

ING Investment Management

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⌛	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

PRI disclaimer

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Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	✓	Private							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	-	n/a							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	-	n/a	✓						
OA 14	Allocation of assets to environmental and social themed areas	-	n/a	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	✓	Public	✓	✓					
OA 18	Innovative features of approach to RI	-	n/a							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	✓	Public	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Public							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓					✓	
SAM 07	Appointment considerations (listed assets)	-	n/a				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	✓	Public		✓					
SAM 10	Selection processes (non-listed assets)	🔒	n/a	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	🔒	n/a	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	🔒	n/a	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	-	n/a		✓					
SAM 16	Disclosure of RI considerations	✓	Public						✓	

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
LEI 02	Description of ESG incorporation	✓	Public	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Description of ESG integration	✓	Public	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Public	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Public	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	⚙	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	⚙	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	-	n/a		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	✓	Public		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
LEA 20	Securities lending programme	✓	Public		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 24	Shareholder resolutions	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Public		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
FI 02	Breakdown of investments by credit quality	✓	Public							✓
FI 03	Description of ESG incorporation	✓	Public	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Public	✓						
FI 06	Types of screening applied	✓	Public	✓						
FI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
FI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
FI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
FI 10	Description of ESG integration	✓	Public	✓						
FI 11	Review of ESG issues while researching companies/sectors	✓	Public	✓						
FI 12	Processes to ensure integration is based on robust analysis	✓	Public	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	✓	Public	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	-	n/a	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	
FI 19	Engagement with corporate issuers	✓	Public		✓					
FI 20	Engagement with government issuers	-	n/a		✓					

ING Investment Management

Reported Information

Public version

Organisational Overview

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Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

☒ Fund management

% of assets under management (AUM) in ranges

☐ <10%

☐ 10-50%

☒ >50%

☒ Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

☒ <10%

☐ 10-50%

☐ >50%

☐ Other, specify

☒ Execution and advisory only services

OO 01.2

Additional information. [Optional]

Additional information.

ING IM International* (further referred to as ING IM) is a global asset manager and part of ING Group, a global financial institution of Dutch origin. ING IM applies its proprietary research and analysis, global resources and risk management to offer a wide variety of strategies, investment vehicles and advisory services.

Within ING IM, Altis is responsible for the external fund manager selection for both institutional and retail clients. Altis is fully owned by ING IM but operates at arms' length, using its proprietary software platform to analyse external investment strategies on holdings level. Altis categorizes its assets as assets under advice, these are part of both category [funds of funds, manager of managers, sub-advised products] and [execution and advisory only services].

**The term 'ING IM International' refers to the business in Europe, Middle East, Singapore, Japan and U.S (Atlanta & New York). ING IM International is preparing for a standalone future together with ING's insurance operations in Europe and Japan.*

OO 02

Mandatory

Peering

General

OO 02.1	Select the location of your organisation's headquarters.
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Netherlands

OO 02.2	Indicate the number of countries in which you have offices (including your headquarters).
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- ☐ 1
☐ 2-5
☐ 6-10
☒ >10

OO 02.3	Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).
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	FTE
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1100

OO 03	Mandatory	Descriptive	General
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OO 03.1	Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.
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- ☐ Yes
☒ No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1	Indicate the year end date for your reporting year.
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31/12/2013

OO 04.2	Indicate your total AUM at the end of your reporting year.
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	trillions	billions	millions	thousands	hundreds
Total AUM		174	000	000	000
Currency	EUR				
Assets in USD		229	191	771	512

OO 04.3	Indicate the level of detail you would like to provide about your asset class mix.
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- ☐ Approximate percentage breakdown to the nearest 5% (e.g. 45%)
☒ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General
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OO 06.1

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

☒ Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	<10%
Fixed income – corporate	10-50%	0
Fixed income – government	>50%	<10%
Fixed income – other	<10%	0
Private debt	0	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 08
Mandatory to Report Voluntary to Disclose
Peering
General
OO 08.1

Indicate the breakdown of your organisation's AUM by market.

Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1 Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- ☒ We incorporate ESG issues into investment decisions on our internally managed assets
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☒ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☒ We cast our (proxy) votes directly or via service providers
- ☐ None of the above

OO 10.2 Indicate if your combined internally and externally managed listed equities are 10% or more of your total AUM.

- ☒ Yes, our total listed equities are 10% or more of our total AUM
- ☐ No, our total listed equities are less than 10% of our total AUM

OO 11	Mandatory	Gateway	General
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OO 11.1 Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☐ Fixed Income – other
- ☐ None of the above

OO 11.2	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.
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- ☒ Fixed income – government
- ☐ None of the above

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.
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Core modules

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

	Direct - Listed Equity incorporation
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- ☒ Listed Equity incorporation

	Direct - Listed Equity active ownership
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- ☒ Engagements
- ☒ (Proxy) voting

	Direct - Fixed Income
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- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government

RI implementation via external managers

	Indirect - Selection, Appointment and Monitoring of External Managers
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- ☒ Listed Equities
- ☒ Fixed Income - Government

Closing module

- ☒ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

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Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
OA 01.1	Indicate if you have a responsible investment policy.		
	<input checked="" type="radio"/> Yes <input type="radio"/> No		
OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.		
	<input checked="" type="radio"/> Yes <input type="radio"/> No		
OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]		

ING IM is committed to investing responsibly and delivering customer-oriented investment solutions. We provide investment management services to a wide range of clients and we seek to invest their assets responsibly and with integrity, with a full understanding of the opportunities and risks involved. Environmental, Social and Governance (ESG) issues are important intangible value drivers and a key factor to identify corporate and management quality. Companies that maintain high standards of corporate governance and corporate responsibility will tend to deliver long-term shareholder value over time.

Our Responsible Investment (RI) strategy is based on our Investment Principles and consists of four pillars:

1. Active ownership - we actively vote in our clients' best interest
2. Integrating ESG (Environmental Social Governance) factors into our investment processes
3. Restrictions - as our client, you do not invest in controversial weapons
4. Offering specialised SRI funds and tailor made responsible investment solutions

In our RI policy we specifically indicate that we expect our investee companies to comply with, amongst others, the UN Global Compact principles. We use these principles as a starting point for engagement with companies. We expect the companies in which we invest to adopt standards, policies and management processes covering potential ESG risks affecting them.

OA 02	Mandatory	Core Assessed	PRI 6
OA 02.1	Indicate if your responsible investment policy is publicly available.		
	<input checked="" type="radio"/> Yes		
OA 02.2	Provide a URL to your responsible investment policy.		

	URL
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<http://www.ingimresponsibleinvesting.com/insights-reports.html>

☐ No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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☒ Yes

☐ Yes, all

☒ Yes, some

OA 02.4	List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.
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Policy or document name	URL
Proxy Voting Policy	https://www.ingim.com/EU/AboutINGIM/CorporateGovernance/INGIMInternationalvotingpolicy/index.htm
Active Owners hip Report	http://www.ingimresponsibleinvesting.com/insights-reports.html

☐ No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input checked="" type="checkbox"/> Other, specify Dutch Stewardship Code Eumedion <input type="checkbox"/> Other, specify	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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☒ Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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For each conflict that we have identified, we have put in place measures to manage, control and prevent its potential adverse impact upon our customers, appropriate to the type of conflict in question. For any particular conflict of interest one or more of the following measures may be adopted as required: (a) order placing/allocation, (b) best execution, (c) transactions between portfolios (cross trades), (d) Chinese walls, (e) employees' personal investments, (f) private benefits and (g) disclosure.

More information can be found on our website:
<http://www.ingim.com/EU/AboutINGIM/INGIMPolicies/index.htm>

☐ No

OA 04.3**Additional information. [Optional]**

More specifically on our proxy voting process:

ING IM manages assets for the account of clients as well as for the account of ING Group insurance companies, the proprietary assets. ING IM will cast proxy votes for all assets in a way that best serves the beneficial owner of the client assets. Client assets will only be voted in the exclusive interest of the clients, without taking into consideration the interest of ING businesses. When voting for proprietary assets, ING IM may take into consideration all the different relationships of ING businesses with portfolio companies.

ING IM will maintain Chinese Walls between the management of proprietary assets and client assets. For this reason ING IM has set up a proxy voting committee which is tasked with voting on client assets and a separate proxy voting committee responsible for voting on proprietary assets.

As we maintain strict Chinese Walls between the proxy voting committee clients assets and the proxy voting committee proprietary assets, ING IM may cast different votes on a single voting issue. This procedure will prevent any conflicts of interest and allows us to serve the best interest of both our third party clients as well as ING Insurance.

In limited circumstances, and based on a contractual agreement, it may be that client assets are managed by the investment team responsible for managing the assets for ING's own account. If a situation like this occurs, the voting rights of such client assets will also be exercised by the proxy voting committee proprietary assets. This procedure ensures that the Chinese Wall between client assets and proprietary assets is maintained.

Objectives and strategies

OA 05**Mandatory****Gateway/Core Assessed****General****OA 05.1**

Indicate if your organisation sets objectives for its responsible investment activities.

☒ Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

☒ At least once per year

☐ Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☐ Quarterly
☐ Biannually
☒ Annually
☐ Every two years or less
☐ It is not reviewed
☐ No

OA 06	Voluntary	Descriptive	General
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OA 06.1

List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

- ☒ Add responsible investment objective 1

Objective 1	Enhance the proxy voting activities of ING IM
Key performance indicators	Expand the number of funds for which we exercise the voting rights.
Describe the progress achieved	Fully achieved

- ☒ Add responsible investment objective 2

Objective 2	Launch a dedicated website on Responsible Investing at ING IM
Key performance indicators	The website should include our approach to Responsible Investing, related policies, summary of our activities in this area, thematic reports etc
Describe the progress achieved	Fully achieved

- ☒ Add responsible investment objective 3

Objective 3	Increase transparency of our activities in active ownership area
Key performance indicators	Publish a report on our active ownership activities on a quarterly basis
Describe the progress achieved	Fully achieved

OA 06.2	List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.
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- ☒ Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	To better record our engagement activities
Key performance indicators	Establishment of a new database

- ☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	Obtain new insights regarding materiality of specific ESG factors
Key performance indicators	Co-operation with the academic world

- ☒ Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	Enhance our ESG integration methodologies
Key performance indicators	Participation in particular initiatives such as SASB

Governance and human resources

OA 07	Voluntary	Descriptive	General
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OA 07.1

Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.

