

# 2007

ING Group

## Corporate Responsibility



## Performance Report

# Contents

This 'Performance Report' is a web-based report that gives detailed information on ING's performance in the field of corporate responsibility.

## GRI Indicators

The performance indicators of the Global Reporting Initiative (G3) and Financial Sector Supplement (Social and Environmental Performance) are included in brackets after the relevant information throughout this document. For more information on G3 please see page 5 and 6 of this report.

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# Corporate Responsibility Strategy

## Chairman's Statement

At ING, we believe that we contribute to society by being good at what we do and by managing the impact our operations, products and services have on the environment and society.

As an international financial services provider, we aim to earn profit – but not at any cost. For instance, we do not engage in activities that compromise the environment, biodiversity or human rights. Instead, we strive to reach our business goals while making a positive and responsible contribution to society everywhere we do business.

Our sustainable track record keeps improving every year, but there will always be new challenges to face and opportunities to seize. Therefore, staying true to what we stand for, developing a strong sustainable strategy and implementing the right policies is the best way for us to show our commitment to corporate responsibility.

In today's rapidly changing world, continuous dialogue with our stakeholders – ING's employees, customers, shareholders and business partners, as well as NGOs – allows us to assess our policies and make adjustments where necessary. This, we believe, is paramount to the success of our business.

### ING 100% climate neutral

In 2007, climate change remained a priority to ING. The year marked an important milestone as ING became the first major Dutch financial institution to be 100% carbon neutral. We achieved our target of reducing our total CO<sub>2</sub> emission by focusing first and foremost on the implementation of in-house energy efficiency programs. Green energy is another important component of our environmental strategy and today, we only purchase green energy for all ING buildings in the Netherlands, the USA and Belgium. Finally, our environmental policy includes a commitment to offset our total carbon consumption through the (re)forestation of tropical rainforest.

In addition, we strive to meet the growing customer demand for products and services that are environmentally friendly in addition to generating a good financial return. Examples of this include a carbon neutral car lease product (ING EcoLease), sustainable ING Real Estate initiatives and sustainable investment funds such as the ING Invest Sustainable Growth Fund.

### How does ING invest its customers' money?

ING customers are increasingly interested in the way we invest their money. In 2007, we responded to their questions about our approach to environmental, ethical and social issues by launching a website dedicated to providing a comprehensive overview of ING's investment policies on ethics, the environment and society. For more information, please visit [www.ing-and-your-money.com](http://www.ing-and-your-money.com).

### 125,000 children in school via ING Chances for Children

As an international company, we believe we have a responsibility to make a lasting, positive contribution to society. Through our global community development program, ING Chances for Children, we aim to provide children with educational opportunities. This, we believe, can give children a real chance at securing meaningful employment while protecting them against having to work at a young age.

As a global UNICEF partner, ING supports three educational projects in Brazil, India and Ethiopia. In 2007, together with our employees, we provided 125,000 children with access to quality education via these projects – that is one child for each ING staff member.

ING employees across the organisation also donate their time, money and skills to educational programmes in their local communities. ING supports its employees' charitable commitments by matching their donations and by allocating time off for volunteering.

### Engaging our employees in ING's sustainability agenda

In 2007, we focused strongly on embedding responsible behaviour in our employee's day-to-day activities. Corporate responsibility has become a part of our general staff education programmes and our leadership development curriculum. We also engage employees in sustainability by involving them in community development programmes and both international and local initiatives promoting a cleaner environment.

### 2008

Looking ahead, we want to ensure that we remain responsive to global issues such as biodiversity, global warming, the ageing population and poverty. We will take further steps towards achieving our strategic corporate responsibility objectives while encouraging constructive dialogue with our stakeholders. Their feedback will continue to guide us in making sound decisions in the area of sustainability in the future.



**Michel Tilmant**

chairman Executive Board

# Corporate Responsibility Strategy

## Key Performance Indicators

### Our sustainability strategy

For ING, being a responsible company not only serves our long-term business objectives but it also helps to define our strategy, identity and the way we do business. Today, a responsible financial institution has to make investment and insurance decisions while taking into account a wide number of ethical, social and environmental issues.

Staying true to what we stand for, developing a strong sustainable strategy and implementing the right policies is the best way for us to show our commitment to corporate responsibility.

- We lend and invest responsibly by avoiding business dealings that are not in line with our ethical, environmental and social vision.
- We manage our impact on the environment.
- We engage our employees in all aspects of sustainability.
- We treat our customers fairly.
- We meet the growing customer demand for products and services that are environmentally friendly and socially responsible in addition to generating a good financial return.
- We play an active role in the communities where we do business.

Over the past years we have taken several steps to reach these objectives:

- Our business principles and other policies guide us in making the right business decisions.
- By promoting continuous dialogue with our stakeholders, we are constantly evaluating our policies and adjusting them where necessary.
- We have a strong focus on embedding responsible behaviour into the daily work of our employees.
- We have been measuring, tracking and monitoring our performance in the social and environmental field since 1995, which helps us to continuously improve performance.

### Measuring performance

ING has identified eight Key Performance Indicators (KPIs) for its CR reporting. These KPIs relate directly to the ING CR Strategy and are used by ING to measure CR performance within the company.

#### Key Performance Indicators <sup>(1)</sup>

	Year-end 2007	Year-end 2006
<b>Sustainable assets under management</b> (in EUR million)	<b>2,792</b>	2,206
<b>Economic value generated</b> (in EUR million)		
Total assets	<b>1,312,510</b>	1,226,307
Capital and reserves	<b>37,208</b>	38,266
Total income	<b>76,587</b>	73,621
Profit before tax	<b>11,043</b>	9,940
Net profit	<b>9,241</b>	7,692
Personnel expenses: salaries	<b>5,696</b>	5,492
Personnel expenses: other	<b>2,565</b>	2,426
<b>Equator Principles</b>		
Number of projects reviewed	<b>85</b>	46
<b>Green energy</b>		
KWH (in thousands) of electricity purchased by ING that is derived from renewable resources	<b>259,780</b>	102,000
<b>Employee engagement index <sup>(2)</sup></b>	<b>77%</b>	n/a*
<b>Diversity</b>		
% of women in the international management council	<b>10.2%</b>	7.3%
<b>Customer satisfaction index <sup>(3)</sup></b>	<b>71.2%</b>	n/a*
<b>ING Chances for Children</b>		
Number of children provided with access to education	<b>124,634</b>	52,000

<sup>(1)</sup> The Audit Firm Ernst & Young has audited the 2007 KPIs and has reviewed the 2006 KPIs.

<sup>(2)</sup> ING engagement index is the percentage of ING employees that have indicated that they are proud to work for ING. The research is done by Kenexa (April 2007).

<sup>(3)</sup> Satisfaction scores are based on the American Customer Satisfaction Index (ACSI) methodology, adapted for the financial services market and based on a combination of questions related to overall satisfaction, customer delight and ideal provider. This score is not weighted by market.

\* n/a = not available

# Corporate Responsibility Strategy

## Progress Report

### Progress report

	2007 Goals	2007 Progress	2008 Goals
<b>General</b>	<ul style="list-style-type: none"> <li>• ING will continue to engage its stakeholders in its reporting process.</li> <li>• ING will further align the CR Performance Report with G3.</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder engagement has been an important part of our reporting process.</li> <li>• The CR Performance Report 2007 is in line with G3.</li> </ul>	<ul style="list-style-type: none"> <li>• We will further align the annual CR Performance Report with the revised GRI Financial Sector Supplement.</li> </ul>
<b>Our business</b>	<ul style="list-style-type: none"> <li>• ING will train approximately 80% of teams involved in transactions and/or engagements that are subject to the Equator Principles and/or ING's Environmental and Social Risk (ESR) Policies on environmental and social issues.</li> <li>• ING will fully implement its Sector Policies.</li> <li>• Several Business Units will develop products with a positive social or environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>• The Global ESR Training Programme was rolled out. The vast majority of employees dealing with environmental and social issues participated in the training sessions.</li> <li>• The Sector Policies were further embedded in the organisation.</li> <li>• Abstracts of our ESR policies were disclosed externally.</li> <li>• ING extended its range of sustainable and social products. The sustainable assets under management increased significantly compared to 2006.</li> </ul>	<ul style="list-style-type: none"> <li>• We will continue to train new employees on ESR policies.</li> <li>• ING will continue to develop sustainable products.</li> </ul>
<b>Social performance – Labour conditions</b>	<ul style="list-style-type: none"> <li>• We will develop and implement a global environmental awareness programme for employees.</li> <li>• ING will continue to adjust its focus from measuring employee satisfaction to measuring staff engagement.</li> </ul>	<ul style="list-style-type: none"> <li>• We have rolled out an environmental awareness programme in six countries.</li> <li>• Our newly introduced employee engagement scan showed that 77% of our employees are proud to work for ING.</li> </ul>	<ul style="list-style-type: none"> <li>• We will continue to roll out our internal environmental awareness programme in more countries.</li> <li>• ING will take steps to enhance employee engagement based on the results of the 2007 engagement scan.</li> </ul>
<b>Social performance – Human Rights</b>	<ul style="list-style-type: none"> <li>• ING will train approximately 80% of teams involved in transactions and/or engagements that are subject to ING's Environmental and Social Risk Policies on subjects such as human rights.</li> </ul>	<ul style="list-style-type: none"> <li>• The Global ESR Training Programme was rolled out. The vast majority of employees dealing with environmental and social issues participated in the training sessions, which included subjects on human rights.</li> </ul>	<ul style="list-style-type: none"> <li>• We will continue to train new employees on the ESR Policies on topics such as human rights.</li> </ul>
<b>Social performance – Society</b>	<ul style="list-style-type: none"> <li>• ING Chances for Children aims to provide 115,000 children in developing countries with access to primary education for one year.</li> <li>• ING will establish a global volunteering programme for employees.</li> <li>• ING will make 30 advisors available for technical microfinance support.</li> </ul>	<ul style="list-style-type: none"> <li>• ING has provided 125,000 children with access to primary schooling for one year.</li> <li>• ING has set up a global volunteering programme for its employees together with UNICEF.</li> <li>• ING employees undertook 134,000 hours of voluntary work.</li> <li>• ING has made 24 advisors available for technical microfinance support.</li> </ul>	<ul style="list-style-type: none"> <li>• ING will again provide as many children with access to primary schooling for one year, as there are ING employees.</li> <li>• ING will continue its volunteering programmes for employees.</li> <li>• ING Microfinance Support will start activities in ING Belgium and will increase its technical assistance efforts, aiming to support 40 projects.</li> </ul>
<b>Social performance – Customers</b>	<ul style="list-style-type: none"> <li>• ING continues to monitor customer satisfaction and remains focused on customer centricity.</li> </ul>	<ul style="list-style-type: none"> <li>• Our global brand monitor surveyed customers in 24 countries. In these countries, ING scored an average of 71% on customer satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>• It is our ongoing ambition to make it easier for our customers to manage their financial future with ING.</li> </ul>
<b>Environmental performance</b>	<ul style="list-style-type: none"> <li>• ING aims to be carbon neutral in 2007.</li> <li>• ING will launch an environmental awareness programme for employees to further reduce its direct impact on the environment.</li> <li>• 100% of the electricity purchased by ING in the Netherlands comes from renewable sources.</li> <li>• In the Netherlands, ING will sign a covenant with FSC (Forest Stewardship Council) to purchase environmentally friendly paper only.</li> </ul>	<ul style="list-style-type: none"> <li>• ING became carbon neutral in 2007.</li> <li>• ING launched a global environmental awareness programme for employees.</li> <li>• Our global energy consumption decreased by 19%.</li> <li>• 100% of energy used in the US and the Benelux comes from renewable sources.</li> <li>• 51% of all electricity we purchased globally comes from renewable sources.</li> <li>• ING in the Netherlands has signed a covenant with FSC to purchase environmentally friendly paper only.</li> </ul>	<ul style="list-style-type: none"> <li>• We will develop a global paper policy to further decrease our paper consumption and to increase our use of recycled paper.</li> <li>• We will continue to encourage our business units globally to switch to green energy.</li> <li>• We will develop a programme on biodiversity.</li> </ul>

# Organisational profile

ING is a global financial services company providing banking, investments, life insurance and retirement services. We serve more than 75 million customers in Europe, the United States, Canada, Latin America, Asia and Australia. We draw on our experience and expertise, our commitment to excellent service and our global scale to meet the needs of a broad customer base, comprising individuals, families, small businesses, large corporations, institutions and governments. Based on market capitalisation (31 December 2007), ING is one of the 20 largest financial institutions worldwide.

Capitalising on changing customer preferences and building on our solid business capabilities, ING's strategic focus is on banking, investments, life insurance and retirement services. We want to provide retail customers with the products they need during their lives to grow savings, manage investments and prepare for retirement with confidence. We will build and invest more in bank

distribution platforms. We will increasingly invest in developing markets and in high-growth segments in mature markets. The successful execution of the strategy is underpinned by continued efficient reallocation of capital through redeploying the capital we generate in mature markets to high-growth businesses, or returning it to our shareholders. With this strategy, ING remains focused on creating value for its shareholders and rewarding them with a better total return on investment than the average of our peers in the financial sector over the longer term.

More detailed information on our organisational profile including our products, services, organisational and legal structure, and our brands can be found at [www.ing.com](http://www.ing.com) by clicking on About Us and Investor Relations, as well as in our Annual Report 2007.

For more information on the major decisions ING took in 2007, please visit the Press Room at [www.ing.com](http://www.ing.com).

