



**Notice of Annual Meeting of Shareholders of
ING Canada Inc.
May 1, 2006, and
Management Proxy Circular**

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INVITATION TO SHAREHOLDERS

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March 27, 2006

Dear Shareholders,

We are very pleased to invite you to join the Board of Directors and senior management team at the 2006 Annual Meeting of Shareholders of ING Canada Inc. (the “Meeting”) that will take place on May 1, 2006 at 10:00 a.m. (Eastern Daylight Time) at the Design Exchange, located at 234 Bay Street, Toronto, Ontario.

At this Meeting, you will have the opportunity to obtain first-hand information on ING Canada Inc., learn about our plans for the future, and be called upon to vote on matters described in this Management Proxy Circular.

If you cannot attend the Meeting in person, we urge you to exercise your vote by proxy, as described in the attached documents.

An audio web cast of the proceedings of the Annual Meeting will be available on the Investor Relations section of the ING Canada website.

We also invite you to consult our website at www.ingcanada.com for information on our recent presentations to the investment community and results. Also available online is the full text of the 2005 Annual Report and other useful information.

As a valued shareholder, we appreciate and welcome your participation in the Annual Meeting of Shareholders of ING Canada Inc.

Sincerely,

A handwritten signature in black ink, appearing to read 'Yves Brouillette', written in a cursive style.

Yves Brouillette
Chairman of the Board

A handwritten signature in black ink, appearing to read 'Claude Dussault', written in a cursive style.

Claude Dussault
President and Chief Executive Officer



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF ING CANADA INC.

Date: Monday, May 1, 2006
Time: 10:00 a.m. (Eastern Daylight Time)
Place: Design Exchange
234 Bay Street, Toronto, Ontario
Canada M5K 1B2

Business of the Meeting:

1. Receive the consolidated financial statements for the year ended December 31, 2005 and the auditor's report on those statements;
2. Elect Directors;
3. Appoint the auditor; and
4. Transact such other business as may properly be brought before the Meeting.

Holders of Common Shares as at 5:00 p.m. Eastern Standard Time on March 21, 2006 are entitled to receive the Notice of Annual Meeting of Shareholders and will be entitled to vote at the Meeting. On that date, 133,732,000 Common Shares were issued and outstanding. Each holder of Common Shares is entitled to cast one vote per share held.

By order of the Board of Directors,

Françoise Guénette
Senior Vice-President, Corporate &
Legal Services, and Secretary

March 27, 2006

Holders of Common Shares of ING Canada Inc. who are unable to attend the Meeting are invited to complete, date and sign the enclosed form of proxy, and return it by mail in the postage-paid envelope provided, or fax it to Computershare Investor Services Inc. at 416-263-9524 or by toll-free fax at 1-866-249-7775. In order to be valid, the form of proxy must reach Computershare Investor Services Inc., by mail or by fax at its Toronto office, no later than 5:00 p.m. (Eastern Daylight Time) on April 27, 2006, or if the Meeting is adjourned, 24 hours (excluding Saturdays, Sundays and holidays) before any adjournment thereof.

For any questions regarding the Management Proxy Circular, the form of proxy or the exercise of voting rights, please call Computershare Investor Services Inc. at 1-800-564-6253 or 514-982-7555, or the Office of the Corporate Secretary of ING Canada Inc. at 416-941-5240 or 514-985-7111, Ext. 8367.

Management Proxy Circular

1: VOTING INFORMATION

SOLICITATION OF PROXIES

This Management Proxy Circular (the “Circular”) is provided in connection with the solicitation by the management of ING Canada Inc. (“ING Canada” or the “Company”) of proxies to be used at the Annual Meeting of Shareholders of ING Canada (the “Meeting”), for the purposes indicated in the Notice of Meeting, to be held at 10:00 a.m. (Eastern Daylight Time) on Monday, May 1, 2006, at the Design Exchange, 234 Bay Street, Toronto, Ontario, and at any adjournment thereof. The solicitation of proxies will be done by mail, by fax or in person. Employees, Officers, Directors or agents of ING Canada will solicit the proxies. The information contained in the Circular is given as at March 27, 2006, except where otherwise noted.

