



ING in Society; Sustainability at ING

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www.ing.com

BANKING - INVESTMENTS - LIFE INSURANCE - RETIREMENT SERVICES



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

| | Action |
|----------------------------------|------------------------|
| • Separation Bank/Insurance | ✓ |
| • Sell ING Direct USA | ✓ |
| • Sell Insurance Latin America* | ✓ |
| • Insurance/IM Asia | Exploring sale |
| • Insurance/IM US | Base case IPO |
| • Insurance/IM Europe | Standalone future |
| • Divesting WestlandUtrecht Bank | Exploring alternatives |

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

Underlying pre-tax result Bank (in EUR mln)



Underlying pre-tax result Insurance (in EUR mln)



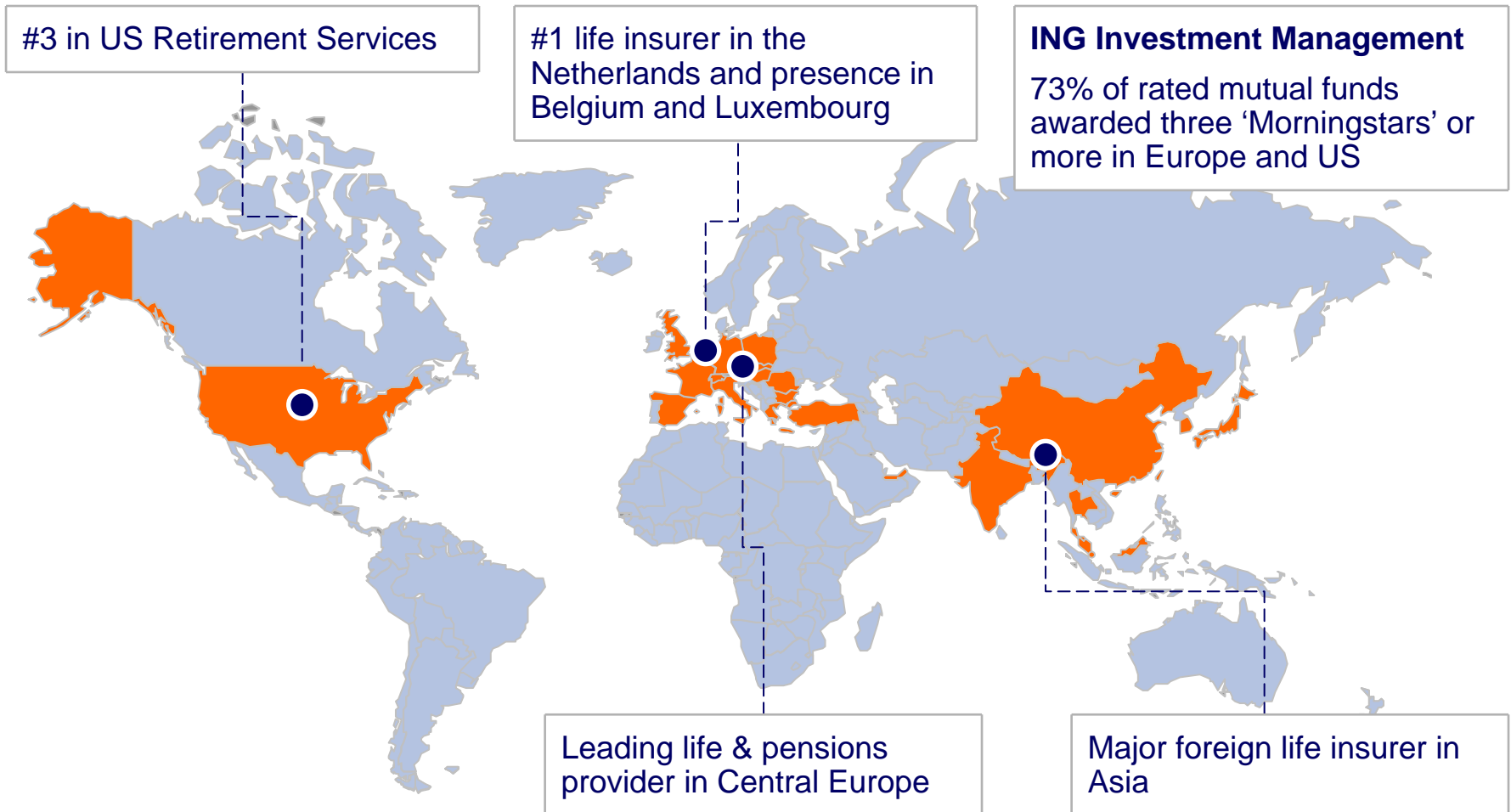
Underlying net result ING Group (in EUR mln)



- 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



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

Limit banks' ability to grow

Societal Drivers



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

Put pressure on margins

Economic Drivers



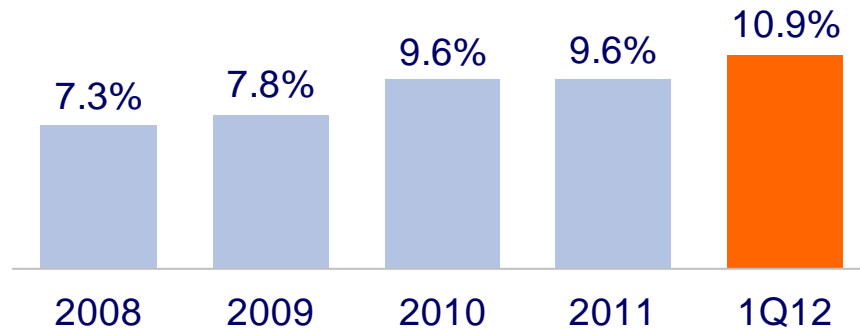
- Weaker economic environment
- Reticence among companies to invest
- Deleveraging across banking industry

