



Climate Update 2025

Putting sustainability at
the heart of what we do



do your thing

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Foreword



Steven van Rijswijk
Chief executive officer

18 September 2025

We're pleased to present you with ING's Climate Update 2025. Much has happened in the world over the past 12 months since our last update. What hasn't changed is the urgent need to transition to a low-carbon economy that balances its impact on nature.

The effects of climate change are impacting businesses, communities and people everywhere. As a major global bank, we support the economy, which means we can play a role in supporting our customers and clients in the present, while helping them to prepare for the future. This update outlines what ING is doing in our efforts to play a leading role in accelerating the transition.

The low-carbon transition presents both risks and opportunities. Managing risk is inherent to banking, but climate change is a unique kind of risk. Climate risk is systemic – it transcends sectors and geography. This means it can't be escaped or mitigated by diversifying investments. And as extreme weather events intensify, climate risk will spread into economic risk – potentially making areas and assets uninsurable, for example, and impacting the structure and dynamics of the global economy – with implications for price and service stability. We need to manage these escalating risks to ensure the resilience and commercial success of our business, which means we need to support our clients' ability to do the same – as their long-term resilience underpins our own.

There is also immense opportunity. It's not enough for the world to drive down the emissions from our carbon-heavy economy – we need new solutions, technologies, business models and infrastructure for the new systems we are transitioning to. The world will need trillions of euros per year to, on the one hand, mitigate and adapt to climate change, and on the other hand, build up the robust and resilient economy and society we need to transition to. That's a commercial opportunity that ING wants to be part of.

Sustainability remains at the heart of ING's strategy. There are those that say we're not doing enough and those that say we're doing too much. However, it's not about making bold statements. It's about aligning with the consensus of scientists and the goals of the Paris Agreement. It's about understanding the intricacies of what's holding back the systemic change that's needed, figuring out what will help, knowing how we can best play our role, and then taking action to do so.

We partner with our clients and customers to support them in driving down their emissions and building up future-proof business models. We also want to play a part in bringing together the stakeholders needed to put proper systems change into motion. We're active in almost all sectors of the economy and our customers range from very large corporations to private individuals. Having this overview helps us take the market's pulse, conscious of the needs, roles and capabilities of various stakeholders.

We firmly believe that with the way we manage our business and work with clients and customers, we contribute to tackling climate change, driving systems change and securing a sustainable future. I encourage everyone to focus on the opportunities and remain confident in what we can achieve when we work together.

About this update

With the introduction of the EU's Corporate Sustainability Reporting Directive (CSRD), we have for the first time integrated sustainability disclosures into our Sustainability Statement, as part of the ING Group [Integrated Annual Report](#) (published March 2025). This marks another step in our commitment to transparent disclosure and in putting sustainability at the heart of the bank's strategy.

For this reason, our 2025 Climate Update does not contain the reporting aspects that our Climate Progress Update 2024 and previous reports have. Rather, it is intended to provide a concise update for our stakeholders about ING's approach to climate action and our progress to date.

We welcome reactions and views, which can be emailed to sustainability@ing.com.

Society is transitioning to a low-carbon economy. So are our clients, and so is ING. We finance a lot of sustainable activities, but we still finance more that's not. See how we're progressing at ing.com/climate. Additional disclosures are available on our [Sustainability Reporting](#) and [Financial Performance](#) pages.

Our Climate Update

Snapshot

These are the highlights of our climate action over the past 12 months.

Driving down emissions

- We became the first global systemically important bank to have targets validated by the SBTi.
- Continued work to improve our measurement of financed emissions.
- Used client transition plan (CTP) assessments to step up engagement with 1,600 Wholesale Banking clients.
- Continued to enhance CTP assessment methodology to bring in more data and measure clients' progress in delivery of transition plans.
- Supported 835 sustainability deals in 2024, and another 400 in the first half of 2025, to incentivise clients' decarbonisation plans and finance the transition.

Our climate ambition

It is our ambition to play a leading role in accelerating the transition to a low-carbon economy.

Strategy

Sustainability is at the heart of ING's business strategy. Within that, we have identified three climate action areas where we believe we can have the greatest impact.

Building up a sustainable future

- We are on track to deliver on our aim to provide €7.5bn in renewables financing commitments annually by end-2025.
- Financed transactions to develop new energy solutions across sustainable fuels, recycled feedstock solutions for plastic, and CCS.
- Mobilised €130bn of sustainable finance in 2024 towards our target of €150bn annually by 2027.
- Increased focus on adaptation and resilience, including the financing of nature-based solutions.
- Launched new Transition Accelerator in ING to incubate promising innovations, help them to scale, and create new cross-value chain connections for systemwide change.
- Made progress with TransMission pilots to contribute to new systemic solutions in the Shipping and Commercial Real Estate sectors.

Including everyone

- We help customers in all our major markets contribute to the transition by making their own homes more sustainable – with dedicated financing and digital tools.
- Launched *ING Upgrader* in the Netherlands, an innovative, end-to-end product, in partnership with *Winst uit je woning*, to make retrofitting much easier for customers.
- Introduced new energy-label-linked mortgage rate discounts in the Netherlands.
- Published new research, in collaboration with Guidehouse, identifying interventions for decarbonisation of residential real estate in European markets – in support of greater multistakeholder collaboration and action.

Partnering for progress

All our efforts in these action areas are underpinned by partnerships, collaboration and policy advocacy, in order to drive the systemwide change that is needed to accelerate the transition.

Our strategic approach.



Our strategic approach

We strive to put sustainability at the heart of what we do: it is a pillar of our [‘Growing the difference’](#) business strategy and central to our long-term commercial success.

Our sustainability strategy

At ING, our sustainability strategy spans climate, nature and social agendas, recognising their interdependencies and how they affect each other, both positively and negatively.

Each of these is a complex and dynamic issue, so our response needs to be dynamic as well. As scientific understanding is continually advancing, our approach will also keep evolving. Therefore, our climate action has evolved to encompass both mitigation and a growing emphasis on adaptation. Increasingly, we are also exploring how we can play a role in halting and reversing nature degradation and regenerating natural systems, while respecting human rights and working to advance financial health and inclusion.

We work to embed this holistic view into our business processes and customer interactions, with the aim to make our overall business strategy future-proof. This both strengthens our own resilience as a bank in the long-term and, also, supports us in being a trusted partner to our clients, helping them to navigate the complex risks and opportunities they face.

Responding to the challenges of climate change has been central to our sustainability approach for the past decade. From contributing to the goals of the Paris Agreement, to establishing Terra as our decarbonisation framework – right up to the present day, becoming the first global systemically important bank to receive 1.5°C-aligned science-based targets validation from the SBTi. Whilst we are pleased to continue to mark our progress, we are also looking ahead to the milestones we’ve set, which are aimed at enabling us to achieve our net-zero ambition by 2050.

