MINUTES

Annual General Meeting of ING Groep N.V.
Tuesday, 27 April 2009, 11.00 a.m.
Amsterdam RAI, Elicium Building, Amsterdam

(These minutes reflect the business-related content of the meeting and are a translation of the Dutch minutes, which shall prevail.)

Agenda items

1. Opening remarks and announcements
2. A. Report of the Executive Board for 2008 (discussion item)
   B. Report of the Supervisory Board for 2008 (discussion item)
   C. Annual Accounts for 2008 (voting item)
3. A. Profit retention and distribution policy (discussion item)
   B. Dividend for 2008 (voting item)
4. Remuneration report (discussion item)
5. Corporate governance (discussion item)
6. Corporate responsibility (discussion item)
7. A. Discharge of the Executive Board in respect of the duties performed during the year 2008 (voting item)
   B. Discharge of the Supervisory Board in respect of the duties performed during the year 2008 (voting item)
8. Composition of the Executive Board:
   A. Appointment of Mr J.H.M. Hommen (voting item)
   B. Appointment of Mr P.G. Flynn (voting item)
9. Composition of the Supervisory Board:
   A. Reappointment of Mr G.J.A. van der Lugt (voting item)
   B. Appointment of Ms J.P. Bahlmann (voting item)
   C. Appointment of Mr J. van der Veer (voting item)
   D. Appointment of Mr L.J. de Waal (voting item)
10. Authorisation to issue ordinary shares with or without preferential rights (voting item)
11. Authorisation to acquire ordinary shares or depositary receipts for ordinary shares in the company’s own capital (voting item)
12. Any other business and conclusion

Present

- from the Supervisory Board: Messrs J.H.M. Hommen (chairman), E. Bourdais de Charbonnière (vice-chairman), H.W. Breukink, P.A.F.W. Elverding, C.D. Hoffmann, P. Hoogendoorn, P.C. Klaver, W. Kok, G.J.A. van der Lugt, H. Manwani, A. Mehta, J.P. Tai;
- from the Executive Board: Messrs E.F. Boyer de la Giroday (acting chairman), D.H. Harryvan, C.P.A. Leenaars, T.J. McInerney, H. van der Noordaa, J.V. Timmermans (chief risk officer and acting chief financial officer) and J.M. de Vaucleroy;
- 9 shareholders and 475 depositary receipt holders;
- external auditor: Mr C. Boogaart of Ernst & Young;
- representatives of the Central Works Council;
- the following company officials:

F.J.E. Koster	Corporate Communications & Affairs
J.H. van Barneveld	Group Finance & Control

J-W.G. Vink	Company Secretary
L.G. van der Meij	Secretary (minutes)

The meeting was chaired by Mr J.H.M. Hommen.

1. Opening remarks and announcements

The chairman opened the meeting at 11.00 a.m. and welcomed everyone, the shareholders and depositary receipt holders of ING Groep N.V., the external auditor, the representatives of the Central Works Council and the members of the press. He announced that Ms Spero and Mr Vuursteen were unable to be present. In addition to the members of the Supervisory Board and the Executive Board, Mr Jan-Willem Vink, the Company Secretary and head of Legal Affairs, was present on the stage. He would be overseeing the voting.

The meeting would be conducted in Dutch, but Messrs Boyer de la Giroday and McInerney would be speaking in English. Everyone had a headset to follow the meeting in Dutch or English. As approved by the Annual General Meeting of Shareholders on 25 April 2006, the meeting would be broadcast on the ING internet site (www.ing.com).

The chairman stated that shareholders and depositary receipt holders had been notified of the meeting in conformity with the Articles of Association and the law, enabling the meeting to pass legally-valid resolutions. He also stated that no shareholders or depositary receipt holders had submitted resolutions for discussion at the meeting. The chairman went on to announce that the issued capital of the company consisted of 2,063,147,969 shares on the Record Date. A total of 57,541,543 depositary receipts for ordinary shares were held by ING itself on the Record Date, and so no votes could be cast on them. Consequently, a total of 2,005,606,426 votes could be cast.

Later in the meeting, it was announced that nine shareholders (including the ING Trust Office) and 475 depositary receipt holders holding a total of 2,062,619,387 shares or depositary receipts for shares were present or represented at this meeting, permitting 2,005,077,844 votes to be cast. A total of 713,634,271 votes may be cast by means of proxy voting or by shareholders, excluding the ING Trust Office, and depositary receipt holders present or represented at the meeting, which was 35.58% of the total number of eligible voting ordinary shares.

The chairman then announced that the minutes of the Annual General Meeting of Shareholders on 22 April 2008 had been adopted and signed by himself, the secretary and Mr G. Sijtsma, the designated share or depositary receipt holder. The adopted minutes had been available on the ING Group website since 22 October 2008; they had also been available for inspection and were available at the entrance of the hall. The minutes of this meeting would be taken by Ms Lilian van der Meij and the entire meeting was being recorded on tape for the purposes of preparing the minutes.

In accordance with Article 32(3) of the Articles of Association, a shareholder or holder of depositary receipts would be designated to adopt and sign the minutes of the meeting along with the chairman and the secretary. The chairman proposed to designate Mr Looze of Assendelft, depositary receipt holder, who had already declared his willingness to perform this duty. The meeting decided accordingly by acclamation.

The chairman requested those present to put their questions as briefly and succinctly as possible. Directors and senior management of ING in the Netherlands were present in the area outside the meeting room to answer questions about ING products or services.

2A. Report of the Executive Board for 2008 (discussion item)

Mr Hommen gave a brief introduction. The financial crisis in 2008 had been unprecedented and affected many financial institutions, including ING. In recent years, ample liquidity and low interest rates created a strongly growing economy, but also a build-up of high levels of debt and an excessively low evaluation of risk in the financial industry. The collapse of real estate markets, especially in the United States, had led to reductions in debt positions, putting strong downward pressure on shares, bonds, real estate and private equity. This had subsequently led to bank collapses, solvency problems, government support and partial nationalisation of a number of financial institutions. It had far-reaching repercussions for the entire financial sector and its stakeholders. Even technically healthy businesses were affected. The global economy had now deteriorated sharply as a consequence of the crisis. For the first time in its history, ING had recorded a loss. Furthermore, ING had twice called on the Dutch government for assistance. These developments caused concern among our customers, our staff and, especially, our shareholders and depositary receipt holders. All this called for humility.

More recently, there had been a number of changes in the Executive Board of ING. The CEO, Mr Tilmant, stepped down in January of this year and the CFO, Mr Hele, took a new position outside ING from 1 April. The resultant changes were items on the agenda of this meeting. Mr Boyer had been acting CEO since Mr Tilmant's departure.

Mr Hommen announced that the Supervisory Board had asked him to accept the role of chairman of the Executive Board of ING from the end of this meeting. In recent months, it had been decided to make his role as intended chairman of the Executive Board more explicit to the outside world so that all stakeholders would have greater clarity on the future allocation of duties. Mr Hommen emphasised that he was the chairman of the Supervisory Board until the end of the meeting and subject to the meeting giving its approval to his appointment, and that he would chair the meeting in that capacity.

Mr Hommen explained that Mr Boyer's introductory remarks would be followed by a commentary on the annual figures by Mr Timmermans, chief risk officer and, until the end of the meeting, acting chief financial officer. Thereafter, Mr Hommen himself would explain the company's new strategy.

Mr Boyer de la Giroday took the floor and referred to the previous year's presentation on a strategy of growth. At the time, the financial crisis appeared to be under control and ING was performing relatively well in what was already a deteriorating climate. It was now clear that the magnitude of the crisis and the speed with which it had unfolded had led to adverse consequences for very many companies.

For ING, 2008 had been marked by government support and disappointing financial results. ING had reported a loss for the first time in its eighteen year history. For the shareholders, the year had seen a sharp decline in the share price, meaning unfortunately that most shareholders present had personally suffered losses. The developments in 2008 had been a great disappointment for customers, staff and the Executive Board.

Several analyses had been published on the factors underlying the financial crisis. ING agreed with the analysis of the Netherlands Bankers' Association in its response to the recent report of the Maas Committee on the future of the financial sector. In summary, this analysis argued that in recent years, when the economy was booming as a result of ample liquidity and low interest rates, banks had developed new activities in addition to their traditional role of investing savings productively in the economy. These new activities were a generally accepted way of spreading risks and improving the risk profile of the business. It was now clear that these activities were too focused on innovation and could also be used to achieve quick results. Furthermore, the interactions between the associated risks were not completely manageable and the innovative products could not ultimately be sustained by the markets. Although ING had not had an active role in originating the innovative products or taken advantage of their short-term profits, it was nevertheless involved in them and also suffered from their adverse effects.

The roles of banks, regulators, rating agencies and monetary authorities, the pro-cyclical effect of accounting standards and the continuing search by various stakeholders for ever-increasing returns could be put to one side for the moment. It was enough to say that these developments had brought huge turbulence to the financial markets and affected the financial industry worldwide. Unfortunately, the financial sector as a whole had underestimated how quickly the vicious circle of deteriorating markets and asset prices that started the financial crisis, could affect fundamentally healthy companies such as ING. ING sincerely regretted the concern that this had caused customers and employees and the financial cost suffered by many ING shareholders.

When the financial crisis also hit ING, it had to meet higher market expectations on its capital and solvency ratios, partly in view of developments in the United States and United Kingdom and higher capital requirements set by regulators. ING was grateful to the Dutch government for its speedy assistance in reinforcing ING's capital. There was, of course, a price for this support, that ING and its shareholders were having to pay.

All in all, 2008 was a difficult year for ING, not least for the staff who had worked so hard to protect ING's reputation. Despite their efforts and those of the Executive Board, ING's reputation had been damaged. Government support was needed on two occasions, firstly in the form of a capital injection and then as a transfer of the risk in ING's Alt-A portfolio.

Staff bonuses had recently attracted adverse press attention. The current public debate and recommendations by various bodies would be taken into account when designing a new remuneration policy. The new remuneration policy would be an item on the agenda of the 2010 shareholders' meeting. The scope of variable compensation had been reduced overall by 50% for 2008 compared with the previous year because of the poor financial performance. Furthermore, the Executive Board would not be receiving short-term or long-term incentive payments for 2008 or 2009.

The crisis had fundamentally changed the financial sector. ING had learnt lessons from this and was amending its strategy accordingly. Since October 2008, there had been hard work on reducing risk, improving the capital position, cutting costs and putting customer focus at the heart of all ING's activities and products. The past six months had been the most difficult and challenging in ING's history. ING was determined to rebuild the trust of all stakeholders. The short-term measures announced in November 2008 were already bearing fruit. Mr Hommen would address the new long-term strategy in detail. In brief, ING had learnt from the financial crisis and would pay greater attention to the basics of banking in the needs of the customer.

The emphasis would be on service to our customers in achieving their financial objectives. There is a fundamental business case for creating added value for customers and ING was well positioned to deliver this. ING was also committed to recovering its independence by repaying the funding received from the Dutch government. ING aims to do this with the least effect on your shareholdings as possible.

ING was grateful for the loyalty of its customers and shareholders. ING appreciates the willingness of shareholders to enter into a dialogue with ING and to invest in the company. The presence of all the shareholders today was a sign of their commitment and loyalty to ING and that commitment was deeply valued.

Mr Timmermans gave a presentation on ING's results for 2008. Income (EUR66 billion) had fallen in the past year mainly as a result of a sharp decline in investment income. The underlying net result dropped sharply to a loss of EUR729 million. Total assets increased only slightly. At ING Group level, the debt/equity ratio went up to 13.8%. The bank's Tier 1 ratio had risen hugely to 9.32%. In operational terms, the results on assets under management had been reasonable in the past year but assets under management had fallen as they were revalued downwards. The capital and solvency ratios were within target.