The following business units and divisions, employing together approximately 90% of all ING FTEs, are included in this CR Report:

## Europe

### The Netherlands

- Postbank
- ING Bank
- Postbank Verzekeren
- Bank Mendes Gans
- ING Interadvies
- ING Real Estate
- ING Car Lease
- Nationale Nederlanden
- ING Investment Management
- RVS

### Belgium

- ING Bank
- Record Group
- ING Lease

### Bulgaria

- ING Insurance Bulgaria
- ING Bank

### Czech Republic

- ING Insurance
- ING Bank Czech

### France

- ING Bank
- ING Direct

### Germany

- ING DiBa (ING Direct)
- ING Bank

### Greece

- ING Insurance

### Hungary

- ING Insurance
- ING Bank

### Italy

- ING Bank
- ING Direct

### Luxembourg

- ING Luxembourg

### Poland

- ING Insurance
- ING Bank Slaski

### Romania

- ING Bank
- ING Insurance Romania

### Russia

- ING Bank

### Slovakia

- ING Insurance Slovakia
- ING Bank Slovakia

### Spain

- ING Direct
- ING Insurance
- ING Bank
- ING Real Estate

### Switzerland

- ING Bank

### UK

- ING Bank
- ING Direct
- ING Real Estate
- ING Lease

### Ukraine

- ING Bank

## America

### Brazil

- ING Bank

### Canada

- ING Canada
- ING Direct
- ING Real Estate

### Chile

- ING AFP Santa Maria
- ING Seguros de Vida
- ING Salud Isapre

### Mexico

- ING Mexico
- ING Bank
- ING Commercial Americai

### Peru

- ING AFP Integra
- ING Fondos

### USA

- ING Financial Services
- ING Bank
- ING Direct
- ING Clarion

## Asia Pacific

### Australia

- ING Direct
- ING Australia
- ING Investment Management

### China

- ING Capital Life Insurance
- Pacific-Antai Life Insurance

### Hong Kong

- ING Bank
- ING Insurance

### India

- ING Vysya Life
- ING Vysya Bank

### Japan

- ING Life Insurance

### Korea

- KB Life

### Malaysia

- ING Insurance Berhad

### New Zealand

- ING New Zealand

### Philippines

- ING Bank

### Singapore

- ING Bank

### Taiwan

- Antai Life

### Thailand

- ING Life

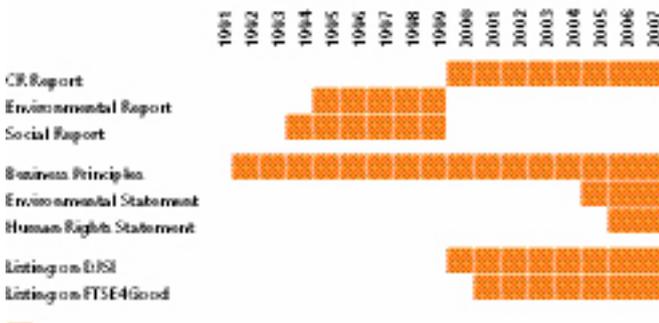
# Our approach to reporting

## This Corporate Responsibility Performance Report provides an overview of ING's performance in the field of CR in 2007.



ING has published a CR Report on an annual basis since 2000. For previous reports, please visit [www.ing.com](http://www.ing.com) under Publications.

### History of CR Reporting



### Content

The content of this report has been determined on the basis of the following factors (the Materiality Check):

- Consultation with our business lines to identify the CR topics most relevant to our business
- A Reader Survey on our CR Report 2006
- Concerns expressed by our stakeholders (for more information on stakeholder dialogue, please see pages 9 and 10 of this report)
- Broader social expectations
- Reasonably estimated sustainability impacts, risks or opportunities as identified by the Group CR Department
- ING's impact on customers and suppliers
- Expectations expressed in international standards

### Collecting data

We use an integrated Corporate Responsibility Tool (CR Tool), especially designed to gather information for the report. First implemented in 2005, the CR Tool is used to gather, track, validate and communicate information on CR matters. Every year, all business units with over 100 FTEs (Full Time Equivalents, i.e. the total number of employees, including part-time employees, converted into employees that work a full-time working week) submit data signed off by a senior executive of the business unit via the CR Tool. This data is monitored by both ING and the independent consultancy firm DHV using analytical procedures and follow-up inquiries.

For performance indicators not covered by the CR Tool, we gather information at different levels within the organisation. ING Group Compliance, Credit Risk Management, Branding, Operational Risk Management, Corporate Procurement and Human Resources provide performance data and descriptions of corporate policies, procedures and monitoring systems, all with global coverage.

Where available, financial information in this year's report is based on the consolidated figures stated in the Annual Report 2007.

There were no significant changes to the measuring methods applied to key economic, environmental or social data, unless mentioned otherwise in this report. Although we are confident about the overall reliability of the data reported, we recognise that some data is subject to a degree of uncertainty due to inevitable limitations in the measuring, calculating and estimating methods used.

### Boundaries

The data in this report covers ING and its business units in 36 countries and includes approximately 90% of all ING FTEs unless stated otherwise. This report also covers various ING subsidiaries that were not included in the CR Report 2006, namely ING Inter Advies (586 FTEs), ING Lease Belgium (123 FTEs) and ING Lease UK (190 FTEs). Their addition has a minimal impact on the coverage in this report as the respective entities together represent only 0.7% of ING's employee base. We assessed the joint ventures included in this report as if they were ING subsidiaries. The report contains links to both ING websites and external websites.

In 2007, ING acquired Banco Santander's pension and annuity businesses in Mexico, Chile, Colombia, Uruguay and Argentina, the Turkish Oyak Bank, Thailand's TMB Bank, Dutch AZL and South Korean Landmark Investment. We aim to include these new businesses in the CR Report 2008.

## Our approach to reporting (continued)

### Consistency in reporting

This report is designed to enable our readers to compare ING's performance with previous years. Where the data for previous years is not available or where the basis of coverage changed significantly in recent years, we only report 2007 figures.

### Restatement

Due to a misrepresentation of our gas usage in Megajoule in the CR Report 2006, we restate our total energy use in 2006 as reported in the CR Report 2006. This restatement is also mentioned in a note under the respective table (see page 32).

### Global Reporting Initiative

The Global Reporting Initiative (GRI) has developed sustainability reporting guidelines that aim to increase the transparency and accountability of economic, environmental, and social performance. For more information on GRI, please visit [www.globalreporting.org](http://www.globalreporting.org).

ING supports the Global Reporting Initiative and reports in accordance with version 3.0 of the Sustainability Reporting Guidelines of the GRI: G3.

The Financial Sector Supplements (FSS) were revised in 2007. They are designed to complement the Guidelines. Although the revised Supplements have not been finalised, we use them in addition to G3.

With respect to certain (new) indicators, where there is currently not sufficient information available, we aim to include these indicators in future reporting.

Pages 35 to 38 of this report contain a GRI Index that links the GRI indicators to related information in this report, or to other ING Publications. We include the GRI indicators and the revised FFS in brackets behind the relevant information.

### Key Performance Indicators

ING has identified eight key performance indicators (KPIs) for the CR Report 2007. The KPIs relate directly to ING's strategy on corporate responsibility and they are the result of the feedback received from investors, analysts, Non-Governmental Organisations (NGOs), customers, employees, and the ING business lines. We have asked the audit firm of Ernst & Young to give reasonable assurance over the eight KPI's as they are crucial for measuring our CR performance.

### Assurance

The audit firm of Ernst & Young has audited the reliability of the eight Key Performance Indicators as described above. Ernst & Young also audited that the description of the reporting process accurately reflects the processes within ING, in accordance with the principles of the GRI guidelines: stakeholder inclusiveness, materiality, sustainability context, completeness, balance, comparability, responsiveness, timeliness and clarity. The full assurance report can be found on page 40.

Any definitions or criteria used in this Performance Report will be explained throughout the report.



For more information (GRI 3.4)

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PO Box 810  
1000 AV Amsterdam  
[www.ing.com/cr](http://www.ing.com/cr)  
[corporate.responsibility@ing.com](mailto:corporate.responsibility@ing.com)

# Governance and Compliance

Policies to mitigate the social, environmental and integrity risks in our business have a limited meaning unless they are embedded into decision-making and compliance processes, as well as the organisational structure. Over the years, ING has developed a strong framework to make sure we meet our corporate responsibility commitments.

ING's CR department, which falls under the responsibility of the Chief Executive Officer (CEO), develops ING's overall CR strategy, which applies to all businesses worldwide. In addition, various specialist departments ensure that we meet our commitments.

Compliance and CR education plays a vital role at ING. A growing number of employees are taking part in training programmes to familiarise and engage them with our compliance and CR policies.

## Governance structure

ING has a two-tier board structure consisting of the Executive Board and Supervisory Board. In ING's view, a two-tier board is the best way to create the proper checks and balances within the company.

The Executive Board is responsible for the day-to-day management of the company and its business lines. The Supervisory Board is responsible for monitoring management performance and advising the Executive Board. The Supervisory Board consists exclusively of outside directors. Details on the organisation, powers and modus operandi, as well as the qualifications and expertise of the Executive Board and Supervisory Board, can be found on our website [www.ing.com/cg](http://www.ing.com/cg).

Details on remuneration, ancillary positions and policies relating to possible conflicts of interests of members of the Executive Board and Supervisory Board are provided in the Annual Report 2007.

## Group Corporate Responsibility Department

The Corporate Responsibility Department (CR team) falls under the responsibility of ING's CEO. The role of the team is to engage in dialogue with civil society groups and other stakeholders, to develop strategy and policies on CR-related issues, to set up community development and internal environmental awareness programmes, to develop internal training programmes on CR topics, to monitor good practices and to draw attention to and advise on potential trends and emerging issues. The team also co-ordinates information gathering and performance reporting, and produces the annual CR Report. Furthermore, the CR team is responsible for maintaining a relationship with sustainable investors and ratings agencies, benchmarking, completing global surveys and participating in thought leadership forums.

The CR team develops the ING CR strategy which is then applied to all business units worldwide. Business units develop their own additional policies reflecting their specific strategic focus and achievements. It is the responsibility of each business unit to adhere to the policies set at ING Group level. The CR team monitors and measures the CR performance of each business unit on a yearly basis with its integrated CR Tool (see 'Our Approach to Reporting', pages 5 and 6).

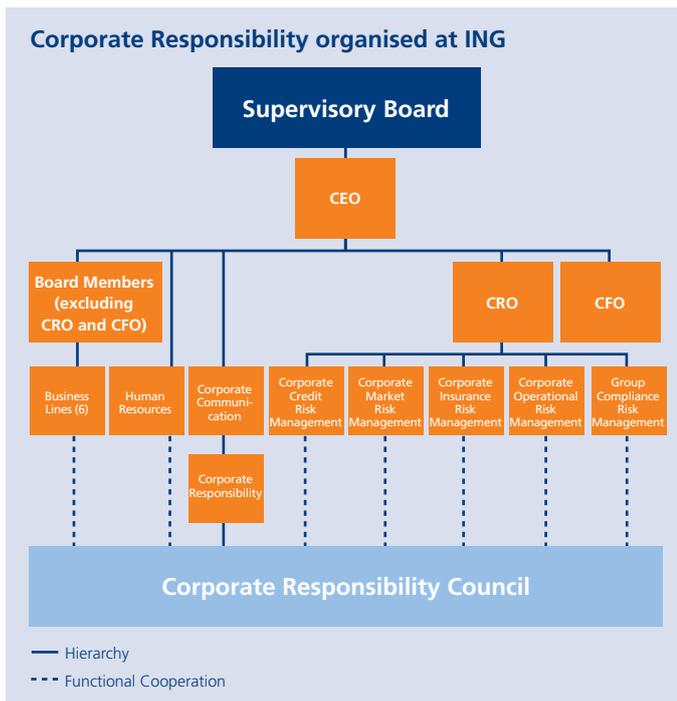
In addition to the Group CR team, various departments, each with their specific expertise, ensure that policy commitments are met. These departments include:

- Corporate Credit Risk Management
- Operational Risk Management
- Group Compliance
- ING Group Human Resources
- Diversity Council

These departments co-ordinate Group-wide initiatives and provide policy recommendations to the Executive Board, various committees, and the CR Team.

## Code of Conduct

ING's Business Principles reflect our strong commitment to integrity and high ethical standards. They apply to the whole of ING Group, its subsidiaries and business units. All ING employees are required to adopt and behave in accordance with the letter and spirit of these Business Principles in all of their dealings.



## Governance and Compliance (continued)

The Business Principles are translated into a local code of conduct at business unit level. These codes of conduct build on the Business Principles and provide more practical guidelines on the standards of behaviour ING expects of its employees. Failure to adhere to the Business Principles and local codes of conduct may lead to disciplinary action.

### Policies (SO5)

Over the years, ING has developed a strong framework of corporate responsibility and compliance policies and guidelines, covering a wide range of topics and concerns, varying from policies on controversial weapons to the whistleblower procedure. We will continue to implement policies and guidelines in our global business operations in 2008. For an overview of our policies, please visit [www.ing.com/cr](http://www.ing.com/cr) and click on Policies and Principles.

### Compliance organisation (SO8)

The compliance risk management department is one of the five risk areas defined within ING Group's risk organisation. The Chief Risk Officer (CRO) is a member of the Executive Board and bears primary responsibility for all risk areas including Compliance risk. The Chief Compliance Officer (CCO) reports directly to the Chief Risk Officer and is responsible for developing and establishing the compliance framework throughout the organisation. The CCO also supports the Executive Board in developing a robust framework for compliance risk management within ING's business lines.

The Corporate Compliance team is responsible for developing global policies and minimum standards, providing support and advice to Business Line Compliance staff for the implementation of the compliance framework.

The Business Line Compliance staff is responsible for building collaborative partnerships with business management to develop and embed good compliance management practices in the business.

### Training

Making responsible business decisions must be embedded in the actions of our employees. Therefore, as a general principle, all new employees are required to adopt ING's Business Principles and local code of conduct as a condition of employment. Every new employee who comes to work for ING in the Netherlands must successfully complete an e-learning course on compliance.

In addition, corporate responsibility is part of our general staff education programmes and leadership development curriculum. As such, one day of the 'ING International Graduate Programme' – a three-week learning event for recently hired and talented graduates across all business lines – is fully dedicated to the topic of corporate responsibility. Corporate responsibility is also included in the introduction course for all new wholesale banking staff in the Netherlands and it is taught at the ING Business School.

To familiarise ING's wholesale banking staff with environmental and social risk policies, ING has set up a global training programme. The vast majority of the employees involved in transactions and/or engagements subject to ING's Environmental and Social Risk Policies have participated in the programme. In 2008, ING will further develop its training programme and extend it to other business units worldwide.

In the first week of October 2007, the Global Risk Awareness Week was organised to expand on security risks and business principles and to provide information and practical advice on what employees should do to protect ING's reputation and integrity. Its aim was to make employees aware of their individual and professional responsibility. Every day of the Global Risk Awareness Week, an e-mail was sent to every ING employee about specific topics, such as the ING Business Principles and security issues. Employees were also actively involved through a quiz and competitions. All employees received a booklet explaining good security practices.

In 2008, ING will develop and start the roll out of a compliance risk management learning programme for approximately 22,000 managers globally. This programme will give managers a deeper understanding of how compliance risk management supports the achievement of sustainable profitable growth. The programme will stimulate managers to accept and demonstrate responsibility for leading cultural change in compliance risk management. We believe this will contribute to a climate that supports the efficient integration of compliance requirements into business practices.

