

ING

Putting Sustainability at the Heart of What They Do

ING is a leading European universal bank. Their more than 60,000 employees serve more than 38 million customers, corporate clients and financial institutions in over 40 countries. ING's purpose is to empower people to stay a step ahead in life and in business. In Singapore, ING has over 500 employees, and established its local office in 1987. For its Wholesale Banking clients, they provide specialised lending, tailored corporate finance, debt and equity market solutions, payments & cash management and trade and treasury services.



Committed to achieving net-zero greenhouse gas emissions in its lending portfolio by 2050 or sooner, ING also aims to mobilise €150 billion in sustainable finance annually by 2027.

SUSTAINABILITY AT ING

The biggest challenge society is facing is the climate crisis. If the world doesn't work together and act, it will result in devastating and lasting impacts on life as we know it.

ING consider themselves to be a pioneer in the financial sector and they have been working with sustainability across their business for many years.

They aim to put sustainability at the heart of what they do. Society is transitioning to a low-carbon economy. So are their clients, and so is ING.

Their biggest impact is with their lending portfolio, and they are aiming to steer the highest emitting sectors in their loan book with the Paris Agreement's goal to limit global warming to 1.5 degrees Celsius, or net zero greenhouse gas emissions by 2050.

With their inclusive approach they engage with clients to help them to become more sustainable instead of just offboarding them. They set and refine interim targets to help their clients in the transition to a net zero society. In this way, they are pursuing the goal to minimise global climate change.

STRIVING FOR NET ZERO IN THEIR OWN OPERATIONS

ING monitors and manages their environmental impact closely and they believe in being transparent about the climate impact of their operations.

They aim to source 100% renewable electricity each year for all ING buildings where they have management control worldwide, using RE100 technical criteria as a reference for reporting.

They are also improving the impact of their business travel, for example through electrifying their fleet. They remain committed to integrating sustainability in their procurement processes. Their science-based targets help keep them on track, and their Environmental Programme will help them meet these targets.

FINANCING TO SUPPORT GLOBAL CLIMATE GOALS

ING has financed and will continue financing green energy projects through green loans and bonds, sustainability-linked products and other innovative products and financing constructions. Sometimes the bank does say 'no' to companies, sectors and projects. Over recent years ING have taken important steps on their oil & gas policy, like no longer financing projects for new oil & gas fields and the infrastructure that supports them; and also deciding to completely phase out financing to upstream oil & gas by 2040. As announced in their Climate Progress Update 2024, they have recently taken the next move by stopping all new general financing to pure-play upstream oil & gas companies that continue to open new fields – so, including general corporate financing and bonds. ING also announced a next step on LNG driven by guidance from the International Energy Agency.

LNG is natural gas that gets cooled down to liquid to make it easier to transport. They will stop providing new financing for new LNG export terminals after 2025. ING is aiming to triple the financing for renewable energy by 2025 to €7.5 billion annually, up from €2.5 billion in 2022.

Terra, their internal transition management approach, guides them as they steer their portfolio towards the low-carbon technology and energy sources needed to reach net-zero goals. This includes hydrogen, carbon capture and energy storage and moving away from high-carbon technology and energy sources.

SUPPORTING CLIENTS IN THEIR TRANSITION

ING believes helping clients improve is more effective than excluding clients alto-

gether. They advise and finance clients who are working to make their businesses more sustainable.

They believe that an inclusive approach is the only way to make any meaningful positive impact. From climate to human rights and financial health, they seek to increase their impact through partnerships (such as co-creating climate alignment methodology with the 2° Investing Initiative) and coalition-building (like the Net-Zero Banking Alliance).

ING is taking an important step in measuring their progress to steer the most carbon-intensive parts of their loan book towards net zero by 2050 with their Terra approach.

They are including new data points into their systems that will allow them to analyse where their clients are on their road to climate alignment. This means they are integrating climate insights into their financing process on the client level.

Some examples of data points that will be included are whether their clients have net zero targets, intermediate 2030 targets, net zero transition plans and where they are on their convergence pathway.