Limit demand

ING Bank has key strengths to succeed in this environment

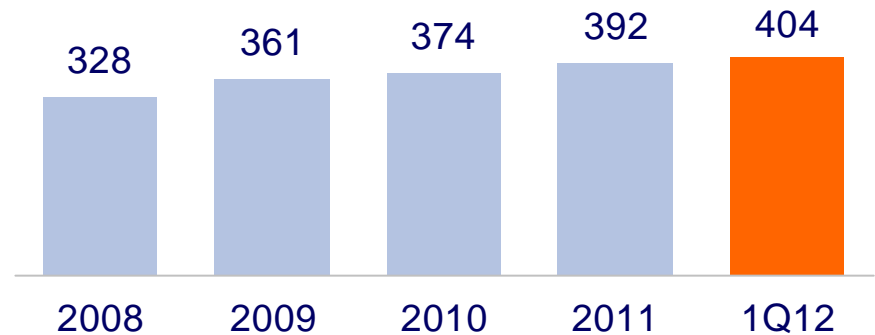
Strong capital generation

Core Tier 1 ratio



Strong retail deposit gathering ability

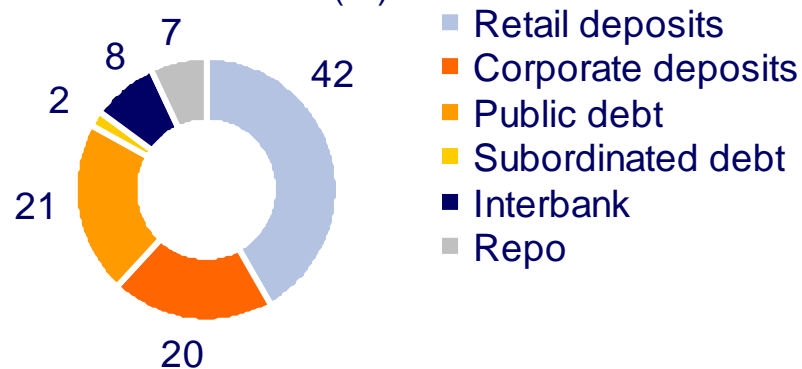
In EUR bln



Note: excludes ING Direct USA for 2008 - 2011

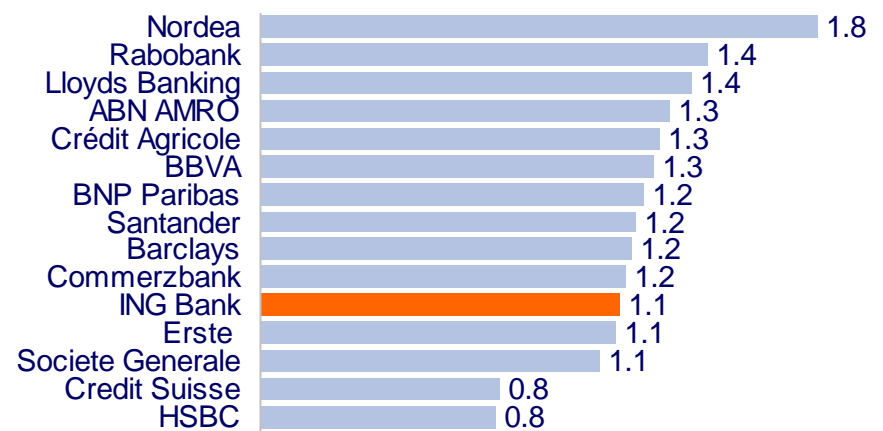
Conservative funding mix

Per 31 March 2012 (%)



Attractive Loan-to-Deposit Ratio

31 December 2011



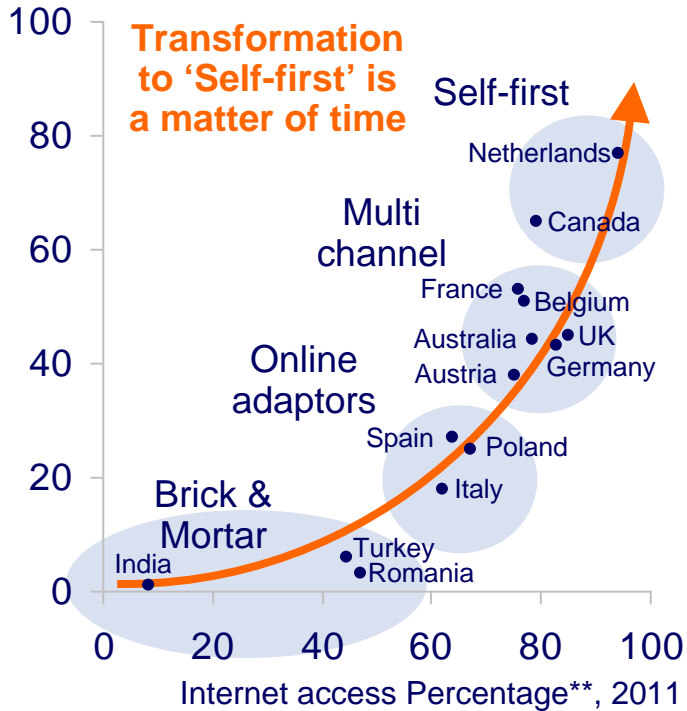
Sources: Public company data



We are leaders in innovative distribution...