In the Netherlands, ING has developed a learning programme for Compliance Officers – the 'Leerstraat'. This programme is completed by all Netherlands-based Compliance Officers. In 2008, we will develop a programme for all Compliance Officers globally.

### Bribery and corruption (SO2, SO3 and SO4)

ING supports business conduct and growth in an environment free of corruption where all companies have an equal opportunity to compete for business. The prevention of bribery and corruption continues to present challenges in many jurisdictions around the world, including some developing economies where pressure to gain market share is most intense. Effective business relationships at all levels depend on honesty, integrity and fairness. Bribery and corruption can have severe consequences which may include a weakened economy, increased poverty and an undermining of market confidence. At ING, any form of bribery is unacceptable – we value our integrity and reputation and we are open and transparent in our communications and activities.

In 2007, the ING Gifts, Entertainment and Anti-Bribery Policy came into effect. This policy includes a chapter specifically dealing with anti-bribery with respect to government officials. The implementation of the policy includes an education and training programme. The initial goal was to develop and deliver training workshops for those employees who work in areas of increased risk. Training workshops were conducted in ING's business lines in specific countries during 2007. In total 870 people were trained in this process, in close co-operation with the local management. Further training and communication activities will continue throughout 2008 to support global understanding and embedding of the policy.



For more information on compliance please visit our website [www.ing.com/cg](http://www.ing.com/cg) under Compliance

# Stakeholder engagement

We recognize that dialogue with groups who are affected by our activities and policies is an inherent part of our responsibility as a global company. We actively seek out the views of various groups, not only to hold up the mirror to our own business practices, but also to exchange ideas and knowledge that can help us develop more innovative solutions in the field of sustainability. Dialogue and relationship-building take place with a wide range of partners, including employee representatives, NGOs, investors, business partners, international associations, customers, local and national governmental bodies, opinion leaders and many more. Our aim is always to balance the interests of our stakeholders.

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## How we engage

Stakeholder engagement takes on many forms, both formal and informal. It ranges from large studies among our customers on our brand values to meetings with employee representatives and one-on-one meetings with shareholders or NGOs. Part of our engagement means being a member of, or establishing partnerships with, a range of international organisations. To be able to balance the interests of all our stakeholders, we are dedicated to engaging in regular dialogue with each stakeholder group. We keep a record of what we learn from our stakeholders, based on which we prioritise issues and take action where necessary.

## Our stakeholders

### Customers

ING manages the finances of 75 million customers around the globe: individuals, companies, institutions and governments. Potential customers and consumer interest groups are also stakeholders. Key topics for customers are customer satisfaction, privacy and responsible marketing. More information on these topics can be found on pages 29 and 30 of this report.

### Shareholders

ING has a large number of international investors, both private and institutional. The majority of shares are held by institutional investors and pension funds. The stakeholder group 'shareholders' also includes analysts, ratings agencies and the socially responsible investment (SRI) community. Key topics for shareholders are strategy, value creation, profit growth, corporate governance and transparency. The SRI community shows most interest in ING's corporate governance and our policies regarding human resources, climate change and compliance.

It has always been a priority for ING to communicate well with shareholders. The ING Investor Relations department is in constant dialogue with investors, analysts and ratings agencies, arranging meetings with Investor Relations staff and Executive Board members.

## Stakeholder engagement (continued)

### Employees

Former, current, and future employees, the different regional and local works councils, labour unions, and networks representing our employees' interests are all considered stakeholders. Key topics of interest to our employees are labour conditions, outsourcing, environmental care, diversity and community development. More information on labour conditions can be found on pages 21 to 25 of this report.

### Business partners (SUP2 and EC6)

ING wants to be a reliable partner for its business relations. We want to ensure that our cooperation with them, and the activities that originate from any cooperation, do not conflict with our values or the ethical standards stated in our Business Principles. Key topics for suppliers are prompt payment, prices and fair treatment.

Within ING's 20 local procurement departments purchase goods and services for our business units from many suppliers worldwide. This procurement structure enables business units to take local laws, customs and culture into account in their procurement procedures.

### Society at large

Society consists of numerous stakeholders representing different interests. It includes national and international governmental bodies, NGOs, non-profit organisations, CR opinion leaders and local communities. Most of the questions we receive relate to projects or companies that ING finances or invests in. Other key issues are climate change, controversial weapons and human rights.

### Commitment to external initiatives

ING is an active participant in many organisations and has signed up to numerous initiatives worldwide.

ING has endorsed:

- the Universal Declaration of Human Rights
- the Equator Principles
- the Carbon Disclosure Project
- the Global Reporting Initiative
- the Core Conventions of the International Labour Organisation

ING is a member of, or participant in:

- the United Nations Environmental Programme Finance Initiative
- the United Nations Global Compact
- the Global Round Table on Climate Change
- the Amnesty Round Table on Human Rights
- the European Academy of Business in Society
- the Netherlands Financial Sector Development Exchange



A full list of our most significant principles and memberships can be found at [www.ing.com/cr](http://www.ing.com/cr) under International Network

### Engagement

A variety of policies and guidelines help ING weigh considerations and make day-to-day business decisions in such a way that they do not impact or have a minimal impact on people, the environment and society at large. However, in this constantly changing and developing world, we too face issues which cannot be addressed on the basis of policies or guidelines alone, or which necessitate the adoption or change of policies. It is therefore essential for us to also keep listening carefully to our stakeholders when deciding what we find right or wrong.

We strongly believe a broad assessment is necessary for making sound business decisions which do not have an irreversible impact on people, environment and society. NGO engagement is often an essential part of our assessment process, as we feel the opinions of NGOs generally reflect the opinions and sentiments of society at large.

For an overview of questions raised by NGOs and the way ING responded, please visit [www.ing.com/cr](http://www.ing.com/cr) and click on Dilemmas.

## Stakeholder engagement (continued)

## Highlights of engagement with society at large 2007

Stakeholder	Relationship	Focus of engagement
Amnesty International	Non governmental organization, discussion partner. ING is a member of the Round table on Human Rights which is presided by Amnesty International	Human rights
Amsterdam Municipality	Discussion partner	Climate change
BankTrack	Non governmental organization, discussion partner	Social, environmental and ethical issues
Birma Centrum Nederland	Dutch branch of Burma Campaign UK. Non governmental organization, discussion partner	Human rights in Burma / Myanmar
Dutch Government	Discussion partner	Climate change
Greenpeace	Non governmental organization, discussion partner	Environment, energy and climate change
Infrapro	Non governmental organization, responsible for carbon sequestration through (re)forestry rainforest in Malaysia	Carbon sequestration and (re)forestry
IUCN – the World Conservation Union	Non governmental organization, discussion partner	Sustainable forestry and climate change
Milieudefensie	Dutch branch of Friends of the Earth. Non governmental organization, discussion partner.	Environment, energy and climate change
Netwerk Vlaanderen	Belgian non governmental organization, discussion partner	Environment, human rights and controversial weapons
Oxfam Novib	Non governmental organization, discussion partner	Defence industry and controversial weapons
SOMO	Non governmental organization, discussion partner	Social, environmental and ethical issues
Sudan Divestment Task Force (Genocide Intervention Network)	Non governmental organization, discussion partner	Human rights in Sudan (Darfur)
Triodos Bank	International bank. Triodos' managed funds invest in ING	Defence industry and controversial weapons
VBDO	Dutch Stockholders' Association for Sustainable Investments, discussion partner	Sustainable investments
World Wildlife Fund	Non governmental organization, discussion partner	Environment, energy and climate change

## Finance and investment policies

ING's business offerings are diverse, ranging from basic to highly sophisticated products and services in the fields of retail and wholesale banking, insurance, asset management and real estate. The huge diversity in our products, clients and the countries where we do business make it necessary to pay special attention to potential social, environmental and ethical risks. That is why we have embedded numerous policies which help us spot risks and dilemmas, and take appropriate action. We also take a proactive approach to sustainability by developing sustainability-oriented products and services and taking measures to reduce our own resource use.

### Wholesale banking: Environmental and Social Risk Policies (FSS: PS1, PS2 and EN12)

ING has wholesale banking activities in over 40 countries with a strong base in Europe, particularly in the Benelux.

#### ESR Framework

To mitigate the environmental and social risks of its financial engagements, ING has developed the Environmental Social Risk (ESR) Management Framework. Building on the foundation of the ING Business Principles, the ESR Management Framework consists of a set of three policies, namely (1) the General Policies, (2) the Sector-Specific Policies and (3) the Equator Principles.



More information on the ESR policies can be found on [www.ing.com/cr](http://www.ing.com/cr) under Principles and Policies (our finance and investment policies).



## Our business activities

### Finance and investment policies (continued)

#### Governance and scope

All wholesale banking activities (e.g. corporate loans, export and commodity finance, project finance-related engagements, advisory services and client engagement in general) are within the scope of the ESR Framework. Its governance is embedded in the transaction approval chain. With regard to the environmental and/or social performance of transactions, this chain requires the engagement of:

- the Front Office – the department which has direct client contact and originates transactions;
- Risk Management – provides control over the front office activities.

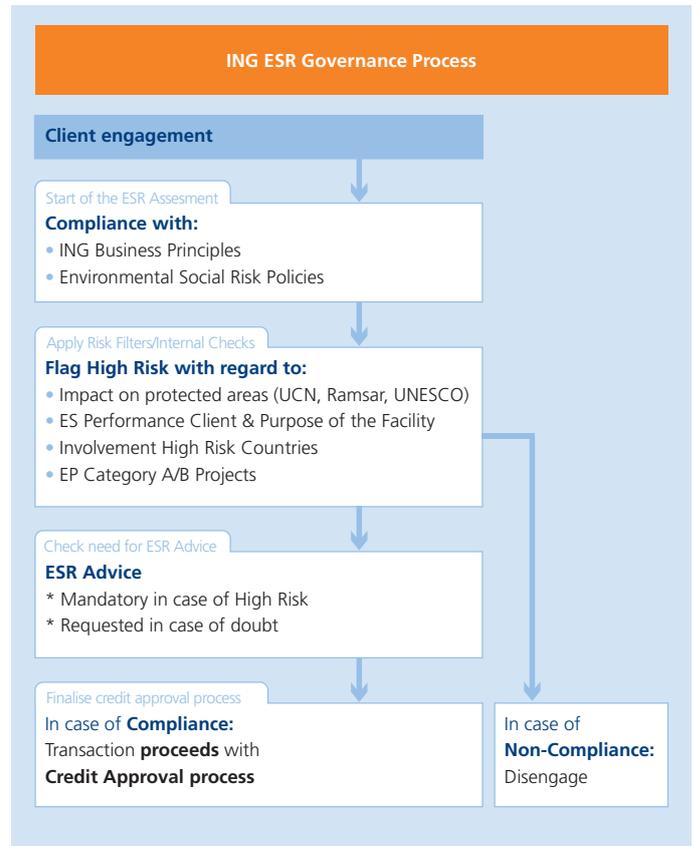
Within ING, the front office has the primary responsibility to check compliance with the ESR Policies. Secondary responsibility lies with the Risk Management department. If a transaction (or underlying client profile) involves significant environmental and social issues, it is flagged as 'High Risk'.

An advice from ING's ESR Team, based in the Risk Management department, is mandatory for all High Risk transactions and for Equator Principles transactions carrying risk category 'A' or 'B'.

A positive advice is issued if the deal complies with ING's ESR Policies. If the environmental and social performance associated with the transaction is reasonable but needs to be improved, a conditional advice is given.

A negative advice from the ESR Team can only be waived by ING's highest credit committee or by the Executive Board. In practice, such waivers are exceptional.

The implementation of this process results in a consistent application of the ESR Framework. This way, ING uses its influence as a financial actor to help improve the environmental and social performance of its clients and, at the same time, this approach improves the credit risk profile of ING's portfolio as a whole.



## Our business activities

## Finance and investment policies (continued)

**Equator Principles**

The Equator Principles (EP) form a prominent part of ING's ESR Framework. Building on International Finance Corporation (IFC) and the World Bank (WB) guidelines, they have become an industry standard to manage environmental and social risk within project finance and project finance-related deals. ING will continue its active contribution to the network of Equator Principles Financial Institutions.

Within ING, a broad definition is used to apply the EP. In addition to the full application of the EP (mandatory for the true Project Finance transactions), all project-related transactions are subject to the so called 'Spirit' of the EP. For an overview of the transactions submitted for an EP Advice, see the EP Table.



For more information on the EP, please visit [www.equator-principles.com](http://www.equator-principles.com).

**Progress in 2007 and goals for 2008**

In 2007, ING focused on further embedding its ESR Framework within the organisation and abstracts of the policies were disclosed externally. The highlight of the year was the rollout of the Global ESR Training Programme, conducted worldwide in a full-day training session. The vast majority of employees dealing with environmental and social issues on a regular basis participated in the session. Lessons learned from the training and experiences gained will be used to refine policies in 2008.

**Equator principles – overview of transactions screened**

Sector and Region	Total	Category					Conditions <sup>(1)</sup>				Role
		A	B	C	High Income OECD	Annual review	EP Spirit <sup>(3)</sup>	Positive advice	Positive advice, subject to conditions	Negative advice	ING role: MLA <sup>(2)</sup>
<b>Americas</b>											
Infrastructure	1		1						1		1
Power & Utilities	10		9	1	7		1	8	2		8
Natural Resources	10	1	9		8			8	2		9
Other	1		1						1		1
<b>Asia</b>											
Infrastructure	5	1	3	1			2	1	4		5
Power & Utilities	4	1	3			1	2	2	2		4
Natural Resources	4	3	1		1			2	2		4
Other	3	2	1				1		3		2
<b>(Eastern) Europe</b>											
Infrastructure	11		10	1	3		4	4	7		11
Power & Utilities	6	3	3		3		1	3	1	2	6
Natural Resources	10	5	5			1	5	3	6	1	7
Other	3		3		1	2		3			1
<b>Middle East</b>											
Infrastructure	0										
Power & Utilities	4	1	3						4		3
Natural Resources	9	1	8				1	2	7		8
Other	0										
<b>Africa</b>											
Infrastructure	3		3				3	1	2		3
Power & Utilities	0										
Natural Resources	1	1							1		1
Other	0										
<b>ING Total</b>	<b>85</b>	<b>19</b>	<b>63</b>	<b>3</b>	<b>23</b>	<b>4</b>	<b>20</b>	<b>37</b>	<b>45</b>	<b>3</b>	<b>74</b>

<sup>(1)</sup> Additional conditions set by ING to comply with the EP

<sup>(2)</sup> Mandated lead arranger indicating increased leverage on the borrower (including project advisory deals)

<sup>(3)</sup> EP are applied although the project do not meet the strict definition of project finance

## Our business activities

### Finance and investment policies (continued)

#### Asset Management

ING is a large global institutional investor with EUR 636.9 billion assets under management. These assets are composed of proprietary and third-party assets.