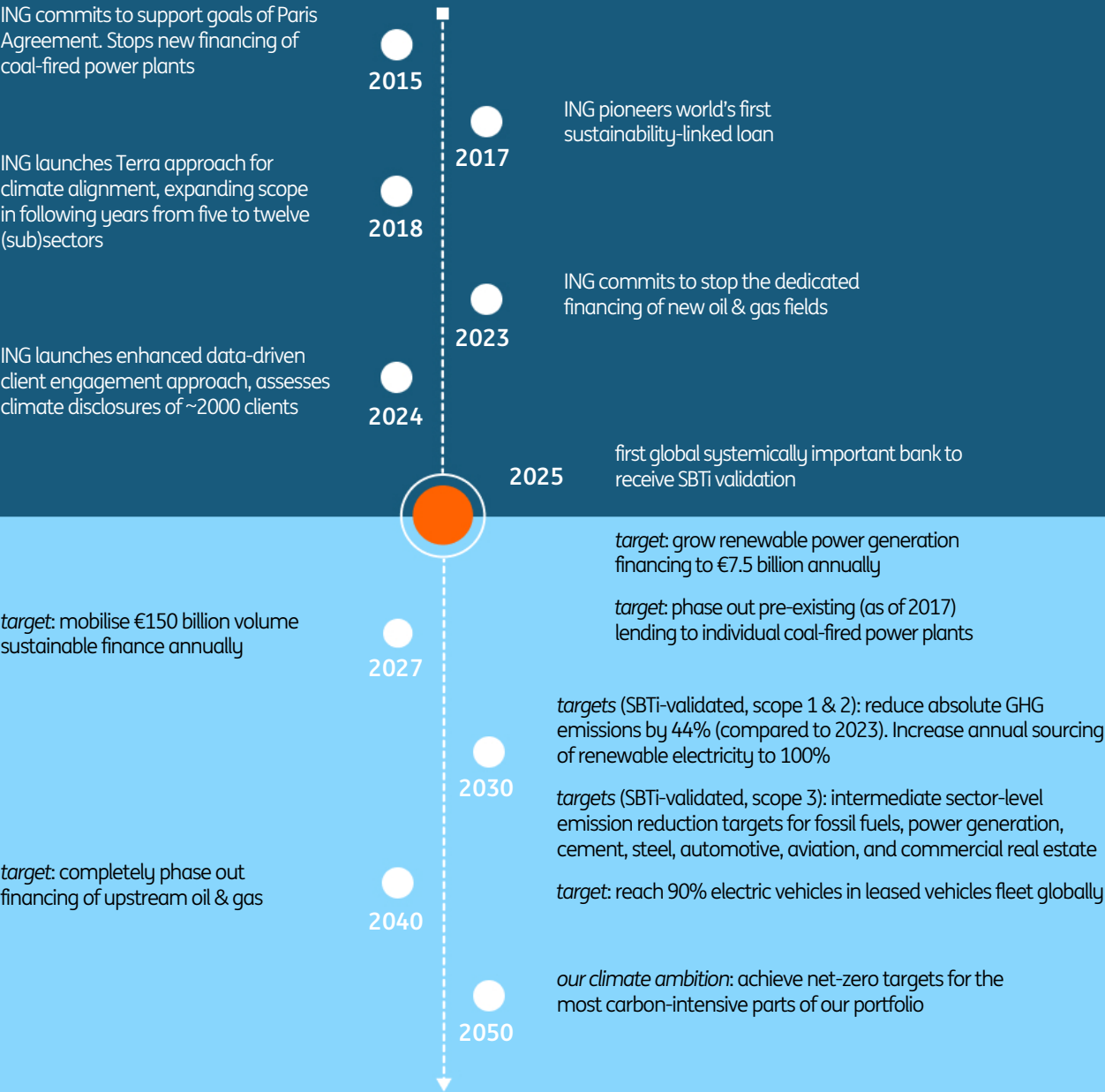


"We believe our approach can contribute to tackling environmental and social issues, and help to mitigate negative impacts – both through how we directly support our customers and the economy, and through our partnerships, collaborations and policy advocacy."

Anne-Sophie Castelnau

ING global head of Sustainability

Our achievements



Our ambition

A dynamic landscape

Our approach is informed by, and reviewed against, a number of external factors and trends that may influence the resilience of banks and their customers. Many of these are constantly evolving and dynamically shape the landscape in which we operate. They also contribute to growing, and increasingly diverging, expectations from stakeholders and society. We recognise that the world is a different place to what it was when we published our Climate Progress Update one year ago. In particular, current geopolitical dynamics have led to a growing clash between different national and regional legal frameworks. This is linked to the increased polarisation and politicisation of Environment, Social & Governance (ESG) considerations, with the anti-ESG backlash in some regions affecting investment flows, regulations and corporate disclosure. For corporates and financial institutions, the already increased risk of climate litigation from activist NGOs is now paired with a litigation risk from national governments and competition authorities. Another development we are navigating is that while some governments and regulators are introducing more detailed ESG and climate disclosure requirements, they are concurrently seeking simplification to reduce the compliance burden. For financial institutions, taking action on climate in part depends on the timely availability of reliable and structured data from clients, and there is also a developing demand from investors for more transparency and detailed ESG-related disclosure.

Our climate ambition

At ING it is our ambition to play a leading role in accelerating the transition to a low-carbon economy – because it matters to us as a bank, to our clients and to society. We need to ensure the resilience and commercial success of our business which, in today's world, includes managing the risks that are escalating with global warming and nature degradation. We also want to support our clients' ability to do the same, as their long-term resilience underpins our resilience. And with the global transition now underway, financing the new technologies, infrastructure and business models of the future economy is a growing opportunity for us.

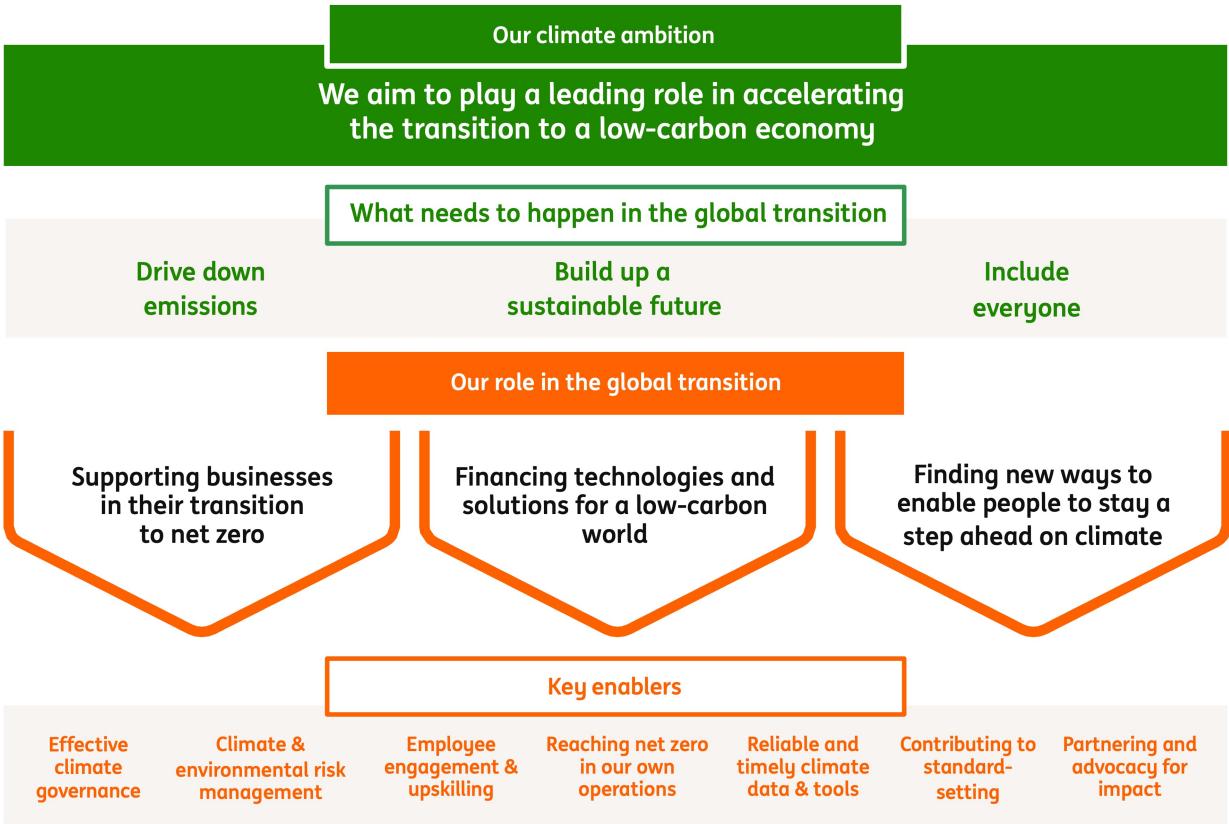
Our role in the transition

We are a large globally operating bank, so we have the opportunity to play a leading role in financing the change that is needed in the transition to a more sustainable future.

There are multiple ways in which we bring together expertise and capital to act as a catalyst for our clients' efforts in the transition and for the development of wider systemic solutions. From allocating capital towards decarbonisation to financing innovation, we can help steer financial flows in support of the transition. We play a role in managing and mitigating risk, and also support adaptation and long-term resilience. We support energy security by balancing sustainability with considerations of supply and affordability. And we work with regulators and other stakeholders to align financial flows with international and national climate goals and policies.

Our action areas

We base our own climate actions on what we believe needs to happen in the global transition – focusing on three action areas where we can have the greatest impact. First, we are helping clients to drive down emissions, aiming for the global goal of net zero by 2050; second, we are building up the financing of the new technologies and sustainable systems of the future; and third, we aim to find new ways to enable people to play their part in the transition.



Driving down emissions

Supporting our largest corporate clients to accelerate their transitions is the most significant impact we can make in driving down emissions – especially those clients active in the most carbon-intensive sectors that we finance, where the ability to shift can make a great difference.

Building up a sustainable future

We have an important role to play in financing the solutions, technologies and infrastructure needed for a resilient low-carbon world. Building up the affordable supply of green energy alternatives is also a necessary and powerful driver in reducing society’s dependence on fossil fuels. That is why we are scaling up our financing for renewables and mobilising sustainable finance more broadly.

Including everyone in the transition

At ING, we believe that most people want to play a positive part in the transition to a more sustainable future. Through our mortgage portfolio, we finance the homes of a significant amount of people. This gives us the opportunity to help them stay a step ahead on climate by making their own homes future-fit.

Our latest actions in each of these three areas are outlined in the following chapters.

Partnering for progress

We recognise that none of these challenges can be tackled in isolation. To make progress on our ambition requires collaboration and collective action. That is why we are eager to share what we learn, while continuing to learn from others. We contribute to the design of financing frameworks and the setting of voluntary standards, and then ‘walk the talk’ by adopting those standards to guide our climate action and portfolio steering. And we engage with regulators and policy makers on topics related to the energy transition and which clarify and support the role of banks. It’s how we strive to contribute to the systems-level change that is needed. That is how we can all move faster to accelerate the transition to a low-carbon economy.

Driving down emissions.



Driving Down: supporting businesses in their transition to net zero

As a bank, we recognise the most significant contribution we can make to help drive down global emissions is to engage with our clients, especially those in the most carbon-intensive sectors, and steer our portfolios towards net-zero ambitions. Increasingly, our large clients are setting their own goals to drive down emissions and we are stepping up how we support them in their transition, driving impact together.

Steering our portfolio in line with global climate goals

ING's science-based targets externally validated

In March 2025, ING was delighted to become the first global systemically important bank to receive validation from the Science Based Targets initiative (SBTi) for 1.5°C-aligned targets across our own operations and our value chain.

