposures and the counterparties' and ING's risk of default, taking into account the collateral agreements as well as netting agreements. The counterparties' risk of default is measured by probability of default and expected loss given default, which is based on market information including credit default swap (CDS) spreads. Where counterparty CDS spreads are not available, relevant proxy spreads are used. Additionally, wrong-way risk (which occurs when the probability of default by the counterparty increases (decreases) when ING's exposure to the counterparty increases (decreases)) and right-way risk (which occurs when the probability of default by the counterparty increases (decreases) when ING's exposure to the counterparty decreases (increases)) are included in the adjustment.

Funding Valuation Adjustment (FVA)

Funding Valuation Adjustment (FVA) is a fair valuation adjustment applied on derivative instruments to address the asymmetry in funding costs or funding benefits between collateralised and uncollateralised derivatives portfolios. This adjustment is based on the expected exposure profiles of the uncollateralised or partially collateralised OTC derivatives and market-based funding spreads.

32.5 Fair value Hierarchy

ING Belgium has categorised its financial instruments that are either measured in the statement of financial position at fair value or of which the fair value is disclosed, into a three-level hierarchy based on the observability of the valuation inputs. Highest priority is retained to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to valuation techniques supported by unobservable inputs.

Transfers into and transfers out of fair value hierarchy levels are made on a quarterly basis at the end of the reporting period.

Level 1 – (Unadjusted) quoted prices in active markets

This category includes financial instruments whose fair value is determined directly by reference to (unadjusted) quoted prices in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer markets, brokered markets, or principal to principal markets. Those prices represent actual and regularly occurring market transactions with sufficient frequency and volume to provide pricing information on an ongoing basis. Transfers out of Level 1 into Level 2 or Level 3 occur when ING Belgium establishes that markets are no longer active and therefore (unadjusted) quoted prices no longer provide reliable pricing information.

Level 2 – Valuation technique supported by observable inputs

This category includes financial instruments whose fair value is based on market observable inputs, either directly or indirectly, other than quoted prices included within Level 1. The fair value for financial instruments in this category can be determined by reference to quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, inputs other than quoted prices that are observable or market-corroborated inputs. ING analyses how the prices are derived and determines whether the prices are liquid tradeable prices or model-based consensus prices taking various data as inputs.

For financial instruments that do not have a reference price available, fair value is determined using a valuation technique (e.g., a model), where inputs in the model are taken from an active market or are observable, such as interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads.

Instruments, where inputs are unobservable are classified in this category, provided that the impact of those unobservable inputs on the overall valuation is insignificant. The notion of significant is particularly relevant for the distinction between Level-2 and Level-3 assets and liabilities, as the significance assessment of the valuation input on the entire fair value measurement will determine whether the instrument should be classified as Level 2 or Level 3. Expert judgement is required on the significance assessment approach.

Level 3 – Valuation technique supported by unobservable inputs

This category includes financial instruments whose fair value is determined using a valuation technique (e.g. a model), for which a significant part of the overall valuation is driven by unobservable valuation inputs. Where valuation inputs are unobservable, ING must use the best information available to value the instruments. This may require internally derived inputs taking into account market participants' assumptions that are reasonably available, including assumptions on the risk inherent in a particular valuation technique used to measure fair value and the risk inherent in the inputs to the valuation technique. Unobservable inputs may include, amongst others, volatility, correlation, spreads to discount rates, default rates, recovery rates, prepayment rates, and certain credit spreads.

Financial instruments at fair value

The following methods and assumptions were used by ING Belgium to estimate the fair value of the financial instruments carried at fair value:

Equity securities

Instrument description: Equity securities include stocks and shares, corporate investments and private equity investments.

Valuation: If available, the fair values of publicly traded equity securities and private equity securities are based on quoted market prices. In the absence of active markets, fair values are estimated by analysing the investee's financial position, result, risk profile, prospect, price, earnings comparisons and revenue multiples. Additionally, reference is made to valuations of peer entities where quoted prices in active markets are available. For equity securities, best market practice will be applied using the most relevant valuation method. All non-listed equity investments, including investments in private equity funds, are subject to a standard review framework which ensures that valuations reflect the fair values.

Fair value hierarchy: The majority of equity securities are publicly traded and quoted prices are readily and regularly available. Hence, these securities are classified as Level 1. Equity securities which are not traded in active markets mainly include corporate investments, fund investments and other equity securities and are classified as Level 3.

Debt securities

Instrument description: Debt securities include government bonds, financial institutions bonds and Asset-backed securities (ABS).

Valuation: Where available, fair values for debt securities are generally based on quoted market prices. Quoted market prices are obtained from an exchange market, dealer, broker, industry group, pricing service or regulatory service. The quoted prices from non-exchange sources are reviewed on their tradability of market prices. If quoted prices in an active market are not available, fair value is based on an analysis of available market inputs, which include consensus prices obtained from one or more pricing services. Furthermore, fair values are determined by

valuation techniques discounting expected future cash flows using a market interest rate curve, referenced credit spreads, maturity of the investment, and estimated prepayment rates where applicable.

Fair value hierarchy: Government bonds and financial institution bonds are generally traded in active markets. Where quoted prices are readily and regularly available, they are classified as Level 1. The remaining positions are classified as Level 2 or Level 3 depending on the trading activity and observability of prices. Asset-backed securities for which no active market is available and a wide discrepancy in quoted prices exists, are classified as Level 3.

Derivatives

Instrument description: Derivative contracts can either be exchange-traded or over the counter (OTC). Derivatives include interest rate derivatives, FX derivatives, credit derivatives, equity derivatives and commodity derivatives.

Valuation: The fair value of exchange-traded derivatives is determined using quoted market prices in an active market and are classified as Level 1 of the fair value hierarchy. For instruments that are not actively traded, fair values are estimated based on valuation techniques. The valuation techniques and inputs depend on the type of derivatives and the nature of the underlying instruments. The principal techniques used to value these instruments are based on, among other, discounted cash flows, option pricing models, and Monte Carlo simulations. These valuation models calculate the present value of expected future cash flows, based on 'no-arbitrage' principles. The models are commonly used in the financial industry and inputs to the validation models are determined from observable market data where possible. Certain inputs may not be observable in the market but can be determined from observable prices via valuation model calibration procedures. These inputs include prices available from exchanges, dealers, brokers or providers of pricing, yield curves, credit spreads, default rates, recovery rates, dividend rates, volatility of underlying interest rates, equity prices, and foreign currency exchange rates and reference is made to quoted prices, recently executed trades, independent market quotes and consensus data, where available.

For uncollateralised OTC derivatives, ING applies Credit Valuation Adjustment to correctly reflect the counterparty credit risk for ING in the valuation and Debit Valuation Adjustments to reflect the credit risk for the counterparty that ING defaults. See sections CVA/DVA. Valuation Adjustments for more details regarding the calculation.

Fair value hierarchy: The majority of the derivatives are priced using observable inputs and are classified as Level 2. Derivatives for which the input cannot be implied from observable market data are classified as Level 3.

Loans and receivables

Instrument description: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables carried at fair value include trading loans (securities lending and similar agreements comparable to collateralised lending), syndicated loans, loans expected to be sold and receivables with regards to reverse repurchase transactions.

Valuation: The fair value of other loans is estimated by discounting expected future cash flows using a discount rate that reflects credit risk, liquidity, and other current market conditions. The fair value of mortgage loans is estimated by taking into account prepayment behaviour.

Fair value hierarchy: Loans and receivables are classified as Level 2.

Financial instruments not measured at fair value

Besides, the below tables also present the estimated fair values of ING Belgium's financial assets and liabilities. Certain items per the statement of financial position are not included in the table, as they do not meet the definition of a financial asset or liability. The aggregation of the fair values presented below does not represent, and should not be construed as representing, the underlying value of ING Belgium.

The following methods and assumptions were used by ING Belgium to estimate the fair value of the financial instruments not measured at fair value.

Loans and advances to banks

For short-term receivables from banks carrying amounts represent a reasonable estimate of the fair value. The fair value of long-term receivables from banks is estimated by discounting expected future cash flows using a discount rate based on specific available market data, such as interest rates and appropriate spreads that reflects current credit risk or quoted bonds.

Loans and advances to customers

For short-term loans, carrying amounts represent a reasonable estimate of the fair value. The fair value of long-term loans is estimated by discounting expected future cash flows using a discount rate that reflects current credit risk, current interest rates, and other current market conditions where applicable. The fair value of mortgage loans is estimated by taking into account prepayment behaviour. Loans with similar characteristics are aggregated for calculation purposes.

Securities at amortised cost

Where available, fair values for debt securities are generally based on quoted market prices. Quoted market prices are obtained from an exchange market, dealer, broker, industry group, pricing service, or regulatory service. The quoted prices from non-exchange sources are reviewed on their tradability of market prices. If quoted prices in an active market are not available, fair value is based on an analysis of available market inputs, which includes consensus prices obtained from one or more pricing services. Furthermore, fair values are determined by valuation techniques discounting expected future cash flows using market interest rate curves, referenced credit spreads, maturity of the investment, and estimated prepayment rates where applicable.

Deposits and other borrowings from banks

For short-term payables to banks, carrying amounts represent a reasonable estimate of the fair value. The fair value of long-term payables to banks is estimated by discounting expected future cash flows using a discount rate based on available market interest rates and appropriate spreads that reflects ING's own credit risk.

Customer deposits

In the current interest rate environment there is embedded value in our on-demand deposits, therefore providing a natural hedge against the impact from rising rates on financial assets. However, for the purpose of this disclosure and in accordance with IFRS, the carrying amounts of deposits with an immediate on demand feature is presented as fair value.

The fair value of deposits with fixed contractual terms has been estimated based on discounting future cash flows using the interest rates currently applicable to deposits of similar maturities.

Debt securities in issue

The fair value of debt securities in issue is generally based on quoted market prices, or if not available, on estimated prices by discounting expected future cash flows using a current market interest rate and credit spreads applicable to the yield, credit quality and maturity.

Subordinated loans

The fair value of publicly traded subordinated loans are based on quoted market prices when available. Where no quoted market prices are available, fair value of the subordinated loans is estimated using discounted cash flows based on interest rates and credit spreads that apply to similar instruments.

Methods applied in determining fair values of financial assets

	2024					2023				
	Comparison		Fair value hierarchy			Comparison		Fair value hierarchy		
In EUR thousands	Fair value	Carrying amount	Level 1	Level 2	Level 3	Fair value	Carrying amount	Level 1	Level 2	Level 3
Assets at fair value										
Trading assets	1,809,230	1,809,230	0	1,803,729	5,501	1,899,553	1,899,553	0	1,886,588	12,965
Non-trading assets	7,959,229	7,959,229	0	7,959,229	0	10,826,768	10,826,768	115,397	10,711,372	0
Assets designated as at fair value through profit and loss	61,790	61,790	0	61,790	0	66,269	66,269	0	66,269	0
Assets mandatorily at fair value through profit and loss	54,172	54,172	50,624	0	3,549	18,359	18,359	13,430	0	4,929
Financial assets at fair value through profit or loss	**9,884,421**	**9,884,421**	**50,624**	**9,824,748**	**9,049**	**12,810,950**	**12,810,950**	**128,826**	**12,664,229**	**17,895**
Financial assets at fair value through other comprehensive income										
Equity securities designated at fair value through other comprehensive income	41,768	41,768	20	0	41,748	37,586	37,586	17	0	37,568
Debt instruments	5,257,536	5,257,536	4,744,658	512,879	0	4,410,565	4,410,565	3,773,737	636,829	0
Loans and advances	34,156	34,156	0	34,156	0	0	0	0	0	0
Financial assets at fair value through other comprehensive income	**5,333,461**	**5,333,461**	**4,744,678**	**547,035**	**41,748**	**4,448,151**	**4,448,151**	**3,773,754**	**636,829**	**37,568**
Assets at amortised cost										
Loans and advances to banks	3,621,283	3,623,281	0	1,913,367	1,707,916	2,510,480	2,510,487	0	1,785,917	724,562
Loans and advances to customers	112,521,484	115,046,067	0	22,392	112,499,092	104,227,119	106,819,244	0	263,144	103,963,975
Securities at amortised cost	10,327,134	11,027,262	9,522,366	804,768	0	9,930,791	10,711,247	9,116,377	787,377	27,037
Total assets at amortised costs	**126,469,901**	**129,696,611**	**9,522,366**	**2,740,526**	**114,207,009**	**116,668,390**	**120,040,978**	**9,116,377**	**2,836,438**	**104,715,575**

Methods applied in determining fair values of financial liabilities

	2024					2023				
	Comparison		Fair value hierarchy			Comparison		Fair value hierarchy		
In EUR thousands	Fair value	Carrying amount	Level 1	Level 2	Level 3	Fair value	Carrying amount	Level 1	Level 2	Level 3
Liabilities at fair value										
Trading liabilities	1,854,048	1,854,048	13	1,848,534	5,501	1,941,775	1,941,775	0	1,928,810	12,965
Non-trading derivatives	9,181,824	9,181,824	0	9,181,818	7	11,294,062	11,294,062	0	11,294,061	0
Financial liabilities designated as at fair value through P&L	314,031	314,031	270,442	43,590	0	257,034	257,034	214,103	42,931	0
Total Liabilities at fair value	**11,349,904**	**11,349,904**	**270,455**	**11,073,942**	**5,507**	**13,492,871**	**13,492,871**	**214,103**	**13,265,802**	**12,965**
Liabilities at amortised cost										
Deposits and other borrowings from banks	12,353,520	12,403,418	48,324	9,201,397	3,103,799	11,608,048	11,605,148	28,125	11,569,177	10,747
Customer deposits[1]	110,414,275	110,415,882	0	23,519,383	86,894,892	103,402,852	103,402,865	0	16,972,010	86,430,842
Debt securities in issue	8,279,966	8,308,445	7,619,560	131,397	529,009	5,909,115	6,433,705	5,257,149	121,567	530,399
Senior non-preferred debt[1]	6,515,053	6,465,139	0	6,515,053	0	5,831,520	5,834,420	0	5,831,520	0
Subordinated loans	2,650,291	2,650,291	0	0	2,650,290	2,557,337	2,557,337	0	0	2,557,337
Total liabilities at amortised cost	**140,213,105**	**140,243,175**	**7,667,884**	**39,367,230**	**93,177,991**	**129,308,872**	**129,833,475**	**5,285,274**	**34,494,274**	**89,529,325**

[1] 2023 period has been updated to improve consistency and comparability of carrying amount and level 3.

In 2024, we observe a significant increase in term deposit following a successful term deposits campaign. Please refer to note 13. Customer deposits.

32.6 Transfers between Level 1 and Level 2

No significant transfers from Level 2 to Level 1 were recorded in the reporting period 2023 and 2024.

32.7 Level 3: Valuation techniques and inputs used

Financial assets and liabilities in Level 3 include both assets and liabilities for which the fair value was determined using (i) valuation techniques that incorporate unobservable inputs as well as (ii) quoted prices which have been adjusted to reflect that the market was not actively trading at or around the balance sheet date. Unobservable inputs are inputs which are based on ING's own assumptions about the factors that market participants would use in pricing an asset or liability, developed based on the best information available in the circumstances. Unobservable inputs may include volatility, correlation, spreads to discount rates, default rates and recovery rates, prepayment rates, and certain credit spreads. Valuation techniques that incorporate unobservable inputs are sensitive to the inputs used.

Price

For securities where market prices are not available fair value is measured by comparison with observable pricing data from similar instruments. Prices of 0% are distressed to the point that no recovery is expected, while prices significantly in excess of 100% or par are expected to pay a yield above current market rates.

Credit spreads

Credit spread is the premium above a benchmark interest rate required by the market participant to accept a lower credit quality. Higher credit spreads indicate lower credit quality and a lower value of an asset.

Volatility

Volatility is a measure for variation of the price of a financial instrument or other valuation input over time. Volatility is one of the key inputs in option pricing models. Typically, the higher the volatility, the higher value of the option. Volatility varies by the underlying reference (equity, commodity, foreign currency, and interest rates), by strike, and maturity of the option. The minimum level of volatility is 0% and there is no theoretical maximum.

Correlation

Correlation is a measure of dependence between two underlying references which is relevant for valuing derivatives and other instruments having more than one underlying reference. High positive correlation (close to 1) indicates strong positive (statistical) relationship, where underlies move, everything else equal, into the same direction. The same holds for a high negative correlation.

Reset spread

Reset spreads are key inputs to mortgage linked prepayment swaps valuation. Reset spread is the future spread at which mortgages will re-price at interest rate reset dates.

Inflation rate

Inflation rate is a key input to inflation linked instruments. Inflation linked instruments protect against price inflation and are denominated and indexed to investment units. Interest payments would be based on the inflation index and nominal rate in order to receive/pay the real rate of return. A rise in nominal coupon payments is a result of an increase in inflation expectations, real rates, or both.

Dividend yield

Dividend yield is an important input for equity option pricing models showing how much dividends a company is expected to pay out each year relative to its share price. Dividend yields are generally expressed as an annualised percentage of share price.

Jump rate

Jump rates simulate abrupt changes in valuation models. The rate is an added component to the discount rate in the model to include default risks.

Prepayment rate

Prepayment rate is a key input to mortgage and loan valuation. Prepayment rate is the estimated rate at which mortgage borrowers will repay their mortgages early, e.g. 5% per year. Prepayment rate and reset spread are key inputs to mortgage linked prepayment swaps valuation.

Level 3: Changes during the period

Changes in Level 3 Financial assets

	Trading assets		Financial assets mandatorily at FVPL		Financial assets at FVOCI		Total	
In EUR thousands	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	**12,966**	**20,562**	**4,929**	**4,095**	**37,568**	**36,405**	**55,463**	**61,062**
Amounts recognised in profit and loss during the year	-9,235	1,258	-1,381	818	0	0	-10,616	2,076
Revaluation recognised in equity during the year	0	0	0	0	2,308	335	2,114	335
Purchase of assets	7,040	3,220	0	0	2,114	1,851	6,798	5,071
Sale of assets	-511	-2,717	0	0	-242	-1,023	-511	-3,740
Maturity/settlement	-664	0	0	0	0	0	-664	0
Reclassification	0	0	0	16	0	0	0	16
Transfers into Level 3	2,303	2,672	0	0	0	0	2,303	2,672
Transfers out of Level 3	-6,398	-12,029	0	0	0	0	-6,398	-12,029
Closing balance	**5,501**	**12,966**	**3,548**	**4,929**	**41,748**	**37,568**	**50,798**	**55,463**

Changes in Level 3 Financial liabilities

	Trading liabilities		Non-trading liabilities		Total	
In EUR thousands	2024	2023	2024	2023	2024	2023
Opening balance	**12,966**	**20,558**	**0**	**0**	**12,966**	**20,558**
Realised gain/loss recognised in the statement of profit or loss during the period	-9,235	1,258	0	0	**-9,235**	**1,258**
Issue of liabilities	7,040	3,220	0	0	**7,040**	**3,220**
Maturity/Settlement	-664	0	0	0	**-664**	**3,220**
Early repayment of liabilities	-511	-2,717	0	0	**-511**	**-2,717**
Transfers into Level 3	2,303	2,672	7	0	**2,310**	**2,672**
Transfers out of Level 3	-6,398	-12,026	0	0	**-6,398**	**-12,026**
Closing balance	**5,501**	**12,966**	**7**	**0**	5,508	12,966

32.8 Recognition of unrealised gains and losses in Level 3

Amounts recognised in the statement of profit or loss relating to unrealised gains and losses during the year that relates to Level 3 assets and liabilities are included in the line item 'Valuation results and net trading income' in the statement of profit or loss.

In 2023 and 2024, unrealised gains and losses that relate to 'Financial assets at fair value through other comprehensive income' are included in the Revaluation reserve – Equity securities at fair value through other comprehensive income or Debt Instruments at fair value through other comprehensive income.

32.9 Level 3: Sensitivity analysis of unobservable inputs

Where the fair value of a financial instrument is determined using inputs which are unobservable and which have a more than insignificant impact on the fair value of the instrument, the actual value of those inputs at the balance date may be drawn from a range of reasonably possible alternatives. In line with market practice the upper and lower bounds of the range of alternative input values reflect a level of valuation certainty. The actual levels chosen for the unobservable inputs in preparing the financial statements are consistent with the valuation methodology used for fair valued financial instruments.

In practice valuation uncertainty is measured and managed per exposure to individual valuation inputs (i.e. risk factors) at portfolio level across different product categories. Where the disclosure looks at individual Level 3 inputs the actual valuation adjustments may also reflect the benefits of portfolio offsets.

This disclosure does not attempt to indicate or predict future fair value movement. The numbers in isolation give limited information as in most cases these Level 3 assets and liabilities should be seen in combination with other instruments (for example as a hedge) that are classified as Level 2.

The possible impact of a change of unobservable inputs in the fair value of financial instruments at fair value through other comprehensive income are estimated to be immaterial.

33. Derivatives and hedge accounting

33.1 Use of derivatives

ING Belgium uses derivatives for economic hedging purposes to manage its asset and liability portfolios and structural risk positions. The primary objective of ING Belgium's hedging activities is to manage the risks which arise from structural imbalances in the duration and other profiles of its assets and liabilities. The objective of economic hedging is to enter into positions with an opposite risk profile to an identified risk exposure to reduce that exposure. The main risks which are being hedged are interest rate risk and foreign currency exchange rate risk. These risks are primarily hedged with interest rate swaps, cross currency swaps and foreign exchange forwards/swaps.

ING Belgium uses credit derivatives to manage its economic exposure to credit risk, including total return swaps and credit default swaps, to sell or buy protection for credit risk exposures in the loan, investment, and trading portfolios. Hedge accounting is not applied in relation to these credit derivatives.

33.2 Hedge accounting

Derivatives that qualify for hedge accounting under IFRS are classified and accounted for in accordance with the nature of the instrument hedged and the type of IFRS hedge accounting model that is applicable. The three models applicable under IFRS are: fair value hedge accounting, cash flow hedge accounting, and hedge accounting of a net investment in a foreign operation. How and to what extent these models are applied are described under the relevant headings below. The company's significant accounting policies for these three hedge models are set out in paragraph 1.5 Financial instruments of note 1. Basis of preparation and material accounting policy information.

33.3 Fair value hedge accounting

ING Belgium's fair value hedges principally consist of interest rate swaps that are used to protect against changes in the fair value of fixed-rate instruments due to movements in market interest rates. ING Belgium's approach to managing market risk, including interest rate risk, is discussed in 'Risk management – Market risk'. ING Belgium's exposure to interest rate risk is disclosed in paragraph Interest rate risk in the banking books.

By using derivative financial instruments to hedge exposures to changes in interest rates, ING Belgium also exposes itself to credit risk of the derivative counterparty, which is not offset by the hedged item. ING Belgium and ING Group N.V minimises counterparty credit risk in derivative instruments by clearing most of the derivatives through Central Clearing Counterparties. In addition, ING Belgium only enters into transactions with high-quality counterparties and requires posting collateral.

ING Belgium applies fair value hedge accounting on micro level in which one hedged item is hedged with one or multiple hedging instruments as well as on macro level whereby a portfolio of items is hedged with multiple hedging instruments. For these macro hedges of interest rate risk ING applies the EU 'carve-out'. The EU 'carve-out' for macro hedging enables a group of derivatives (or proportions) to be viewed in combination and jointly designated as the hedging instrument and removes some of the limitations in fair value hedge accounting relating to hedging core deposits and under-hedging strategies. In retail operations, interest rate risk exposure on retail funding (savings and current accounts) and retail lending (mortgages) is initially offset. The remaining interest rate risk exposure is hedged in a portfolio hedge, using the EU carve-out, in which a portion of the retail lending portfolio are designated as a hedged item for hedge accounting purposes.

For portfolio hedges the fair value is projected based on contractual terms and other variables including prepayment expectations. These projected fair values of the portfolios forms the basis for identifying the notional amount subject to interest rate risk that is designated under fair value hedge accounting.

Micro fair value hedge accounting is mainly applied on issued debt securities and purchased debt instruments for hedging interest rate risk.