Mr Timmermans looked more closely at the results. ING Group had suffered a loss of EUR729 million, being a profit of EUR454 million on banking operations and a loss of EUR1.183 billion on insurance operations. The Bank's commercial result of EUR5.2 billion had been adversely affected by an impairment of EUR2 billion on the Alt-A and other investments. In addition, investments in equity securities and real estate had fallen in value by EUR732 million. The risk costs had risen in the past year by EUR1.2 billion as a result of the deterioration in the economy.

The commercial result on insurance operations was EUR2 billion, reduced by EUR560 million for impairment of pressurised assets. As the quoted price of the equity portfolio of the insurance operations had been below cost for some time, this too had to be revalued downwards by EUR1.3 billion. Against the impairment of equities, there had been capital gains and hedging of EUR1.1 billion as much of the equity portfolio had already been hedged for the year.

The results of every business line in the banking operations had fallen during the fourth quarter. The underlying result before tax at Wholesale Banking was EUR609 million, mainly as a result of the downward revaluation of the real estate portfolio and increased risk costs in the fourth quarter. The Retail Bank had been a stable factor for years with an underlying profit of EUR1.7 billion this year, but margins on savings had fallen and provisions had been increased in the fourth quarter. Postbank and ING had also merged this year. Although the underlying margins at ING Direct were positive, its result had been adversely affected by the impairment of the Alt-A portfolio.

Losses on real estate and private equity played a major role at Insurance Europe, but there had also been positive developments in the pension business in Central and Eastern Europe. In America, ING suffered from impairment of investments and amortisation of capitalised acquisition costs as a result of the strong deterioration in the American economy. ING had been able to maintain its market positions in Asian insurance operations, although there was lower demand for investment-linked products and the results were adversely affected by volatility, especially in Japan.

Mr Timmermans then explained the steps that ING had taken to reduce risk during the year. The risks on the balance sheet had been reduced by running down open positions on equities, interest rates and asset-backed securities. The CDO portfolio had been reduced since mid-2008. At the end of 2008, ING Life Taiwan had been sold and this had had a positive effect on the interest-rate position. ING had also reduced risk on products by tightening acceptance criteria and redesigning a number of products. Finally, balance sheet growth had been restrained.

Secondly, working with the government, ING's capital had been strengthened. ING had a Tier 1 ratio for the bank of 7.2%, as required for an AA credit rating. The core capital within this, the pure shareholders' equity, was 5.4%. There is an EU norm of 150% for capital coverage for insurance, and ING's insurance operations were above this. The Group debt/equity ratio was also within the norms. The market was convinced, however, that financial institutions needed to have higher capital ratios in a crisis. The starting position was, therefore, good but the norm changed during the crisis, prompted in part by market developments.

During June and July, ING had already faced a reasonable deterioration mainly in equity markets and corporate bond markets but the capital ratios remained reasonably up to standard. Unfortunately, the markets continued to be poor in the third and fourth quarters. Firstly, Lehman Brothers collapsed and then there was the nationalisation of Fortis/ABN Amro. There was speculation in the weekend of 13-14 October particularly on the London and New York markets with short-selling of major banks in small countries, on the idea that small countries with large banks may not be able to support them. That weekend, a number of large banks in the UK received capital injections of GBP37 billion and American banks received capital injections of USD250 billion from the American government. These two points and the fact that larger institutions in smaller countries were being watched closely, meant that major speculation started against ING. In the end, this led to the government injecting EUR10 billion of capital into ING on 19 October.

The massive capital injections in the market raised market expectations for capital levels in October to a core Tier 1 ratio of 7-8% for banks. In addition, investors were focusing more on basic metrics, such as asset leverage, instead of the weighted capital ratios used by ING.

The features of the EUR10 billion capital reinforcement were flexibility in both dividends and redemption. ING had the right to buy back the securities at 150% of the issue price. It also had the option to convert at par after three years or to seek other sources of core capital to repay the government.

The capital injection from the government led to a sharp improvement in the Bank's Tier 1 ratio. The Insurance capital coverage ratio also improved. The Group debt/equity ratio was also within the norms set by ING. Ignoring the capital injection, ING's ratios, except for the Group debt/equity ratio, would have remained within the old market norms.

Mr Timmermans also commented on the support facility of 26 January 2009, although it did not in fact relate to the previous year. ING Direct had a licence to operate as a savings bank ('thrift') in America. This licence means it can accept savings, but a majority of them have to be invested in American mortgages. Initially, ING Direct attracted much more in savings in America that it could generate in its own mortgages. Consequently, in America ING Direct had purchased American residential mortgage-backed securities (RMBS) with a short duration and high rating. These Alt-A investments secured on American mortgages, made up 1.5% of the total assets at ING. An important point was that ING Direct did not purchase speculative mortgages.

American house prices fell sharply in 2008 as the American economy slowed. This meant that the prices of mortgage-backed securities fell sharply, and the deterioration in prices was aggravated by a lack of purchasers as there was no financing available. Losses on mortgages do not automatically mean losses on the securities, as there were many tranches in them that were affected first. Nevertheless, there were problems in three significant areas.

Firstly, deteriorating market values reduced shareholders' equity due to accounting for investments as 'available for sale'. This caused a negative revaluation reserve leading to lower shareholders' equity under IFRS. Secondly, under IFRS any underlying credit loss is translated into an impairment through profit or loss to current market price. These market values were now extremely low, leading to impairment of EUR1.8 billion through the profit and loss account. Thirdly, securitised products as a whole were amortised against shareholders' equity under Basel II rules if their rating is reduced to below BB.

All these developments had brought about the transaction with the government. ING had transferred 80% of the economic ownership of the Alt-A portfolio to the government at 90% of face value. The government retains all interest income and runs all the risks on the 80% of the Alt-A portfolio. As a result, ING is foregoing EUR400 million of interest income per year. As the price is 90%, the effective return on this portfolio had increased. ING receives a risk-free return from the government on the principal sum. This transaction had reduced ING's risk from a possible future impairment of the Alt-A portfolio by 80% thus raising the Bank's Tier 1 ratio by 40 basis points.

Recapping, Mr Timmermans said that the result for 2008 had been a loss because of the financial crisis. The turmoil on the financial markets had played a major role in insurance operations in particular, while the bank remained profitable. ING had taken a number of steps to reduce risk, had strengthened its capital by EUR10 billion and had largely transferred the risk on the Alt-A portfolio. Looking ahead, Mr Timmermans announced that ING would be operating in a difficult economic climate in 2009 facing several uncertainties including developments in the financial markets, the real estate markets and the economy. Further deterioration of the global economy was playing a major role. This would gradually lead to higher loan loss provisions.

The chairman thanked Mr Timmermans for his presentation.

The chairman gave a presentation on the strategic reorientation of ING known as 'Back to basics'. Back to basics meant that ING would put the customer at the heart of things that ING would take fewer risks, offer more transparent products and straightforward services and that ING would be more accessible to the customer. It also meant that ING's staff would be motivated and customer focused in their work and deliver first-class results. When this was done, the shareholders would benefit too.

ING introduced the change programme on 18 February. The programme has three phases. The first phase was navigating through the financial crisis and strengthening the financial position. In the second phase, ING would concentrate on fewer but more coherent activities. In the third phase, ING would invest in reinforcing the businesses and markets it is focusing on. The programme also means a simpler organisation with a simpler business model.

This year, ING wants to reduce costs by EUR1 billion. More than half of the previously announced reduction in staff levels had already been made. The cost reduction would be achieved by the end of the year. The de-risking steps were also on schedule. ING had reduced its equity exposure and often the position was also more and better hedged. A number of activities have been disposed of, for example, in Taiwan where ING had a major interest-rate exposure. Total assets would fall by 10%, or EUR110 billion. EUR70 billion of this had already been achieved by the end of March. Mr Timmermans had already explained the agreement with the government on the Alt-A portfolio. The capital and solvency ratios were within the targets set by ING and up to now the results of the stress tests had been satisfactory. Steps had already been taken to reduce complexity. The bank and insurance operations would operate independently, under the ING flag but in separate organisations; a separate management team and a separate integrated balance sheet.

With respect to the second phase, in which ING is focusing on fewer but more coherent businesses, it is also relevant that the environment had changed significantly. After the economy had built up excessive debt, this was now being run down. This means that fewer risks would be taken on in future. Fewer risks mean less complex products for hedging those risks. There will be greater regulation, especially at the local, national level. Regulators will also raise the minimum capital requirements and impose more anti-cyclical capital requirements.

ING had a number of strategic advantages in the new environment. ING was one of the largest savings banks in the world and had a favourable loan-to-deposit ratio, meaning that it was not highly dependent on external financing. ING had a large direct banking customer base and its costs are among the lowest in this sector, although the margins are low. ING would focus on markets in which it has strong networks and where it was or could be market leader, where a highly cohesive business could be built with less volatility in profits. ING would, therefore, run down its positions in high-risk activities and reallocate capital to those activities which offer better returns.

The chairman noted that ING wanted to make divestments of some EUR2 billion to EUR3 billion in the next eighteen months and that EUR1.4 billion of this had already been achieved with the sale of ING Canada. The divestments could rise to between EUR6 billion and EUR8 billion in the longer term. ING expects that this could free up EUR4 billion of capital which could be used for example, to reduce debt or reinforce the capital ratios.

The chairman then discussed the various activities in more detail. The bank would be predominantly a European bank; a bank that is strong in attracting savings, with a robust distribution system but with simple products. In Retail, there would be further growth in scale and efficiency in the Benelux. If the opportunity arose, ING would expand in Central and Eastern Europe to strengthen its position there further. ING Direct’s systems would remain separate from those of the other parts of the bank, as they were entirely independent and among the most advanced systems at ING. Wholesale activities were being converted into a commercial bank focusing mainly on Western Europe and on Central and Eastern Europe. ING Real Estate would be split up. Its financial and development activities would remain part of the commercial bank, while the Real Estate Investment Management activities would be transferred to a new global investment manager. Focus in the United States would move to lower risk products. This would create a bank with a separate management team and a separate balance sheet, focused primarily on Europe and with selective growth options elsewhere.

Although the Insurer was a global business, it operated mainly on the basis of regional management. The strongest components were life insurance and pensions services. ING had strong insurance operations in the Benelux and would announce steps to further reinforce that position in the next few months. In the United States, there would be a shift towards lower-risk products, in particular life and retirement products. The insurance operations still had opportunities for growth in emerging markets.

As a result of all these steps, the number of businesses within ING would be reduced from 70 to between 55 and 60. It was expected that some EUR4 billion of capital could be released. Profitability would fall by about 10%, but earning power would remain good and at lower risk. In the end, about 70% of ING's operations would be in mature markets and about 30% in growth markets. This would create a new balance between growth and stability. An adapted organisation with separate banking and insurance organisations would operate under the ING umbrella.

The chairman concluded by summarising that ING would refocus its portfolio of activities, that the organisation would be simpler, that it would be easier for customers to work with ING, that the products would be simpler and lower risk and that the processes would be more efficient with better IT support. The final objective was more satisfied customers, more motivated staff and more predictable income which would in the end benefit the shareholders.

The chairman gave the meeting the opportunity to ask questions.

Mr van der Burg noted that he had not heard the term 'providers of risk capital', that the final dividend was being passed over, and that ING hoped to make EUR4.2 billion next year. As ING did not have to pay a coupon to the Dutch government if no dividend was distributed, there was a good chance that the depositary receipt holders would not receive a dividend in 2009 while they had suffered a serious capital loss as a result of the fall in the share price.