ING IM has an ESG Board, which is chaired by the Chief Investment Officer and consists of senior managers and ESG specialists. The ESG Board provides advice to the management board about our positioning and future initiatives in the ESG area. In 2013, the ESG Board was expanded by including a broader representation of specialists responsible for different asset classes and disciplines.

An internal Principles for Responsible Investment (PRI) Committee is responsible for implementing, reviewing progress and providing feedback to the relevant teams with regard to our commitment to the PRI. This committee comprises members representing different asset classes and other departments. This mix helps ensure that implementation is carried out across the whole business and that best practices are shared in the most effective and efficient way. The internal PRI Committee reports to the ESG Board.

For institutional customers such as pension funds, insurance companies and foundations, ING IM offers fiduciary management through Integrated Client Solutions (ICS). The services of ICS comprise risk management, strategic advice, as well as external manager selection offered through Altis. In 2013, ICS established an ESG Committee that meets on a regular basis to discuss developments on responsible investing and determine focus areas.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OA 08	Mandatory	Gateway/Core Assessed	General
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OA 08.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- ☐ Board members or trustees
- ☒ Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other Chief-level staff or head of department, specify
Head of Global Equity Research

- ☒ Oversight/accountability for responsible investment
- ☒ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Portfolio managers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Investment analysts
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Dedicated responsible investment staff
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ External managers or service providers
 - ☐ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other role, specify
 - Sales staff**
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Other role, specify

OA 08.2	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
----------------	-------------------------------------------------------------------------------------------------

	Number
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6

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.
----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------

☒ Yes

OA 10.2

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- ☐ Asian Corporate Governance Association
- ☐ Association for Sustainable & Responsible Investment in Asia
- ☐ Australian Council of Superannuation Investors
- ☒ CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING IM is a signatory to the CDP. From 2010 until September 2013, ING Group held a strategic partnership with CDP, including the hosting of the launch of the CDP Report in the Benelux.

- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☒ Eumedion

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING IM is an active participant of the Investment Committee and the Legal Committee

- ☒ Extractive Industries Transparency Initiative (EITI)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
☐ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Together with several other international investors, ING IM has urged tough new public disclosure rules for oil, gas and mining companies

- ☐ Global Investors Governance Network (GIGN)
☐ Global Real Estate Sustainability Benchmark (GRESB)
☐ Institutional Investors Group on Climate Change (IIGCC)
☐ Interfaith Center on Corporate Responsibility (ICCR)
☒ International Corporate Governance Network (ICGN)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING IM is actively involved as chair of the ICGN Shareholder Rights Committee, organised several seminars in the area of corporate governance

- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
☐ Investor Network on Climate Risk (INCR)/CERES
☐ Local Authority Pension Fund Forum
☒ Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING IM participates in the steering committee for director nomination process and the working group on bribery and corruption.

☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

VBDO (Dutch Association of Investors for Sustainable Development)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☐ Basic
☒ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING is a member of the VBDO. We participate in several of their benchmark studies and reports. Furthermore, we regularly attend their analyst meetings.

- ☐ Shareholder Association for Research and Education (Share)
☒ United Nations Environmental Program Finance Initiative (UNEP FI)

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
☐ Moderate
☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING is a member of UNEP FI, more specifically we are one of the founding signatories of the Principles for Sustainable Insurance (PSI)

- ☒ United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING is a member of the UN Global Compact

☒ Other collaborative organisation/initiative, specify

IIRC

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING IM is an active member of the IIRC Pilot Programme Investor Network

☒ Other collaborative organisation/initiative, specify

EFAMA (European Fund and Asset Management Association)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

ING IM is actively involved in EFAMA's corporate governance working group and working group on responsible investing

☒ Other collaborative organisation/initiative, specify

Dutch CIO Forum

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Dutch CIO Forum is an initiative in which several large Dutch institutional investors are represented to discuss various RI topics related to the financial sector. We are in the lead for two working groups

☒ Other collaborative organisation/initiative, specify

VBA (Dutch Association of Investment Professionals)

Your organisation's role in the initiative during the reporting year (see definitions)

- ☐ Basic
☐ Moderate
☒ Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We are an active member of the sustainable investment working group: we have organized events and contributed to several papers related to responsible investing

☐ No

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☒ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☐ Provided financial support for academic or industry research on responsible investment
- ☐ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☐ Other, specify

☐ No

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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OA 12.1

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

☒ Yes

- ☐ Yes, individually
- ☒ Yes, in collaboration with others

OA 12.2

Select the methods you have used.

- ☒ Endorsed written submissions to governments, regulators or standard-setters developed by others
- ☐ Drafted your own written submissions to governments, regulators or standard-setters
- ☐ Participated in face-to-face meetings with government members or officials to discuss policy
- ☒ Other, specify

ING IM chairs the ICGN shareholder right committee and responds in this capacity to various consultations worldwide that are closely related to the topic shareholder

OA 12.3

Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

☒ Yes, publicly available

provide URL

<https://www.icgn.org/committees/itemlist/category/154-comment-letters>

☐ No

☐ No

Investment execution and advisory services

OA 17	Voluntary	Descriptive	PRI 1,2
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OA 17.1

Indicate if your organisation takes account of responsible investment/ESG considerations when providing execution and/or advisory services.

☒ Yes

☐ No

Assurance of responses

OA 19	Voluntary	Additional Assessed	General
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OA 19.1

Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

☐ Yes

☒ No

OA 19.4

Additional information.

ING IM disclaimer:

This document is not intended and may not be used to solicit sales of investments or subscription of securities in countries where this is prohibited by the relevant authorities or legislation. The elements contained in this document have been prepared solely for the purpose of information and do not constitute an offer, in particular a prospectus or any invitation to treat, buy or sell any security or to participate in any trading strategy. Investors should seek their own advice if in doubt about the suitability of any investment. While particular attention has been paid to the contents of this document, no guarantee, warranty or representation, express or implied, is given to the accuracy, correctness or completeness thereof. Neither ING Investment Management (Europe) B.V. nor any other company or unit belonging to the ING Group, nor any of its officers, directors or employees can be held directly or indirectly liable or responsible with respect to the information and/or recommendations of any kind expressed herein. No direct or indirect liability is accepted for any loss sustained or incurred by readers as a result of using this document or basing any decisions on it. Investment sustains risks. Please note that the value of your investment may rise or fall and also that past performance is not indicative of future results and shall in no event be deemed as such. Any claims arising out of or in connection with the terms and conditions of this disclaimer are governed by Dutch law.

ING Investment Management

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

SAM 01	Voluntary	Descriptive	PRI 1-6
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SAM 01.1	Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.
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Within ING IM, Altis is responsible for the external fund manager selection for both institutional and retail clients. Altis is fully owned by ING IM but operates at arms' length, using its proprietary software platform to analyse external investment strategies on holdings level.

Responsible investment is embedded into our manager selection and monitoring process, through a dedicated ESG Scorecard. This Scorecard consists of 2 components: 1 score for the investment manager as a firm, and 1 score for a specific investment strategy / fund offered by the investment manager. The ESG Scorecard covers a variety of ESG subjects, ranging from the active ownership policies of a manager, to their environmental behaviour. A specific ESG Questionnaire has been developed to collect the relevant information needed to compile the ESG Scorecard. Furthermore, we analyse additional documents like Annual Sustainability Reports from the asset managers, engagement reports and exclusion policies.

Furthermore, our holdings-based analysis platform allows us to perform analyses to test the degree of responsible investment, for individual investment funds/mandates, or for entire client portfolios. Based on company ESG ratings provided by an external ESG rating provider, we verify whether the managers' ESG policy has led to a portfolio of companies with high ESG ratings or not.

The ESG Scorecard and holdings-based analysis mentioned above is performed by all Altis analysts and forms an integrated part of the general manager selection process.

SAM 02	Mandatory	Core Assessed	PRI 4
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SAM 02.1	Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.
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- ☐ Yes
☒ No

SAM 03	Mandatory	Gateway	General
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SAM 03.1	Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring
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Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed income - government	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

SAM 03.2	Additional information. [Optional]
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Responsible investment factors are considered both in phase a (through our ESG Scorecard), phase b (establishing exclusion policies, engagement and voting policies, and finally phase c through updating our ESG Scorecard as well as holdings-based analysis.

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

SAM 04	Mandatory to Report	Voluntary to Disclose	Gateway/Peering	General
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SAM 04.1	Provide a breakdown of your externally managed listed equities, corporate fixed income and government fixed income by passive, active quant, active fundamental and other active strategies.
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	Listed equity (LE)
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Type of strategy	As % of externally managed listed equity
Passive	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - fundamental and other active	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%

Fixed income - government (FIG)

Type of strategy	As % of externally managed government fixed income
Passive	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - fundamental and other active	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%

SAM 05

Mandatory

Gateway

PRI 1,2

SAM 05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

Active investment strategies

Active investment strategies	LE	FIG
Screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Thematic	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Passive investment strategies

Passive investment strategies	LE		FIG
Screening	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Thematic	<input type="checkbox"/>		<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>		<input type="checkbox"/>
None of the above	<input type="checkbox"/>		<input type="checkbox"/>

**SAM
05.2**

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	LE	
We engage directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>	
We require our external managers to engage on our behalf	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

**SAM
05.3**

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

	LE
We cast our (proxy) votes directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>
We require our external managers to cast our (proxy) votes on our behalf	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

SAM 05.4	Additional information. [Optional]
---------------------	------------------------------------

With regard to active investment strategies, we implement ESG screening both on company level (listed equity) as well as on sovereign level (government bonds). Company screenings are typically related to exclusion of certain product types (e.g. weapons or tobacco), while sovereign screenings are typically related to exclusion of countries with significant UN or EU sanctions. These screens can be tailor made to client beliefs and values.

On the thematic side, investments relate primarily to environmental technology investments in the listed equity space.

The integration approach relates to several active investment strategies in both asset classes, whereby ESG criteria are taken into consideration in fundamental and/or quantitative analysis. On the passive side, the integration strategy entails the development of a custom index whereby companies are weighted based on ESG factors.