NL is a leader in online banking

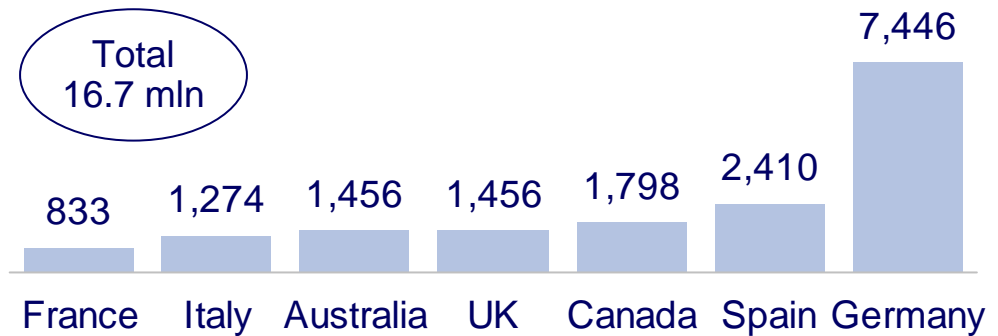
Online banking usage Percentage*, 2010



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

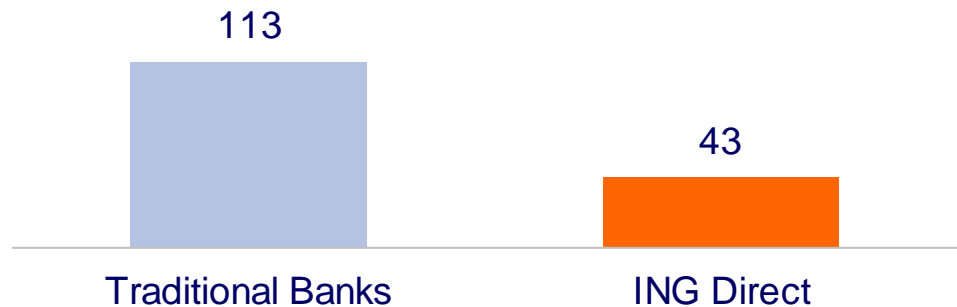
Which ING has exported successfully

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



Giving us a structural cost advantage

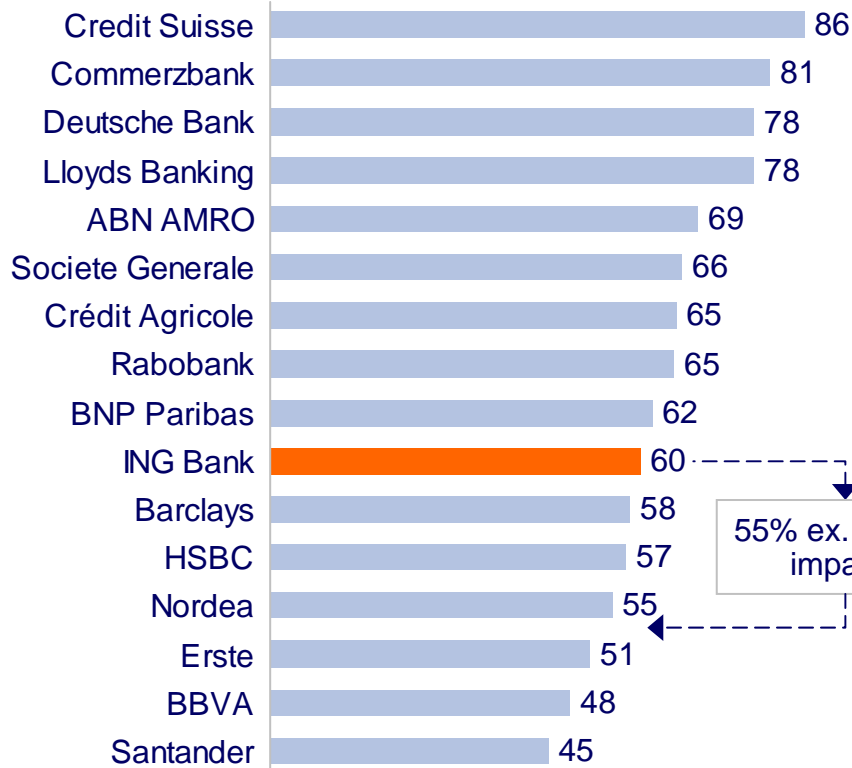
Operating expenses/Retail balances 2010 (bps)



...and a cost leader among European Banks

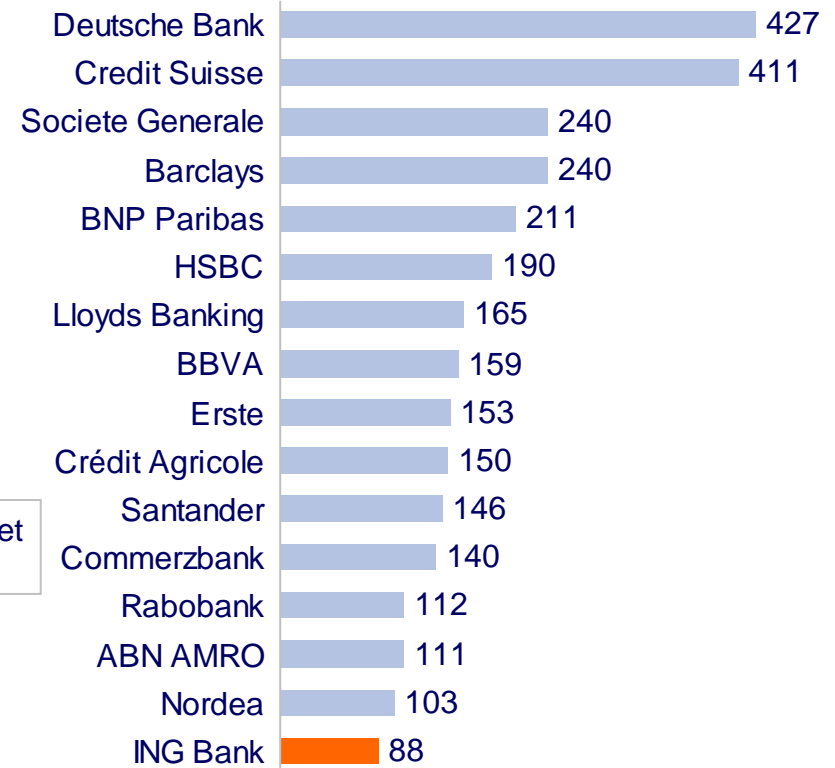
Cost / Income

FY 2011



Cost / Client Balances

bps as per 31 December 2011



Notes:

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

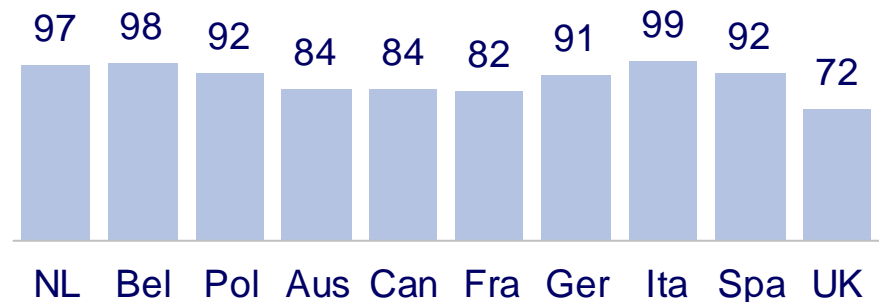
...while championing fair, transparent pricing for our customers

Customer proposition

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

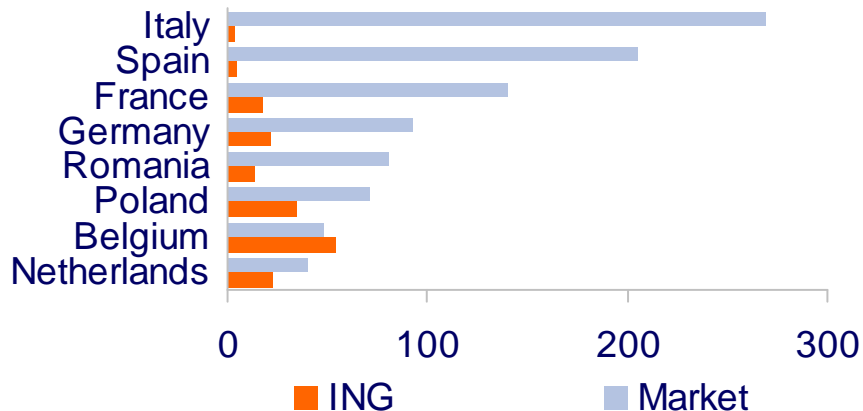
Strong brand position

Total aided brand awareness (2010)



The lowest fees in most markets

Costs for current account



And a loyal customer base

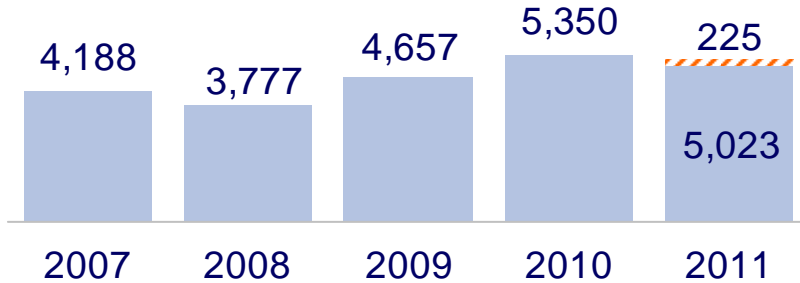
Net Promoter Score



...and with a strongly performing Commercial Banking franchise providing attractive returns

