ING in Society; Sustainability at ING

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Dorothy Hillenius, Director of Investor Relations ING Group

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www.ing.com
Agenda

1. ING at a glance
2. Sustainability at ING
3. Sustainability is an integral part of ING’s business strategy
4. ING’s workforce
5. ING’s ESR Policy framework
6. Stakeholder engagement
7. Sustainable Finance; products and services
8. ING in the community
9. Appendices

This presentation gives an overview of ING’s sustainability strategy and performance today.
ING at a glance
ING is making good progress on EC restructuring

**Delivering on EC restructuring**

<table>
<thead>
<tr>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Separation Bank/Insurance</td>
</tr>
<tr>
<td>• Sell ING Direct USA</td>
</tr>
<tr>
<td>• Sell Insurance Latin America*</td>
</tr>
<tr>
<td>• Insurance/IM Asia</td>
</tr>
<tr>
<td>• Insurance/IM US</td>
</tr>
<tr>
<td>• Insurance/IM Europe</td>
</tr>
<tr>
<td>• Divesting WestlandUtrecht Bank</td>
</tr>
</tbody>
</table>

**Discussions Dutch State and EC**

- ING has begun discussions with Dutch State, and together with the State will soon start discussions with the EC following favourable court ruling on ING’s appeal.
- We remain committed to the decision to separate Bank and Insurance and we are making progress in preparing the Insurance businesses for a stand alone future.
- ING remains committed to repay the remaining EUR 3 billion of capital report Dutch State as soon as possible under terms acceptable to all stakeholders.

* ING’s Latin American pension, life insurance and investment management operations. Sul America is not included in this transaction.
Good first quarter 2012 results despite challenging financial environment

<table>
<thead>
<tr>
<th>Underlying pre-tax result Bank (in EUR mln)</th>
<th>Underlying pre-tax result Insurance (in EUR mln)</th>
<th>Underlying net result ING Group (in EUR mln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q11 1.533</td>
<td>1Q11 1.354</td>
<td>1Q11 1.354</td>
</tr>
<tr>
<td>2Q11 1.145</td>
<td>2Q11 1.421</td>
<td>2Q11 1.421</td>
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<tr>
<td>3Q11 878</td>
<td>3Q11 511</td>
<td>3Q11 689</td>
</tr>
<tr>
<td>4Q11 682</td>
<td>4Q11 689</td>
<td>4Q11 478</td>
</tr>
<tr>
<td>1Q12 1.126</td>
<td>1Q12 478</td>
<td>1Q12 475</td>
</tr>
</tbody>
</table>

- Bank results included negative credit adjustments* of EUR 304 mln in 1Q12. Excluding these adjustments, Bank results were down just 6.8% from a very strong 1Q11
- Insurance operating results remained solid, but underlying earnings continue to be impacted by mark-to-market losses on hedges to protect regulatory capital

* Credit adjustments refer to Credit Valuation Adjustments (CVA), Debt Valuation Adjustments (DVA) and fair value changes on own Tier 2 debt
ING Insurance/IM: creating strong businesses for standalone futures

- #3 in US Retirement Services
- #1 life insurer in the Netherlands and presence in Belgium and Luxembourg
- ING Investment Management
  73% of rated mutual funds awarded three ‘Morningstars’ or more in Europe and US
- Leading life & pensions provider in Central Europe
- Major foreign life insurer in Asia

Source: Datastream, company websites, press releases, Pensions & Investments (April 2011), LIMRA 2Q survey
ING Bank has strong positions in attractive northern European home markets

- **Leading Commercial Bank in the Benelux and CEE**
  - Top 10 global player in Structured Finance
  - EUR 196 bln in client balances
  - of which EUR 86 bln outside the home markets

- **No. 2 Bank in the Netherlands**
  - EUR 388 bln in client balances

- **No. 4 Bank in Belgium**
  - EUR 184 bln in client balances

- **No. 3 Retail Bank in Germany**
  - EUR 161 bln in client balances

- **No. 4 Bank in Poland**
  - EUR 24 bln in client balances

- …Plus **ING Direct** and growth options in CEE and Asia
  - EUR 213 bln in client balances