Our biggest emissions impact within our value chain, otherwise known as scope 3 emissions, is in our loan portfolio. Therefore, we set and received validation of our intermediate¹ 2030 emission reduction targets that are specific to each of the following key sectors that we finance: fossil fuels, power generation, cement, steel, automotive, aviation, and commercial real estate, as well as for our own operations. For detail of our validated targets, please see the SBTi's target language [here](#), and [ing.com](https://www.ing.com).

¹ING's targets were validated according to the SBTi [Financial Institutions' Near-Term Criteria v2.0](#). The SBTi validation confirms that our 2030 targets are relevant and aligned with the 1.5°C goal. ING's validation remains effective for five years after receipt. Should ING wish to set longer-term emission reduction targets in specific sectors and have those validated by SBTi, we would apply SBTi's recently published (July 2025) [Financial Institutions Net-Zero Standard v1.0](#) or any eventual updates to this long-term target validation standard.



"As the first global systemically important bank with a validated science-based target, ING is showing how large financial institutions can support climate stabilisation in the real economy. This target builds on years of ING leadership on sector-level benchmarking – the combination of six sector targets with cross-portfolio fossil fuel targets sets a new precedent for climate leadership. ING's science-based target marks an exciting milestone in the SBTi's mission to drive science-based climate action across the global economy."

Nate Aden

SBTi head of Financial Standards

Steering our portfolio to net zero by 2050

Terra is our global climate mitigation approach that informs how we steer the most carbon-intensive parts of our lending portfolio towards reaching net zero by 2050. Since we established Terra in 2018, its guiding principles have been that it is impact-based, rooted in climate science and engagement-driven.

Terra helps us track the performance of our key business activities in carbon-intensive sectors against the relevant science-based net-zero pathways. Our Terra analyses inform how much business we do in these sectors, and Terra also helps us assess how our clients are performing. To identify where the greatest emissions lie within our portfolios and therefore where we need to prioritise our engagement, we calculate the absolute greenhouse gas (GHG) emissions of our portfolio activities. Meanwhile, to track the progress of the effectiveness of our clients' decarbonisation efforts, we use intensity metrics, such as emissions relative to a specific metric, e.g. revenue, production output, or investment value. Tracking clients using robust intensity metrics focuses our efforts and supports our inclusion-first approach of working with our clients to support their transition, as opposed to simply divesting from them.

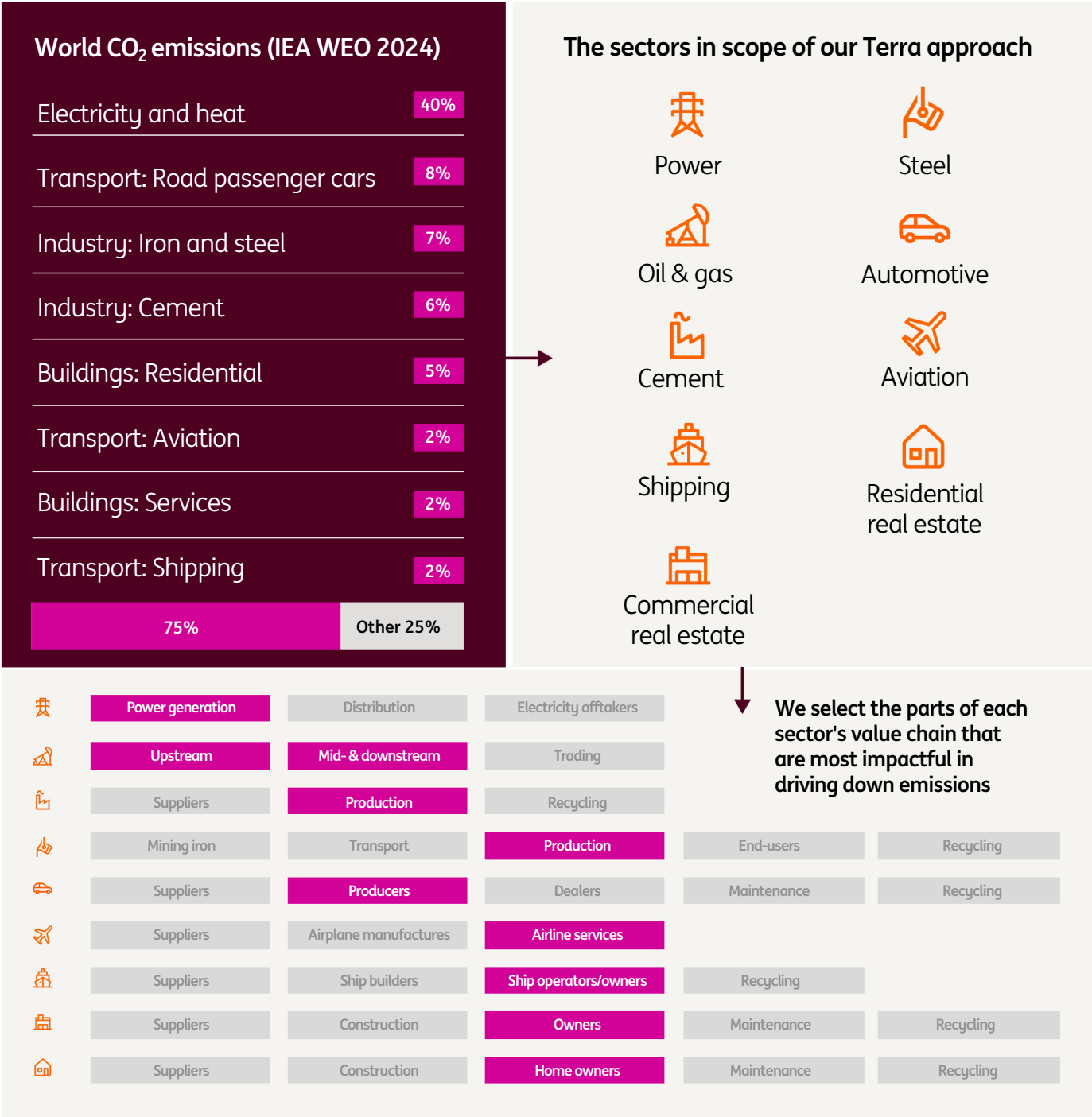
The sectors already in scope of Terra are power generation, oil & gas, automotive, aviation, shipping, cement, steel, commercial real estate and residential real estate, and the transition plans for those sectors are disclosed in our 2024 Annual Report. We continue to explore how to expand our decarbonisation approach to new sectors² – for example, last year we began to incorporate the aluminium and dairy sectors into Terra:

- In aluminium, the Sustainable Aluminum Financing Framework (which ING had a leading role in developing) generates insights for risk management and decision-making processes.
- In dairy, we are working on improving data quality to enable steering of our exposure to the sector and to support more fact-based engagement with clients (including relevant Business Banking clients).

Our Terra approach prioritises the sectors that cover the majority of the world's emissions. The infographic to the right shows how we focus on the specific parts of these sectors' value chains in our aim to maximise our impact.

In the context of CSRD we are assessing the materiality of the facilitated emissions associated with our capital markets activities. We are using the [Partnership for Carbon Accounting Financials](#) (PCAF)'s latest Facilitated Emissions Standard to guide our assessment.

² New sectors may not meet the required materiality thresholds as regulated by the CSRD, and therefore, may be excluded from formal transition planning disclosures.



Stepping up our client engagement approach in Wholesale Banking

This time last year we announced an important evolution in our client engagement approach: we put a data-driven assessment in place that has led to a step up in how we advise and support Wholesale Banking clients with their sustainable business transformations.

In 2023, we collected the publicly disclosed data on the climate disclosures and transition planning of around 2,000 clients. Using an online tool we developed inhouse, called ESG.X, we were able to assess and evaluate the maturity of the disclosures of our biggest Wholesale Banking clients, as well as those in the heavy-emitting sectors (i.e. those in the scope of Terra), including on their current emissions, targets, commitments, action plans and the degree to which these are embedded in the clients' governance processes and business strategy. This resulted in a Client Transition Plan (CTP) score³ per client which indicates their maturity of disclosure, which can be Advanced, Moderate or Low.

Whereas the insights from our Terra analysis primarily provide a sector-by-sector level view of progress on the path towards Net Zero, the CTPs scores were designed to augment Terra insights to give us a client-by-client level view, for the first time. That has provided us a much deeper understanding of the actions our clients are taking to reduce their GHG emissions.

Client Transition Plan assessments as the basis for engagement

During 2024 we started to use these CTP assessments proactively as the basis for more in-depth and fact-based engagements with clients about their transition planning and related financing and advisory needs. More than 1,600 clients were involved in strategic and meaningful discussions with ING relationship managers. This has given us a better understanding of our clients' transition actions and plans, and how they are adapting their business strategy to transition successfully. And we have supported this programme with training for client-facing teams in Wholesale Banking and equipped them with a Sustainability Client Engagement Toolkit.

We want to keep expanding and developing this engagement approach, guided by our ambition to have the majority of financed emissions in our Wholesale Banking loan portfolio covered by CTP assessments.

