

**Additional balance sheet information**

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**11. Liquidity information**

	31 December 2017	31 December 2016
Average Liquidity Maintenance Ratio (“LMR”)	42.58%	43.57%

The average LMR for the financial period ended is the arithmetic mean of each calendar month’s average LMR calculated in accordance with the Banking (Liquidity) Rules.

**Liquidity risk Management**

ING Bank N.V. Hong Kong Branch manages its liquidity under the global Funding and Liquidity Risk framework which is defined and set by the Bank Management Board.

Liquidity Management is performed by Bank Treasury and covers the areas of i) intra-day liquidity risk; ii) short term cash management; iii) funding risk (1 week to 1 year tenors); iv) structural liquidity risk (1yr+ tenors); and v) stress testing. Bank Treasury operates under the oversight of and limits set by Assets & Liabilities Committee and Market Risk Management of ING Bank N.V. Hong Kong Branch.

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**12. Disclosure on remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ING Bank N.V. Hong Kong Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office.

For the qualitative and quantitative disclosure on ING Bank N.V. Head Office Remuneration Report, please refer to pages 17 -19 and 128 -130 of the 2017 Annual Report.

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**Additional balance sheet information**

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**11. Liquidity information**

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	30 June 2017	30 June 2016
Average Liquidity Maintenance Ratio (“LMR”)	47.94%	43.68%

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The average LMR for the financial period ended is the arithmetic mean of each calendar month’s average LMR calculated in accordance with the Banking (Liquidity) Rules.

**Liquidity risk Management**

ING Bank N.V. Hong Kong Branch manages its liquidity under the global Funding and Liquidity Risk framework which is defined and set by the Bank Management Board.

Liquidity Management is performed by Bank Treasury and covers the areas of i) intra-day liquidity risk; ii) short term cash management; iii) funding risk (1 week to 1 year tenors); iv) structural liquidity risk (1yr+ tenors); and v) stress testing. Bank Treasury operates under the oversight of and limits set by Assets & Liabilities Committee and Market Risk Management of ING Bank N.V. Hong Kong Branch.

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**12. Disclosure on remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ING Bank N.V. Hong Kong Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office.

For details on ING Bank N.V. Head Office Remuneration Report, please refer to pages 130 - 131 of the 2016 Annual Report.

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**Additional balance sheet information**

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**11. Liquidity information**

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	31 December 2016	31 December 2015
Average Liquidity Maintenance Ratio (“LMR”)	43.57%	43.45%

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The average LMR for the financial period ended is the arithmetic mean of each calendar month’s average LMR calculated in accordance with the Banking (Liquidity) Rules.

**Liquidity risk Management**

ING Bank N.V. Hong Kong Branch manages its liquidity under the global Funding and Liquidity Risk framework which is defined and set by the Bank Management Board.

Liquidity Management is performed by Bank Treasury and covers the areas of i) intra-day liquidity risk; ii) short term cash management; iii) funding risk (1 week to 1 year tenors); iv) structural liquidity risk (1yr+ tenors); and v) stress testing. Bank Treasury operates under the oversight of and limits set by Assets & Liabilities Committee and Market Risk Management of ING Bank N.V. Hong Kong Branch.

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**12. Disclosure on remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ING Bank N.V. Hong Kong Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office.

For details on ING Bank N.V. Head Office Remuneration Report, please refer to pages 130-131 of the 2016 Annual Report.

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**Additional balance sheet information**

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**11. Liquidity information**

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	30 June 2016	30 June 2015
Average Liquidity Maintenance Ratio (“LMR”)	43.68%	42.03%

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The average LMR for the financial period ended is the arithmetic mean of each calendar month’s average LMR calculated in accordance with the Banking (Liquidity) Rules.

**Liquidity risk Management**

ING Bank N.V. Hong Kong Branch manages its liquidity under the global Funding and Liquidity Risk framework which is defined and set by the Bank Management Board.

Liquidity Management is performed by Bank Treasury and covers the areas of i) intra-day liquidity risk; ii) short term cash management; iii) funding risk (1 week to 1 year tenors); iv) structural liquidity risk (1yr+ tenors); and v) stress testing. Bank Treasury operates under the oversight of and limits set by Assets & Liabilities Committee and Market Risk Management of ING Bank N.V. Hong Kong Branch.