**Total Client Balances ING Bank**
- EUR 1,056 bln

*Note: Client balance data: end of March 2012*
European banks are facing far-reaching changes

**Regulatory Changes**
- Higher capital requirements
- Lower balance sheet leverage
- More conservative funding & liquidity
- Focus on size of banks relative to GDP

**Societal Drivers**
- Households and governments need to reduce debt
- More customer scrutiny of banks
- Increasing demand for transparency

**Economic Drivers**
- Weaker economic environment
- Reticence among companies to invest
- Deleveraging across banking industry

Limit banks’ ability to grow
Put pressure on margins
Limit demand
ING Bank has key strengths to succeed in this environment

**Strong capital generation**

Core Tier 1 ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>1Q12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio</td>
<td>7.3%</td>
<td>7.8%</td>
<td>9.6%</td>
<td>9.6%</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

**Strong retail deposit gathering ability**

In EUR bln

- **2008**: 328
- **2009**: 361
- **2010**: 374
- **2011**: 392
- **1Q12**: 404

Note: excludes ING Direct USA for 2008 - 2011

**Conservative funding mix**

Per 31 March 2012 (%)

- Retail deposits
- Corporate deposits
- Public debt
- Subordinated debt
- Interbank
- Repo

**Attractive Loan-to-Deposit Ratio**

31 December 2011

- Nordea: 1.8
- Rabobank: 1.4
- Lloyds Banking: 1.3
- ABN AMRO: 1.3
- Crédit Agricole: 1.3
- BBVA: 1.2
- BNP Paribas: 1.2
- Santander: 1.2
- Barclays: 1.2
- Commerzbank: 1.2
- ING Bank: 1.1
- Erste: 1.1
- Societe Generale: 0.8
- Credit Suisse: 0.8
- HSBC: 0.8

Sources: Public company data
We are leaders in innovative distribution…

NL is a leader in online banking

Online banking usage Percentage*, 2010

Transformation to ‘Self-first’ is a matter of time

Online adaptors

Self-first

Multi channel

Brick & Mortar

Internet access Percentage**, 2011

0 20 40 60 80 100

0 20 40 60 80 100

Which ING has exported successfully

ING Direct customers 31 Dec. 2011 (x 1,000)

Total 16.7 mln

833 1,274 1,456 1,456 1,798 2,410

France Italy Australia UK Canada Spain Germany

Giving us a structural cost advantage

Operating expenses/Retail balances 2010 (bps)

Traditional Banks ING Direct

113 43

* Percentage of adults using internet

** Percentage of households with internet access

Source: data published by Eurostat, EFMA, comScore, Internet World Stats (Nielsen Online, International Telecommunications Union, Official country reports, and other research sources).
...and a cost leader among European Banks

<table>
<thead>
<tr>
<th>Cost / Income</th>
<th>Cost / Client Balances</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 2011</strong></td>
<td><strong>bps as per 31 December 2011</strong></td>
</tr>
<tr>
<td>Credit Suisse</td>
<td>Deutsche Bank 427</td>
</tr>
<tr>
<td>Commerzbank</td>
<td>Credit Suisse 411</td>
</tr>
<tr>
<td>Deutsche Bank</td>
<td>Societe Generale 240</td>
</tr>
<tr>
<td>Lloyds Banking</td>
<td>Barclays 240</td>
</tr>
<tr>
<td>ABN AMRO</td>
<td>BNP Paribas 211</td>
</tr>
<tr>
<td>Societe Generale</td>
<td>HSBC 190</td>
</tr>
<tr>
<td>Crédit Agricole</td>
<td>Lloyds Banking 165</td>
</tr>
<tr>
<td>Rabobank</td>
<td>BBVA 159</td>
</tr>
<tr>
<td>BNP Paribas</td>
<td>Erste 153</td>
</tr>
<tr>
<td>ING Bank</td>
<td>Crédit Agricole 150</td>
</tr>
<tr>
<td>Barclays</td>
<td>Santander 146</td>
</tr>
<tr>
<td>HSBC</td>
<td>Commerzbank 140</td>
</tr>
<tr>
<td>Nordea</td>
<td>Rabobank 112</td>
</tr>
<tr>
<td>Erste</td>
<td>ABN AMRO 111</td>
</tr>
<tr>
<td>BBVA</td>
<td>Nordea 103</td>
</tr>
<tr>
<td>Santander</td>
<td>ING Bank 88</td>
</tr>
</tbody>
</table>

