

Pillar 3 —Capital Adequacy & Risk Disclosures.

March 2026



Contents

Overview of risk management, key prudential metrics and RWA	3
KM1: Key metrics	3
OV1: Overview of risk-weighted assets	5
Comparison of modelled and standardised RWA	6
CMS1: Comparison of modelled and standardised RWA at risk level	6
Credit risk	7
CR8: RWA flow statements of credit risk exposures under IRB	7
Leverage ratio	8
LR2: Leverage ratio common disclosure template	8
Liquidity	10
LIQ1: Liquidity Coverage Ratio (LCR)	10



Introduction

ING Bank (Australia) Limited trading as ING Australia is an authorised deposit-taking Institution (ADI) subject to regulation by the Australian Prudential Regulation Authority (APRA) under the authority of the Banking Act 1959 (Cth).

ING Australia is a consolidated reporting entity which comprises ING Bank (Australia) Limited and its controlled entities (*special purpose vehicles IDOL R Trust, IDOL Trust Series 2019-1, IDOL Trust Series 2023-1, IDOL Series 2024-1, IDOL Series 2025-1 and IBAL Covered Bond Trust*). ING Australia is a wholly owned subsidiary of ING Bank N.V. and part of the ING Group.

The Pillar 3 report is prepared in accordance with the prudential disclosure requirements set out in APRA’s revised Prudential Standard for Public Disclosure (APS 330) and the Standard made by the Basel Committee on Banking Supervision (BCBS Standard) titled “Disclosure requirements”, which came into effect from 1 January 2025.

The Pillar 3 report contains key prudential metrics and information relating to ING Australia’s risk profile and financial resilience, including regulatory capital, credit risk, counterparty credit risk, securitisation, market risk, operational risk, interest rate risk in the banking book, leverage ratio and liquidity. In accordance with the BCBS Standard, the specific disclosure items vary with the frequency of disclosures on a quarterly, semi-annual or annual basis.

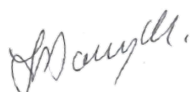
Capital adequacy approaches

Advanced Internal Ratings-Based (A-IRB)	Foundational Internal Ratings-Based (F-IRB)	Supervisory Slotting
<ul style="list-style-type: none"> Residential Mortgages portfolio 	<ul style="list-style-type: none"> Financial Institutions portfolio Corporate Lending portfolio Commercial Real Estate portfolio 	<ul style="list-style-type: none"> Project Finance

The remaining portfolios remain on the standardised approach.

Written Attestation

As the Chief Risk Officer and Accountable Person of ING Australia, I confirm the prudential disclosures for 31 March 2026 have been prepared in accordance with ING Australia’s public disclosure policy. The public disclosure policy meets the requirements of the Prudential Standard APS 330 Public Disclosure.



Leanne McDougall

Chief Risk Officer
28 May 2026



Overview of risk management, key prudential metrics and RWA

KM1: Key metrics

ING Australia's total capital ratio was 17.7% at March 2026, an increase of 10 basis points from December 2025. This movement is primarily attributable to the following:

- An increase in Total capital due to increases to Common Equity Tier 1 (CET1) capital (\$111m) from current year earnings and a decrease in Interest rate risk in the banking book (IRRBB) risk-weighted assets (RWA) (-\$82m); and
- Offset by an increase in Credit risk RWA (\$368m) and Operational risk RWA (\$100m), as discussed in OV1.

ING Australia's Basel III leverage ratio was 5.1% at March 2026, unchanged from December 2025.

ING Australia's average Liquidity Coverage Ratio (LCR) for March quarter was 167.6%, an increase of 540 basis points from December quarter (162.2%). The increase was driven by an increase in average High Quality Liquid Assets (HQLAs), and a decrease in Net Cash Outflows (NCOs).

ING Australia's Net Stable Funding Ratio (NSFR) was 135.4% as at March 2026, representing an increase of 330 basis points from December 2025 (132.1%). The ratio increase was mainly driven by higher Available Stable Funding (ASF) from deposit and wholesale funding growth.