Sector-level maturity assessment update

In our Climate Progress Update 2024, we shared our initial sector-level analysis of the 'maturity of disclosure' of the clients we support, categorising their public sustainability disclosures as 'Advanced',

'Moderate' or 'Low'. Over the past year we have seen an increase of clients in heavy emitting sectors with an advanced maturity of disclosure. For context:

- Our analysis shows us that those in the top band (Advanced) are typically large publicly listed companies, with policies and governance in place, with strong data availability and quality, together with science-based approaches to building their decarbonisation plans. These companies are often in the most carbon-intensive sectors. These are sectors already facing the practical consequences of climate change and growing pressure from stakeholders, whether regulators or customers, and where the shift to a low-carbon economy requires significant investment and operational transformation. So their planning and related disclosure reflects that.
- These are typically also the businesses in the scope of CSRD and so are likely to have invested in robust reporting capabilities. At ING, we welcome the focus of the European Commission on simplifying 'the rulebook' and easing corporate reporting requirements. Nonetheless, the continued progress of the transition in general, and our actions as a bank also, partly depends on the timely availability of reliable and structured data. We therefore believe that a key principle underpinning the simplification efforts by the [EU's Omnibus I](#) proposal should be to identify data points that are material to users, and which are not readily available from other existing sources.
- Many clients aren't required to disclose but still pursue low-carbon transitions. However, a lack of public visibility on their plans affects assessment scores.

Enhancements to our Client Transition Plan assessments

The assessment process and the resulting CTP scores are still in the early stages and we intend to keep evolving them in order to enhance the insights they provide. The planned improvements fall into two categories – expanding the data available for the assessments and measuring the progress of our clients on the delivery of their targets and plans:

- **Expanding the data available.** We are upgrading our ESG.X tool to obtain more and higher-quality data in three ways:
 - **Greater granularity on the data:** As the evolution of regulation makes more relevant data points available, we will be able to incorporate greater sector-specific granularity into our assessments.
 - **Private information:** Since not all companies disclose their transition plans in the public domain, we will also collect private information from clients and are exploring with industry groups the most efficient way to do that. An example of an industry initiative that ING is exploring is [ESG Book](#), a global platform designed to simplify and enhance ESG-related data management and reporting for financial institutions and their clients.
 - **Adding new categories:** We plan also to use ESG.X over time to collect data on other ESG elements such as nature, resource consumption and just transition.
- **Measuring progress on delivery of plans.** While the first phase of our CTP assessment process is based on assessing the strength of clients' transition plans (based on public disclosure), the overarching goal is to track

³ For an explanation of how this score is calculated see the ['ING Client Transition Plan Assessment Methodology'](#) white paper.

companies' actual progress in decarbonisation. Therefore, the next stage for us is to embed measurement of progress into our methodology.

Since only the execution of a credible transition plan will result in decarbonisation, we used a wide range of frameworks⁴ to define the criteria for a credible client transition plan, organised in four main components:

- 1. Emission reporting:** it is important to know if the company has a clear understanding of their current greenhouse gas emissions because it indicates that a company understands the climate issue. It is even more credible if the emission reporting (across scopes 1, 2 and 3) has been audited.
- 2. Commitment & Targets:** This indicates if the company has set explicit decarbonisation goals that are informed by credible scientific guidance.
- 3. Action plan:** An action plan demonstrates whether a client has set out how they intend to reduce their emissions, and the investments (CapEx) required to achieve their targets. It provides insights on their roadmap for decarbonisation, innovation and business model transformation over time.
- 4. Governance & Strategy:** This demonstrates whether the transition plan is embedded into the overall business strategy and whether the client has a clear governance structure to execute the plan.

In addition, we have brought together the data from the CTP process and Terra methodology to assess our clients' level of alignment to their sector-specific decarbonisation pathway. That allows us to use the following categorisation to guide the focus of our engagement with any particular client, depending on their situation:

- **Net-zero commitment in place:** the foundation of any discussion is whether the client has a publicly disclosed net-zero commitment.
- **Aligned to sector-specific decarbonisation pathway:** the client's emissions intensity is currently aligned to the relevant sector pathway.
- **Aligning to sector-specific decarbonisation pathway:** the client is making progress towards alignment with the sector pathway – i.e. there is a robust transition plan in place to achieve alignment.
- **Not aligning to sector-specific decarbonisation pathway:** the client is not aligned with the sector pathway and has no transition plan or the plan is deemed insufficient. Further work is required to set out a credible transition plan.

⁴ To determine the components of a credible transition plan, we used regulatory frameworks like the Corporate Sustainability Reporting Directive (CSRD), ISSB (International Sustainability Standards Board), UK Transition Plan Taskforce (TPT), US Securities Exchange Commission (SEC) and other initiatives such as Carbon Disclosure Project (CDP), Science Based Target Initiative (SBTi), Climate Action 100+.

This new approach is designed to, over time, provide a more robust, fact-based understanding of clients' progress in delivering on their decarbonisation plans.

As we explained last year, if after two years of CTP-based assessments, and the strategic engagement that flows from those, certain clients remain unwilling to progress, we may, on a case-by-case basis consider applying stricter credit conditions on the type of business we do with those clients.

However, it is important to re-state that our engagement starting point continues to be inclusion-first, based on the conviction that we can make the most impact by helping clients – especially our most carbon-intensive clients – to transition their businesses.

Sharing our approach to accelerate progress

In January 2025, we published a [white paper](#) outlining the methodology behind our Client Transition Plan assessments. We've learned from our many interactions over the past year, especially from our clients and our peers, that providing this transparency and being explicit about our approach is valuable for them. Clients are keen to understand how we look at their progress. Many banks are on this journey too and are considering how to develop their approaches to internal scoring and how to embed insights into credit assessments and decision making.

This assessment process and its resulting scores are still in the early stages at ING and we acknowledge that they require further development. Therefore, it is in a spirit of humility that we engage in these dialogues and do so in the hope it can both strengthen our approach and meaningfully contribute to the wider debate about how to accelerate the transition to net zero.

Client feedback from CTP-related discussions was that ING was one of the first banks to engage with companies about their climate transition plans in this way, reinforcing our frontrunner role in sustainable finance and advisory. CTP-based engagement has facilitated discussions with clients that went beyond financing and products, helping us to further deepen those relationships, with the most value coming from engagements when client representatives from both the Sustainability and Finance departments were present.

Financing large clients' decarbonisation efforts

Beyond our client engagement efforts, we also encourage decarbonisation through the way we structure deals. Over the course of 2024, ING supported 835 sustainability deals, which was 5.5% more than in 2023 – and in the first half of 2025, we've helped to finance the transition of the economy with another 400 sustainability deals (compared to 367 in 1H 2024).

Many of the deals we support are in the form of sustainability-linked loans, where companies set their sustainability goals and where related KPIs (which often involve greenhouse gas emissions reductions) are closely tied to their financing. Other deals often take the form of green loans and bonds, where the proceeds are used by a client for sustainability and transition-related investments in their businesses. While our climate action approach also encompasses the systems-, sector- and company levels, we believe that much of our impact happens at transaction or project level.

Examples of recent transactions that are supporting clients to drive down emissions in their businesses and value chains include:

- A €1.3 billion sustainability-linked loan (SLL) for Swiss-Belgian cocoa processor and chocolate manufacturer **Barry Callebaut**, with KPIs linked to their GHG emissions, deforestation-free cacao and palm, and human rights in local communities. ING acted as joint sustainability coordinator.
- A €700 million syndicated revolving credit facility for **Proximus**, Belgium's leading incumbent telecommunications provider, with a KPI-linked structure for GHG reduction (aligned with SBTi targets and including scope 3) and circular economy, among others. ING acted as sole sustainability coordinator.
- A €200 million green and sustainability-linked loan for **Galleria Verde**, an Italian joint venture between Eurocommercial Properties (ECP) and Finiper Canova Group. Galleria Verde owns the Fiordaliso Shopping Centre near Milan, which has a BREEAM⁵ rating of 'Excellent'. ING acted as bookrunner, joint sustainability coordinator and agent for the financing, which includes KPIs linked to scope 1 emissions reduction, renewable energy usage, and the number of green leases agreed with commercial tenants.

⁵ BREEAM is the Building Research Establishment Environmental Assessment Method, considered as the 'de facto' international standard for sustainability assessments of buildings and infrastructure.

⁶ Segmentation based on companies' turnover, thresholds differ per Business Banking market. For the purposes of Terra and CTP alignment, the SEM (self-employed entrepreneurs & micro businesses) segment is excluded.



"Geopolitical uncertainty is making the sustainability transition harder, but our commitment to clients is unwavering. We see sustainability as a strategic business opportunity. ING is determined to capture it by staying laser-focused on our clients' evolving needs and building the skills and solutions that help them lead the way."

Mark Pieter de Boer

ING chief commercial officer, Wholesale Banking

Engaging with Business Banking clients

Both our Terra approach and CTP methodology are intended to be applicable across our portfolio, therefore our aim is to broaden our reach over time to also encompass the parts of our Business Banking portfolio where we believe we can have the biggest impact.

In Business Banking, our client portfolio includes SMEs (Small & Medium-sized Enterprises) and MidCorporates⁶. We have already integrated our Netherlands-based commercial real estate activities in Terra, and continue to explore how to progressively include more parts of our Business Banking book in order to grow the coverage of the emissions related to our business.

Business Banking is also leveraging on the data-driven client engagement experience in Wholesale Banking, described above, as we aim to engage with our biggest clients on their transition plans. For example, in the Netherlands we started requesting climate-related data from our dairy clients at loan origination, and in Poland we've also started collecting climate data and engaging with clients in the highest emitting sectors in our local portfolio. This is supported by the upskilling of our Business Banking relationship managers, enabling them to have sustainability-related discussions with their clients that empower them to plan for transition.