Sectors in scope within Terra to date are power generation, oil & gas, automotive, aviation, shipping, cement, steel, aluminium, dairy, commercial real estate and residential real estate.

ALIGNMENT TO THE SUSTAINABILITY AGENDA IN SINGAPORE

ING's activities align with the Singapore Green Plan 2030, reflecting a shared commitment to achieving net zero. Recognising the need for systemic change, ING views that its role is to engage with and incentivise its clients to decarbonise their businesses and to increase the capital flows to the transition that is required to meet net-zero targets. This includes increasing the number of green loans for green buildings and renewable energy companies and providing sustainability-linked loans to Singapore-based companies. ING is widely recognised for its sustainable finance leadership globally

as well as in the Asia Pacific region. It has been able to grow its sustainable finance business significantly each year over the past 5 years, having mobilised billions of USD in sustainable capital for clients in the Asia Pacific region.

Furthermore, ING's Transport & Logistics (T&L) Shipping Finance team actively engages with the maritime ecosystem in Singapore. ING's global head of Shipping is a member of the Maritime Advisory panel set up by the Ministry of Transport (MOT) and Maritime and Port Authority of Singapore (MPA), chaired by Singapore's Minister of Transport. ING further contributes to discussions on the strategic objectives for the maritime industry including the decarbonisation of shipping.

T&L Singapore's Shipping Finance team has been involved with MPA, PSA, SSA over the years and is a part of the Shipping Energy Transition and other industry roundtables. ING APAC's head of Transport & Logistics has been a council member of the Singapore Shipping Association (SSA) and was the Chairman of the Ship Finance committee for the SSA from 2021 to 2023.

Additionally, ING stands out as the only commercial bank involved in the Silk Alliance - Green Corridor, a regional green corridor cluster in Asia based in Singapore, with MPA and PSA as key members. As the lead for the Finance work stream, ING works closely with the members of the alliance including leading shipping companies such as Pacific International Lines (PIL), Mediterranean Shipping Company (MSC), X-Press Feeders and Wan Hai Lines to evaluate financing solutions to accelerate the transition.

ING, through its global network, is also connected to the Port of Rotterdam which has its own green corridor initiative and is an important partner to Singapore.

ING is a founding Member of the Poseidon Principles which aims to drive the industry towards low carbon alternative fuels and enable the decarbonisation of shipping in line with pathways proposed by IMO (The International Maritime Organization).

At a global level, ING takes on a leadership role as the Treasurer of the Poseidon Principles and also serves as the Chair of the Technical Committee, with the latter role based in Singapore. The Shipping team leverages on this position by sharing relevant information and insights with stakeholders, clients and prospects in the region.

Through these initiatives, ING demonstrates its dedication to fostering sustainable practices in alignment with Singapore's ambitious environmental goals.

GREENKNOT, PIONEERING A SUSTAINABILITY PLATFORM OUT OF SINGAPORE

One of ING's key initiatives, developed out of Singapore, is 'GreenKnot,' a sustainability management platform designed to support the sustainability transition of ING's shipping clients. GreenKnot helps ship financiers understand the drivers of shipping emissions, manage progress towards decarbonisation goals, evaluate alternative fuel technologies, and conduct portfolio impact analyses for financing decisions.

GreenKnot's integration within the T&L Shipping Team positions ING as a sustainability leader.

ING's Award-Winning Leadership in Sustainability-Linked Financing

ING has recently been recognised by Global Finance Magazine in their Sustainable Finance Awards 2024 as the "Best Bank for Transition/Sustainability Linked Loans in Asia Pacific". This recognition demonstrates the key role ING plays in helping their clients in their transition towards a low-carbon society and steering their financing towards meeting global climate goals.

ING in APAC has also won a number of deal specific awards at The Asset Triple A Sustainable Finance Awards 2024 and The Asset Triple A Sustainable Infrastructure Awards 2024, further demonstrating their commitment to sustainability.



ING BANK N.V. SINGAPORE BRANCH

1 Wallich Street | #12-01 Guoco Tower | Singapore 078881

W: www.ingwb.com

T: +65 6535 3688