Notes:
- Cost = Total Operating Expenses; Client Balances = average Customer Loans plus average Customer Deposits
- Sources: Public company data, ING company data

55% ex. market impacts
...while championing fair, transparent pricing for our customers

Customer proposition
• Limited number of products
• Consistent, transparent, fair pricing
• Customer-centric process management
• Break-through simplicity

Strong brand position
Total aided brand awareness (2010)
97 98 92 84 84 82 91 99 92 72
NL Bel Pol Aus Can Fra Ger Ita Spa UK

The lowest fees in most markets
Costs for current account

And a loyal customer base
Net Promoter Score
Can, Spa, Aus, Fra, Ger, UK, Rom, Pol, Bel
NL, Ita

ING
…and with a strongly performing Commercial Banking franchise providing attractive returns

### Underlying income*

<table>
<thead>
<tr>
<th>Year</th>
<th>Underlying income (EUR mln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4,188</td>
</tr>
<tr>
<td>2008</td>
<td>3,777</td>
</tr>
<tr>
<td>2009</td>
<td>4,657</td>
</tr>
<tr>
<td>2010</td>
<td>5,350</td>
</tr>
<tr>
<td>2011</td>
<td>5,023</td>
</tr>
</tbody>
</table>

* Adjusted for sale of Car Lease and REIM

#### Impairments on Greek government bonds

### Underlying result before tax*

<table>
<thead>
<tr>
<th>Year</th>
<th>Underlying result before tax (EUR mln)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1,856</td>
</tr>
<tr>
<td>2008</td>
<td>752</td>
</tr>
<tr>
<td>2009</td>
<td>1,042</td>
</tr>
<tr>
<td>2010</td>
<td>2,217</td>
</tr>
<tr>
<td>2011</td>
<td>2,019</td>
</tr>
</tbody>
</table>

* Adjusted for sale of Car Lease and REIM

#### Impairments on Greek government bonds

### Risk costs*

<table>
<thead>
<tr>
<th>Year</th>
<th>Risk costs (EUR mln)</th>
<th>Risk costs (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-144</td>
<td>34</td>
</tr>
<tr>
<td>2008</td>
<td>594</td>
<td>72</td>
</tr>
<tr>
<td>2009</td>
<td>1,207</td>
<td>33</td>
</tr>
<tr>
<td>2010</td>
<td>490</td>
<td>477</td>
</tr>
<tr>
<td>2011</td>
<td>477</td>
<td>35</td>
</tr>
</tbody>
</table>

* Risk costs as percentage of average RWA

- Commercial Banking has performed strongly throughout the crisis and continues to perform well
- Risk costs remained under control
- The result in 2008/2009 was negatively impacted by FV changes and impairments on Real Estate investments and development projects but Real Estate exposure has since been reduced sharply
Sustainability at ING
At ING, we believe that we can best contribute to society by being good at what we do, taking responsibility for the impact of our products and services on the world around us, and contributing to positive change that allows future generations to thrive, within the resource limits of our planet.
Our Business Principles

The ING Business Principles are:
We act with **integrity**
We are **open and clear**
We **respect** each other
We are socially and environmentally **responsible**
ING has a strong track record in sustainability
ING has been reporting on sustainability since 2005

Improvements in 2011 report

This report contains several improvements over last year’s report based on recommendations we received from our stakeholders.

- More detail on stakeholders’ views about performance and reporting. This includes the results of structured engagement around reporting and material issues, and responses to adverse comments and criticisms;
- More information on how we engage with customers, NGOs, governments, regulators, shareholders and other stakeholder groups;
- Greater coverage of material issues as identified by our stakeholders and of challenges for our international business;
- A more complete overview of the composition of our businesses, including our exposure to different sectors in the economy;
- More coverage on the social and environmental impacts of our banking operations;
- More extensive assurance (covering our progress report, in addition to the KPIs).
Sustainability is an integral part of ING’s business strategy
Global trends facing the financial sector and the possible added value of Sustainability

The added value of integrating Sustainability in our core business processes can include:

• Improved license to operate
• Customer acquisition and loyalty
• Higher employee satisfaction and retention
• Strengthened relationships and partnerships with external stakeholders
• Improved brand image and reputation
• Improved market share
• Cost savings due to more efficiency
• Environmental benefits

However, these outcomes can only be achieved if basic trust and reputation levels are in place.