For some discretionary mandates we cast our votes ourselves, while for mutual funds we typically cast our votes via services providers.

Selection			
SAM 06	Mandatory	Core Assessed	PRI 1-6
SAM 06.1	Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:		
	General		

	LE	FIG
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the type of ESG reporting you expect	<input type="checkbox"/>	<input type="checkbox"/>
Assign specific weighting to ESG factors in your manager evaluation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other general aspects in your selection process, specify	<input checked="" type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

ESG incorporation

	LE	FIG
Evaluate the quality and coverage of ESG research used by managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess how the manager incentivises brokers to provide ESG research	<input type="checkbox"/>	n/a
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance	<input type="checkbox"/>	<input type="checkbox"/>
Evaluate index providers' ESG incorporation when designing the index	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other ESG incorporation issues in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Engagements

	LE	
Discuss the managers' engagement processes	<input checked="" type="checkbox"/>	
Discuss the role managers have played in influencing companies' ESG practices and performance	<input type="checkbox"/>	
Discuss how information gained through engagement is incorporated into investment decision-making	<input type="checkbox"/>	
Other engagement issues in your selection process, specify	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Discuss the managers' voting processes	<input checked="" type="checkbox"/>
Discuss how information gained through research for (proxy) voting is used in investment-decision making	<input type="checkbox"/>
Other (proxy) voting issues in your selection process, specify	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

If you select any 'Other' option(s), specify

General: Analyse average ESG rating of listed equity portfolios through holdings-based analysis

Engagements: Analyse and discuss regular reporting on the result of engagement processes.

Monitoring			
SAM 08	Mandatory	Core Assessed	PRI 1
SAM 08.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:		
	General		

	LE	FIG
Include responsible investment as a standard agenda item at performance review meetings	<input type="checkbox"/>	<input type="checkbox"/>
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects of your monitoring, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

ESG incorporation

	LE	FIG
Request information on ESG incorporation in specific investment decisions	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other ways you monitor ESG incorporation, specify	<input checked="" type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Engagements

	LE	
Review the ESG information relevant to the engagements	<input checked="" type="checkbox"/>	
Discuss the number of engagements and their comprehensiveness	<input type="checkbox"/>	
Discuss the type of role played (i.e. leading or supporting)	<input type="checkbox"/>	
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input checked="" type="checkbox"/>	
Other ways you monitor engagement activities, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Review the number or percentage of votes cast	<input checked="" type="checkbox"/>
Request an explanation of reasons for votes cast	<input type="checkbox"/>
Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes	<input type="checkbox"/>
Review the number of resolutions on ESG issues filed or co-filed	<input checked="" type="checkbox"/>
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	<input type="checkbox"/>
Other ways you monitor (proxy) voting activities, specify	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

SAM 08.2	Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]
-----------------	-------------------------------------------------------------------------------------------------------------------------

Since we do business with several external investment managers, we have a fairly good view of how different managers approach ESG issues. This knowledge allows us also to provide feedback to managers who are 'behind the curve' in terms of ESG commitment and processes. We consider it as part of our monitoring task to flag such issues and try to persuade the manager to better integrate ESG criteria in their investment process. We feel that such a dialogue is in the interest of both our clients, ourselves and the external investment manager.

SAM 09	Mandatory	Core Assessed	PRI 2
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SAM 09.1	For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.
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- ☐ We track or collect this information
☒ We do not track or collect this information

Outputs and outcomes

SAM 14	Mandatory to Report Voluntary to Disclose	Descriptive	PRI 1-6
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SAM 14.1	Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories.
-----------------	--------------------------------------------------------------------------------------------------------------------

	%
--	---

90

SAM 14.2	Additional information. [Optional]
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It is only a rare exception that we invest in managers who are not yet a PRI signatory. In practice, this could be the case in the following two instances:

- In a certain niche asset class the universe of managers is very small, and there aren't any good managers which are PRI signatories. If this would be the case, we would typically urge the manager to start the process to become a PRI signatory, and possibly also attach a timeframe to that.
- 'Legacy investments' from new clients, for which immediate redemption is not possible or highly costly.

Communication

SAM 16	Mandatory	Core Assessed	PRI 6
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SAM 16.1	Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------------

- ☐ Yes, we disclose information publicly
☒ Yes, we disclose information to clients/beneficiaries only

SAM 16.3	Indicate what type of information your organisation proactively discloses to clients and/or beneficiaries about your indirect investments.
-----------------	--------------------------------------------------------------------------------------------------------------------------------------------

- ☒ How responsible investment considerations are included in manager selection, appointment and monitoring processes
☒ Details of the responsible investment activities carried out by managers on your behalf
☒ E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
☒ Other, specify

Client specific ESG screenings on a look-through basis

- ☐ We do not proactively disclose information to the public and/or clients/beneficiaries

SAM 16.4	Additional information. [Optional]
-----------------	------------------------------------

We typically disclose the following ESG-related information to clients and beneficiaries:

- ESG Scorecard for individual fund managers and investment strategies, with full scoring rationales on request
- ESG Screenings of exclusion lists (client specific); these screenings are run both on individual funds/mandates as well as on the entire client portfolio.
- Analysis of ESG company rating distribution vs. benchmark using holdings-based analysis for equity portfolios (on client request)

ING Investment Management

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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Overview				
LEI 01	Mandatory to Report	Voluntary to Disclose	Gateway/Peering	PRI 1
LEI 01.1	Provide a breakdown of your internally managed listed equities by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.			
Strategies				
<input checked="" type="checkbox"/> Passive				
<div>% of internally managed listed equities</div> <div> <input checked="" type="radio"/> <10% </div> <div> Report on your strategies that represent <10% of listed equities </div> <div> <input type="radio"/> Yes </div> <div> <input checked="" type="radio"/> No </div> <div> <input type="radio"/> 10-50% </div> <div> <input type="radio"/> >50% </div>				
<input checked="" type="checkbox"/> Active – quantitative (quant)				
<div>% of internally managed listed equities</div> <div> <input checked="" type="radio"/> <10% </div> <div> Report on your strategies that represent <10% of listed equities </div> <div> <input type="radio"/> Yes </div> <div> <input checked="" type="radio"/> No </div> <div> <input type="radio"/> 10-50% </div> <div> <input type="radio"/> >50% </div>				
<input checked="" type="checkbox"/> Active – fundamental and other active strategies				
<div>% of internally managed listed equities</div> <div> <input type="radio"/> <10% </div> <div> <input type="radio"/> 10-50% </div> <div> <input checked="" type="radio"/> >50% </div>				
LEI 02	Voluntary	Descriptive	PRI 1	

LEI 02.1

Provide a brief overview of how you incorporate ESG issues in listed equity investments.

The basis for our responsible investment approach is ING's ESR (environmental, social and risk) policy framework. This framework consists of a wide range of policies concerning environmental and social aspects, such as the defence sector, animal testing and gambling. Based on this framework, we have developed a restricted list, i.e., a list of non-eligible companies that are considered to be the worst offenders in sensitive areas. In addition, we maintain a restricted list specifically for the defence sector. The restricted list is applicable to the proprietary assets and the SRI funds, while the restricted list for the defence industry is applicable to all assets, both proprietary and third party*. Depending on the client wishes we offer tailor-made Responsible Investment solutions.

Moreover, we use ESG integration across all our equity assets under management because we strongly believe the incorporation of ESG factors can enhance the risk-return profile of our investments.

**ING IM manages assets for the account of clients (third party assets) as well as for ING's own account, also referred to as proprietary assets. Proprietary assets comprise those assets that belong to ING Insurance.*

ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.		

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☒ Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)	<div> <div></div> <div>%</div> </div>
	100

- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied

Total actively managed listed equities

100%

LEI 03.2

Describe your primary reasons for choosing a particular ESG incorporation strategy.

We use ESG integration across all our equity assets under management as we strongly believe the incorporation of ESG factors can enhance the risk-return profile of our investments. On top of that we use negative screening (controversial weapons) which is also applicable company wide. For our clients who want to take sustainability a step further we offer specialised SRI funds (both positive and negative screening) and tailor-made Responsible Investment solutions.

LEI 04

Voluntary

Additional Assessed

PRI 1

LEI 04.1

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- ☐ Raw ESG company data
- ☒ Company-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☒ Sector-related analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☐ Country-related analysis or ratings
- ☒ Screened stock list

Indicate who provides this information

- ☒ ESG research provider
- ☐ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☒ Issue-specific analysis or ratings

Indicate who provides this information

- ☒ ESG research provider
- ☒ Sell-side
- ☒ In-house – specialised ESG analyst or team
- ☒ In-house – analyst or portfolio manager
- ☐ Other, specify

LEI 04.2

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

We make use of several (ESG) data/research providers: Sustainalytics, GMI and Bloomberg. In addition to that we use sell-side information. The next step is analysing this information in-house and incorporating it in the investment analysis and decision making process.

LEI 04.3

Indicate if you incentivise brokers to provide ESG research.

☒ Yes

LEI 04.4

Describe how you incentivise brokers.

This happens through broker voting.

☐ No

LEI 05

Voluntary

Additional Assessed

PRI 1

LEI 05.1

Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.

- ☒ Engagement
 - ☐ We have a systematic process to ensure the information is made available.
 - ☒ We occasionally make this information available.
 - ☐ We do not make this information available.
- ☒ (Proxy) voting
 - ☐ We have a systematic process to ensure the information is made available.
 - ☒ We occasionally make this information available.
 - ☐ We do not make this information available.

The insights that are gained as a result of the engagement with a corporation are reflected in the investment case for this particular company. If we have strong concerns about a company's ESG practices and management is not receptive to our engagement efforts, this is highlighted in the investment case and thereby has impact on the analysts' recommendation. Key when integrating ESG factors into the investment analysis is to determine how material the underlying issues are for the company (i.e. factors that are likely to have a material impact on the longer-term sustainability of a company's business model and its share price performance).

