

ING Belgium signed sustainability linked loan for Fagron.

Last week, Fagron has entered into a sustainability-linked loan agreement with a syndicate of six banks: ING Belgium, BNP Paribas Fortis, Belfius, Commerzbank, HSBC and KBC. The terms of this loan are determined in part by the borrower's achievements with regard to sustainability. It is a Key Performance Indicator (KPI) based syndicated loan and Fagron will use the loan of 375 million euros, a refinancing of a loan agreement entered into in 2014 and 2017, for general business purposes.

"As ING we believe sustainable business is better business" says Leonie Schreve, global head of Sustainable Finance. ING is proud to have been able to assist Fagron for their KPI linked Sustainability Improvement Loan as sole sustainability coördinator, next to being Facility Coordinator and Agent. This transaction marks an important milestone for both institutions and is another clear example how sustainable finance solutions support the transition to a greener future.

For some years now, businesses have been able to get a rating based on their efforts to help the environment and society, assessing companies for an "Environmental, Social and Governance (ESG) rating". In addition, companies can also choose to assess company specific KPIs based on their internal governance in collaboration with external advisers. In this case, CE Delft has supported Fagron in defining their environmental KPIs.

ING Belgium who drafted the credit terms and coordinated the refinancing for Fagron's sustainability-linked loan, integrated this KPI mechanism into the pricing of the loan. The KPIs are determined and measured by an external agency. The agreed terms stipulate that the credit margin can be reduced if Fagron manages to meet its sustainability targets. However, if Fagron is not able to meet at least two of the KPIs at its next annual sustainability analysis, the loan will become more expensive.

About Fagron

[Fagron](#) is a leading global company active in pharmaceutical compounding, focusing on delivering personalised medicine to hospitals, pharmacies, clinics and patients in 36 countries around the world.

The Belgian company Fagron NV is located in Nazareth and is listed on Euronext Brussels and Euronext Amsterdam under the ticker symbol 'FAGR'. Fagron's operational activities are driven by the Dutch company Fagron BV. Fagron BV's head office is located in Rotterdam.

About ING

ING Belgium is a universal bank that provides financial services for private individuals, businesses and institutional customers. ING Belgium S.A./N.V. is a subsidiary of ING Group N.V. via ING Bank N.V. (www.ing.com).

ING is a global financial institution with a strong European base, offering banking services through its operating company ING Bank. The purpose of ING Bank is empowering people to stay a step

ahead in life and in business. ING Bank's more than 53,000 employees offer retail and wholesale banking services to customers in over 40 countries.

ING Group shares are listed on the exchanges of Amsterdam (INGA NA, INGA.AS), Brussels and on the New York Stock Exchange (ADRs: ING US, ING.N).

Sustainability forms an integral part of ING's strategy, evidenced by ING's ranking as Leader in the banks industry group by Sustainalytics and 'A' rating in MSCI's ratings universe. ING Group shares are included in major sustainability and Environmental, Social and Governance (ESG) index products of leading providers STOXX, Morningstar and FTSE Russell.

ING has dedicated Sustainable Finance teams across regions, including Belgium.

For further information:

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