VOTING COMMON SHARES

Holders of record of Common Shares of ING Canada at 5:00 p.m., Eastern Standard Time, on March 21, 2006 or their duly authorized agents are entitled to receive the Notice of Annual Meeting and to vote at the Meeting.

The Company has an authorized share capital consisting of an unlimited number of Common Shares, an unlimited number of Class A Shares and one Special Share. As of the close of business (5:00 p.m., Eastern Standard Time) on March 21, 2006, 133,732,000 Common Shares and one Special Share of ING Canada were issued and outstanding. Each holder of Common Shares of record at the close of business (5:00 p.m., Eastern Standard Time) on March 21, 2006, the record date established for notice of the Meeting and for voting in respect of the Meeting, is entitled to cast one vote for each Common Share held on all matters proposed to come before the Meeting. The Special Share, which is currently beneficially owned by ING Groep N.V. (“ING Groep”), does not generally carry voting rights. However, the holder of the Special Share is entitled to receive notice of and to attend any meeting of shareholders of the Company and, where the holder owns at least one-third of the outstanding Common Shares, to nominate and elect to the board of directors (“Board” or “Board of Directors”) of the Company that number of directors equal to five-twelfths ($\frac{5}{12}$) of the total number of directors (disregarding any fractional number of directors) comprising the Board of Directors.

To the knowledge of the Directors and Officers of the Company, no individual or corporation beneficially owns, directly or indirectly, or exercises control or direction over Common Shares carrying more than 10% of the voting rights attached to the Common Shares of the Company, except ING Groep which owns approximately 70%, or 93,620,000 of the issued and outstanding Common Shares of the Company.

Holders of Common Shares of the Company may vote in person at the Meeting or may complete, sign and return the enclosed form of proxy. This form of proxy authorizes a proxyholder to represent and to vote on behalf of the holder of Common Shares at the Meeting.

SHARES REGISTERED IN THE NAME OF A THIRD PARTY

The names of shareholders whose shares are held in the name of a nominee (a bank, trust company, securities broker, trustee or other intermediary) do not appear on the list of shareholders of the Company. As required by Canadian securities legislation, you will have received **from your nominee** either a request for voting instructions or a form of proxy for the number of shares you hold. To vote, please follow the instructions provided by your nominee. If your shares are held in the name of a nominee and you wish to vote in person at the Meeting, please contact your broker or an agent of that broker or your intermediary well in advance of the Meeting to determine how you can do so. Please register with the transfer agent, Computershare Investor Services Inc. (“Computershare”), upon arrival at the Meeting.

APPOINTMENT OF PROXYHOLDERS

The proxyholders designated in the enclosed form of proxy are Directors and/or Officers of the Company. If a shareholder wishes to appoint a proxyholder other than one of the persons designated in the form of proxy, the shareholder may do so by striking out the names appearing thereon and inserting the name of such person in the blank space provided. If the shareholder is a legal entity, an estate or trust, the form of proxy must be signed by a duly authorized officer or agent and accompanied by a certified resolution confirming such authorization. A proxyholder is not required to be a shareholder of the Company. In order to be valid, the form of proxy must reach Computershare by mail or by fax at 416-263-9524 or by toll-free fax at 1-866-249-7775, no later than 5:00 p.m. (Eastern Daylight Time) on April 27, 2006, or, if the meeting is adjourned, 24 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the meeting. If you wish to return the form of proxy by mail, you may use the postage-paid envelope included with this Circular.