Before fair value hedge accounting is applied by ING Belgium, ING Belgium determines whether an economic relationship between the hedged item and the hedging instrument exists based on an evaluation of the quantitative characteristics of these items and the hedged risk. ING Belgium considers whether the critical terms of the hedged item and hedging instrument closely align when assessing the presence of an economic relationship. ING Belgium evaluates whether the fair value of the hedged item and the hedging instrument respond similarly to similar risks. In addition, ING is mainly using regression analysis to assess whether the hedging instrument is expected to be and has been highly effective in offsetting changes in the fair value of the hedged item.

For the macro hedge on the loan portfolio, ING Belgium follows a dynamic hedging strategy. This means that on a monthly basis, based on the new portfolio projection, the hedging relationship is renewed. From an operational point of view, the existing hedging relationship is adjusted based on the new portfolio projection and additional hedging instruments are added to the hedging relationship.

ING Belgium uses the following derivative financial instruments in a fair value hedge accounting relationship:

Gross carrying value of derivatives designated under fair value hedge accounting

In EUR thousands	Assets		Liabilities	
	2024	2023	2024	2023
Hedging instrument on interest rate risk				
Interest rate swaps	1,652,698	2,192,300	-2,189,695	-2,045,717
Other interest derivatives	207,238	284,401	-22,944	-34,279
Total	**1,859,935**	**2,476,700**	**-2,212,639**	**-2,079,995**

The following table shows the net notional amount of derivatives designated in fair value hedging, split into the maturity of the instruments. The net notional amounts presented in the table are a combination of payer (-) and receiver (+) swaps.

Maturity derivatives designated in fair value hedging

In EUR thousands

As of 31 December 2024	Less than 1 month	1 to 3 months	3 to 12 months	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	>5 years	Total
Hedging instrument on interest rate risk									
-Interest rate swaps	0	-12,000	-1,281,000	-1,951,800	-4,516,000	-4,367,630	-1,436,000	-14,602,550	**-28,166,980**
-Other interest derivatives	-3,735	29,375	182,247	248,393	90,823	-193,033	121,297	382,762	**858,129**
As of 31 December 2023	**Less than 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**>5 years**	**Total**
-Interest rate swaps	-300,000	0	-100,000	-2,573,300	-4,871,800	-4,321,500	-5,236,930	-11,417,050	**-28,820,580**
-Other interest derivatives	0	24,916	189,739	115,856	301,567	249,901	-144,112	974,090	**1,711,957**

Gains and losses on derivatives designated under fair value hedge accounting are recognised in the statement of profit or loss. The effective portion of the fair value change on the hedged item is also recognised in the statement of profit or loss in 'Valuation results and net trading income'. As a result, only the net accounting ineffectiveness has an impact on the net result.

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Fair value hedging – impact on the statement of profit or loss and other comprehensive income

	Carrying amount of the hedged item		Accumulated amount of fair value hedge adjustment on the hedged item included in the carrying amount of the hedged item		Change in fair value used for measuring ineffectiveness for the period	Change in fair value hedge instruments	Hedge ineffectiveness recognised in the statement of PL, gain (+) / loss (-)
In EUR millions	Assets	Liabilities	Assets	Liabilities			
As of 31 December 2024							
Interest rate risk	0	0	0	0	0		
–Debt securities at fair value through other comprehensive income	4,735	0	0	0	121		
–Loans and advances to customers	26,507	0	127	0	477		
–Debt instruments at amortised cost	2,874	0	87	0	32		
–Debt securities in issue	0	6,377	0	147	-127		
–Amounts due to banks	0	0	0	0	0		
–Customer deposits and other funds on deposit	0	0	0	0	0		
–Discontinued	0	0	479	0	0		
Total	**34,116**	**6,377**	**692**	**147**	**504**	**-489**	**15**
As of 31 December 2023							
Interest rate risk							
–Debt securities at fair value through other comprehensive income	3,762	0	0	0	210		
–Loans and advances to customers	26,999	0	-376	0	1,265		
–Debt instruments at amortised cost	1,984	0	59	0	53		
–Debt securities in issue	0	5,277	0	274	-217		
–Amounts due to banks	0	0	0	0	0		
–Customer deposits and other funds on deposit	0	0	0	0	0		
–Discontinued	0	0	479	0	0		
Total	**32,744**	**5,277**	**162**	**274**	**1,312**	**-1,322**	**-11**

During 2024, the interest rate movements significantly affected the fair value changes of both the derivatives and the hedged items designated in fair value hedges. However, no hedging relationship was discontinued as a result of the interest rate movements in 2024. Refer to note 22. Valuation results on non-trading derivatives and note 23. Net trading income.

In addition, the increase in hedged items is due to higher volumes in loans and advances and debt securities designated in hedge accounting

The main sources of ineffectiveness are:

- differences in maturities of the hedged item(s) and hedging instrument(s);
- different interest rate curves applied to discount the hedged item(s) and hedging instrument(s);
- differences in timing of cash flows of the hedged item(s) and hedging instrument(s).

Additionally, for portfolio (macro) fair value hedges of ING Belgium's fixed rate mortgage portfolio, ineffectiveness also arises from the disparity between expected and actual prepayments (prepayment risk).

There were no other sources of significant ineffectiveness in these hedging relationships.

33.4 Cashflow hedge accounting

ING Belgium no longer applies Cash flow hedge accounting. In 2019, as a result of interest rate developments, ING Belgium discontinued its existing cash flow hedge accounting portfolios with a total nominal value of approximately EUR 25 billion. The amount that was deferred to the OCI related to this de-designated macro cash flow hedge relationship continues to be amortised to the income statement as the hedged item still exists. The year-to-date impact amounted to EUR 33 million.

The following table shows the impact of the cash flow hedge on the profit or loss account and the other comprehensive income and illustrates the impact of the discontinued hedges:

			Amount reclassified from cashflow hedge reserve to statement of profit or loss			
In EUR millions	Change in value used for calculating hedge ineffectiveness for the period	Gross Carrying amount cash flow hedge reserve at the end of the reporting period	Amount reclassified from CFH reserve to profit or loss	Cash flow is no longer expected to occur	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in the statement of profit or loss
As of 31 December 2024						
Interest rate risk on:						
–Floating rate lending	0	0	0	0	0	0
–Other	0	0	0	0	0	0
–Discontinued hedges	0	143	34	0	0	0
Total cash flow hedge	**0**	**143**	**34**	**0**	**0**	**0**
As of 31 December 2023						
Interest rate risk on:						
–Floating rate lending	0	0	0	0	0	0
–Other	0	0	0	0	0	0
–Discontinued hedges	0	108	61	0	0	0
Total cash flow hedge	**0**	**108**	**61**	**0**	**0**	**0**

34. Offsetting financial assets and liabilities

The following tables include information about rights to offset and the related arrangements. The amounts included consist of all recognised financial instruments that are presented net in the statement of financial position under the IFRS netting criteria (legal right to offset and intention to net settle or to realise the asset and settle the liability simultaneously) and amounts presented gross in the statement of financial position but subject to enforceable master netting arrangements or similar arrangements.

At ING Belgium, amounts that are offset mainly relate to derivatives transactions, sale and repurchase agreements, securities lending agreements and cash pooling arrangements.

Related amounts not offset in the statement of financial position include transactions where:

- The counterparty has an offsetting exposure and a master netting or similar arrangement is in place with a right to offset only in the event of default, insolvency or bankruptcy, or the offsetting criteria are otherwise not satisfied; and
- In the case of derivatives and securities lending or sale and repurchase agreements, cash and non-cash collateral has been received or pledged to cover net exposure in the event of a default or other predetermined events. The effect of over-collateralisation is excluded.

The net amounts resulting after offsetting are not intended to represent ING's actual exposure to counterparty risk, as risk management employs a number of credit risk mitigation strategies in addition to netting and collateral arrangements. Reference is made to the Risk Management section on Credit risk.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements (2024)

In EUR thousands		Gross amounts of recognised financial assets	Related amounts offset in the balance sheet: Gross amounts of recognised financial liabilities offset in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts offset in the balance sheet: Financial instruments	Related amounts offset in the balance sheet: Cash and financial instruments received as collateral	Net amount
Amounts due from banks	Reverse repurchase, securities borrowing and similar agreements	31,320	-31,320	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial assets at fair value through profit or loss [Trading assets]	Derivatives	1,512,895	0	1,512,895	1,390,639	152,101	**-29,845**
	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial assets at fair value through profit or loss [Non-trading assets]	Derivatives	7,658,897	0	7,658,897	7,658,897	0	**0**
Fair value through OCI	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Loans and advances to customers	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Other assets where netting is applied in the balance sheet	Other	0	0	0	0	0	**0**
Impact of enforceable master netting arrangements or similar agreements	Derivatives	0	0	0	-437,213	0	**437,213**
	Other	0	0	0	0	0	**0**
Total Financial assets		**9,203,112**	**-31,320**	**9,171,792**	**8,612,323**	**152,101**	**407,368**

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements (2023)

In EUR thousands		Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities offset in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts offset in the balance sheet: Financial instruments	Related amounts offset in the balance sheet: Cash and financial instruments received as collateral	Net amount
Amounts due from banks	Reverse repurchase, securities borrowing and similar agreements	29,007	-29,007	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial assets at fair value through profit or loss [Trading assets]	Derivatives	1,632,807	0	1,632,807	1,547,615	140,229	**-55,037**
	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial assets at fair value through profit or loss [Non-trading assets]	Derivatives	10,371,348	0	10,371,348	10,371,348	0	**0**
Fair value through OCI	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Loans and advances to customers	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Other assets where netting is applied in the balance sheet	Other	23,746	-23,746	0	0	0	**0**
Impact of enforceable master netting arrangements or similar agreements	Derivatives	0	0	0	-222,961	0	**222,961**
	Other	0	0	0	0	0	**0**
Total Financial assets		**12,056,908**	**-52,753**	**12,004,155**	**11,696,002**	**140,229**	**167,924**

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements (2024)

In EUR thousands		Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts offset in the balance sheet: Financial instruments	Related amounts offset in the balance sheet: Cash and financial instruments received as collateral	Net amount
Amounts due to banks	Reverse repurchase, securities borrowing and similar agreements	31,645	-31,320	325	0	325	**0**
	Other	0	0	0	0	0	**0**
Customer deposits and other funds on deposit	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Corporate deposits	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial liabilities at fair value through profit or loss [Trading liabilities]	Derivatives	1,377,198	0	1,377,198	1,351,523	104,230	**-78,556**
	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial liabilities at fair value through profit or loss [Non-trading liabilities]	Derivatives	9,059,082	0	9,059,082	9,059,082	1,342,061	**-1,342,061**
Other liabilities where netting is applied in the balance sheet	Other	0	0	0	0	0	**0**
Impact of enforceable master netting arrangements or similar agreements	Derivatives	0	0	0	-143,807	0	**143,807**
	Other	0	0	0	0	0	**0**
Total Financial liabilities		**10,467,925**	**-31,320**	**10,436,605**	**10,266,798**	**1,446,616**	**-1,276,809**

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements (2023)

In EUR thousands		Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets offset in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts offset in the balance sheet: Financial instruments	Related amounts offset in the balance sheet: Cash and financial instruments received as collateral	Net amount
Amounts due to banks	Reverse repurchase, securities borrowing and similar agreements	29,259	-29,007	253	0	253	**0**
	Other	0	0	0	0	0	**0**
Customer deposits and other funds on deposit	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Corporate deposits	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial liabilities at fair value through profit or loss [Trading liabilities]	Derivatives	1,247,247	0	1,247,247	1,138,997	104,395	**3,854**
	Reverse repurchase, securities borrowing and similar agreements	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Financial liabilities at fair value through profit or loss [Non-trading liabilities]	Derivatives	11,121,563	0	11,121,563	11,121,563	325,659	**-325,659**
Other liabilities where netting is applied in the balance sheet	Other	23,746	-23,746	0	0	0	**0**
Impact of enforceable master netting arrangements or similar agreements	Derivatives	0	0	0	0	0	**0**
	Other	0	0	0	0	0	**0**
Total Financial liabilities		**12,421,815**	**-52,753**	**12,369,062**	**12,129,139**	**430,306**	**-190,383**

35. Assets pledged and received as collateral

35.1 Financial assets pledged as collateral

The financial assets pledged as collateral consist primarily of Loans and advances to customers pledged to secure Debt securities in issue, deposits from the Belgian National Bank, as well as debt securities used in securities lending or sale and repurchase transactions. They serve to secure margin accounts and are used for other purposes required by law. Pledges are generally conducted under terms that are usual and customary for collateralised transactions including standard sale and repurchase agreements, securities lending and borrowing and derivatives margining. The financial assets pledged are as follows:

Assets not freely disposable

In EUR thousands	2024	2023
Banks	1,481,651	447,935
- Cash and balances with central banks	0	718
- Amounts due from banks	1,481,651	447,216
Investments	1,911,956	966,914
Loans and advances to customers	12,413,824	11,128,807
Total	**15,807,432**	**12,543,656**

The EUR 3.3 billion increase in encumbered assets is explained by an increase in cash pledged under CSA for derivatives, an increase in loans and advances to customers pledged as collateral for debt securities issued and for liquidity purposes, and an increase in investments linked to collateral swaps for liquidity purposes.

35.2 Financial assets received as collateral

The financial assets received as collateral that can be sold or repledged in absence of default by the owner of the collateral consists of securities obtained through reverse repurchase transactions and securities borrowing transactions.

These transactions are generally conducted under standard market terms for most repurchase transactions and the recipient of the collateral has an unrestricted right to sell or repledge it, provided that the collateral (or equivalent collateral) is returned to the counterparty at term.

Financial assets received as collateral

In EUR thousands	2024	2023
Total received collateral available for sale or repledged at fair value		
-Debt securities	2,062,968	736,650

36. Contingent liabilities and commitments

In the normal course of business, ING Belgium is party to activities where risks are not reflected in whole or in part in the consolidated financial statements. In response to the needs of its customers, the Group offers financial products related to loans. These products include traditional off-balance sheet credit-related financial instruments.

Contingent liabilities and commitments

In EUR thousands	2024	2023
Contingent liabilities in respect of:		
- Guarantees	4,512,425	4,718,010
- Irrevocable letters of credit	651,263	613,981
Subtotal	**5,163,688**	**5,331,991**
- Irrevocable facilities	21,908,236	22,717,265
Total	**27,071,925**	**28,049,256**

Guarantees relate both to credit and non-credit substitute guarantees. Credit substitute guarantees are guarantees given by ING Belgium in respect of credit granted to customers by a third party. Non-credit substitute guarantees are all other guarantees (not linked to credits), typical examples are: rental guarantees and performance related guarantees (e.g. guarantees given on behalf of a contractor towards its customers to ensure a proper delivery of a real estate project). Many of them are expected to expire without being drawn on and therefore do not necessarily represent future cash outflows.

Irrevocable letters of credit mainly secure payments to third parties for a customer's foreign and domestic trade transactions in order to finance a shipment of goods. ING Belgium's credit risk in these transactions is limited since these transactions are collateralised by the commodity shipped and are of a short duration.

Irrevocable facilities mainly constitute unused portions of irrevocable credit facilities granted to corporate clients. Many of these facilities are for a fixed duration and bear interest at a floating rate. ING Belgium's credit risk and interest rate risk in these transactions is limited. The unused portion of irrevocable credit facilities is partly secured by customers' assets or counter-guarantees by the central governments and other public sector entities under the regulatory requirements. Irrevocable facilities also include commitments made to purchase securities to be issued by governments and private issuers.

ING Belgium has EUR 62 million of Irrevocable Payment Commitments (IPCs) outstanding to the Single Resolution Fund (SRF) as at 31 December 2024 (31 December 2023: EUR 62 million).

Besides, please refer to note 2. Cash and balances with central banks, in which EUR 62 million of collateral is included.

37. Consolidation scope

This note highlights the principal subsidiaries, investments in associates and joint ventures.

Recognition and measurement of consolidation are in line with the accounting policies as described in note 1. Basis of preparation and material accounting policy information.

For the majority of ING's principal subsidiaries, ING Belgium 'Group' has control because it either directly or indirectly owns more than half of the voting power. For subsidiaries in which the interest held is below 50%, control exists based on the combination of ING's financial interest and its rights from other contractual arrangements which result in control over the operating and financial policies of the entity.

For each of the subsidiaries listed, the voting rights held equal the proportion of ownership interest and consolidation by ING Belgium is based on the majority of ownership.

For the principal investments in associates and joint ventures ING Belgium has significant influence but not control. Significant influence generally results from a shareholding of between 20% and 50% of the voting rights, but also the ability to participate in the financial and operating policies through situations including, but not limited to, one or more of the following:

- Representation on the board of directors;
- Participation in the policymaking process; and
- Interchange of managerial personnel.

The principal subsidiaries, investments in associates and joint ventures of ING Belgium and their statutory place of incorporation or primary place of business are as follows:

37.1 Consolidated subsidiaries

In 2024, no major changes.

Consolidated subsidiaries (as per 31 December 2024)

In EUR thousands/in%

				Entity's financial information as included in the ING Belgium's consolidated financial statements				
Entity name	Registered office	Activity	Company code	Accumulated Equity interest (%)	Assets	Liabilities	Net result	Equity (excluding net result)
ING Luxemburg	Luxembourg	Finance	LU	100	15,682,199	14,417,150	137,927	1,127,123
- ING Lease Luxemburg	Luxembourg	Leasing	LU	100	291,573	266,718	1,959	22,896
- ING Solutions Investment Management (ISIM)	Luxembourg	Asset management	LU	100	131,601	75,196	21,477	34,928
ING Lease Belgium	Brussels	Leasing	BE 0402 918 402	100	5,701,218	5,362,589	43,541	295,087
- ING Equipment Lease Belgium	Brussels	Leasing	BE 0427 980 034	100	3,335,124	3,239,788	19,566	75,770
- ING Asset Finance Belgium	Brussels	Leasing	BE 0429 070 986	100	742,733	695,812	7,562	39,360
- ING Commercial Finance	Brussels	Factoring	BE 0470 131 086	100	1,832,270	1,768,542	14,196	49,532
New Immo Schuman	Brussels	Real estate	BE 0428 361 797	100	11,603	1,205	-252	10,650
Record Credits	Brussels	Banking	BE 0403 263 642	100	115,215	105,693	1,789	7,733
Fiducré	Brussels	Finance	BE 0403 173 372	100	145,764	108,448	28,040	9,276

Consolidated subsidiaries (as per 31 December 2023)

In EUR thousands / In %

Entity name	Registered office	Activity	Company code	Accumulated Equity interest (%)	Entity's financial information as included in the ING Belgium's consolidated financial statements: Assets	Liabilities	Net result	Equity (excluding net result)
ING Luxemburg	Luxembourg	Finance	LU	100	16,569,519	15,224,703	257,352	1,087,465
- ING Lease Luxemburg	Luxembourg	Leasing	LU	100	310,079	280,483	1,871	27,725
- ING Solutions Investment Management (ISIM)	Luxembourg	Asset management	LU	100	101,608	65,082	16,687	19,839
ING Lease Belgium	Brussels	Leasing	BE 0402 918 402	100	5,530,246	5,226,229	28,671	275,346
- ING Equipment Lease Belgium	Brussels	Leasing	BE 0427 980 034	100	2,959,063	2,865,841	19,927	73,295
- ING Asset Finance Belgium	Brussels	Leasing	BE 0429 070 986	100	714,993	673,732	13,165	28,096
- ING Commercial Finance	Brussels	Factoring	BE 0470 131 086	100	1,860,625	1,797,102	15,094	48,429
New Immo Schuman	Brussels	Real estate	BE 0428 361 797	100	11,859	1,209	79	10,571
Record Credits	Brussels	Banking	BE 0403 263 642	100	92,017	83,261	1,134	7,623
Fiducré	Brussels	Finance	BE 0403 173 372	100	131,385	92,360	27,387	11,638

37.2 Investments in associates and joint ventures

In 2024, there was no new investments in associates and joint ventures.

Associates and joint ventures (as per 31 December 2024)

In EUR thousands / In %

				Entity's financial information as included in the ING Belgium's consolidated financial statements					
Entity name	Registered office	Activity	Company code	Accumulated Equity interest (%)	Assets	Liabilities	Net result	Equity (excluding net result)	Carrying value
AED RENT NV	Belgium	Administrative and support service activities	BE 0451.899.343	29.7	82,680	59,538	2,400	20,741	20,200
ARK ANGELS ACTIVATOR FUND BEHEER NV	Belgium	Financial and insurance activities	BE 0843.353.929	32.2	218	9	41	168	67
ARK ANGELS ACTIVATOR FUND NV	Belgium	Financial and insurance activities	BE 0843.728.962	33.1	5,666	45	-106	5,727	2,713
BATOPIN NV	Belgium	Financial and insurance activities	BE 0744.908.035	25.0	180,472	169,022	-12,123	23,573	8,271
EUROPAY BELGIUM SCRL	Belgium	Financial and insurance activities	BE 0434.197.536	20,6	43,201	41,388	36	1,777	373
EYESEE NV	Belgium	Professional, scientific and technical activities	BE 0501.712.704	20.5	7,837	3,174	334	4,329	1,021
VAREL SECURITY GROUP BV	Belgium	Financial and insurance activities	BE 0644.642.697	24.5	17,590	6,303	1,632	9,656	2,761
GDW GROUP NV	Belgium	Financial and insurance activities	BE 0801.770.326	34.0	38,819	15,802	-483	23,500	7,836
IMEC.ISTART FUND NV	Belgium	Financial and insurance activities	BE 0672.768.937	8.6	2,994	4	-1,830	4,820	716
IMMOMANDA NV	Belgium	Financial and insurance activities	BE 0417.331.315	100.0	854	715	355	-216	139
ISABEL NV	Belgium	Financial and insurance activities	BE 0455.530.509	25.3	93,151	12,890	13,893	66,367	90,470
M-BRUSSELS VILLAGE SA	Belgium	Administrative and support service activities	BE 0473.370.886	24,6	196	308	-183	70	0
SHERPA INVEST 2 SA	Belgium	Financial and insurance activities	BE 0835.148.719	25.0	778	633	5,506	-5,361	36
TASCO NV	Belgium	Professional, scientific and technical activities	BE 0656.874.397	27.2	67,736	8,094	11,967	47,675	13,151
TCOG HOLDING BV	Belgium	Professional, scientific and technical activities	BE 0803.030.732	30.0	0	0	0	0	3,075
VESALIUS BIOCAPITAL I. S.A. SICAR	Luxembourg	Financial and insurance activities	Luxembourg	21.5	9,120	29	-21,950	31,041	1,846
VESALIUS BIOCAPITAL II PARTNERS SARL	Luxembourg	Financial and insurance activities	Luxembourg	20.0	5,474	3,793	5,194	-3,513	379
VESALIUS BIOCAPITAL PARTNERS SARL	Luxembourg	Financial and insurance activities	Luxembourg	20.0	1,793	1,199	519	74	81
VISA BELGIUM SCRL	Belgium	Financial and insurance activities	BE 0435.551.972	18.2	32,683	30,092	326	2,265	471

Associates and joint ventures (as per 31 December 2023)

In EUR thousands / In %

				Entity's financial information as reported in the reporting package of ING					
Entity name	Registered office	Activity	Company code	Accumulated Equity interest (%)	Assets	Liabilities	Net result	Equity (excluding net result)	Carrying value
A.E.D. RENT	Belgium	Administrative and Support Service Activities	BE0451899343	29.7	72,591	51,727	4,152	16,712	12,613
Ark Angels Activator Fund	Belgium	Financial and Insurance Activities	BE0893659515	33.1	5,735	8	-634	6,361	2,568
Ark Angels Activator Fund Beheer	Belgium	Financial and Insurance Activities	BE0843353929	32.2	177	8	19	149	54
BATOPIN	Belgium	Financial and Insurance Activities	BE0744908035	25.0	70,626	67,053	-10,646	14,219	2,928
Europay Belgium S.C.R.L	Belgium	Financial and Insurance Activities	BE0434197536	20.6	46,337	44,560	31	1,747	366
Eyesee	Belgium	Professional, Scientific and Technical Activities	BE0501712704	21.9	6,524	2,195	-23	4,352	947
Fortinvest BV	Belgium	Financial and Insurance Activities	BE0644642697	24.5	17,416	7,761	1,043	8,613	4,868
GDW Group NV	Belgium	Professional, Scientific and Technical Activities	BE6344100092	34.0	0	0	0	0	8,000
IMEC.IStart Fund NV	Belgium	Financial and Insurance Activities	BE0672768937	8.6	2,691	48	-2,820	5,463	686
Immomanda s.a.	Belgium	Financial and Insurance Activities	BE0417331315	100.0	1,272	1,135	505	-368	137
ISABEL S.A.	Belgium	Financial and Insurance Activities	BE0455530509	25.3	79,230	12,862	8,747	57,620	12,687
Joyn International NV	Belgium	Professional, Scientific and Technical Activities	BE0578946577	26.0	6,076	1,277	-5,887	10,687	1,249
M Brussels Village	Belgium	Professional, Scientific and Technical Activities	BE0473370886	24.6	196	308	-183	70	0
Sherpa Invest II	Belgium	Financial and Insurance Activities	BE0835148719	25.0	820	44	-287	1,063	88
Tasco	Belgium	Professional, Scientific and Technical Activities	BE0656874397	27.7	61,949	6,390	3,764	51,795	15,152
TCOG Holding BV	Belgium	Professional, Scientific and Technical Activities	BE6345465163	30.0	0	0	0	0	3,075
Vesalius Biocapital I SA SICAR (in liquidation)	Luxembourg	Financial and Insurance Activities	Luxembourg	21.5	9,120	29	-21,950	31,041	2,443
Vesalius Biocapital II Partners SARL	Luxembourg	Financial and Insurance Activities	Luxembourg	20.0	5,474	3,793	5,194	-3,513	379
Vesalius Biocapital Partners Sarl	Luxembourg	Financial and Insurance Activities	Luxembourg	20.0	1,793	1,199	519	74	81
VISA Belgium	Belgium	Financial and Insurance Activities	BE0435551972	18.2	32,683	30,092	326	2,265	412

Changes in investments in associates

In EUR thousands	2024	2023
Opening balance	**68,734**	**58,975**
Additions	5,275	16,533
Transfers to and from Investments	0	-65
Revaluations	0	-2,391
Share of results	88,392	-13
Dividends received	-7,231	0
Disposals	-41	-4,306
Impairments	-1,524	0
Exchange rate differences	0	0
Changes in the composition of the group and other changes	0	0
Closing balance	**153,605**	**68,734**

The EUR 88.4 million share of result is largely related to the sale of activities of Isabel to Wolters Kluwer.

