

## Corporate responsibility

### Another step forward

#### Key points

- > ING becomes carbon neutral
- > Green electricity used in offices in US and the Netherlands
- > Successful 'ING Plant a Tree' campaign
- > Internal lending guidelines made public
- > Chances for Children programme exceeds expectations

Corporate responsibility (CR) is an integral part of ING's business. We want to pursue profit on the basis of sound business ethics, respect for key stakeholders and in full compliance with laws, regulations and ethical standards. As a global provider of financial products and services, ING plays an important role in society and strives to meet the financial and social expectations of its stakeholders. We have an impact on society and the environment both directly through our operations and indirectly through the provision of financial services. In 2007, another step forward was taken to achieve our objectives in the four areas to which our CR strategy applies: the social and environmental impact of our products and services, our people, community benefits and direct environmental impact.

#### CLIMATE CHANGE

Climate change is widely considered to be one of the greatest threats facing the planet. ING believes that it has a role to play in dealing with this challenge. In February 2007, ING signed the 'Joint statement by the Global Roundtable on Climate Change; the Path to Climate Sustainability'. This Global Roundtable was an initiative of the Earth Institute at Columbia University in the US and convened more than 100 high-level stakeholders and experts to explore areas of potential consensus on the core scientific, technological and economic issues critical to shaping public policies on climate change. ING has been a member since its launch in 2004.

#### Carbon neutral

ING pledged to take action across its business operations and became 'carbon neutral' in 2007, further diminishing its direct impact on the environment. By reducing and/or compensating its global carbon emissions, ING succeeded in bringing its net CO<sub>2</sub> emission to zero by energy efficiency measures, by purchasing green energy and by extending our current offset programme.

Most of our business units have started to implement or improve energy efficiency programmes. Furthermore, in the US, the Netherlands and several other countries, ING switched to green electricity for all its offices. This means that a substantial part of the energy used by ING in 2007 came from renewable sources, such as wind and water power. The remaining CO<sub>2</sub> emissions were compensated for by the planting and rehabilitation of 600 hectares of degraded tropical rainforest in Malaysia.

#### 'ING Plant a Tree'

A global environmental awareness programme called 'ING Plant a Tree' was implemented to involve employees in the promotion of a cleaner environment. This was a result of the growing interest from ING staff around the world in environmental issues. The campaign makes the joint commitment of staff to environmental care even more tangible. On 18 March 2007, the Global ING Plant a Tree campaign was launched in Malaysia by the CEO. Selecting Malaysia for the kick-off was a logical step: ING already supports a tree-planting programme in one of the country's tropical rainforests to compensate for the company's global CO<sub>2</sub> emissions. A toolkit was developed to help business units to set up their own ING Plant a Tree campaign.

## Corporate responsibility (continued)

**Australian Green Team**

In line with the ING Plant a Tree campaign, various business units have started initiatives to raise awareness about environmental care and to reduce ING's environmental footprint. In March 2007, ING's Green Team in Australia, a group of volunteers that represent the Australian business units, participated in The Australian Conservation Foundation's Earth Hour by turning off all the lights in ING's Sydney building for an hour. This was followed up by a learning session on climate change, presented by one of Al Gore's Climate Project teams.

**Best in class**

In 2007, ING was honoured 'Best in class' for addressing climate change in a report released by the Carbon Disclosure project (CDP). ING was again included in the Climate Leadership Index (CLI), which comprises 68 of the FTSE-500 companies that lead in their responses to climate change.

**Sustainable products**

ING is fully aware of the social and environmental impact of its products and services. However, certain trends, such as climate change and ageing populations, not only present risks, but also opportunities for ING. Therefore, ING has developed a wide range of sustainable products and services which in 2007 included new offerings from ING Car Lease, ING Real Estate, ING Investment Management and other business units, all of which have realised that sustainability can lead to new business. Specific examples of such offerings are socially responsible investment (SRI) funds and services, microfinance and Ecolease for car leasing. ING's portfolio of sustainable assets under management increased to EUR 2,792 million.