Additionally, in our three largest Business Banking markets (Belgium, the Netherlands and Poland), we're working with peer banks to align on sustainability datapoint definitions and take a consistent approach to the datapoints we request from clients, while monitoring the ongoing discussions regarding CSRD and the Voluntary Sustainability Reporting Standard for SMEs (VSME).

Energy sector: our approach to fossil fuels

Despite the growth in renewables and other alternative energy sources, oil, gas and coal still account for about 80 percent* of all primary energy consumed worldwide. Today's economy relies on energy produced from fossil fuels and shifting the system cannot be immediate and will not be easy.

At ING, our ambition is to play a leading role in accelerating the transition, and we are taking responsible steps to move away from fossil fuels, guided by scenarios developed by the International Energy Agency (IEA).

Coal** remains a major source of CO₂ emissions. In late-2015, ahead of COP21 in Paris, we committed to end the financing of new coal-fired power plants and thermal coal mines worldwide. In 2017, we supplemented this with a goal to phase out our pre-existing lending to individual coal-fired power plants by the end of 2025.

We are making further steps in this journey:

- In March 2022, we announced that we would stop dedicated financing to new oil & gas fields.
- In March 2023, we expanded our restriction to dedicated finance to connected 'midstream' (oil & gas infrastructure) activities that unlock new field developments.
- In December 2023, we committed to phase out financing for upstream oil and gas to zero by 2040, which is well in advance of the IEA's guidance.
- In September 2024, we made the decision to stop providing new financing for new liquefied natural gas (LNG) export terminals after 2025, as guided by the IEA's Net Zero Emissions by 2050 (NZE) scenario.
- We also aim to reduce the combined value of our financing of traded oil and gas in line with IEA pathways, and are investigating the inclusion of Trade and Commodity Finance (TCF) business in our Terra approach.

*Source: Energy Institute - 'Statistical Review of World Energy' (2025) via OurWorldInData.org

**According to the IEA's latest 'World Energy Outlook', coal was the source of 41% of CO₂ emissions in 2023.

Partnering for progress

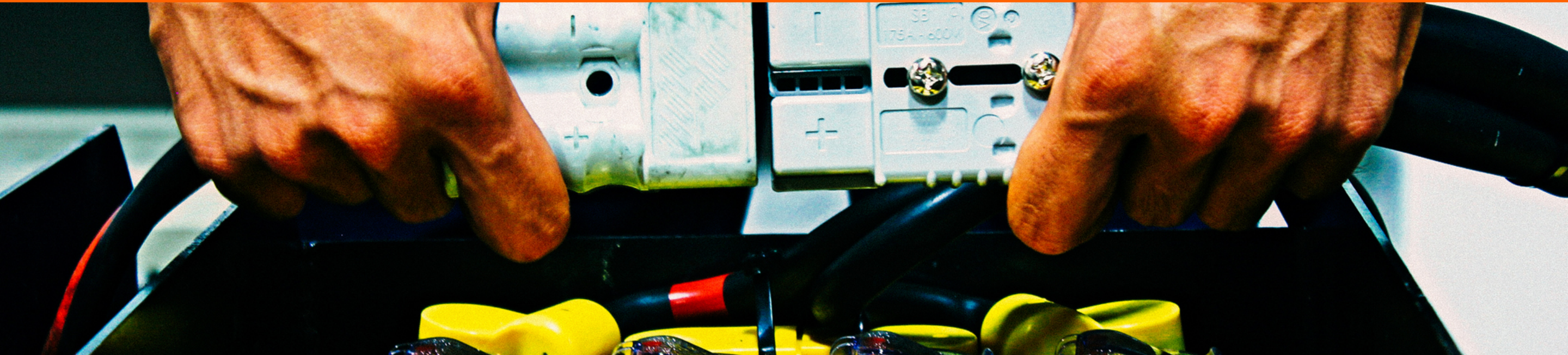
ING has long been advocating for systems-level change, especially in the sectors where barriers to transition exist. Our engagement takes many forms, including within industry fora and working groups, through our direct interactions with regulators and policy makers, and via platforms like the World Economic Forum's Alliance of CEO Climate Leaders.

We also engage with those stakeholders who shape the very standards upon which decarbonisation targets, pathways and metrics are measured. This includes our active participation in sectoral working groups of the Net-Zero Banking Alliance⁷, namely Shipping, Aviation, Cement, Food & Agriculture, and Real Estate. We also work closely with the Principles for Responsible Banking (e.g. as a member of the Adaptation working group), PCAF, and the Zero Emissions Platform, amongst others, and are a founding member of the Poseidon Principles for shipping.

We advocate publicly for the policy actions that will drive forward the energy transition. This includes the expanded use of effective carbon pricing to further help efficiently mobilise private capital at scale. Alongside that, the transition requires ambitious energy policy in the coming years and decades, including energy efficiency measures and the upgrade and expansion of grid networks to enable significant upscaling of electrical power from the connection of new renewables capacity. As another example, we have also long been calling for funding and incentives to be focused on significant and rapidly scaling the transition to alternative fuels and clean technologies – with a concurrent phase out of fossil fuel subsidies worldwide.

⁷ The NZBA Steering Group has responded to member input by [initiating a member vote](#) on 27 August 2025 to decide on a proposed transition from a membership-based alliance into a framework of practices and methodologies for banks to voluntarily use as guidance for good practice in accelerating the real economy transition in line with the Paris Agreement. The outcome of the vote will be shared at the end of September 2025.

**Building up a
sustainable future.**



Building Up: financing solutions and technologies for a low-carbon world

Society needs to transition to a future where the systems we rely on are sustainable. [Driving down emissions](#) and improving efficiency of fossil-fuel based energy technologies is only one part of the solution. Simultaneously, the world must build up the technologies and solutions for a low-carbon future. Trillions⁸ of euros per year will be needed to make this transition a reality. As a large, globally operating bank, ING aims to play a leading role in financing the technologies and solutions for a low-carbon world, which also has the benefit of reducing society's dependence on existing, fossil-fuel-based power.

Financing renewables

It's our ambition to be a leading financier of the energy transition. That's why, in December 2023, in line with the call for action from the international community made at COP28 in Dubai, we committed to tripling⁹ our target for financing of renewable power – aiming for €7.5 billion of annual commitments by 2025. In 2024, we committed €7.0 billion in renewable power generation financing, up from €4.2 billion in 2023.

Recent transactions that contribute to achieving this ambition on renewables financing span offshore & onshore wind power generation to solar power generation and battery energy storage.

- ING participated in the €6 billion project financing of two offshore wind farms in Poland's Baltic Sea. **Baltyk-2** and **Baltyk-3** will have a combined total generation capacity of 1,440 MW, and are especially significant for Poland's energy transition given that the country is currently reliant on coal for the majority¹⁰ of its electricity generation.

⁸ Many reputable sources have made estimates of similar magnitude. For example, [McKinsey's research](#) indicates that the total investment in new physical assets for clean energy and enabling infrastructure could reach approximately \$6.5 trillion per year by 2050.

⁹ In 2023 we tripled our target for financing of renewable power generation to €7.5 billion annually by 2025, up from our earlier €2.5 billion target set in 2022, where financing refers to the amount we commit to our clients, either as ING or via other parties involved in the transaction.

¹⁰ According to the IEA's '[Coal Mid-Year Update 2025](#)', coal continues to dominate Poland's electricity mix, accounting for approximately 65–70% of total electricity generation (as of mid-2025).

- We played a leading role in the €1.43 billion syndicated portfolio financing for **NeXtWind**, a German renewables company focused on 'repowering' existing windfarms by replacing or upgrading components with modern, more efficient technology, thereby extending their life and increasing the power generation capacity. The project, Magnus, will accelerate the German energy transition by funding the repowering of 13 windfarms, quadrupling the capacity to 3 GW by 2028.
- We contributed to the €400 million project financing of greenfield solar power generation, Project Praga, in Spain for client **BRUC**, a leading Spanish independent power producer. The project will result in an estimated installed capacity of 635 MW of solar-generated power.
- We've helped finance the construction and operation of one of the largest battery storage assets in continental Europe, managed by **GIGA Storage**. The GIGA Leopard battery park, located on the site of a former aluminium smelter in the Netherlands, will have a storage capacity of 1200 MWh (300 MW) and is designed to support grid stability and enable the integration of renewable energy.

Developing new energy solutions for the future

Complementing our Renewables & Power work is our Hydrocarbons & New Energies approach, which focuses on the value chains of clients in three main areas:

- Sustainable fuels, comprising e-fuels and biofuels like hydrogen, ammonia, biomethane and sustainable aviation fuel (SAF).
- Recycled feedstock solutions for plastic production through chemical recycling.
- Carbon capture and storage solutions (CCS), which are deemed necessary for the energy transition, particularly in hard-to-abate sectors.

Developing and scaling these solutions will be required to unlock progress across a range of sectors. Recent transactions that have played a role in advancing the CCS and biofuel agendas include:

- Hardanger Biogas** is a greenfield bio-LNG plant in Hardanger, Norway. This €40 million deal for Norwegian renewable gas company Vireo will see the plant convert approximately 125,000 tons of locally-sourced agricultural waste, fish sludge and silage into 85 GWh of bio-LNG annually. The bio-LNG output is intended as sustainable fuel for heavy-duty trucking and marine transport.
- The Northern Endurance Partnership (NEP)** is the first-ever project financing for a CCS project in the wider Europe, the Middle East and Africa (EMEA) region, and one of the largest planned CCS projects in the UK.