The chairman replied that risk capital was very important to ING, but unfortunately 2008 had been a very difficult year. ING had had to cut the dividend, although depositary receipt holders had received a dividend of EUR0.74. The government does indeed not receive interest on the core capital securities if no dividend is paid. At the moment, the most important thing was pursuing the new strategy to reduce risk at ING. The hoped-for profit of EUR4.2 billion in the presentation was merely an indication of the company's earning potential.

Mr Hazewinkel (Board of the ING Trust Office) asked how the coupon of at least 8.5% for the government on the core Tier 1 securities had been computed. He also asked for comments on the plans to redeem the core capital securities. Referring to a chart on page 17, Mr Hazewinkel asked for explanations of a number of items in the decline of EUR20 billion in shareholders' equity. At the start of the year, there had been space of EUR7 billion in the Tier 1 capital on the move from Basel I to Basel II, but the notes disclosed a difference of only EUR1 billion. As Basel II looks at risk weighted assets, the risk had clearly increased by over EUR6 billion during the past year. What part of this related to the Alt-A portfolio? Finally, Mr Hazewinkel asked whether a 10% loss had been recognised on the transfer of 80% of the Alt-A portfolio to the government and whether the remaining 20% was entirely for ING's account on which the impairment would be maintained as had been done in the past year.

The chairman replied that the coupon on the core capital securities for 2009 and payable in

2010 was the higher of 8.5% and 110% of the dividend paid in 2009. In 2011 and, therefore, for 2010 it will be the higher of 8.5% and 120% of the dividend, in 2011 and in subsequent years the higher of 8.5% and 125% of the dividend. Mr Timmermans confirmed that ING had initially benefited from the Basel II risk-weighted system. The Alt-A portfolio had led to a significant increase in risk-weighted assets in the fourth quarter of 2008. The second reason was a rise in counterparty risk generally (credit migration). As counterparty risk grew, capital requirements would rise automatically without additional risk being added. A third point was growth in the balance sheet. These three factors ensured that the capital requirements would rise under Basel II. With respect to the Alt-A portfolio, it was indeed the case that 80% of the portfolio had been transferred economically. 80% of the portfolio had been transferred at a price of 90%, and so in effect a loss of 10% had been recognised. The remaining 20% of the portfolio remained in ING's economic ownership. The chairman added that ING would prefer to repay the government as quickly as possible but that the resources for this had to be available. The main resources were, of course, generating income or sales of activities, but that would be difficult as the market was not prepared to pay a good price. Mr Hazewinkel thanked them for their replies and in conclusion asked whether the share buy-back programme had been prompted by the additional EUR7 billion at the beginning of the year and whether it would have happened had Basel I remained in place. Mr Timmermans confirmed that the share repurchase programme had been started since extra capital would be released on the implementation of Basel II.

Mr van der Veen (Veiligebank.com) believed that ING had to serve the interests of the Netherlands following the capital injection by the Dutch government. If the mortgage securities were disposed of, savings would also have to be disposed of because of the mandatory ratios. The market set the value of the mortgage securities far too low and there would be a downward spiral of impairments. Mr Timmermans agreed that the forced sale of mortgages was not sensible, certainly not at the current market value they were recorded at. ING expected that in the end this portfolio would involve fewer losses than reflected in the current market value.

Mr Slagter (VEB - Dutch Investors' Association) said it was unfortunate that Michel Tilmant was not present to give an account for the past year. The same applied to Wouter Bos, who at the moment was in fact a major influence on ING. Finally, Cees Maas, the CFO until 2007, should also have been present as he had thought up how everything could be better in the future.

When the price of ING depositary receipts closed at EUR2.50 on 6 March, it had fallen by no less than 93% in value in two years. An extraordinary amount had gone wrong at financial institutions in the Netherlands in recent years. It had been suggested from various sides, including by Mr Maas, the former CFO, that shareholders had actually asked for this by continuously raising their demands for profits. But only one party was responsible for what had happened in the financial sector and that was the directors. But there was still the impression that ING believed it had been a victim of circumstances. But ING was one of the largest financial institutions in the world and so it helped shape what happened internationally in the financial industry. How could depositary receipt holders be sure that no further government support would be necessary?

Now, during 2009, a start had been made on reducing the balance sheet and the 'Back to basics' strategy had been announced. At the same time, the Annual Report stated that ING wanted to be a market leader in structured finance around the world, but this was a very complicated business with many risks. The Annual Report also referred to ING Direct's growth ambitions. The mortgage portfolio actually increased 17% in 2008, while this business unit had made the greatest contribution to the loss. Mr Slagter ended his statement by asking whether it was possible to repay part of the government support early and what progress had been made with the European Commission's investigation.

The chairman addressed Mr Slagter's questions. ING had significantly restricted growth, was making the business less complex and to that end was prepared to dispose of activities. Further to its questions, ING would provide the European Commission with information jointly with the Ministry of Finance and the Nederlandsche Bank. AEGON had received government support later and at better conditions in the first year. ING had then tried but failed to obtain similar conditions. ING was an active player in the global financial system and, along with all financial institutions, had created excessive debt among consumers and businesses, but ING had not participated in the activities that had led to the start of the crisis. The entire economy had grown too quickly and now everyone was paying the price. ING's policy was set by the Executive Board under the supervision of the Supervisory Board and not by Mr Bos, although ING did liaise with Mr Bos.

Mr Douma (Mn Services; asset manager for the Pensioenfonds Metaal en Techniek, Pensioenfonds Metalektro, Syntrus Achmea Vermogensbeheer, Stichting Spoorwegpensioenfonds, Stichting Pensioenfonds Openbaar Vervoer en Pensioenfonds voor de Grafische Bedrijven, and others) noted that ING had been hit hard by the global financial crisis. With hindsight, it was almost inconceivable that a share buy-back programme had been carried out in 2008. ING Direct had been required to invest over 55% in mortgages in the United States and this was a major risk given the huge growth in ING Direct in the United States. ING had a large real estate portfolio and it too was exposed to a number of serious risks in this period. The question was whether ING had taken irresponsible risks on a number of points in 2008 and preceding years. What projects were currently underway to improve risk management for the future and over what period could that result in revised proposals to the shareholders' meeting?

It would be appropriate to express a word of thanks during this shareholders' meeting to the Dutch government. At a time when, rightly or wrongly, there was doubt about the solvency of the ING Group, the Dutch government had been prepared to support ING on two occasions and so express its confidence in ING's health. That signal was important, also for shareholders. As part of the support operation, the government had, however, obtained the right to nominate two supervisory directors with a power of veto. It was understandable that the government had imposed this requirement, and the construction respects the duty of the Supervisory Board to exercise independent supervision of the work of the Executive Board.

Two weeks ago, the chairman had set out the strategic vision for ING's future. The future ING would consist of a bank, an insurer and an investment manager. Mr Douma asked for an explanation of the plans for the investment manager and finally he had a question on ING's expenses. It was remarkable that operating expenses had continued to increase in 2008 while income at both the insurance and banking operations had fallen significantly, by more than 13%, from EUR76.5 billion to EUR66.3 billion. Operating expenses had risen from EUR15.5 billion to EUR15.7 billion, an increase of 1.5%.

The chairman explained that the results had still been reasonable during the first half of 2008.

There had been problems throughout the world in the second half of the year, and especially after the collapse of Lehman. That collapse had been fatal for capital markets, bond markets and all kinds of products in the market, as confidence in the financial world suddenly fell away and liquidity disappeared from the markets. That had been the most fundamental problem in the second half of 2008 and it had been of such unprecedented size and speed that probably most of the world, including ING, had been taken by surprise. Thanks to the government were most appropriate and ING had expressed its thanks to the government.

On the investment manager, the chairman explained that three regional investment managers currently worked for the three regional insurance companies and for third parties. They would be transferred to a global investment manager. Costs had remained the same in investment management while income had fallen strongly as it was closely related to the value of portfolios, which had collapsed. The costs would now be brought much more closely into line with the overall size of the business. In addition, ING wanted to be prepared for the expected global consolidation in investment management.

Both finance and risk management would be strengthened and managed more centrally. Mr Timmermans added that two factors had a role in this. The first factor was stress testing. ING performs many stress tests using several scenarios, but to date the outcome had been related to the statutory capital requirement, which ING had always met. For some time, financial reporting matters such as IFRS capital and the movements of the revaluation reserve had been significant to the results of a stress test. The second factor was that ING had to reassess how certain assets were classified for bookkeeping purposes. Classifying certain assets as ‘available for sale’ had greater consequences than classifying them as ‘held to end of life’ which was actually the intention. Lessons have, therefore, been learnt for both accounting and stress testing on the basis of which matters will change.

The chairman agreed with Mr Douma that expenses had not fallen sufficiently compared with the reduction in income. Some costs had been incurred for merging Postbank and ING. Considerable benefits would arise from this in due course. In addition, cost savings of EUR1 billion would be achieved to restore balance to the relationship between income and expenses.

Mr Velseboer took the floor and argued that the crisis had arisen from inadequate supervision by the Nederlandsche Bank which should not have acceded to the wish of securities institutions to grow. He asked how ING arranged risk supervision and what requirements the Nederlandsche Bank would be imposing. The chairman replied that the De Larosière report called for supervision of financial institutions at a higher and more integrated level. The European Council had welcomed this report unanimously and it was now being worked on, moving towards a greater and better system of supervision, in which the Nederlandsche Bank would play a role. Mr Timmermans added that products had become more complex, but this did not mean that ING did not recognise the risk. For example, ING knew exactly which mortgages underlay the outstanding Alt-A products and the districts they were in. But with defaults in excess of 30% and house prices down by 50%, losses on the mortgages were unavoidable. The decline in the American market had, therefore, been underestimated, but ING well knew the risk in the products.

Mr Stevense (Stichting Rechtsbescherming Beleggers) argued that the bankers themselves were responsible for the crisis as they had refused to lend each other money. Mr Maas had said as early as 2000 that the value of ING was lower because of the complexity of the group. In 2006, Mr Tilmant had said that he was proud of the simplified group structure with a clear separation of banking and insurance activities. It was now clear how complex ING still was and what that meant. ING was looking for a more efficient allocation of capital, but deposits in America had grown hugely in the past year. Mr Stevense continued that he had been calling for a single brand for several years and unfortunately the damage to the brand was now huge. For cost reasons, the Formula 1 sponsorship was being ended while Formula 1 was a worldwide sport. A new advertising campaign had started in the Netherlands which appeared to be doomed to failure. Insurance units in Canada had been sold while that country had barely been affected by the credit crisis. Mr Stevense ended by asking whether consideration was still being given to selling Nationale-Nederlanden, as had been the plan a few years ago when Nationale-Nederlanden had been in a very poor state.

The chairman agreed that inter-bank lending had been a problem since the failure of Lehman. It was one reason why the financial crisis had worsened. Capital could certainly be used more efficiently. The presentation had shown how this would be done at ING. Mr Harryvan explained that ING Direct was a business focusing on private customers, which attracted savings and then invested them securely. ING Direct's transparent, customer-focused approach had succeeded in the American market. The savings had come in before the mortgage business could generate sufficient volume and so the funds had been invested in triple-A asset-backed securities. Customer satisfaction had remained high, even during the crisis in the autumn. The interest rate risk was also well under control, although now there was increased credit risk. The asset-backed securities had been written down by EUR1.8 billion but it had been calculated that future credit losses would be some EUR300 million if the markets remained poor for 7 to 20 years. It had not been possible to foresee that the market could be so illiquid and that the market price and intrinsic value of these securities could diverge so far. This was regrettable, but fundamentally the business was solid.

The chairman added that many banking brands had probably been damaged, like ING. Unfortunately, at the moment there were other priorities than participating in Formula 1 races. Mr Leenaars explained that the advertising campaign was intended to draw attention to the change of name in the Netherlands. A different campaign had started some weeks ago. The chairman confirmed that Canada had been sold for a good price. Nationale-Nederlanden would not be sold but there were plans for getting it to operate better.