38. Structured entities

ING Belgium's activities involve transactions with various structured entities (SE) in the normal course of its business. A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. ING Belgium's involvement in these entities varies and includes both debt financing and equity financing of these entities as well as other relationships. Based on its accounting policies. ING establishes whether these involvements result in no significant influence, significant influence, joint control or control over the structured entity.

The structured entities over which ING can exercise control are consolidated. ING may provide support to these consolidated structured entities as and when appropriate. However, this is fully reflected in the consolidated financial statements of ING Belgium as all assets and liabilities of these entities are included and off-balance sheet commitments are disclosed.

ING's activities involving structured entities are explained below in the following categories:

- Consolidated ING originated securitisation programme
- Other unconsolidated structured entities

Consolidated ING originated securitisation programmes.

ING Belgium enters into liquidity management securitisation programmes in order to obtain funding and improve liquidity. Within the programme ING Belgium sells ING originated assets to a structured entity. The underlying exposures include SME loans.

The structured entity issues securitised notes (traditional securitisations) which are eligible collateral for central bank liquidity purposes. In most programmes ING Belgium acts as investor of the securitised notes. ING Belgium continues to consolidate these structured entities if it is deemed to control the entities.

The structured entity issues securitisation notes in two or more tranches, of which the senior tranche obtains a high rating (AAA or AA) by a rating agency. The tranche can subsequently be used by ING Belgium as collateral in the money market for secured borrowings.

Other structured entities

In the normal course of business, ING Belgium enters into transactions with structured entities as counterparty. Predominantly in its structured finance operations, ING can be instrumental in facilitating the creation of these structured entity counterparties. These entities are generally not included in the consolidated financial statements of ING Belgium, as ING facilitates these transactions as administrative agent by providing structuring, accounting, funding, lending and operation services.

ING Belgium offers various investment fund products to its clients. ING Belgium does not invest in these investment funds for its own account nor acts as the fund manager.

39. Related party disclosures

In the normal course of business, ING Belgium enters into various transactions with related parties. Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operating decisions. Related parties of ING Belgium include, among others, its subsidiaries, associates, joint ventures, key management personnel, and various defined benefit and contribution plans. For remuneration of executive and non-executive directors reference is made to the Corporate Governance section, which is also part of in ING consolidated financial statement. Transactions between related parties include rendering or receiving of services, leases, transfers under finance arrangements and provisions of guarantees or collateral. All transactions with related parties took place at conditions customary in the market. There are no significant provisions for doubtful debts or individually significant bad debt expenses recognised on outstanding balances with related parties.

Transactions between ING Belgium and its subsidiaries are eliminated on consolidation. Reference is made to Note 37.2 Investments in associates and joint ventures for a list of principal subsidiaries and their statutory place of incorporation.

Assets from ING's subsidiaries mainly comprise long-term funding. Liabilities to ING's subsidiaries mainly comprise short-term deposits.

Assets, liabilities, commitments, and income related to Associates and joint ventures result from transactions which are executed as part of the normal Banking business.

The increase of EUR +0.7 billion on liabilities is related to Covered Bonds issued sold to ING DiBa.

Related parties

Related parties

	Parent & its subsidiaries		Associates	
In EUR thousands	2024	2023	2024	2023
Balance Sheet				
Assets	3,397,516	3,375,287	37,942	36,215
Liabilities	20,875,530	20,175,055	207,571	218,908
Off-balance sheet commitments given	603,291	358,200	8,036	2,536
Notional amount of derivatives	336,232,822	275,853,208	0	0
Profit & Loss statement				
Income received	3,148,723	2,963,261	823	805
Fees and commissions received	1,025	1,990	362	695
Expenses paid	3,916,700	3,422,358	0	38
Fees and commissions paid	72,306	63,544	0	0

40. Segment reporting

ING Belgium's segments are based on the internal reporting structures by lines of business.

Recognition and measurement of segment results are in line with the accounting policies as described in the section 1. Basis of preparation and material accounting policy information.

The segment 'Retail' stands for income from retail and private banking activities, including the SME and mid-corporate segments. The main products offered are current and savings accounts, business lending, mortgages, and other consumer lending. Next to that, 'Wholesale' represents income from wholesale banking activities (a full range of products is offered from cash management to corporate finance), real estate and lease.

The following tables specify the segments by line of business and the main sources of income of each of these segments:

Segment information

	2024				2023			
	Statement of Profit and Loss, per segment							
In EUR thousands	Retail	Wholesale	Unallocated	Total	Retail	Wholesale	Unallocated	Total
Total Net Interest Income	2,156,141	569,939	4,696	2,730,776	2,298,791	706,325	-4,512	**3,000,604**
Total Net Commission Income	601,294	146,516	325	748,135	505,859	144,483	-46	**650,297**
Total Other Income	187,260	62,205	-4,879	244,587	100,135	63,258	3,625	**167,018**
Total income	**2,944,695**	**778,660**	**143**	**3,723,498**	**2,904,785**	**914,067**	**-932**	**3,817,919**
Total expenses (-)	1,782,361	334,152	-241	2,116,272	1,823,782	318,174	-1,295	**2,140,661**
Additional to Loan Loss Provisions (-)	133,597	14,886	-7	148,476	167,399	-28,156	1	**139,243**
Result before tax	**1,028,737**	**429,623**	**390**	**1,458,750**	**913,604**	**624,048**	**362**	**1,538,015**
Taxation (-)	262,890	109,788	100	372,778	251,321	171,668	100	**423,089**
Net result (before non-controlling interests)	**765,848**	**319,834**	**290**	**1,085,972**	**662,283**	**452,380**	**263**	**1,114,926**

41. Country by country

Based on article 420 of the Bank Law, ING Belgium is required to disclose the following information as presented below on a consolidated basis. The country-by-country reporting includes all entities in the scope of consolidation of ING Belgium.

ING Belgium consolidated, country by country (2024)

In EUR thousands/in FTE	Activities	Turnover[1]	Number of employees (in FTE)	Profit/loss before tax	Taxes on result	Government grants received
BELUX		3,723,498	7,202	1,458,750	372,778	0
Belgium[2]	Banking, other financial services and real estate	3,231,284	6,329	1,243,310	318,719	0
Luxembourg[3]	Banking, other financial services and insurance	492,215	873	215,440	54,059	0

[1] Turnover includes: fee and commission income/expenses, net exchange differences (gains or loss), other operating income/expenses, as well as the profit or (-) loss of investments in subsidiaries, joint ventures and associates accounted for using the equity method.

[2] Belgium : ING Belgium NV/SA, ING Lease Belgium NV/SA, ING Solutions IM SA, New Immo-Schuman NV/SA, RECORD CREDITS, ING Commercial Finance BeLux N.V., Fiducré SA

[3] Luxembourg : ING Luxembourg SA, ING Lease Luxembourg SA, ING Solutions Investment Management SA.

42. Legal proceedings

ING Belgium and its subsidiaries are involved in governmental, regulatory, and legal proceedings and investigations in Belgium and abroad involving claims by and against them, which arise in the ordinary course of their business, including in connection with their activities as lenders, investors, and taxpayers. In certain of such proceedings, large or undetermined amounts are claimed, including damages and interest. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened proceedings, management does not believe that their outcome will have a material adverse effect on ING Belgium's financial position, profitability, or reputation, taking into account provisions made for some of these cases.

Mentioned hereafter are legal proceedings or type of legal proceedings potentially having a significant impact for ING Belgium, considering the risk of financial outflow of economic benefits.

Record Bank NV/SA, a former subsidiary of ING Belgium, has received multiple summons from clients of some of its independent agents. These agents also had a status of insurance broker, and in such quality had sold insurance products from a third party who has gone bankrupt. Record's liability is challenged by investors, stating such products could be requalified as bank products sold by Record. Following the integration of Record Bank's activities in ING Belgium, the disputes were taken over by ING Belgium. Cases are progressively being brought before court.

ING Belgium is involved as defendant in several lawsuits with diverging claimed amounts, resulting from fraud committed by third parties, such as e-mail, investment or invoice fraud, phishing, or other types of fraud. ING is involved mainly because the victims are either ING clients or because ING accounts have been used to perform the fraud.

ING Belgium has been summoned in a limited number of cases where clients or third parties are challenging the enhanced AML or sanction related policies and procedures, as applied by ING Belgium. None of these cases are currently expected to result in material financial outflow.

Criminal complaints have been filed against ING Belgium, its CEO and HR director, about alleged email screening of employees, alleged breaches of legislation with respect to welfare at work, and with respect to the restructuring of its independent agent network. As far as ING Belgium is aware, this matter remains at a very early procedural stage. ING does not expect the financial outcome of this matter to have a material effect.

In January 2022, a Luxembourg investigating judge informed ING Luxembourg that he intends to instruct the relevant prosecutor to prepare a criminal indictment regarding alleged shortcomings in AML process at ING Luxembourg. Although this matter remains at an early procedural stage and it is currently not possible to determine how this matter will be resolved or the timing of any such resolution, ING does not expect a financial outcome of this matter to have a material effect.

Generally, after the September 2018 settlement of ING Bank NV with Dutch authorities concerning anti-money laundering matters, and in the context of significantly increased attention on the prevention of financial economic crime, ING has experienced heightened scrutiny by authorities in various countries. The interactions with such regulatory and judicial authorities have included, and can be expected to continue to include, onsite visits, information requests, investigations, and other enquiries. Such interactions, as well as ING's internal assessments in connection with its global enhancement programme, have in some cases resulted in satisfactory outcomes, and also have resulted in, and may continue to result in findings or other conclusions which may require appropriate remedial actions by ING, or may have other consequences. ING intends to continue to work in close cooperation with authorities as it seeks to improve its management of non-financial risks in terms of policies, tooling, monitoring, governance, knowledge and behaviour.

43. Subsequent events

There are no significant events to report since the close of the financial year.

Parent company financial statements



ING Group at a glance

Financials

Total income
€22.6 bln
2023: €22.6 bln

Fee income
€4.0 bln
2023: €3.6 bln

Return on equity
13.0%
2023: 14.8%

Net result[2]
€6.4 bln
2023: €7.3 bln

CET1 ratio
13.6%
2023: 14.7%

Shareholder return[1]
€7.4 bln
2023: €6.4 bln

Cost/income ratio
53.6%
2023: 51.2%

[1] Based on payment date. Including €756 mln of the share buyback announced in October 2024.
[2] Net result reflects the net result attributable to the shareholders of the parent.



Customers

Mobile primary customers
+1.1 mln
Compared to 2023

Customer volume growth[3]

Net core lending
€27.7 bln
2023: €8.6 bln

Net core deposits
€47.4 bln
2023: €10.6 bln

NPS

Retail Banking
#1 in 5 out of 10 retail markets

Wholesale Banking
74
2023: 72

[3] Growth in customer lending and deposits, excluding FX impacts, Treasury and run-off portfolios, for further details see the appendix 'Alternative performance measures'.





Sustainability

Sustainable volume mobilised[4]
€130 bln
2023: €115 bln

Renewable power generation financing[4]
€7.0 bln
2023: €4.2 bln

For more detail, please refer ING group annual report : https://www.ing.com/Investors/Financial-performance/Annual-reports.htm



Other information and appendices

Statutory Auditor's report to the general meeting of shareholders of ING Belgium nv/sa on the Consolidated Financial Statements as of the year ended 31 December 2024

Statutory auditor's report to the general meeting of ING Belgium SA/NV on the consolidated financial statements as of and for the year ended 31 December 2024

In the context of the statutory audit of the consolidated financial statements of ING Belgium SA/NV ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements and the other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of 20 April 2022, in accordance with the proposal of the board of directors issued on the recommendation of the audit committee and as presented by the workers' council. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended 31 December 2024. We have performed the statutory audit of the consolidated financial statements of the Group for nine consecutive financial years.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the Group as of and for the year ended 31 December 2024, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 163,149 million and the consolidated statement of profit or loss and other comprehensive income shows a profit for the year of EUR 1,028 million.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

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RPR Brussel - RPM Bruxelles
IBAN : BE 95 0018 4771 0358
BIC : GEBABEBB

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected credit losses on loans and advances to customers

We refer to "Basis of preparation and accounting policies", section "Impairment of financial assets", to Note 7 "Loan and advances to customers" and to the related credit risk disclosures in the "Risk management" section of the consolidated financial statements.

Description

The Group's net portfolio of loans and advances to customers amounts to EUR 115,046 million and represents 71% of total assets as at 31 December 2024. These loans and advances to customers are measured at amortized cost, less a provision for expected credit losses ("ECL") of EUR 1,284 million.

The collective ECL is estimated by Management using three main components: probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Determination of these components requires the development and use of complex models, as well as significant judgement of Management, such as applying forward looking macroeconomic scenarios, assessing significant increase in credit risk ("SICR"), selecting appropriate and relevant data in the development of the ECL models, and other qualitative factors with respect to manual adjustments to model outputs. Furthermore, significant judgement is applied when assessing the expected future recovery cash flows and selecting the scenarios in the management's calculation of the individual ECL. Certain recent economic conditions are outside the bounds of historical experience used to develop ECL models and result in greater uncertainties to estimate the ECL. Such uncertainties are addressed by management's overlays to the modelled ECL.

Due to the significance of the amount of loans and advances to customers and the estimation uncertainty in accounting for ECL (individual and collective), as well as the significant and complex auditor judgement and special skills and knowledge required to evaluate certain elements of an ECL estimate, we have identified the calculation of the ECL on loans and advances to customers as a key audit matter.

Our audit procedures

With the assistance of our IT, Financial Risk Management and Economic specialists, we performed the following audit procedures to address this key audit matter:

- We evaluated the design, implementation and operating effectiveness of key controls related to the calculation and recording of the ECL. This includes controls related to the accuracy of assumptions (modelled parameters such as PD, LGD and EAD, as well as macroeconomic forecast), the review of model outputs, the application of the definition of default, the update of data history, the governance and monitoring of the models used to determine the ECL, reconciliations of the data used in the calculation of the ECL, the determination of credit risk ratings, of the estimated future recovery cash flows for individual loan provisions, and of the management overlays to the modelled ECL;
- We involved credit risk professionals with specialized skills and knowledge when evaluating the assumptions used to determine the PD, LGD, and EAD in the models used by the Group to determine the collective provisions including the evaluation of the recalibrated and redeveloped ECL models. This included reperforming back testing of certain models to evaluate current model performance. In addition, we assessed the relevance and accuracy of management overlays recorded to the ECL. We considered the impact these overlays have on model calculations and results when reaching our conclusions;
- We involved economic professionals with specialized skills and knowledge in macro-economic forecasting, when assessing the Group's methodology to determine the macroeconomic forecasts used in the ECL. We tested the reasonableness of management's forecasts against external benchmarks and our own internal forecasts;
- We tested the accuracy of significant inputs to the models to determine the collective provisions such as loans and advances to customers data and collateral data, including comparison of data used in the models with underlying documentation such as contracts and other relevant documents;
- We evaluated the identification of significant increase in credit risk (SICR) in loans by challenging the scope of management's criteria used in staging assessments, consistent application of the thresholds applied within each criterion, and the ability of staging criteria to identify SICR prior to loans being credit impaired;

- We tested the stage classification including an assessment of whether any events of default have occurred for a sample of loans and advances to customers;
- We assessed the reasonableness of inputs and assumptions used, such as reasonableness of scenarios, scenario weighting, expected cash flows, including cash flows from collateral, etc., in the assessment of individual provisions. We challenged management's use of recovery scenarios and expected cash flows, we recalculated the recovery amounts and performed reconciliations of data used in the calculations with relevant sources; and
- We assessed whether the credit risk management disclosures appropriately reflect the uncertainties which exist in determining the ECL and how these are addressed.

IT systems and controls over financial reporting

Description

We identified general IT controls over IT systems relevant to financial reporting as a key audit matter for the Group because its financial accounting and reporting systems are fundamentally reliant on its IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and general control activities over technology, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting. Furthermore, system calculations, other IT application controls (including logical access) and interfaces between IT systems are of particular importance for the continuity of the Group's operations and the reliability of its financial reporting.

Our audit procedures

Our audit approach is highly dependent on the effectiveness of automated controls designed by management and therefore, audit procedures are designed to test, among others, access and change management controls over relevant IT systems. Given the technical characteristics of this part of the audit, IT audit specialists are an integral part of our engagement team. The following are the audit procedures we performed to address this key audit matter:

- We inspected the Group's framework of governance over its IT organization, including the Group's assessment of cybersecurity risks;
- We assessed the reliability and continuity of the IT environment when relevant for the scope of our audit of the consolidated financial statements;
- We assessed the design, implementation and evaluation of the operating effectiveness of general IT controls over program development and changes, access to programs and data and computer operations on relevant IT systems that support financial reporting also taking into consideration compensating controls and assessment of the impact on the extent and nature of other audit procedures whenever controls are not operating effectively;

- We assessed the design, implementation and evaluation of the operating effectiveness of IT application controls in the relevant processes impacting the Group's financial reporting, including compensating controls and substantive procedures whenever supporting general IT controls are not operating effectively (e.g. access to programs and data);
- We assessed the integrity of data transmission from relevant IT systems to the financial reporting systems; and
- We performed procedures to respond to the risk of unauthorized and/or unintentional access or changes to automated controls.

Board of directors' responsibilities for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

When performing our audit, we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;
- Conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the Board of directors

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements including the sustainability information and for the preparation.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements, and to report on this matter.

Aspects concerning the board of directors' annual report on the consolidated financial statements

The annual report on the consolidated financial statements contains the consolidated sustainability information that is the subject of our separate report on the limited assurance with respect to this sustainability information. This section does not cover the assurance on the consolidated sustainability information included in the annual report on the consolidated financial statements. For this part of the annual report on the consolidated financial statements, we refer to our separate report on this matter.

Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this annual report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements contains material misstatements, that is information incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

Information about the independence

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our audit firm remained independent of the Group during the term of our mandate.

- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

Other aspects

- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Zaventem, 7 April 2025

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by



Stéphane Nolf
Bedrijfsrevisor / Réviseur d'Entreprises

Statutory auditor's limited assurance report on the sustainability information of ING Belgium SA/NV

To the general meeting

In the context of the legal limited assurance engagement on the consolidated sustainability information of ING Belgium SA/NV (see articles of association)] ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our report on this engagement.

We were appointed by the general meeting of 17 April 2025, in accordance with the proposal of the board of directors as presented by the workers' council of the Company to perform a limited assurance engagement on the consolidated sustainability information of the Group included in the Sustainability Statement of the Annual Report 2024 as of 31 December 2024 and for the year ended on this date (the "sustainability information").

Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended 31 December 2024. This the first financial year of the legal limited assurance engagement on the sustainability information of the Group.

Limited assurance conclusion

We have performed a limited assurance engagement on the sustainability information of the Group.

Based on the procedures performed and assurance evidence obtained, nothing has come to our attention to cause us to believe that the sustainability information of the Group is, in all material respects:

- not prepared in accordance with the requirements of articles 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable European standards for sustainability information (European Sustainability Reporting Standards (ESRS));
- not in compliance with the process carried out by the Group to identify the sustainability information ("the Process") in accordance with the European Standards as disclosed in section 'Process to identify impacts, risks and opportunities' of the sustainability information; and
- not in compliance with article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") regarding the publication of the disclosure included in section 'EU Taxonomy regulations' of the sustainability information.

Our conclusion on the sustainability information does not extend to any other information that accompanies or contains the sustainability information and our report.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or*

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Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB), as adopted in Belgium.

Our responsibilities under this standard are further described in the "Responsibilities of the statutory auditor for the limited assurance engagement on the sustainability information" section of our report.

We have complied with the ethical requirements that are relevant to our assurance engagement on the sustainability information in Belgium, including the independence requirements.

Our firm applies International Standard on Quality Management (ISQM) 1. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for our limited assurance engagement.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Interconnectivity between the sustainability information and the consolidated financial statements

The board of directors is responsible for referencing the sustainability information to the amounts reported in the consolidated financial statements to ensure the interconnectivity between the sustainability information and the consolidated financial statements. Our limited assurance conclusion does not extend to the interconnectivity between the sustainability information and the consolidated financial statements, and we do not express any assurance conclusion thereon. In the context of our limited assurance engagement, we are responsible, as contractually determined, to verify the referencing from the sustainability information to the amounts reported in the consolidated financial statements. In the context of the procedures carried out in this respect, we did not identify any material misstatements that we have to report to you.

Board of directors' responsibilities for the preparation of the sustainability information

The board of directors of the Company is responsible for designing and implementing the Process and for disclosing this Process in section 'Process to identify impacts, risks and opportunities' of the sustainability information. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- identifying the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;

- assessing the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions and estimates that are reasonable in the circumstances.

The board of directors of the Company is further responsible for the preparation of the sustainability information, which includes the information determined by the Process:

- in accordance with the requirements of articles 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable ESRS;
- in compliance with the requirements of Article 8 of the Taxonomy Regulation regarding the publication of the information included in section 'EU Taxonomy regulations' of the sustainability information.

This responsibility entails:

- designing, implementing and maintaining such internal controls that the board of directors determines are necessary to enable the preparation of the sustainability information such that it is free from material misstatement, whether due to fraud or error; and
- selecting and applying appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The audit committee is responsible for overseeing the Company's sustainability information reporting process.

Inherent limitations in preparing the sustainability information

In reporting forward-looking information in accordance with ESRS, the board of directors of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected and the deviations may be material.

Responsibilities of the statutory auditor for the limited assurance engagement on the sustainability information

It is our responsibility to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability information is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability information as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as adopted in Belgium, we exercise professional judgment and maintain professional skepticism throughout the engagement. The work carried out in an engagement with a view to obtaining a limited degree of assurance, for

which we refer to the section "Summary of the work performed", are less in extent than for a reasonable assurance engagement. We therefore do not express a reasonable assurance conclusion.

As the forward-looking information contained in the sustainability information and the assumptions on which it is based, relate to the future, it may be affected by events that may occur and/or by possible actions of the Group. The actual outcome is likely to differ from the assumptions, as the anticipated events will frequently not occur as expected and the deviations may be material. Our conclusion is therefore not a guarantee that the actual outcomes reported will be consistent with those included in the forward-looking information included in the sustainability information.