		a	b	c	d	e
Amounts in millions of dollars		March 2026	December 2025	September 2025	June 2025	March 2025
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	5,204	5,093	4,994	4,916	4,777
2	Tier 1	5,654	5,543	5,444	5,366	5,227
3	Total capital	6,533	6,428	6,332	6,257	6,118
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	36,926	36,540	33,141	31,987	32,044
4a	Total risk-weighted assets (pre-floor)	36,926	36,540	33,141	31,987	32,044
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	14.1 %	13.9 %	15.1 %	15.4 %	14.9 %
5b	CET1 ratio (%) (pre-floor ratio)	14.1 %	13.9 %	15.1 %	15.4 %	14.9 %
6	Tier 1 ratio (%)	15.3 %	15.2 %	16.4 %	16.8 %	16.3 %
6b	Tier 1 ratio (%) (pre-floor ratio)	15.3 %	15.2 %	16.4 %	16.8 %	16.3 %
7	Total capital ratio (%)	17.7 %	17.6 %	19.1 %	19.6 %	19.1 %
7b	Total capital ratio (%) (pre-floor ratio)	17.7 %	17.6 %	19.1 %	19.6 %	19.1 %
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement	3.75 %	3.75 %	3.75 %	3.75 %	3.75 %
9	Countercyclical buffer requirement (%)	0.99 %	1.00 %	1.00 %	1.00 %	1.00 %
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9)	4.74 %	4.75 %	4.75 %	4.75 %	4.75 %
12	CET1 available after meeting the bank's minimum capital requirements (%) ¹	9.3 %	9.2 %	10.4 %	10.8 %	10.3 %
Basel III Leverage ratio						
13	Total Basel III leverage ratio exposure measure	111,034	109,249	105,215	103,981	101,656
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	5.1 %	5.1 %	5.2 %	5.2 %	5.1 %
14c	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	5.1 %	5.1 %	5.2 %	5.2 %	5.1 %
Liquidity Coverage Ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	9,674	9,562	10,065	9,877	9,577
16	Total net cash outflow	5,774	5,895	6,159	6,132	5,958
17	LCR ratio (%)	167.6 %	162.2 %	163.4 %	161.1 %	160.7 %
Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	87,753	85,511	80,829	79,615	78,251
19	Total required stable funding	64,836	64,713	61,598	59,587	58,909
20	NSFR ratio (%)	135.4 %	132.1 %	131.2 %	133.6 %	132.8 %

¹ Row 12 is calculated as the CET1 capital adequacy ratio of the bank less the ratio of RWA of any common equity used to meet the bank's minimum CET1, Tier 1 and Total capital requirements.



OV1: Overview of risk-weighted assets

ING Australia's total RWA was \$36,926m at March 2026, an increase of \$386m from December 2025.

This movement is attributable to the following:

- An increase in Credit risk RWA under the F-IRB approach (\$346m) primarily due to growth in corporate non-IPRE exposures;
- An increase in Credit risk RWA under the supervisory slotting approach (\$50m) due an increase in project finance exposures;
- An increase in Credit risk RWA under the A-IRB approach (\$150m) due growth in the residential mortgages portfolio;
- An increase in Operational risk RWA (\$100m) from the increased balance sheet in 2025; and offset by
- A decrease in Credit risk RWA under the standardised approach (-\$178m) primarily due to a reduction in general corporate exposures;
- A decrease in IRRBB RWA (-\$82m), primarily due to a reduction in liquid asset duration, resulting in a decrease in prospective IRRBB capital charge.

Amounts in millions of dollars	a		b	c
	RWA		Minimum capital requirements ²	
	March 2026	December 2025	March 2026	
1 Credit risk (excluding counterparty credit risk)	29,148	28,780	2,332	
2 Of which: standardised approach (SA)	4,865	5,043	389	
3 Of which: foundation internal ratings-based (F-IRB) approach ³	6,465	6,119	517	
4 Of which: supervisory slotting approach ⁴	2,085	2,035	167	
5 Of which: advanced internal ratings-based (A-IRB) approach ⁵	15,733	15,583	1,259	
6 Counterparty credit risk (CCR)	4	5	-	
7 Of which: standardised approach for counterparty credit risk	4	5	-	
10 Credit valuation adjustment (CVA)	-	-	-	
15 Settlement risk	-	-	-	
16 Securitisation exposures in banking book	219	218	17	
19 Of which: securitisation standardised approach (SEC-SA)	219	218	17	
20 Market risk	-	-	-	
Interest rate risk in the banking book ⁶	5,297	5,379	424	
24 Operational risk	2,258	2,158	181	
26 Output floor applied	72.5 %	72.5 %		
28 Floor adjustment	-	-		
29 Total	36,926	36,540	2,954	

² The minimum capital requirement is the Pillar 1 capital requirement, calculated as 8% of RWA.