Global trends and developments facing the financial sector:

• Financial crisis
• Instability in Euro zone
• Changing regulatory environment
• Increase public scrutiny financial sector
• Customer advocacy
• Social inequality
• Scarcity of commodities
• Pressure on the environment (climate change)
• Emerging markets coming up ”Youtube world”
• Growing (and aging) population
“Our sustainability agenda is an indispensable part of our strategy. It combines our values and beliefs, our business ambitions and our vision for a better future in a concerted effort to achieve economic growth in a sustainable manner.

We firmly believe that to ensure the future growth of our company non-financial and financial objectives should be aligned.”

Jan Hommen, Chairman of the Executive Board of ING Group
**Our Mission**
It is our mission to help our customers manage their financial future - in ways that are seen as responsible, valuable and sustainable by all those we serve through our products, people and activities.

**Our Business Principles**
We act with integrity - We are open and clear - We respect each other - We are socially and environmentally responsible

**Our Vision**
To leverage our unique resources, skills and expertise as an international financial institution to contribute to economic growth, general well-being and positive change, by:

1. **Being good at what we do:**
   We provide high quality products and services that meet the needs and expectations of our customers and are easy to access and understand. We are committed to fair, honest and lawful behavior that earns our stakeholders’ trust. We foster an open, safe and stimulating place to work, where our employees are inspired to be the best they can be.

2. **Promoting sustainable finance:**
   We aim to mitigate harm, and contribute to positive change by helping create financial solutions to global challenges.

3. **Making a difference in communities:**
   Aligned to our business skills, we invest in tomorrow’s economy by supporting people find their way towards a financially secure and independent future
Our Key Performance Indicators (KPIs)

**Dow Jones Sustainability Index Dimensions**

<table>
<thead>
<tr>
<th>SECTOR SPECIFIC CRITERIA</th>
<th>ECONOMIC DIMENSION</th>
<th>ENVIRONMENTAL DIMENSION</th>
<th>SOCIAL DIMENSION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Brand Management</td>
<td>- Business Risks and</td>
<td>- Access to</td>
</tr>
<tr>
<td></td>
<td>- Customer</td>
<td>Opportunities</td>
<td>Insurance/Other</td>
</tr>
<tr>
<td></td>
<td>Relationship</td>
<td>- Environmental Policy/</td>
<td>Social Value</td>
</tr>
<tr>
<td></td>
<td>Management</td>
<td>Management System</td>
<td>Added</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Operational Environmental</td>
<td>- Occupational Health &amp; Safety</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Footprint</td>
<td>- Stakeholder Engagement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Risk Detection</td>
<td>- Standards for Suppliers</td>
</tr>
</tbody>
</table>

**ING’s strategic direction**

1. Being good at what we do
2. Promoting sustainable finance
3. Making a difference in communities

**KPIs**

- Customer satisfaction index
- Sustainable assets under management (in EUR million)
- Equator Principles (number of projects reviewed)
- Business principles awareness (% of FTE)
- Employee engagement (% of FTE)
- Diversity (% of women in the IMC)
- Green energy (KWh of electricity purchased by ING that is derived from wind, solar or water power)
- ING Chances for Children (number of children provided with access to education)
- Dow Jones Sustainability Index (score max 100)
- FTSE4Good (included/not included)
• ING has been tracking and monitoring its sustainability performance since 1995.

• Every year we evaluate what we do and set goals for the years ahead.

• This has helped us to continuously improve our track record.

• Setting KPIs and implementing measurement systems are essential for improving sustainability performance.