Our responsibilities in relation to the Process for reporting the sustainability information, include:

- obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process; and
- designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in section 'Process to identify impacts, risks and opportunities' of the sustainability information.

Our other responsibilities in respect of the sustainability information include:

- obtaining an understanding of the Group's control environment, relevant processes and information systems to the preparation of the sustainability information but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- identifying areas in the sustainability information where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures focused on disclosures in the sustainability information where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain assurance evidence about the sustainability information. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of our procedures depend on our professional judgment, including the identification of disclosures where material

misstatements are likely to arise, whether due to fraud or error, in the sustainability information.

In conducting our limited assurance engagement, with respect to the Process, we have:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation of its Process; and
- evaluated whether the assurance evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in section 'Process to identify impacts, risks and opportunities' of the sustainability information.

In conducting our limited assurance engagement with respect to the sustainability information, we have amongst others:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its sustainability information through the performance of inquiries, obtaining an understanding of the Group's control environment, relevant processes and information systems for the preparation of the sustainability information;
- evaluated whether material information identified by the Process is included in the sustainability information;
- evaluated whether the structure and the presentation of the sustainability information is in accordance with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected disclosures in the sustainability information;
- performed substantive assurance procedures based on a sample basis on selected disclosures in the sustainability information;
- obtained assurance evidence on the methods for developing material estimates and forward-looking information as further described in the "Responsibilities of the Statutory auditor for the limited assurance engagement on the sustainability information" section of our report;
- obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability information.

Information about the independence

Our audit firm and our network have not performed any engagement which is incompatible with the limited assurance engagement and our audit firm remained independent of the Group during the term of our mandate.

Zaventem, April 17th, 2025

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by



Stéphane Nolf Bedrijfsrevisor

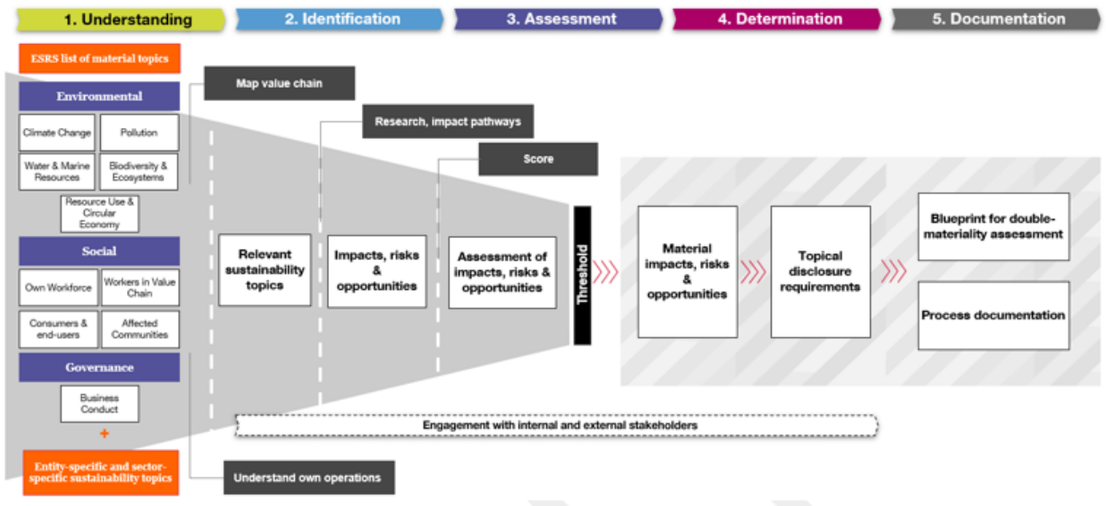
Appendix to Sustainability Statement



Double Materiality Assessment Process and methodology

Qualitative DMA process/ stakeholders engagement step

ING Belgium started by a qualitative materiality assessment process, including stakeholder engagement. The methodology included the following steps.



Step 1 - Understanding

The understanding of ING Belgium NV/SA's ("ING BE") operations was key to allow ING BE to better identify relevant sustainability topics, understand the scope of the exercise and determine the coverage of the stakeholder involved.

The scope of the assessment was the scope of ING Belgium NV/SA's consolidated financial scope composed of ING BE and its subsidiaries: ING Luxembourg, Lease NV, Record Credits, and Fiducré.

As part of the qualitative assessment, the full value chain of ING Belgium consolidated scope has been considered , from upstream to downstream activities, including own operations.

Step 2 - Identification

As part of its reporting requirement in line with ESRS, ING BE identified a list of potential material topics related to sustainability to conduct its impact, risk, and opportunity (IRO) mapping exercise. In this identification phase, as required by the ESRS 1 AR 16, ING BE considered the ESRS topics/sub-topics/sub-sub-topics listed in the ESRS 1 Appendix A: Application Requirements AR 16.

To that end, ING BE has conducted:

1. a desk research that included the identification of sector specific topics e.g. based on Sustainability Accounting Standards Board guidelines[1] ING Belgium complemented the potentially material topics for its industry from SASB, with MSCI ESG Industry Materiality Map. MSCI is a tool and service provider for the investment community, including but not limited to ESG rating and identifies investor useful material topics at sector and sub-industry-level.
2. a peer benchmark analysis including the ING Group materiality assessment published in 2023 for the reporting year 2022 as well as the review of peers' publicly available sustainability/annual/integrated reports.
3. ING Belgium also used the Portfolio Impact Assessment tool developed by the initiative Principles for Responsible Banking (an initiative of the UNEP FI[2]) to corroborate the defined list of potentially material topics with the key environmental impact areas derived from ING Belgium's portfolio analysis. The tool matches sectors and geographies (countries of location) with sustainability impact areas. Climate change, biodiversity and circular economy were associated with negative environmental impact areas considering ING Belgium's wholesale and business banking sectoral breakdown and Belgium and Luxembourg's sustainability needs.

Finally, ING Belgium mapped its existing risk drivers previously identified by ING Belgium risk function (as part of internal self assessment process), with the potentially material topics, ensuring consistency between the list of potentially material topics and potential material risk drivers. This step also helped ensuring that the relevant risks for ING Belgium were accurately considered in the materiality assessment and allowed the identification of Impacts, Risks and Opportunities (IROs). These proposed IROs have been then discussed and challenged during workshops with internal stakeholders.

1 The European Financial Reporting Advisory Group (EFRAG) initiative mandated by the European Commission to draft the European Sustainability Reporting Standards (ESRS), stated that the SASB standards are used as a baseline for preparatory work being conducted for sector-specific standards.
2 United Nations Environment Programme Finance Initiative

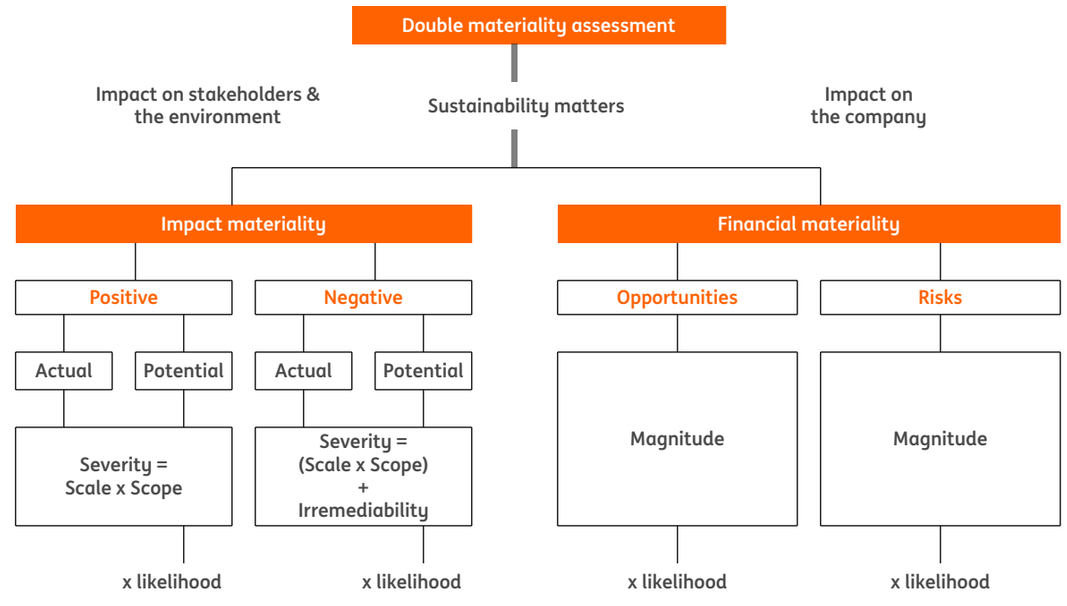
1	Sustainable Finance and ESG integration in financing system
2	Climate change
3	Pollution
4	Biodiversity and ecosystems
5	Waste/circular economy
6	Environmental impact of own operations
7	Own workforce
8	Diversity, equity and belonging
9	Workers in the value chain
10	Human rights
11	Community engagement
12	Data protection, privacy and cybersecurity
13	Fair and transparent products and services
14	Financial inclusion and capacity building
15	Innovation and adaptability
16	Corporate governance, ethics and compliance
17	Supply chain management
18	Systemic risk

Step 3 - Assessment

The qualitative assessment (i.e. stakeholders engagement step) has been performed based on:

1. Workshops conducted with internal stakeholders and / or stakeholders representatives: taking into consideration the entities in scope and the relevance of IROs, ten workshops were conducted with representatives of wholesale banking, retail banking, business banking, risk, finance, sustainability, compliance and legal, HR, cybersecurity, innovation, Corporate Real Estate and Facility Services (CREFS), procurement, ING Luxembourg, Fiducré, Lease NV, Records Credits . They were asked to assess given IROs and add/remove IROs they see as relevant. The IROs were discussed, and the assessments have been made using expert/professional judgment to determine the materiality of the sustainability topics[3]. The internal stakeholders were engaged based on their ability to assess financial and impact materiality for ING Belgium (e.g., risk function or a topical expert that has an understanding on financial materiality), their position as proxies (e.g., human resources function as a proxy for employees) of an external stakeholder or their expertise in an area, which allows them to assess impact on society and environment (sustainability team and sectoral experts who have an understanding on the environmental and societal impact of their sectors).
2. A survey which was sent to the stakeholder groups[4] comprised of sectoral associations, regulators, NGOs, , some clients, key suppliers and certain ING representatives . The survey consisted of a list of potentially material topics and respondents were asked to assess the (impact) materiality. The objective of the surveys was to gather materiality rationales/comments from (mostly external) stakeholders, ensure the topics' list was complete and assess the workshops' output consistency with the survey's output
3. Client interviews conducted with a few key clients from Business Banking and Wholesale Banking and asked them to identify the key material topics they saw with respect to ING Belgium's impacts with clients. The objective here was to assess how the workshops' output was aligned with clients' views and get insights on how relationship managers could support clients' sustainability transition.

The approach and materiality scoring and thresholds used during the stakeholders engagement step to support the identification of material topics are illustrated and summarised below.



3 Internal experts were identified as representatives for stakeholders (e.g. HR as representative for employees or business bankers as representatives for BB clients) or as internal experts (Risk as expert in financial materiality; cybersecurity function.

4 The external stakeholders engaged through the survey were identified by their relevance to ING Belgium' sector, the key relationships that it holds (key suppliers and clients), and their expertise in relation to the matter (NGOs as representatives of environment and society).

Impact materiality, for both actual and potential (positive and negative) impacts, is informed by the severity

of the impact and combined with likelihood it results in the potential impact. A scale from 1-5 was defined to assess the severity and likelihood.

Severity is determined by scale (how grave or beneficial the impact is), scope (how widespread the impact is), and irremediable character (to what extent the negative impacts could be remediated). Likelihood captures the likelihood of materialisation of the underlying impact for all time horizons.

The impact materiality scope is therefore defined as below :

Severity: Average of the below

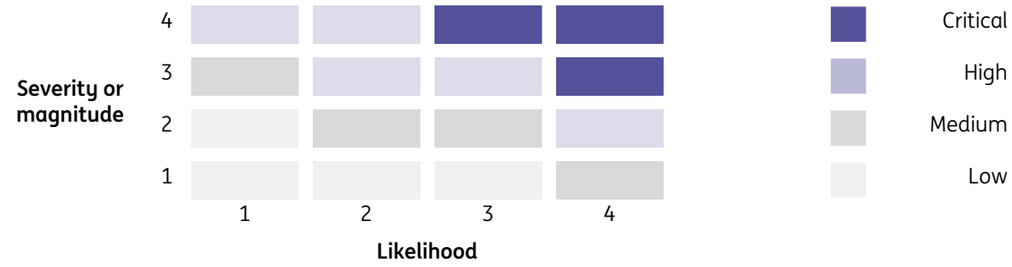
[Scale + Scope + Remediability (only if negative impacts)] **x Likelihood**

Workshop participants scored positive and negative impacts' severity and likelihood, using the tables below.

	Severity (average of sub-variables)			Likelihood
	Scale	Scope	Remediability (applicable only if negative impacts)	
Score	**Positive or Negative Impact Scale**	**Population x Area x Population density**	**Difficulty to remedy**	**Probability**
1	Minimum impact	Individual/case by effect	Not difficult to remedy - the bank is ready for any potential issue	Highly unlikely
2	Limited impact	Local effect	Possible to remedy with preparation	Unlikely
3	Medium impact	Regional/country-level effect	May be difficult to remerdy impact	Possible
4	Widespread impact	Several countries-level effect	Very difficult to remedy	Likely
5	Large scale impact with high damage/benefit	Large scale/global effect	Non-remediable	Highly likely

From a scale 1-5, severity 3 was chosen as a score above average to ensure materiality is sufficiently identified. Therefore for an actual impact where likelihood is always at 5, 15 [severity X likelihood] was identified as the materiality threshold.

Financial materiality is assessed based on a combination of magnitude and likelihood, stemming from impacts, dependencies, or context analyses. Participants scored risks and opportunities' financial magnitude and likelihood (1-4) using ING Belgium's non-financial risk scoring scale, which is based on a heatmap (low-critical) .



Step 4. Determination

In its first-year implementation of the double-materiality assessment, ING BE chose to proceed with validation (decision-making) of its materiality results by the Executive Committee as the management body. Several iterations to involve our Executive Committee in the qualitative DMA process, on the methodology, to seek their input and eventually their validation of the process output, subject to the subsequent quantitative process.

Quantitative Double materiality assessment

The qualitative / stakeholders engagement step has been completed by a quantitative DMA methodology using a tool developed at ING Group level and taking into account the applicability of the topics to the different value chain (sub) components as well as ING BE relevant figures by going through the following steps:

- Start from the balance sheet and profit and loss statements of the bank to identify activities and assets subject to impacts, risks and opportunities.
- Map the financial statement items to the core business areas and portfolios, mirroring ING's internal organisation to ensure alignment with sustainability steering.
- Scope out the portfolios where a low likelihood of relevant IROs is expected

Overview of relevant sustainability matters assessed per value chain

	ESRS Topics simplified	Value chain segment					
		Supply chain	Own operations	Wholesale banking	Business banking	Retail banking	Treasury & other investments
E	**E1** Climate change	✓	✓	✓	✓	✓	✓
	E2 Pollution	✓	✓	✓	✓	✓	✓
	E3 Water & marine resources	✓	✓	✓	✓	✓	✓
	E4 Biodiversity & ecosystems	✓	✓	✓	✓	✓	✓
	E5 Circular economy	✓	✓	✓	✓	✓	✓
S	**S1** Own workforce	n/a	✓	n/a	n/a	n/a	n/a
	S2 Workers in the value chain	✓	n/a	✓	✓	n/a	✓
	S3 Affected communities	✓	✓	✓	✓	n/a	✓
	S4 Consumers & end-users	✓	n/a	✓	✓	✓	✓
G	**G1** Business conduct	n/a	✓	n/a	n/a	n/a	n/a

The materiality of the drivers has been assessed against the identified portfolios in the value chain. To determine materiality, the ING Group tool (cfr ING Group Sustainability Statement) provided an assessment of the level of the impacts and potential risks and opportunities against predetermined materiality thresholds using ING BE data and figures. Assessment of materiality follows an inherent risk approach meaning without taking into account mitigating actions.

ING Group Approach to calculate Financed Emissions

ING Group calculated our absolute financed emissions using the PCAF's Global GHG Accounting and Reporting Standard for the Financial Industry. Financed emissions for certain parts of our portfolios are calculated using sector-specific emissions factors. These factors approximate emissions when self-reported client data is unavailable. During the calculation process, ING Group employs different industry classifications to identify each client's sector. We then select appropriate emissions factors to estimate financed emissions across scope 1, 2, and 3 upstream and downstream. For Wholesale Banking, equity investments, and corporate bonds, ING Group relies on factors based on the NAICS 2017 classifier. This aligns with our use of NAICS for our internal sector classification in Wholesale Banking. Calculation of financed emissions relied on external data sources that provide actual or approximated client emissions:

- CDP database (2023 dataset for reporting period 2022/23) that contains self-reported emissions of companies that disclose their ESG data using an annual CDP questionnaire and modelled emissions of those companies, that have not disclosed certain categories deemed relevant.
- PCAF emissions factors database that contains economic activity-based factors for approximating GHG emissions based on a company's revenue and asset. For Scope 3 downstream, PCAF does not provide asset-based or revenue based proxies. ING calculates in house Scope 3 downstream asset based and revenue based proxies based on CDP (2023 dataset for reporting period 2022/23) dataset.

ING Group scored the data quality of our emissions data following the data quality scoring in PCAF's Global GHG Accounting and Reporting Standard. In this standard, data quality score 1 and 2 relates to high-quality data coming from a company's disclosure or actual asset-level data, whereas data quality 4 and 5 relates to low-quality data, i.e. based on revenue or sector-average proxies.

By applying PCAF methodology to calculate financed emissions, we use the emissions data currently available to ING and appropriate for each asset class. Except for verified or unverified emissions collected from the borrower or investee company directly via the Carbon Disclosure Project (CDP), the primary source of emissions data across asset classes is emissions factors provided by the PCAF database. In September 2023, PCAF issued an updated database. However, ING Group continued to use the initial PCAF database (2020) as it provides more granular and relevant data. Next to emissions data, ING Group sourced financial data (EVIC data) from S&P Capital IQ to measure the financed emissions of listed companies in our portfolio, in line with PCAF methodology. When aggregating the financed emissions of our business loans, Sector NACE T "Activities of households as employers: Undifferentiated goods- and services-producing activities of households for own use" is excluded as we do not consider this falls under business loan category as defined by PCAF.

ING Group's data vendors have procedures and methodologies in place to perform checks and controls on their data.
When receiving the data from our providers, we perform data quality reviews and plausibility checks, including the assessment of historical trends, which in some cases lead to the removal of outliers. The data processes and models of ING Group data vendors are not audited, which means that regardless of their checks and controls, data limitations may still exist. Although ING Group performs its own procedures, they cannot fully mitigate
the risk of applying inaccurate, incorrect and/or incomplete data.

ESRS Content Index

This Content Index serves as a navigational tool, guiding stakeholders to the respective sections where the disclosure requirements of the applicable ESRS are covered.

ESRS 2 - General Disclosures

Disclosure requirements	Section
BP-1 General basis for preparation of the sustainability statement	General information - Basis for preparation
BP-2 Disclosures in relation to specific circumstances	General information - Basis for preparation
GOV-1 The role of the administrative, management and supervisory bodies	General information - our sustainability governance
GOV-2 Information provided to and sustainability matters addressed by the the undertaking's administrative, management and supervisory bodies	General information - our sustainability governance
GOV-3 Integration of sustainability-related performance in incentive schemes	General information - our sustainability governance
GOV-4 Statement on due diligence	Appendix - Double Materiality Assessment Process and methodology - Qualitative DMA / Stakeholders engagement step
GOV-5 Risk management and internal controls over sustainability reporting	Cfr Risk section
SBM-1 Strategy, business model and value chain	General information - Business Model and strategy
SBM-2 Interests and views of stakeholders	Appendix - Double Materiality Assessment Process and methodology - Qualitative DMA / Stakeholders engagement step
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	General information - our materiality assessment

Environment

Disclosure requirements	Section
E1-1 Transition plan for climate change mitigation	phase in
E1-ESRS 2 SBM-3-E1 Material impacts, risks and opportunities and their interaction	Climate change - IROS link to business model and strategy
E1-ESRS 2 IRO-1 Description of the processes to identify and assess material climate related impacts, risks and opportunities	Appendix - Double Materiality Assessment Process and methodology
E1-2 Policies related to climate change mitigation and adaptation	Climate change - Policies and actions
E1-3 Actions and resources in relation to climate change policies	Climate change - Policies and actions
E1-4 Targets related to climate change mitigation and adaptation	phase in
E1-5 Energy consumption and mix	not material
E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Climate change - overview of our financed emissions per asset classes
E1-7 GHG removals and GHG mitigation projects through carbon credits	n.a.
E1-8 Internal Carbon pricing	n.a.
E1-9 Anticipated financial effects from material physical and potential climate-related opportunities transition risks and potential climate-related opportunities	Climate change - Financial effect and resilience of ING Belgium's strategy and business model

Social - own workforce

Disclosure requirements	Section
S1-ESRS2 SBM-2 Interests and views of stakeholders	Appendix - Double Materiality Assessment Process and methodology - Qualitative DMA / Stakeholders engagement step
S1-ESRS2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Own workforce - Identified impacts, risks and opportunities
S1-1 Policies related to own workforce	Own workforce - Policies, actions, targets and metrics
S1-2 Processes for engaging with own workforce and workers' representatives about impacts	Own workforce - own workforce strategy - Processes for engaging with own workforce and workers representatives about impacts
S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	Own workforce - Policies, actions, targets and metrics
S1-4 Taking action on material impacts on own workforce, and approaches to mitigatings material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Own workforce - Policies, actions, targets and metrics
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce - Policies, actions, targets and metrics

S1-6 Characteristics of the undertaking's employees	Own workforce - Policies, actions, targets and metrics - unadjusted pay gap
S1-7 Characteristics of non employee workers in the undertaking's own workforce	phase in
S1-8 Collective bargaining coverage and social dialogue	not material
S1-9 Diversity metrics	Own workforce - Policies, actions, targets and metrics - unadjusted pay gap
S1-10 Adequate wages	not material
S1-11 Social protection	not applicable
S1-12 Persons with disabilities	phase in
S1-13 Training and skills development matrix	phase in
S1-14 Health and Safety metrics	not applicable
S1-15 Work-life balance metrics	phase in
S1-16 Remuneration metrics	Own workforce - Policies, actions, targets and metrics - unadjusted pay gap
S1-17 Incidents, complaints and severe human rights impacts	Own workforce - Policies, actions, targets and metrics - unadjusted pay gap

Social - Consumers and end users

Disclosure requirements	Section
S4-ESRS 2 SBM-2 Interests and views of stakeholders	Appendix - Double Materiality Assessment Process and methodology - Qualitative DMA / Stakeholders engagement step
S4-ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business mode	Social - Consumers and end users - identified impacts, risks and opportunities
S4-1 Policies related to consumers and end users	Social - Consumers and end users - Policies, actions and performance
S4-2 Processes for engaging with consumers and end users about impacts	Social - Consumers and end users - Strategy - Processes for engaging with customers
S4-3 Processes to remediate negative impacts and channels for consumers and end users to raise concerns	Social - Consumers and end users - Policies, actions and performance
S4-4 Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end users and effectiveness of those actions	Social - Consumers and end users - Policies, actions and performance
S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Social - Consumers and end users - Polcieis, actions and performance

Governance - Business conduct

Disclosure requirements	Section
G1-ESRS 2 GOV-1 The role of the administrative, supervisory and management bodies	General information - our sustainability governance
G1-ESRS2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	Appendix - Double Materiality Assessment Process and methodology
G1-1 Business conduct policies and corporate culture	Governance - Business conduct
G1-2 Management of relationships with suppliers	not material
G1-3 Prevention and detection of corruption and bribery	Governance - Policies, actions, targets and metrics - Anti Bribery and Corruption policy
G1-4 Incidents of corruption or bribery	Governance - Policies, actions, targets and metrics - Anti Bribery and Corruption policy
G1-5 Political influence and lobbying activities	not material
G1-6 Payment practices	not material

Overview of external data sources used in ING Group Double Materiality Assessment methodology

The ING Group DMA tool leverages on renowned external data sources, whose reliability is supported by scientific research, consistent with known benchmarks, business standards and formats. Additionally, internal data (risk and HR related), voluntary reports (Human rights report, Climate Progress Update) and other external regulatory disclosures. All the data is subject to quality checks, in particular with regards to completeness, uniqueness, integrity, accuracy and timeliness.