ING IM has setup a Proxy Voting Committee which is tasked with voting on client assets and a separate Proxy Voting Committee responsible for voting on proprietary assets. The agenda items of the shareholder meetings of our larger holdings (+1% of outstanding share capital), Dutch and Belgian companies in which we own shares through one of our Dutch -, Belgian - and Luxemburg funds, are voted on a case-by-case basis by the Proxy Voting Committee client assets. This procedure also applies for all companies we hold in the sustainable equity funds. This approach allows us to take the specific circumstances of investee companies into account when analyzing the agenda items. For these meetings the members of the proxy voting committee have regular discussions with in-house analysts and portfolio managers about potential controversies that may trigger a vote against specific agenda items. In case the analyst is of the opinion that the vote against one or more controversial agenda items may have a material impact on either our position as a shareholder or a company's business model, this can be reflected in the investment case.

(A) Implementation: Screening

LEI 06

Mandatory

Descriptive

PRI 1

LEI 06.1

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☐ Activity
- ☐ Sector
- ☒ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
--	-------------

Controversial weapons screening is applicable to all funds, while the other criteria are applicable to SRI funds.

☒ Positive/best-in-class screening

Screened by

- ☐ Product
- ☐ Activity
- ☒ Sector
- ☐ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

	Description
--	-------------

This screening is used for SRI funds. For the mainstream funds, these criteria are taken into account through ESG integration.

☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
- ☒ Universal Declaration of Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☒ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

	Description
--	-------------

This screening is used for SRI funds. For the mainstream funds, these criteria are taken into account through ESG integration.

LEI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

ING uses an independent, external consultant to identify companies involved in the production, development, maintenance or trade of controversial weapons, such as anti-personnel landmines, cluster munitions, depleted uranium ammunition, or nuclear, biological and chemical weapons. This information is reviewed on a regular basis and changes to the restricted list of companies are subject to approval by the ING Global Credit Committee. The restricted companies are in scope of ING IM's pre trade compliance checks, effectively blocking trades in these companies. Regular post-trade compliance checks are in place as well.

For dedicated SRI funds the criteria have been determined when these funds were launched. There have not been any criteria changes in the past. In case of any plans for criteria changes in the future the clients will be informed in advance.

LEI 07**Mandatory****Core Assessed****PRI 1****LEI 07.1**

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- ☐ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

LEI 08**Voluntary****Additional Assessed****PRI 1****LEI 08.1**

Indicate which processes your organisation uses to ensure that fund criteria are not breached

- ☒ Checks are performed to ensure that stocks meet the funds' screening criteria. These checks are:
 - ☒ Systematic
 - ☐ Occassional
- ☒ Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- ☐ Audits of fund holdings are undertaken regularly by internal audit function
- ☐ Other, specify
- ☐ None of the above

(C) Implementation: Integration of ESG issues

LEI 10	Voluntary	Descriptive	PRI 1
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LEI 10.1	Describe how you integrate ESG factors into investment decision making processes.
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As an integral part of our research process, ESG analysis is carried out by ING IM's analysts. Analysts have access to the ESG database, which includes information on how each company scores on different ESG factors compared to its sector average and if there are any structural issues or controversies from ESG perspective. ESG factors covered include, amongst others, environmental damage and climate change, bribery & corruption, human rights, health & safety and corporate governance. The analysts incorporate the results of their analysis into equity research templates called investment cases, ensuring they have looked at all material aspects.

The dedicated ESG specialists are providing feedback to analysts and are sharing relevant ESG reports (academic research, broker research and NGO reports). For example, we have a committee reviewing and scoring the investment cases. The score is, amongst others, based on how the analyst has incorporated ESG factors in the investment case (part of incentives process for the analysts).

Portfolio managers at ING IM take the investment cases into account when making investment decisions. In 2013 we developed a risk tool that provides portfolio managers with a comprehensive overview of how their equity fund scores from an ESG perspective, and an insight into the largest ESG-risks related to their holdings. This helps investment managers make an informed decision about the composition of their portfolios based on non-financial risks that are increasingly linked to the financial performance of a company.

LEI 11	Mandatory	Core Assessed	PRI 1
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LEI 11.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
----------	-------------------------------------------------------------------------------------------------------------

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

LEI 12	Voluntary	Descriptive	PRI 1
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LEI 12.1	Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.
----------	---------------------------------------------------------------------------------------------------------------

- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Company information and/or ratings on ESG are updated regularly
- ☐ A periodic review of the quality of the research undertaken or provided is carried out
- ☒ Other, specify

we do perform reviews of the quality of the research, but this is not (yet) done in a systematic way
- ☐ None of the above

LEI 12.2	Describe how ESG information is held and used by your portfolio managers.
----------	---------------------------------------------------------------------------

- ☒ ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify
- ☐ None of the above

LEI 13	Voluntary	Additional Assessed	PRI 1
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LEI 13.1	Indicate into which aspects of investment analysis you integrate ESG information.
-----------------	-----------------------------------------------------------------------------------

- ☒ (Macro) economic analysis
- ☐ Systematically
- ☒ Occasionally
- ☒ Industry analysis
- ☒ Systematically
- ☐ Occasionally
- ☒ Analysis of company strategy and quality of management
- ☒ Systematically
- ☐ Occasionally
- ☒ Idea generation
- ☐ Systematically
- ☒ Occasionally
- ☒ Portfolio construction
- ☒ Systematically
- ☐ Occasionally
- ☒ Fair value/fundamental analysis
- ☒ Systematically
- ☐ Occasionally

LEI 13.2	Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis.
-----------------	--------------------------------------------------------------------------------------------------------------------

- ☒ Adjustments to income forecasts (sales, earnings, cash flows)
- ☒ Adjustments to valuation tools (discount rates, return forecasts, growth rates)
- ☒ Other adjustments to fair value projections, specify
- SWOT analysis, sensitivity analysis
- ☐ Other, specify

Outputs and outcomes

LEI 16	Voluntary	Descriptive	PRI 1
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LEI 16.1	Indicate if you believe that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.
-----------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	a) Impacted funds' financial performance
--	------------------------------------------

Screening		Integration of ESG issues	
<input checked="" type="radio"/> Yes		<input type="radio"/> Yes	
<input type="radio"/> No		<input type="radio"/> No	

b) Reduced funds' risk or volatility

Screening	Integration of ESG issues	
<input checked="" type="radio"/> Yes	<input type="radio"/> Yes	
<input type="radio"/> No	<input type="radio"/> No	

c) Improved funds' ESG performance

Screening	Integration of ESG issues	
<input checked="" type="radio"/> Yes	<input type="radio"/> Yes	
<input type="radio"/> No	<input type="radio"/> No	

LEI 16.2

Describe how you are able to determine these outcomes and your actual performance.

Regarding our Sustainable Equity fund we have analysed the added value of ESG screens by analysing ESG screens' performance, risk and style attribution, based on data ranging from August 2009 - April 2013. Overall, the combination of Best-in-Class screen and negative screen enhances the reward-risk ratio and reduces tail-risk when compared to the MSCI DM World index. Unsurprisingly these screens also lead to improved funds' ESG performance.

For ESG integration we have not yet performed this analysis, as it is much more difficult to separate ESG performance from financial performance.

LEI 17

Voluntary

Descriptive

PRI 1

LEI 17.1

Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.

☒ ESG issue 1

ESG issue and explanation		
UK Mining company		
<table border="1"> <tr> <td style="background-color: #cccccc;">ESG incorporation strategy applied</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies </td> </tr> </table>	ESG incorporation strategy applied	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies
ESG incorporation strategy applied		
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies		
<table border="1"> <tr> <td style="background-color: #cccccc;">Impact on investment decision or performance</td> </tr> <tr> <td> <p>For the SRI funds, we sold our position in this company as we were not convinced that the new management of the company would be able to bring the ESG credentials of the company up to standard in a short period of time.</p> </td> </tr> </table>	Impact on investment decision or performance	<p>For the SRI funds, we sold our position in this company as we were not convinced that the new management of the company would be able to bring the ESG credentials of the company up to standard in a short period of time.</p>
Impact on investment decision or performance		
<p>For the SRI funds, we sold our position in this company as we were not convinced that the new management of the company would be able to bring the ESG credentials of the company up to standard in a short period of time.</p>		

☒ ESG issue 2

ESG issue and explanation		
Dutch Retail company		
<table border="1"> <tr> <td style="background-color: #cccccc;">ESG incorporation strategy applied</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies </td> </tr> </table>	ESG incorporation strategy applied	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies
ESG incorporation strategy applied		
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies		
<table border="1"> <tr> <td style="background-color: #cccccc;">Impact on investment decision or performance</td> </tr> <tr> <td> <p>This company was on the exclusion list for our SRI funds due to structural problems related to labour aspects. However, due to our efforts on the engagement side the company has made significant progress in this area and therefore has become eligible for inclusion.</p> </td> </tr> </table>	Impact on investment decision or performance	<p>This company was on the exclusion list for our SRI funds due to structural problems related to labour aspects. However, due to our efforts on the engagement side the company has made significant progress in this area and therefore has become eligible for inclusion.</p>
Impact on investment decision or performance		
<p>This company was on the exclusion list for our SRI funds due to structural problems related to labour aspects. However, due to our efforts on the engagement side the company has made significant progress in this area and therefore has become eligible for inclusion.</p>		

☒ ESG issue 3

ESG issue and explanation
UK Healthcare company
<div style="background-color: #cccccc; padding: 2px;">ESG incorporation strategy applied</div> <input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies
<div style="background-color: #cccccc; padding: 2px;">Impact on investment decision or performance</div> <p>Due to structural problems from governance perspective and the company not being able to tackle these, the analyst has decided to put out an underperform recommendation resulting in underweight of this stock in several portfolios.</p>

☐ ESG issue 4

☐ ESG issue 5

Communication

LEI 18	Mandatory	Core Assessed	PRI 2,6
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LEI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.
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☒ We disclose it publicly

Provide URL

<http://www.ingimresponsibleinvesting.com/insights-reports.html>

LEI 18.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
-----------------	-------------------------------------------------------------------------------------------------------------

☒ Yes

LEI 18.3	Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.
-----------------	---------------------------------------------------------------------------------------------------------------------------------------------------------

☒ Broad approach to ESG incorporation

☐ Detailed explanation of ESG incorporation strategy used

LEI
18.4

Indicate how frequently you typically report this information.

- ☐ Quarterly or more frequently
- ☒ Between quarterly and annually
- ☐ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients and/or beneficiaries only
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

ING Investment Management

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
LEA 01.1	Provide a brief overview of your organisation's approach to engagement.		