VOTING BY PROXY

Common Shares represented by a proxy are to be voted by the proxyholder designated in the enclosed form of proxy as instructed by the shareholder. **If no instructions are given, the voting rights attached to the Common Shares will be exercised by the proxyholder who is a director and/or officer of the Company by voting as follows:**

- **FOR** the election of all proposed directors nominated by management of ING Canada;
- **FOR** the appointment of the auditor;

Unless otherwise noted, a simple majority of the votes cast at the Meeting, in person or by proxy, will constitute approval of any matter submitted to a vote.

If no instructions are given, any designated proxyholder will have discretionary authority when exercising the voting rights attached to the Common Shares concerning these matters.

The enclosed form of proxy confers on the proxyholder designated therein discretionary authority with respect to any proposed amendments or variations to the matters set out therein and any other business which may properly come before the Meeting. At the date of this Circular, management of ING Canada is not aware of any amendment or other matter which may properly come before the Meeting.

REVOCAION OF A PROXY

Shareholders may revoke a proxy:

- by delivering a written notice to that effect signed by them or their duly authorized agents to Computershare Investor Services Inc. at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, no later than the last business day preceding the day of the Meeting, namely at 5:00 p.m. (Eastern Daylight Time) on April 27, 2006, or any continuation thereof after an adjournment;
- by delivering a written notice to that effect signed by them or their duly authorized agents to a representative of Computershare, on the day of the Meeting, or any continuation thereof after an adjournment; or
- in any other manner permitted by law.

The notice must be signed by the shareholder or by an attorney duly authorized in writing to this effect; if the shareholder is a legal entity, the notice must be signed by an officer or attorney of the corporation duly authorized in writing by a resolution, a certified copy of which must be attached to the notice.

A beneficial owner of shares may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive materials and to vote that is not received by the intermediary at least seven days prior to the Meeting.

CONFIDENTIALITY OF VOTES

In order to protect the confidential nature of voting by proxy, the votes exercised by proxy are received and compiled for the Meeting by Computershare, the transfer agent and registrar of the Company. Computershare submits a copy of the form of proxy to the Company only when a shareholder clearly wishes to communicate with management or when there is a legal requirement to do so.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

A copy of the Company's 2005 annual report is being sent to registered shareholders of the Company, and includes the consolidated financial statements of the Company for the year ended December 31, 2005 together with the auditor's report thereon, and management's discussion and analysis of the financial position and results of operations, and which is also available on SEDAR. No vote will be taken at the Meeting in respect of the Company's 2005 annual report.

CURRENCY

Unless indicated otherwise, all amounts are in Canadian dollars and "\$" or "dollars" refer to Canadian dollars.

2: BUSINESS OF THE MEETING

ELECTION OF THE BOARD OF DIRECTORS

Listed below are the names of seven (7) persons who are proposed as nominees for election as directors of the Corporation by holders of the Common Shares and the names of the five (5) persons who are the proposed nominees for election as directors by the holder of the Special Share, the latter of whom shall be elected by a resolution in writing signed by the holder of the Special Share prior to the Meeting. Please note that the information hereunder, including information as to Common Shares beneficially owned or controlled, and professional experience has been furnished by each of the nominees. Unless otherwise indicated, all of the nominees are now members of the Board of Directors and have been directors of the Company or its corporate predecessors since the dates indicated. Management does not contemplate that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the management representatives designated in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. All elected directors of the Company will hold office until the next Annual Meeting of Shareholders of the Company, or until their successors are elected or appointed.

Nominee for election as director	Common shares Owned, Controlled or Directed		Deferred Share Units		Public Board memberships during last five years
	2005	2004	2005	2004	
YVES BROUILLETTE, B.Sc. Marietta, Georgia Director since 1989 Age: 54	1,000	300	—	—	
Attendance:					
			Board		5/7 (71%)
			Human Resources Committee		3/4 (75%)
			Investment Committee		3/5 (60%)



Mr. Brouillette is currently a Corporate Director and a member of the Board of Directors of ING Commercial America. He was, from April 2002 to September 2005, the Chief Executive Officer of ING Latin America. Prior to that time, Mr. Brouillette was General Manager of ING Mexico and Chairman of the Executive Committee of ING Commercial America since 2001. Over the last 30 years, Mr. Brouillette has occupied several senior and executive positions within the ING group of companies and is currently a member of the board of a number of ING companies operating in Canada. Mr. Brouillette is an Actuarial Science graduate of l'Université Laval (Québec), a graduate of the Advanced Management Program of Harvard Business School and is a Fellow of the Canadian Institute of Actuaries and of the Casualty Actuarial Society. Mr. Brouillette has also been a director of our P&C insurance companies since 1989.