<table>
<thead>
<tr>
<th>KEY PERFORMANCE INDICATORS (1)</th>
<th>YEAR END 2021</th>
<th>YEAR END 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Principles (Number of projects reviewed)</td>
<td>55</td>
<td>74</td>
</tr>
<tr>
<td>Sustainable assets under management (in EUR million)</td>
<td>1,683</td>
<td>2,120</td>
</tr>
<tr>
<td>Customer satisfaction index (2)</td>
<td>69.3%</td>
<td>69.1%</td>
</tr>
<tr>
<td>Economic value (in EUR million) (3)</td>
<td>2,791,184</td>
<td>1,247,005</td>
</tr>
<tr>
<td>Total assets</td>
<td>2,791,184</td>
<td>1,247,005</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>46,663</td>
<td>40,004</td>
</tr>
<tr>
<td>Total income from continuing operations</td>
<td>55,794</td>
<td>54,105</td>
</tr>
<tr>
<td>Result before tax from continuing operations</td>
<td>6,109</td>
<td>3,628</td>
</tr>
<tr>
<td>Net result from continuing and discontinued operations</td>
<td>5,766</td>
<td>2,810</td>
</tr>
<tr>
<td>Personnel expenses: salaries</td>
<td>5,307</td>
<td>5,457</td>
</tr>
<tr>
<td>Personnel expenses: other</td>
<td>2,249</td>
<td>2,235</td>
</tr>
<tr>
<td>Employee engagement index (4)</td>
<td>66%</td>
<td>69%</td>
</tr>
<tr>
<td>Diversity (5) (Percentage of women in the International Management Council)</td>
<td>16.2%</td>
<td>14.9%</td>
</tr>
<tr>
<td>ING Chance for Children (Number of children provided with access to education)</td>
<td>118,101</td>
<td>128,175</td>
</tr>
<tr>
<td>Green energy (KWh or electricity purchased by ING that is derived from renewable resources)</td>
<td>310,953</td>
<td>332,043</td>
</tr>
<tr>
<td>Dow Jones Sustainability Index (6)</td>
<td>72</td>
<td>72</td>
</tr>
<tr>
<td>FTSE4Good Index (7)</td>
<td>Induced</td>
<td>Induced</td>
</tr>
</tbody>
</table>
ING’s workforce
ING’s workforce

**Top employer**

The operating environment for financial institutions is undergoing fundamental changes. Our long term business depends not only on being resilient to change, but also having the right people. In order to attract, develop and retain the most talented people, both now and in the future, we want to be recognised as a *top employer*.

**Male/female ratio**

One of our diversity goals is for women to make up 33% of our Management Council by 2015. It is a challenging target, as this figure stood at 16.2% by the end of 2011. Furthermore, the number of senior positions has decreased with the recent company restructuring.
Employee engagement in 2011

ING conducts an annual employee engagement survey called the Winning Performance Culture scan (WPC) in order to better understand the issues important to ING employees and to measure their state of mind. The WPC survey covers topics such as management quality, integrity, compliance, diversity, employee pride, brand perception and community investment. In 2011, the overall engagement of our global staff decreased from 69% to 66%.

The reasons behind this lower score seem to be related to uncertainty about the future of ING and the future of the financial industry in general. In particular the separation of our Banking and Insurance/Investment Management businesses continued to be an important theme for our employees in 2011.

We also see positive outcomes of the survey. Most key engagement drivers remained stable, including employee pride.
ING’s ESR policy framework
ING’s Environmental and Social Risk framework

**ING’s policy framework**

- To limit any negative impact our business might have on the environment and communities, we make use of Environmental and Social Risk (ESR) policies and guidelines.
- These policies are based on our ING Business Principles and describe the rules and guidelines for specific industry sectors, human rights and environmental issues. Policy refinement is a continuous process.
- All ING activities are within the scope of the ESR framework.
- Management of ESR is embedded in ING’s mainstream financial risk management practice.
- Our general policies are the baseline for limiting negative impact and defining the boundaries for ING. The sector policies aim to improve the sustainability performance of our clients.
- ING also plays an important role in industry alignment in order to increase the level playing field in the financial sector.
How our ESR policies are implemented

When entering into a business engagement...