To assess sectors' association with negative impacts and dependency on the various sustainability matters, multiple data sources are used, summarized as per below.

- UNEP-FI (United Nations Environmental Program Finance Initiative): the Radar Impact Analysis Tool is designed to provide a means to holistically understand the sustainability matters financial institutions may be impacting, positively or negatively, through the products and services rendered to their customers. Used to assess sectors' association with negative impact and dependencies on the sustainability matters.
- ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure): Using sector research and expert interviews, the dataset describes how production processes impact and depend on nature, and how environmental changes can lead to risks for businesses and financial institutions.
- Pressure intensity: A model that captures the effect of anthropogenic pressures on biodiversity loss. Biodiversity Impact Analytics powered by the Global Biodiversity Score (BIA-GBS) allows to measure the biodiversity impact of companies.
- EU high impact climate sectors: The ESRS in the CSRD Delegated Act refer to 'high climate impact sectors' (see Disclosure Requirement E1-5, paragraph 38): "High climate impact sectors are those listed in NACE Sections A to H and Section L (as defined in Commission Delegated Regulation (EU) 2022/1288)", also known as SFDR.
- Eurostat: The annual enterprise statistics for special aggregates of activities Eurostat (2023) is a compilation of statistics providing a comprehensive overview of the economic landscape. It is provided by Eurostat and uses the NACE Rev. 2 classification to detail the different statistics by sectors and industries.
- Partnership for Carbon Accounting Financials (PCAF) is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments.

The table below summarizes the external data sources used for each sustainability matter.

ESRS topic	Impact	Dependency
E1 - Climate change	Climate change mitigation: – ENCORE – UNEP-FI – PCAF – EU High impact climate sectors – ING Terra flag	Climate change adaptation: – ENCORE – Eurostat – ING assessment
E2 - Pollution	– Encore – UNEP-FI	ENCORE
E3 - Water	– Encore – UNEP-FI	ENCORE
E4 - Biodiversity and ecosystems	– Encore – BIA-GBS – + as for direct drivers above	ENCORE
E5 - Circular economy	– Encore – UNEP-FI	ENCORE
S1 - Own workforce	UNEP-FI	-
S2 - Workers in the value chain	UNEP-FI	-
S3 - Effected communities	UNEP-FI	-
S4 - Consumers and end-users	UNEP-FI	-

EU Taxonomy Tables

1. Assets for the calculation of GAR based on Turnover

Thousand EUR		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	54,329,966	49,738,880	4,612,619	3,926,452	238,523	262,534	613,995	794	—	735	1,529	—	—	58	1,064,330	5,116	—	1,664	57,524	77	—	—	56,815	—	—	—	51,533,073	4,618,693	3,926,452	238,523	264,990
2	**Financial undertakings**	2,550,578	806,117	32,024	—	1,416	1,428	847	240	—	180	—	—	—	—	968	—	—	—	32,979	—	—	—	—	—	—	—	840,912	32,264	—	1,416	1,608
3	Credit institutions	2,398,878	806,079	31,990	—	1,416	1,397	667	240	—	180	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	806,746	32,229	—	1,416	1,577
4	Loans and advances	83,325	6,366	435	—	73	60	66	2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	6,433	437	—	73	60
5	Debt securities, including UoP	2,315,553	799,712	31,554	—	1,342	1,337	600	238	—	180	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	800,313	31,792	—	1,342	1,517
6	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
7	Other financial corporations	151,700	38	34	—	—	31	181	—	—	—	—	—	—	—	968	—	—	—	32,979	—	—	—	—	—	—	—	34,166	34	—	—	31
8	of which investment firms	16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	16	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
12	of which management companies	199	45	34	—	—	16	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	46	35	—	—	16
13	Loans and advances	199	45	34	—	—	16	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	46	35	—	—	16
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
16	of which insurance undertakings	12,739	17	17	—	1	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17	17	—	1	4
17	Loans and advances	12,739	17	17	—	1	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17	17	—	1	4
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
20	**Non-financial undertakings**	5,133,493	2,286,868	654,144	—	237,107	261,106	613,148	554	—	554	1,529	86	—	58	1,063,362	5,116	—	1,664	24,545	77	—	—	56,815	—	—	—	4,046,266	659,977	—	237,107	263,382
21	Loans and advances	5,133,493	2,286,868	654,144	—	237,107	261,106	613,148	554	—	554	1,529	86	—	58	1,063,362	5,116	—	1,664	24,545	77	—	—	56,815	—	—	—	4,046,266	659,977	—	237,107	263,382
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
24	**Households**	44,341,428	44,341,428	3,926,452	3,926,452	—	—	—	—	—	—					—	—	—	—									44,341,428	3,926,452	3,926,452	—	—
25	of which loans collateralised by residential immovable property	44,341,428	44,341,428	3,926,452	3,926,452			—	—	—						—	—	—										44,341,428	3,926,452	3,926,452		
26	of which building renovation loans	—	—	—	—	—	—	—	—	—	—					—	—	—	—									—	—	—	—	—
27	of which motor vehicle loans	—	—	—	—	—																						—	—	—	—	
28	**Local governments financing**	2,304,468	2,304,468	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,304,468	—	—	—	—
29	Housing financing	2,304,468	2,304,468	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,304,468	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

	Thousand EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	71,773,425	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	**Financial and Non-financial undertakings**	45,912,660																														
34	EU Non-financial corporations (not subject to CSRD disclosure obligations)	42,115,006																														
35	Loans and advances	42,037,199																														
36	of which loans collateralised by commercial immovable property	14,381,711																														
37	of which building renovation loans	—																														
38	Debt securities	5,033																														
39	Equity instruments	72,774																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	3,797,653																														
41	Loans and advances	3,797,653																														
42	Debt securities	—																														
43	Equity instruments	—																														
44	**Derivatives**	1,743,505																														
45	**On demand interbank loans**	123,562																														
46	**Cash and cash-related assets**	317,254																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	23,676,445																														
48	**Total GAR assets**	126,103,391																														
49	**Assets not covered for GAR calculation**	26,337,395																														
50	**Central governments and Supranational issuers**	10,200,845																														
51	**Central banks exposure**	16,136,550																														
52	**Trading book**	—																														
53	**Total assets**	152,440,786	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	61,889	1,752	2	—	—	1	5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,756	2	—	—	1
55	Assets under management	1,900,831	538,136	200,294	—	2,104	145,891	99,785	716	—	581	596	369	—	13	15,071	78,202	1,483	98	25,379	1,097	—	252	82,528	—	—	—	761,495	280,677	1,483	2,104	146,835
56	Of which debt securities	751,350	253,394	70,659	—	427	58,000	29,541	161	—	71	386	23	—	5	10,978	9,933	2	95	19,481	53	—	3	58,912	—	—	—	372,692	80,828	2	427	58,174
57	Of which equity instruments	1,149,480	284,742	129,635	—	1,677	87,891	70,244	555	—	511	211	346	—	8	4,093	68,269	1,481	3	5,899	1,044	—	249	23,615	—	—	—	388,804	199,849	1,481	1,677	88,662

1. Assets for the calculation of GAR based on Capex

	Thousand EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	54,329,966	50,037,353	4,741,266	3,926,452	224,068	364,717	370,858	2,262	—	2,215	2,004	14	—	2	322,304	4,218	—	555	45,506	157	—	—	33	—	—	—	50,778,058	4,747,917	3,926,452	224,068	367,488
2	**Financial undertakings**	2,550,578	808,366	35,372	—	1,805	3,103	1,774	129	—	76	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	810,141	35,501	—	1,805	3,179
3	Credit institutions	2,398,878	807,488	35,310	—	1,804	3,060	1,774	129	—	76	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	809,262	35,439	—	1,804	3,136
4	Loans and advances	83,325	6,609	674	—	120	113	80	5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	6,689	679	—	120	114
5	Debt securities, including UoP	2,315,553	800,879	34,636	—	1,684	2,947	1,694	124	—	76	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	802,573	34,761	—	1,684	3,022
6	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
7	Other financial corporations	151,700	878	62	—	1	43	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	879	62	—	1	43
8	of which investment firms	16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
9	Loans and advances	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	16	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
12	of which management companies	199	139	128	—	—	34	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	141	128	—	—	35
13	Loans and advances	199	139	128	—	—	34	1	1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	141	128	—	—	35
14	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
16	of which insurance undertakings	12,739	17	17	—	1	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17	17	—	1	4
17	Loans and advances	12,739	17	17	—	1	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	17	17	—	1	4
18	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
20	**Non-financial undertakings**	5,133,493	2,583,091	779,443	—	222,263	361,614	369,084	2,132	—	2,139	2,004	14	—	2	322,304	4,218	—	555	45,506	157	—	—	33	—	—	—	3,322,022	785,964	—	222,263	364,309
21	Loans and advances	5,133,493	2,583,091	779,443	—	222,263	361,614	369,084	2,132	—	2,139	2,004	14	—	2	322,304	4,218	—	555	45,506	157	—	—	33	—	—	—	3,322,022	785,964	—	222,263	364,309
22	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
23	Equity instruments	—	—	—		—	—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—	—		—	—
24	**Households**	44,341,428	44,341,428	3,926,452	3,926,452	—	—	—	—	—	—					—	—	—	—									44,341,428	3,926,452	3,926,452	—	—
25	of which loans collateralised by residential immovable property	44,341,428	44,341,428	3,926,452	3,926,452	—	—	—	—	—	—					—	—	—										44,341,428	3,926,452	3,926,452	—	—
26	of which building renovation loans	—	—	—	—	—	—	—	—	—	—					—	—	—	—									—	—	—	—	—
27	of which motor vehicle loans	—	—	—	—	—																						—	—	—	—	
28	**Local governments financing**	2,304,468	2,304,468	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,304,468	—	—	—	—
29	Housing financing	2,304,468	2,304,468	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,304,468	—	—	—	—
30	Other local government financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	71,773,425	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
33	**Financial and Non-financial undertakings**	45,912,660																														
34	EU Non-financial corporations (not subject to CSRD disclosure obligations)	42,115,006																														
35	Loans and advances	42,037,199																														
36	of which loans collateralised by commercial immovable property	14,381,711																														

	Thousand EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
37	of which building renovation loans	—																														
38	Debt securities	5,033																														
39	Equity instruments	72,774																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	3,797,653																														
41	Loans and advances	3,797,653																														
42	Debt securities	—																														
43	Equity instruments	—																														
44	**Derivatives**	1,743,505																														
45	**On demand interbank loans**	123,562																														
46	**Cash and cash-related assets**	317,254																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	23,676,445																														
48	**Total GAR assets**	126,103,39																														
49	**Assets not covered for GAR calculation**	26,337,395																														
50	**Central governments and Supranational issuers**	10,200,845																														
51	**Central banks exposure**	16,136,550																														
52	**Trading book**	—																														
53	**Total assets**	152,440,78	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	61,889	25,994	120	—	—	119	4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	25,998	120	—	—	119
55	Assets under management	1,900,831	1,000,835	371,095	—	14,539	244,531	135,842	2,854	—	2,004	13,912	155	—	3	8,965	61,442	909	288	12,859	1,925	—	210	7,059	—	—	—	1,179,472	437,472	909	14,539	247,035
56	Of which debt securities	751,350	574,374	186,920	—	5,528	141,610	69,250	503	—	250	6,614	10	—	1	6,472	29,053	3	33	11,789	103	—	3	6,281	—	—	—	674,781	216,589	3	5,528	141,897
57	Of which equity instruments	1,149,480	426,461	184,176	—	9,011	102,921	66,592	2,351	—	1,754	7,298	145	—	1	2,493	32,389	906	255	1,070	1,822	—	208	778	—	—	—	504,691	220,883	906	9,011	105,139

2. GAR sector information based on Turnover

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable WTR)	Mn EUR	Of which environmentally sustainable WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	0161 - Support activities for crop production	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
2	0610 - Extraction of crude petroleum	12,119.23	4,024.65			—	—			—	—			154.77	—			—	—			—	—			12,274.00	4,024.65		
3	0811 - Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate	79,950,207.	900,106.07			—	—			—	—			—	—			—	—			—	—			79,950,207.	900,106.07		
4	0812 - Operation of gravel and sand pits; mining of clays and kaolin	36,572.99	26,948.52			36,572.99	—			—	—			—	—			—	—			—	—			73,145.98	26,948.52		
5	1032 - Manufacture of fruit and vegetable juice	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
6	1041 - Manufacture of oils and fats	—	—			—	—			—	—			—	—			—	—			0.18	—			0.18	—		
7	1051 - Operation of dairies and cheese making	—	—			—	—			—	—			—	—			—	—			807.16	—			807.16	—		
8	1061 - Manufacture of grain mill products	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
9	1071 - Manufacture of bread; manufacture of fresh pastry goods and cakes	0.03	0.01			—	—			—	—			—	—			—	—			—	—			0.03	0.01		
10	1081 - Manufacture of sugar	2,266.00	2,266.00			—	—			—	—			—	—			—	—			—	—			2,266.00	2,266.00		
11	1082 - Manufacture of cocoa, chocolate and sugar confectionery	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
12	1083 - Processing of tea and coffee	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
13	1089 - Manufacture of other food products n.e.c.	8,344.04	0.01			—	—			—	—			6,314.90	—			—	—			—	—			14,658.93	0.01		
14	1105 - Manufacture of beer	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
15	1106 - Manufacture of malt	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
16	1310 - Preparation and spinning of textile fibres	468.34	468.34			—	—			—	—			735.96	—			—	—			—	—			1,204.30	468.34		
17	1396 - Manufacture of other technical and industrial textiles	554.84	522.20			—	—			—	—			—	—			—	—			—	—			554.84	522.20		
18	1629 - Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	438.36	438.36			—	—			—	—			—	—			—	—			—	—			438.36	438.36		
19	1721 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	496.59	496.59			—	—			—	—			780.36	—			—	—			—	—			1,276.95	496.59		
20	1722 - Manufacture of household and sanitary goods and of toilet requisites	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
21	1729 - Manufacture of other articles of paper and paperboard	1,813.98	1,813.98			—	—			—	—			—	—			—	—			—	—			1,813.98	1,813.98		
22	1812 - Other printing	86.21	28.43			—	—			—	—			—	—			—	—			—	—			86.21	28.43		
23	1920 - Manufacture of refined petroleum products	80,184,687.	70,161,601.			—	—			—	—			—	—			—	—			—	—			80,184,687.	70,161,601.		
24	2011 - Manufacture of industrial gases	1,214.67	72.52			1,214.67	—			—	—			—	—			—	—			—	—			2,429.34	72.52		
25	2014 - Manufacture of other organic basic chemicals	2,086,334.4	128,340.82			—	—			—	—			—	—			121,185.64	—			—	—			2,207,520.1	128,340.82		
26	2020 - Manufacture of pesticides and other agrochemical products	—	—			—	—			—	—			—	—			380,367.63	—			—	—			380,367.63	—		
27	2030 - Manufacture of paints, varnishes and similar coatings, printing ink and mastics	4,967.42	4,967.42			—	—			—	—			—	—			—	—			—	—			4,967.42	4,967.42		
28	2041 - Manufacture of soap and detergents, cleaning and polishing preparations	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
29	2042 - Manufacture of perfumes and toilet preparations	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
30	2059 - Manufacture of other chemical products n.e.c.	10,206,744.	12,721.88			—	—			—	—			—	—			2,385.35	—			—	—			10,209,129.	12,721.88		
31	2110 - Manufacture of basic pharmaceutical products	—	—			—	—			—	—			—	—			22,878,715.	—			54,597,000.	—			77,475,715.	—		
32	2211 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	6,733.20	2,017.08			—	—			—	—			126.07	—			—	—			—	—			6,859.27	2,017.08		
33	2222 - Manufacture of plastic packing goods	407,282.75	407,282.75			407,282.75	—			407,282.75	—			5,294,675.7	2,850,979.2			407,282.75	—			—	—			6,923,806.7	3,258,261.9		

34	2229 - Manufacture of other plastic products	98,210.09	804.46		—	—		—	—		—	—		—	—		—	—		98,210.09	804.46
35	2311 - Manufacture of flat glass	13.67	12.87		—	—		—	—		—	—		—	—		—	—		13.67	12.87
36	2351 - Manufacture of cement	518,522.75	5,847.31		—	—		—	—		—	—		—	—		—	—		518,522.75	5,847.31
37	2352 - Manufacture of lime and plaster	—	—		—	—		—	—		—	—		—	—		—	—		—	—
38	2361 - Manufacture of concrete products for construction purposes	39,103.19	3,007.94		39,103.19	—		—	—		—	—		—	—		—	—		78,206.38	3,007.94
39	2399 - Manufacture of other non-metallic mineral products n.e.c.	158,300.48	103,714.10		—	—		—	—		—	—		—	—		—	—		158,300.48	103,714.10
40	2410 - Manufacture of basic iron and steel and of ferro-alloys	1,720,029,3	284,131,408		347,542,709	—		—	—		65,118,528.	—		—	—		—	—		2,132,690,5	284,131,408
41	2445 - Other non-ferrous metal production	11,974,599.	11,974,599.		—	—		—	—		—	—		—	—		—	—		11,974,599.	11,974,599.
42	2452 - Casting of steel	(363.99)	—		—	—		—	—		—	—		—	—		—	—		(363.99)	—
43	2511 - Manufacture of metal structures and parts of structures	2,902,634.2	1,404,893.7		97,416.01	3,839.05		66,073.21	—		638,072.70	—		—	—		—	—		3,704,196.1	1,408,732.8
44	2512 - Manufacture of doors and windows of metal	—	—		—	—		—	—		—	—		—	—		—	—		—	—
45	2521 - Manufacture of central heating radiators and boilers	7,690.38	1,025.46		93.48	24.68		416.98	3.68		6,668.71	5.66		13.30	9.34		—	—		14,882.86	1,068.82
46	2561 - Treatment and coating of metals	227,055.13	7,198.05		—	—		—	—		4,232.45	—		—	—		—	—		231,287.58	7,198.05
47	2593 - Manufacture of wire products, chain and springs	118,246.18	103,465.40		—	—		—	—		—	—		—	—		—	—		118,246.18	103,465.40
48	2599 - Manufacture of other fabricated metal products n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—
49	2611 - Manufacture of electronic components	—	—		—	—		—	—		—	—		—	—		—	—		—	—
50	2620 - Manufacture of computers and peripheral equipment	90,602.90	19,514.47		—	—		—	—		—	—		—	—		—	—		90,602.90	19,514.47
51	2630 - Manufacture of communication equipment	4,001.20	2,000.60		1,228,940.0	24,864.60		—	—		57,160.00	—		—	—		—	—		1,290,101.2	26,865.20
52	2640 - Manufacture of consumer electronics	7.72	5.87		0.23	0.15		—	—		—	—		—	—		—	—		7.96	6.02
53	2651 - Manufacture of instruments and appliances for measuring, testing and navigation	6,113.59	21.65		—	—		—	—		—	—		—	—		—	—		6,113.59	21.65
54	2660 - Manufacture of irradiation, electromedical and electrotherapeutic equipment	—	—		—	—		—	—		—	—		—	—		—	—		—	—
55	2711 - Manufacture of electric motors, generators and transformers	242.87	124.40		—	—		—	—		—	—		—	—		—	—		242.87	124.40
56	2712 - Manufacture of electricity distribution and control apparatus	66,863.80	60,064.09		—	—		—	—		—	—		—	—		—	—		66,863.80	60,064.09
57	2740 - Manufacture of electric lighting equipment	25,495,139.	15,518,780.		—	—		554,242.17	55,424.22		23,832,413.	2,216,968.6		—	—		—	—		49,881,795.	17,791,173.
58	2790 - Manufacture of other electrical equipment	462.30	235.04		4,000,477.9	0.30		—	—		17.55	—		—	—		—	—		4,000,957.7	235.35
59	2814 - Manufacture of other taps and valves	2.39	2.25		—	—		—	—		—	—		—	—		—	—		2.39	2.25
60	2825 - Manufacture of non-domestic cooling and ventilation equipment	278,603.32	31.91		6.21	0.24		—	—		27,562.22	—		—	—		—	—		306,171.75	32.15
61	2829 - Manufacture of other general-purpose machinery n.e.c.	155,556.32	103,086.93		1,234.57	308.64		63,271.92	4,012.37		950,379,053	6,172.87		14,506.24	10,185.24		—	—		950,613,622	123,766.04
62	2830 - Manufacture of agricultural and forestry machinery	12,039.37	8,613.74		2,532.35	—		—	—		35,220.62	—		—	—		—	—		49,792.34	8,613.74
63	2891 - Manufacture of machinery for metallurgy	—	—		—	—		—	—		—	—		—	—		—	—		—	—
64	2893 - Manufacture of machinery for food, beverage and tobacco processing	—	—		—	—		—	—		—	—		—	—		—	—		—	—
65	2910 - Manufacture of motor vehicles	14,207,232.	1,053,640.8		516,049.06	516,049.06		—	—		997.14	—		—	—		—	—		14,724,278.	1,569,689.8
66	2931 - Manufacture of electrical and electronic equipment for motor vehicles	—	—		—	—		—	—		—	—		—	—		—	—		—	—
67	2932 - Manufacture of other parts and accessories for motor vehicles	0.11	0.11		—	—		—	—		—	—		—	—		—	—		0.11	0.11
68	3020 - Manufacture of railway locomotives and rolling stock	—	—		—	—		—	—		—	—		—	—		—	—		—	—
69	3030 - Manufacture of air and spacecraft and related machinery	2,345,957.7	—		—	—		—	—		30,210.88	—		—	—		—	—		2,376,168.6	—
70	3109 - Manufacture of other furniture	1.14	—		1.14	—		—	—		1.14	—		—	—		—	—		3.43	—
71	3250 - Manufacture of medical and dental instruments and supplies	—	—		—	—		—	—		—	—		—	—		—	—		—	—
72	3299 - Other manufacturing n.e.c.	31,269,563.	321,195.96		30,910,052.	—		—	—		—	—		—	—		—	—		62,179,615.	321,195.96
73	3320 - Installation of industrial machinery and equipment	42.99	16.90		—	—		—	—		—	—		—	—		—	—		42.99	16.90
74	3511 - Production of electricity	2,022,289.7	1,809,543.4		367.52	120.22		15,268.66	968.26		5,261.13	1,489.63		7,888.39	2,457.88		—	—		2,051,075.4	1,814,579.4
75	3512 - Transmission of electricity	224,465,915	223,790,491		224,465,915	—		—	—		—	—		—	—		—	—		448,931,831	223,790,491
76	3513 - Distribution of electricity	21,728,910.	19,522,273.		24.36	16.01		—	—		—	—		—	—		—	—		21,728,934.	19,522,289.
77	3514 - Trade of electricity	27.34	24.56		—	—		—	—		—	—		—	—		—	—		27.34	24.56
78	3521 - Manufacture of gas	—	—		—	—		—	—		—	—		—	—		—	—		—	—
79	3600 - Water collection, treatment and supply	88,853.91	58,883.34		705.19	176.30		36,140.98	2,291.87		8,991.17	3,525.95		8,285.98	5,817.82		—	—		142,977.22	70,695.27
80	3700 - Sewerage	185,102.06	122,666.84		1,469.06	367.27		75,289.53	4,774.46		18,730.57	7,345.32		17,261.50	12,119.78		—	—		297,852.72	147,273.66
81	3811 - Collection of non-hazardous waste	54.95	36.41		0.44	0.11		22.35	1.42		5.56	2.18		5.12	3.60		—	—		88.42	43.72