Nominee for election as director	Common shares Owned, Controlled or Directed		Deferred Share Units		Public Board memberships during last five years
	2005	2004	2005	2004	
PAUL CANTOR, B.A., LL.B., FICB Toronto, Ontario Age: 64	500	—	—	—	Torstar Ltd. (1993-2003) E-L Financial Corp. (1996-2003) The Song Corp. (1999-2002)

New Director (Independent)



Paul Cantor has been the Chairman of the Board of Directors of the Public Sector Pension Investment Board since 2000. He has also served as a director on a number of boards of large financial institutions. He lead Russell Reynolds Associates' Canadian practice in Board of Directors recruitment and assessment from 2000 to 2005. Prior to joining Russell Reynolds Associates in 2000, Mr. Cantor was Chairman and CEO of National Trust Company. Mr. Cantor has also held a number of senior executive positions in various parts of the financial sector. His experience in the public sector includes establishing and serving as Executive Director for the World Bank-sponsored Toronto International Leadership Centre from 1998 to 2000. Mr. Cantor is also a member of the Board of Directors of ING Bank of Canada that reports to the banking arm of ING Groep. Paul Cantor obtained a Bachelor of Arts degree from the University of Alberta and a law degree from the University of Toronto. He is also a Fellow of the Institute of Canadian Bankers.

MARCEL CÔTÉ, M.Sc. Montréal, Québec Director since 2004 Age: 63	2,250	1,000	891.81	—	Alphinat Inc. (2004-) Sobeys Inc. (2004-) Nurun Inc. (1998-) Engenuity Technologies Inc. (2004-) Mazarin Inc. (1996-2002)
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Independent Director

Attendance:

Board	6/7 (86%)
Human Resources Committee (Chair)	4/4 (100%)



Mr. Côté is President of Secor Consulting Inc., a Montréal-based consulting firm specializing in business strategy which he founded in 1975. In 1989 and 1990, he was Director of Strategic Planning and Communication for the Office of the Prime Minister of Canada. From 1986 to 1988, he worked as an economic advisor to the Premier of Québec. Mr. Côté holds an M.Sc. in Economics from the Graduate School of Industrial Administration of Carnegie Mellon University in Pittsburgh, Pennsylvania. He is also a Fellow of the Center for International Affairs of Harvard University. Mr. Côté has also taught at l'Université de Sherbrooke and l'Université du Québec à Montréal. Mr. Côté was appointed as a member of ING Canada's former Advisory board in 1999, and was previously a member of our Board of Directors from 1997 to 1999.

ROBERT W. CRISPIN, MBA, CFA
Scarborough, Maine
Director since 2004
Age: 59



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Attendance:

Board	6/7 (86%)
Investment Committee (Chair)	5/5 (100%)



Mr. Crispin is the Chairman and Chief Executive Officer of ING Investment Management LLC and a member of the ING Insurance Americas Committee, which is responsible for all of ING's insurance and investment management activities in the Americas. He has held these positions since 2001. Over the past 33 years, Mr. Crispin has held senior positions with a number of major insurance and financial service companies. He has led a variety of units including investments, finance, distribution, reinsurance, international operations and technology. Mr. Crispin has a Masters of Business Administration degree and is a Chartered Financial Analyst.