Proprietary assets include the assets that are part of ING Insurance and ING Bank business units. The main component of ING's proprietary assets is derived from premiums paid by consumers for ING's life insurance products. Among ING's third party assets are the assets that belong to individual and institutional investors, as well as assets of mutual funds managed by ING.

ING Investment Management (ING IM) is the business unit that manages most of these proprietary and third-party assets.

#### Proprietary assets

ING holds EUR 176.8 billion in proprietary assets. We believe these assets should be managed and invested responsibly and with respect for stakeholders worldwide. We want to be able to meet our obligations to ING's policy holders in the short and longer term. At the same time, we avoid investing proprietary assets in companies engaging in activities that are incompatible with our Business Principles or other ING policies such as our defence policy.

#### Defence policy

ING's defence policy prohibits ING from investing its proprietary assets in companies that produce, maintain or trade controversial weapons. These include anti-personnel landmines, cluster bombs, depleted uranium ammunition and biological, chemical or nuclear weapons. We frequently update our portfolio with the latest insights and divest from companies that breach our defence policy.

#### Third-party assets

ING manages third-party assets for investors, both private and institutional, who choose to invest their money through ING at their own discretion. ING holds EUR 460.1 billion in third-party assets.

It is possible to adopt ING's policies, including the defense policy, to a client's portfolio. Clients who wish to exclude defense industry securities or unsustainable activities from their portfolio are offered sustainable investment funds and portfolio screening.



Please visit [www.ing.com/cr](http://www.ing.com/cr) and click on Principles and Policies for more information on ING's Business Principles and Defence Policy.

#### Voting policy (PSI 2,3, 4, 5)

In April 2004, ING adopted a Global Voting Policy to govern the exercise of voting rights for ING's third-party and proprietary assets worldwide. ING's goal in managing assets is to enhance long-term value. To ensure long-term performance, not only financial, economic and corporate governance information but also social, ethical and environmental considerations are relevant factors in determining shareholder value.

In 2006, ING further increased the use of its voting rights and expanded the reporting on its voting policy.

Institutional Shareholder Services (ISS) supports ING IM Europe by providing research about the companies on which ING IM is to cast votes. In addition, ISS advises on how to vote on the topics placed on the agendas of the relevant companies' annual or extraordinary general meetings of shareholders. ING IM Europe's Proxy Voting Committee assesses the advice provided by ISS and takes the final decisions.

Different ING asset management companies may have their own procedures for voting in accordance with the ING Global Voting policy. They will build their procedures in a way that best serves the interests of their clients, taking into account the regulations and standards of the countries and sectors in which they operate.

In order to avoid potential conflicts of interest, the Global Voting Policy makes a clear distinction between proprietary assets and third-party assets. ING maintains a Chinese Wall between the management of proprietary assets and third-party assets.

Voting activity for all assets is published and regularly updated. Besides voting activities, ING IM sustainable fund management maintains an open dialogue with NGOs that provides a forum to discuss sustainability criteria and ethical dilemmas. For the sustainable fund portfolios, we also meet with the companies' management to discuss specific sustainability issues.



For more information on ING's Global Voting Policy, please visit our website [www.ing.com/cg](http://www.ing.com/cg) and click on Compliance.

For an overview of voting activity for Client Assets held in mutual funds and Proprietary Assets, please visit [www.ingim.com](http://www.ingim.com) and click on Corporate Governance.

## Sustainable and socially responsible products and services (EC2, EN26, PSI 6 and 7)

We have noticed a growing interest from our customers in products that make a positive contribution to society and the environment. We therefore seek to develop products and services that provide environmental and social benefits on top of the standard financial benefits. Examples are funds which invest in renewable energy, microfinance or Kyoto Protocol emission-reduction projects. Our customers can also take advantage of our advisory and screening services to ensure their investments reflect the issues that are important to them.

### Sustainable assets under management

amounts x € mio	2007	2006
<b>Postbank Green total portfolio</b>	974	833
<b>Sustainable global equity funds managed by ING IM</b>		
ING Duurzaam Rendement Fonds	41	43
Postbank Duurzaam Aandelen Fonds	16	16
ING Duurzaam Rendement Fonds	438	335
ING (L) Invest Sustainable Growth	63	36
ING (L) Selectis Sustainable Distribution	22	25
ING (B) Invest Solidarity Mixed Euro	2	2
ING (L) Selectis Alternative Energy Growth	77	76
ING (L) Renta Sustainable Fixed Income	16	
ING (L) Invest Climate Focus	11	
Responsible Investment Leaders International Share Fund	164	
Responsible Investment Leaders Australian Share Fund	162	
ING Sustainable Investments Wholesale Global Share Trust	13	14
ING Sustainable Investments Wholesale Australian Share Trust	60	42
Enhanced Core Socially Responsible Equity Common Trust	23	25
Individual Accounts	294	
<b>Sustainable global equity funds managed by ING private banking</b>		
Sustainable Portfolio Management	409	384
<b>Ethical portfolio management</b>		
Socially Responsible Enhanced Core Equity Fund III	7	14
<b>Total (excluding sustainable assets externally managed)</b>	<b>2,792*</b>	1,847

\* The Audit Firm Ernst & Young has audited the 2007 figures.

### Responsible investment for private banking clients

A fast growing number of private investors are not only interested in financial value, but are also focused on environmental, social and governance criteria. ING Bank's Socially Responsible Investment (SRI) department offers responsible investment services in the Netherlands to both advisory and asset management clients, including charities and foundations.

### Valuable information

ING Bank's SRI department selects companies that meet predefined responsible, or sustainable, criteria and gathers information on the environmental and social performance of those companies. The information is then compiled in the Non-Financial Indicator (NFI) that ranks the companies in a sector comparison, helping investors to incorporate SRI investments into their portfolios to enhance sustainable choices.

### Sustainable Portfolio Scan

Clients in the Netherlands can have their investment portfolio assessed with ING Bank's Sustainable Portfolio Scan. Applying both positive (NFI) and negative (exclusion) screening, this scan indicates how environmental, social and ethical criteria are currently embedded in their investment portfolio. Based on the outcome of the scan, investments can be aligned with sustainability criteria and, if required, with additional investment advice from ING Bank.

### Sustainable investment funds

ING Bank provides clients in the Netherlands with information on the sustainable investment funds offered by a range of providers, including the ING managed 'Duurzaam Rendement Fonds'. The SRI department has dedicated consultants and analysts to providing investment information. Assets under portfolio management held by the SRI department grew from EUR 157 million in 2006 to 237 in 2007. Furthermore, ING appointed sustainable investment advisors locally in the Netherlands to support clients on an one-on-one basis, using both traditional analysis and SRI non-financial analysis. In 2007, these local advisors managed EUR 172 million.



For more information, please visit [www.ingbank.nl](http://www.ingbank.nl)

### SRI Brokerage

The equity sales department of ING Equity Markets has offered its clients brokerage services for institutional socially responsible investment (SRI) since 2002. By keeping clients informed about SRI developments, the department hopes to generate business in this field. In 2007, the department organised several events and roadshows, sent out weekly newsletters and published sector studies that focus on sustainability and take governance issues into account, such as:

- Food, Beverages & HPC, Inflationary environment: a convenient truth (November 2007)
- European Utilities, The end of the Power of Babel (October 2007)
- Pan-European oils, Evolution II: Reciprocity (September 2007)
- European food producers and HPC, Tighten one's belt? (April 2007)
- Pan-European oils, Evolution: the changing impact of strategy and risk (January 2007)

## Our business activities

### Sustainable and socially responsible products (EC2, EN26, PSI 6 and 7) (continued)

#### Sustainable Funds

##### Sustainable Growth Equity Fund

The ING Investment Management Sustainable Growth Equity Fund combines socially responsible investment with a worldwide equity portfolio.

When selecting equity for the Sustainable Growth Equity fund, both absolute and relative selection criteria are used. The portfolio manager starts with a thorough study on the basis of 'best in class' criteria where only the top 50% of the sector is selected. The remaining companies are subsequently assessed on the basis of a number of exclusionary criteria. For example, activities such as the production of nuclear energy, arms, tobacco, and gambling are excluded, as is behavior that conflicts with international conventions (such as labour and human rights).

##### Sustainable Fixed Income

The ING Investment Management Sustainable Fixed Income strategy combines socially responsible investment with a diversified worldwide euro bond portfolio. The portfolio consists of euro-denominated bonds issued by governments and companies which meet a range of environmental, social and transparency criteria and which also have sound financial prospects.

##### Alternative Energy Growth Fund

ING Investment Management Belgium offers private investors the opportunity to invest their money in its Alternative Energy Growth Fund. This fund includes shares of companies that are active in alternative energy sources, such as hydro-electric power, wind power and rape seed oil.

You can find a full overview of our sustainable funds and other sustainable assets under management in the table on page 16.

#### Green Finance

ING's Green Finance Department provides loans for environmentally-friendly projects certified under the Dutch fiscal Green Finance scheme in areas like renewable energy, nature development and biological agriculture. Recent projects include energy wind mills with a capacity of 70 Megawatt and a large nature regeneration project.

The department also finances international projects, including a solar power project that provides 40,000 people in Mali with electricity and a project supporting the sustainable replacement of buses in the Dominican Republic.

Postbank and ING Bank clients in the Netherlands can invest money in these green projects by investing in green deposits and green notes of 'Postbank Groen'. As a result of successful marketing campaigns by Postbank and ING bank, the total green savings entrusted to Postbank Green increased from EUR 833 million in 2006 to EUR 974 million in 2007. Our substantial green loans portfolio enabled us to absorb this growth. Further growth was limited however due to restrictions set by the government on the fiscal scheme.

#### Projects postbank green according to type

in percentages

	2007
City heating	18%
Green-label greenhouses	21%
Sustainable energy (Wind & Solar)	17%
Sustainable construction	14%
Nature	10%
International	2%
Organic agriculture	2%
Other projects	16%
	100%



#### ING Real Estate

ING Real Estate is an integrated real estate group focused on the development, financing and management of quality real estate in all major global markets with a total portfolio of over EUR 100 billion. A dedicated real estate team of 2,500 people worldwide serve a broad client base, including individuals, medium-sized businesses, large corporations and institutions, from offices in 21 countries in Europe, North America, Asia and Australia.

Buildings have a profound impact on our natural environment, economy, health, and productivity. ING Real Estate recognises the need to invest in constructions that reduce the adverse effects of the building environment. The main drivers for sustainability are lower costs for energy, waste disposal and water, and tenant and investor demand for more sustainable building solutions. ING Real Estate strongly commits to integrating sustainability into its businesses.

#### Real Estate Investment Management

ING Real Estate in Australia has shown a profound commitment to sustainability, employing strategies and participating in activities and programs to reduce the environmental footprint of the assets owned and managed by the Funds of ING Real Estate.

An example of this commitment can be found in the ING Office Fund (IOF) in Australia. Rated using the Australian Building Greenhouse Rating (ABGR), the Fund developed and implemented action plans for energy, water and waste, purchases green power under the National Energy agreements and introduced 'green lease' parameters to standard leases.

ING Industrial Fund has implemented a range of water saving initiatives across a number of its properties, conducting a rollout of native planting and rainwater tank installation. By planting low-maintenance, drought-hardy native species, water usage is significantly reduced. Rainwater tanks have the capacity to retain water runoff from roofs. The benefits of this programme include the tankwater being used for irrigation of gardens, reducing the usage of the town water supply and reducing the demand on onsite storm water detention and public storm water systems.



For more information, please visit [www.ingrealestate.com.au](http://www.ingrealestate.com.au)

## Our business activities

### Sustainable and socially responsible products (EC2, EN26, PSI 6 and 7) (continued)

#### Real Estate Development

ING Real Estate Development (ING RED) is active as an international and sustainable real estate developer. As such, we consider it our role to develop environmentally, economically and socially balanced (urban) structures. We aim to be the authority on clever solutions for (re)developing (urban) areas, meeting the needs of users today and in the future.

In the development process, ING Real Estate has identified six elements of sustainability which are taken into account when (re)developing buildings and areas, and which show the variety and complexity of the theme:

- Adaptability – investment required for alternative use
- Location and accessibility – wide range of transport options
- Low energy – consumption in development and operation
- Longevity – durability, material usage
- Appeal to occupants – lighting, temperature, safety, etc
- Sustainable urbanism – sustainable community, social cohesion, harmony with surrounding buildings and area, architectural quality

ING RED brings sustainability into practice by developing better projects. In the Netherlands, ING has developed several of such projects, for example project Crane Track, which won the Green Building and Special Jury Award at MIPIM 2008.

ING RED is currently developing a 170-meter tall office building in Rotterdam, taking into account these six sustainability criteria. This building, designed by Norman Foster, will incorporate a wide range of state-of-the-art sustainable technologies. ING RED is also a founder and member of the Dutch Green Building Council, which will set transparent sustainability criteria for real estate and introduce a sustainability certification system for buildings and area developments in the Netherlands.

#### ING Car Lease

Since 2006, ING Car Lease NL has been offering customers in the Netherlands the opportunity to lease energy efficient cars carrying an A, B or C energy label.

In 2007, ING Car Lease added various products with a clear focus on environmental care and climate change.

Firstly, ING Car Lease NL now offers a lease product where customers can compensate the carbon emission of their car. This commitment to CO<sub>2</sub> compensation is achieved through forestation projects in Brazil, Malaysia and South Africa, and via investment in sustainable energy projects worldwide.

ING Car Lease NL also introduced the Ecolease product in 2007. This product includes the leasing of an energy efficient car, a customer training course on improved automobile safety and taking an efficient, environmentally-friendly approach to driving as well as a CO<sub>2</sub> emission compensation service. As with the standard compensation product, Ecolease customer CO<sub>2</sub> emissions are compensated for through forestation projects in Brazil, Malaysia and South Africa, and via investment in sustainable energy projects worldwide.

Finally, ING Car Lease rental offers its customers over 5500 energy efficient cars. As such, it is the first car rental company in the Netherlands that offers its customers these green options.