Underlying income*

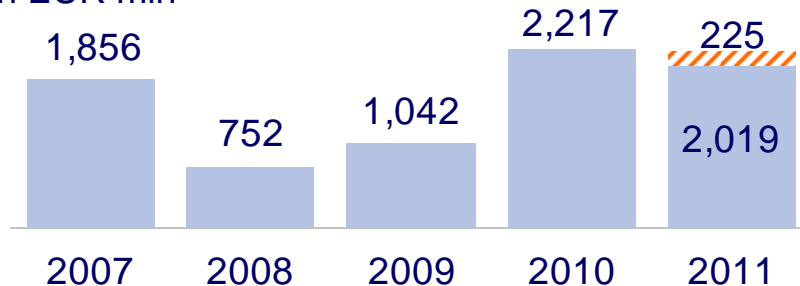
In EUR mln



/// Impairments on Greek government bonds

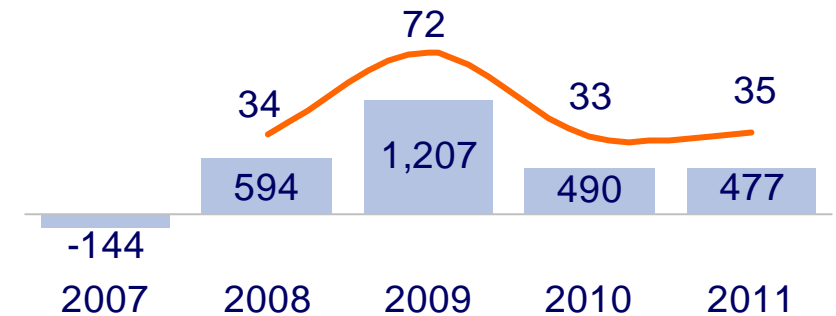
Underlying result before tax*

In EUR mln



/// Impairments on Greek government bonds

Risk costs*



■ Risk costs (EUR mln) — Risk costs (bps**)

- 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

* Adjusted for sale of Car Lease and REIM

** Risk costs as percentage of average RWA

Sustainability at ING

ING for Something Better



ING IN SOCIETY



ING FOR SOMETHING BETTER

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 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

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



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

ING's CEO is committed to sustainability



Jan Hommen, Chairman of the Executive Board of ING Group

“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.”

ING's mission, vision and principles

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

Key
Performance
Indicators

Our Key Performance Indicators (KPIs)

Dow Jones Sustainability Index Dimensions

SECTOR SPECIFIC CRITERIA

ECONOMIC DIMENSION

- Brand Management
- Customer Relationship Management

ENVIRONMENTAL DIMENSION

- Business Risks and Opportunities
- Environmental Policy/ Management System
- Operational Environmental Footprint
- Risk Detection

SOCIAL DIMENSION

- Access to Insurance/Other Social Value Added
- Occupational Health & Safety
- Stakeholder Engagement
- Standards for Suppliers

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)

Performance on our main KPIs

- 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

KEY PERFORMANCE INDICATORS ⁽¹⁾

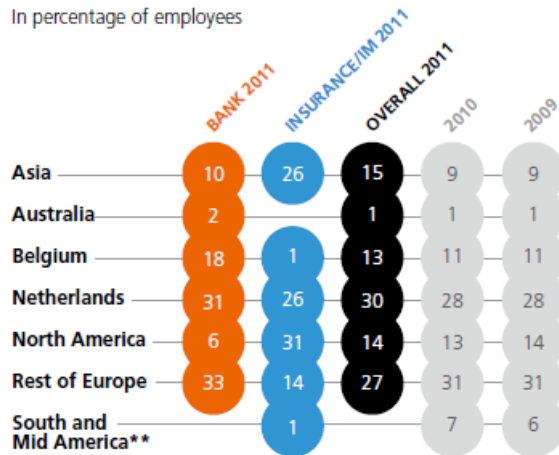


ING's workforce

ING's workforce

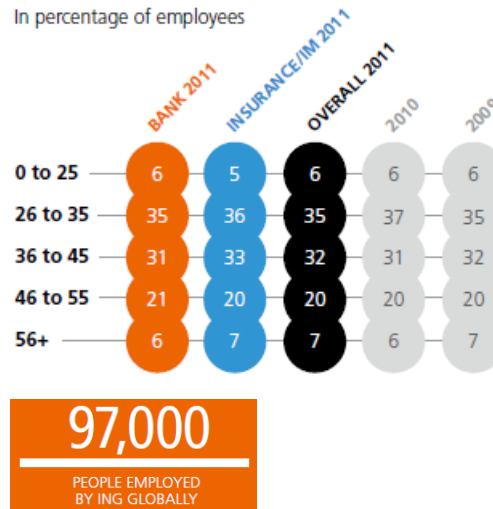
GEOGRAPHICAL BREAKDOWN OF EMPLOYEES*

In percentage of employees



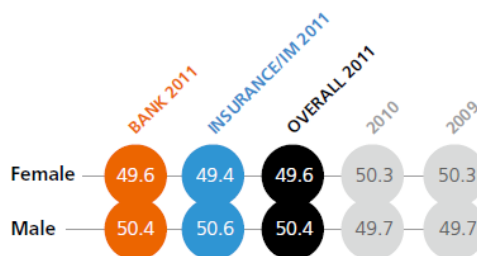
BREAKDOWN OF WORKFORCE BY AGE*

In percentage of employees



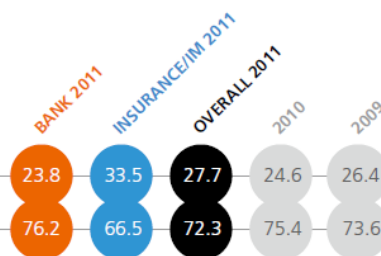
TOTAL WORKFORCE GENDER BREAKDOWN*

In percentage of employees



MANAGERS OVERSEEING OTHER MANAGERS*

In percentage of employees



* The data in the preceding tables was collated and analysed by Workforce Analytics, ING Group HR.

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*.

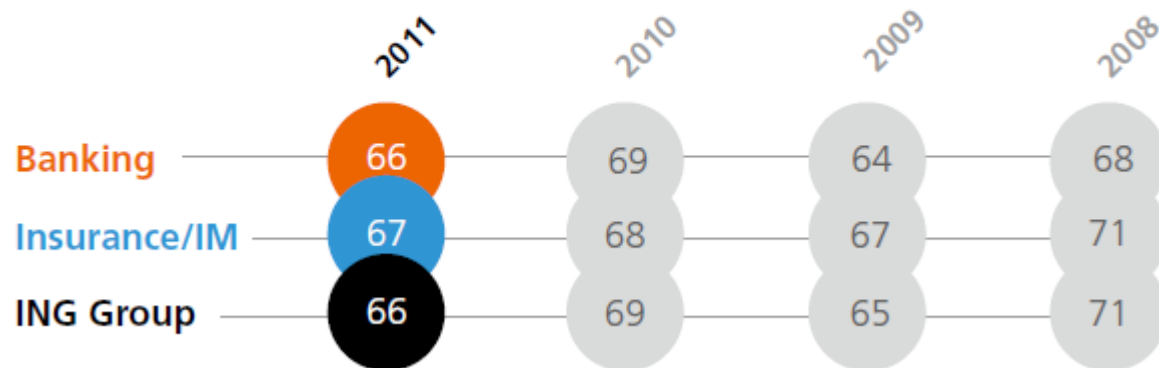
Male/female ratio

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

EMPLOYEE ENGAGEMENT SCORES

In percentage



Employee engagement

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%.