Mr Beijersbergen (representative of the VEB) said that the capital ratios were back within the new market standards, a Tier 1 ratio of 9.3%. The ratio between shareholders' equity and total assets was currently about 2%. This was certainly simple and uncomplicated, but also comprehensible and not wrong. The leverage ratio [equity/long-term debt] was now out of step with the Tier 1 ratio. Would ING act pro-actively to use a concrete minimum requirement without waiting for standards that regulators may eventually set? Mr Beijersbergen then stated that an integrated, profitable investment management division could indeed lead to a better focus and lower costs and asked for an estimate of net annual management fees and how the reorganisation of the activities would be shaped. The restructuring plans include a far-reaching split of the bank and insurance operations. Mr Beijersbergen asked whether the bank/insurance model could, therefore, be regarded as a failure.

Mr Timmermans replied that ING had no specific target for the leverage ratio (which exclusively addresses off-balance sheet activities), revaluation fluctuations were large and not caused only by lending and as the leverage ratio did not distinguish between different types of asset. Total growth in assets in the balance sheet would, however, be more controlled.

Mr de Vaucleroy commented on investment management. Currently, there were three regional organisations: ING Investment Management Asia, America and Europe. These would be merged into a single organisation. There was also Global Real Estate Investment Management. Together, these four now represented about EUR400 billion in assets under management. It was expected that a separate organisation would lead to better management and so to a better result. In conclusion, the chairman explained that the bank/insurance model worked in some areas and not in others.

Ms van 't Groenewout (of PGGM, representative of the Pensioenfonds Zorg en Welzijn) also believed that ING had some responsibility for the situation and that some humility was due. In any event, the shareholders were not responsible, certainly not in a business with a depositary receipt structure. The necessary remarks had already been made on risk management and Ms van 't Groenewout trusted that such losses would not be presented again next year. In her opinion, the chosen construction with two state-nominated supervisory directors with specific veto powers was not a solution appropriate to a collegial structure within the Supervisory Board. Furthermore, she wondered whether such a shift in power within the Supervisory Board towards the government required the approval of shareholders, if necessary retrospectively. Mr Vink replied that the government only had a right to recommend two supervisory directors, who then had to act in the interests of the company and not, therefore, only in the interests of the government. Furthermore, the candidate supervisory directors also had to fit the profile for supervisory directors that ING had drawn up and discussed with the shareholders and depositary receipt holders and to meet the requirements imposed by the Nederlandsche Bank. If the government recommended someone, the shareholders' meeting had the final vote. Formally, decisions by the Supervisory Board were passed by a majority, but the principle was consensus. If either of the two supervisory directors have a veto, this would have little effect on the approach of the supervisory directors from day to day. Ms van 't Groenewout believed that a veto was in fact a change in control otherwise it would not have been insisted upon. The chairman believed that consensus was a feature of the collegial system in the Netherlands and expressed confidence that it would also apply in this supervisory board.

Mr Bruijn congratulated the chairman on his future position as CEO of ING and added that he thought it was unfortunate that the chairman had expressed regret but that ING had not acknowledged responsibility. Furthermore, Wouter Bos [Minister of Finance] had put the blame on small shareholders. Mr Bruijn asked whether the Executive Board and the Supervisory Board were prepared to state that the small shareholders were not responsible. The chairman replied that the question of responsibility was very complex and less important than ensuring that ING continued to be a sound business in the future. Mr Bruijn repeated his request for ING to state that the small shareholders were not responsible. The chairman said he had no problem with this. Mr Bruijn thanked the chairman for that comment.

Mr Ayodeji said that everyone in the hall had lost much of their personal capital because the Executive Board and the Supervisory Board had not performed their roles well. Mr Ayodeji then compared the gross salary of an ING employee of some EUR63,000 in 2007 with the average income of an ING director that was 53 times as high. He asked what steps could be promised to return this to a level of about one to ten. Mr Ayodeji also asked for specific details of steps taken in the past fifteen months that had been beneficial to shareholders. The value of the shares had, after all, fallen sharply and no dividend was being paid. Finally, a further question on whether ING was prepared to stop its many sponsorships and return that money to the shareholders. He also asked whether ING was prepared to stop its many sponsorships and return that money to the shareholders. Finally, he still had a question about the manner of Mr Tilmant's departure.

The chairman confirmed that the shareholders and depositary receipt holders had not been responsible for the collapse of the financial system. It was not rational to implement an incomes policy based only on ten times the average. International conditions had a role alongside Dutch ones. The chairman repeated on behalf of the entire Executive Board that he regretted that depositary receipt holders had suffered losses. Stopping sponsorship did not seem sensible. Unfortunately, the many steps taken by ING had not led to a recovery in the share price. It was extremely regrettable and very annoying that this was happening, certainly given the losses suffered personally as a result. Mr Tilmant had decided to leave ING in view of his personal condition.

Mr Spanjer asked how Mr Elverding, nominated as chairman of the Supervisory Board, could also be a state-nominated supervisory director with a veto. He then referred to the poor results for the bank and insurance operations on pages 3 and 5 of the Annual Report and asked for an explanation of the amount of the operating expenses. He noted that ING Direct had suffered a loss of more than EUR1.5 billion but that those responsible for ING Direct in America had received bonuses.

The chairman pointed out that Mr Elverding would resign as a state-nominated supervisory director if he became chairman. Ms Bahlmann would be nominated as a new state-nominated supervisory director. Mr Timmermans noted that the bank's commercial result had been reasonable in the past year but that there had been a sharp write-down of Alt-A and the bank had faced higher credit losses during the fourth quarter. The insurance operations had in fact suffered primarily from lower investment income and secondly from write downs as the financial markets had fallen enormously.

Mr Harryvan explained that all ING Direct's investment in securities in America had been within ING Group's credit policy. House prices had fallen sharply in America and this had contributed to possible losses in the future. ING had examined the underlying value of the Alt-A residential mortgage-backed securities and knew precisely whether each loan was up to date or in arrears. There had, therefore, been proper care of customers' savings. The senior management of ING Direct US had not received a cash bonus for the past year.

Mr Veen regretted that ING had endangered account holders, policyholders, pensioners and 124,000 jobs. ING was the only AEX company with a chief risk officer, but he had not issued warnings or could do nothing about combating this situation. ING had over 300 risk systems that had all failed. Mr Timmermans replied that equity risk and interest rate risk had been reduced as far as possible. Nevertheless it was very difficult to operate in the credit and real estate markets, as liquidity had disappeared from those markets. There was a very broad risk pallet at ING and policies differed from country to country. Different systems were needed to assess them. The risk systems had indicated that risks were higher in certain countries.

Ms van Haastrecht wished Mr Tilmant well. Having read all the uncertainties in the Annual Report, Ms van Haastrecht hoped that the chairman was using his influence and knowledge to keep ING going. Stress testing was being done in the context of risk management, but did ING have sufficient in-house expertise of stress scenarios? The chairman explained that the stress tests related to different scenarios that ING could face around the world. These tests had been satisfactory up to now. Ms van Haastrecht referred to page 21 of the Annual Report where it was stated that credit of EUR25 billion would be available to customers, but more and more people were complaining that they could not get loans. Mr Timmermans replied that the EUR25 billion had been set as an amount that could be made available for lending in the Dutch market over a given time. It was possible that lending did not meet the criteria.

Mr Frentrop (ING Trust Office) said that until June 2008 the Executive Board had seen scope to buy-back shares but that extra capital had been needed from the Dutch government in October 2008. He asked if the annual Capital Letter, prepared in June, which set out how much capital the company needed compared with the expected availability of capital, was also supplied to the Supervisory Board and the regulators. Mr Timmermans replied that the buy-back programme was continued to about 83% in March 2008. The Capital Letter is an internal memorandum setting out the standards that ING would apply internally during the coming year. The Capital Letter is issued in June and made available to the Supervisory Board and the Nederlandsche Bank. The Nederlandsche Bank had had no specific comments on the Capital Letter of June 2008.

Mr Heinemann asked if the write-down of the Alt-A investments had been required as a result of the strict IFRS rules. Was it possible that there would be a revaluation in the future if the markets recovered somewhat? Mr Timmermans replied that the Alt-A securities had been written down to a very low market value. If the American market recovered, an upward revaluation would indeed be recorded on part of the portfolio.

The chairman closed item 2a and moved items 2b and 2c.

2B. Report of the Supervisory Board for 2008 (discussion item)

The chairman noted that the Report of the Supervisory Board was on pages 52 to 54 and established that there were no questions on it.

2C. Annual Accounts for 2008 (voting item)

The chairman announced that the Annual Accounts, dated 16 March 2009, had been prepared by the Executive Board in English. The Annual Accounts had been available on the ING website as part of the Annual Report since 19 March 2009, had been available for inspection at the head office in Amsterdam as stated in the notice of meeting and were available free of charge to shareholders and depositary receipt holders. The Dutch version of the Annual Report had been available on the ING website since 2 April. On the instructions of the General Meeting of Shareholders by a resolution on 22 April 2008, the Annual Accounts had been examined by the auditor, who had issued an unqualified report that could be found on page 245 (page 258 in the Dutch version). A signed copy of the Annual Accounts was available in the hall and the meeting would have the opportunity, through the chairman, to ask the auditor questions on the auditor’s report. The Supervisory Board recommended the meeting to adopt the Annual Accounts. The chairman gave the meeting the opportunity to ask questions.

Mr Veraart (ING Trust Office) took the floor. He explained that in addition to its own votes, the ING Trust Office had received voting instructions on 153 million depositary receipts. At earlier meetings, the ING Trust Office had been asked to explain its voting. The ING Trust Office would do this when necessary and in any event in situations when the vote of the ING Trust Office could be decisive to the result. In respect of this agenda item, the ING Trust

Office had examined the documents and in recent months ING had on request provided explanations in the light of the exceptional circumstances. Answers had been received to a number of supplementary questions during today's debate. This all prompted the ING Trust Office to vote in favour of this subject. The chairman thanked Mr Veraart for his vote in favour.

There being no further questions, the chairman put the proposal to adopt the 2008 Annual Accounts to the vote. Following the electronic voting, the chairman announced that the 2008 Annual Accounts had been adopted by 1,968,012,185 votes in favour, 2,461,167 votes against and 34,067,225 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 676,568,612 votes in favour, 2,461,167 against and 34,067,225 abstentions.

3A. Profit retention and distribution policy (discussion item)

The chairman handed over to Mr Timmermans for a brief explanation of the profit retention and distribution policy. Mr Timmermans explained that despite the support of the Dutch government, ING had discretion on setting its dividend. Underlying cash earnings would determine if ING Group would resume payment of dividends. Any interim dividend for 2009 would not automatically be half of the total dividend for 2008.

Mr van der Burg asked whether with an intended profit of EUR4.8 billion, a dividend would be paid. Mr Timmermans reiterated that the EUR4.8 billion was not a profit forecast for 2009. The chairman emphasised again that this amount was an indication of ING's earnings potential after the crisis. Consequently, no profit forecast had been issued for 2009!

Mr Hazewinkel (ING Trust Office) said that page 13 of the Annual Report gave comments on the underlying results. If the dividend payment was dependent on the underlying cash earnings, was this including or excluding the risk costs, including or excluding the capital losses, and were capital movements included? Mr Timmermans confirmed that significant credit provisions were included when considering whether a dividend would be paid. Mr Hazewinkel then asked how a decision would be made between paying a dividend and a possible repayment of the government support. Mr Timmermans explained that the government could be repaid in various ways, for example, by repayment based on a higher share price by issuing shares or repayment from more retained profits. No decision had yet been taken. The chairman added that there was a third option. After three years, ING could ask the government to convert the core capital securities into shares, after which the government could opt to have the loan repaid at a price of 100%.