- The ING Front Office first checks whether the engagement is in line with ING’s Business Principles.
- Then it is determined whether the engagement carries ‘high’ or ‘low’ risk under the ESR Policies. Focus is put on the client as well as the sector and country where it operates.
- In case of low-risk transactions, Front Office and risk managers proceed with the engagement.
- However, if the transaction is considered to be ‘high risk’ a further ESR assessment is undertaken.
- A negative advice can only be waived by ING’s highest credit
Managing environmental and social risk (ESR)

Historically, ING has applied high environmental and social standards in its operations to mitigate risks. These policies were first formalised in 2003 and have become integral to ING’s risk culture. By implementing ESR standards, we have been improving our business and we have helped our clients improve their overall risk profile. ING Bank has a dedicated Environmental and Social Risk department which advises on business transactions with potential environmental or social sensitivities.
ING Insurance/IM applies the ING Group ESR framework, based on which we have made a list of companies that ING managed funds and proprietary assets cannot invest in. To ensure universal application across ING, the list is fed into the trading software, subsequently preventing any trade in the stock of these companies. Furthermore, ING Insurance/IM has developed an integrated Environmental & Social Governance (ESG) model.
Stakeholder engagement
Sustainability is on the agenda of all our stakeholders

<table>
<thead>
<tr>
<th>Employees</th>
<th>PEOPLE PRODUCTIVITY PLANET® 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>THE WAR FOR TALENT: DOES SUSTAINABILITY MATTER? TRISTAN FORRESTER</td>
</tr>
<tr>
<td>Investors</td>
<td>Sustainable Products are Here to Stay</td>
</tr>
<tr>
<td>Regulators</td>
<td>Corporate social responsibility</td>
</tr>
<tr>
<td>Competitors</td>
<td>Standard Chartered Here for good</td>
</tr>
</tbody>
</table>
What do our stakeholders expect from ING?

The various expectations of different stakeholder groups

ING’s position on issues raised by stakeholders addressed in annual ‘ING in Society’ report

Note: From 2011 ING in Society report, pages 24-27
Sustainable finance
ING invests in developing sustainable products

Carbon financing - Deal of the Year 2010, Environmental Finance Magazine

Luz Verde

Over the past few weeks large numbers of families in the Puebla region of Mexico have replaced their incandescent light bulbs with energy-efficient ones. And it hasn’t cost them anything. “Luz Verde” (“Green Light”) is currently a pilot project involving one million light bulbs, but the plan is to expand it soon to thirty million bulbs so that seven and a half million Mexican families can take part. For 40% of the families, the annual savings on their energy bills amounts to the equivalent of a week’s wages.

ING is one of the partners in the Luz Verde project.

The idea came from the Australian company Coolng. They concluded that the large reduction in CO2 emissions from millions of Mexican families switching to energy-efficient bulbs translates into money. This is because – thanks to the Kyoto protocol – each tonne of reduced greenhouse gas emissions can be sold as an emission reduction credit to companies in developed countries, such as the Netherlands, that cannot meet their own CO2 reduction targets.

A Dutch alliance turned this idea into reality. Philips will supply the energy-efficient bulbs, Greenpeace is trading the emissions credits and ING has provided the unique finance structure for the project.

Luz Verde is an excellent example of how to combine social and environmental responsibility with profitable business. And that is exactly the balance ING strives to achieve. We are committed to doing business in a way that protects the environment and the climate, and that respects people and human rights. And that starts with us. We are proud of the fact that since 2007 ING is 100% carbon-neutral. ING is also one of the signatories of the Copenhagen Communiqué.

For more information about the ING Emissions Product team that made Luz Verde possible, or about our activities in the area of corporate responsibility, send an e-mail to corporateresponsibility@ing.com or visit our website at www.ingbossevent@ing.com.

Here’s hoping for an enlightened “Copenhagen”.

Green light for Mexico
Specialised SRI funds

In 2011 ING IM introduced a new fund called ING Sustainable Credit Fund. It is a sustainable fixed income fund that invests in euro bonds of companies that score sufficiently on ING’s environmental, social and governance (ESG) criteria.

By managing this type of fund, ING IM has extended its capabilities in the field of socially responsible fund management. ING IM’s flagship ING Sustainable Equity Fund has been offered since 2000.