82	3821 - Treatment and disposal of non-hazardous waste	746,902.28	88,577.53		1,060.81	265.20		54,366.45	3,447.63		13,525.31	5,304.04		12,464.50	8,751.67		—	—		828,319.35	106,346.08
83	3822 - Treatment and disposal of hazardous waste	54,020.38	35,799.22		428.73	107.18		21,972.58	1,393.38		5,466.35	2,143.67		5,037.62	3,537.05		—	—		86,925.66	42,980.50
84	3832 - Recovery of sorted materials	18.91	14.76		0.09	0.02		4.44	0.28		1.10	0.43		1.02	0.71		—	—		25.55	16.21
85	4110 - Development of building projects	24,220.89	11,260.38		1.02	—		822.64	—		5,193.93	—		—	—		—	—		30,238.48	11,260.38
86	4120 - Construction of residential and non-residential buildings	2,634,824.8	2,274,146.7		65,667.40	2.30		19,046.53	—		120,231.19	—		—	—		—	—		2,839,770.0	2,274,149.0
87	4213 - Construction of bridges and tunnels	—	—		—	—		—	—		—	—		—	—		—	—		—	—
88	4222 - Construction of utility projects for electricity and telecommunications	27.52	14.18		0.87	0.03		—	—		1.97	—		—	—		—	—		30.35	14.22
89	4291 - Construction of water projects	5,638.64	2,621.79		—	—		191.55	—		1,209.14	—		—	—		—	—		7,039.32	2,621.79
90	4312 - Site preparation	243.79	124.87		—	—		—	—		—	—		—	—		—	—		243.79	124.87
91	4321 - Electrical installation	29,191.32	23,514.87		0.59	0.15		30.48	1.93		7.58	2.97		6.99	4.91		—	—		29,236.97	23,524.83
92	4322 - Plumbing, heat and air-conditioning installation	179,381.13	93,769.41		18,229.10	718.91		27.29	1.73		41,356.31	2.66		6.26	4.39		—	—		239,000.08	94,497.10
93	4329 - Other construction installation	36,659.79	2,823.78		36,652.14	0.03		—	—		1.97	—		—	—		—	—		73,313.90	2,823.81
94	4332 - Joinery installation	—	—		—	—		—	—		—	—		—	—		—	—		—	—
95	4333 - Floor and wall covering	—	—		—	—		—	—		—	—		—	—		—	—		—	—
96	4339 - Other building completion and finishing	115,155.76	58,982.22		—	—		—	—		—	—		—	—		—	—		115,155.76	58,982.22
97	4399 - Other specialised construction activities n.e.c.	182.37	95.09		0.15	0.04		7.45	0.47		1.85	0.73		1.71	1.20		—	—		193.53	97.52
98	4519 - Sale of other motor vehicles	169,103.24	8,245.06		6,515.40	6,515.40		—	—		—	—		—	—		—	—		175,618.64	14,760.46
99	4520 - Maintenance and repair of motor vehicles	239,578.47	29,590.41		—	—		—	—		—	—		—	—		—	—		239,578.47	29,590.41
100	4531 - Wholesale trade of motor vehicle parts and accessories	13.62	—		—	—		—	—		—	—		—	—		—	—		13.62	—
101	4612 - Agents involved in the sale of fuels, ores, metals and industrial chemicals	—	—		—	—		—	—		—	—		—	—		—	—		—	—
102	4615 - Agents involved in the sale of furniture, household goods, hardware and ironmongery	—	—		—	—		—	—		—	—		—	—		—	—		—	—
103	4618 - Agents specialised in the sale of other particular products	—	—		—	—		—	—		—	—		—	—		—	—		—	—
104	4619 - Agents involved in the sale of a variety of goods	18.32	12.14		0.15	0.04		7.45	0.47		1.85	0.73		1.71	1.20		—	—		29.47	14.57
105	4621 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	1,266.64	316.66		3.17	3.17		—	—		—	—		—	—		—	—		1,269.80	319.83
106	4633 - Wholesale of dairy products, eggs and edible oils and fats	—	—		—	—		—	—		—	—		—	—		—	—		—	—
107	4634 - Wholesale of beverages	—	—		—	—		—	—		—	—		—	—		—	—		—	—
108	4638 - Wholesale of other food, including fish, crustaceans and molluscs	—	—		—	—		—	—		—	—		—	—		—	—		—	—
109	4639 - Non-specialised wholesale of food, beverages and tobacco	3.00	—		—	—		—	—		—	—		—	—		—	—		3.00	—
110	4642 - Wholesale of clothing and footwear	7,996.44	7,183.24		—	—		—	—		—	—		—	—		22,547.62	—		30,544.05	7,183.24
111	4643 - Wholesale of electrical household appliances	—	—		—	—		—	—		—	—		—	—		—	—		—	—
112	4646 - Wholesale of pharmaceutical goods	6.50	1.46		3.99	—		—	—		40.31	—		—	—		2,194,286.9	—		2,194,337.7	1.46
113	4647 - Wholesale of furniture, carpets and lighting equipment	3.00	—		—	—		—	—		—	—		—	—		—	—		3.00	—
114	4649 - Wholesale of other household goods	3,484.89	3,190.45		—	—		—	—		—	—		—	—		—	—		3,484.89	3,190.45
115	4651 - Wholesale of computers, computer peripheral equipment and software	0.01	0.01		—	—		—	—		—	—		—	—		—	—		0.01	0.01
116	4652 - Wholesale of electronic and telecommunications equipment and parts	24,497.70	10,050.35		—	—		324.81	32.48		25,007.32	1,299.25		—	—		—	—		49,829.83	11,382.08
117	4662 - Wholesale of machine tools	77.17	—		0.67	—		4.38	—		81.21	—		—	—		—	—		163.44	—
118	4666 - Wholesale of other office machinery and equipment	—	—		—	—		—	—		—	—		—	—		—	—		—	—
119	4669 - Wholesale of other machinery and equipment	26,743.74	10.54		—	—		—	—		1,253.25	—		—	—		—	—		27,997.00	10.54
120	4671 - Wholesale of solid, liquid and gaseous fuels and related products	35,861.24	7,723.96		—	—		—	—		—	—		—	—		—	—		35,861.24	7,723.96
121	4672 - Wholesale of metals and metal ores	148.77	121.62		148.77	—		—	—		27.87	—		—	—		—	—		325.41	121.62
122	4673 - Wholesale of wood, construction materials and sanitary equipment	60,184.25	42,625.07		13,672.77	—		—	—		15,229.51	—		—	—		—	—		89,086.53	42,625.07
123	4674 - Wholesale of hardware, plumbing and heating equipment and supplies	396.71	177.20		218.32	—		—	—		—	—		—	—		—	—		615.03	177.20
124	4675 - Wholesale of chemical products	93.22	20.94		57.22	—		—	—		0.57	—		22.44	—		—	—		173.47	20.94
125	4711 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	4,223.61	844.78		—	—		—	—		—	—		—	—		—	—		4,223.61	844.78
126	4719 - Other retail sale in non-specialised stores	4.94	0.99		—	—		—	—		—	—		—	—		—	—		4.94	0.99

127	4729 - Other retail sale of food in specialised stores	0.09	0.02	—	—	—	—	—	—	—	—	—	—	—	—	0.09	0.02
128	4730 - Retail sale of automotive fuel in specialised stores	25,551.85	5,503.48	—	—	—	—	—	—	—	—	—	—	—	—	25,551.85	5,503.48
129	4741 - Retail sale of computers, peripheral units and software in specialised stores	19.00	9.73	—	—	—	—	—	—	—	—	—	—	—	—	19.00	9.73
130	4742 - Retail sale of telecommunications equipment in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
131	4743 - Retail sale of audio and video equipment in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
132	4752 - Retail sale of hardware, paints and glass in specialised stores	—	—	—	—	—	—	4,618.69	—	—	—	—	—	4,618.69	—
133	4754 - Retail sale of electrical household appliances in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
134	4759 - Retail sale of furniture, lighting equipment and other household articles in specialised stores	1.02	—	1.02	—	—	—	1.02	—	—	—	—	—	3.06	—
135	4771 - Retail sale of clothing in specialised stores	163.05	—	—	—	—	—	2.66	—	—	—	—	—	165.71	—
136	4772 - Retail sale of footwear and leather goods in specialised stores	1,319.30	—	—	—	—	—	—	—	—	—	—	—	1,319.30	—
137	4773 - Dispensing chemist in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
138	4774 - Retail sale of medical and orthopaedic goods in specialised stores	—	—	—	—	—	—	195.02	—	—	—	—	—	195.02	—
139	4778 - Other retail sale of new goods in specialised stores	—	—	0.55	—	—	—	—	—	—	—	—	—	0.55	—
140	4920 - Freight rail transport	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
141	4932 - Taxi operation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
142	4941 - Freight transport by road	30,284.66	10,647.74	872.35	1.33	7.45	0.47	99.61	20.16	1.71	1.20	—	—	31,265.78	10,670.90
143	5020 - Sea and coastal freight water transport	103,219.09	—	—	—	—	—	—	—	—	—	—	—	103,219.09	—
144	5040 - Inland freight water transport	10.91	7.23	0.09	0.02	4.44	0.28	1.10	0.43	1.02	0.71	—	—	17.55	8.68
145	5110 - Passenger air transport	1.83	—	—	—	—	—	—	—	—	—	—	—	1.83	—
146	5121 - Freight air transport	6.50	1.46	3.99	—	—	—	0.04	—	—	—	—	—	10.53	1.46
147	5210 - Warehousing and storage	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
148	5221 - Service activities incidental to land transportation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
149	5222 - Service activities incidental to water transportation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
150	5223 - Service activities incidental to air transportation	8.52	4.45	0.87	0.03	—	—	1.97	—	—	—	—	—	11.35	4.49
151	5224 - Cargo handling	95.16	25.55	36.37	—	—	—	0.36	—	—	—	—	—	131.90	25.55
152	5229 - Other transportation support activities	584,389.65	196,821.65	549,653.65	0.04	7.45	0.47	552.82	0.73	2.56	1.20	—	—	1,134,606.1	196,824.08
153	5310 - Postal activities under universal service obligation	205,752.23	67,853.08	7.98	—	—	—	0.08	—	—	—	—	—	205,760.29	67,853.08
154	5320 - Other postal and courier activities	14,396.17	4,880.54	119.82	—	—	—	1.20	—	—	—	—	—	14,517.19	4,880.54
155	5510 - Hotels and similar accommodation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
156	5610 - Restaurants and mobile food service activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
157	5629 - Other food service activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
158	5811 - Book publishing	3,583.68	—	5.30	—	—	—	—	—	—	—	—	—	3,588.99	—
159	5813 - Publishing of newspapers	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
160	5819 - Other publishing activities	—	—	2,313,306.4	—	—	—	—	—	—	—	—	—	2,313,306.4	—
161	5829 - Other software publishing	58,723.69	—	—	—	—	—	244.68	—	—	—	—	—	58,968.37	—
162	5911 - Motion picture, video and television programme production activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
163	6110 - Wired telecommunications activities	10,200.31	7,555.66	4,599.10	—	—	—	500.97	—	—	—	—	—	15,300.38	7,555.66
164	6120 - Wireless telecommunications activities	90.81	50.03	0.19	0.05	9.50	0.60	2.36	0.93	2.18	1.53	—	—	105.03	53.13
165	6190 - Other telecommunications activities	16.70	7.51	1.67	1.67	—	—	—	—	—	—	—	—	18.37	9.18
166	6201 - Computer programming activities	4,069.87	789.25	—	—	—	—	19,580.29	26.81	—	—	—	—	23,650.16	816.07
167	6202 - Computer consultancy activities	120,201.79	—	—	—	—	—	500.81	—	—	—	—	—	120,702.60	—
168	6203 - Computer facilities management activities	1,001,142.7	0.01	—	—	—	—	—	—	—	—	—	—	1,001,142.7	0.01
169	6209 - Other information technology and computer service activities	859.42	36.52	—	—	—	—	—	—	—	—	—	—	859.42	36.52
170	6311 - Data processing, hosting and related activities	346,240.77	229,452.20	2,747.79	686.95	140,824.83	8,930.37	35,051.91	13,740.60	32,286.58	22,669.30	—	—	557,151.89	275,479.41
171	6411 - Central banking	703,321.29	111,892.02	—	—	—	—	—	—	—	—	—	—	703,321.29	111,892.02
172	6419 - Other monetary intermediation	2,416,958.6	11,847.84	592.39	—	—	—	—	—	—	—	—	—	2,417,551.0	11,847.84
173	6420 - Activities of holding companies	30.56	16.43	0.92	0.18	4.44	0.28	7.53	0.43	170.41	0.71	—	—	213.86	18.04
174	6430 - Trusts, funds and similar financial entities	12,449,143.	12,449,143.	—	—	—	—	—	—	—	—	—	—	12,449,143.	12,449,143.
175	6491 - Financial leasing	(165,103.61	(26,271.66)	—	—	—	—	0.86	—	—	—	—	—	(165,102.75	(26,271.66)

176	6499 - Other financial service activities, except insurance and pension funding n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
177	6810 - Buying and selling of own real estate	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
178	6831 - Real estate agencies	1.02	—		1.02	—		—	—		1.02	—		—	—		—	—		3.06	—	
179	6920 - Accounting, bookkeeping and auditing activities; tax consultancy	304,404.99	1,492.18		74.61	—		—	—		—	—		—	—		—	—		304,479.59	1,492.18	
180	7010 - Activities of head offices	434,866.45	24,093.85		294.82	77.06		14,613.48	926.71		3,637.70	1,425.71		643,382.76	2,352.41		—	—		1,096,795.2	28,875.74	
181	7021 - Public relations and communication activities	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
182	7022 - Business and other management consultancy activities	802.84	460.73		46.92	2.76		117.59	7.48		151.29	13.51		26.84	18.84		—	—		1,145.47	503.32	
183	7111 - Architectural activities	24.14	18.35		0.73	0.48		—	—		—	—		—	—		—	—		24.87	18.83	
184	7112 - Engineering activities and related technical consultancy	60,846.87	40,436.43		480.44	120.76		24,541.10	1,556.26		6,105.35	2,394.25		5,626.50	3,950.52		—	—		97,600.25	48,458.23	
185	7120 - Technical testing and analysis	3.97	3.83		—	—		—	—		0.68	—		2.88	—		—	—		7.53	3.83	
186	7211 - Research and experimental development on biotechnology	1,143.04	264.55		1.02	0.67		—	—		—	—		—	—		—	—		1,144.07	265.22	
187	7311 - Advertising agencies	166,731.10	158,247.72		—	—		—	—		—	—		—	—		—	—		166,731.10	158,247.72	
188	7320 - Market research and public opinion polling	78.68	33.52		22.99	0.31		—	—		1.37	—		—	—		—	—		103.03	33.83	
189	7490 - Other professional, scientific and technical activities n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
190	7711 - Renting and leasing of cars and light motor vehicles	31,609,837.	6,310,058.4		417,554.60	4.91		10.66	0.68		17,125,478.	1.05		2.44	1.72		—	—		49,152,884.	6,310,066.7	
191	7739 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
192	7740 - Leasing of intellectual property and similar products, except copyrighted works	18,874.71	—		—	—		—	—		—	—		—	—		—	—		18,874.71	—	
193	7810 - Activities of employment placement agencies	41.18	1.14		—	—		—	—		0.20	—		0.86	—		—	—		42.24	1.14	
194	7820 - Temporary employment agency activities	106.00	—		—	—		—	—		—	—		—	—		—	—		106.00	—	
195	7911 - Travel agency activities	95.47	—		—	—		—	—		—	—		—	—		—	—		95.47	—	
196	7912 - Tour operator activities	18.57	—		—	—		—	—		—	—		—	—		—	—		18.57	—	
197	8010 - Private security activities	91.04	60.64		1.87	0.47		27.29	1.73		8.75	2.66		6.26	4.39		—	—		135.20	69.90	
198	8110 - Combined facilities support activities	9.00	—		—	—		—	—		—	—		—	—		—	—		9.00	—	
199	8121 - General cleaning of buildings	27,011.30	17,900.35		214.38	53.59		10,986.74	696.72		2,733.29	1,071.88		2,518.91	1,768.60		—	—		43,464.61	21,491.13	
200	8122 - Other building and industrial cleaning activities	319.93	215.87		3.17	0.61		117.97	7.48		31.31	11.51		27.05	18.99		—	—		499.42	254.45	
201	8129 - Other cleaning activities	67.08	44.46		0.53	0.13		27.29	1.73		6.79	2.66		6.26	4.39		—	—		107.94	53.37	
202	8211 - Combined office administrative service activities	1,482.10	—		—	—		—	—		—	—		—	—		—	—		1,482.10	—	
203	8220 - Activities of call centres	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
204	8291 - Activities of collection agencies and credit bureaus	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
205	8299 - Other business support service activities n.e.c.	30.64	20.39		0.23	0.15		0.46	0.05		20.20	1.85		1.16	—		—	—		52.70	22.45	
206	8690 - Other human health activities	462,109.32	—		462,109.32	—		—	—		462,109.32	—		—	—		—	—		1,386,327.9	—	
207	8710 - Residential nursing care activities	3.23	—		3.23	—		—	—		3.23	—		—	—		—	—		9.70	—	
208	8730 - Residential care activities for the elderly and disabled	9.31	—		9.31	—		—	—		9.31	—		—	—		—	—		27.92	—	
209	9321 - Activities of amusement parks and theme parks	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
210	9499 - Activities of other membership organisations n.e.c.	83.24	74.78		—	—		—	—		—	—		—	—		—	—		83.24	74.78	
211	9522 - Repair of household appliances and home and garden equipment	46.34	34.29		—	—		—	—		—	—		—	—		—	—		46.34	34.29	
212	9609 - Other personal service activities n.e.c.	55,397.84	36,712.06		439.67	109.92		22,532.85	1,428.91		5,605.73	2,198.33		5,166.07	3,627.24		—	—		89,142.15	44,076.45	

2. GAR sector information based on Capex

	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCM)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (CCA)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (WTR)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (CE)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (PPC)	Mn EUR	Of which environ-mentally sustain-able (BIO)	Mn EUR	Of which environm entally sustain-able (BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environ-mentally sustain-able (CCM + CCA + WTR + CE + PPC + BIO)
1	0161 - Support activities for crop production	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
2	0610 - Extraction of crude petroleum	52,700.89	37,244.97			552.75	552.75			—	—			66.33	—			44.22	—			—	—			53,364.19	37,797.71		
3	0811 - Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate	102,000,217	21,300,111.			—	—			—	—			—	—			—	—			—	—			102,000,217	21,300,111.		
4	0812 - Operation of gravel and sand pits; mining of clays and kaolin	44,513.18	17,805.27			44,513.18	—			—	—			—	—			—	—			—	—			89,026.35	17,805.27		
5	1032 - Manufacture of fruit and vegetable juice	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
6	1041 - Manufacture of oils and fats	12.70	—			12.70	—			—	—			—	—			—	—			1.29	—			26.69	—		
7	1051 - Operation of dairies and cheese making	55,694.21	—			55,694.21	—			—	—			—	—			—	—			5,650.14	—			117,038.55	—		
8	1061 - Manufacture of grain mill products	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
9	1071 - Manufacture of bread; manufacture of fresh pastry goods and cakes	11.37	1.08			0.78	—			—	—			0.08	—			—	—			—	—			12.23	1.08		
10	1081 - Manufacture of sugar	2,152.70	2,152.70			—	—			—	—			—	—			—	—			—	—			2,152.70	2,152.70		
11	1082 - Manufacture of cocoa, chocolate and sugar confectionery	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
12	1083 - Processing of tea and coffee	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
13	1089 - Manufacture of other food products n.e.c.	12,190,497.	1.08			12,203,136.	—			744,434.03	—			2,326,356.4	—			—	—			—	—			27,464,424.	1.08		
14	1105 - Manufacture of beer	1,778.41	762.18			76.22	76.22			—	—			—	—			—	—			—	—			1,854.63	838.39		
15	1106 - Manufacture of malt	4,547.43	—			—	—			—	—			—	—			—	—			—	—			4,547.43	—		
16	1310 - Preparation and spinning of textile fibres	3,244.92	1,137.39			—	—			—	—			1,405.02	—			—	—			—	—			4,649.93	1,137.39		
17	1396 - Manufacture of other technical and industrial textiles	771.30	692.09			13.84	0.04			—	—			—	—			—	—			—	—			785.14	692.13		
18	1629 - Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials	520.55	520.55			—	—			—	—			—	—			—	—			—	—			520.55	520.55		
19	1721 - Manufacture of corrugated paper and paperboard and of containers of paper and paperboard	3,440.67	1,206.01			—	—			—	—			1,489.77	—			—	—			—	—			4,930.45	1,206.01		
20	1722 - Manufacture of household and sanitary goods and of toilet requisites	—	—			—	—			—	—			—	—			—	—			—	—			—	—		
21	1729 - Manufacture of other articles of paper and paperboard	2,154.10	2,154.10			—	—			—	—			—	—			—	—			—	—			2,154.10	2,154.10		
22	1812 - Other printing	84.74	58.15			—	—			—	—			—	—			—	—			—	—			84.74	58.15		
23	1920 - Manufacture of refined petroleum products	192,944,404	170,392,461			—	—			—	—			—	—			—	—			—	—			192,944,404	170,392,461		
24	2011 - Manufacture of industrial gases	1,386.90	761.44			1,386.90	—			—	—			—	—			—	—			—	—			2,773.80	761.44		
25	2014 - Manufacture of other organic basic chemicals	1,505,057.2	42,280.95			—	—			—	—			—	—			122,808.94	—			—	—			1,627,866.1	42,280.95		
26	2020 - Manufacture of pesticides and other agrochemical products	21,791.90	—			—	—			—	—			—	—			139,666.24	—			—	—			161,458.13	—		
27	2030 - Manufacture of paints, varnishes and similar coatings, printing ink and mastics	41,965.73	41,395.15			—	—			—	—			—	—			—	—			—	—			41,965.73	41,395.15		
28	2041 - Manufacture of soap and detergents, cleaning and polishing preparations	68,099.75	3,242.85			—	—			—	—			22,699.92	—			—	—			—	—			90,799.66	3,242.85		
29	2042 - Manufacture of perfumes and toilet preparations	356,158.35	35,415.74			28,332.59	—			—	—			5,203.35	—			—	—			—	—			389,694.29	35,415.74		
30	2059 - Manufacture of other chemical products n.e.c.	15,300,848.	49,220.26			—	—			—	—			2,908,340.4	—			2,385.35	—			—	—			18,211,574.	49,220.26		
31	2110 - Manufacture of basic pharmaceutical products	21,735,900.	45,757.23			2,516,647.7	—			—	—			4,687,621.2	—			43,560,135.	—			—	—			72,500,304.	45,757.23		
32	2211 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	7,490.38	2,773.49			—	—			—	—			126.07	—			—	—			—	—			7,616.45	2,773.49		