Dialogue and engagement with companies is part of our fundamental approach to the investment process as an active investor. Through dialogue and engagement we encourage companies to adopt environmental, social and corporate governance practices we deem appropriate for them to comply with. This includes adherence to internationally accepted standards of corporate behaviour beyond complying with local legal requirements. In our corporate governance policy we indicate for example that we expect companies to comply with the OECD Principles of Corporate Governance and the Global Corporate Governance Principles (Revised 2009) of the International Corporate Governance Network (ICGN). Another important international guideline on corporate behaviour is the UN Global Compact. ING IM expects all companies in which it invests to adopt standards, policies and management processes covering potential ESG risks affecting them.

Because of ING IM's active investment strategies, our analysts and portfolio managers are in a continuous dialogue with investee companies. During the company meetings they address ESG issues that may have a material impact for the company. ING IM also has an in-house team focusing more specifically on ESG issues that may have an impact on our clients' holdings.

LEA 02	Mandatory	Gateway	PRI 1,2,3
LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.		

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input checked="" type="checkbox"/> Other, specify to verify concerns about corporate practices as voiced by non-governmental organizations (NGOs), ESG research providers and by media <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.		

☒ Yes

**LEA
03.2**

Describe how you identify and prioritise engagements.

Thoughtful prioritisation is essential for effective engagement. In the process of identifying engagement priorities we rely to a large extent on the research from our in-house equity analysts. The integration of ESG factors in the investment process is one of the four pillars of ING IM's approach to Responsible Investing (RI). Our in-house equity analysts thoroughly research the companies we are invested in on behalf of our clients. Their findings are captured in a so called Investment Case. Next to valuation related aspects, a significant part of these investment cases is dedicated to ESG related risks and opportunities. This methodology allows us to track in an early stage the companies that face material ESG issues.

The primary focus of our engagement efforts is on companies that act in breach of the UN Global Compact principles and companies where we identify material environmental, social and corporate governance risks based on in-house research and information from external research providers. We are also in a regular dialogue with Dutch companies we are invested in on behalf of our clients. Next to that we also participate in so-called thematic engagements in case we believe that a certain issue is of importance to an entire industry or wider range of companies.

☐ No

LEA 04**Mandatory****Core Assessed****PRI 2****LEA
04.1**

Indicate if you define specific objectives for your engagement activities.

- ☒ Yes
- ☐ Yes, for all engagement activities
 - ☒ Yes, for the majority of engagement activities
 - ☐ Yes, for a minority of engagement activities
- ☐ No

**LEA
04.2**

Indicate if you monitor the actions that companies take following your engagements.

- ☒ Yes
- ☐ Yes, in all cases
 - ☒ Yes, in the majority of cases
 - ☐ Yes, in the minority of cases

**LEA
04.3**

Describe how you monitor and evaluate the progress of your engagement activities.

ING IM engages with companies on environmental, social and governance issues with the goal of achieving beneficial change. Our engagement efforts are objective-driven and follow a structured, milestone-driven approach. These milestones are the desired engagement outcomes with companies that are determined before we reach out to a company. A milestone is an improvement in a company's ESG policy, managements systems or reporting practices, directly as a result of the engagement we are involved in.

The insights that are gained as a result of the engagement with a corporation are reflected in the investment case for this particular company if deemed material. In case we have strong concerns about a company's ESG practices and management is not receptive to our engagement efforts, this could be a reason for us to rethink our positioning. Key when integrating ESG factors into an investment analysis is to focus on materiality (i.e., factors that are likely to have a material impact on the longer-term sustainability of a company's business model and its share price performance).

☐ No

**LEA
04.4**

Additional information. [Optional]

Engagement interactions are generally sought at board and senior management level and carried out by our in-house equity analysts, portfolio managers and ESG specialists.

Process for engagements conducted via collaborations

LEA 05

Mandatory

Core Assessed

PRI 2

**LEA
05.1**

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

☒ Yes

LEA
05.2

Describe how you identify and prioritise collaborative engagements.

ING IM strongly believes in the importance of collaborative engagements and we are therefore actively involved in a number of collaborative international investor initiatives. The collaboration we undertake with other investors can take place on specific company engagements but we also engage with policy makers on a range of ESG issues.

In our responsible investment policy it is mentioned that companies should live up to the UN Global Compact, which means among others that they need to have thorough policies in the field of human rights, labour rights, environment and bribery & corruption. In case we identify a collaborative engagement that covers a specific UN Global Compact related theme and where we believe this could drive meaningful change, we are likely to participate. An important source for identifying collaborative engagements is the PRI Clearinghouse.

Apart from the PRI Clearinghouse we also meet with (international) investors in many other fora which can lead to ad hoc coalitions to address certain issues with companies we believe may have a material impact on a company and / or sector.

In addition to the corporate engagements we also cooperate with other institutional investors in the engagement with policymakers. ING IM is among others actively involved with the policy initiatives at the International Corporate Governance Network (ICGN). ING IM's Senior Corporate Governance Officer chairs the Shareholder Rights Committee of the ICGN and responds in this capacity to many consultations on behalf of the ICGN members. Next to that we are also strongly involved in the activities of Eumedion, the Dutch corporate governance network, where we provide active input through our representation on various committees.

☐ No

LEA 06

Mandatory

Core Assessed

PRI 2

LEA
06.1

Indicate if the collaborative engagements in which you are involved have defined objectives.

☒ Yes

☒ Yes, for all collaborative engagement activities

☐ Yes, for the majority of collaborative engagement activities

☐ Yes, for a minority of collaborative engagement activities

☐ No

**LEA
06.2**

Indicate if you monitor the actions companies take following your collaborative engagements.

- ☒ Yes
- ☐ Yes, in all cases
- ☒ Yes, in the majority of cases
- ☐ Yes, in the minority of cases

**LEA
06.3**

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

In order to make collaborative engagements effective, it is of crucial importance to agree upfront with the other participants what the core objectives of the engagement are and what milestones need to be achieved. During the course of the engagement we monitor how the company deals with our requests and desired changes.

In most instances we discuss with the other participants that on an agreed interval a review of the collaborative engagement needs to take place. The participants in the collaborative engagement can flag up circumstances where engagement is failing or where a milestone has been reached and engagement may terminate. In case particular milestones are not achieved and a company remains unreceptive to the desired changes, this also offers an opportunity to discuss whether the engagement needs to be escalated.

The insights that are gained as a result of the engagement with a corporation may be reflected in the investment case for this particular company. In case we have strong concerns about a company's ESG practices and management is not receptive to our engagement efforts, this will be highlighted in the investment case and thereby has impact on the analysts' recommendation.

☐ No

General processes for all three groups of engagers

LEA 09

Voluntary

Additional Assessed

PRI 1,2

**LEA
09.1**

Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA
09.2

Additional information.

The insights that are gained as a result of the engagement with a corporation may be reflected in the investment case for this particular company. If we have strong concerns about a company's ESG practices and management is not receptive to our engagement efforts, this can be highlighted in the investment case and thereby impact the analysts' recommendation. Key when integrating ESG factors into an investment analysis is to determine how material the underlying issues is for the company (i.e., factors that are likely to have a material impact on the longer-term sustainability of a company's business model and its share price performance). Examples of material factors include safety standards, environmental impact, and resource access in the mining industry, social and labor issues in the consumer sector, product liability and bribery in the healthcare sector, and governance and alignment between management and shareholders for companies in general.

LEA 10

Mandatory

Gateway/Core Assessed

PRI 2

LEA
10.1

Indicate if you track the number of companies you engage with.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

LEA
10.2

Additional information. [Optional]

ING IM has setup a database in which we keep track of our dialogue and engagement activities. The information that can be found in the database includes the names of the companies with which we had specific discussions about ESG issues. Here we also describe what was discussed with the company as well as the desired follow-up. The database allows us to keep good track of the various ongoing dialogues and engagements. At the moment we mainly capture the dialogues and engagements that are being conducted by the ESG specialists of ING IM. An element that we will improve in the future is that we also keep track of dialogues & engagements on ESG issues that are conducted by our in-house equity analysts and portfolio managers.

Outputs and outcomes

LEA 11

Mandatory to Report Voluntary to Disclose

Core Assessed

PRI 2

LEA
11.1

Indicate the number of companies with which your organisation engaged during the reporting year.

	Number of companies engaged (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	24
Collaborative engagements	46

LEA
11.2

Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input type="radio"/> > 50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA 11.3	Indicate what percentage of your collaborative engagements you were a leading organisation during the reporting year. [Optional]
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Type of engagement	% Leading role
Collaborative engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

LEA 12	Voluntary	Additional Assessed	PRI 2
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LEA 12.1	Indicate if your engagements in the reporting year covered E, S and/or G issues.
-----------------	----------------------------------------------------------------------------------

Type of engagement	Coverage
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

LEA 12.2	Provide an estimated breakdown by E, S and/or G issues.
-----------------	---------------------------------------------------------

	Individual / Internal staff engagements
--	-----------------------------------------

	% Corporate Governance only
--	-----------------------------

20

	% Overlapping ESG issues
--	--------------------------

80

100%

	Collaborative engagements
--	---------------------------

	% Corporate Governance only
--	-----------------------------

70

	% Overlapping ESG issues
--	--------------------------

30

100%

LEA 12.3	Additional information.
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We have classified bribery and corruption under corporate governance.

LEA 14	Voluntary	Descriptive	PRI 2
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LEA 14.1	Provide examples of the engagements that your organisation carried out during the reporting year.
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☒ Add Example 1

Topic or ESG issue	Social / Governance
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	One of our investee companies has been involved in an allegation that its equipment was been used to construct a communication surveillance and monitoring system in Syria. We would like to see that the company discloses a more robust policy about how it monitors its partners in the chain in order to prevent that among others US trade sanctions are not violated.
Scope and Process	In 2013 we had several calls with company management to discuss the status of the ongoing investigations that are currently conducted by the US government. In both instances we addressed our concerns about the fact the company does not disclose a thorough policy about how it monitors its partners in the chain.
Outcomes	The engagement is still ongoing but the company already stated that it will consider to publish a more robust policy framework. As soon as the 2013 annual report is published we will schedule a follow-up engagement.