Considered to be of strategic importance for the UK government’s energy transition plans, the project will capture and store CO₂ from emitters in the Teesside and Humber industrial region. ING acted as mandated lead arranger and hedging, documentation & technical bank for this £3.9 billion project financing.

- **Net Zero Teesside Power (NZT Power)** will develop and operate a 742 MW combined cycle gas turbine (CCGT)¹¹ power plant with post-combustion carbon capture in the north-east of the UK – and will use the North Endurance Partnership (described above) for carbon storage. This is another first-of-its-kind transaction and ING has supported the multibillion-pound project financing for what is the world’s first commercial-scale CCGT power plant with carbon capture.

We also leverage our growing international experience by our active participation in industry groups that allow us to collaborate with others to develop system-wide solutions, in these areas:

- **(e)SAF:** Project SkyPower, Impact on Sustainable Aviation
- **Hydrogen:** European Clean Hydrogen Alliance, Hydrogen Europe
- **Carbon capture, utilisation and storage:** Zero Emissions Platform, Carbon Capture & Storage Association, Global CCS Institute

Our financing of renewable power and new energy solutions contributes to our overall target to mobilise¹² €150 billion of annual financing by 2027 to build sustainable and resilient business models and solutions for the future. In 2024 we mobilised €130 billion, and despite uncertainties around the outlook for the sustainable finance market due to current geopolitical dynamics, in the first half of 2025 we mobilised €67.8 billion, a 19% increase compared to the first half of 2024.



"Our sustainable finance expertise and experience are not only focused on helping clients drive down emissions — we also support strategic initiatives to build up the alternatives that make systemic change possible. We aim to enable what doesn't yet exist at scale, from new fuels and new technologies, to tailored financings and partnerships. These are some of the ways that ING strives to accelerate the sustainable transition of our clients and the sectors they operate in."

Jacomijn Vels
ING global head of Sustainable Solutions Group, Wholesale Banking

¹¹ A combined cycle gas turbine (CCGT) power plant is a type of power plant that uses both gas and steam turbines to generate electricity, resulting in higher efficiency and lower emissions compared to traditional single-cycle power plants.
¹² [Definition of sustainable volume mobilised](#)
¹³ OECD [‘Climate Adaptation Investment Framework’](#)

Incorporating adaptation and resilience

An increasing area of concern is not just the mitigation of climate impacts, but also adaptation to physical risks. That is why we are increasingly incorporating adaptation considerations into our global sustainability approach and climate action, and seeking ways to better advise and support our clients with the investments they need to improve their resilience.

- The economic case is compelling: US\$1.8 trillion in adaptation investments could yield anywhere from US\$3.6 trillion to US\$18 trillion in returns¹³. For ING, the related opportunities could include:
- New lending and product innovation in sectors like resilient buildings, flood protection, infrastructure, as well as agriculture and food needs.
 - Portfolio risk reduction through stronger climate risk management.

The resilience of natural systems is an emerging issue where ING is beginning to be active:

- We participated in the refinancing of a €800 million sustainability-linked syndicated facility for **Acciona**, a global leader in sustainable infrastructure and renewable energy solutions. The Corporate KPI is linked to the alignment of the capital expenditure with the [EU taxonomy](#), and the facility includes ‘local impact indicators’ like number of trees planted to reach Net Positive as a means of restoring one of the most damaged-by-wildfires areas in Spain.

Launching our Transition Accelerator

In the past year, we have developed a new approach to incubate promising solutions and innovative green technologies and help them to scale. Called the Transition Accelerator, its mission is clear – mobilising capital to scale new sustainable technologies and markets. It is enabling us to push at the frontier of what is possible to build up a more sustainable future across many business sectors.

Today we are seeing a surge in pioneering enterprises and breakthrough technologies that are not yet mature, not to scale and not bankable through established routes. They hold the potential to enable meaningful change in the transition but are still small and on the edge of today’s systems. That is why the Transition Accelerator was formed: to identify those new and emerging sustainability solutions, and help them reach critical mass.

At its inception, the Transition Accelerator identified five areas to focus on, with the aim of connecting capital to opportunity in new ways:

1. **The battery value chain for electric vehicles.** This offers tangible opportunities because, for electric vehicles to work, it's essential to join up across the chain from metals and mining to the development of intermediate products and battery manufacturing itself. At the same time we recognise the challenges faced by players in the EV battery value chain, which include rising capital costs, geopolitical instability, and a still nascent and geographically-concentrated supply chain.
2. **Electric vehicle (EV) recharging infrastructure and services.** Extending even beyond the battery value chain, to expand the market for EVs significantly, charging infrastructure, networks and services that support their use need to be scaled. And there are opportunities to play in those parts of the value chain as well.
3. **Sustainable materials and the circular economy.** We are already active across a wide range of recycling opportunities, from the recycling of car tyres to plastics, textiles and metals.
4. **Sustainable heat and Clean Tech.** In industrial decarbonisation technologies & services we are looking, for example, at enterprises that have developed new solutions that can help major corporates to decarbonise but are not yet integrated into their value chains – such as green cement in building and infrastructure, or industrial heat systems that can be electric rather than gas-fired.
5. **Nature-based solutions.** It is increasingly clear that meeting climate goals means working on the intersection with nature, so this is an area we are exploring. It is nascent, but solutions are emerging in nature restoration and conservation, and in carbon & biodiversity financing.

Each of these is a live and fast-moving area with many possibilities, and we already anticipate seeing other new areas emerging. So far, we have actively engaged over 300 prospects across our five focus areas. In the EV charging space, for example, we're supporting multiple clients, and have already closed four transactions.

To highlight one of these:

- In July 2024 we signed a transaction to support the scaling of **Electra**, a leading French EV charging infrastructure provider, to expand its network across Europe, installing 15,000 high-power charging points by 2030. It will also allow Electra to evolve its stations into intelligent energy hubs, optimising grid integration and renewable energy usage. ING was the lead bank and debt advisor for this €433 million green financing deal, one of the largest in the sector.



"Electra's mission is to make electric mobility seamless at scale. ING's Transition Accelerator, coupled with its sector advisory and local lending teams, brings the sector knowledge and capital structure we need to move faster — building out high power charging, and integrating renewable energy and smart grid solutions. This collaboration helps turn a low-carbon vision into everyday reality for drivers."

Aurelien de Meaux
Electra co-founder & CEO

Through the Transition Accelerator, our role is to provide different types of financial services. We may be mandated to raise equity or debt for these companies, or to provide advice, that can help take them to the next level so that they become bankable. The intention is to get them into a position where they can attract funding to grow to scale. And once a new sector or value chain is successfully 'incubated' and scaling up, we hand it over to our teams in the mainstream of the bank. We've already seen that happen successfully in the battery value chain for electronic vehicles, which is now covered by ING's Metals, Mining & Fertilizer team who have a clear view on battery-related opportunities they can finance. The same is true of solutions involving biogas, which is now part of our Energy sector coverage.

So, this approach represents a commercial opportunity for the bank's core business as well: yet another way in which we are putting sustainability at the heart of our strategy. Finding innovative ways to finance these pioneering technologies and enterprises puts us in a strong position to shape and lead these new markets as they emerge and scale.

Achieving the transition to a low-carbon future requires systemwide change. Beyond the potential of each and every transaction – important though each one is – the power of this model is rooted in how we are joining up players across the ecosystem they operate in. By proactively building connectivity across value chains in a new way, we can help accelerate systemwide change. It is a win for the companies, a win for the sectors and for the bank, as well as for change that needs to happen in wider society to build a more sustainable future.



"Scaling these innovations takes more than good ideas. It takes capital. And conviction. That's where we come in. Our role in the Transition Accelerator is to bridge the gap between ambition and execution. We don't just provide bank finance — we help shape markets. We don't just support — we accelerate."

Peter Kindt
ING global head of Transition Accelerator, Wholesale Banking

Accelerating systems-level change

Accelerating the transition demands accelerating systems change. Driving down emissions and enabling the transition to a low-carbon economy can only be achieved with stakeholders across the system.

Putting systems change theory into practice

At ING, we are committed to developing new and practical solutions in collaboration with many actors involved in some of the heavy-emitting sectors we finance.

In 2024, we launched two pilots using the TransMission™ framework, applying it to the Shipping and Commercial Real Estate sectors. TransMission, developed by [NewForesight](#), is a robust and proven model for taking a structured approach to market-based transition.

In the past year, we have engaged with a diverse range of stakeholders to understand different perspectives on the barriers, and to explore what each stakeholder's role could be in overcoming them. This has generated a set of insights and impactful interventions for both sectors that we, at ING, in collaboration with key sector stakeholders, intend to make within our business, beyond our business, and through our policy advocacy.

By way of example, in Shipping, some of the bottlenecks and barriers that we have identified include:

- **Regulations limit availability of financing:** Banking regulation, such as Basel IV, can limit banks' ability to support the financing of the shipping sector's transition.
- **Alternative fuels lack availability and pricing visibility:** Next-generation alternative fuels like green methanol and green ammonia show promise, but fuel producers look for stable and sizeable demand before investing in large scale production, while buyers hesitate to commit without supply security and pricing visibility.
- **Biofuels face supply limitations:** Biofuels are currently the most viable option as they do not require major modifications to the propulsion technology and can be blended with conventional fuels. They are, however, constrained by competition for these fuels from other sectors and by the availability of (sustainably sourced) feedstock.
- **Energy efficiency retrofits present financing and performance uncertainties:** The uptake of energy efficiency retrofits is limited by insufficient performance history and data across vessel types, variable payback periods, and weak business cases – making investments and financing difficult.