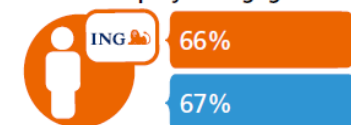
The reasons behind this lower score seem to be related to uncertainty about the future of ING and the future of the financial industry in general. In particular the separation of our Banking and Insurance/Investment Management businesses continued to be an important theme for our employees in 2011.

We also see positive outcomes of the survey. Most key engagement drivers remained stable, including employee pride.

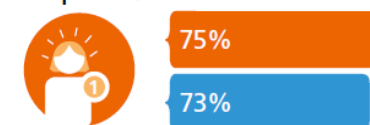
OUTCOMES OF THE WINNING PERFORMANCE SURVEY 2011

In percentage **Bank** Insurance/IM

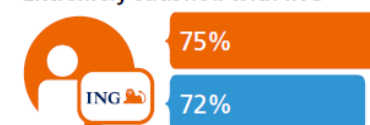
Overall Employee Engagement



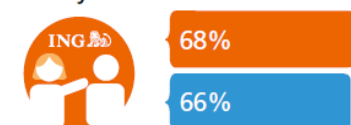
I'm proud to work for ING



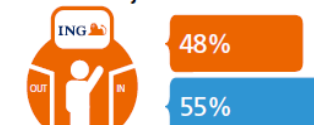
Extremely satisfied with ING



I would refer a friend or family member to work at ING



I rarely think about looking for a new job

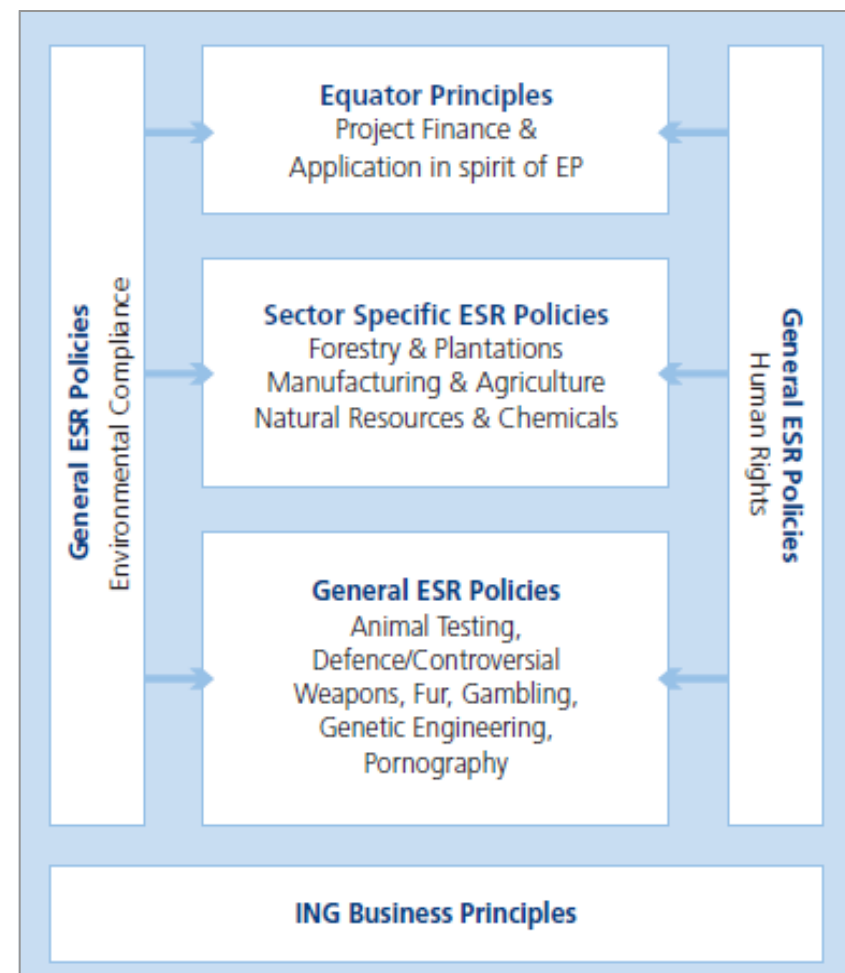


ING's ESR policy framework

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



Timeline Integrating Environmental and Social Risk management into our Banking Business

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.



General policies

These policies define our minimum standards; they make sure we are not engaging with clients or companies with activities beyond what we find acceptable. Our general policies deal with a variety of issues which could be present in any sector or business activity.

Sector-specific policies

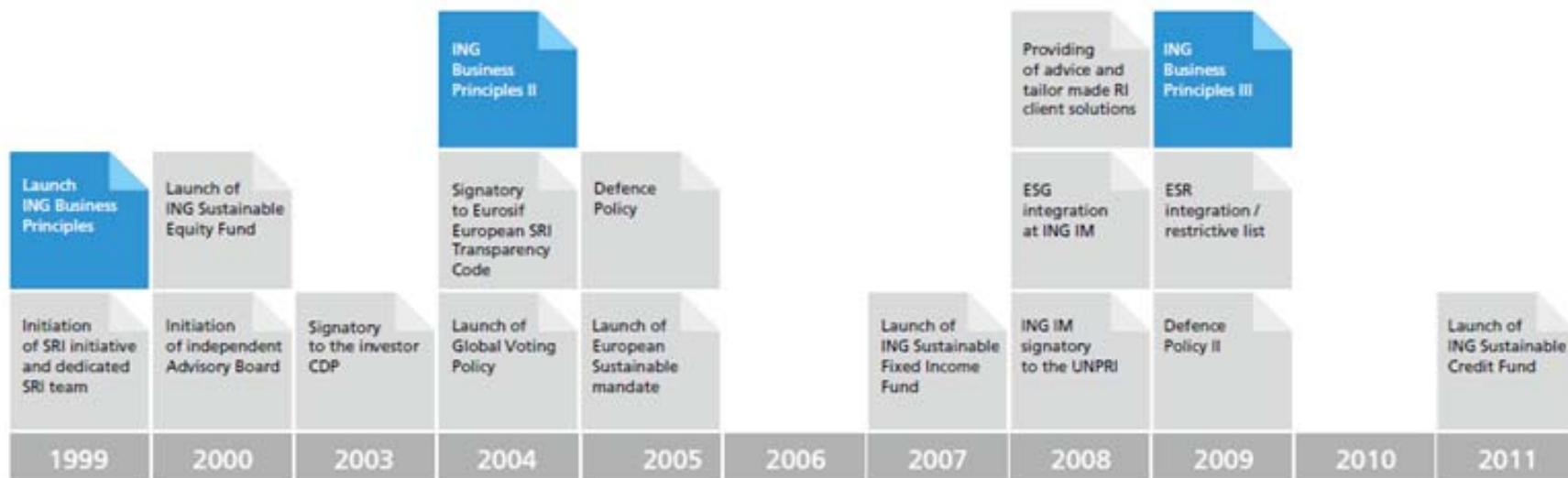
These policies deal with environmental, labour and human rights issues that are specific to a particular sector. They guide us in our aim to support companies across these sectors to improve their environmental and social performance.