☒ Add Example 2

Topic or ESG issue	Governance
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative
Objectives	ING IM is supportive of the recommendations of the Enhanced Disclosure Task Force that aim to enhance the risk reporting by banks. The objective is to ensure that the selected European systemic banks incorporate the EDTF recommendations in their annual report.
Scope and Process	Together with three other Dutch institutional investors we had meetings with several Dutch and other European systemic banks. During our meetings we discussed possible improvements in the banks' reporting practices in order to meet the EDTF best practices
Outcomes	Based on the 2013 annual reports we will determine to what extent our requests have been incorporated.

☒ Add Example 3

Topic or ESG issue	Governance
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative
Objectives	Ensure that companies provide better disclosure about their bribery and corruption policies
Scope and Process	ING IM participates in the bribery and corruption working group of the PRI. We sent out letters to the boards of directors of 20 companies in which the importance of a robust framework for managing anti-corruption risks is stressed. We have asked the selected companies among others to provide a written response on their progress in actively monitoring the effectiveness of their existing anti-bribery and corruption policies.
Outcomes	In 2014 various follow-up meetings have been scheduled to discuss with the companies in more detail what changes we expect in order to enhance the effectiveness of the company's existing anti-bribery and corruption policies.

- ☐ Add Example 4
- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

Communication

LEA 15

Mandatory

Core Assessed

PRI 2,6

LEA
15.1

Indicate whether your organisation proactively discloses information on its engagements.

- ☒ We disclose it publicly

please provide URL

<http://www.ingimresponsibleinvesting.com/insights-reports.html>

LEA
15.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☐ Yes
☒ No

LEA 15.3	Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.
-----------------	--------------------------------------------------------------------------------------------------------------------------

<div>Reporting to the public</div> <div>Engagement information disclosed</div> <input type="checkbox"/> Details of the selections, priorities and specific goals of engagement <input type="checkbox"/> Number of engagements <input checked="" type="checkbox"/> Breakdown of engagements by type/topic <input type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the engagement <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information	<div>Reporting to clients/beneficiaries</div> <div>Engagement information disclosed</div> <input type="checkbox"/> Details of the selections, priorities and specific goals of engagement <input type="checkbox"/> Number of engagements <input checked="" type="checkbox"/> Breakdown of engagements by type/topic <input type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the engagement <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input checked="" type="checkbox"/> Other information More detailed information on topics discussed during meetings with company managements
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LEA 15.4	Indicate how frequently you typically report engagements information.
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<div>Reporting to the public</div> <input type="radio"/> Disclosed continuously (prior and post engagements) <input checked="" type="radio"/> Disclosed quarterly <input type="radio"/> Disclosed annually <input type="radio"/> Disclosed every two years or less <input type="radio"/> Other, specify	<div>Reporting to clients/beneficiaries</div> <input type="radio"/> Disclosed continuously (prior and post engagements) <input checked="" type="radio"/> Disclosed quarterly <input type="radio"/> Disclosed annually <input type="radio"/> Disclosed every two years or less <input type="radio"/> Other, specify
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- ☐ We disclose it to clients and/or beneficiaries only
☐ We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions

Overview

LEA 16	Voluntary	Descriptive	PRI 2
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LEA
16.1

Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

ING IM endeavors to exercise its voting rights in all markets worldwide, including in the so-called blocking markets. ING IM exercises the voting rights on behalf its Benelux funds with more than EUR 100 million of assets under management invested in equity. This is the vast majority of the funds that we manage on behalf of our clients.

ING IM's voting policy is available on the website and forms the basis for all our voting decisions. In the voting policy it is described how we vote on standard resolutions at annual general meetings and extraordinary general meetings of our investee companies. As we manage a large equity portfolio on behalf of our clients we cannot manually cast votes for all shareholder meetings worldwide. In order to ensure that all votes are cast in line with ING IM International's proxy voting policy, we have implemented a customised voting policy. This customized policy is executed by ISS for all shareholder meetings worldwide.

The shareholder meetings of our Dutch holdings, companies where we hold more than 1% of the share capital as well as all companies that are held in the Sustainable Equity portfolios are voted on a case-by-case basis by the in-house proxy voting committee clients assets. In this committee portfolio managers and analysts are represented in order to ensure a clear linkage between our voting activities and investment activities. Most shareholder meetings are voted through an electronic platform, but in the Netherlands we are also sometimes represented in person at shareholder meetings. ING IM was not involved in the filing and/or co-filing of any shareholder resolutions in 2013.

Process

LEA 17

Mandatory

Descriptive

PRI 2

LEA
17.1

Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

Approach

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☐ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.
- ☒ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.

Based primarily on

- ☐ the service provider voting policy signed off by us
- ☒ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ We hire service provider(s) which make voting decisions on our behalf.

ING IM makes use of the voting platform and proxy research advice of ISS. We have published our own proxy voting policy, in which we describe in more detail our policies regarding items that generally appear on the agenda of shareholder meetings across many of the markets in which our mutual funds invest. These proposals are divided across seven key themes:

- Boards and directors related agenda items
- Remuneration and benefits related agenda items
- Audit related agenda items
- Capital structure, asset sales, M&A and other special transactions
- Proposed changes to statutes, bylaws and legal structure of the company
- Anti-takeover defence mechanisms
- Social, ethical and environmental issues.

As the equity portfolio that we manage on behalf of our customers is large, we cannot manually cast votes for all shareholder meetings worldwide. In order to ensure that all votes are cast in line with our wishes, we have implemented a customised voting policy. This policy is implemented by the proxy research agency ISS on behalf of ING IM for the purpose of analysing all relevant shareholder meetings worldwide. Currently, we vote on behalf of all Dutch, Belgian and Luxembourg ING funds with at least EUR 100 million of assets under management.

ING IM manages assets for the account of clients as well as for ING's own account, also referred to as proprietary assets. Proprietary assets comprise those assets that belong to ING Insurance. In case of client assets we will only vote in the exclusive interest of the clients, without taking into consideration the interest of ING businesses. When voting for proprietary assets, ING IM may take into consideration all the different relationships of ING businesses with portfolio companies. ING IM maintains Chinese Walls between the management of proprietary assets and client assets. For this reason ING IM has setup a Proxy Voting Committee which is tasked with voting on client assets and a separate Proxy Voting Committee responsible for voting on proprietary assets. These procedures prevent any conflicts of interest and allow us to serve the best interest of both our external clients as well as ING's best interest.

LEA 18	Mandatory	Descriptive	PRI 2
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Of the voting recommendations that your service provider made in the reporting year, indicate what percentage your organisation reviewed, and the reasons for the review.

Percentage of voting recommendations your organisation reviewed

- ☐ >20%
- ☒ 5-20%
- ☐ 1-5%
- ☐ <1%

Reasons for review

- ☒ Specific ESG issues
- ☒ Votes where a significant level of ownership is held
- ☒ Votes against management or abstentions
- ☐ Conflicts of interest
- ☒ Corporate actions such as M&A, disposal, etc.
- ☒ Other, explain

shareholder meetings of our Dutch and Belgian holdings as well as holdings in the Sustainable Equity portfolios are voted on a case-by-case basis

LEA 19	Voluntary	Descriptive	PRI 2
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LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
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- ☐ Obtain confirmation that votes have been lodged:
- ☒ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☐ None of the above

LEA 19.2	Provide additional information on your organisation's vote confirmation efforts.
----------	----------------------------------------------------------------------------------

ING IM is actively involved in the work of the cross border voting working group of the International Corporate Governance Network. In this working group we closely cooperate with among others custodian banks, issuer representatives, other relevant intermediaries and other investors. The working group investigates obstacles in the chain and will outline in a set of best practices what can reasonably be expected from the different intermediaries that have a role to play in the proxy voting chain. Vote confirmation is one of the key themes that we try to address.

In 2011 and 2012 we were closely involved in organising two seminars on the obstacles in the infrastructure facilitating cross border voting together with the International Corporate Governance Network. The seminar organised in 2011 was focused on identifying the key obstacles in the proxy chain for investors as well as issuers. The seminar organised in 2012 was more focused on finding solutions and best practices to overcome the identified obstacles. The work of the cross border voting working group is a follow-up to the outcome of both seminars.

LEA 20	Voluntary	Additional Assessed	PRI 2
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LEA 20.1	Indicate if your organisation has a securities lending programme.
----------	-------------------------------------------------------------------

☒ Yes

LEA 20.2	Indicate how voting is addressed in securities lending programme.
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Please select one of the following

- ☐ We recall most securities for voting on all ballot items
- ☐ We recall some securities for voting on some ballot items on a systematic basis in line with specified criteria
- ☐ We occasionally recall some securities for voting on some ballot items on an ad-hoc basis
- ☐ We empower our securities lending agent to decide when to recall securities for voting purposes
- ☐ We do not recall our shares for voting purposes
- ☒ Other (please specify)

We do not systematically recall our shares, but we always ensure that at least a certain % of our holding position is available for voting purposes
- ☐ No

LEA 21	Mandatory	Core Assessed	PRI 2
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LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
----------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- ☐ Yes, in most cases
- ☒ Sometimes, in the following cases:
 - ☐ votes in selected markets
 - ☐ votes on certain issues (all markets)
 - ☐ votes for significant shareholdings (all markets)
 - ☒ other, explain

in engagements on ESG issues with companies we always highlight how we exercised our voting rights during the last shareholder meeting of the company
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

LEA 21.2	Additional information. [Optional]
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We always inform companies about our voting decisions after the shareholder meeting. It is our standard policy not to disclose our intended votes upfront to the shareholder meeting.

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
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LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
----------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- ☒ We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

94

	Specify the basis on which this percentage is calculated
--	----------------------------------------------------------

- ☒ of the total number of ballot items on which you could have issued instructions
- ☐ of the total number of company meetings at which you could have voted
- ☐ of the total value of your listed equity holdings on which you could have voted

LEA 22.2	If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]
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In the year under review we experienced issues with our power of attorney for the Brazilian market. The power of attorney was renewed but was subsequently rejected by the local sub-custodian. Because of this issue we were not able to exercise our voting rights in Brazil for a certain period of time. This explain approximately 2% of the meetings that were not voted.