#### Microfinance

Microfinance is the provision of financial services to individuals and entrepreneurs who are not served by mainstream financial institutions. It empowers the poor, fosters self-reliance and builds communities from within.

ING supports the development of microfinance through dedicated products, shared expertise and an employee network. In this way, ING empowers individuals and businesses in emerging economies by making use of our core strengths. It also allows us to capitalise on growing retail and wholesale opportunities in a responsible way.

#### ING Green Finance

The ING Green Finance department is responsible for the provision of loans, equity investments and guarantees to Microfinance Institutions (MFIs) in Latin America, Central and Eastern Europe, Asia and Africa. Over the years, the department has built extensive expertise in a wide range of issues related to microfinance. Experience in specific risks inherent to developing countries, knowledge of product development, and the ability to strike a balance between social revenue and profitability are all a part of this.

#### ING Vysya Bank

ING Vysya Bank provides large loans to Indian microfinance institutions. As of November 2007, the total value of wholesale loans (through MFIs) outstanding amounted to €45 million for 18 MFIs, reaching an estimated 567,000 people in India.

ING Vysya provides microfinance directly to Self-Help Groups (SHGs) who can apply for loans and open savings accounts with ING Vysya branches. By November 2007, ING Vysya Bank supplied small loans of less than €1,000 to 5,255 SHGs (in total €6.71 million outstanding). In addition, microdeposits were collected through this channel.

#### ING Vysya Life

ING Vysya Life provides products to members of rural communities, including farmers, self-employed people and contract and day labourers. The premium per year is designed to make it affordable to this group segment. ING has developed a group term life product, aimed at the rural community. It would allow ING to sell group creditor insurance to cover microloans provided by banks and MFIs. In 2007, around 169,954 people were insured as a part of the social sector. So far, 113 claims have been settled for this group.

#### Microinsurance award

ING Vysya and Planet Finance India, a non-governmental organisation, introduced the 2007 Microinsurance Awards. These aim to encourage the development of India's microinsurance sector by identifying best practices in needs assessment, product design and delivery channels. The process leading up to the awards included a roadshow, workshops and field studies.

## Our business activities

### Sustainable and socially responsible products (EC2, EN26, PSI 6 and 7) (continued)

#### Employee involvement

ING in the Netherlands promotes microfinance through its Microfinance Support Programme, which involves some 3,500 employees of whom 275 participate in various voluntary activities. In addition, ING Microfinance Support helps employees provide technical assistance to microfinance institutions. Specialists in areas like product development and Operations & IT systems are seconded to projects for two to eight weeks. Since 2004, 70 ING specialists have already participated as an advisor to technical assistance projects. In 2007, 24 projects were executed in emerging markets like the Philippines, Croatia and Mozambique. This was done in cooperation with Oikocredit, Opportunity International, Women's World Banking, Microfinance Centre and the UN Capital Development Fund.

#### Plans for the future

ING plans to increase both its wholesale activities in various countries and its retail activities in India. ING Green Finance intends to further expand its portfolio and develop its expertise. ING Vysya's goal is to finance 30 MFIs by 2009-2010, reaching over 1,250,000 disadvantaged people. In 2008, ING Microfinance Support will start activities in ING Belgium and increase its technical assistance efforts, aiming to support 40 projects.



For more information on Microfinance, please visit [www.ingmicrofinance.com](http://www.ingmicrofinance.com)

#### Carbon Credits

ING Wholesale Banking has established an Emissions Products team to engage in the growing greenhouse gas emissions market resulting from the United Nations' Kyoto Protocol on climate change. The team assists companies in identifying Joint Implementation (JI) or Clean Development Mechanism (CDM) projects to reduce emissions, and create emissions reduction units commonly referred to as 'carbon credits'. Based in Amsterdam and Shanghai, the team uses ING's international network and client relationships to identify opportunities, and acts as an intermediary in the sale of the resulting carbon credits.

Projects that the team has worked on to date include wind farms, small hydropower, waste heat utilisation and energy efficiency projects in China, Russia and Ukraine.

In 2007, ING also concluded an agreement with the Chinese Ministry of Science and Technology and the China 21st Century Agenda Management Centre to assist in promoting CDM awareness by establishing technical centres and holding workshops in five provinces.



For more information, please visit [www.ing.com/carboncredits](http://www.ing.com/carboncredits)

#### Small and medium size enterprises

ING Bank helps small and medium-sized corporate clients develop sustainable business with the aid of its knowledge, networks and financial services. The bank has developed several tools to help embed sustainable development into business operations.

#### Sustainable Growth Test

In 2007, ING Bank and the Dutch SME organisation MKB-Nederland launched the Sustainable Growth website ([www.duurzamegroei.nl](http://www.duurzamegroei.nl)) (only in Dutch). This website enables corporate clients to do the Sustainable Growth Test – a test indicating how sustainable a business is compared to other businesses in the same sector. The website also includes tips and examples of best practices.

#### Sustainable Growth Sessions

Many small and medium-sized enterprises have a need to share knowledge and experiences relating to sustainable business. ING Bank facilitates this exchange by organising Sustainable Growth Sessions during which companies are challenged to discuss how to do business in a sustainable way.



For more information, please visit [www.ingbank.nl](http://www.ingbank.nl)

## Economic performance

Our financial and economic performance is described in more detail in our Annual Report, which we publish in both English and Dutch. The annual accounts are presented for approval to the Annual General Meeting of Shareholders on 22 April 2008. Printed copies are available on request and current and previous Annual Reports are available online at [www.ing.com](http://www.ing.com), together with further information on our financial performance.

### Direct Economic value (EC1)

in EUR million	2007	2006	2005
<b>Balance sheet</b>			
Total Assets	<b>1,312,510</b>	1,226,307	1,158,600
Capital and reserves	<b>37,208</b>	38,266	36,700
<b>Income</b>			
Insurance operations	<b>62,208</b>	59,642	57,403
Banking operations	<b>14,602</b>	14,195	13,848
<b>Profit before tax</b>	<b>11,043</b>	9,940	8,894
<b>Net profit</b>	<b>9,241</b>	7,692	7,210
<b>Sustainable assets under management</b>	<b>2,792</b>	2,206	2,106
<b>Personnel expenses: Salaries</b>	<b>5,696</b>	5,492	5,324
<b>Personnel expenses:</b>			
<b>Social charges</b>	<b>2,565</b>	2,426	2,322
<b>and other Charitable donations</b>	<b>19.5</b>	18.9	14.3

## Social performance: Labour conditions

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**ING has a clear focus on building the strength, depth and diversity of its workforce and instilling a winning performance culture. In 2007, this resulted in several accomplishments, such as empowering the 'people leadership' capabilities of ING's leaders, and managing and paying for performance.**

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As of 2007, the performance evaluation of ING's top managers is linked to a combination of meeting business objectives and leadership behaviour including compliance with the ING Business Principles. This sends a clear signal to the rest of the company that ING takes people leadership seriously.

We want our employees to embed responsible business principles in their daily activities and dealings. That is why we continued our existing CR training programme in 2007. For more information on our training programmes, please see pages 24 and 25.

In 2007, ING changed from measuring employee satisfaction to measuring and encouraging employee engagement. Based on experiences gained in different businesses, we have learned that engagement is a much better indicator of how motivated and committed people are to their job. For the results of our employee engagement scan, please see page 25.



For details on our policies relating to our employees, please visit our website [www.ing.com/cr](http://www.ing.com/cr) under Principles and Policies

## Social performance: Labour conditions (continued)

**Employee profile (LA1, LA2)**

At year-end 2007, ING had 124,634 FTEs. The total number of employees who left ING over the course of the year was 20,801. Overall, the workforce increased from 119,801 to 124,634 FTEs through the continued growth of several business lines and units.

As a company that is eager to grow, ING has made considerable investments in enhancing its attractiveness as an employer of choice on a global scale. The ING Employer Brand, which was introduced in 2006, was consistently rolled out in most global business lines. By year-end 2007, it was successfully activated in eighteen countries and the first results are promising. The number of graduates that applied to ING increased, as did traffic to our career site.

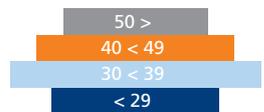
**Geographical Breakdown**

in percentages of employees

Netherlands	24%
Belgium	10%
Rest of Europe	18%
North America	16%
Latin America	14%
Asia	15%
Australia	3%

**Breakdown of workforce by age in headcount**

Employees 50 and older	19%
Employees 40-49	26%
Employees 30-39	33%
Employees 29 and younger	22%

**Breakdown of workforce full time/part time**

in % of employees	2007	2006
Full time	88.4	88.1
Part time	11.6	11.9

**Breakdown of workforce by type of contract**

in % of employees	2007	2006
Permanent/indefinite contract	93.3	93.6
Temporary/fix contract	6.7	6.4

**Diversity (LA13)**

To ING, appreciation for diversity means the acceptance and respect for individual differences regardless of race, ethnicity, gender, age, sexual orientation, personality, socio-economic status, physical abilities, religious beliefs or other ideologies.

ING understands that in order to be a global leader in integrated financial services, we need to embed diversity in every facet of the organisation. ING recognises that fostering diversity goes beyond being a responsible corporate citizen. It is a true business imperative that allows us to meet the expectations of our stakeholders.

Our strategy focuses on fostering and managing diversity internally and ensuring that our workforce is an expression of this diversity towards our customer base. It is our ambition to encourage an inclusive workplace by promoting acceptance and respect in the attitude and mindset of our management and employees, and to increase awareness and openness to diverse talent. We have developed a variety of programmes to educate employees about diversity and encourage their active involvement.

We recognise that changing a company's culture and day-to-day practices is a challenging and time-consuming process, but we are committed to creating an environment in which diversity is at the core of ING's values.

**International Management Council\***

in % of employees	2007	2006
Male	89.8	92.7
Female	10.2	7.3

**Senior Management\*\***

in % of employees	2007	2006
Male	68.8	69.3
Female	31.2	30.7

**Total Work Force**

in % of employees	2007	2006
Male	50.9	51.9
Female	49.1	48.1

## Social performance: Labour conditions (continued)

**Diversity (LA13) continued**

Examples of diversity efforts currently include:

- Sponsoring numerous internal employee networks representing diverse groups of employees worldwide.
- Partnering with diverse external professional organisations.
- Making diversity training mandatory for managers and embedding diversity values into existing training courses.
- Developing and implementing customised diversity plans and metrics for each business line.

\* The Executive Board expects the top management of ING to actively participate in the Group's future development. The International Management Council (IMC) is an integral part of this.

\*\* Senior management includes all managers who oversee other managers

**ING Employee Networks**

name	Goal	Members
RING	To stimulate networking, integration and the exchange of cross-departmental knowledge of younger employees	3000
Lioness	To stimulate women in their development	1115
GALA	To act as a point of reference for Gay and Lesbian issues for ING business and social matters	800
Women's Employee Network	To foster women's professional development through education	500
ING Crossing	To contribute to the development of its multicultural members and to the advancement of cultural awareness within ING	440
ING Latino Network	To contribute to the development of its members and to the advancement of cultural awareness within ING	370
ING African-American Network	To contribute to the development of its members and to the advancement of cultural awareness within ING	248
ING Asian-American Network	To create a cohesive community from all areas and backgrounds within ING through professional development, social interaction and cultural awareness	21

**Working conditions (LA7, LA8)**

We strive to be a good employer for our employees. ING offers sound labour conditions and a healthy and safe workplace where discrimination and unfair treatment are not tolerated. We promote the personal growth of our employees and diversity within our workforce.

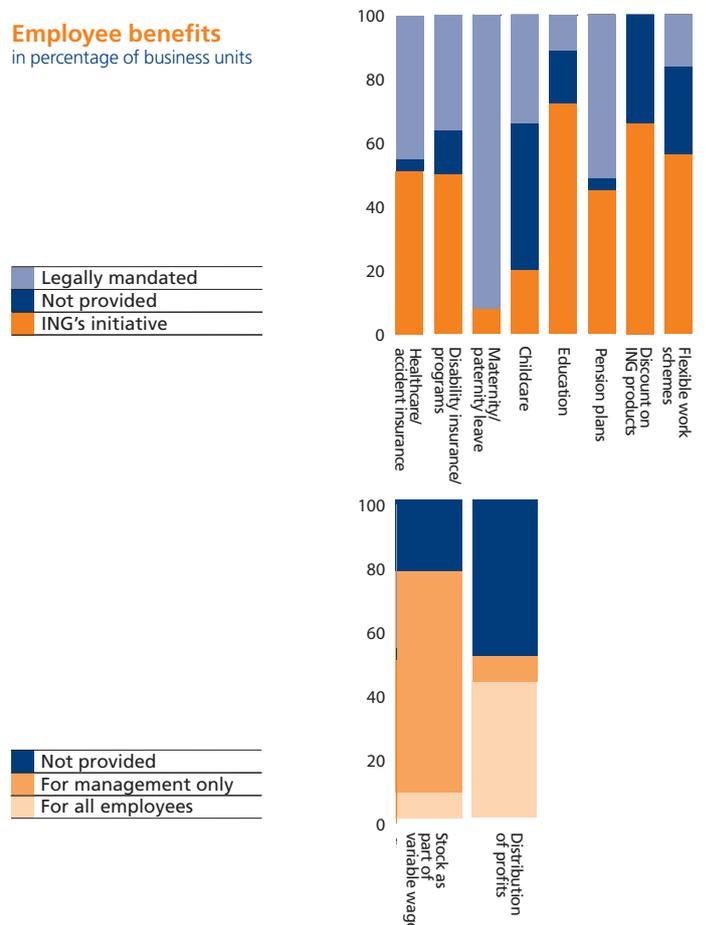
We are convinced that a good work environment brings out the best in our employees. Therefore, we endeavour to distinguish ourselves as a top employer by providing excellent primary and secondary benefits and development opportunities. In various key markets, ING moved up considerably in the 'ideal employer' benchmarks.

For example, for the second year in row, ING has been voted best employer in the Netherlands in terms of working conditions, according to research by Intermediar. This top ranking is a result of ING's attractive package of primary and secondary benefits and the company's focus on developing and training employees.

In Belgium, ING was rated the 'Number 1 Ideal Employer' in the 2007 Universum Graduate Survey. In Poland, we ranked number 8 compared to 13th in 2006. In Europe as a whole, we moved up from the number 53 spot in 2006 to the 25th 'Ideal Employer' in 2007. ING also entered the Universum Graduate Survey top 100 in Asia Pacific and the United States for the first time. Universum conducts independent research in 28 countries around the world, surveying more than 100,000 students on their perception of companies.