Mr Ayodeji asked what ING could promise depositary receipt holders in respect of the dividend. The chairman replied that unfortunately he could not say whether ING would pay a dividend for 2009 until the annual results for 2009 were known.

3B. Dividend for 2008 (voting item)

The chairman explained that a loss of EUR729 million had been suffered for 2008. An interim dividend of EUR1.5 billion, or EUR0.74 per ordinary share, had been paid in August 2008. A dividend of EUR0.74 per ordinary share was proposed for 2008. This meant that ING would charge EUR2,654,000,000 to the reserves and that no final dividend for 2008 would be paid. The Supervisory Board recommended that this proposal be adopted.

There being no further questions, the chairman put the dividend proposal to the vote. Following the electronic voting, the chairman announced that the dividend for 2008 had been adopted by 1,999,703,303 votes in favour, 3,600,082 votes against and 1,250,234 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 708,259,730 votes in favour, 3,600,082 votes against and 1,250,234 abstentions.

4. Remuneration report (discussion item)

The chairman raised the remuneration report as set out in the Annual Report (pages 73 to 82) for discussion and commented briefly on it. As agreed with the government at the time of the capital injection, the members of the Executive Board had not received either a short-term or a long-term incentive for 2008. Severance payments had been limited to one year's basic salary. Individual members of the Executive Board will not receive incentive payments until a revised remuneration policy has been drawn up in accordance with the provisions in the agreement with the government for the Illiquid Assets Back-up Facility. The Supervisory Board will review the remuneration policy for the Executive Board and bring it into line with the new international standards. This will include linking the incentive schemes to long-term value creation and risks and the inclusion of corporate social responsibility targets.

Mr Haaksema asked the chairman to consider a study by Erasmus University Rotterdam and Hewitt human resources consultants when drawing up the new remuneration policy. This study showed that six out of ten directors receive long-term bonuses despite underperforming and that the computation of the remuneration was not clear at three-quarters of companies. Mr Haaksema offered to send the study to ING. The chairman thanked Mr Haaksema for his proposal and replied that the study would be provided to the Remuneration Committee.

Mr Douma said that he had spoken to ING further to the public outrage about Mr Flynn's sign-on bonus. This had indicated that in the first place it had been necessary to recruit a new CFO quickly. Secondly, there had been no excessive financial commitments to Mr Flynn, certainly in view of his remuneration package at his previous employer. Thirdly, ING's remuneration policy did not cover a sign-on bonus or give discretionary authority. If ING believed it had to pay such bonuses than a change to the remuneration policy should be submitted. The chairman replied that the remuneration policy related to remuneration paid to directors for their performance. The sign-on bonus was compensation for what Mr Flynn was leaving behind at his previous employer. The chairman said Mr Douma's comments would be considered for the new remuneration policy.

Ms van Lakerveld (Vereniging van Beleggers voor Duurzame Ontwikkeling) asked whether a criterion such as customer satisfaction, which would be well in line with the new strategy, could be included when revising the remuneration policy. The chairman confirmed that this would be considered when drawing up the new remuneration policy.

5. Corporate governance (discussion item)

The chairman referred to pages 55 to 66 of the Annual Report and commented briefly on ING's position on depositary receipts.

The chairman noted that this year, at 35.58%, the representation at the AGM had exceeded 35% for the third successive year. ING had previously said that if 35% was exceeded for three successive years, it would consider abolishing depositary receipts in the light of the circumstances at that time. Circumstances had changed considerably since last year. As a result of the financial crisis, the balance between long-term interests at financial institutions had to be comprehensively reconsidered. Furthermore, it was clear that more stability was needed in financial institutions. Dutch companies had proved to be vulnerable to certain types of aggressive shareholder activism. This applied even more to companies with a fully open governance structure and without effective mechanisms to ensure their long-term interests. It was also clear that this form of aggressive shareholder activism could lead to certain benefits in the short term but to much greater damage in the longer term, for shareholders and for other stakeholders. National and international supervisory and regulatory authorities were searching for a new balance by implementing new rules and new policy. The debate on a new legislative and supervisory framework was still underway and it was uncertain where the current initiatives, recommendations, proposals and discussions would lead. They illustrate in any event the search for a more sustainable balance between finding the right checks and balances and doing justice to the interests of all stakeholders. Partly in this context, depositary receipts must not be looked at in isolation, but as part of overall governance and the new legislative and supervisory framework currently being developed. The ING Trust Office currently ensured a balance in the current governance of ING that could be crucial to proper decision-making in the near future, and also the long-term interests of the company. Abolishing depositary receipts would in effect be an irreversible shift in the balance for which ING currently had no suitable alternatives available. During the coming year, the Executive Board and the Supervisory Board would consider the steps to be taken.

Ms van ’t Groenewout (Stichting Pensioenfonds Zorg en Welzijn) was disappointed that ING now thought that depositary receipts were still necessary or could fulfil a function as a result of the changed circumstances. Ms van ’t Groenewout repeated that responsibility for the situation that financial institutions now find themselves in was not attributable to the shareholders. Shareholders were quite capable to making balanced and proper decisions. Depositary receipts did not need to be retained for this. Shareholders/depositary receipt holders were entitled to vote to approve such a significant item as corporate governance and Ms van ’t Groenewout urgently requested ING to submit a proposal for abolishing the depositary receipts at the AGM in 2010 or earlier if possible. She asked the chairman of the ING Trust Office what he thought of ING’s view.

Mr Veraart (ING Trust Office) replied that the ING Trust Office was pleased that 35% had been achieved for the third time. The 35% had indeed been identified for years as a threshold. It was unfortunate, however, that the upward trend had not continued this year. The ING Trust Office had also said that depositary receipts should be reconsidered after meeting the 35% level three times. The chairman had said that he did not think the circumstances were appropriate at the moment. The board of the ING Trust Office had also considered this at length. The world had changed drastically since the last shareholders’ meeting. Had the government not come to ING’s aid, its future would have been very uncertain. The chairman had said how he wanted to restructure ING. The ING Trust Office understood that, given the circumstances and its serious problems, ING could not decide precipitately on abolishing depositary receipts but wanted to consider it carefully during the coming year. He would not object if a further year was taken to consider such a significant matter as the corporate governance structure and the role of depositary receipts in it. The chairman thanked Mr Veraart and confirmed that ING needed more time for consideration, given the completely different circumstances. The new report by the Maas Committee actually called for depositary receipts.

Mr Stevense (SRB) also thought it was inappropriate to use shareholder activism as an argument. It was not necessary to decide on abolishing depositary receipts today but ING must not hide behind the argument of government support. SRB had written to the ING Trust Office asking it to call a meeting of the depositary receipt holders. The ING Trust Office had said this was not necessary as the shareholders' bulletin already paid sufficient attention to the ING Trust Office. SRB would like a more substantive reply from the ING Trust Office.

Mr Veraart confirmed that the government support operations had prompted a request to the chairman to comment on this as ING was not generous in the provision of information, especially to depositary receipt holders and shareholders. For example, the ING Trust Office had been disturbed by an upbeat article about ING Direct in the *ING Shareholder 4* bulletin while the share price was collapsing. The ING Trust Office had questioned ING about this and also asked it to say something about the fall in the share price and to have some understanding for the position of the shareholders. This had been taken to heart. The ING Trust Office had also written an article in *Shareholder* that all those who had played a role in this financial crisis would do well to consider their own actions. While depositary receipts continued to exist, the ING Trust Office would consider how it plays its role, and how to make it clearer to the depositary receipt holders and others. Mr Stevense (SRB) asked whether Mr Veraart would, therefore, organise a meeting with depositary receipt holders. Mr Veraart (ING Trust Office) replied that the ING Trust Office would consider this request.

Mr Slagter (VEB) shared Ms van 't Groenewout's disappointment. It was unfortunate that shareholders had not had more say in the Dutch financial sector. Mr Slagter asked the chairman to explain how having depositary receipts had helped ING to implement a sensible and long-term policy in recent years. There had been no examples of aggressive short-term shareholders in the Dutch situation. In the acquisition of ABN Amro, the Executive Board and the Supervisory Board had been letting matters get out of hand for years and in the end one shareholder with 1% of the shares had sent a letter. One response to that letter could have been "Interesting letter, but we are doing something different". That had not been done but this could not be blamed on the ABN Amro's shareholders.

The chairman believed that a small group of shareholders had tried to influence policy in a very aggressive way not only at ABN Amro, but also at other Dutch companies. ING wanted to pursue a long-term policy that was balanced and respected all ING's stakeholders. ING needed more time to get matters sorted out and would get back to the depositary receipt holders. In recent years there had been no occasion on which the ING Trust Office had been crucial in decision-making. It could, therefore, be argued that the ING Trust Office had not been a nuisance to depositary receipt holders in their decision making. Mr Slagter replied that the key argument in favour of depositary receipts was that they allowed the Executive Board and the Supervisory Board to manage for the longer term and so avoid irresponsible risks. This had clearly not happened at ING in recent years. The chairman believed that it had been the case.

Mr Veraart (ING Trust Office) noted that Mr Slagter had referred to the ING Trust Office in the same breath as the word 'protection'. In his opinion, this was a persistent misunderstanding. Depositary receipts were permitted by Dutch law, even as a protective measure. Depositary receipts were permitted under the Dutch Corporate Governance Code, but specifically not as a protective measure. The ING Trust Office was not a protective measure. All depositary receipt holders could make full use of their voting rights at any time. Mr Slagter noted that it was protection for the directors as it ensured that they could rely on a majority at a meeting. It was a restriction of shareholder democracy at ING. Mr Veraart replied that the ING Trust Office reached its opinions using its own insights and completely independently of the company. Mr Slagter asked how often the ING Trust Office had voted against a proposal by ING. Mr Veraart did not believe that this was relevant in a discussion on the principle of this issue.

Mr Heinemann noted that the price of ING shares was now about EUR6, while about six weeks ago it had been EUR3 and he wondered what the net asset value of ING shares was. If it were higher than the current quoted price, ING could be a target for a take over. As a result, Mr Heinemann was in favour of retaining depositary receipts until ING moved into calmer waters.

Mr Anink recalled that he had spoken about the sustainability policy last year. That discussion had been about customer satisfaction and employee satisfaction in particular. He asked for the current percentages. If depositary receipt holders had long-term confidence in ING they should be able to demonstrate this by becoming long-term shareholders. Mr Anink asked whether this could be included in the considerations about future shareholdings and the cost of transition could then be kept very low. Mr Anink then noted that banking activities would be more focused on Europe while the attention last year had been mainly on Asia. At the time, new supervisory directors had been appointed who actually came from Asia. The question was whether that had been necessary. The chairman replied that customer satisfaction in 2008 was 69.7% and had been a little higher in 2007 at 70%. Registered shareholdings were indeed possible although this was not currently common in the Netherlands. If ING wanted to be a real European bank, it had to look at whether not only the Executive Board but also the Supervisory Board reflected this. Mr van der Noordaa added that employee satisfaction had risen from 77% in 2007 to 83% in 2008.

Mr van den Bos asked how much the ING Trust Office cost. Mr Veraart replied that the costs of the board and secretarial support were limited. The board members' fees were in the report. The ING Trust Office also bore the cost of obtaining voting proxies to attempt to get as many shareholders as possible to vote. This came to some hundreds of thousands.

Mr Swinkels argued that ING should investigate the possibility of a loyalty dividend. Loyal shareholders should get something extra. The chairman said the proposal could be considered.