Nominee for election as director	Common shares Owned, Controlled or Directed		Deferred Share Units		Public Board memberships during last five years
	2005	2004	2005	2004	
<p>CLAUDE DUSSAULT, B.Sc. Toronto, Ontario Director since 2000 Age: 51</p> <p>Attendance:</p> 	30,000	30,000	—	—	Metro Inc. (2005-)
			Board		7/7 (100%)
			Investment Committee		5/5 (100%)
	<p>Mr. Dussault is a member of ING Groep's Leadership Council and has been ING Canada's President and Chief Executive Officer since 2001. Prior to that time, he was President and Chief Executive Officer of ING Canada's Brokerage Network. Over the last 20 years, Mr. Dussault has occupied several executive positions within the ING group of companies in Canada; Mr. Dussault is a Fellow of the Canadian Institute of Actuaries and the Casualty Actuarial Society; he graduated from l'Université Laval (Québec) with a Bachelor of Actuarial Science degree and has completed the Advanced Executive Education Program at the Wharton School of Business. Mr. Dussault has also been a director of ING Canada's P&C insurance subsidiaries since May 1, 2000 and is responsible for the strategic development of the Company and its subsidiaries. Mr. Dussault is also a director of ING Bank of Canada that reports to the banking arm of ING Groep.</p>				
<p>IVAN E.H. DUVAR, B.E., P. Eng., LL.D. (Hon.) Amherst, Nova Scotia Director since 2005 Age: 66</p> <p>Independent Director</p> <p>Attendance:</p> 	1,000	1,000	340.14	—	Aliant Inc. (2000-2002) Canadian Imperial Bank of Commerce (2003-) Wajax Limited (2001-) Wajax Income Fund (2005-)
			Board		5/5 (100%)
			Audit and Risk Review Committee (Chair)		2/3 (67%)
			Conduct Review and Corporate Governance Committee		3/3 (100%)
	<p>Mr. Duvar is President & CEO of MIJAC Inc. which is a privately held investment company. He also currently holds several Directorships in a variety of sectors including financial services, communications, and manufacturing. He held several positions with Maritime Tel & Tel Limited, including Chairman of the Board (1990-2000), and President & CEO (1985-1995). Mr. Duvar is a member of the Association of Professional Engineers of Nova Scotia and a Fellow of the Canadian Academy of Engineering; he obtained a Senior Matriculation from the Prince of Wales College in Prince Edward Island, an Engineering Certificate from Mount Allison University in New Brunswick, a Bachelor of Engineering (Elect.) at the Technical University of Nova Scotia, and a Certificate of Industrial Management at the Canadian Institute of Management, St. Mary's University, Nova Scotia. Mr. Duvar has been a director of ING Canada's federal P&C insurance subsidiaries since 1983. He was also a member of the Board of ING Canada from 1993 to 1996, and was re-elected to ING Canada's board on April 19, 2005.</p>				

Nominee for election as director	Common shares Owned, Controlled or Directed		Deferred Share Units		Public Board memberships during last five years
	2005	2004	2005	2004	
EILEEN MERCIER, M.A., MBA Toronto, Ontario Director since 2004 Age: 58	1,000	1,000	340.14	—	CGI Group Inc. (1996-) Quebecor World Inc. (1999-2003) Teekay Shipping Corp. (2000-) Winpack Ltd. (1995-)

Independent Director

Attendance:

Board	5/7 (71%)
Audit and Risk Review Committee	4/5 (80%)



Ms. Mercier's career encompasses 35 years of general management experience in the forest products, financial services, integrated oil and communication industries. From 1995 to 2003, Ms. Mercier headed her own management consulting firm, Finvoy Management Inc., specializing in financial strategy, restructuring and corporate governance issues. Prior to that time, she was Senior Vice-President and Chief Financial Officer of Abitibi-Price Inc. Ms. Mercier is a member of the board of directors of Hydro One, as well as several business and charitable associations and holds an MBA from York University and a Masters Degree from the University of Alberta. Ms. Mercier is also a member of the Board of Directors of ING Bank of Canada that reports to the banking arm of ING Groep. Ms. Mercier was appointed a member of ING Canada's former Advisory board in 1999.