To respond to these market and policy barriers and bottlenecks, we have identified several key levers that are relevant specifically to our business and where we can take action to make a meaningful impact:

- **Within business,** we are exploring partnerships which can help pool demand for energy efficiency retrofits for the shipping sector, especially from smaller shipowners, who may otherwise not have sufficient access to capital for investing in energy efficiency technologies.
- **Beyond business,** to address the need to aggregate demand for alternative fuels across sectors, we intend to use our cross-sector involvement to help drive aggregation efforts. We aim to continue to promote participation in green corridors, like Silk Alliance, which can create an ecosystem for demonstrating the commercial and technical viability of alternative fuels like green ammonia and green methanol. We also want to work across different industries to support the full supply chain. That includes teaming up with ING experts to help develop green energy for cleaner fuels, carbon capture, biofuels, and low-emission materials like green steel.
- **In advocacy towards others,** we plan to engage more actively in dialogues with regulators, through platforms like the Poseidon Principles, Global Maritime Forum, and beyond. By leveraging our shipping sector knowledge, sustainability expertise, and financing capabilities, we aim to advocate for policy support and decarbonisation mechanisms that will enable and incentivise banks to support the transition while remaining competitive.



"At GCMD, we see partnerships as essential to advancing the maritime energy transition. Energy efficiency technologies (EETs) offer a practical pathway—not only cutting vessel emissions but also delivering savings from the consumption of green fuels in the future. To scale their adoption, accessible and innovative financing solutions are crucial. By linking capital to verifiable outcomes, we aim to reduce barriers to implementation and accelerate the widespread uptake of EETs."

Lynn Loo

CEO Global Centre for Maritime Decarbonisation (GCMD)

**Including
everyone.**



Including Everyone: finding ways to enable people to play a part

At ING, we believe that most people want to play a positive part in the transition to a more sustainable future. Our purpose is empowering our customers to stay a step ahead – and that includes staying ahead on climate too. That means we’re committed to finding new ways to include people and enable them to make impact, starting with our existing and prospective retail customers.

Making homes more sustainable

Through our large mortgage portfolio, we finance the homes of a significant number of people, and that gives us the opportunity to help them contribute to the transition by making their own homes more energy-efficient, more cost-effective and future-fit. Making their homes more sustainable matters to customers because it improves the long-term resilience of what, for many, is their most valuable financial asset. And, if it is in the interests of homeowners, it is also in the interests of the bank. In helping to make customer’s homes future-fit, we are also future-proofing out mortgage portfolio.

Decarbonising residential real estate is a significant challenge. Homes are a major source¹⁴ of emissions – and a major opportunity for change. One way to make homes more sustainable is to ensure that new builds are as energy efficient as possible and do not add to residential real estate’s carbon footprint – and, in that context, policy and standards are beginning to align to achieve that goal. However, the pace of new builds means that this alone cannot be enough to meet the scale and urgency of the challenge.

Another route is to renovate the homes that already exist to make them more energy efficient and low carbon. Yet, according to the [research](#)¹⁵ that ING published in collaboration with Guidehouse this year, the EU’s building renovation rate remains on average 1% annually – just a third of the 3% minimum rate required to achieve net zero by 2050. That makes accelerating retrofits of existing housing stock the most pressing challenge in decarbonising residential real estate.

¹⁴ The European Environment Agency (EEA) [estimates](#) that the built environment - which includes residential and commercial buildings - was responsible for 34% of energy-related greenhouse gas (GHG) emissions in the European Union in 2022.

¹⁵ See section ‘[The need for a multistakeholder approach](#)’ below for a summary of the key findings of this collaborative white paper.

¹⁶ [see here](#) for more on the options available in our different markets.

We incentivise sustainable home ownership through the mortgages we offer, with beneficial terms like attractive interest rates linked to energy labels, long-tenure fixed interest periods, and mortgage features like top-ups and discounts available to those who purchase energy-efficient homes or improve the energy label of their property by renovating. Mortgages that include some or all of these features are on offer to ING customers in Belgium, Germany, Italy, the Netherlands, Poland, Romania and Spain.

And to tackle the challenge of how to retrofit existing housing stock, we’re increasingly enabling customers to upgrade their homes with dedicated renovation financing options, incentives and related services that aim to lower any hurdles to the renovation process. Customers in Belgium, Germany, the Netherlands, Poland, Romania and Australia can apply for unsecured renovation loans with discounted pricing, and in some markets, we’re building up a full-service offer that combines financing with digital tools and guided access to the necessary information and renovation resources.¹⁶



"We want to offer customers ways to reduce their carbon footprints, and we’re excited to be stepping up our approach to sustainable housing – aiming to make it the norm that upgrading a home automatically includes making it sustainable and future fit. We know that what we’re doing now is a start, not an end point, but it gives us the chance to learn and scale up our impact over time."

Pinar Abay

ING head of Retail Banking & Management Board member

The launch of ING Upgrader in the Netherlands

Our largest mortgage portfolio is in the Netherlands and our most significant step forward in sustainable housing in the past year was the launch in December 2024 of *ING Upgrader*, a new product in the Dutch market. It’s an innovative, end-to-end approach designed to radically simplify the experience of retrofitting for homeowners.

The concept of *ING Upgrader* began with the recognition that the homeowner is in the driving seat – they make the decisions on what to do to their home; no one else does. That is why their active participation is critical to success in decarbonising residential housing.

Customer motivations and barriers to action

To fully engage homeowners, it’s vital to understand what motivates them and what barriers they encounter. ING in the Netherlands conducted research with customers on the reasons they renovate and the reasons they do not. The findings confirmed that the biggest barrier is the total cost and the biggest motivation to act is energy savings. The inter-relationship of these two goes to the heart of the issue. Another key motivator is increasing the comfort of their home, but only a small percentage are motivated solely by improving sustainability.

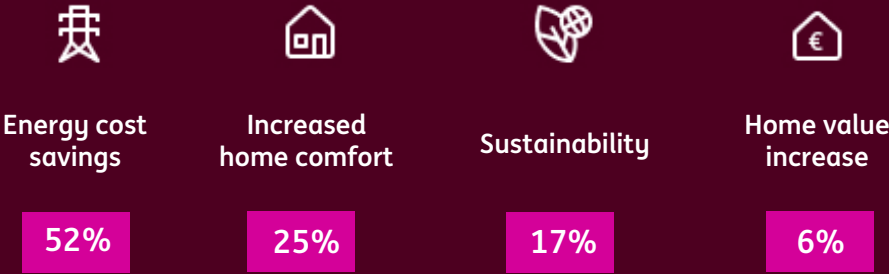
Recognising that people are hindered or motivated largely by the finances, rather than the environmental benefits, we changed our approach to stimulating demand. We aim to help customers understand that renovation is a smart investment, and to approach them at the times when they are most ready to consider a ‘deep retrofit’, in order to incentivise them to incorporate sustainability improvements into the process.

The motivations of homeowners need to be met with the enabling conditions for action. The reality today, however, is that the way the retrofitting ecosystem works, multiple obstacles are in their way. From the outset and right through the journey, the homeowner experience is complex, confusing and frustrating. Many people get lost at some point in the process. Our research highlighted that people do not know where to start; and if they begin a renovation, they find it difficult to identify reliable installers and do not always trust the offers they get. It’s complex to understand the types of subsidies and financing available, and the overall financial benefit of a renovation can be difficult to calculate.

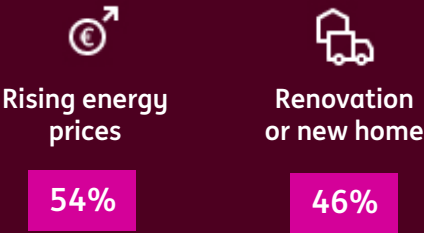
Radically simplifying the homeowner's retrofit journey

Based on the learnings from our research, we developed *ING Upgrader* to help people overcome the barriers people tell us they face. It is an innovative, end-to-end approach to retrofitting designed to make the process much easier and support customers at every step of the journey to completion.

Motivations



Trigger moments



“It’s great to see the current sustainability status of our house and the potential improvements. And I appreciated how ING checked afterwards whether the contractors had delivered on the agreements we made.”

Leslie Dao
ING Upgrader customer, the Netherlands

To make this possible, we established an entirely new partnership with [Winst uit je woning](#) (which translates as ‘Profit from your home’), who have long been experts in joining up the ecosystem to deliver retrofits. Together with these partners, we are co-ordinating everything centrally for customers. At the start, an expert advisor visits them in their home to make a tailored plan, including what combination of solutions they need, such as a heat pump, solar panels or insulation, and the financial requirements and benefits. We help customers secure the best funding options and reliable contractors, and stay with them right through to providing a free improved energy label at the end of the process.

In addition, we are drawing on the digital strengths of our retail bank to create a seamless, easy customer experience by integrating the front-end IT of our app with *Winst uit je woning* so customers are able to track progress in real-time online. Plus, we now offer [Upgrade Check](#), a free digital tool, as an easy way to get people started by assessing their situation and putting together a picture of their options.