Baron van Wassenaar pointed out that the Dutch commercial court had rejected loyalty dividends in a judgment, although this had been struck down by the Dutch Supreme Court. Page 68 of the English version of the Annual Report stated that 163,583,975 depositary receipts for shares had been cancelled for ordinary shares, but a little further on it says that only 370,189 depositary receipts had been converted. How could this difference exist? The final question related to page 58 which stated that 'depository receipts can be exchanged, without any restrictions, for the underlying shares. An administrative fee may be charged for this.' How long had this 'fee' existed?

Mr Vink replied that page 70 of the Dutch text stated that 163 million depositary receipts for ordinary shares had been cancelled. This related to the buy-back programme for ordinary shares. He promised to investigate this further.

A depositary receipt holder in the hall asked the chairman to report next year on how often the state-nominated supervisory directors had used their vetoes. The AGM should be able to ask the supervisory director concerned to explain when the veto had been used. Mr Vink indicated that the minutes of the Supervisory Board would record if a veto were exercised. The Supervisory Board's responsibility was collective and not for individual members. The chairman repeated that in his experience a common position had always been found in the end.

Mr Slagter (VEB) emphasised that the veto was a significant change in the control of the company. It would be sufficient if next year ING stated that no veto had been exercised. ING had established the veto through the procedures of the Supervisory Board but not submitted it to the meeting in the form of an amendment to the Articles of Association. Mr Vink replied that there was no requirement to include this in the Articles of Association. Mr Slagter replied that two state-nominated supervisory directors at ING was unique. It was a matter of courtesy to the shareholders' meeting and a sign of respect for shareholder democracy to allow the shareholders to vote on this. Section 250(4) of Book 2 of the Netherlands Civil Code states that a supervisory director may not cast more votes than all the others together. That would be the case in the event of a veto exercised by either of the two state-nominated supervisory directors. Mr Vink explained that no supervisory director could cast more votes than the others, and this did not happen. In fact a supervisory director could have as many votes as the other supervisory directors. A supervisory director could, therefore, block any decision. At the moment that a supervisory director issued a veto, he blocked a decision, but he could not initiate a resolution.

Mr Weeda (Fortis Investments) concurred with the comments on the size of the Supervisory Board. The current size could adversely affect the quality of the decision-making process. Granting a veto to certain supervisory directors was going too far. Mr Weeda asked Mr de Waal and Ms Bahlmann to comment on the role of the government in exercising the veto. The chairman pointed out that Mr de Waal and Ms Bahlmann were not yet supervisory directors but that Mr Vink would reply. Mr Vink explained that clear arrangements had been reached with the government and the future supervisory directors on the way in which they would perform their duties. They had to perform their duties independently, like all the other supervisory directors, and so without any instructions from the government. The state-nominated supervisory directors could exchange information with the government, but of course with due regard to the restrictions imposed on this by law, such as on price-sensitive information. Strict arrangements ensured the independence of the state-nominated supervisory directors.

Mr van Leeuwen said that page 56 stated that ING uses the Dutch Corporate Governance Code as reference in its corporate governance structure. The code states that the Executive Board and the Supervisory Board have overall responsibility for weighing up the interests of the stakeholders and also that the company endeavours to create long-term shareholder value. If this was a criterion for ING's corporate governance policy, this should be addressed specifically in next year's Annual Report. The chairman promised to do so.

Mr van der Burg asked whether the two state-nominated supervisory directors would stand down when the liability to the government had been repaid. Mr Vink replied that when the government support, both the core Tier 1 securities and the Illiquid Assets Back-up Facility, ended they would remain as supervisory directors but the veto would lapse.

6. Corporate responsibility (discussion item)

The chairman referred to the notice of meeting and pages 49 to 51 of the Annual Report and gave the floor to Mr van der Noordaa. Mr van der Noordaa explained certain matters in both the Annual Report and the Corporate Responsibility Report.

ING Investment Management had signed the United Nations Principles for Responsible Investment. This was important as investors were looking increasingly at environmental, social and corporate governance matters when taking investment decisions. ING currently had over EUR2 billion in sustainable assets under management. Currently 63% of the energy that ING uses was wind, solar or hydro generated and this was 100% for the Dutch, Belgian and American activities. A few years ago, ING started a global partnership with Unicef called Chances for Children to get children to go to school. ING employees contribute time to this and collect funds which are matched by ING. Already over 100,000 children are at school as a result. As an extension to this, there is an initiative with Unicef for all kinds of financial education. For some years, ING has been included in two significant sustainable indices, the Dow Jones Sustainability Index and the FTSE4Good Index, acknowledging ING's corporate responsibility efforts. For ING, the foundations of corporate responsibility are responsible lending and investing, developing further sustainable products and services and informing customers about them, making the products accessible and comprehensible to a wide public, being active in the community, taking account of the environment, actively involving the employees in sustainability and trying to encourage behaviour that benefits sustainability.

A depositary receipt holder in the hall believed that corporate responsibility also involved financial services benefiting the whole community. A large group of older people, who often have no understanding of computers, are outside ING's scope as it was closing branches. It was, therefore, surprising that as well as merging Postbank and ING Bank, the Regiobank, with over 500 branches had also been closed. Furthermore, the interior of the new ING branches looked cheap. Mr Leenaars explained that it was important that ING could reach customers electronically and through branches. This had been one reason for merging Postbank and ING Bank as Postbank customers had had no access to the ING branch network. After the merger, there were 260 ING branches in the Netherlands, which is more than ING Bank used to have, and there were a further 820 contact points. The nature of the new branches was indeed different than the 'Fitch' branches of the 1980s. Fortunately, the flow of customers in the new branches was at least a factor of ten greater than in the old branches. Mr van den Bos responded that the additional flow was a result of the fact that Postbank customers in Nijmegen could no longer go to a post office for Postbank business. Mr Leenaars noted that, in Nijmegen and elsewhere, the extra flow was unrelated to this.

Mr Anink asked what corporate responsibility criteria ING attached value to when it was doing business and what divestments had been made that did not fit the corporate responsibility targets. Mr van der Noordaa replied that the main criterion for ING was long-term commitment. The chairman added in respect of possible divestments that ING had looked at which units met the criteria that ING had set. Some did not meet them and this needed to be looked at carefully. No units would be disposed of immediately if they would currently attract too low a price in the market. Mr van der Noordaa explained that Unicef had proved to be an excellent partner for ING in Chances for Children. In Amsterdam, ING, with volunteers from other companies such as IBM and ABN Amro, had helped children in the Calvijncollege with English lessons and ING supported after school activities.

Mr Schootjes (VBDO) complimented ING for reporting specific targets in its corporate responsibility report and presenting targets for 2009. Mr Schootjes asked whether more sustainable savings and investment products would be offered in future in addition to ING Liric Duurzaam Top 50 Beleggingsfonds and the Thai Global Water Fund and whether ING sees this as a huge opportunity. VBDO had carried out an accessibility study that tested bank branch employees' knowledge of sustainable savings and investment. The results had not been positive. Were there currently training courses to give bank employees greater information on sustainable saving and investment products offered by ING?

Mr van der Noordaa replied that ING shared the view that sustainable investment products were a growing market. At the same time, demand for investment products was relatively modest. ING would first reduce the existing range of products before expanding it. In this, attention would certainly be given to new sustainable investment products. In the past, ING had offered a number of sustainable savings products, such as Groensparen. In recent years great attention had been given to commercial banking and ING employees were trained to apply the rules, such as the Equator Principles. There was certainly scope to improve the knowledge of bank branch staff on sustainable saving and investing.

Mr Molenaar thought that ING was doing little in the media to restore the trust of customers. A good newspaper article making it clear that people could simply continue to be sure that their money was safe with this bank would help. Mr Molenaar explained that he had withdrawn a deposit from ING without anyone at ING asking him why he was doing so. Mr Leenaars assured Mr Molenaar that ING was doing all it could to keep ING employees well informed, instructed and trained to maintain the pride that there had always been in ING.

Mr Heinemann expressed his appreciation for the corporate responsibility strategy, but it lacked an international aspect. American banks had lent very irresponsibly, leading to the financial crisis. They offered very few sustainable products and services. The corporate responsibility policy could only succeed if ING proposed the standard for corporate responsibility in an international body. Mr Leenaars replied that ING tried to set an example with its own companies in America. This sort of thing was discussed in various organisations, such as the European Financial Round Table. Increasing numbers of customers were asking for sustainable services, and so market discipline would also influence American companies.

Mr Haaksema complimented ING that he had read the corporate responsibility section in the Annual Report and listened to Mr van der Noordaa's contribution with great approval.

Ms van Haastrecht said that ING operated nationally and internationally. She referred to a large project in India that had been abandoned and in which a lot had been invested in the production of cars by Tata. Elements of the population in India were oppressed and had had to leave their land so that a factory could be built. Ms van Haastrecht recommended that the chairman should talk with people in Leiden who were familiar with this, and on the make-up of the population and minorities in India. The chairman asked Ms van Haastrecht to send him details so that ING could investigate.

7A. Discharge of the Executive Board in respect of the duties performed during the year 2008 (voting item)

The chairman moved to the discharge of the members of the Executive Board in respect of the duties performed in 2008 as set out in the Annual Accounts for 2008, the Report of the

Executive Board, the corporate governance chapter, the chapter on section 404 of the Sarbanes-Oxley Act and the statements made during the meeting and asked who would like to speak on this.

Mr Slagter (VEB) explained his voting for this and the next agenda item. ING Group had ended the financial year 2008 with a loss of EUR729 million. The dividend for the year was limited to the interim dividend of EUR0.74. In October, ING had had to announce that it needed EUR10 billion in government support. Later, in the current financial year, there had been a second round of government support. The actual net asset value of the company had more than halved in 2008. For all these reasons, VEB was unable to vote for discharge. This was not condemnation of the government support operation, but an assessment of the situation in which government support was needed.

Mr Veraart (ING Trust Office) explained the thinking of the ING Trust Office on this point and noted that granting discharge meant that the company would no longer be able to hold its executive and supervisory directors liable if they had acted culpably, negligently or in bad faith. Withholding discharge did not mean that there was no confidence in the executive and supervisory directors. It was a legal question of possible culpability or gross negligence. The ING Trust Office currently had no reason to believe that this was the case, but it was clear that the situation and the prospects and expectations for ING less than a year ago were completely different from now. The precise causes and consequences of the situation that had arisen in the financial world were still far from clear and the question was whether this was the time to grant the executive and supervisory directors discharge. There were, however, other significant matters to consider. Withholding discharge would be seen inside and outside ING as a motion of no confidence, even though legally this was not the case. The ING Trust Office did not want to create this impression as it could badly damage ING and so was not in the interests of the shareholders and depositary receipt holders. It could have an extremely adverse effect on the motivation and confidence with which ING was working on a new future. The ING Trust Office regarded avoiding possible damage from withholding discharge as more important than abandoning a right. The ING Trust Office had satisfied itself from the voting proxies and the recommendations of voting bureaus and, on the basis of all this, it would vote in favour of granting discharge, both to the Executive Board and to the Supervisory Board.

Mr van Thiel explained that he agreed with the VEB and would not grant discharge to the members of the Executive Board for their duties performed in 2008. He added that he was not confident that the figures in the Annual Report were correct.

Mr Ayodeji believed that it would be irresponsible for the shareholders to grant discharge to a board which did not adequately realise the consequences of what it had done in the past year and also had insufficient insight into the causes. He asked if ING could continue without the discharge being granted. The chairman replied that discharge was on the agenda and that ING had to ask if the meeting was prepared to grant it. Mr Vink added that discharge meant account and accountability was given on the past year based on the Annual Accounts and what had been discussed here today. This was an adequate basis to take a decision on discharge today. If new facts or circumstances came to light in the future, they would be outside the discharge and the Executive Board and the Supervisory Board could be held to account for them. Depositary receipt holders and shareholders retained all rights against the company and against the executive directors and supervisory directors. The legal scope of discharge was very limited but outside the hall the impact of not granting discharge could be great damage to ING.