It is ING IM's policy to exercise the voting rights in blocking markets, but only for a limited % of our holdings. Otherwise the impact on our trading process will be too significant. Therefore we may opt to not vote on behalf of some funds. This also explains approximately 2% of the meetings that were not voted.

Next to that some companies ask for additional documentation before the votes can be exercised. In some instances we had insufficient time to arrange the documentation.



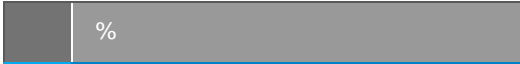
- ☐ We do not track or collect this information

LEA 23	Voluntary	Descriptive	PRI 2
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LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
-----------------	------------------------------------------------------------------------------------------------------------

- ☒ Yes, we track this information

LEA 23.2	Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management proposals	 89.5
Against (opposing) management proposals	 10.2
Abstentions	 0.3

100%

LEA 23.3	For the reporting year, describe your approach towards voting on shareholder resolutions.
-----------------	-------------------------------------------------------------------------------------------

Almost all shareholder proposals are voted on a case-by-case basis by the in-house proxy voting committee client assets. The proxy research advice that we receive on shareholder proposals is based on ISS's Sustainability Policy. Under this service all shareholder proposals are analysed by a team within ISS that has a significant experience with shareholder proposals. This policy generally supports shareholder proposals advocating ESG disclosure or universal norms/codes of conduct.

ING IM supports shareholder proposals if we believe they help address significant social and environmental issues that can be material to a company. At the same time we take a rational approach in our analysis of the shareholder proposals at hand. If it appears from our analysis that a company already deals adequately with the request as mentioned in the shareholder resolution, we may not support the proposal. Also if we are of the opinion that the shareholder proposal is poorly drafted or the argumentation as used by the filers of the proposal is lacking, we may not support the proposal.

☐ No, we do not track this information

LEA 23.4	Additional information.
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ING IM discloses more information about vote statistics in its quarterly Active Ownership reports that are made public through <http://www.ingimresponsibleinvesting.com/insights-reports.html>

LEA 24	Voluntary	Descriptive	PRI 2
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LEA 24.1	Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.
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☐ Yes

☒ No

LEA 25	Voluntary	Descriptive	PRI 2
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LEA 25.1	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.
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☒ Add Example 1

Topic or ESG issue	Governance
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	We voted against the discharge of the Supervisory Board of one of our Dutch holdings in portfolio, this among others because of the fact that we were not too happy with the role played by the chairman in the replacement of the CEO.
Scope and Process	The in-house proxy voting team discussed the vote against discharge with the analyst and portfolio managers. We also voiced our concerns during a dialogue upfront to the shareholder meeting.
Outcomes	A large minority of the shareholders voted against the discharge of the company's supervisory board. The vote cast is part of our ongoing dialogue with the company.

☒ Add Example 2

Topic or ESG issue	Governance
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	We voted against the merger of two Chinese entities as we believed the terms of the transaction were not favourable for minority investors.
Scope and Process	While ISS advised to vote in favour of the transaction, the analyst and several portfolio managers did not feel comfortable about the terms of the transaction.
Outcomes	Because of the fact that we are only a minority shareholder of one of these entities, we were not able to block the transaction.

☒ Add Example 3

Topic or ESG issue	Social
Decision made by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Service provider
Objectives	We supported a shareholder proposal in which a US based firm was asked to 'review and assess its human rights Policies'. Our objective was to force the company to carefully review its human rights policies and practices
Scope and Process	Based on our in-house research as well as research provided to us by external firms, we noticed significant issues with the company's human rights policies and practices. Our vote in favour of the shareholder proposal is part of an ongoing dialogue.
Outcomes	The shareholder proposal was not supported by a majority of the shareholders, but the company's human rights policies remain a focus point.

☐ Add Example 4

☐ Add Example 5

☐ Add Example 6

☐ Add Example 7

☐ Add Example 8

☐ Add Example 9

☐ Add Example 10

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
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LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.
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☒ We disclose it publicly

provide URL

<http://vds.issproxy.com/SearchPage.php?CustomerID=2666>

provide URL

<http://www.ingimresponsibleinvesting.com/insights-reports.html>

LEA 26.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
----------	-------------------------------------------------------------------------------------------------------------

☐ Yes

☒ No

LEA 26.3	Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.
----------	------------------------------------------------------------------------------------------------------------------------

Reporting to the public	Reporting to clients/beneficiaries
<div>Indicate how much of your voting record you disclose</div> <div><div><input checked="" type="radio"/> All voting decisions</div><div><input type="radio"/> Some voting decisions</div><div><input type="radio"/> Only abstentions and opposing vote decisions</div><div><input type="radio"/> Summary of votes only</div></div>	<div>Indicate how much of your voting record you disclose</div> <div><div><input checked="" type="radio"/> All voting decisions</div><div><input type="radio"/> Some voting decisions</div><div><input type="radio"/> Only abstentions and opposing vote decisions</div><div><input type="radio"/> Summary of votes only</div></div>
<div>Indicate what level of explanation you provide</div> <div><div><input type="radio"/> Explain all voting decisions</div><div><input type="radio"/> Explain some voting decisions</div><div><input type="radio"/> Only explain abstentions and votes against management</div><div><input checked="" type="radio"/> No explanations provided</div></div>	<div>Indicate what level of explanation you provide</div> <div><div><input type="radio"/> Explain all voting decisions</div><div><input checked="" type="radio"/> Explain some voting decisions</div><div><input type="radio"/> Only explain abstentions and votes against management</div><div><input type="radio"/> No explanations provided</div></div>

LEA 26.4	Indicate how frequently you typically report voting information.
----------	------------------------------------------------------------------

Reporting to the public	Reporting to clients/beneficiaries
<input type="radio"/> Continuously (primarily before meetings)	<input type="radio"/> Continuously (primarily before meetings)
<input checked="" type="radio"/> Continuously (soon after votes are cast)	<input checked="" type="radio"/> Continuously (soon after votes are cast)
<input type="radio"/> Quarterly or more frequently	<input type="radio"/> Quarterly or more frequently
<input type="radio"/> Between quarterly and annually	<input type="radio"/> Between quarterly and annually
<input type="radio"/> Less frequently than annually	<input type="radio"/> Less frequently than annually
<input type="radio"/> Other, specify	<input type="radio"/> Other, specify

- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

ING Investment Management

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

FI 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

PRI 1

FI 01.1

Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.

Fixed income – corporate

Strategies

- ☐ Passive
- ☐ Active – quantitative (quant)
- ☒ Active - fundamental and other active strategies

Percentage of internally managed fixed income - corporate

- ☐ <10%
- ☐ 10-50%
- ☒ >50%

Fixed income – government

Strategies

- ☒ Passive

Percentage of internally managed fixed income - government

- ☒ <10%

Report on your strategies that represents <10% of government fixed income

- ☐ Yes
- ☒ No

- ☐ 10-50%
- ☐ >50%

- ☒ Active – quantitative (quant)

Percentage of internally managed fixed income - government

- ☒ <10%

Report on your strategies that represents <10% of government fixed income

☐ Yes

☒ No

☐ 10-50%

☐ >50%

☒ Active - fundamental and other active strategies

Percentage of internally managed fixed income - government

☐ <10%

☐ 10-50%

☒ >50%

FI 02

Mandatory to Report Voluntary to Disclose

Peering

General

FI 02.1

Provide a breakdown of your internally managed fixed income investments by credit quality.

Credit quality	Fixed Income - Corporate	Fixed Income - Government
Investment grade	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
High yield	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Distressed	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%

FI 02.2

Provide a breakdown of your fixed income investments between primary and secondary market.

Market	Fixed Income - Corporate	Fixed Income - Government
Primary market (new issues)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Secondary market	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%

ESG incorporation in actively managed fixed income

FI 03	Voluntary	Descriptive	PRI 1
FI 03.1	Provide a brief overview of how you incorporate ESG issues in fixed income investments.		
	Fixed Income - Corporate		

The basis for our responsible investment approach is ING's ESR (environmental, social and risk) policy framework. This framework consists of a wide range of policies concerning environmental and social aspects, such as the defence sector, animal testing and gambling. Based on this framework, we have developed a restricted list, i.e., a list of non-eligible companies that are considered to be the worst offenders in sensitive areas. In addition, we maintain a restricted list specifically for the defence sector. The restricted list is applicable to the proprietary assets and the SRI funds, while the restricted list for the defence industry is applicable to all assets, both proprietary and third party*. Depending on the client wishes we offer tailor-made Responsible Investment solutions.

Moreover, we use ESG integration because we strongly believe the incorporation of ESG factors can enhance the risk-return profile of our investments.

For more information, please see FI 06.2 and FI 10.1.

**ING IM manages assets for the account of clients (third party assets) as well as for ING's own account, also referred to as proprietary assets. Proprietary assets comprise those assets that belong to ING Insurance.*

ING has implemented a Corporate Policy on Financial Economic Crime (FEC Policy) that provides a clear statement on Financial Economic Crime in order to guard against any involvement in criminal activity, and to participate in international efforts to combat money laundering and the funding of terrorist and criminal activities. Among other there is a list of excluded high risk countries, which is applicable to all ING entities including ING M.

When it comes to integrating ESG factors in the investment process, we currently use a different approach for our developed market strategy than our emerging market strategy. The main reason for this is that we believe that looking at ESG aspects related to emerging market countries has even more added value than in case of developed market countries.

For more information, please see FI 13.4.

Fixed Income - Corporate

Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
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FI 04.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- ☐ Screening alone (i.e. not combined with any other strategies)
- ☐ Thematic alone (i.e. not combined with any other strategies)
- ☐ Integration alone (i.e. not combined with any other strategies)
- ☒ Screening + Integration strategies

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)

100%

- ☐ Thematic + integration strategies
- ☐ Screening + thematic strategies
- ☐ All three strategies combined
- ☐ No incorporation strategies applied

Total actively managed fixed income - corporate

100%

FI 04.2

Describe your primary reasons for choosing a particular incorporation strategy.

We use ESG integration as we strongly believe the incorporation of ESG factors can enhance the risk-return profile of our investments. On top of that we use negative screening (controversial weapons) which is also applicable company wide. For our clients who want to take sustainability a step further we offer specialised SRI funds and tailor-made Responsible Investment solutions.