Project-related policies

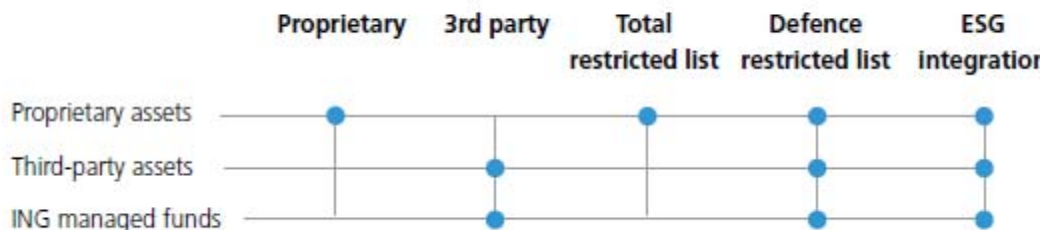
These policies (e.g. the Equator Principles) deal with issues related to project finance, but we also apply them to project-related advisory and lending, for both financing and advisory work. Details on the application of the Equator Principles (EP) can be found later in this section.

Timeline

Integrating Environmental and Social Risk management into our Insurance/IM Business



ESG INVESTMENT



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

Employees

PEOPLE
PRODUCTIVITY
PLANET™
2011

THE WAR FOR TALENT: DOES
SUSTAINABILITY MATTER?
TRISTAN FORRESTER

Customers

Sustainable Products are
Here to Stay

Investors



SRI
adds value
to the investment process

Regulators



Corporate social responsibility

Media

FT/IFC Sustainable Finance Conference
& Awards 2011
Where Innovation Meets Impact
London, 16 June 2011



Competitors

Standard
Chartered

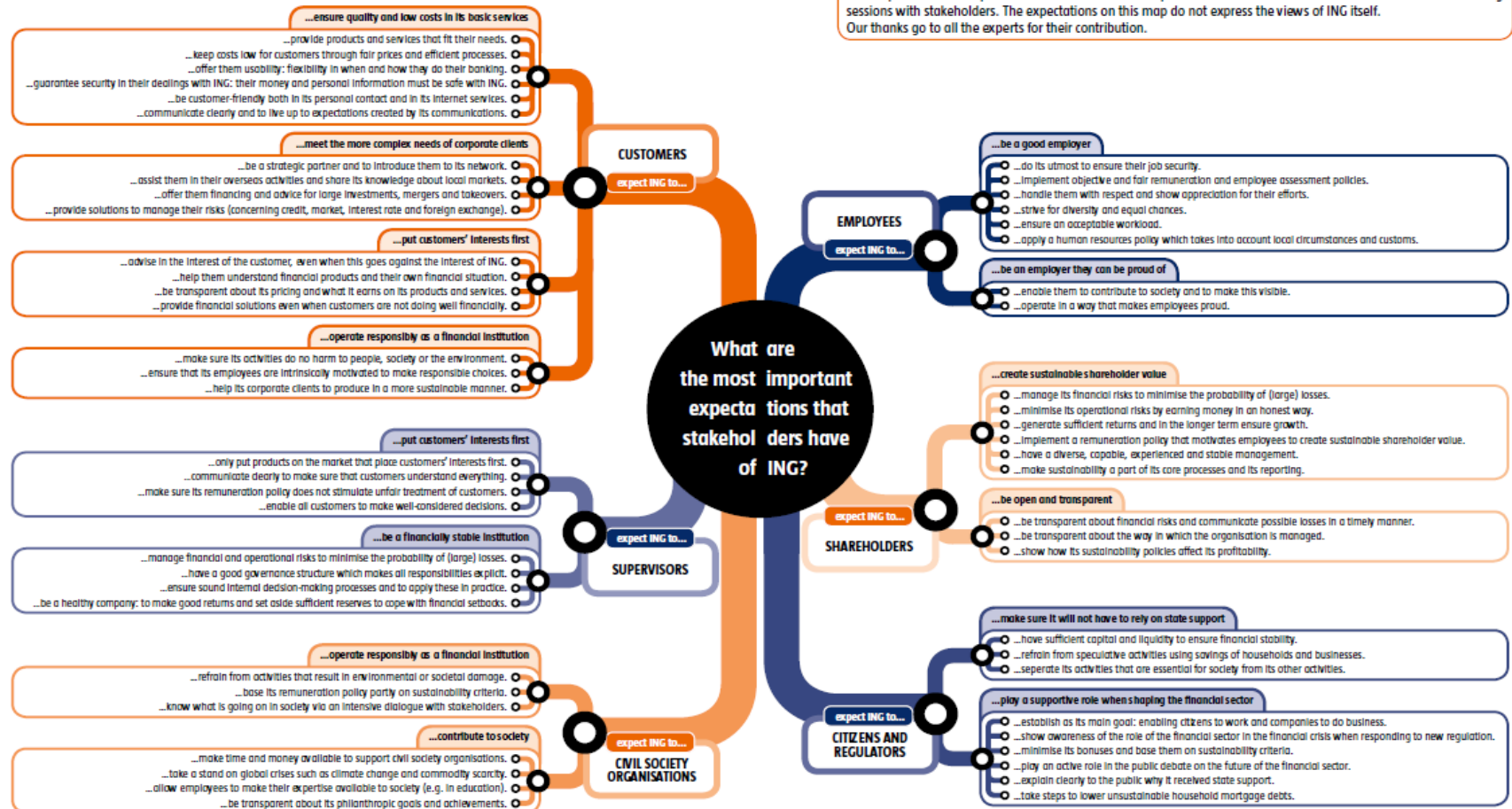


Here for good

What do our stakeholders expect from ING?

The various expectations of different stakeholder groups

This map gives an overview of the expectations that various stakeholders have of ING. The expectations on this map apply to both ING Insurance/Investment Management and ING Bank, with the emphasis on the latter. The expectations described here have not been checked for consistency. This means that there may be expectations on this map that are incompatible with each other. This map was created on the basis of desk research and two thinking sessions with stakeholders. The expectations on this map do not express the views of ING itself. Our thanks go to all the experts for their contribution.