"Everything went quickly and easily. It's good to know where you can save and how long it will take to recoup the investment."

Nol van Noort
ING Upgrader customer, the Netherlands

Traditionally, the role of a bank is focused only on financing the prospective retrofit. In the context of *ING Upgrader*, if the customer needs a bank loan, ING can certainly help. However, we will actively point people towards a different route if that is more appropriate – for example, it may be that the National Heat Fund is the best answer for them. But we continue to play an active role and, even when we do provide a loan, financing has become only one part of the solution we can provide.

Energy label improvements as an incentive

Linking energy label improvements to mortgage interest rates is an under-used route to incentivisation in the market in general. Typically, homeowners might experience a financial benefit from achieving A-label standard, however that is hard to achieve and often expensive.

In early 2025, we introduced a new incentive by increasing the weighting of the energy label in our mortgage rate calculations, in order to be able to immediately reward customers who have gone to the effort of improving their energy label, even from D to C, or C to B. This means homeowners can see an immediate benefit beyond possible savings on their energy bill, through improved interest rates on their mortgage – helping to make every step they take more worth it financially.



"With climate regulations tightening and demand for energy-efficient homes rising, making your home more sustainable is no longer just a good idea – it's a smart one. Renovating not only enhances the comfort and environmental standards of one's home, in most cases it also significantly increases a property's value."

Maximillian Hempel
ING global mortgages coordinator, Retail Banking

The need for a multistakeholder approach

While homeowner participation is central to decarbonising residential housing, systemwide solutions are also needed to drive progress at scale.

In May 2025, we released [new research](#) in collaboration with the consulting firm [Guidehouse](#), that models a range of scenarios for the future of decarbonisation in residential buildings in five European markets; Belgium, Germany, the Netherlands, Poland and Spain.

The report highlights that, across the EU, current action to decarbonise residential real estate is both insufficient and not fast enough. It emphasises the need for a multistakeholder approach, identifying the wide range of stakeholder groups that impact this issue, including policymakers, housing associations, developers, manufacturers and banks, as well as homeowners – and calls for an alignment across this entire ecosystem on the goals, resources and expertise needed to accelerate progress.

The Guidehouse research also identifies four priority areas for action:

- Greening the energy supply by decarbonising the electricity grid and district heating networks, increasing biofuel use, and phasing out natural gas.
- Deeper building retrofits to increase energy efficiency, especially in the worst performing buildings, with comprehensive renovations including upgrades to insulation, windows and air sealing.
- Upgrading to electricity-based heating systems and adopting heat pumps.
- Enforcing higher insulation standards and high-performance energy efficiency standards for new buildings.

Different stakeholders are identified as having different levels of influence on each of these actions. For example, commercial banks, like ING, play an active role in financing the required transition and engaging with other stakeholders to facilitate easier renovations for homeowners. However, governments are instrumental in designing policy frameworks that incentivise and encourage action across the ecosystem, including from consumers.

We are already using these findings to support our engagement with governments and other stakeholders to advocate for systemic changes to accelerate the transition of the market. These include long-term and ambitious national renovation plans, like those recommended as part of the [EU's Energy Performance of Buildings Directive IV](#). We support programmes that balance the expectations on individual homeowners and the role that government and other institutions need to play, and advocate for increased access to Energy Performance Certificate (EPC) and energy-usage data to enable banks to actually track and steer on progress.



"Decarbonising residential buildings is not a challenge any single actor can solve alone. It's a multi-stakeholder journey – one that demands concerted action across multiple key stakeholders, including governments, commercial banks and homeowners, to align the goals, resources and expertise. Only through such an ecosystem approach we can close the emissions gap and accelerate the transition to net-zero homes."

Madeline Schneider
Guidehouse associate director, Sustainable Finance

[Table] Overview of ING’s residential real estate public advocacy activities

Residential Real Estate topic	How we engage
Governments to set clear renovation policy	<ul style="list-style-type: none">▪ Advocacy for Energy Performance Buildings Directive (EPBD) and implementation by EU member states▪ Feedback in response to draft EPBD regulation and delegated acts▪ Outreach to ministries on National Renovation Plans▪ Publishing reports calling for action by stakeholders
Building industry to accelerate renovation	<ul style="list-style-type: none">▪ Host stakeholder roundtables▪ Join coalitions e.g. Green Buildings Council▪ Collaborate through direct business platforms (e.g. NL Upgrader)
EU / governments to enable cheaper financing	<ul style="list-style-type: none">▪ Founding member of the Energy Efficiency Financing Coalition▪ Contribute to discussions on the design of public-private blended finance instruments
Governments / peer banks to develop methodologies for banks	<ul style="list-style-type: none">▪ Plan to contribute to the development of the Mortgage Portfolio Standards▪ Foster discussion with peer banks on methodology and disclosure standards
Governments to improve access to data for steering	<ul style="list-style-type: none">▪ Engaging ministries directly and through banking associations regarding the needs of banks to access current EPC, and ideally real energy use, data

Just Transition

Considerations of how to achieve a just transition are growing in prominence as businesses define pathways to transition to a low-carbon economy. At ING, we aim to conduct environmental and social due diligence aligned with international standards such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the OCED Guidelines, looking not only at the environmental impacts of our business but also the social impacts.

We are monitoring social-related impacts and mapping risks with an aim to achieve a just transition in our decision-making process. We have also strengthened our internal ESG Risk approach by refining the social risks material to the sectors that ING finances. And for sectors that are key to the transition, such as energy, we have included social impacts arising from the transition in our ESG Risk documentation. Combined with our longstanding environmental & social risk (ESR) policies and application of the Equator Principles, this supports a more holistic due diligence approach for those sectors, with the aim to also mitigate the potential negative impact and respect human rights.

Working beyond our business, ING is furthering these efforts with peers as a participant of the United Nations Environment Programme Finance Initiative (UNEP FI) Just Transition Pilot Programme and as a member of the steering committee of the Taskforce on Inequality and Social-related Financial Disclosures (TISFD).

For more insight and detail about our human rights approach, please consult ING's most recent [human rights review](#).

Appendix.



Important legal information

This document contains general statements about ING's sustainability related policies and activities. The ESG-related criteria referred to in this presentation are intended to be applied in accordance with applicable law. Due to the fact that there may be different or even conflicting laws, the criteria or the application thereof, could be different.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to a number of factors, including, without limitation: (1) changes in general economic conditions and customer behaviour, in particular economic conditions in ING's core markets, including changes affecting currency exchange rates and the regional and global economic impact of the invasion of Russia into Ukraine and related international response measures (2) changes affecting interest rate levels (3) any default of a major market participant and related market disruption (4) changes in performance of financial markets, including in Europe and developing markets (5) fiscal uncertainty in Europe and the United States (6) discontinuation of or changes in 'benchmark' indices (7) inflation and deflation in our principal markets (8) changes in conditions in the credit and capital markets generally, including changes in borrower and counterparty creditworthiness (9) failures of banks falling under the scope of state compensation schemes (10) non-compliance with or changes in laws and regulations, including those concerning financial services, financial economic crimes and tax laws, and the interpretation and application thereof (11) geopolitical risks, political instabilities and policies and actions of governmental and regulatory authorities, including in connection with the invasion of Russia into Ukraine and the related international response measures (12) legal and regulatory risks in certain countries with less developed legal and regulatory frameworks (13) prudential supervision and regulations, including in relation to stress tests and regulatory restrictions on dividends and distributions (also among members of the group) (14) ING's ability to meet minimum capital and other prudential regulatory requirements (15) changes in regulation of US commodities and derivatives businesses of ING and its customers (16) application of bank recovery and resolution regimes, including write down and conversion powers in relation to our securities (17) outcome of current and future litigation, enforcement proceedings, investigations or other regulatory actions, including

claims by customers or stakeholders who feel misled or treated unfairly, and other conduct issues (18) changes in tax laws and regulations and risks of non-compliance or investigation in connection with tax laws, including FATCA (19) operational and IT risks, such as system disruptions or failures, breaches of security, cyber-attacks, human error, changes in operational practices or inadequate controls including in respect of third parties with which we do business and including any risks as a result of incomplete, inaccurate, or otherwise flawed outputs from the algorithms and data sets utilized in artificial intelligence (20) risks and challenges related to cybercrime including the effects of cyberattacks and changes in legislation and regulation related to cybersecurity and data privacy, including such risks and challenges as a consequence of the use of emerging technologies, such as advanced forms of artificial intelligence and quantum computing (21) changes in general competitive factors, including ability to increase or maintain market share (22) inability to protect our intellectual property and infringement claims by third parties (23) inability of counterparties to meet financial obligations or ability to enforce rights against such counterparties (24) changes in credit ratings (25) business, operational, regulatory, reputation, transition and other risks and challenges in connection with climate change, diversity, equity and inclusion and other ESG-related matters, including data gathering and reporting and also including managing the conflicting laws and requirements of governments, regulators and authorities with respect to these topics (26) inability to attract and retain key personnel (27) future liabilities under defined benefit retirement plans (28) failure to manage business risks, including in connection with use of models, use of derivatives, or maintaining appropriate policies and guidelines (29) changes in capital and credit markets, including interbank funding, as well as customer deposits, which provide the liquidity and capital required to fund our operations, and (30) the other risks and uncertainties detailed in the most recent annual report of ING Groep N.V. (including the Risk Factors contained therein) and ING's more recent disclosures, including press releases, which are available on www.ING.com.

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