**Employee benefits**

in percentage of business units

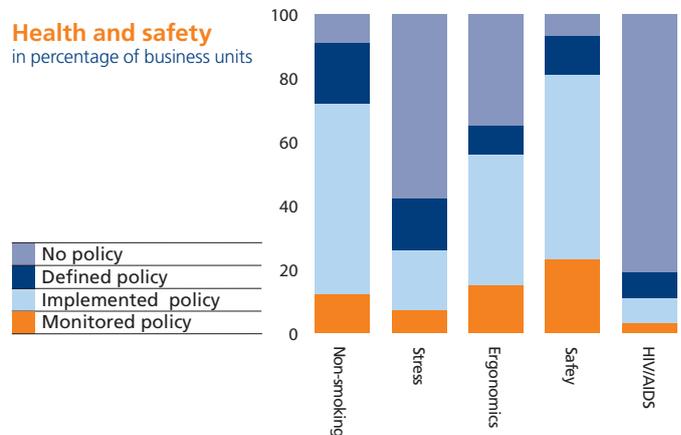


## Social performance: Labour conditions (continued)

## Working conditions (continued)

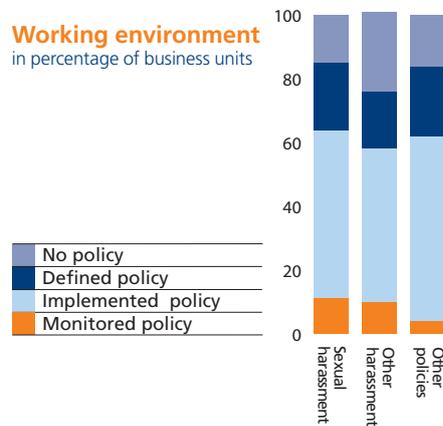
## Health and safety

in percentage of business units



## Working environment

in percentage of business units



## Sickness rate

in percentage of days worked

	2007	2006
Sickness rate	1.7	3.0

## Labour relations (LA2, LA4, LA5)

2007 was a year of several strategic acquisitions for ING. ING believes it is important to not only merge companies but also the company cultures. Human Resources was therefore involved at a very early stage of these acquisitions to guarantee that substantial attention was paid to the people involved in, or impacted by, these transactions.

In May 2007, ING announced it will be operating Postbank and ING Bank in the Netherlands under the ING brand as of 2009. ING expects a reduction of 2,500 FTEs in the overall number of Postbank and ING Bank employees over a five-year period. ING has obtained advice from the respective works councils and has developed a mobility plan based on the Social Plan 2007-2009.

As of mid-2007, personal development and employability have been embedded in the collective labour agreement for ING staff working in the Netherlands. It was developed as an extra incentive for staff to increase their employability. This agreement was reached by ING Netherlands with the unions and ING has assigned a special budget to increase employability in addition to the regular development budget. ING is the first employer in the Netherlands to have

## Reasons for department from ING

in number of employees

	2007	2006
Own initiative	11,775	12,359
Initiative of ING	7,982	5,694
Early Retirement	867	806
Deceased	112	102
Occupational disability	65	170
<b>Total</b>	<b>20,801</b>	<b>19,131</b>

## Social performance: Labour conditions (continued)

**Labour relations (LA2, LA4, LA5) (continued)**

employability embedded in its labour agreement. Employability is now a joint responsibility of both the employee and employer.

**Training & development (LA10, LA11)**

ING is dedicated to leadership development and training. We aim to create a climate in which people are willing and able to perform by engaging, challenging and developing themselves. ING is convinced that an above-average performance can only be achieved by people, ING's human capital.

ING recognises the importance of personal development. It is a way to retain people within the organisation and to help employees keep up in an ever-changing environment.

With 173 young talented employees from more than 30 countries taking part, the second ING International Graduate Programme (IIGP) was held in September 2007. The participants were recently hired by ING and are seen as future leadership potential. The main goal of the programme is to enhance the understanding of ING as a global financial services provider, to gain exposure to senior business leaders and to build a network with peers from all over the world.

We want our employees to embed responsible business principles and practices in their daily activities and dealings. That is why we continued our existing CR training programmes. At the IIGP, for example, one day was fully dedicated to the topic of sustainability. In addition, corporate responsibility is an integral part of the Wholesale Banking introduction course and it is also taught at the ING Business School.

**Employee engagement**

As announced in last year's report, ING changed from measuring employee satisfaction to measuring and encouraging employee engagement in 2007.

Employee engagement is an absolute requirement when preparing the company's workforce for growth. Our newly introduced employee engagement scan showed that 77% of our employees are proud to work for ING. This is an above-average score compared to other global organisations. Noticeable strengths in the engagement field were employee/job fit, belief in the future of the organisation, feeling valued and trust in senior leadership. However, opportunities for improvement include the communication field and in the areas of recognition and providing career advancement opportunities. Steps to enhance engagement in these areas have already been made.

**Budget for training**

in EUR	2007	2006
Budget for training per FTE	967	840
Total budget in millions	102.9	94.9

**Career and regular development reviews**

in percentages	2007	2006
Employees receiving reviews	82.8	82.9

**Employee engagement**

2007 ING Winning Performance (ING Overall)	Percent Favourable
I am proud to work for ING	77%
I would gladly refer a good friend or family member to ING for employment	68%
I rarely think about looking for a new job with another company	59%
Overall, I am extremely satisfied with ING as a place to work	70%

## Social performance: Human Rights

The ING Business Principles state that ING supports the aims of the United Nations Universal Declaration of Human Rights and aims to apply its principles throughout its operations worldwide. In December 2006, ING adopted a new Human Rights Statement relating to its employees and its commitment to the principles of the United Nations Global Compact. This statement has been further implemented in 2007.



For more information, please visit [www.ing.com/cr](http://www.ing.com/cr)

### Screening of financing agreements (HR1)

For credit lending and project financing, ING Wholesale Banking has internal guidelines designed to mitigate social, ethical and environmental risk. These guidelines cover various issues and sectors, including human rights issues. A specialised team advises on applying these guidelines to relevant transactions. In 2007, a number of transactions were submitted for an environmental and social risk assessment. Based on ING's General and Sector-Specific Policies, 9 of these received a negative advice. The decline from 25 to 9 negative advices underlines the increased awareness in the organisation. Specific efforts to engage with clients to improve their environmental and social performance and implementation efforts prove to be successful. ING is also committed to the Equator Principles. For more information on the Equator Principles and their scope, see pages 12 and 14 of this report.

ING will not finance business activities in countries such as Burma/ Myanmar and Sudan, taking into consideration that it can be assumed that human rights are violated on a large scale in these countries. In addition, we will refrain from financing projects in such countries. We will, however, keep financing humanitarian aid projects in these countries.

### Screening of suppliers (HR2)

During the procurement process ING follows its Procurement Principles and Policies. These include the Procurement Code of Conduct which describes the ethical behaviour with which each procurement staff member must comply. In line with the Procurement Code of Conduct requirements regarding ethical issues -such as child labour, health and safety and environmental regulations and other issues covered by ING codes of conduct- are standard provisions in ING's contracts. Once a supplier is selected, the business unit involved, together with the procurement department, manages the contract and ensures that the supplier meets all the contract obligations.



For more information on our policy relating to suppliers, please visit [www.ing.com/cr](http://www.ing.com/cr) and click on Principles and Policies

### Human rights in the workplace (HR4, HR6, HR7)

In December 2006, ING adopted a Human Rights Statement relating to its employees. In this statement, we express our commitment to support international labour rights standards for our employees. We consider certain human rights fundamental and universal for our workforce. These rights include right to freedom of association, the right to collective bargaining and freedom from discrimination based on race, colour, sex, religion, political opinion, national and social origin. ING upholds the elimination of all forms of forced labour and child labour.

### Freedom of association and collective bargaining (HR5, LA4)

ING opts for a pro-active approach to employee engagement by informing its people through regular dialogue. One of the tools to this end is dialogue through employee representation, an important form of stakeholder engagement. Under our Human Rights Statement, we uphold the freedom of association for all our employees and recognise the right to collective bargaining. Over 45% of ING's business units have collective bargaining agreements in place. The way in which the right of freedom of association is implemented differs per region.

## Social performance: Society

In 2007, ING and its employees donated EUR 19,5 million to community development initiatives.

Investing in community development allows us to build relationships with our stakeholders and demonstrate our commitment to society. At ING, we also invest in the communities in which we operate because healthy communities make good business sense.

Employee engagement is paramount to our community development strategy. We strive to contribute to the organisations our employees support and we actively encourage our staff to get involved in community development projects as volunteers.

### Community Development (SO1)

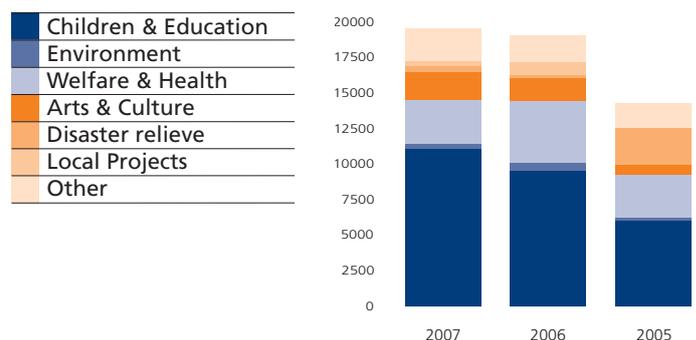
ING Chances for Children is our global community development programme aimed at providing children with access to education. In 2007, the programme enabled 125,000 children to go to school; one for each ING staff member.

As part of the ING Chances for Children programme, ING employees are donating their time, money and skills to educational programmes in their own local communities. ING supports these efforts by matching donations and by allocating time off for volunteer work.

In addition to supporting these local initiatives, ING has entered into a global partnership with UNICEF. As a partner, ING offers financial support for educational projects in Ethiopia, India and Brazil.

We support education because it gives children a real chance to secure a good job, and children who go to school are less at risk of having to work at a young age.

### Breakdown of charitable contributions by category in EUR thousands



### A word from UNICEF

"ING's partnership with UNICEF is unique. It illustrates how organisations and their staff who care make a difference. ING and its employees opened their hearts, engaged their minds, and raised resources and awareness to make significant strides towards achieving the Millennium Development Goal of universal primary education. These actions reflect the company's dedication to creating brighter futures for children around the world. With their support UNICEF has been able to help thousands of children break the circle of illiteracy and poverty. Many more will follow!"

Philip D. O'Brien, UNICEF, Director Private Fundraising and Partnerships

## Social performance: Society (continued)

**Volunteering (SO1)**

Employee volunteering with the organisations we support is a crucial component of our approach to community development and another way for us to give back to society.

Under the ING Chances for Children programme umbrella, we have launched a number of initiatives designed to foster a culture of volunteerism and engage our employees in community development. For example, employees can sign up for homework assistance programmes or become mentors for underprivileged teens.

Many of our employees have longstanding volunteer commitments of their own. We strive to support these commitments by allocating time off for volunteering or by rewarding volunteerism with financial contributions to community organisations chosen by our employees. 61% of our business units have a formal volunteering policy in place.

This year marked the launch of the ING International Volunteer Programme. Each year, our aim is to send 10 employees on month-long UNICEF volunteer assignments. By meeting the expertise needs of UNICEF field offices in Brazil, India and Ethiopia, we hope to improve the reach and success of UNICEF's fight against illiteracy.

**Breakdown of charitable contributions by category**

in EUR thousands	2007	2006	2005
Children & Education	<b>11,008</b>	9,500	6000
Environment	<b>373</b>	500	200
Welfare & Health	<b>3,037</b>	4,400	3000
Arts & Culture	<b>2,031</b>	1,600	700
Disaster relieve	<b>385</b>	200	2,600
Local Projects	<b>357</b>	900	n/a
Other	<b>2,311</b>	1,900	1,700
<b>Total</b>	<b>19,502</b>	18,900	14,300

**Voluntary work by ING employees**

in hours, based on a coverage of 82%	2007	2006
Voluntary work	<b>134,000</b>	103,000

## Social performance: Customers

Our mission is to help our customers manage their financial future. We do this by putting our customers first, developing long-term relationships and providing competitive and easy-to-understand products and services. At ING, we believe our customers can make better financial decisions when products and services are clear and straightforward. Therefore, it is our ambition to make financial decision making easier for our customers.



For more information on customers, please refer to pages 14 to 27 of the Annual Review 2007 on [www.ing.com](http://www.ing.com)

### Easy to deal with and customer satisfaction

In today's world, there is an explosion of choice and an endless flow of information which makes the life of our customers increasingly complex. At ING, we strive to make our customers' lives easier through our products, processes, people and communications. Customer research has shown that clients are more and more interested in doing business with a financial services company that is easy to deal with. This means we aim to improve our accessibility, increase the speed of our processes and make the information we share with our customers as clear and transparent as possible.

In 2007, our Global Brand Monitor surveyed customers in 24 different ING businesses. On the brand attribute 'easy to deal with', ING scored 3.8 on a 5-point scale, indicating that we are increasingly seen by customers as easy to deal with. This trend is also reflected in our customer satisfaction scores: on average, across all regions and business lines, ING scores 71 points out of 100. It is our ongoing ambition to make it easier for our customers to manage their finances with ING.

To provide excellent customer service, ING is largely dependent on the knowledge and professionalism of its workforce. That is why we invest in training and performance management of our employees and customer satisfaction.

For example, in the call centres for ING's wealth management and insurance customers in the United States, we train our employees on first-call resolution, meaning that the customer will be served at their first phone call.

Furthermore, the compensation structure for call centre employees changed in 2007 in order to further encourage good service with an emphasis on first-call resolution; the bonuses are now solely based on customer satisfaction. There are also programmes in place to support the continued professional development of these employees.

### Brand Monitor by Country

Country	satisfaction score ING
ING Wholesale Banking	
Belgium	72.8
Netherlands	70.1
Poland	77.8
Romania	81.9
ING Retail Banking	
Belgium	67.2
Netherlands	65.9
Poland	71.8
India	79.8
Insurance Europe	
Czech Republic	68.7
Greece	68.9
Hungary	78.5
Poland	70.4
Slovakia	70.9
Spain	61.4
Romania	74.3
Insurance Americas	
US	72.9
Canada	69.0
Mexico	73.1
Insurance Asia/ Pacific	
Hong Kong	61.3
Korea	63.3
Taiwan	65.6
Malaysia	69.5
India	83.3
<b>Overall ING</b>	<b>71.2</b>

Social performance: Customers (continued)

**Easy to deal with and customer satisfaction (continued)**

These initiatives have resulted in an extremely high ranking of the call centre service by our US customers. 83% of the customers found the service provided by the call centres very good or excellent. This ranking represents the highest performance to date. In addition, 73% of the US customers indicated that they were offered a resolution during their first phone call, a metric which has improved every year since 2004.