Source: 2011 ING in Society report, page 23

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

| STAKEHOLDER ENGAGEMENT | |
|---|--|
| <p>ING's positions on issues relevant to its stakeholders</p> <p>The Expectations Map provides an extensive overview of the issues that matter to our stakeholders. Although this overview is by no means complete, it does illustrate the complexity of our operating environment. Clearly, the expectations of our stakeholders are not always consistent, and sometimes even contradictory. As a result, our daily business is a continuum of real-life dilemmas.</p> <p>For instance, many of our stakeholders rightly emphasise our responsibility to minimise risk. At the same time, measured risk-taking is an inherent part of the business of a financial services provider. Taking just one example from the Expectations Map, servicing corporate clients will sometimes require us to help them</p> <p>manage their credit, market, interest rate and foreign exchange risks.</p> <p>Accordingly, supervisors and regulators expect us to raise capital buffers and improve our liquidity position, while customers expect us to provide financial solutions even when they are not doing well financially. Finally, with regard to financing in light of the climate change debate, what should be our response to a request to finance a modern and efficient coal-fired power plant if the new one is meant to replace an old and inefficient one?</p> <p>Notwithstanding these dilemmas, we consider it our responsibility to carefully weigh the interests of our stakeholders and to do our utmost to meet their expectations. But while</p> <p>having a thorough understanding of stakeholder expectations is one thing, it is quite another thing to effectively translate these expectations into concrete solutions and match them with our business strategies. Therefore, it is particularly important in this respect to provide insight into how we see or apply stakeholders' input in designing the solutions that our stakeholders expect of us.</p> <p>Based on the Expectations Map and our bilateral contacts with our stakeholders, we have identified the most material issues per stakeholder group. The table below provides brief explanations of our positions, strategies and/or business areas per issue.</p> | |
| CUSTOMERS | ING'S POSITION |
| Determination of prices, fees and rates on ING's products and services. | An important element of our customer suitability approach is our commitment to clearly explain how rates are determined, what costs are associated with the services provided and how ING's rates compare to rates in the market. Our ultimate goal is for all stakeholders to trust that ING offers a reasonable price value for money for its products and services. See pages 38 and 49 of this report for more information on our customer suitability programme. |
| Security of online banking systems. | ING aims to provide optimal security of client data and of all transactions as well as to ensure fraud protection, for example, by protecting our clients' e-pay good business. At the same time, it is clear that there continue to be risks online. Therefore, we also encourage our customers to protect themselves, we provide more information on this on our www.ing.com . |
| ING's commitment to enhancing its customer financial capabilities. | One way we try to improve our customers' expertise is by providing customers to further improve their financial capabilities. We offer insight, tools and programs. See page 35 of this report for more information. |
| ING's efforts to ensure that customer deposits are not used to finance socially or environmentally harmful activities. | Environmental and Social (ESG) policies have become integral to ING's risk culture and are a fully integrated part of our business. Environmental and social risks associated with a client's transaction can be a source of reputational risk for ING. We are aware of the fact that our clients, by implementing ESG standards, have been improving our business and helping our clients improve their overall risk profile. See page 46 for more information. |
| Remuneration of ING's Executive Board and employees. | ING aims to match compensation across approximately a variety of factors, such as the complexity of functions, the scope of responsibilities, the alignment of risks and rewards, and the long-term objectives of the company and its stakeholders. This is all the more important given the changing international standards regarding responsible remuneration. These factors differ for each role, line of business and country. ING has operations in over 40 countries and over 97,000 employees, of whom around 71,000 are based outside the Netherlands (over 54% of senior management is non-Dutch). <p>As much as possible for a global financial institution of our size, ING aims to take account of all these differences and also of the standards applied within similar financial institutions in the various countries in which it operates. Since 2008, ING has been continuously reviewing and amending its remuneration policies in response to the ongoing review of the financial system and related public debate, as well as in line with applicable regulatory developments. More information on this can be found on page 63.</p> |
| 24 2011 SUSTAINABILITY REPORT | |
| STAKEHOLDERS | ING'S POSITION |
| Agency on financial performance of ING. | See the ING Group Annual Report 2011 for more in-depth information on the financial performance of ING Group and its various business lines. |
| ING's involvement in climate change. | Our defence policy is an important part of our sustainable approach to financing. Over the years, the policy has evolved to reflect the societal debate about controversial weapons and arms trade. The policy provides clear guidance on what we believe to be controversial or undesirable business activities. ING will neither finance the production, maintenance or trade of anti-personnel landmines and cluster munitions, as well as depleted uranium ammunition, biological and chemical weapons, nor provide any financial services to companies involved in these kinds of weapons. More information can be found on page 53 and page 65 of this report. |
| Human rights of defence policy light of the Arab Spring. | In 2011, we confirmed that we have not financed the trade of defence equipment to the countries involved. See page 53 and 65 of this report for more information. |
| Human rights of defence policy light of the Arab Spring. | The catering in our restaurants has been outsourced to a company known for its sustainable business practices. Our procurement policies are explained on page 74 of this report. |
| Human rights of defence policy light of the Arab Spring. | We consider it vital to the success of ING to provide an open, safe, inclusive and stimulating working environment for our employees. See page 80 onwards for more information on our efforts to create a better workplace. ING also actively contributes to external causes, and uses insights and recommendations from external reports to make improvements, for example in the case of a 2011 report by SOMO about the workplace at ING Bank in Romania. |
| Human rights of defence policy light of the Arab Spring. | Higher annual financial standards and organic farming come at a financial cost, which the average consumer is not willing to pay. A forced transition of all pig farmers to better would thus bankrupt the sector. Therefore, we instead support farmers willing to change by helping them with best practices and granting favourable rates on loans intended to achieve higher standards. In 2011, the ING Economic Department published a study about pig farming, which suggested alternative marketing methods and ways to double the share of organic farming and other more sustainable alternatives from 15% to 30% by 2020. |
| 25 2011 SUSTAINABILITY REPORT | |
| STAKEHOLDERS | ING'S POSITION |
| Human rights of defence policy light of the Arab Spring. | One of the main objectives of the universal banking model, as illustrated on page 18, is that it enables a financial institution to provide bank products and payment services to consumers at an attractive price and with competitive rates for savings accounts and deposits. An independent retail bank would probably face a difficult future, because of the relatively high financing costs, the requirement of higher capital requirements and disinvestment of assets. |
| Human rights of defence policy light of the Arab Spring. | Reforms in the financial sector are particularly relevant to ING as a cross-border financial institution with operations all over Europe and in other parts of the world. Although we actively support many of the new regulatory proposals and are implementing them to a large extent already, we have strong concerns that the ultimate and aggregated consequences of all the reforms are still not fully clear. We fear that there are too many uncoordinated additions to regulations, that there is too much focus on short-term measures, and too little a focus on how the financial sector can contribute to achieving sustainable economic growth. More information can be found on page 18 of this report and in the ING Group Annual Report 2011. |
| Human rights of defence policy light of the Arab Spring. | See page 15 of this report for a general overview and the ING Group Annual Report 2011 for in-depth information on the current state of affairs with regard to repayment of state aid received in 2008 and 2009. |
| Human rights of defence policy light of the Arab Spring. | We recognise the public's underlying concerns. As indicated, we are not only taking action to restructure our company, but are also playing an active role in the debate. See page 17 of this report for more information. |

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



Green light for Mexico

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 Cool nrg. 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 can use the credits to meet their own CO₂ reduction targets.