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**12. Disclosure on remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ING Bank N.V. Hong Kong Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office.

For details on ING Bank N.V. Head Office Remuneration Report, please refer to pages 78-82 of the 2015 Annual Report.

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**Additional balance sheet information**

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**11. Liquidity information**

	31 December 2015	31 December 2014
Average Liquidity Maintenance Ratio (“LMR”)	43.45%	
Average Liquidity Ratio (“LR”) for the financial period ended		55.09%

Note: comparative are not directly comparable due to the implementation of the Banking (Liquidity) Rules in January 2015.

The average LMR for the period from January to December 2015 is the arithmetic mean of each calendar month’s average LMR calculated in accordance with the Banking (Liquidity) Rules.

The average LR for the period is the arithmetic mean of each calendar month’s average liquidity ratio calculated in accordance with the Fourth Schedule of the Banking Ordinance, prior to January 2015.

**Liquidity risk Management**

ING Bank N.V. Hong Kong Branch manages its liquidity under the global Funding and Liquidity Risk framework which is defined and set by the Bank Management Board.

Liquidity Management is performed by Bank Treasury and covers the areas of i) intra-day liquidity risk; ii) short term cash management; iii) funding risk (1 week to 1 year tenors); iv) structural liquidity risk (1yr+ tenors); and v) stress testing. Bank Treasury operates under the oversight of and limits set by Assets & Liabilities Committee and Market Risk Management of ING Bank N.V. Hong Kong Branch.

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**12. Disclosure on remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ING Bank N.V. Hong Kong Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office.

For details on ING Bank N.V. Head Office Remuneration Report, please refer to pages 78-82 of the 2015 Annual Report.

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**Additional balance sheet information**

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**11. Liquidity information**

	30 June 2015	30 June 2014
Average Liquidity Maintenance Ratio (“LMR”)	42.03%	
Average Liquidity Ratio (“LR”) for the financial period ended		54.96%

Note: comparative are not directly comparable due to the implementation of the Banking (Liquidity) Rules in January 2015.

The average LMR for the period from January to June 2015 is the arithmetic mean of each calendar month’s average LMR calculated in accordance with the Banking (Liquidity) Rules.

The average LR for the period is the arithmetic mean of each calendar month’s average liquidity ratio calculated in accordance with the Fourth Schedule of the Banking Ordinance, prior to January 2015.

**Liquidity risk Management**

ING Bank N.V. Hong Kong Branch manages its liquidity under the global Funding and Liquidity Risk framework which is defined and set by the Bank Management Board.

Liquidity Management is performed by Bank Treasury and covers the areas of i) intra-day liquidity risk; ii) short term cash management; iii) funding risk (1 week to 1 year tenors); iv) structural liquidity risk (1yr+ tenors); and v) stress testing. Bank Treasury operates under the oversight of and limits set by Assets & Liabilities Committee and Market Risk Management of ING Bank N.V. Hong Kong Branch.

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**12. Disclosure on remuneration**

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Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the HKMA, ING Bank N.V. Hong Kong Branch complies with the requirements and has adopted the remuneration systems of ING Bank N.V. Head Office.

For details on ING Bank N.V. Head Office Remuneration Report, please refer to pages 72-74 of the 2014 Annual Report.

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**Additional balance sheet information**

**15. Liquidity ratio**

	31 December 2014	31 December 2013
Average liquidity ratio for the financial year ended	55.09%	52.58%

The Branch's average liquidity ratio is calculated in accordance with the Fourth Schedule to the Banking Ordinance.

**16. Off-balance sheet exposures**

Figures in HKD million	31 December 2014	30 June 2014
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The contractual or notional amounts outstanding:

Contingent liabilities and commitments

- Direct credit substitutes	5,402	3,863
- Transaction-related contingencies	-	-
- Trade-related contingencies	2,347	2,295
- Other commitments	2,706	2,721
- Forward deposits	128	3,690
	10,583	12,569

Derivatives

- Exchange rate contracts (excluding forward foreign exchange contract arising from swap deposit arrangements)	41,972	46,681
- Interest rate contracts	452	4,569
	42,424	51,250