FI 05**Voluntary****Additional Assessed****PRI 1****FI 05.1**

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- ☐ Raw ESG company data
- ☒ Issuer-related analysis or ratings

Describe who provides this information.

External ESG data/research provider combined with internal analysis

- ☒ Sector-related analysis or ratings

Describe who provides this information.

External ESG data/research provider combined with internal analysis

- ☐ Country-related analysis or ratings
- ☒ Screened bond list

Describe who provides this information.

External ESG data/research provider combined with internal analysis

- ☐ Issue-specific analysis or ratings
- ☐ Other, specify

FI 05.2

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

We make use of several (ESG) data/research providers: Sustainalytics, Credit Rating Agencies and Bloomberg. In addition to that we use sell-side information. The next step is analysing this information in-house and incorporating it in the investment analysis and decision making process.

(A) Implementation: Screening

FI 06**Mandatory****Descriptive****PRI 1****FI 06.1**

Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.

Type of screening

☒ Negative/exclusionary screening

Screened by

- ☒ Product
- ☐ Activity
- ☐ Sector
- ☒ Country/geographic region
- ☒ Environmental and social practices and performance
- ☒ Corporate governance

Description

Controversial weapons screening is applicable to all funds, while the other criteria are applicable to our SRI corporate bond fund.

☐ Positive/best-in-class screening

☒ Norms-based screening

Screened by

- ☒ UN Global Compact Principles
- ☒ Universal Declaration of Human Rights
- ☒ International Labour Organization Conventions
- ☒ United Nations Convention Against Corruption
- ☒ OECD Guidelines for Multinational Enterprises
- ☐ Other, specify

Description

This screening is used for our SRI corporate bond fund. For the mainstream funds, these criteria are taken into account through ESG integration.

FI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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ING uses an independent, external consultant to identify companies involved in the production, development, maintenance or trade of controversial weapons, such as anti-personnel landmines, cluster munitions, depleted uranium ammunition, or nuclear, biological and chemical weapons. This information is reviewed on a regular basis and changes to the restricted list of companies are subject to approval by the ING Global Credit Committee. The restricted companies are in scope of ING IM's pre trade compliance checks, effectively blocking trades in these companies. Regular post-trade compliance checks are in place as well.

For more information regarding our dedicated SRI corporate bond fund, please see:

<http://www.ingimresponsibleinvesting.com/insights-reports.html> (Eurosif European SRI Transparency Code)

FI 07	Mandatory	Core Assessed	PRI 1
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FI 07.1	Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.
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- ☒ Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- ☒ Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- ☒ Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- ☐ A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- ☐ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

FI 08	Voluntary	Additional Assessed	PRI 1
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FI 08.1	Indicate which processes your organisation uses to ensure that fund criteria are not breached in corporate fixed income investments.
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☒ Checks are performed to ensure that issuers meet the funds' screening criteria. These checks are:

☒ Systematic

☐ Occasional

☒ Automated IT systems prevent investment managers from investing in excluded bonds or those that do not meet positive screening criteria

☐ Audits of fund holdings are undertaken regularly by internal audit function

☐ Other, specify

☐ None of the above

(C) Implementation: Integration of ESG factors

FI 10	Voluntary	Descriptive	PRI 1
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FI 10.1	Describe how you integrate ESG issues into investment decision-making processes.
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As an integral part of our research process, ESG analysis is carried out by ING IM's analysts. Analysts have access to the ESG database, which includes information on how each company scores on different ESG factors compared to its sector average and if there are any structural issues or controversies from ESG perspective. ESG factors covered include, amongst others, environmental damage and climate change, bribery and corruption, human rights, health and safety and corporate governance. The analysts are making use of ESG data/research from specialised ESG service provider Sustainalytics. These data are also being used for our dedicated SRI funds. The analysts incorporate the results of their analysis into fixed income research templates, called score cards, ensuring they have looked at all material aspects. This process is quite similar to the ESG integration process on the equity side, but with more emphasis being put on the downward risks. Portfolio managers at ING IM take the score cards into account when making investment decisions.

FI 11	Mandatory	Core Assessed	PRI 1
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FI 11.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
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ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 12	Voluntary	Descriptive	PRI 1
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FI 12.1	Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.
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- ☒ Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- ☒ Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- ☒ Company information and/or ratings on ESG are updated regularly
- ☐ A periodic review of the quality of the research undertaken or provided is carried out
- ☐ Other, specify
- ☐ None of the above

FI 12.2	Describe how ESG information is held and used by your portfolio managers.
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- ☒ ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ☒ ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- ☒ Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- ☐ Other, specify

Fixed income - Government

FI 13	Mandatory	Core Assessed	PRI 1
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FI 13.1

Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

☒ Yes

FI 13.2

Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- ☐ <10%
- ☐ 10-50%
- ☒ 51-90%
- ☐ >90%

FI 13.3

Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 13.4

Describe your approach to incorporating ESG issues in government fixed income investments. [Optional]

When it comes to integrating ESG factors in the investment process, we currently use a different approach for our developed market strategy than our emerging market strategy. The main reason for this is that we believe that looking at ESG aspects related to emerging market countries has even more added value than in case of developed market countries. This is reflected in the way we take into account ESG aspects in the investment process for each of these categories.

For the developed market strategy we equally weight importance of environmental, social and governance factors. We are not setting hard standards as to exclusion of any country. However, should a situation occur where we are indifferent between two countries we opt for the higher ESG scoring country.

For our emerging market debt (EMD) strategy we analyse key macroeconomic indicators as well as a number of ESG criteria that are integrated into our proprietary Sovereign Rating Model (SRM) that results in country score cards. ESG country factors include for example corruption perception, ease of doing business, human development, rule of law and energy-dependency. We have back tested the results and found clear improvement of the new scoring methodology (higher predictive power when incorporating ESG factors into the model). The ESG criteria are assigned 40% weight in the country score cards, and thus are a key determinant of the country score and therefore, of the relative attractiveness of the country. The SRM forms the backbone of EMD Hard Currency strategy and is an important input for all other EMD strategies as well.

More information can be found on:

<http://www.ingimresponsibleinvesting.com/insights-reports.html> ("EMD: Integrating ESG INTO the Sovereign Perspective")

☐ No

Outputs and outcomes

FI 15	Voluntary	Descriptive	PRI 1
FI 15.1	Indicate how your ESG incorporation strategies have influenced the composition of your fixed income portfolio(s) or investment universe.		

Fixed Income - Corporate

- ☒ Narrow down or prioritise the investment universe
- ☒ Buy / sell / weight decisions
- ☐ Other, specify

Fixed Income - Government

- ☒ Narrow down or prioritise the investment universe
- ☒ Buy / sell / weight decisions
- ☐ Other, specify

FI 17	Voluntary	Descriptive	PRI 1
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FI 17.1	Provide examples of ESG issues that affected your fixed income investment view and/or performance during the reporting year.
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- ☒ ESG issue 1

Fixed Income - Corporate and/or Government		
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government		
<table border="1"> <tr> <td style="background-color: #cccccc;">ESG issue and explanation</td> </tr> <tr> <td>UK Mining company</td> </tr> </table>	ESG issue and explanation	UK Mining company
ESG issue and explanation		
UK Mining company		
<table border="1"> <tr> <td style="background-color: #cccccc;">ESG incorporation strategy applied</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies </td> </tr> </table>	ESG incorporation strategy applied	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies
ESG incorporation strategy applied		
<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies		
<table border="1"> <tr> <td style="background-color: #cccccc;">Impact on investment view or performance</td> </tr> <tr> <td>For the SRI fund, we sold our position in this company as we were not convinced that the new management of the company would be able to bring the ESG credentials of the company up to standard in a short period of time.</td> </tr> </table>	Impact on investment view or performance	For the SRI fund, we sold our position in this company as we were not convinced that the new management of the company would be able to bring the ESG credentials of the company up to standard in a short period of time.
Impact on investment view or performance		
For the SRI fund, we sold our position in this company as we were not convinced that the new management of the company would be able to bring the ESG credentials of the company up to standard in a short period of time.		

- ☒ ESG issue 2

	Fixed Income - Corporate and/or Government
<input checked="" type="checkbox"/> Corporate <input type="checkbox"/> Government	
	ESG issue and explanation
Privately owned retail company	
	ESG incorporation strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
<p>This company has two euro denominated bonds outstanding. At the launch of the most recent one (in 2012), the company disclosed all necessary financial information. Since then, despite numerous requests, the company did not publish financial information and we decided to reconsider our exposure to this company as we got concerned about the quality of the management. The position is gradually being brought down.</p>	

☒ ESG issue 3

	Fixed Income - Corporate and/or Government
<input type="checkbox"/> Corporate <input checked="" type="checkbox"/> Government	
	ESG issue and explanation
Country in Europe	
	ESG incorporation strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
We went underweight this country given the situation was worsening (aspects such as institutional strength and political process) and is likely to continue on that path.	

☒ ESG issue 4

	Fixed Income - Corporate and/or Government
<input type="checkbox"/> Corporate <input checked="" type="checkbox"/> Government	
	ESG issue and explanation
Country in Africa	
	ESG incorporation strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies	
	Impact on investment view or performance
The country is pursuing reforms in the governance and social area (rule of law, political rights and civil liberties and control of corruption) and is likely to continue that path. This has given us confidence to introduce a small off-benchmark position.	

☐ ESG issue 5

Communication

FI 18	Mandatory	Core Assessed	PRI 2,6
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FI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.

- ☒ We disclose it publicly

Provide URL

<http://www.ingimresponsibleinvesting.com/insights-reports.html>

FI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- ☒ Yes

FI 18.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- ☒ Broad approach to ESG incorporation
☐ Detailed explanation of ESG incorporation strategy used

FI 18.4

Indicate how frequently you typically report this information.

- ☐ Quarterly or more frequently
☒ Between quarterly and annually
☐ Less frequently than annually
☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose it to the public and/or clients/beneficiaries

Engagement in fixed income investments

Fixed Income - Corporate

FI 19	Voluntary	Descriptive	PRI 2
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FI 19.1

Indicate if you engage with corporate issuers.

- ☒ Yes

FI 19.2

Describe your organisation's approach to engagement in corporate fixed income.

We largely adopt the same approach to engagements in our corporate fixed income assets as we do on our listed equity assets.

☐ No