A Dutch alliance turned this idea into reality. Philips will supply the energy efficient bulbs, Eneco 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.ingforsomethingbetter.com.

Here's hoping for an enlightened "Copenhagen".



Luz Verde: Mexican families exchange incandescent light bulbs with energy efficient light bulbs, Puebla region in Mexico.

ING Socially Responsible Investment funds

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 been 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.

SNAPSHOT GLOBAL ENERGY PORTFOLIO*



Year 2011, in percentages

| | |
|---------------|------|
| Renewables: | |
| Geothermal | 1% |
| Waste | 1% |
| Biomass | 1% |
| Solar | 3% |
| Offshore Wind | 1% |
| Wind | 20% |
| Hydro | 3% |
| Gas | 50% |
| Coal | 18% |
| Oil | 1% |
| Landfill Gas | 1% |
| Total | 100% |

Year 2005, in percentages

| | |
|---------------|------|
| Renewables: | |
| Geothermal | 0% |
| Waste | 0% |
| Biomass | -% |
| Solar | -% |
| Offshore Wind | -% |
| Wind | 1% |
| Hydro | 3% |
| Gas | 60% |
| Coal | 34% |
| Oil | 2% |
| Landfill Gas | -% |
| Total | 100% |

*ING Structured Finance Utilities, Power & Renewables

Sharing our knowledge and expertise

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**

HIGHLIGHTS



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

in EUR thousands

| | 2011 | 2010 | 2009 | 2008 |
|------------------------|---------------|---------------|---------------|---------------|
| Children and Education | 10.308 | 10.805 | 9.489 | 9.906 |
| Financial education | 1.936 | 2.936 | 1.296 | 1.156 |
| Environment | 894 | 881 | 291 | 452 |
| Welfare & Health | 3.937 | 3.225 | 2.363 | 2.914 |
| Arts & Culture | 3.080 | 5.591 | 3.816 | 4.909 |
| Disaster Relief | 954 | 750 | 439 | 2.250 |
| Other | 4.452 | 2.898 | 2.947 | 3.533 |
| TOTAL | 25.563 | 27.086 | 20.641 | 25.120 |

Appendices

Highlights of 2011

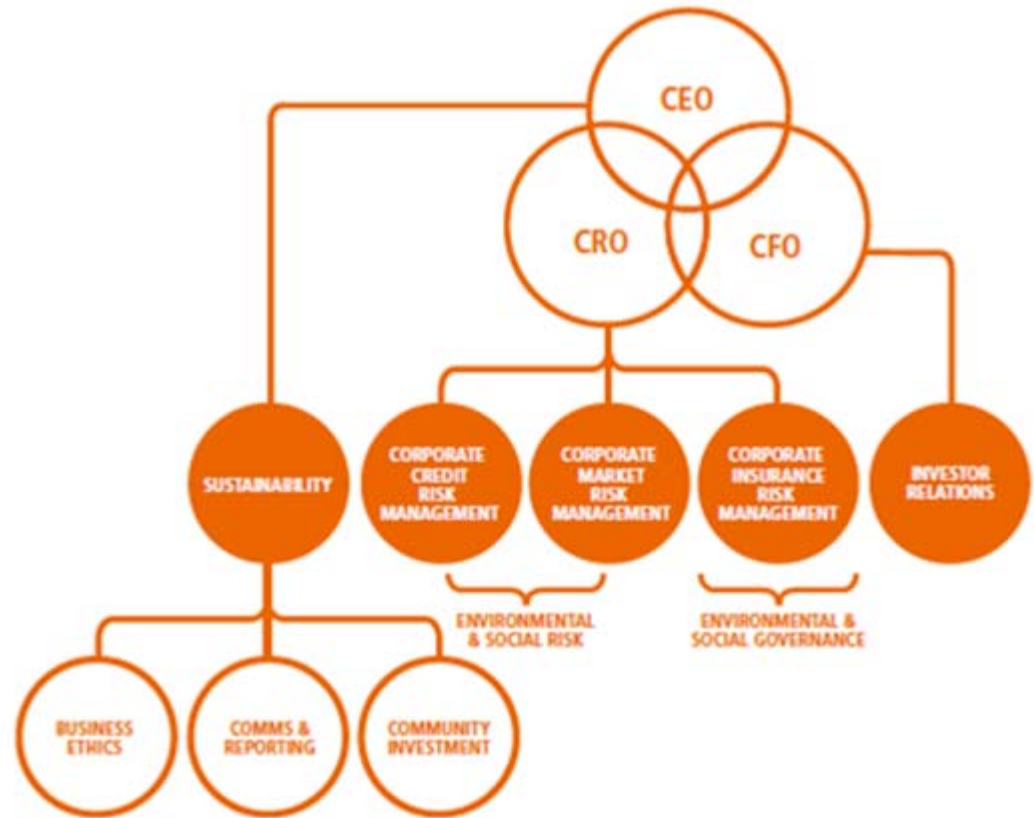
- ING was again included in the 2011 DJSI World Index and in the FTSE4Good
- The Sustainability function now directly reports to ING's CEO
- ING again operated 100% climate neutral (and has been since 2007)
- In 2011, the absolute amount of carbon emissions decreased by 25% compared to 2007
- ING IM 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

The Sustainability function within ING

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)

| Year | 2011 | 2010 | 2009 | 2008 | 2007 |
|-------|------|------|------|------|------|
| Score | 72 | 72 | 75 | 71 | 62 |



"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**

SUSTAINABILITY LEADERS 2012

As of December 31, 2011

| | Company | Country |
|------------------|---|----------------|
| SAM Gold Class | Swiss Re * | Switzerland |
| | Allianz SE | Germany |
| SAM Silver Class | Münchener Rückversicherungs-Gesellschaft AG | Germany |
| | NKSI Holdings Inc. | Japan |
| | Storebrand ASA | Norway |
| | Tokio Marine Holdings Inc. | Japan |
| | Aviva plc | United Kingdom |
| SAM Bronze Class | AXA S.A. | France |
| | Dongbu Insurance Co. Ltd. ** | South Korea |
| | Mapfre S.A. | Spain |
| | RSA Insurance Group plc | United Kingdom |
| | Standard Life plc | United Kingdom |
| | Zurich Financial Services AG | Switzerland |
| | Aegon N.V. | Netherlands |
| | ING Groep N.V. | Netherlands |
| | Insurance Australia Group Ltd. | Australia |
| | Legal & General Group plc | United Kingdom |

* SAM Sector Leader

** SAM Sector Mover



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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