

## ING Group - Communication on Progress 2016

### CEO statement

It is our role as a financial institution to support and promote economic, social and environmental progress, leading to a better quality of life for people in society while generating adequate returns for shareholders. We work on this every day together with our employees, customers and partners. Together, we have the scale, ability and drive to make a difference.

ING became a signatory of the United Nations Global Compact in 2006, and I am pleased to reaffirm ING Group's support of the Global Compact's 10 principles governing the private sector's responsibilities in the areas of Human Rights, Labour, Environment & Anti-Corruption.

There are many serious challenges that we as global citizens face. From the dangers of climate change to equal opportunities and human rights. We understand the responsibility that the private sector has to drive positive and sustainable change, and therefore remain fully committed to the Global Compact.

*Ralph Hamers*

**Ralph Hamers**

**Chief Executive Officer ING Group**

UN Global Compact	ING Commitment	Link/Location
<p><b>Principle 1</b> Business should support and respect the protection of internationally proclaimed human rights</p>	<p>The ING Values are based on the commitment to respect human rights and care for the environment, avoiding or managing impact. Human rights are an integral part of ING's ESR Framework and apply to all economic sectors that we conduct business with. In addition, within our sphere of influence and wherever permitted by law, we will support the aims of the UDHR, International Labour Organization (ILO) Core Conventions and of the UN Global Compact.</p> <p>At ING, we will uphold the Children's Rights and Business Principles in our activities. We ask our suppliers to agree to comply with the UNGC principles that promote human rights, fair labour practices, environmental protection, and anti-corruption. At ING, our goal is ultimately to advance our collective thinking—and actions—on issues including human rights. That's why we partner and share knowledge on Human Rights. ING is member of the Thun Group of Banks, dedicated to investigating how the United Nations guidelines on business and human rights can be applied.</p>	<p><a href="https://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm">https://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm</a></p> <p><a href="http://www.ing.com/About-us/Compliance/ING-Values-1.htm">http://www.ing.com/About-us/Compliance/ING-Values-1.htm</a></p> <p>ING Annual Report 2016, Report of the Executive board (p.49) and Risk and Capital Management – Environment and Social Risk Management (p. 56-58)</p>
<p><b>Principle 2</b> Business should ensure that they are not complicit in human rights abuses</p>	<p>Human rights are an integral part of ING's ESR Framework and apply to all economic sectors that we conduct business with. ING's Human Rights Statement for</p>	<p><a href="https://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm">https://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm</a></p> <p><a href="http://www.ing.com/ING-in-Society/Sustainability/INGs-">http://www.ing.com/ING-in-Society/Sustainability/INGs-</a></p>

	<p>employees with reference made to the ILO Core Conventions.</p> <p>We ask our suppliers to agree to comply with the UNGC principles that promote human rights, fair labour practices, environmental protection, and anti-corruption.</p> <p>ING is a member of the Thun Group of Banks, dedicated to investigating how the United Nations guidelines on business and human rights can be applied.</p> <p>Where countries have weaker labour laws we abide by our own human rights policy, developed in accordance with the International Labour Organization convention, to protect working conditions.</p>	<p><a href="#">Sustainability-Direction/Sustainable-Transitions.htm</a> (ESR framework)</p> <p>ING Annual Report 2015, Report of the Executive board (p.29, 45) and Risk and Capital Management – Environment and Social Risk Management (p. 52-54)</p>
<p><b>Principle 3/ILO Conventions 87 and 98</b> Business should uphold the freedom of association and the effective recognition of the right to collective bargaining</p>	<p>We uphold freedom of association for all our employees and recognise the right to collective bargaining as laid down by International Labour Organisation convention Nos. 87 and 98.</p>	<p><a href="http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm">http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm</a></p> <p>ING Annual Report 2016, Report of the Executive board (p.49)</p>
<p><b>Principle 4/ILO Conventions 29 and 105</b> Business should support the elimination of all forms of forced and compulsory labour</p>	<p>Through the ING Human Rights Statement we express our commitment to support international labour rights standards for our employees.</p> <p>ING upholds the elimination of all forms of forced labour and compulsory labour.</p>	<p><a href="http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm">http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm</a></p>
<p><b>Principle 5/ILO Conventions 138 and 182</b></p>		