**Customer complaints (PR9)**

ING develops and implements policies and procedures for managing customer complaints at a local level, taking into account local legislative and regulatory requirements. These policies and procedures set minimum standards for recording and dealing with customer complaints within required timelines and with relevant disclosure and care. Employees dealing with customer complaints receive training on the subject.

**Consumer protection (PR2, PR3 and PR8)**

Sales practices in the financial sector are being reviewed by supervisors around the world. In the Netherlands, we have seen increased activity from regulators as a result of customer activism and political pressure. In the United States, the SEC has indicted a number of financial services companies. ING has to continue to strive to give clients the best advice and to only sell products that clients fully understand and fit their profile.

From the time a product idea is born to the end of its life – which in the case of a life insurance policy can last several decades – ING has a wide range of obligations. One of these is ensuring that new products meet regulatory requirements. We sell our products through a variety of distribution channels, and as marketing and sales practices are subject to local legislation they are the responsibility of local management. It is also the responsibility of local managers to train agents and monitor feedback from end-customers about the different distribution channels.

**Preventing social exclusion (S9 and S10)**

ING wishes to remain a low-threshold service provider for individuals, without differentiation or exclusion. Many of our retail business units provide special services, for example for people in remote areas, non-native speakers, disabled people, the elderly and microfinance.

In the United States, for example, ING has started a multicultural sales and customer service programme to reach the Hispanic and Asian population. The Latino population in the US has grown to about 44 million people and it is estimated that the US Hispanic market will have a purchasing power of \$1 trillion by 2010. The Asian American population has grown to about 13 million people. The programme includes multilingual marketing material and sales force and multilingual product care and policy owner service.

**Accessibility 2007**

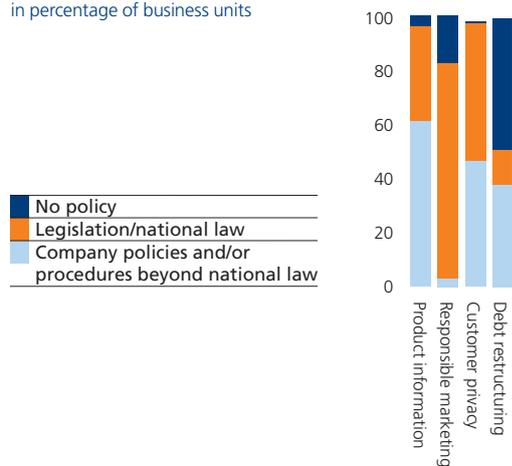
in actual number

Number of clients that actively use ING internet services	10,989,007*
Number of ING ATMs	26,537*
Number of ING branch offices	6,560*

\*No information was gathered in 2006 regarding Accessibility

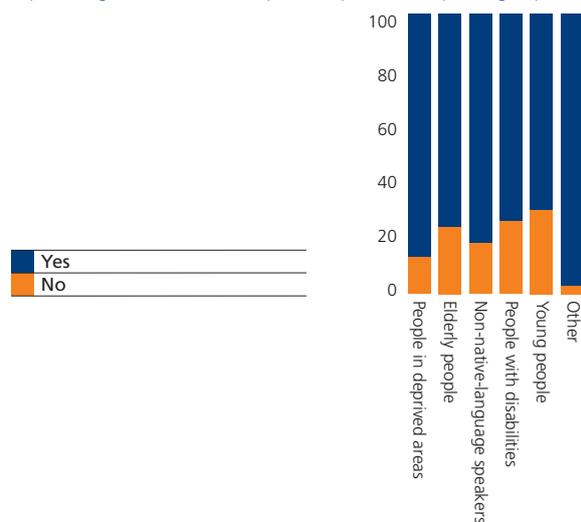
**Policies to protect customers**

in percentage of business units



**Social inclusion**

in percentage of business units - products provided to specific groups of customers



## Environmental performance

Environmental stewardship is an important part of our business philosophy. We want to conduct our business in an environmentally responsible manner, reducing our direct and indirect impact.

Our direct impact on the environment is caused by the energy we consume, the means of business travel we choose and the type and amount of paper we use. We are continuously assessing our activities to find ways to reduce our resource consumption even further.

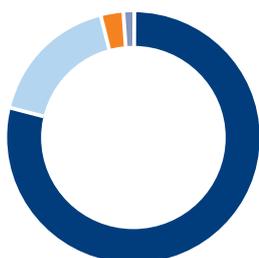
Our products and services can indirectly impact the environment, which is why our lending and investment transactions are subject to a wide range of environmental risk policies. Climate change continued to remain a priority, and in 2007 we became carbon neutral.



For the full Environmental Statement, please visit [www.ing.com/cr](http://www.ing.com/cr) under Policies and Principles (Environmental Care).

### Environmental footprint ING in percentages

Energy
Business travel
Paper
Office, water and waste



### Direct impact

In 2006, the independent consultancy firm DHV investigated our environmental footprint and developed an 'ecopoint' system to identify the relative significance of the direct environmental impact associated with our various operational activities. According to this system, 99% of ING's direct footprint is caused by the focus areas set out in our environmental statement: energy usage, business travel and paper usage. ING has taken steps in each of these fields to decrease our direct impact on the environment. For more details please see pages 32 to 34.

### Indirect impact

Through our products and services we also have an indirect impact on the environment. This may be because we are indirectly involved in projects that might harm the environment through our lending activities. This mainly applies to financing of the oil, gas, mining, forestry, paper and agricultural sectors. We have drawn up sector-specific policies in order to prevent or limit this indirect impact as much as possible. An example is our policy on forestry and plantations, which states that ING will not provide funding to oil palm companies whose operations involve the illegal deforestation or destruction of tropical rainforest. For more information on our lending policies, please see page 12 to 14 of this report.

ING offers its customers a wide range of sustainable products that contribute to a better environment. These range from sustainable investment funds such as the ING (L) Invest Sustainable Growth fund, to environmental interest certificates (groenrentecertificaten) and sustainable lease products. For more information, please see pages 16 to 18 of this report.

### ING and climate change (EC2)

Climate change is widely considered to be one of the greatest challenges facing our planet. ING believes it has a role to play by developing strategies to manage the increasing risks and opportunities this challenge presents.

One of the risks for the insurance industry in the long term may well be the effects of global warming and climate change. A change in weather patterns and sea levels could affect the property and casualty insurance industry. Other lines of business, such as life, disability and health insurance, might also be affected due to the secondary effects of natural disasters.

To gain a better understanding of issues related to climate change, ING joined the Global Roundtable on Climate Change (GROCC), an initiative of The Earth Institute at Colombia University in 2005. Learning more about the scientific, technological and economic issues surrounding climate change will help us better understand the risks facing our business and our clients, as well as new business opportunities that may arise. In 2007, ING signed the Climate Change Statement of the GROCC.

ING also takes individual action:

- ING is the first major Dutch financial institution to be 100% carbon neutral. For more information, please see page 32.
- 81% of ING' business units worldwide have implemented energy efficiency measures.
- Company cars of ING staff in the Netherlands are energy-efficient (A, B or C energy labels).
- ING aims to use paper from sustainable sources whenever possible, for instance paper with an FSC certificate. Most of the paper we use worldwide now carries an FSC or other sustainability certificate.
- Our global internal environmental awareness programme (ING Plant a Tree) encourages staff to make a personal contribution to a cleaner environment.

Several business units have been dealing with the topic of climate change by developing sustainable products (see page 16 to 18) and by mitigating environmental risks (see pages 12 to 14).

## Environmental performance (continued)

**CO<sub>2</sub> footprint (EN16, EN17)**

ING is the first major Dutch financial institution to be 100% carbon neutral. This means that by lowering our energy consumption through energy efficiency measures, by using green energy and by offsetting the remaining carbon consumption, we have reduced our CO<sub>2</sub> emissions to zero. More information on our energy efficiency measures and green energy procurement can be found in the below heading.

We have calculated our CO<sub>2</sub> footprint in accordance with the Greenhouse Gas Protocol. We used the latest available and most accurate emission factors (i.e. emission factors per country).

We offset our remaining CO<sub>2</sub> emissions by financing certified CO<sub>2</sub> compensation projects. Our compensation programme is based on extrapolated figures, resulting in a total compensation of 281 kilotonne CO<sub>2</sub> for 2007.

Reforestation activities, which are part of our compensation programme, are taking place in regions that are home to animal species in danger of extinction, and this certified project enables us to contribute to maintaining local biodiversity.



More information about this project can be found on [www.ing.com/cr](http://www.ing.com/cr) under ING and Climate Change

**CO<sub>2</sub> Footprint**

in percentages

Electricity	57
Natural gas	13
Oil	3
District heating	2
Car travel	11
Air travel	14

**Total CO<sub>2</sub> Emissions**

in kilotonne, based on an average coverage of 66% <sup>(\*)</sup>

	2007	2006
Electricity	121	213
Natural gas	27	43
Fuel oil	6	7
District Heating	5	4
Air travel	29	20
Car Travel	23	19
<b>Total</b>	<b>211</b>	<b>306</b>
<b>CO<sub>2</sub> emissions per FTE (in tonne)</b>	<b>2,55</b>	<b>2,59</b>

<sup>(\*)</sup> The decline of the coverage percentage (2007-2006) is a result of a revised data collection process.

## Environmental performance (continued)

**Energy (EN3, EN4)****Energy efficiency**

The most effective measure reduce CO<sub>2</sub> emissions and to cut costs is to limit energy consumption. ING therefore actively acknowledges the importance of in-house energy efficiency programmes and supports their implementation.

In about 81% of ING business units, energy efficiency measures have been taken. These include replacement programmes with energy-efficient lighting alternatives, installing occupancy or photo sensors, adding thermal insulation to buildings and more. This has led to a decrease of our total energy consumption of 19%.

In the Netherlands, an energy efficiency plan is developed every four years. This plan includes, among others Wake On Lan – a system that automatically turns PCs on and off, automatic sun screens and light sensors. These energy-efficiency plans have saved ING in the Netherlands a total amount of approximately € 1.5 million on its energy bill in 2007.

In October 2007, ING in the United States moved to a new office building in Windsor, Connecticut. The building is equipped with energy-efficient products and systems. Energy savings over the life of these measures will equal 7.08 million litres of oil.

**Green Energy**

In addition to limiting energy consumption, ING encourages all business units worldwide to purchase renewable energy if and where available and feasible. ING purchased 100% green energy for its buildings in the United States, the Netherlands and Belgium. Thanks to the efforts of these and other business units, our green energy consumption increased from 17.4% of our total electricity use in 2006 to 51% in 2007.

**Business travel**

As a global financial services provider, business travel is an inherent part of ING's activities. We encourage our employees to only make business trips if other forms of communication do not suffice.

Since September 2007, ING has offered about 21,000 employees in the Netherlands a free travel pass for all public transport. With this arrangement, ING wants to stimulate its employees to make more use of public transport and less use of their car. ING is the first Dutch company to have such an extensive public transport programme in place. Furthermore, all company cars offered to ING staff in the Netherlands are energy efficient (A, B or C energy labels).

In addition to our Dutch programmes, public transport is promoted in 75% of our other business units.

**Breakdown of Energy Consumption**

in kWh (in thousands)	2007	2006
Electricity (Brown)	<b>253.943</b>	481.375
Electricity (Green)	<b>259.780</b>	101.596
Natural Gas	<b>134.295</b>	195.960
Fuel oil	<b>21.396</b>	27.555
District Heating	<b>47.247</b>	38.472
<b>Total</b>	<b>716.661</b>	844.958 <sup>(*)</sup>
<b>Energy use in kWh per FTE</b>	<b>6,358</b>	8,096

<sup>(\*)</sup> The total use of energy does not reconcile with prior year report, because natural gas in 2006 was misrepresented in Megajoules.

**Business travel by air and car**

in km, based on an average coverage of 71%	2007	2006
Car travel*	<b>93.6 mln</b>	84.4 mln
Car travel per FTE*	<b>1,004</b>	1,100
Air travel	<b>215 mln</b>	154.6 mln
Air travel per FTE**	<b>2,850</b>	1,800

\* Employee commuting is not included.

\*\* The increase in air travel is a result of a large increase in activities (mainly in Australia and Mexico) and a improved data collection process.

## Environmental performance (continued)

**Paper (EN1, EN2, EN22)**

ING aims to use paper from sustainable sources where possible. By choosing the right paper, we can save wood, water, and energy, and cut pollution and solid waste.

This year, ING distributed a global guideline internally for sustainable paper procurement. It states that we strive to use sustainable paper only within our global organisation. ING encourages its business units to use environmentally friendly paper that is non-bleached (ECF and TCF) and that originates from sustainable sources.

There are numerous paper labels worldwide that we have identified as possible suppliers of sustainable paper and we have provided our business units with this list. Local business units can contact these potential suppliers for further information on sustainable paper procurement.

Most of the paper we use worldwide now carries an FSC or other sustainable certificate. ING Netherlands has signed a covenant with FSC to purchase environmentally friendly paper only. In the US, over 75% of procured paper is sourced from a minimum of 30% recycled content paper.

In addition to promoting sustainable paper sources, the ING Plant a Tree programme encourages employees to print less often and to print double-sided.

In 2007, several ING business units asked their customers to switch from receiving paper bank statements to statements online for environmental reasons. In Australia, this resulted in 42,000 customers switching to online statements. This development benefits the environment and reduces costs.

For 2008, as part of our global internal environmental awareness programme (ING Plant a Tree), we aim to set up a global network for our procurement departments. This network can be used to further implement the usage of sustainable paper and to help local procurement managers develop sustainable paper procurement programmes using shared research and definitions.