KATHLEEN A. MURPHY, B.A., J.D. South Glastonbury, Connecticut Age: 43	—	—	—	—	
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New Director



Kathleen Murphy is Group President of ING's U.S. Worksite and Institutional Financial Services. She is also a member of ING's U.S. Diversity Steering Committee and a director of the ING U.S. Foundation Board. Previously, she was General Counsel and Chief Administrative Officer for ING U.S. Financial Services. She also served as senior advisor to the U.S. Financial Services CEO. Ms. Murphy joined ING in 2000, after ING's acquisition of Aetna Financial Services. Prior to this acquisition, she served as General Counsel and Chief Compliance Officer of Aetna Financial Services, which she originally joined in 1985. Ms. Murphy holds a Juris Doctorate degree with highest honors from the University of Connecticut, and graduated *summa cum laude* with a Bachelor of Arts degree in both Economics and Political Science from Fairfield University. Kathleen has also served on a variety of regulatory, industry and business commissions and task forces in the United States.

Nominee for election as director	Common shares Owned, Controlled or Directed		Deferred Share Units		Public Board memberships during last five years
	2005	2004	2005	2004	
ROBERT NORMAND, CA Rosemère, Québec Director since 2004 Age: 67 Independent Director	2,000	2,000	792.88	—	Sportscene Restaurants Inc. (1997-) Aurizon Mines Ltd. (1999-) Cambior Inc. (2000-) Concert Industries Ltd. (2001-2004) Enerplus Resources Fund (1998-) Quebecor World Inc. (1999-) Sequoia Minerals Inc. (2003-2004)

Attendance:	Board	7/7 (100%)
	Audit and Risk Review Committee	5/5 (100%)
	Conduct Review and Corporate Governance Committee	4/4 (100%)



Mr. Normand is currently a director of a number of publicly traded and private companies in various sectors including financial services and investment funds. In performing his Directors' duties, he has served on various audit, investment, pension fund, corporate governance, human resources and environmental committees and has also served as chairman. From 1972 to 1997, he held several positions at Gaz Métropolitain Inc., a natural gas distributor, retiring as Chief Financial Officer in 1997. Mr. Normand is a member of the Canadian Institute of Chartered Accountants, the Corporate Directors' Institute and the Financial Executive Institute. Mr. Normand graduated in 1966 from the Université de Montréal (École des Hautes Études Commerciales). He has been a member of the Canadian Institute of Chartered Accountants since 1966. Mr. Normand has been a director of ING Canada's P&C insurance subsidiaries since 2002.

LOUISE ROY, B.Sc., M.Sc., Ph.D. Montréal, Québec Director since 2004 Age: 58 Independent Director	2,000	2,000	340.14	—	Domtar Inc. (1997-)
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Attendance:	Board	7/7 (100%)
	Human Resources Committee	4/4 (100%)



Since 2003, Ms. Roy has been an Associate Fellow of the Center for Interuniversity Research and Analysis on Organizations, chairing the Forum on Leadership for Tomorrow, bringing together businesses and universities on management and leadership topics. She is also an international consultant and a corporate director on several boards of directors. Between 2000 and 2003, Ms. Roy was Senior Vice-President, Marketing and Commercial Services of the International Air Transport Association (IATA). Ms. Roy graduated from the Université de Montréal in 1971 with a Bachelor of Science in sociology. She obtained a Masters of Science in 1972 from the University of Wisconsin and completed her Ph.D. studies in sociology in 1974. Ms. Roy was appointed a member of ING Canada's former Advisory board in 2001.