³ The F-IRB approach RWA includes an overlay of \$303 million on the corporate IPRE portfolio and \$42 million on the financial institutions portfolio.

⁴ The supervisory slotting approach RWA includes an overlay of \$196 million on the project finance portfolio.

⁵ The A-IRB approach RWA includes an overlay of \$1,974 million on the residential mortgages portfolio.

⁶ The IRRBB RWA includes an overlay of \$625 million.



Comparison of modelled and standardised RWA

CMS1: Comparison of modelled and standardised RWA at risk level

The following table provides a comparison at the risk level of RWA and RWA calculated using the full standardised approach.

The difference in ING Australia's Total Actual RWA and the RWA calculated using the full standardised approach has two main drivers.

- Regulatory approval for the use of Internal Ratings-Based (IRB) models for calculating Credit risk. ING Australia has approval to use:
 - The A-IRB approach for the residential mortgage portfolio;
 - The F-IRB approach for financial institution, corporate lending, and income producing real estate (IPRE) portfolios; and
 - The supervisory slotting approach for the project finance portfolio.
- Regulatory approval for the use of an internal model approach for calculating IRRBB. As there is no standardised approach equivalent for IRRBB, the modelled approach reduces the total difference in the modelled and full standardised approaches.

March 2026		a	b	c	d
Amounts in millions of dollars		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA	RWA calculated using full standardised approach
1	Credit risk (excluding counterparty credit risk)	24,283	4,865	29,148	43,040
2	Counterparty credit risk		4	4	4
3	Credit valuation adjustment		-	-	-
4	Securitisation exposures in the banking book		219	219	219
5	Market risk		-	-	-
	Interest rate risk in the banking book	5,297	-	5,297	-
6	Operational risk		2,258	2,258	2,258
7	Residual RWA		-	-	-
8	Total	29,580	7,346	36,926	45,521

December 2025		a	b	c	d
Amounts in millions of dollars		RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA	RWA calculated using full standardised approach
1	Credit risk (excluding counterparty credit risk)	23,737	5,043	28,780	42,741
2	Counterparty credit risk		5	5	5
3	Credit valuation adjustment		-	-	-
4	Securitisation exposures in the banking book		218	218	218
5	Market risk		-	-	-
	Interest rate risk in the banking book	5,379	-	5,379	-
6	Operational risk		2,158	2,158	2,158
7	Residual RWA		-	-	-
8	Total	29,116	7,424	36,540	45,122



Credit risk

CR8: RWA flow statements of credit risk exposures under IRB

ING Australia's IRB RWA was \$22,198m at March 2026, an increase of \$495m from December 2025.

This movement is primarily attributable to the following:

- An increase in asset size from growth in the residential mortgage and corporate non-IPRE, and financial institutions portfolios, offset by reductions in the IPRE portfolio;
- Improvement in the average asset quality of the residential mortgage portfolio; and
- An increase in the total overlay due to growth of the residential mortgage and IPRE portfolios.

Amounts in millions of dollars		RWA amounts	
		a March 2026	b December 2025
1	RWA as at end of previous reporting period	21,703	21,144
2	Asset size	626	788
3	Asset quality	(196)	(336)
4	Model updates	-	-
7	Foreign exchange movements	(8)	(2)
	Overlay	73	109
8	Other	-	-
9	RWA as at end of reporting period	22,198	21,703



Leverage ratio

LR2: Leverage ratio common disclosure template

ING Australia's Basel III leverage ratio was 5.1% at March 2026, unchanged from December 2025.

This is primarily attributable to:

- An increase in the total on-balance sheet exposures (\$2,034m) from portfolio growth over the period, predominately in the residential mortgage portfolio; and offset by
- A decrease in off-balance sheet items (-\$248m); and
- A net increase in Tier 1 capital (\$111m) due to the current year earnings.

Amounts in millions of dollars		a		b
		March 2026	December 2025	
On-balance sheet exposures				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	99,984		97,923
6	(Asset amounts deducted in determining Tier 1 capital and regulatory adjustments)	(735)		(709)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	99,249		97,214
Derivative exposures				
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin, with bilateral netting and/or the specific treatment for client cleared derivatives)	-		-
9	Add-on amounts for potential future exposure associated with all derivatives transactions	39		41
13	Total derivative exposures (sum of rows 8 to 12)	39		41
Securities financing transaction exposures				
14	Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions	-		-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-		-
16	Counterparty credit risk exposure for SFT assets	-		-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	-		-
Other off-balance sheet exposures				
19	Off-balance sheet exposure at gross notional amount	15,166		15,423
20	(Adjustments for conversion to credit equivalent amounts)	(3,420)		(3,429)
22	Off-balance sheet items (sum of rows 19 to 21)	11,746		11,994
Capital and total exposures				
23	Tier 1 capital	5,654		5,543
24	Total exposures (sum of rows 7, 13, 18 and 22)	111,034		109,249
Leverage ratio				
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	5.1 %		5.1 %
26	National minimum leverage ratio requirement	3.5 %		3.5 %
Disclosure of mean values				
28	Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-		-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-		-



