

Corporate governance

This chapter discusses the application by ING Groep N.V. ('ING Group') of the Dutch Corporate Governance Code (the 'Tabaksblat Code') and provides information on capital and control, the Executive Board, the Supervisory Board and the external auditors.

RECENT DEVELOPMENTS

New legislation

The Netherlands implemented the EU Takeover Directive in 2007. Under the implementation act, Dutch listed companies may opt to be unprotected against takeovers. If companies want the 'unprotected regime', they must state in their Articles of Association that either (1) the implementation of anti-takeover measures should be subject to approval of the General Meeting of Shareholders or (2) that a shareholder with an interest of 75% or more as a result of a public bid may change the supervisory board and the executive board shortly after completion of the bid.

ING Group already has an anti-takeover device: the right of the ING Continuity Foundation to acquire cumulative preference shares. This has been in place since 1991 and there is currently no reason to consider changing this device.

Shareholder participation

The 2007 annual General Meeting of Shareholders produced a turnout of 36.7% of the (depository receipts of) ordinary shares, which was the first time the 35% threshold for reconsidering the position of the Stichting ING Aandelen (the 'Trust Office') was passed. A major reason for this high turnout was a change in the law which permitted the record date for a General Meeting of Shareholders to be set at 30 days (rather than seven days as used to be the case) before the meeting. The record date is the date on which a shareholder must own shares or depository receipts in order to vote at the General Meeting of Shareholders. For the 2008 annual General Meeting of Shareholders, ING Group will again set the record date at 30 days (the maximum allowed) before the meeting.

Electronic voting

Following a resolution adopted at the 2007 annual General Meeting of Shareholders, the Articles of Association were amended to allow shareholders and depository receipt holders who do not attend a General Meeting of Shareholders in person to participate nevertheless in the decision making by means of real-time electronic voting by internet ('E-voting'). An investigation was made into whether an internet application to enable E-voting would be available. Such an application would require multi-layer security measures for access control, identification and validation, as well as a solid technology against hostile activities. Regrettably, it turned out that there is no such internet application available. Furthermore, it was discovered that an internet application meeting these technical requirements would still not enable an efficient cross-border E-voting process considering the lack of cross-border legislation on E-voting and the fact that shares or depository receipts are currently held through securities custodians in various jurisdictions.

Dialogue with shareholders

In 2007, investors were allowed to ask questions about items on the agenda for the annual General Meeting of Shareholders, and they will be allowed to do so in 2008. Shareholders and holders of depository receipts can visit the website of ING Group (www.ing.com) to submit their questions and they will be answered on the same website.