Mr van der Veen (veiligebank.nl) expressed his concern that if the vote was against discharge, there was a good chance that the share price would fall rather than rise and that the social consequences would be considerable. Banks, especially those of the size of ING, had a major social influence and so damage to ING was also damage to society. He recommended everyone to vote for discharge. Mr Folkersma also called for a vote in favour of discharge. It was in the interests of ING and so also of the depositary receipt holders, shareholders and staff.

The chairman noted that there were no further questions and put the proposal to discharge the members of the Executive Board in respect of the duties performed in 2008 to the vote.

Following the electronic voting, the chairman announced that the proposal had been carried by 1,987,710,113 votes in favour, 13,436,227 votes against and 3,290,824 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 696,226,540 votes in favour, 13,436,227 against and 3,290,824 abstentions.

7B. Discharge of the Supervisory Board in respect of the duties performed during the year 2008 (voting item)

The chairman observed that there were no questions on the proposal to discharge the members of the Supervisory Board in respect of the duties performed in 2008 set out in the Annual Accounts for 2008, the Report of the Supervisory Board, the corporate governance chapter, the remuneration report and the statements made during the meeting.

Following the electronic voting, the chairman announced that the proposal had been carried by 1,987,576,346 votes in favour, 13,526,341 votes against and 3,326,244 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 696,132,773 votes in favour, 13,526,341 votes against and 3,326,244 abstentions.

8. Composition of the Executive Board

The chairman explained that the proposal was to appoint two new members of the Executive Board to fill the vacancies that had arisen on the departure of Michel Tilmant and John Hele. The Supervisory Board had made binding nominations for the appointments pursuant to article 19(2) of the Articles of Association. The binding nominations and details of the nominated candidates were set out on page 3 of the notice of meeting. The chairman handed chairmanship of the meeting to Mr Bourdais, vice-chairman of the Supervisory Board, as his own appointment was to be discussed.

8A. Composition of the Executive Board – Appointment of Mr J.H.M. Hommen (voting item)

The chairman (Mr Bourdais) raised the appointment of Jan Hommen as a member of the Executive Board from 27 April 2009, in accordance with the information on page 3 of the notice of meeting for discussion and asked Mr Elverding, proposed chairman of the Supervisory Board, to comment.

Mr Elverding explained that the Supervisory Board proposed to appoint Jan Hommen to the Executive Board of ING. As announced in January 2009 and now on the agenda of this meeting, he would take over the chairmanship of the Executive Board. In his presentation today, he had discussed at length the proposals to adapt ING to the changed circumstances, both in terms of strategy and organisation. The Supervisory Board believed Mr Hommen to be the right person to lead ING and the necessary transformation process. Factors in this were that Mr Hommen had been a member of the Supervisory Board since June 2005 and its chairman since 1 January 2008. Before that, he had been chairman of the Audit Committee. He had, therefore, built up the necessary experience of ING. Mr Hommen had almost 15 years experience as a director and CFO of large international industrial companies, such as Alcoa and most recently Philips. In that capacity, but also as a supervisory director of many large companies he had much experience of major transformation processes. Mr Hommen enjoyed great standing and confidence in both the Netherlands and internationally and had excellent contacts in business, with the Dutch government and now also with the Dutch regulators. The Supervisory Board was pleased that Mr Hommen was prepared to accept this challenging position.

Mr Slagter (VEB) noted that Mr Hommen had been on the Supervisory Board of ING since 2005 and so bore responsibility for what had happened at ING in recent years. Mr Hommen now had the chance as an executive director to repair what had gone wrong during the time when he had exercised supervision. It was an opportunity, but also a major responsibility. The VEB thought that Mr Hommen had made a promising start in the past few months, partly by formulating a new strategy for the coming years. Mr Hommen had the VEB's confidence, but it was not unconditional. The discussion on corporate governance would continue to play a role, but at the moment the priority was to get ING back on the rails. The VEB wished Mr Hommen great success.

Mr Veraart agreed with Mr Slagter. Contacts with Mr Hommen in recent months had reinforced the positive view of him. The ING Trust Office was happy to vote in favour of his appointment as CEO and wished Mr Hommen and the new CFO, assuming he were appointed, and all their current colleagues great wisdom and strength in the coming period.

Mr Veen was also happy with the appointment of Mr Hommen. While the debate in the Netherlands was about working past 65, Mr Hommen was not avoiding this challenging task. The previous chairman had had to relinquish his position for health reasons. He hoped this would not happen to Mr Hommen. Mr Elverding replied that the speedy development of a new strategy for ING gave great confidence in Mr Hommen's functioning. The Supervisory Board hoped that he would, in any event, be able to perform this challenging task in good health.

Ms van Lakerveld (VBDO) noted that diversity was a priority for VBDO this year. Diversity was also a Key Performance Indicator at ING and ING had also signed the 'Talent to the top' petition, an initiative to get and keep more women in senior positions in business. VBDO was happy with Ms Bahlmann's proposed appointment, but hoped that there would be a more diverse choice in future.

The chairman (Mr Bourdais) proposed the vote.

Following the electronic voting, the chairman announced that the proposal to appoint Mr Hommen as a member of the Executive Board for a period to the end of the Annual General

Meeting in 2013 had been carried by 1,996,071,837 votes in favour, 7,735,530 votes against and 619,282 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 704,628,264 votes in favour, 7,735,530 votes against and 619,282 abstentions.

Mr Bourdais returned the chairmanship to Mr Hommen.

8B. Composition of the Executive Board – Appointment of Mr P.G. Flynn (voting item)

The chairman raised the appointment of Patrick Flynn as a member of the Executive Board from 27 April 2009 for discussion. The information was on page 3 of the notice of meeting. Mr Flynn had joined HSBC, a bank established in London, in 1989 and had held various positions there, in audit, treasury, finance and various control functions. He has had broad training throughout the financial processes at the bank. In 2002 he became Chief Financial Officer of HSBC in South America and since 2007 had been Chief Financial Officer of HSBC Insurance Holding Ltd. Mr Flynn would receive a basic annual salary of EUR665,500. He would not receive a short-term or long-term incentive in 2009. He would also be covered by the new remuneration scheme being drawn up by the Supervisory Board. He would join the Executive Board pension scheme. It had been agreed with Mr Flynn that he would receive compensation for lost and relinquished income at his former employer. It had been decided to make a conditional grant of up to 100,000 shares, with 30,000 shares becoming unconditional in 2010, 30,000 shares in 2011 and 40,000 shares in 2012. The shares would become unconditional in 2010, 2011 and 2012 depending on adequate performance. It had been decided to grant the compensation in the form of depositary receipts for shares to align Mr Flynn's interests and those of the shareholders as closely as possible. The total amount could be up to EUR1.3 million, thus in fact twice the value of the package. Mr Flynn had committed to retain the shares for a period of at least five years or to the end of his employment at ING. The Supervisory Board recommended the Annual General Meeting to appoint Mr Flynn as a member of the Executive Board for a period of four years. Mr Flynn was present in the hall. Mr Flynn's appointment had been approved by the Nederlandsche Bank.

Mr Lissaur asked whether there were any anti-competition provisions that would prevent Mr Flynn from performing his duties properly. The chairman replied that there were not and so he was completely free to perform his work in full. Mr Slagter (VEB) said that the VEB was pleased that Mr Flynn would retain the shares in the sign-on bonus for five years as the VEB had suggested. The VEB hoped that he would work successfully for ING for the five years.

Mr Kunst asked why someone from the Anglo-American financial world had been chosen for this position as the emphasis of activities was now on Europe. The chairman explained that there had been an extensive search for candidates for this position, both inside and outside the company, looking specifically for someone from Europe. Mr Flynn had been selected as he far outshone the other candidates and came from a bank that had come through the crisis well.

Mr Veen would like to know why Mr Flynn had chosen ING. The chairman said that Mr Flynn saw an opportunity to pursue his career and to use his knowledge to help ING further. He was interested in ING and had a background in both banking and insurance. There were very few people with that type of experience.

Mr Ayodeji did not understand why ING had to pay in advance for what he could have received from his former employer. The chairman explained that it was not about what he could have received from his former employer, but what he was leaving behind on coming to ING. He was relinquishing shares and options and had a large pension shortfall. As a result, ING had compensated him.

Mr Veen wanted to thank John Hele for his presentation of the figures and the enthusiasm he had always shown in this. The chairman said he would pass this on.

The chairman put the proposal to the vote. Following the electronic voting, the chairman announced that the proposal to appoint Mr Flynn as a member of the Executive Board for a period to the end of the Annual General Meeting in 2013 had been carried by 1,986,428,672 votes in favour, 8,000,808 votes against and 9,990,462 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 694,985,099 votes in favour, 8,000,808 votes against and 9,990,462 abstentions.

9. Composition of the Supervisory Board

The chairman explained that he and Mr van der Lugt would retire by rotation at this meeting. Only Mr van der Lugt was eligible for reappointment. Messrs Bourdais and Kok would resign at the end of the meeting having reached the age of 70. Neither was eligible for reappointment. The proposal was to appoint three new members of the Supervisory Board. Recommendations had been received for two vacancies from the Dutch State under the agreement for granting core Tier 1 capital to ING. These were for Ms Bahlmann and Mr de Waal. The Supervisory Board had accepted these recommendations. Pursuant to article 25(2) of the Articles of Association, the Supervisory Board had made binding nominations for these appointments. The binging nominations and information on the proposed candidates were available on pages 4 to 6 of the notice of meeting.

9A. Composition of the Supervisory Board – Reappointment of Mr G.J.A van der Lugt (voting item)

The chairman moved the reappointment of Godfried van der Lugt as supervisory director. Mr van der Lugt was eligible for reappointment. Mr van der Lugt holds three other positions, including membership of the Investment Advisory Committee of the Stichting Instituut Gak. The Supervisory Board recommended the AGM to reappoint Mr van der Lugt as a member of the Supervisory Board.

Mr Veraart (ING Trust Office) announced that the ING Trust Office was pleased that Mr van der Lugt was prepared to be reappointed. He had considerable experience and was an excellent fit for the profile that the Maas Committee had outlined.

The chairman put the proposal to reappoint Mr van der Lugt as a member of the Supervisory Board to the vote. Following the electronic voting, the chairman announced that the proposal to reappoint Mr van der Lugt as a supervisory director had been carried by 1,988,194,482 votes in favour, 13,799,773 votes against and 2,423,678 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 696,750,909 votes in favour, 13,799,773 votes against and 2,423,678 abstentions.

9B. Composition of the Supervisory Board – Appointment of Ms J.P. Bahlmann (voting item)

The chairman moved the appointment of Tineke Bahlmann as supervisory director. She had been recommended for appointment by the Dutch government and fitted the profile of the Supervisory Board. Her proposed appointment was based on her knowledge and experience of business administration and business economics gained in the financial sector. She had expertise in corporate social responsibility. The Supervisory Board recommended the AGM to appoint Ms Bahlmann as a member of the Supervisory Board. Her appointment had been approved by the Nederlandsche Bank.

Mr Slagter (VEB) asked whether Ms Bahlmann would continue to be a supervisory director of Triodos Bank. The chairman confirmed that she had resigned that position. Mr Slagter explained his voting on Ms Bahlmann and Mr de Waal. Although both appeared to be good and suitable supervisory directors, the VEB would vote against these two supervisory directors as this was the only way to demonstrate the VEB's dissatisfaction with the rights of these two supervisory directors.