<p>Business should support the effective abolition of child labour</p>	<p>At ING, we will uphold the Children's Rights and Business Principles in our activities.</p> <p>ING does not tolerate any form of exploitative child labour, as defined in the International Labour Organization Convention 182, Article 3 (Worst Forms of Child Labour).</p>	<p><a href="http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm">http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm</a></p>
<p><b>Principle 6/ILO Conventions 100 and 111</b> Business should support the elimination of discrimination in respect of employment and occupation</p>	<p>ING upholds the elimination of discrimination in respect to employment and occupation.</p> <p>We believe the composition of our workforce should reflect that of society, therefore we strive to hire a workforce as diverse as the communities in which we operate. We encourage all forms of diversity, not just because it is the right thing to do, but because it is from different backgrounds and diversity of talents and believes that new ideas spring forth.</p>	<p><a href="http://www.ing.com/About-us/Compliance/ING-Values-1.htm">http://www.ing.com/About-us/Compliance/ING-Values-1.htm</a></p> <p><a href="http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm">http://www.ing.com/ING-in-Society/Sustainability/Human-Rights.htm</a></p> <p><a href="http://www.ing.com/About-us/Diversity-and-Inclusion.htm">http://www.ing.com/About-us/Diversity-and-Inclusion.htm</a></p> <p><a href="https://www.ing.com/ING-in-Society/Sustainability/Stakeholder-engagement/ING-and-the-UN-Sustainable-Development-Goals.htm">https://www.ing.com/ING-in-Society/Sustainability/Stakeholder-engagement/ING-and-the-UN-Sustainable-Development-Goals.htm</a></p> <p>ING Annual Report 2016, Report of the Executive board (p. 18 and 45)</p>
<p><b>Principle 7</b> Business should support a precautionary approach to environmental challenges</p>	<p>ING's ESR Framework aims to mitigate environmental and social risk of our business activities. ING applies the Equator Principles to Project Finance.</p> <p>The ING Procurement Code of Conduct includes environmental criteria.</p> <p>ING's environmental management programme aims to limit the environmental impact of our own operations.</p>	<p><a href="http://www.ing.com/ING-in-Society/Sustainability/INGs-Sustainability-Direction/Sustainable-Transitions.htm">http://www.ing.com/ING-in-Society/Sustainability/INGs-Sustainability-Direction/Sustainable-Transitions.htm</a> (ESR framework, ING environmental approach)</p> <p>ING Annual Report 2016, Report of the Executive board (p.7, 11, 17, 56) Non-financial appendix (429, 436-438)</p>

<p><b>Principle 8</b> Business should undertake initiatives to promote greater environmental responsibility</p>	<p>ING's Environmental Approach outlines how we manage our direct and indirect environmental impacts, as well as how we mitigate risks and create and seize opportunities.</p> <p>ING's ESR Framework aims to mitigate environmental and social risk of its business activities. ING applies the Equator Principles to its Project Finance activities.</p> <p>The ING Procurement Code of Conduct includes environmental issues, this to ensure environmental sustainability.</p> <p>ING's Economics Bureau researches and publishes reports on environmental issues.</p>	<p><a href="https://www.ing.com/ING-in-Society/Sustainability/Environmental-Programme.htm">https://www.ing.com/ING-in-Society/Sustainability/Environmental-Programme.htm</a></p> <p><a href="http://www.ing.com/ING-in-Society/Sustainability/INGs-Sustainability-Direction/Sustainable-Transitions.htm">http://www.ing.com/ING-in-Society/Sustainability/INGs-Sustainability-Direction/Sustainable-Transitions.htm</a></p> <p><a href="https://www.ing.com/ING-in-Society/Sustainability/Stakeholder-engagement/ING-and-the-UN-Sustainable-Development-Goals.htm">https://www.ing.com/ING-in-Society/Sustainability/Stakeholder-engagement/ING-and-the-UN-Sustainable-Development-Goals.htm</a></p> <p>ING Annual Report 2016, Report of the Executive board (p.7, 11, 17,17-38 56) Non-financial appendix (429, 436-438)</p>
<p><b>Principle 9</b> Business should encourage the development and diffusion of environmentally friendly technologies</p>	<p>At ING we understand that our activities impact the environment we operate in - both directly, through the operations of our buildings, IT systems and business travel, but also indirectly, through our financing portfolio and our through our procurement supply chains.</p> <p>We are committed to reducing our own environmental footprint and working closely together with both customers and suppliers to adapt and take advantage of opportunities within the low-carbon economy of the future.</p> <p>We are proactively identifying opportunities to finance sustainable projects and companies that are</p>	<p><a href="http://www.ing.com/ING-in-Society/Sustainability/Our-Stance/Energy.htm">http://www.ing.com/ING-in-Society/Sustainability/Our-Stance/Energy.htm</a></p> <p><a href="https://www.ing.com/ING-in-Society/Sustainability/Our-Stance/Climate.htm">https://www.ing.com/ING-in-Society/Sustainability/Our-Stance/Climate.htm</a></p> <p><a href="http://www.ing.com/ING-in-Society/Sustainability/INGs-Sustainability-Direction/Sustainable-Transitions.htm">http://www.ing.com/ING-in-Society/Sustainability/INGs-Sustainability-Direction/Sustainable-Transitions.htm</a></p> <p><a href="https://www.ing.com/ING-in-Society/Sustainability/Stakeholder-engagement/ING-and-the-UN-Sustainable-Development-Goals.htm">https://www.ing.com/ING-in-Society/Sustainability/Stakeholder-engagement/ING-and-the-UN-Sustainable-Development-Goals.htm</a></p> <p>ING Annual Report 2016, Report of the Executive board (p.7, 11, 17,17-38 56)</p>

	environmental outperformers compared to peers in their sector. The value of sustainable transitions financed rose to 34.3 billion in 2016.	
<b>Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery	Our business centers around people and trust. Only by acting with professionalism and integrity can we maintain our stakeholders' confidence and preserve our company's reputation. The ING Values play an important role in this respect. ING has zero tolerance towards bribery and corruption and has clear policies on this. ING implements a Corporate Policy on Financial Economic Crime (FEC).	<a href="http://www.ing.com/About-us/Compliance/Zero-Tolerance-Bribery-Statement.htm">http://www.ing.com/About-us/Compliance/Zero-Tolerance-Bribery-Statement.htm</a>  <a href="http://www.ing.com/About-us/ING-Values-1.htm">http://www.ing.com/About-us/ING-Values-1.htm</a>