33	2222 - Manufacture of plastic packing goods	610,924.12	610,924.12		610,924.12	—		—	—		5,430,436.6	3,597,664.2		—	—		—	—		6,652,284.8	4,208,588.3
34	2229 - Manufacture of other plastic products	166,520.69	42,070.08		108,971.75	—		—	—		1,201.89	—		—	—		—	—		276,694.34	42,070.08
35	2311 - Manufacture of flat glass	18.50	16.89		—	—		—	—		—	—		—	—		—	—		18.50	16.89
36	2351 - Manufacture of cement	661,530.82	138,153.74		—	—		—	—		—	—		—	—		—	—		661,530.82	138,153.74
37	2352 - Manufacture of lime and plaster	—	—		—	—		—	—		—	—		—	—		—	—		—	—
38	2361 - Manufacture of concrete products for construction purposes	63,166.69	3,007.94		63,166.69	—		—	—		—	—		—	—		—	—		126,333.38	3,007.94
39	2399 - Manufacture of other non-metallic mineral products n.e.c.	131,007.29	129,187.74		—	—		—	—		—	—		—	—		—	—		131,007.29	129,187.74
40	2410 - Manufacture of basic iron and steel and of ferro-alloys	1,390,619,2	192,219,862		282,215,132	—		—	—		14,703,060.(	—		—	—		—	—		1,687,537,4	192,219,862
41	2445 - Other non-ferrous metal production	99,790,168.	99,789,666.		—	—		—	—		—	—		—	—		—	—		99,790,168.	99,789,666.
42	2452 - Casting of steel	(294.47)	—		—	—		—	—		—	—		—	—		—	—		(294.47)	—
43	2511 - Manufacture of metal structures and parts of structures	1,524,110.5	486,946.29		178,516.05	7,678.11		20,647.88	—		611,008.71	—		—	—		20,647.88	—		2,354,931.0	494,624.40
44	2512 - Manufacture of doors and windows of metal	—	—		—	—		—	—		—	—		—	—		—	—		—	—
45	2521 - Manufacture of central heating radiators and boilers	13,321.12	3,581.00		259.08	17.50		689.25	1.70		1,073.00	7.93		24.34	18.97		—	—		15,366.80	3,627.10
46	2561 - Treatment and coating of metals	133,106.25	100,945.38		—	—		—	—		—	—		—	—		—	—		133,106.25	100,945.38
47	2593 - Manufacture of wire products, chain and springs	142,880.80	96,075.02		—	—		—	—		—	—		—	—		—	—		142,880.80	96,075.02
48	2599 - Manufacture of other fabricated metal products n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—
49	2611 - Manufacture of electronic components	—	—		—	—		—	—		—	—		—	—		—	—		—	—
50	2620 - Manufacture of computers and peripheral equipment	391,683.33	358,229.95		—	—		—	—		—	—		—	—		—	—		391,683.33	358,229.95
51	2630 - Manufacture of communication equipment	85,740.00	13,432.60		2,314,980.0	49,729.20		—	—		57,160.00	—		—	—		—	—		2,457,880.0	63,161.80
52	2640 - Manufacture of consumer electronics	23.84	21.96		0.24	0.11		—	—		—	—		—	—		—	—		24.08	22.07
53	2651 - Manufacture of instruments and appliances for measuring, testing and navigation	5,113.07	26.12		66.92	—		—	—		—	—		—	—		—	—		5,179.99	26.12
54	2660 - Manufacture of irradiation, electromedical and electrotherapeutic equipment	383,623.91	383,623.91		—	—		—	—		—	—		—	—		—	—		383,623.91	383,623.91
55	2711 - Manufacture of electric motors, generators and transformers	254.71	130.32		—	—		—	—		—	—		—	—		—	—		254.71	130.32
56	2712 - Manufacture of electricity distribution and control apparatus	75,930.07	72,530.22		—	—		—	—		—	—		—	—		—	—		75,930.07	72,530.22
57	2740 - Manufacture of electric lighting equipment	35,471,499.	18,844,233.		—	—		554,242.17	—		12,193,327.	554,242.17		—	—		—	—		48,219,069.(	19,398,476.(
58	2790 - Manufacture of other electrical equipment	463.20	60.83		4,000,484.3	0.61		—	—		21.30	—		—	—		—	—		4,000,968.8	61.44
59	2814 - Manufacture of other taps and valves	3.23	2.95		—	—		—	—		—	—		—	—		—	—		3.23	2.95
60	2825 - Manufacture of non-domestic cooling and ventilation equipment	229,591.26	9,193.22		11.38	0.49		—	—		9,199.81	—		—	—		—	—		238,802.45	9,193.71
61	2829 - Manufacture of other general-purpose machinery n.e.c.	196,149,125	106,482.00		—	—		89,197.97	1,851.86		274,357,011	8,642.02		26,543.34	20,679.11		—	—		470,621,877	137,655.00
62	2830 - Manufacture of agricultural and forestry machinery	346,535.56	55,191.74		320,821.96	—		—	—		118,660.07	—		—	—		—	—		786,017.59	55,191.74
63	2891 - Manufacture of machinery for metallurgy	—	—		—	—		—	—		—	—		—	—		—	—		—	—
64	2893 - Manufacture of machinery for food, beverage and tobacco processing	—	—		—	—		—	—		—	—		—	—		—	—		—	—
65	2910 - Manufacture of motor vehicles	17,728,638.	3,601,529.6		2,046,603.6	2,046,603.6		—	—		—	—		—	—		—	—		19,775,242.	5,648,133.3
66	2931 - Manufacture of electrical and electronic equipment for motor vehicles	—	—		—	—		—	—		—	—		—	—		—	—		—	—
67	2932 - Manufacture of other parts and accessories for motor vehicles	0.02	0.02		—	—		—	—		—	—		—	—		—	—		0.02	0.02
68	3020 - Manufacture of railway locomotives and rolling stock	—	—		—	—		—	—		—	—		—	—		—	—		—	—
69	3030 - Manufacture of air and spacecraft and related machinery	1,955,904.6	10,070.29		22,422.99	—		—	—		10,070.29	—		—	—		—	—		1,988,397.9	10,070.29
70	3109 - Manufacture of other furniture	9.63	—		9.63	—		—	—		9.63	—		—	—		—	—		28.88	—
71	3250 - Manufacture of medical and dental instruments and supplies	126,083.73	1,593.29		1,593.29	—		—	—		—	—		—	—		—	—		127,677.02	1,593.29
72	3299 - Other manufacturing n.e.c.	48,273,028.	2,672,772.9		45,699,095.	—		—	—		103.47	—		—	—		—	—		93,972,227.	2,672,772.9
73	3320 - Installation of industrial machinery and equipment	44.60	17.70		—	—		—	—		—	—		—	—		—	—		44.60	17.70
74	3511 - Production of electricity	2,331,866.9	2,209,576.4		13,601.94	32.81		21,525.08	446.89		12,106.78	2,085.48		15,180.92	4,990.24		—	—		2,394,281.6	2,217,131.8
75	3512 - Transmission of electricity	224,916,198	224,015,632		5,178,250.8	—		—	—		—	—		—	—		—	—		230,094,449	224,015,632
76	3513 - Distribution of electricity	24,672,198.	23,568,781.		25.06	11.48		—	—		—	—		—	—		—	—		24,672,223.	23,568,792.9
77	3514 - Trade of electricity	31.05	29.66		—	—		—	—		—	—		—	—		—	—		31.05	29.66
78	3521 - Manufacture of gas	58.56	58.56		—	—		—	—		—	—		—	—		—	—		58.56	58.56
79	3600 - Water collection, treatment and supply	112,125.17	60,822.62		—	—		50,949.96	1,057.78		14,808.98	4,936.33		15,161.58	11,811.93		—	—		193,045.70	78,628.66
80	3700 - Sewerage	233,581.17	126,706.77		—	—		106,139.87	2,203.60		30,850.34	10,283.45		31,584.88	24,606.82		—	—		402,156.26	163,800.63

81	3811 - Collection of non-hazardous waste	69.34	37.61		—	—		31.51	0.65		9.16	3.05		9.38	7.30		—	—		119.38	48.62
82	3821 - Treatment and disposal of non-hazardous waste	664,773.17	91,494.76		—	—		76,643.43	1,591.21		22,276.98	7,425.66		22,807.39	17,768.55		—	—		786,500.97	118,280.18
83	3822 - Treatment and disposal of hazardous waste	68,168.58	36,978.24		—	—		30,975.97	643.10		9,003.40	3,001.13		9,217.76	7,181.28		—	—		117,365.71	47,803.75
84	3832 - Recovery of sorted materials	24.59	17.35		—	—		6.25	0.13		1.82	0.61		1.86	1.45		—	—		34.52	19.54
85	4110 - Development of building projects	14,408.30	4,010.95		8.57	—		257.07	—		4,276.02	—		—	—		257.07	—		19,207.04	4,010.95
86	4120 - Construction of residential and non-residential buildings	2,312,989.1	2,029,674.5		71,377.40	1.65		5,952.04	—		98,803.85	—		—	—		5,952.04	—		2,495,074.5	2,029,676.1
87	4213 - Construction of bridges and tunnels	—	—		—	—		—	—		—	—		—	—		—	—		—	—
88	4222 - Construction of utility projects for electricity and telecommunications	23.20	11.66		1.59	0.07		—	—		2.39	—		—	—		—	—		27.17	11.73
89	4291 - Construction of water projects	3,352.06	933.79		—	—		59.86	—		993.65	—		—	—		59.86	—		4,465.42	933.79
90	4312 - Site preparation	255.68	130.81		—	—		—	—		—	—		—	—		—	—		255.68	130.81
91	4321 - Electrical installation	32,750.30	28,379.26		—	—		42.97	0.89		12.49	4.16		12.79	9.96		—	—		32,818.55	28,394.28
92	4322 - Plumbing, heat and air-conditioning installation	69,096.47	31,016.00		33,403.55	1,436.99		38.47	0.80		50,205.28	3.73		11.45	8.92		—	—		152,755.21	32,466.44
93	4329 - Other construction installation	59,209.18	2,820.79		59,207.49	0.07		—	—		2.39	—		—	—		—	—		118,419.06	2,820.86
94	4332 - Joinery installation	—	—		—	—		—	—		—	—		—	—		—	—		—	—
95	4333 - Floor and wall covering	—	—		—	—		—	—		—	—		—	—		—	—		—	—
96	4339 - Other building completion and finishing	120,773.11	61,790.89		—	—		—	—		—	—		—	—		—	—		120,773.11	61,790.89
97	4399 - Other specialised construction activities n.e.c.	207.44	32.81		—	—		10.50	0.22		3.05	1.02		3.13	2.43		—	—		224.12	36.48
98	4519 - Sale of other motor vehicles	195,345.96	44,865.72		25,839.49	25,839.49		—	—		—	—		—	—		—	—		221,185.44	70,705.21
99	4520 - Maintenance and repair of motor vehicles	258,526.71	84,877.75		—	—		—	—		—	—		—	—		—	—		258,526.71	84,877.75
100	4531 - Wholesale trade of motor vehicle parts and accessories	13.83	—		—	—		—	—		—	—		—	—		—	—		13.83	—
101	4612 - Agents involved in the sale of fuels, ores, metals and industrial chemicals	—	—		—	—		—	—		—	—		—	—		—	—		—	—
102	4615 - Agents involved in the sale of furniture, household goods, hardware and ironmongery	—	—		—	—		—	—		—	—		—	—		—	—		—	—
103	4618 - Agents specialised in the sale of other particular products	—	—		—	—		—	—		—	—		—	—		—	—		—	—
104	4619 - Agents involved in the sale of a variety of goods	23.11	12.54		—	—		10.50	0.22		3.05	1.02		3.13	2.43		—	—		39.79	16.21
105	4621 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	633.32	316.66		—	—		—	—		—	—		—	—		—	—		633.32	316.66
106	4633 - Wholesale of dairy products, eggs and edible oils and fats	—	—		—	—		—	—		—	—		—	—		—	—		—	—
107	4634 - Wholesale of beverages	1.16	—		—	—		—	—		—	—		—	—		—	—		1.16	—
108	4638 - Wholesale of other food, including fish, crustaceans and molluscs	2,099.64	1.85		—	—		—	—		275.17	—		—	—		—	—		2,374.81	1.85
109	4639 - Non-specialised wholesale of food, beverages and tobacco	3.00	—		—	—		—	—		—	—		—	—		—	—		3.00	—
110	4642 - Wholesale of clothing and footwear	17,017.91	8,674.10		—	—		—	—		1,935.91	—		9,485.94	—		—	—		28,439.76	8,674.10
111	4643 - Wholesale of electrical household appliances	—	—		—	—		—	—		—	—		—	—		—	—		—	—
112	4646 - Wholesale of pharmaceutical goods	772,444.06	3.15		5.07	—		—	—		188,423.17	—		923,152.05	—		—	—		1,884,024.3	3.15
113	4647 - Wholesale of furniture, carpets and lighting equipment	3.00	—		—	—		—	—		—	—		—	—		—	—		3.00	—
114	4649 - Wholesale of other household goods	4,048.40	3,912.87		—	—		—	—		—	—		—	—		—	—		4,048.40	3,912.87
115	4651 - Wholesale of computers, computer peripheral equipment and software	—	—		—	—		—	—		—	—		—	—		—	—		—	—
116	4652 - Wholesale of electronic and telecommunications equipment and parts	30,501.70	12,010.47		—	—		324.81	—		18,309.95	324.81		—	—		—	—		49,136.46	12,335.28
117	4662 - Wholesale of machine tools	114.24	—		2.70	—		7.41	—		12.81	—		—	—		—	—		137.15	—
118	4666 - Wholesale of other office machinery and equipment	—	—		—	—		—	—		—	—		—	—		—	—		—	—
119	4669 - Wholesale of other machinery and equipment	30,504.95	11.48		—	—		—	—		1,253.25	—		—	—		—	—		31,758.20	11.48
120	4671 - Wholesale of solid, liquid and gaseous fuels and related products	155,030.88	141,789.81		—	—		—	—		—	—		—	—		—	—		155,030.88	141,789.81
121	4672 - Wholesale of metals and metal ores	120.80	82.28		120.80	—		—	—		6.29	—		—	—		—	—		247.90	82.28
122	4673 - Wholesale of wood, construction materials and sanitary equipment	73,899.33	34,647.27		22,086.78	—		—	—		14,115.79	—		—	—		—	—		110,101.90	34,647.27
123	4674 - Wholesale of hardware, plumbing and heating equipment and supplies	509.91	384.22		443.66	—		—	—		—	—		—	—		—	—		953.57	384.22
124	4675 - Wholesale of chemical products	132.08	42.88		49.91	—		—	—		0.43	—		8.24	—		—	—		190.67	42.88
125	4711 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	1,594,608.2	152,172.84		109,811.99	0.02		—	—		11,293.59	—		—	—		—	—		1,715,713.8	152,172.86

126	4719 - Other retail sale in non-specialised stores	1,865.08	177.94	128.51	—	—	—	13.18	—	—	—	—	—	2,006.77	177.94
127	4729 - Other retail sale of food in specialised stores	34.10	3.25	2.35	—	—	—	0.24	—	—	—	—	—	36.69	3.25
128	4730 - Retail sale of automotive fuel in specialised stores	110,462.62	101,028.09	—	—	—	—	—	—	—	—	—	—	110,462.62	101,028.09
129	4741 - Retail sale of computers, peripheral units and software in specialised stores	19.93	10.19	—	—	—	—	—	—	—	—	—	—	19.93	10.19
130	4742 - Retail sale of telecommunications equipment in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—
131	4743 - Retail sale of audio and video equipment in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—
132	4752 - Retail sale of hardware, paints and glass in specialised stores	503,437.53	35,409.98	—	—	—	—	—	—	—	—	—	—	503,437.53	35,409.98
133	4754 - Retail sale of electrical household appliances in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—
134	4759 - Retail sale of furniture, lighting equipment and other household articles in specialised stores	8.57	—	8.57	—	—	—	8.57	—	—	—	—	—	25.72	—
135	4771 - Retail sale of clothing in specialised stores	40,045.97	3,074.92	5,097.19	—	—	—	3,058.31	—	—	—	—	—	48,201.47	3,074.92
136	4772 - Retail sale of footwear and leather goods in specialised stores	71,634.66	5,408.87	9,014.79	—	—	—	5,408.87	—	—	—	—	—	86,058.32	5,408.87
137	4773 - Dispensing chemist in specialised stores	—	—	—	—	—	—	—	—	—	—	—	—	—	—
138	4774 - Retail sale of medical and orthopaedic goods in specialised stores	7.71	0.79	7.71	—	—	—	119.94	—	—	—	—	—	135.35	0.79
139	4778 - Other retail sale of new goods in specialised stores	1,558.95	28.68	19.59	—	—	—	—	—	—	0.01	—	—	1,578.54	28.70
140	4920 - Freight rail transport	—	—	—	—	—	—	—	—	—	—	—	—	—	—
141	4932 - Taxi operation	—	—	—	—	—	—	—	—	—	—	—	—	—	—
142	4941 - Freight transport by road	28,126.29	13,547.59	1,532.70	410.68	10.50	0.22	102.92	7.50	3.13	2.43	—	—	29,775.54	13,968.42
143	5020 - Sea and coastal freight water transport	100,731.88	6,736.19	—	—	—	—	—	—	—	—	—	—	100,731.88	6,736.19
144	5040 - Inland freight water transport	13.76	7.47	—	—	6.25	0.13	1.82	0.61	1.86	1.45	—	—	23.70	9.65
145	5110 - Passenger air transport	27.20	0.12	—	—	—	—	—	—	—	—	—	—	27.20	0.12
146	5121 - Freight air transport	9.12	2.99	3.48	—	—	—	0.03	—	—	—	—	—	12.63	2.99
147	5210 - Warehousing and storage	20,732.84	—	0.03	—	—	—	0.16	—	0.01	—	—	—	20,733.04	—
148	5221 - Service activities incidental to land transportation	—	—	—	—	—	—	—	—	—	—	—	—	—	—
149	5222 - Service activities incidental to water transportation	—	—	—	—	—	—	—	—	—	—	—	—	—	—
150	5223 - Service activities incidental to air transportation	3.27	1.47	1.59	0.07	—	—	2.39	—	—	—	—	—	7.24	1.53
151	5224 - Cargo handling	109.66	45.21	31.72	—	—	—	0.27	—	—	—	—	—	141.66	45.21
152	5229 - Other transportation support activities	122,998,049	141,331.07	613,336.20	—	10.50	0.22	582.84	1.02	12.11	2.43	—	—	123,611,991	141,334.74
153	5310 - Postal activities under universal service obligation	202,278.19	138,772.65	8.53	—	—	—	0.22	—	—	—	—	—	202,286.94	138,772.65
154	5320 - Other postal and courier activities	10,790.73	7,203.04	104.51	—	—	—	0.90	—	—	—	—	—	10,896.14	7,203.04
155	5510 - Hotels and similar accommodation	37.95	37.95	—	—	—	—	—	—	—	—	—	—	37.95	37.95
156	5610 - Restaurants and mobile food service activities	69.98	12.50	—	—	—	—	2.21	—	—	—	—	—	72.19	12.50
157	5629 - Other food service activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
158	5811 - Book publishing	4,607.59	—	15.10	—	—	—	—	—	—	—	—	—	4,622.69	—
159	5813 - Publishing of newspapers	—	—	—	—	—	—	—	—	—	—	—	—	—	—
160	5819 - Other publishing activities	—	—	6,584,026.1	—	—	—	—	—	—	—	—	—	6,584,026.1	—
161	5829 - Other software publishing	344,186.08	5,709.25	—	—	—	—	86,454.32	—	—	—	—	—	430,640.41	5,709.25
162	5911 - Motion picture, video and television programme production activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
163	6110 - Wired telecommunications activities	23,045.26	19,710.43	14,782.82	—	—	—	—	—	—	—	—	—	37,828.08	19,710.43
164	6120 - Wireless telecommunications activities	100.22	52.18	—	—	13.39	0.28	3.89	1.30	3.99	3.10	—	—	121.49	56.86
165	6190 - Other telecommunications activities	834.99	192.88	—	—	—	—	—	—	—	—	—	—	834.99	192.88
166	6201 - Computer programming activities	24,767.51	12,645.70	8,772.17	—	—	—	5,722.43	—	—	—	—	—	39,262.11	12,645.70
167	6202 - Computer consultancy activities	704,479.59	11,685.56	—	—	—	—	176,952.71	—	—	—	—	—	881,432.30	11,685.56
168	6203 - Computer facilities management activities	1,001,168.9	2.50	1.81	—	—	—	0.19	—	—	—	—	—	1,001,170.9	2.50
169	6209 - Other information technology and computer service activities	15,282.26	2,882.46	12,366.33	—	—	—	—	—	—	—	—	—	27,648.60	2,882.46
170	6311 - Data processing, hosting and related activities	436,925.31	237,011.08	—	—	198,528.50	4,121.69	57,712.64	19,234.96	59,077.56	46,025.54	—	—	752,244.02	306,393.28
171	6411 - Central banking	703,321.29	111,892.02	—	—	—	—	—	—	—	—	—	—	703,321.29	111,892.02
172	6419 - Other monetary intermediation	2,416,958.6	11,847.84	592.39	—	—	—	—	—	—	—	—	—	2,417,551.0	11,847.84
173	6420 - Activities of holding companies	78.84	31.34	3.53	0.18	6.25	0.13	3.80	0.61	1.86	1.45	—	—	94.28	33.71
174	6430 - Trusts, funds and similar financial entities	—	—	—	—	—	—	—	—	—	—	—	—	—	—

175	6491 - Financial leasing	(165,100.65	(26,242.07)		118.35	—		—	—		—	—		—	—		—	—		(164,982.30	(26,242.07)	
176	6499 - Other financial service activities, except insurance and pension funding n.e.c.	21,548.74	21,548.29		0.03	—		—	—		0.16	—		0.01	—		—	—		21,548.93	21,548.29	
177	6810 - Buying and selling of own real estate	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
178	6831 - Real estate agencies	12.20	0.48		8.57	—		—	—		8.69	—		—	—		—	—		29.47	0.48	
179	6920 - Accounting, bookkeeping and auditing activities; tax consultancy	304,404.99	1,492.18		74.61	—		—	—		—	—		—	—		—	—		304,479.59	1,492.18	
180	7010 - Activities of head offices	536,201.75	30,400.86		10.72	4.19		20,601.45	427.71		5,990.58	1,995.99		544,397.74	4,776.11		—	—		1,107,202.2	37,604.86	
181	7021 - Public relations and communication activities	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
182	7022 - Business and other management consultancy activities	667.37	377.36		81.28	3.85		165.56	3.43		180.46	16.51		49.11	38.26		—	—		1,143.78	439.41	
183	7111 - Architectural activities	74.52	68.65		0.75	0.34		—	—		—	—		—	—		—	—		75.27	69.00	
184	7112 - Engineering activities and related technical consultancy	76,820.55	41,948.07		1.63	0.75		34,596.96	718.28		10,055.87	3,351.96		10,295.29	8,020.75		—	—		131,770.30	54,039.80	
185	7120 - Technical testing and analysis	60.79	—		—	—		—	—		—	—		—	—		—	—		60.79	—	
186	7211 - Research and experimental development on biotechnology	26,545.76	8,894.04		1.05	0.48		—	—		—	—		—	—		—	—		26,546.81	8,894.52	
187	7311 - Advertising agencies	168,036.23	130,839.86		—	—		—	—		20,882.17	—		—	—		—	—		188,918.41	130,839.86	
188	7320 - Market research and public opinion polling	134.80	74.57		28.80	0.22		—	—		9.84	—		—	—		—	—		173.45	74.79	
189	7490 - Other professional, scientific and technical activities n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
190	7711 - Renting and leasing of cars and light motor vehicles	48,167,874.	13,830,386.		296.47	9.62		15.03	(0.31)		106,612.96	1.46		4.47	3.49		—	—		48,274,803.	13,830,401.	
191	7739 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	—	—		—	—		—	—		—	—		—	—		—	—		—	—	
192	7740 - Leasing of intellectual property and similar products, except copyrighted works	18,874.71	—		—	—		—	—		—	—		—	—		—	—		18,874.71	—	
193	7810 - Activities of employment placement agencies	58.12	—		—	—		—	—		—	—		—	—		—	—		58.12	—	
194	7820 - Temporary employment agency activities	106.00	—		—	—		—	—		—	—		—	—		—	—		106.00	—	
195	7911 - Travel agency activities	1,422.49	6.36		—	—		—	—		—	—		—	—		—	—		1,422.49	6.36	
196	7912 - Tour operator activities	276.71	1.24		—	—		—	—		—	—		—	—		—	—		276.71	1.24	
197	8010 - Private security activities	135.60	91.31		2.07	0.29		38.47	0.80		13.57	3.73		11.45	8.92		—	—		201.14	105.04	
198	8110 - Combined facilities support activities	9.00	—		—	—		—	—		—	—		—	—		—	—		9.00	—	
199	8121 - General cleaning of buildings	34,085.69	18,489.88		—	—		15,488.62	321.56		4,501.88	1,500.63		4,609.07	3,590.79		—	—		58,685.27	23,902.86	
200	8122 - Other building and industrial cleaning activities	393.55	223.20		1.59	0.07		166.30	3.45		50.72	16.11		49.49	38.55		—	—		661.65	281.39	
201	8129 - Other cleaning activities	84.65	45.92		—	—		38.47	0.80		11.18	3.73		11.45	8.92		—	—		145.74	59.36	
202	8211 - Combined office administrative service activities	1,482.10	—		—	—		—	—		—	—		—	—		—	—		1,482.10	—	
203	8220 - Activities of call centres	18.07	1.39		2.32	—		—	—		1.39	—		—	—		—	—		21.78	1.39	
204	8291 - Activities of collection agencies and credit bureaus	2.50	—		—	—		—	—		—	—		—	—		—	—		2.50	—	
205	8299 - Other business support service activities n.e.c.	78.06	37.72		0.24	0.11		0.46	—		10.19	0.46		—	—		—	—		88.95	38.29	
206	8690 - Other human health activities	3,885,919.2	—		3,885,919.2	—		—	—		3,885,919.2	—		—	—		—	—		11,657,757.	—	
207	8710 - Residential nursing care activities	27.20	—		27.20	—		—	—		27.20	—		—	—		—	—		81.60	—	
208	8730 - Residential care activities for the elderly and disabled	78.27	—		78.27	—		—	—		78.27	—		—	—		—	—		234.80	—	
209	9321 - Activities of amusement parks and theme parks	2,882.22	—		—	—		—	—		—	—		—	—		—	—		2,882.22	—	
210	9499 - Activities of other membership organisations n.e.c.	94.53	90.30		—	—		—	—		—	—		—	—		—	—		94.53	90.30	
211	9522 - Repair of household appliances and home and garden equipment	50.97	39.85		—	—		—	—		—	—		—	—		—	—		50.97	39.85	
212	9609 - Other personal service activities n.e.c.	69,908.61	37,921.38		—	—		31,765.82	659.50		9,233.03	3,077.66		9,452.81	7,364.39		—	—		120,360.27	49,022.93	