In 2011, it was the best performing Dutch sustainable equity fund. It also beat the MSCI World Index benchmark, the most widely used standard for equity market performance in the developed world.

The international equivalent of the ING Sustainable Equity Fund is the Luxembourg-based ING (L) Invest Sustainable Equity Fund, which also performed strongly in 2011 and has was ranked number one in its peer group of global sustainable equity funds on a three-year basis.
Sustainable finance

**Shift in ING Bank’s energy portfolio**

ING believes that the global energy sector plays a vital role in combating environmental challenges such as global warming.

The energy sector has the power to encourage the sustainable development of both emerging and industrialised economies.

As a financial institution, we strive to bridge investment gaps in cleaner technologies and innovation.

However, we also call upon governments to create (tax and legal) incentives for long-term investments.

The figure shows how our own energy lending portfolio has shifted. It clearly exemplifies our commitment to more sustainable energy sources.

At year-end 2011, 33% of the portfolio was in renewable energy projects and we expect to increase that share to 50% in the next 12 to 18 months.
Researching the business case for sustainability

• Research teams within ING explore the business case for engaging in environmental and social solutions.

• In 2010, the equity markets analyst team released ‘The Third Industrial Revolution’, a report about the growing scarcity of natural resources and the impact this has on companies.

• Later in the year, the ING Economic Bureau followed up with a report titled ‘From Waste to Profit’, presenting an outlook on waste production, investments and the suitability of leasing as a means of finance.

• Several other reports researched different sectors, from the business case for sustainable fishery, to sustainability in supermarkets and renewable energy.

• These reports help us and our customers make informed decisions about investing in sustainable businesses.
Having an impact beyond our own business

ING applying the Equator Principles to an oil pipeline expansion

• Kazakhstan China Pipeline (KCP) owns a pipeline that transports crude oil from Kazakhstan to China.
• ING was appointed to help arrange the USD 1.18 billion needed to finance an extension of the pipeline.
• Most of the parties (mostly prominent Chinese banks) involved had limited experience with the application of the Equator Principles that ING had adopted in 2003.
• This set of 10 principles is a financial industry benchmark for determining, assessing and managing social and environmental risks. Using performance standards and guidelines defined by the IFC, the Equator Principles are applicable to significant project financings.
• KCP and ING agreed a process by which the project would comply with relevant material environmental and social standards.
• The process of applying the Equator Principles in this case helped raise the environmental and social standards of the borrower and the project.
• Further ING was able to share its expertise on the Equator Principles with CNPC and all the other participating banks.
ING in the community
Community Investment

Our vision

Aligned to our business skills, we invest in tomorrow's economy and society by supporting people find their way towards a financially secure and independent future.

Threefold strategic approach:
ING’ Community Investment activities are:

1. **Aligned with the global brand**
   Increased strategic focus: financial and business literacy
   - Global Programme: ING Chances for Children, Global fundraising partners: UNICEF and Red Cross

2. **Responsive to the local markets, expectations and needs**
   - Local partnerships: Natuurmonumenten, Habitat for Humanity, Make a Wish Foundation

3. **Supportive of our employees’ own preferences and initiatives**

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HIGHLIGHTS

- ING Vysya Foundation is established in India
- ING employees start volunteer activities
- ING main sponsor of ‘Stichting Natuurmonumenten’ in the Netherlands
- ING China launches ‘ING Insurance Scholarship Fund’
- ING Foundation USA is founded
- ING Hong Kong receives ‘The Caring Company Award’
- Launching of the ‘We Care Fund’ in Germany
- Launch of the ‘ING Global Challenge’
- ING for Something Better Foundation was established
- ING (incl clients and employees) donates EUR 1.5 mln to Haiti disaster relief
- Partnership UNICEF prolonged for 3 years

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Charitable contributions

This chart illustrates how our charitable contributions are sourced and how they are distributed across different themes and causes.