**Paper Purchase**

in millions kilo, based on an average 67%	2007	2006
Eco labelled paper	4.0	3.4
Non eco-labelled paper	2.0	2.7
<b>Total</b>	<b>6.0</b>	<b>6.1</b>

## GRI Index

## Strategy and Analysis

GRI Indicator	CR Performance Report 2007	Notes
1.1 Chairman's statement	1	
1.2 Key impacts, risks and opportunities	2	

## Organisational profile

GRI Indicator	CR Performance Report 2007	Notes
2.1 Name of reporting organisation	4	
2.2 Products, services and brands	4	See also <a href="http://www.ing.com">www.ing.com</a>
2.3 Operational structure	4	Annual report 2007, page 4-5
2.4 Location of head office	4	
2.5 Countries of operation	4	
2.6 Nature of ownership and legal form	4	Annual Report 2007, page 61-70
2.7 Markets served	4	Annual Report 2007, page 24-51
2.8 Scale of the organisation	4	Annual Report 2007, page 3 <a href="http://www.ing.com">www.ing.com</a> under Press Room
2.9 Changes during reporting period	4	
2.10 Awards received	Throughout report	

## Report Parameters

GRI Indicator	CR Performance Report 2007	Notes
3.1 Reporting period	5	
3.2 Most recent previous report	5	
3.3 Reporting cycle	5	See <a href="http://www.ing.com">www.ing.com</a> under publications
3.4 Contact point	6	See <a href="http://www.ing.com/cr">www.ing.com/cr</a>
3.5 Defining the report content	5	
3.6 Boundary of the report	5	
3.7 Specific limitations of the boundary	5	
3.8 Basis for reporting on joint ventures	5	
3.9 Data measurement techniques	5,6	
3.10 Restatements	6, 33	
3.11 Significant changes	6	
3.12 GRI index	5, 35-38	
3.13 Assurance	40	

## Governance, Commitments and Engagement

## Structure and Governance

GRI Indicator	CR Performance Report 2007	Notes
4.1 Governance structure	7	Annual Report 2007, page 61-70
4.2 Function of CEO	7	Annual Report 2007, page 61-70
4.3 Independent board members	not applicable	
4.4 Mechanisms for recommendations	7 (general), 26 (employees)	Annual Report 2007, page 61-70 (shareholders), Annual Report 2007, page 87 (employees)
4.5 Executive compensation	7	Annual Report 2007, page 76-86
4.6 Conflict of interest	7	Annual Report 2007, page 61-70
4.7 Expertise of the highest governance body	7	Annual Report 2007, page 65-69
4.8 Code of conduct	7, 8	see <a href="http://www.ing.com/cr">www.ing.com/cr</a> under Principles and Policies
4.9 Management of sustainability performance	7	
4.10 Evaluation of performance of governance body	7	Annual Report 2007, page 61-70

## General information

## GRI Index (continued)

**Commitment to External Initiatives**

GRI Indicator	CR Performance Report 2007	Notes
4.11 Precautionary approach	12-15	
4.12 Externally developed charters	10	
4.13 Memberships	10	

**Stakeholder Engagement**

GRI Indicator	CR Performance Report 2007	Notes
4.14 Stakeholder Groups	9-11	
4.15 Identification of stakeholders groups	9-11	
4.16 Approach to stakeholder engagement	9-11	
4.17 Key topics and concern	9-11	

## Economic Performance Indicators

**Customers**

GRI Indicator	CR Performance Report 2007	Notes
EC 1 Direct economic value	20	Annual Report 2007, page 13
EC 2 Financial implications due to climate changes	31	
EC 3 Defined benefit plan obligations	Not reported	See Annual Report 2007, page 136-137
EC 6 Locally-based suppliers	10	
EC 7 Local hiring of senior management	22	We do not have information available at corporate level.
EC 8 Services provided for public benefit	Not reported	However, building local infrastructure can be part of our local community development programmes.

## Environmental Performance Indicators

ING' environmental footprint indicates that 99% of ING's footprint is caused by energy, business travel and paper usage. Therefore we limit our report to these three areas.

**Materials**

GRI Indicator	CR Performance Report 2007	Notes
EN 1 Materials used by weight or volume	34	Paper usage
EN 2 Recycled materials	34	Paper usage

**Energy and water**

GRI Indicator	CR Performance Report 2007	Notes
EN 3 Direct energy consumption	32	
EN 4 Indirect energy consumption	32	
EN 8 Total water withdrawal	Not reported	Not an environmental focus area (see above)

**Biodiversity**

GRI Indicator	CR Performance Report 2007	Notes
EN 11 Land owned in biodiversity-rich habitats	32	
EN 12 Impacts on biodiversity	12-14	

## General information

## GRI Index (continued)

## Emissions effluents and waste

GRI Indicator	CR Performance Report 2007	Notes
EN 16 Greenhouse gas emissions	32	
EN 17 Other relevant greenhouse gas emissions	32	
EN 19 Use and emissions of ozone-depleting substances	Not reported	Not applicable for a financial services provider
EN 20 Air emissions	Not reported	Not applicable for a financial services provider
EN 21 Significant water discharges	Not reported	Not applicable for a financial services provider
EN 22 Total amount of waste	34	Paper usage
EN 23 Significant spills	Not reported	Not applicable for a financial services provider

## Products and services

GRI Indicator	CR Performance Report 2007	Notes
EN 26 Environmental impact of principal products and services	12-19	
EN 27 Percentage of the weight of products sold that is reclaimable	Not reported	Not applicable for a financial services provider

## Compliance

GRI Indicator	CR Performance Report 2007	Notes
EN 28 Incidents of non-compliance	Not applicable	Annual Report 2007, page 22-23

## Social Performance Indicators

## Labour practices and decent work

GRI Indicator	CR Performance Report 2007	Notes
LA 1 Breakdown of workforce	22	
LA 2 Employee turnover	24	
LA 4 Collective Bargaining Agreements	24, 26	
LA 5 Significant operational changes	24	
LA 7 Rates of injury/ absenteeism	24	
LA 8 Serious diseases	24	
LA 10 Training	25	
LA 11 Skills management	25	
LA 13 Breakdown by gender	22-23	
LA 14 Ratio of basic salary of men and women	Not reported	We cannot give a proper insight of ratio on salaries, as the construction of salaries consists of many variables, such as longitude of the employment, age, country and type of job.

## Human Rights

GRI Indicator	CR Performance Report 2007	Notes
HR 1 Agreements that have undergone human rights screening	26	
HR 2 Human rights and suppliers	26	
HR 3 Employee training on human rights	14 and 26	
HR 4 Total number of incidents of discrimination	Not reported	Our personnel policy is based on equal opportunities and a non-discriminatory policy. Our local compliance organisations act when incidents are reported.
HR 5 Freedom of Association	26	
HR 6 Child labour	26	
HR 7 Forced and compulsory labour	26	

## General information

## GRI Index (continued)

## Society

GRI Indicator	CR Performance Report 2007	Notes
SO 1 Community development programmes	27-28	
SO 2 Risk related to corruption	8	
SO 3 Employee training on corruption	8	
SO 4 Incidents of corruption	8	Annual Report 2007, page 22-23
SO 5 Public policy positions	8	
SO 8 Non-compliance	8	Annual Report 2007, page 22-23

## Product Responsibility

GRI Indicator	CR Performance Report 2007	Notes
PR 1 Health and safety impacts of products and services	Not reported	Not applicable to financial products
PR 2 Product information and labelling	30	
PR 3 Marketing communications	30	
PR 8 Customer privacy	30	
PR 9 Non-compliance	30	See Annual report, page 156

## Financial services sector supplement

We refer to the indicators set out in the available draft version of the revised GRI Financial services Sector Supplement 2008, proposed for public comment

## Product and Service impact

GRI Indicator	CR Performance Report 2007	Notes
PSI 1 Audits environmental and social risk assesment	12-14	
PSI 2 Active ownership: engagement	15	
PSI 3 Active ownership: screening	15	
PSI 4 Active ownership: voting policies	15	
PSI 5 Active ownership: voting practices	15	
PSI 6 Product portfolio: social benefit	16-19	
PSI 7 Product portfolio: environmental products	16-19	
PSI 8 Product portfolio: percentage of portfolio	Not reported	We do not have the percentage of the portfolio per region, size and sector available. For more information on our portfolio, please see the Annual Report 2007.

## Society

GRI Indicator	CR Performance Report 2007	Notes
S 9 Community: low populated areas	30	
S 10 Community: people with disabilities	30	

## Product Responsibility

GRI Indicator	CR Performance Report 2007	Notes
PR 11 Design and sale of products and services	29, 30	
PR 12 Financial literacy	29, 30	

## UN Global Compact

UN Global Compact		
UN Global Compact/ILO Core Conventions	ING Commitment	CR Performance Report 2007
<b>Principle 1</b> Business should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• ING Human Rights Statement for employees with reference made to the ILO Core Conventions. The ING Human Rights statement expands on our existing Business Principle on human rights</li> </ul>	7, 8, 12-14, 26
<b>Principle 2</b> Business should ensure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• ING Human Rights Statement for employees with reference made to the ILO Core Conventions. The ING Human Rights statement expands on our existing Business Principle on human rights</li> </ul>	7, 8, 11, 12-14, 26
<b>Principle 3/ILO Convention 87 &amp; 98</b> Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	<ul style="list-style-type: none"> <li>• Under our Human Rights Statement, we uphold the freedom of association for all our employees and recognise the right to collective bargaining</li> </ul>	12-14, 26
<b>Principle 4/ILO Conventions 29 &amp; 105</b> Business should support the elimination of all forms of forced and compulsory labour	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• Through the ING Human Rights Statement we express our commitment to support international labour rights standards for our employees</li> </ul>	26
<b>Principle 5/ILO Conventions 138 &amp; 182</b> Business should support the effective abolition of child labour	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• ING Human Rights Statement</li> <li>• ING Procurement Code of Conduct</li> </ul>	26
<b>Principle 6/ILO Conventions 100 &amp; 111</b> Business should support the elimination of discrimination in respect of employment and occupation	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• Diversity mentoring programme</li> <li>• ING Human Rights Statement</li> </ul>	22, 26
<b>Principle 7</b> Business should support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• ING Environmental Statement</li> <li>• The ING Procurement Code of Conduct includes environmental issues, this to ensure environmental sustainability</li> <li>• Equator Principles</li> </ul>	12-14, 26, 31-34
<b>Principle 8</b> Business should undertake initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• ING Environmental Statement</li> <li>• For credit lending and project financing ING has acknowledged the importance of social, ethical and environmental risk criteria since 2003</li> <li>• Equator Principles</li> </ul>	12-14, 26, 31-34
<b>Principle 9</b> Business should encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> <li>• ING Business Principles</li> <li>• ING environmental Statement</li> <li>• ING's Green Finance department</li> <li>• ING Car Lease</li> <li>• ING Real Estate</li> <li>• ING Investment Management (sustainable funds)</li> </ul>	12-19, 31
<b>Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• ING Business Principles</li> <li>• Compliance policy</li> </ul>	7, 8

# Assurance Report

## To: the management of ING Groep N.V.

### Engagement and criteria

We have performed an assurance engagement in accordance with Standard 3000 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' aimed to provide reasonable assurance that in the Corporate Responsibility Report 2007 of ING Groep N.V. ('CR report'):

- the eight Key Performance Indicators ('KPIs') as defined on page 2 are, in all material respects, reliable; and
- the description on page 5 and 6 accurately reflects the reporting processes within ING Groep N.V. in accordance with the reporting principles in the G3 Sustainability Reporting Guidelines of Global Reporting Initiative and the documented reporting policy of ING Groep N.V.

### Limitations of our assurance engagement

We have not audited the reliability of the information in ING's CR report 2007 other than the KPIs mentioned above. We have not audited the completeness of the number of projects of the Equator principles other than the process regarding announcements, accepting and category-determination of the projects reviewed (page 2 and 14).

### The management's responsibility

Management is responsible for the preparation of the report and the information therein in accordance with the Global Reporting Initiative principles and the documented reporting policy of ING. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of a CR report that is free of material misstatements, selecting and applying appropriate reporting policies that include the GRI reporting principles and using measurement methods and estimates that are reasonable in the circumstances. The choices made by management, the scope of this report and the reporting policy, including any inherent limitations that could affect the reliability of information, are set out on page 5 and 6 of the report.

### The auditor's responsibility

We performed our procedures in accordance with Dutch law. This law requires, among other things, that we comply with ethical requirements, including requirements relating to independence. Our responsibility is to express at the request of ING's management a conclusion on the items described above in the section 'engagement and criteria'. Our responsibility in performing our assurance procedures is to the management of ING only.

We have performed the procedures deemed necessary to provide a basis for our conclusions. Our main procedures were:

- determining the method used by ING in its reporting process the reporting principles in the G3 Sustainability Reporting Guidelines of Global Reporting Initiative;
- evaluating the acceptability and consistent application of the reporting principles used in preparing the CR report 2007;
- evaluating the reliability of the KPIs by:
  - obtaining an understanding of the design and operation of the systems and methods used to collect and process the reported KPIs, including the consolidation process;
  - identifying inherent risks relating to the reliability of the KPIs and investigating the extent to which these risks are limited by internal controls;
  - assessing the related internal controls for their operating effectiveness, insofar as this was relevant for our assurance engagement;
  - performing based on a risk analysis additional procedures related to the KPIs, by a combination of:
    - interviews with relevant staff at corporate and business unit level to substantiate the related descriptive information in the report;
    - quantitative analyses at corporate and business unit level to assess the quantitative data;
    - reconciliations with audited financial statements;
    - detailed review of the data on a test basis at the group and business unit level, using internal and external sources of information to substantiate the reliability of the information provided.

### Conclusions

Based on the procedures performed and considering the choices made by ING Groep N.V. as reflected in the reporting policy, we believe that in the CR report 2007 of ING Groep N.V.:

- the eight KPIs as defined on page 2 are in all material respects reliable;
- the description on page 5 and 6 accurately reflects the reporting processes within ING Groep N.V. in accordance with the reporting principles in the G3 Sustainability Reporting Guidelines of Global Reporting Initiative and the documented reporting policy of ING Groep N.V.

Amsterdam, April 7, 2008

for Ernst & Young Accountants  
w.s. C.B. Boogaart

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**Text and production**

ING Groep N.V., Corporate Communications, Amsterdam

**Design and production**

Addison Corporate Marketing, London

## ING Corporate Responsibility Reporting 2007



### CR Brochure

The CR Brochure highlights our CR strategy, performance and several topics that were most important to our stakeholders and ING in 2007. Available in Dutch and English in print and as a PDF.

[www.ing.com/cr](http://www.ing.com/cr)



### CR Performance Report

The CR Performance Report gives detailed information on ING's performance in the field of Corporate Responsibility in 2007. Available in English as a PDF.

[www.ing.com/cr](http://www.ing.com/cr)