Nominee for election as director	Common shares Owned, Controlled or Directed		Deferred Share Units		Public Board memberships during last five years
	2005	2004	2005	2004	
CAROL STEPHENSON Manotick, Ontario Director since 2004 Age: 55	1,000	1,000	792.88	—	Sears Canada Inc. (2001-) Union Energy Waterheater Operating Trust (2003-)

Independent Director

Attendance:

Board 6/7 (86%)
Human Resources Committee 4/4 (100%)



Ms. Stephenson has been the Dean of the Richard Ivey School of Business at the University of Western Ontario since July 1, 2003. Prior to this appointment, she worked for more than 30 years in the telecommunications and technology industries, most recently as President and Chief Executive Officer of Lucent Technologies Canada. Ms. Stephenson serves on a number of other boards of directors, government committees and task forces. Ms. Stephenson is a graduate of the University of Toronto. She has also completed the Executive Program at the Graduate School of Business Administration, University of California at Berkeley, and the Advanced Management Program at Harvard University. In 2000, she was awarded an honorary doctorate in engineering from Ryerson Polytechnic University. Ms. Stephenson was appointed a member of ING Canada's former Advisory board in 1999 and was previously a member of our Board of Directors in 1999. She has also been a director of ING Canada's federal P&C insurance subsidiaries since 2002.

DAVID A. WHEAT, B.Sc., CPA
Duluth, Georgia
Director since 2004
Age: 51

— — — —

Attendance:

Board 6/7 (86%)
Investment Committee 5/5 (100%)



Mr. Wheat has been the Executive Vice-President and Chief Financial Officer of ING Insurance Americas since August 2004. From April 2003 to August 2004, he was Chief Financial Officer of ING U.S. Financial Services. Prior to that time, he served as Controller of ING Americas from 2001 to 2003. Mr. Wheat was previously a partner for eight years with Ernst & Young LLP where he held several senior and executive positions, including that of Managing Partner for the practice in Fort Wayne, Indiana. Mr. Wheat has a Bachelor of Science in Business Administration, an Accounting degree and is a Certified Public Accountant. Mr. Wheat has been a director of ING Canada's P&C insurance subsidiaries since August 2004.

Additional Disclosure Relating to Directors

To the knowledge of the Company, no director of the Company is, or has been in the last ten years, a director or executive officer of an issuer that, while that person was acting in that capacity (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days, or (c) or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets except for the following: *Robert Normand*, a director of the Company, served as director of Concert Industries Ltd. when it and its Canadian operating subsidiaries announced on August 5, 2003 that it had filed for protection under the *Companies' Creditors Arrangement Act* (CCAA). Concert Industries Ltd. was restructured and a plan of compromise and arrangement for its operating subsidiaries was approved in December 2004 allowing them to emerge from the CCAA proceedings. Mr. Normand no longer serves as a director of Concert Industries Ltd.

Mark Tullis and Michael Mackenzie will not be standing for re-election to the Board of Directors. Management intends to present a motion at the Annual Meeting to recognize their past contributions to the development of the Company and its subsidiaries.

Mark Tullis succeeds Mike Cunningham as Senior Vice-President and Chief Financial Officer of ING Canada on April 1, 2006. The Company offers its thanks to Mike Cunningham for his dedication and service to the Company and thanks Mr. Tullis for his contributions to the Board. As part of his appointment to the senior management team, Mr. Tullis was granted 10,000 performance units in December 2005 that is not disclosed in the Directors' Compensation table hereunder, as it is related to his nomination as Senior Vice-President and Chief Financial Officer rather than his service as a Director of the Company.

Michael Mackenzie was a member of the Board of ING Canada Inc. from 1996 to 1999 and has been an independent director of the Company from December 2004 to 2006, having served as a member of its Advisory Board from 1999 to 2004. He also served as a member of the Board of Directors of ING Canada's federal P&C insurance subsidiaries since 2002 and was a member of the Board of ING Investment Management, Inc., the investment management subsidiary of ING Canada, since 2001. The Company offers its sincere thanks to Mr. Mackenzie for his important contribution to the development and progress of the Company, particularly in the compliance sector, including his membership on the Audit and Risk Review Committee, leadership on the Conduct Review and Corporate Governance Committee, and his acting as liaison director between the Board and its Committees, with management and the majority shareholder.