ING Real Estate recognises the need to invest in construction projects that reduce the adverse effects of the built environment and is committed to a future where sustainability is second nature to every asset we develop, own and manage. The main drivers for sustainability are lower costs for energy, waste disposal and water consumption, and tenant and investor demand for more sustainable building solutions. Several of ING Real Estate's business units are strongly committed to integrating sustainability into their business activities.

ING Real Estate in Australia has shown a profound commitment to sustainability, employing strategies and participating in activities and programmes to reduce the environmental footprint of the assets owned and managed by the Funds of ING Real Estate. An example of this commitment is the ING Office Fund (IOF) in Australia. The IOF continued to be rated using the Australian Building Greenhouse Rating scheme (ABGR); it implemented action plans for energy, water and waste, such as installed water flow restrictors, dual-flush toilet systems and low flow tap-ware in a number of buildings, resulting in a water saving equivalent to 500 backyard pools. Furthermore, a waste minimisation and recycling programme saw 1,300 mature trees saved through diversion of paper waste from landfill and installed reduced energy consumption by approximately 20%.

**Lending policies now public**

Over the past few years, ING has developed a strong framework of corporate responsibility policies to guide our conduct. The most important are the ING Business Principles. They apply to the entire

ING Group, its subsidiaries and business units and to every employee worldwide. Based on the ING Business Principles, a range of in-depth policies are put in place to guide our day-to-day activities. Examples are ING's Human Rights Statement, Environmental Statement and the Whistleblower procedure for complaints and irregularities.

In our business lines, Environmental and Social Risk (ESR) policies are used to manage financial and reputational risk and to help our clients be more socially and environmentally responsible. For this purpose, ING Investment Management has adopted the Global Voting Policy and the ING Defence Policy. It also offers its customers sustainable asset management services. For the same reasons, Wholesale Banking has adopted a wide range of policies guiding its client engagements.

Examples of ESR policies are the Forestry & Plantations Sector Policy, the policy on Human Rights and Environmental Compliance and the Animal Testing Policy. The Equator Principles form a prominent part of the ESR policies and are a benchmark for the financial industry to manage environmental and social risk in project financing. These principles were introduced in June 2003 and revised in 2006. About 50 banks and financial institutions adopted the Equator Principles. Any project that falls within the scope of the principles undergoes a risk assessment on its possible socio-environmental risks. Our internal guidelines for lending products were made public in 2007 and are accessible through the ING website.

**How does ING invest customers' money?**

Certain environmental, ethical and social principles are applied when ING invests money on behalf of its customers. A website was launched in 2007 which goes into more details on this. It was developed to explain ING's point of view on ethical, environmental and social issues. The website intends to give an accessible and easy to understand overview of what ING stands for and how we invest our customers' money. See [www.ingandyourmoney.com](http://www.ingandyourmoney.com).

**Training staff**

Making responsible business decisions must be embedded in the behaviour of our employees. Corporate responsibility is therefore part of our general staff education programmes and our leadership development curriculum. For example, one day in the 'ING International Graduate Programme', a three-week learning event for recently hired graduates across all business lines, was dedicated to the topic of corporate responsibility. CR is also included in the introduction course for all new Wholesale Banking staff. Approximately 80% of teams involved in transactions and/or engagements that are subject to ING's Environmental and Social Risk policies have participated in a special CR training programme. We also teach corporate responsibility as part of several programmes at the ING Business School. In 2008, ING aims to further develop its CR training programme and extend it to several business units worldwide.

**COMMITMENT TO COMMUNITY**

ING is involved in the communities in which it operates and we feel it is important to contribute to society in a positive way. To improve the financial situation of the most needy people, we believe structural help is most effective. We also believe that engaging employees in community development improves our corporate culture and performance.