3. KPI Stock based on Turnover

	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Propor-tion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transiti-onal	Of which enabling	
	GAR - Covered assets in both numerator and denominator	91.55 %	8.49 %	7.23 %	0.44 %	0.48 %	1.13 %	— %		— %	— %	— %		— %	1.96 %	0.01 %		— %	0.11 %	— %			0.10 %				94.85 %	8.50 %	7.23 %	0.44 %	0.49 %	35.64 %
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	91.55 %	8.49 %	7.23 %	0.44 %	0.48 %	1.13 %	— %		— %	— %	— %		— %	1.96 %	0.01 %		— %	0.11 %	— %			0.10 %				94.85 %	8.50 %	7.23 %	0.44 %	0.49 %	35.64 %
2	**Financial undertakings**	31.61 %	1.26 %		0.06 %	0.06 %	0.03 %	0.01 %		0.01 %	— %	— %		— %	0.04 %	— %		— %	1.29 %								32.97 %	1.26 %		0.06 %	0.06 %	1.67 %
3	Credit institutions	33.60 %	1.33 %		0.06 %	0.06 %	0.03 %	0.01 %		0.01 %	— %	— %		— %	— %	— %		— %									33.63 %	1.34 %		0.06 %	0.07 %	1.57 %
4	Loans and advances	7.64 %	0.52 %		0.09 %	0.07 %	0.08 %	— %			— %	— %		— %	— %	— %		— %									7.72 %	0.52 %		0.09 %	0.07 %	0.05 %
5	Debt securities, including UoP	34.54 %	1.36 %		0.06 %	0.06 %	0.03 %	0.01 %		0.01 %																	34.56 %	1.37 %		0.06 %	0.07 %	1.52 %
6	Equity instruments																															
7	Other financial corporations	0.03 %	0.02 %		— %	0.02 %	0.12 %								0.64 %				21.74 %								22.52 %	0.02 %		— %	0.02 %	0.10 %
8	of which investment firms																															— %
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															— %
12	of which management companies	22.62 %	17.18 %		0.20 %	7.84 %	0.73 %	0.45 %			— %	— %		— %	0.01 %	— %		— %									23.36 %	17.63 %		0.20 %	7.84 %	— %
13	Loans and advances	22.62 %	17.18 %		0.20 %	7.84 %	0.73 %	0.45 %			— %	— %		— %	0.01 %	— %		— %									23.36 %	17.63 %		0.20 %	7.84 %	— %
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings	0.13 %	0.13 %		0.01 %	0.03 %	— %	— %																			0.13 %	0.13 %		0.01 %	0.03 %	0.01 %
17	Loans and advances	0.13 %	0.13 %		0.01 %	0.03 %	— %	— %																			0.13 %	0.13 %		0.01 %	0.03 %	0.01 %
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	44.55 %	12.74 %		4.62 %	5.09 %	11.94 %	0.01 %		0.01 %	0.03 %	— %		— %	20.71 %	0.10 %		0.03 %	0.48 %	— %			1.11 %				78.82 %	12.86 %		4.62 %	5.13 %	3.37 %
21	Loans and advances	44.55 %	12.74 %		4.62 %	5.09 %	11.94 %	0.01 %		0.01 %	0.03 %	— %		— %	20.71 %	0.10 %		0.03 %	0.48 %	— %			1.11 %				78.82 %	12.86 %		4.62 %	5.13 %	3.37 %
22	Debt securities, including UoP																															
23	Equity instruments																															
24	**Households**	100.00 %	8.86 %	8.86 %																							100.00 %	8.86 %	8.86 %			29.09 %
25	of which loans collateralised by residential immovable property	100.00 %	8.86 %	8.86 %																							100.00 %	8.86 %	8.86 %			29.09 %
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	100.00 %																									100.00 %					1.51 %
29	Housing financing	100.00 %																									100.00 %					1.51 %
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	**Total GAR assets**	39.44 %	3.66 %	3.11 %	0.19 %	0.21 %	0.49 %	— %		— %	— %	— %		— %	0.84 %	— %		— %	0.05 %	— %			0.05 %				40.87 %	3.66 %	3.11 %	0.19 %	0.21 %	82.72 %

3. KPI Stock based on Capex

	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transiti-onal	Of which enabling	
	GAR - Covered assets in both numerator and denominator	92.10 %	8.73 %	7.23 %	0.41 %	0.67 %	0.68 %	— %		— %	— %	— %		— %	0.59 %	0.01 %		— %	0.08 %	— %		— %	— %				93.46 %	8.74 %	7.23 %	0.41 %	0.68 %	35.64 %
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	92.10 %	8.73 %	7.23 %	0.41 %	0.67 %	0.68 %	— %		— %	— %	— %		— %	0.59 %	0.01 %		— %	0.08 %	— %		— %	— %				93.46 %	8.74 %	7.23 %	0.41 %	0.68 %	35.64 %
2	**Financial undertakings**	31.69 %	1.39 %		0.07 %	0.12 %	0.07 %	0.01 %		— %	— %				— %	— %		— %									31.76 %	1.39 %		0.07 %	0.12 %	1.67 %
3	Credit institutions	33.66 %	1.47 %		0.08 %	0.13 %	0.07 %	0.01 %		— %	— %				— %	— %		— %									33.74 %	1.48 %		0.08 %	0.13 %	1.57 %
4	Loans and advances	7.93 %	0.81 %		0.14 %	0.14 %	0.10 %	0.01 %		— %	— %				— %	— %		— %									8.03 %	0.81 %		0.14 %	0.14 %	0.05 %
5	Debt securities, including UoP	34.59 %	1.50 %		0.07 %	0.13 %	0.07 %	0.01 %		— %																	34.66 %	1.50 %		0.07 %	0.13 %	1.52 %
6	Equity instruments																															
7	Other financial corporations	0.58 %	0.04 %		— %	0.03 %	— %	— %																			0.58 %	0.04 %		— %	0.03 %	0.10 %
8	of which investment firms																															— %
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															— %
12	of which management companies	70.09 %	64.24 %		0.10 %	17.33 %	0.75 %	0.32 %		0.10 %	— %				0.01 %	— %		— %									70.84 %	64.56 %		0.10 %	17.43 %	— %
13	Loans and advances	70.09 %	64.24 %		0.10 %	17.33 %	0.75 %	0.32 %		0.10 %	— %				0.01 %	— %		— %									70.84 %	64.56 %		0.10 %	17.43 %	— %
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings	0.13 %	0.13 %		0.01 %	0.03 %	— %	— %																			0.13 %	0.13 %		0.01 %	0.03 %	0.01 %
17	Loans and advances	0.13 %	0.13 %		0.01 %	0.03 %	— %	— %																			0.13 %	0.13 %		0.01 %	0.03 %	0.01 %
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	50.32 %	15.18 %		4.33 %	7.04 %	7.19 %	0.04 %		0.04 %	0.04 %	— %		— %	6.28 %	0.08 %		0.01 %	0.89 %	— %		— %	— %				64.71 %	15.31 %		4.33 %	7.10 %	3.37 %
21	Loans and advances	50.32 %	15.18 %		4.33 %	7.04 %	7.19 %	0.04 %		0.04 %	0.04 %	— %		— %	6.28 %	0.08 %		0.01 %	0.89 %	— %		— %	— %				64.71 %	15.31 %		4.33 %	7.10 %	3.37 %
22	Debt securities, including UoP																															
23	Equity instruments																															
24	**Households**	100.00 %	8.86 %	8.86 %																							100.00 %	8.86 %	8.86 %			29.09 %
25	of which loans collateralised by residential immovable property	100.00 %	8.86 %	8.86 %																							100.00 %	8.86 %	8.86 %			29.09 %
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**	100.00 %																									100.00 %					1.51 %
29	Housing financing	100.00 %																									100.00 %					1.51 %
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	**Total GAR assets**	39.68 %	3.76 %	3.11 %	0.18 %	0.29 %	0.29 %	— %		— %	— %	— %		— %	0.26 %	— %		— %	0.04 %	— %		— %	— %				40.27 %	3.77 %	3.11 %	0.18 %	0.29 %	82.72 %

4. GAR KPI Flow based on Turnover

	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling	
	GAR - Covered assets in both numerator and denominator	58.90 %	21.98 %	11.84 %	0.53 %	7.00 %	7.23 %	0.02 %		0.02 %	0.03 %	— %		— %	0.83 %	0.06 %		0.05 %	0.05 %	— %			— %				67.04 %	22.07 %	11.84 %	0.53 %	7.07 %	10.87 %
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	58.90 %	21.98 %	11.84 %	0.53 %	7.00 %	7.23 %	0.02 %		0.02 %	0.03 %	— %		— %	0.83 %	0.06 %		0.05 %	0.05 %	— %			— %				67.04 %	22.07 %	11.84 %	0.53 %	7.07 %	10.87 %
2	**Financial undertakings**	31.27 %	0.91 %		0.05 %	0.06 %	0.03 %	0.02 %		0.01 %					— %				0.16 %								31.47 %	0.93 %		0.05 %	0.07 %	1.72 %
3	Credit institutions	35.10 %	1.03 %		0.06 %	0.06 %	0.04 %	0.02 %		0.02 %																	35.14 %	1.05 %		0.06 %	0.08 %	1.53 %
4	Loans and advances	4.79 %	0.35 %		— %	0.02 %	0.02 %																				4.81 %	0.35 %		— %	0.02 %	0.01 %
5	Debt securities, including UoP	35.40 %	1.03 %		0.06 %	0.06 %	0.04 %	0.02 %		0.02 %																	35.44 %	1.05 %		0.06 %	0.08 %	1.52 %
6	Equity instruments																															
7	Other financial corporations														0.04 %				1.51 %								1.55 %					0.19 %
8	of which investment firms																															
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings																															
17	Loans and advances																															
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	37.04 %	21.23 %		1.11 %	14.85 %	15.34 %	0.03 %		0.03 %	0.06 %	— %		— %	1.77 %	0.14 %		0.10 %	0.05 %	— %			— %				54.26 %	21.41 %		1.11 %	14.99 %	5.12 %
21	Loans and advances	37.04 %	21.23 %		1.11 %	14.85 %	15.34 %	0.03 %		0.03 %	0.06 %	— %		— %	1.77 %	0.14 %		0.10 %	0.05 %	— %			— %				54.26 %	21.41 %		1.11 %	14.99 %	5.12 %
22	Debt securities, including UoP																															
23	Equity instruments																															
24	**Households**	98.47 %	31.94 %	31.94 %																							98.47 %	31.94 %	31.94 %			4.03 %
25	of which loans collateralised by residential immovable property	98.47 %	31.94 %	31.94 %																							98.47 %	31.94 %	31.94 %			4.03 %
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**																															
29	Housing financing																															
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	**Total GAR assets**	13.65 %	5.09 %	2.74 %	0.12 %	1.62 %	1.67 %	— %		— %	0.01 %	— %		— %	0.19 %	0.02 %		0.01 %	0.01 %	— %			— %				15.53 %	5.11 %	2.74 %	0.12 %	1.64 %	46.90 %

4. GAR KPI Flow based on Capex

	% (compared to flow of total eligible assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Propor-tion of total new assets covered
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling	
	GAR - Covered assets in both numerator and denominator	62.03 %	24.62 %	11.84 %	0.45 %	7.22 %	1.22 %	0.06 %		0.06 %	0.05 %	— %		— %	0.55 %	0.02 %		0.02 %	0.02 %	— %			— %				63.88 %	24.70 %	11.84 %	0.45 %	7.30 %	10.87 %
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	62.03 %	24.62 %	11.84 %	0.45 %	7.22 %	1.22 %	0.06 %		0.06 %	0.05 %	— %		— %	0.55 %	0.02 %		0.02 %	0.02 %	— %			— %				63.88 %	24.70 %	11.84 %	0.45 %	7.30 %	10.87 %
2	**Financial undertakings**	31.45 %	1.07 %		0.07 %	0.16 %	0.12 %	0.01 %		0.01 %																	31.57 %	1.08 %		0.07 %	0.17 %	1.72 %
3	Credit institutions	35.31 %	1.20 %		0.07 %	0.18 %	0.13 %	0.01 %		0.01 %																	35.44 %	1.21 %		0.07 %	0.19 %	1.53 %
4	Loans and advances	4.82 %	0.36 %		— %	0.03 %	0.03 %																				4.86 %	0.36 %		— %	0.03 %	0.01 %
5	Debt securities, including UoP	35.60 %	1.21 %		0.07 %	0.18 %	0.13 %	0.01 %		0.01 %																	35.74 %	1.22 %		0.07 %	0.19 %	1.52 %
6	Equity instruments																															
7	Other financial corporations	0.04 %																									0.04 %					0.19 %
8	of which investment firms																															
9	Loans and advances																															
10	Debt securities, including UoP																															
11	Equity instruments																															
12	of which management companies																															
13	Loans and advances																															
14	Debt securities, including UoP																															
15	Equity instruments																															
16	of which insurance undertakings																															
17	Loans and advances																															
18	Debt securities, including UoP																															
19	Equity instruments																															
20	**Non-financial undertakings**	43.62 %	26.79 %		0.93 %	15.28 %	2.55 %	0.13 %		0.13 %	0.11 %	— %		— %	1.17 %	0.04 %		0.03 %	0.05 %	0.01 %			— %				47.51 %	26.96 %		0.93 %	15.44 %	5.12 %
21	Loans and advances	43.62 %	26.79 %		0.93 %	15.28 %	2.55 %	0.13 %		0.13 %	0.11 %	— %		— %	1.17 %	0.04 %		0.03 %	0.05 %	0.01 %			— %				47.51 %	26.96 %		0.93 %	15.44 %	5.12 %
22	Debt securities, including UoP																															
23	Equity instruments																															
24	**Households**	98.47 %	31.94 %	31.94 %																							98.47 %	31.94 %	31.94 %			4.03 %
25	of which loans collateralised by residential immovable property	98.47 %	31.94 %	31.94 %																							98.47 %	31.94 %	31.94 %			4.03 %
26	of which building renovation loans																															
27	of which motor vehicle loans																															
28	**Local governments financing**																															
29	Housing financing																															
30	Other local government financing																															
31	**Collateral obtained by taking possession: residential and commercial immovable properties**																															
32	**Total GAR assets**	14.37 %	5.71 %	2.74 %	0.10 %	1.67 %	0.28 %	0.01 %		0.01 %	0.01 %	— %		— %	0.13 %	— %		— %	0.01 %	— %			— %				14.80 %	5.72 %	2.74 %	0.10 %	1.69 %	46.90 %

5. KPI Off balance sheet exposures based on Turnover

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
1	Financial guarantees (FinGuar KPI)	2.83 %	— %			— %	0.01 %								— %												2.84 %	— %			— %
2	Assets under management (AuM KPI)	28.31 %	10.54 %		0.11 %	7.68 %	5.25 %	0.04 %		0.03 %	0.03 %	0.02 %		— %	0.79 %	4.11 %	0.08 %	0.01 %	1.34 %	0.06 %		0.01 %	4.34 %				40.06 %	14.77 %	0.08 %	0.11 %	7.72 %

5. KPI Off balance sheet exposures based on Capex

	% (compared to total eligible off-balance sheet assets)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transi-tional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transi-tional	Of which enabling
1	Financial guarantees (FinGuar KPI)	42.00 %	0.19 %		— %	0.19 %	0.01 %								— %												42.01 %	0.19 %		— %	0.19 %
2	Assets under management (AuM KPI)	52.65 %	19.52 %		0.76 %	12.86 %	7.15 %	0.15 %		0.11 %	0.73 %	0.01 %		— %	0.47 %	3.23 %	0.05 %	0.02 %	0.68 %	0.10 %		0.01 %	0.37 %				62.05 %	23.01 %	0.05 %	0.76 %	13.00 %

EU Taxonomy - Mandatory templates for Nuclear Energy and Fossil gas-related activities

Template 1 Nuclear and fossil gas related activities		
Row	**Nuclear energy related activities**	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4,613,413,367	3.66%	4,612,619,146	3.66%	794,221	—%
8	**Total applicable KPI**	**—**	**— %**	**—**	**— %**	**—**	**— %**

Template 2 Taxonomy-aligned economic activities (denominator) - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	— %	—	— %	—	— %
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4,743,527,813	3.76%	4,741,266,292	3.76%	2,261,521	—%
8	**Total applicable KPI**	**—**	**— %**	**—**	**— %**	**—**	**— %**

Template 3 Taxonomy-aligned economic activities (numerator) - Turnover

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	4,613,413,367	100.00%	4,612,619,146	99.98%	794,221	0.02%
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**4,613,413,367**	**100.00%**	**4,612,619,146**	**99.98%**	**794,221**	**0.02%**

Template 3 Taxonomy-aligned economic activities (numerator) - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	—	—%	—	—%	—	—%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	4,743,527,813	100.00%	4,741,266,292	99.95%	2,261,521	0.05%
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**4,743,527,813**	**100.00%**	**4,741,266,292**	**99.95%**	**2,261,521**	**0.05%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Turnove

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	45,739,461,804	36.27%	45,126,260,557	35.79%	613,201,247	0.49%
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**45,739,461,804**	**36.27%**	**45,126,260,557**	**35.79%**	**613,201,247**	**0.49%**

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities - Capex

	Economic activities	CCM+CCA		CCM		CCA	
Row	in EUR	amount	%	amount	%	amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%	—	—%	—	—%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	45,664,683,440	36.21%	45,296,086,706	35.92%	368,596,733	0.29%
8	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**45,664,683,440**	**36.21%**	**45,296,086,706**	**35.92%**	**368,596,733**	**0.29%**

Template 5 Taxonomy non-eligible economic activities - Turnove

	Economic activities		
Row	in EUR	amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	75,750,516,261	60.07%
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	**75,750,516,261**	**60.07%**

Template 5 Taxonomy non-eligible economic activities - Cape

	Economic activities		
Row	in EUR	amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	—	—%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	75,695,180,179	60.03%
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	**75,695,180,179**	**60.03%**

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation (3) reference	EU Climate Law (4) reference	Material / Non-material
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		Not material
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 €			Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6)Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Material

ESRS E1-4 GHG emissions-reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Not material
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material
ESRS E1-6 Gross scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Not material
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material

ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).				Material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral		Material
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II	Material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1			Not material
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1			Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1			Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1			Not material
ESRS E3-4 Total water recycled and reused paragraph 28 ©	Indicator number 6.2 Table #2 of Annex 1			Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1			Not material
►C1 ESRS 2- SBM 3 - E4 paragraph 16 (a) i ◄	Indicator number 7 Table #1 of Annex 1			Not material
►C1 ESRS 2- SBM 3 - E4 paragraph 16 (b) ◄	Indicator number 10 Table #2 of Annex 1			Not material
►C1 ESRS 2- SBM 3 - E4 paragraph 16 (c) ◄	Indicator number 14 Table #2 of Annex 1			Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1			Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 ©	Indicator number 12 Table #2 of Annex 1			Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1			Not material

ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1		Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1		Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I		Not material
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I		Not material
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I		Material
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21		Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I		Not material
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I		Not material
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 ©	Indicator number 5 Table #3 of Annex I		Material
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and ©	Indicator number 2 Table #3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 €	Indicator number 3 Table #3 of Annex I		Not material
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	Material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I		Material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I		Material
►C1 ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a) ◄	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	Material
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I		Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1		Not material

ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1		Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19		Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1		Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1		Not material
►C1 ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17 ◄	Indicator number 10 Table #1 Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1		Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1		Material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Material
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1		Material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1		Material
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1		Material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II)	Material
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1		Material

Definition of environment, social and governance element

Gender pay gap

The gender pay gap consists of two types of gaps, the unadjusted and the adjusted gender pay gap.
The unadjusted gender pay gap is the difference, expressed as a percentage, between the mean hourly rate of men and women across a workforce. The unadjusted gender pay gap will not be adjusted for other factors that may have an impact on the remuneration of staff (e.g. calculated independently of, for example, the position of the staff members and their experience).
Adjusted gender pay gap is the unadjusted gender pay gap, decomposed into three components to gain insight into the gap. Two main gap drivers are structural differences in base salary between countries and systemic differences in characteristics between male and female employees as two distinct groups, mostly due to the over- or underrepresentation of male or females within a group characteristic. After eliminating the aforementioned two effects, the unexplained gap remains. This unexplained portion of the gap can be due to bias or missing data. It is also called the adjusted gender pay gap. The two-fold Oaxaca-Blinder (statistical) decomposition model is applied to decompose the unadjusted gender pay gap into explained and unexplained components of the gap per variable.

Average remuneration is the sum of base salary, fixed allowances and variable remuneration divided by the number of employees

Percentage of women in senior management positions

Percentage of women in senior management positions shows gender representation in the highest management roles at ING Belgium. The value is calculated by counting the reported gender of individuals performing roles that have in ING's Global Job Architecture (GJA) a grade 19 or above. The functions in ING's GJA start at grade 8 and cover all job types performed within ING, including Executive Committee level.

Employee turnover percentage

Employee turnover percentage is expressed as a ratio between the total number of leavers in a 12-month period against the average total headcount of each month over the same period. Turnover figures include internal and permanent employees only. 'Leavers' consist of all individuals for which their employment agreement with ING Belgium is terminated and do not count transfers between ING legal entities.

High Risk Roles

A High Risk Role (HRR) is defined by the activity that the ING employee undertakes and is identified when one or more of the following criteria is met: a) significant level of AB&C compliance accountability, b) significant involvement in AB&C higher risk activities, or c) specific AB&C risk and control owners. For example: employees within the first and second line of defence directly responsible for the development or oversight of Anti Bribery & Corruption policies, mandatory instructions, procedures, and controls required to manage the risk.

Whistleblowing cases: scoping definition

According to the Global Whistleblower policy, the whistleblower cases scope is defined as (but not limited to):
– Undesirable behaviour, like:
- Aggression and Violence
- Bullying
- Discrimination
- Harassment
- Retaliation
- Sexual Harassment

– Working Environment & Sustainability, like:
- Work pressure/ Unrealistic targets
- Working Environment
- Workers Conflict
- Climate, Environment and Human Rights

– Other breaches, like:
- Accounting, internal accounting controls or auditing matters
- Other: (i) Breach of any external Law or Regulation or (ii) Breach of any ING Policy
- Fraud / Theft
- Antitrust/ Competition law
- Breach of confidentiality and data privacy related to client/ employee
- Conflicts of Interest
- Unfair Customer Treatment
- Market abuse / Insider trading

The Policy does not apply to:
- Complaints (not being a concern as defined in this Policy), for example complaints related to IT, certain types of labour law matters (e.g. disagreement about appraisals) or customer complaints. To assess whether these complaints are in scope of the Policy, these complaints will be assessed on a case-by case basis. If not in scope of the Policy, these complaints will be redirected to the appropriate channel.
- External complaints (not being a concern as defined in this Policy) from clients of ING Belgium or third parties.
- Topics or incidents raised to other formal ING channels (such as HR, Confidential Advisors, Employee (grievance) councils, Fraud, Data Protection, CSI / local Special Investigation Functions etc.). Topics or incidents raised to these channels shall initially follow the specific (local) procedures and processes.