BREAKDOWN OF CHARITABLE AND COMMUNITY CONTRIBUTIONS BY CATEGORY

<table>
<thead>
<tr>
<th>Category</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children and Education</td>
<td>10.308</td>
<td>10.805</td>
<td>9.489</td>
<td>9.906</td>
</tr>
<tr>
<td>Financial education</td>
<td>1.936</td>
<td>2.936</td>
<td>1.295</td>
<td>1.156</td>
</tr>
<tr>
<td>Environment</td>
<td>894</td>
<td>881</td>
<td>291</td>
<td>452</td>
</tr>
<tr>
<td>Welfare &amp; Health</td>
<td>3.937</td>
<td>3.225</td>
<td>2.363</td>
<td>2.914</td>
</tr>
<tr>
<td>Arts &amp; Culture</td>
<td>3.080</td>
<td>5.591</td>
<td>3.816</td>
<td>4.909</td>
</tr>
<tr>
<td>Disaster Relief</td>
<td>954</td>
<td>750</td>
<td>439</td>
<td>2.250</td>
</tr>
<tr>
<td>Other</td>
<td>4.452</td>
<td>2.898</td>
<td>2.947</td>
<td>3.533</td>
</tr>
<tr>
<td>TOTAL</td>
<td>25.563</td>
<td>27.086</td>
<td>20.641</td>
<td>25.120</td>
</tr>
</tbody>
</table>
Appendices
Highlights of 2011

- ING was again included in the 2011 DJSI World Index and in the FTSE4Good
- The Sustainability function now directly reports to ING’s CEO
- ING again operated 100% climate neutral (and has been since 2007)
- In 2011, the absolute amount of carbon emissions decreased by 25% compared to 2007
- ING IM introduced a new sustainable fund, the 'ING Sustainable Credit Fund'
- Partnership with UNICEF prolonged for three years
- 118,101 children were provided with access to quality education through the ING - UNICEF partnership in 2011
- The amount of women in the ING Management Council increased by 1.3% in 2011 to 16.2%
- ING includes mandatory non-financial KPIs in Executive remuneration schemes
ING’s activities in the field of sustainability are led and coordinated by a dedicated Sustainability function, which is based at our headquarters in the Netherlands. Since 2011, the Global Head of Sustainability reports directly to ING’s CEO.

Furthermore, ING has a network of subject matter experts throughout the organisation who shape the company’s approach to sustainable business opportunities, risk and community investment. These experts support, monitor and ensure the delivery of our common priorities.

Many other departments across the Group share the responsibility for fulfilling our sustainability agenda.
Dow Jones Sustainability World Index (2011)

ING included in DJSI

In 2011, ING was again selected for the Dow Jones Sustainability Index. Where the industry average score decreased to 49, ING was rated 72 out of 100. ING has been included in the DJSI since 1999, the year in which the index was established.

ING scores in Dow Jones Sustainability World Index
(Included in the insurance sector)

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>72</td>
<td>72</td>
<td>75</td>
<td>71</td>
<td>62</td>
</tr>
</tbody>
</table>

*Companies included in the DJSI benefit from public recognition of being a sustainability leader in strategic areas covering economic, environmental and social dimensions. Important stakeholders such as customers, employees and legislators also recognize the fact that the company belongs to the sustainability leaders within its industry sector. * - Dow Jones Sustainability Index
Disclaimer

ING Group’s Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union (‘IFRS-EU’).

In preparing the financial information in this document, the same accounting principles are applied as in the 2011 ING Group Annual Accounts. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management’s current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING’s core markets, (2) changes in performance of financial markets, including developing markets, (3) consequences of a potential (partial) break-up of the euro, (4) the implementation of ING’s restructuring plan to separate banking and insurance operations, (5) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (6) the frequency and severity of insured loss events, (7) changes affecting mortality and morbidity levels and trends, (8) changes affecting persistency levels, (9) changes affecting interest rate levels, (10) changes affecting currency exchange rates, (11) changes in investor, customer and policyholder behaviour, (12) changes in general competitive factors, (13) changes in laws and regulations, (14) changes in the policies of governments and/or regulatory authorities, (15) conclusions with regard to purchase accounting assumptions and methodologies, (16) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (17) changes in credit-ratings, (18) ING’s ability to achieve projected operational synergies and (19) the other risks and uncertainties detailed in the Risk Factors section contained in the most recent annual report of ING Groep N.V. Any forward-looking statements made by or on behalf of ING speak only as of the date they are made, and, ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.

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