Mr Veraart (ING Trust Office) noted that the ING Trust Office was also unhappy with the veto. The ING Trust Office had had an introductory meeting with the two candidates and had discussed that they would act without instructions or consultations. It was also not in the interests of ING if the candidates proposed by the government were discussed in an adverse way.

Mr ten Klooster asked why the two supervisory directors were being appointed for four years rather than for the period of the loan. Mr Vink explained that four years was a normal term of office for a supervisory director. The government had a right of recommendation and the AGM appointed the members of the Supervisory Board, after which, like all other supervisory directors, they would hold office for four years with the responsibilities imposed by law. Mr ten Klooster replied that another bank in the same situation as ING, although a little smaller, had specifically linked the supervisory directors' term of office to the period of the loan. The chairman noted that the veto was linked to the term of the loan.

Following the electronic voting, the chairman announced that the proposal to appoint Ms Bahlmann as supervisory director had been carried by 1,990,363,818 votes in favour, 8,081,442 votes against and 5,962,236 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 698,920,245 votes in favour, 8,081,442 votes against and 5,962,236 abstentions.

9C. Composition of the Supervisory Board – Appointment of Mr J. van der Veer (voting item)

The chairman moved the appointment of Jeroen van der Veer as supervisory director from 1 July 2009. The proposal was based on his broad knowledge of managing large international listed companies and of international trade and industry. The Supervisory Board recommended the AGM to appoint Mr van der Veer as a member of the Supervisory Board. The proposed appointment had been approved by the Nederlandsche Bank.

Mr Veraart (ING Trust Office) noted that Mr van der Veer already held several supervisory directorships. Mr van der Veer had assured the ING Trust Office that he was aware that ING would take up a considerable part of his time.

A depositary receipt holder asked why Mr Elverding had to surrender his veto now he was succeeding Mr Hommen as chairman of the Supervisory Board. The chairman replied that it had been decided in consultation with the Ministry of Finance that Mr Elverding could only be totally independent as chairman if he did not have a veto over various matters.

Following the electronic voting, the chairman announced that the proposal to appoint Mr van der Veer as supervisory director from 1 July 2009 had been carried by 2,000,310,609 votes in favour, 3,349,139 votes against and 716,039 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 708,867,036 votes in favour, 3,349,139 votes against and 716,039 abstentions.

9D. Composition of the Supervisory Board – Appointment of Mr L.J. de Waal (voting item)

The chairman moved the appointment of Lodewijk de Waal as supervisory director from 27 April 2009. Mr de Waal had been recommended for appointment by the Dutch government. He fitted the profile of the Supervisory Board and his proposed appointment was based on his extensive knowledge and experience of socio-economic and labour relations from a Dutch and international perspective. The Supervisory Board recommended the AGM to appoint Mr de Waal as a member of the Supervisory Board. His appointment had been approved by the Nederlandsche Bank.

Mr Swinkels asked what the maximum number of members of the Supervisory Board was. Mr Vink replied that there was only a minimum, which was three. The chairman added that ING would consider the number of supervisory directors in the light of the new strategy and the new organisation. Mr Spanjer noted that Mr de Waal was also a supervisory director at PPGM and asked what had been agreed in this respect. The chairman replied that this had been discussed at length with Mr de Waal and the Ministry of Finance. It had been agreed that there was only a very small chance that these interests would conflict. Should there be a conflict, Mr de Waal would not take part in that discussion.

Following the electronic voting, the chairman announced that the proposal to appoint Mr de Waal as a supervisory director from 27 April 2009 had been carried by 1,983,170,502 votes in favour, 13,993,812 votes against and 7,211,673 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 691,726,929 votes in favour, 13,993,812 votes against and 7,211,673 abstentions.

The chairman addressed the departure of two supervisory directors, Messrs Bourdais and Kok. Wim Kok had become a supervisory director of ING in 2003. He had been an exceptionally committed member; always well prepared. He posed extremely incisive questions but always in a way that people felt that he was also interested in the person being asked the question. He had proved to be an excellent chairman of the Audit Committee which had also proved its value during the crisis. He had taken many initiatives, also in translating the lessons of the crisis for the future. The chairman thanked Wim Kok very much for his support and commitment to ING and wished him great success.

Eric Bourdais had been an excellent financial manager and banker, with a critical view of the activities of the bank and the insurance operations. Eric was vice-chairman of the Supervisory Board and an exceptionally good adviser to both the CEO and the chairman of the Supervisory Board. He was one of the most critical people when it came to remuneration. On behalf of his colleagues on the Executive Board and the Supervisory Board, the chairman thanked Eric Bourdais for his support, contribution and wisdom.

The chairman announced that Mr van der Lugt would resign next year on reaching the designated age. Messrs Klaver and Vuursteen would resign by rotation at the end of next year's but both were eligible for reappointment.

10. Authorisation to issue ordinary shares with or without preferential rights (voting item)

The chairman moved the proposal to appoint the Executive Board as the corporate body authorised, upon approval of the Supervisory Board, to issue ordinary shares, to grant the right to take up ordinary shares and to restrict or exclude preferential rights of existing shareholders.

Mr Veraart (ING Trust Office) asked whether it was possible to put this double decision to two different votes. The same applied to item 11. The chairman replied that he would discuss this with ING's legal advisers.

The chairman put to the vote the proposal to appoint the Executive Board as the corporate body authorised, upon approval of the Supervisory Board, to issue ordinary shares, to grant the right to take up ordinary shares and to restrict or exclude preferential rights of existing shareholders. The authority applied to the period ending 27 October 2010 (unless renewed by the General Meeting of Shareholders):
(I) for a total of 220,000,000 ordinary shares, plus
(II) for a total of 220,000,000 ordinary shares, but only if these shares were issued in connection with the take-over of a business or company.

Following the electronic voting, the chairman announced that the proposal had been carried by 1,928,444,837 votes in favour, 74,984,199 votes against and 904,246 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 637,001,264 votes in favour, 74,984,199 against and 904,246 abstentions.

11. Authorisation to acquire ordinary shares or depositary receipts for ordinary shares in the company's own capital (voting item)

The chairman moved the proposal to authorise the Executive Board to acquire ordinary shares and depositary receipts for ordinary shares in ING Groep N.V.

There being no questions, the chairman put to the vote the proposal to authorise the Executive Board for a period ending on 27 October 2010 to acquire in the name of the company fully paid-up ordinary shares in the capital of the company or depositary receipts for such shares. This authorisation was subject to such a maximum that the company shall not hold more than 10% of the issued share capital plus 10% of the issued share capital as a result of a major capital restructuring. The authorisation applied for each manner of acquisition of ownership for which the law requires an authorisation like the present one. The purchase price shall not be less than one eurocent and not higher than the highest price at which the depositary receipts for the company's ordinary shares are traded on the Euronext Amsterdam by NYSE Euronext on the date on which the purchase contract is concluded or on the preceding day of stock-market trading.

As there were no questions, following the electronic voting, the chairman announced that the proposal had been carried by 1,958,077,420 votes in favour, 45,088,348 votes against and 1,176,767 abstentions. Had the votes of the ING Trust Office for which no voting instructions had been received from depositary receipt holders been ignored, the proposal would have been carried by 666,633,847 votes in favour, 45,088,348 against and 1,176,767 abstentions.

12. Any other business

The chairman moved to any other business.

Mr Wokke (former employee of ING) drew attention to his personal employment conflict with ING about which he had sent a complaint to the chairman of the Supervisory Board, and which had been replied to by the HR department. In his opinion, ING had not complied with the Business Principles and he returned a copy of the Business Principles as well as a copy of the ING General Code of Conduct to the chairman during the meeting. Mr Vink replied that it was impossible for a CEO and a chairman of the Supervisory Board to reply to all letters personally. ING naturally paid great attention to such letters and signals. This was not the occasion to discuss an individual issue. The chairman suggested that Mr Wokke discussed the matter with him and Mr Vink after the meeting.

Mr Swinkels referred to Mr Zalm's request for management bonuses at ABN Amro to be repaid. The chairman replied that ABN Amro gave two bonuses, and that repayment of the retention bonus had been requested. ING had one bonus. The Executive Board would not be receiving short-term or long-term incentives for 2009. A new remuneration policy had also been announced which would be set by the Supervisory Board and submitted to the next shareholders' meeting.

Mr Heinemann asked how ING would deal with the problems that would arise further to the huge increase in the money supply, especially in the United States. Mr Timmermans explained that in America ING attracted funds mainly from private customers. ING would not be the first to be affected by a reduction in the money supply. Higher interest rates and a steeper yield curve could be the result of excessive money supply. Higher interests rates were in general better for insurance operations than for a bank.

Mr van den Bos pointed out that Mr Timmermans was to have presented the net asset value of ING shares. Mr Timmermans replied that ING had about EUR28 billion of equity, including the government support. That amount divided by existing shareholders gave an intrinsic value of EUR14. Dividing the amount excluding the Government support by the existing shareholders gave a price of just over EUR9. Mr van den Bos pointed out that, unlike other firms of accountants, ING's new auditor, E&Y, had not yet been harmed as a result of its financial statement audits.

Mr Veen noted that unfortunately 7,000 jobs would be lost and asked if ING was prepared to make training and resources available, for example, to school leavers, so that the trainers could continue to give courses and ING would at the same time be making a contribution to society. Mr Veen also asked if it would be possible to put an advertisement in a national newspaper explaining the strategy discussed today and if ING would speak to Mr Tang, member of the lower House of the Dutch Parliament, to dissuade him from moving to another bank. This would help restore confidence. Now that Postbank had merged with ING, Mr Veen asked Mr Leenaars to abandon interest bonus points and to pay interest.

Mr van der Noordaa replied that ING was looking more critically at training but had not stopped recruiting and training young people. Despite the fact that so many people would, unfortunately, have to leave ING, school leavers would still be joining in positions involving training. ING was helping disadvantaged young people at a number of secondary schools, including in Amsterdam, to develop further by helping them at school, but also through work-placement at ING. Mr Leenaars confirmed that he had spoken to Mr Tang. Surveys showed that the interest bonus points were valued by many customers. ING continuously reviewed whether interest bonus points met a need. The chairman said there needed to be a review of the best ways of communicating the new strategy externally.

Ms van Haastrecht asked if the 7,000 jobs were disappearing in the bank or in the insurance operations. She also said that ING had a vital position in society and asked if ING was looking for innovative products. The chairman replied that the jobs were going almost equally from the insurance company and the bank. Mr Leenaars added that ING was currently active with green products. Ms van Haastrecht continued by asking whether ING also considered developments in society when examining internal risks. Finally, Ms van Haastrecht complimented the chairman for the way he had chaired the meeting but asked if the length of the meeting could be cut back in future. The chairman agreed that meetings could be shorter in future, but it had been important, especially today, to give everyone the opportunity to put questions.

Mr Ayodeji emphasised again that in his opinion it was very important to examine the existing organisation thoroughly to discover the causes of the situation at ING in respect of the crisis. He asked for this to be done by outsiders and to involve the shareholders. The chairman replied that ING would certainly carry out an internal review to discover the reasons and to avoid repetition in future. ING understood the complaints of the shareholders and took them very seriously. The internal review was, however, something that ING had to do itself after which it would be able to report to the shareholders next year on what had been done.

Mr Swinkels referred to the question about innovative products and asked if they would be high risk products given the new back to basics strategy.

The chairman replied that ING would offer products that were simpler and less risky, and comprehensible to customers.

The chairman closed the meeting at 5.30 p.m. after thanking everyone for their contributions.

Amsterdam,	Amsterdam,	Assendelft,
J.H.M. Hommen chairman	L.G. van der Meij secretary	H.J. Looze depositary receipt holder