Amounts in millions of dollars		a		b
		March 2026	December 2025	
30	Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	111,034	109,249	
31	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	5.1 %	5.1 %	



Liquidity

LIQ1: Liquidity Coverage Ratio (LCR)

The LCR, as defined in APRA Prudential Standard 210 Liquidity (APS 210), measures the ING Australia's ability to sustain a 30-day pre-defined liquidity stress scenario.

The LCR is determined by dividing the daily average value of liquid assets by the daily average net cash outflows over the reporting quarter, excluding weekends and public holidays. Liquid assets refer to HQLA, made up of cash balances held with the Reserve Bank of Australia, Australian Semi Government and Commonwealth Government securities. The average HQLA for the quarter was AUD \$9.7bn.

The main funding sources for ING Australia are deposits from retail and business customers. Funding is also sourced from within the ING Group in the form of deposits and ING Australia also raises funds from the wholesale market in the form of corporate and bank deposits and by issuing Residential Mortgage-Backed Securities (RMBS) and Covered Bonds. All wholesale funding activity is managed centrally by ING Australia's Treasury department, which is also responsible for managing the funding gap between retail, business and wholesale assets and liabilities on ING Australia's balance sheet.

Derivatives exposures, potential collateral calls and any contingent funding requirements are taken into account in the daily calculation of LCR as per the requirements in the APRA Prudential Standard, APS 210. The weightings and run-off factors prescribed in APS 210 are also used to determine outflows from each of ING Australia's funding sources.

ING Australia manages its LCR position daily with a Board approved buffer above the regulatory limit of 100%.

ING Australia's average LCR for the quarter ended 31 March 2026 was 167.6% an increase of 540 basis points reported for the quarter ended (31 December 2025: 162.2%). This increase was driven by a larger increase in HQLA comparing to a decrease in NCOs which is mainly due to higher expected cash inflows from fully performing exposures and a lower cash outflows from less stable retail deposits and loss of funding on debt products. The lowest LCR recorded during the quarter was 141.4%.

ING Australia steers and reports LCR above 100% for both all currency and AUD LCR, in line with the Funding & Liquidity Risk Appetite Statement and regulatory requirements. ING Australia's AUD-only LCR was 176.6%, 122 basis points lower than all-currency LCR as at the end of the quarter.



		a	b	c	d
		Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
Amounts in millions of dollars		March 2026		December 2025	
High-quality liquid assets					
1	Total HQLA		9,674		9,562
Cash outflows					
2	Retail deposits and deposits from small business customers, of which:	49,127	5,191	48,886	5,198
3	Stable deposits	33,470	1,674	33,333	1,666
4	Less stable deposits	15,657	3,517	15,553	3,532
5	Unsecured wholesale funding, of which:	1,640	1,270	1,405	1,066
7	Non-operational deposits (all counterparties)	1,553	1,183	1,386	1,047
8	Unsecured debt	87	87	19	19
9	Secured wholesale funding		-		-
10	Additional requirements, of which:	12,337	1,277	12,672	1,593
11	Outflows related to derivative exposures and other collateral requirements	372	372	370	370
12	Outflows related to loss of funding on debt products	96	96	407	407
13	Credit and liquidity facilities	11,869	809	11,895	816
14	Other contractual funding obligations	1,009	3	1,360	13
15	Other contingent funding obligations	6,842	371	5,260	285
16	Total cash outflows		8,112		8,155
Cash inflows					
17	Secured lending (eg reverse repos)	-	-	-	-
18	Inflows from fully performing exposures	3,906	2,239	3,519	1,996
19	Other cash inflows	99	99	264	264
20	Total cash inflows	4,005	2,338	3,783	2,260
			Total adjusted value		Total adjusted value
21	Total HQLA		9,674		9,562
22	Total net cash outflows		5,774		5,895
23	Liquidity Coverage Ratio (%)		167.6 %		162.2 %