Directors' Compensation

	Board Retainer Fees (\$)	Board Retainer Fees (DSUs) (\$)	Committee Chair Retainer Fees (\$)	Committee Chair Retainer (DSUs) (\$)	Board Attendance Fees (\$)	Committee Attendance Fees (\$)	Annual Grant (DSUs) (\$)	Total Fees Paid (\$)	Shares/DSUs (%)
Yves Brouillette	0	0	0	0	0	0	0	0	0
Marcel Côté	6,250	18,750	0	4,000	9,000	0	10,000	48,000	68
Robert W. Crispin	0	0	0	0	0	0	0	0	0
Claude Dussault	0	0	0	0	0	0	0	0	0
Ivan E.H. Duvar	23,250	0	3,750	0	9,900	4,200	10,000	51,100	20
Michael A. Mackenzie	25,000	0	6,000	0	9,000	7,500	10,000	57,500	17
Eileen Mercier	25,000	0	0	0	7,500	7,500	10,000	50,000	20
Robert Normand	6,250	18,750	0	0	10,500	7,500	10,000	53,000	54
Louise Roy	25,000	0	0	0	10,500	0	10,000	45,500	22
Carol Stephenson	6,250	18,750	0	0	9,000	0	10,000	44,000	65
Mark A. Tullis	0	0	0	0	0	0	0	0	0
David A. Wheat	0	0	0	0	0	0	0	0	0
Gordon Wicijowski*	16,250	0	0	0	3,000	1,500	0	20,750	0

* Mr. Wicijowski ceased to be a director on April 19th 2005.

In order to recognize the increasing complexity of the Company and to attract and retain qualified individuals to serve on the Board, a new compensation program was established as follows upon ING Canada becoming a public issuer at the end of 2004:

- an annual retainer of \$25,000;
- an additional annual retainer of \$4,000 for the Chair of each of the Committees;
- an attendance fee of \$1,500 per Board meeting;
- an attendance fee of \$1,500 per Committee meeting if not held on the same day as Board or other Committee meetings;
- an annual grant of Deferred Share Units with a cash value of \$10,000 at the beginning of the year; and
- all reasonable travel expenses incurred to attend meetings.

The remuneration above covers the function of a director of both the Board of ING Canada and its P&C insurance companies. Directors' compensation is and has been in the past, paid only to non-related, independent Directors.

Additional Information on Deferred Share Unit Plan for Non-Related Directors

To ensure that Directors' compensation is aligned with shareholders' interests, the following program has been put into place:

- \$10,000 of the compensation of Directors is in Deferred Share Units ("DSUs") issued at the beginning of the year; and
- the Board's and Committee's annual retainers may be received by a Board member in cash or in DSUs at his or her discretion.

A DSU is a bookkeeping entry that represents an amount owed by the Company to the Directors having the same value as one common share of the Company, but that will not be settled until such time as the Director leaves the Board. Payment of DSUs may be in cash or Common Shares of the Company purchased on the open market at the time of settlement.

DSUs provide an ongoing equity stake in the Company, therefore ensuring alignment of the interests of the Directors with those of the shareholders of the Company. DSUs that have been granted to each non-related Director as at December 30, 2005 total an aggregate amount of 3,838.13 DSUs.

Summary of the Number of Board and Committee Meetings

The following meetings were held in person during the financial year ended December 31, 2005:

Board Meetings

ING Canada Inc.	7
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Committee Meetings

Audit and Risk Review Committee	5
Conduct Review and Corporate Governance Committee	4
Human Resources Committee	4
Investment Committee	5

APPOINTMENT OF AUDITOR

On the advice of the Audit and Risk Review Committee, the Board recommends voting FOR the appointment of the accounting firm of Ernst & Young LLP (“E&Y”) as auditor of the Company for the financial year commencing January 1, 2006 and ending December 31, 2006 and to hold office until the next annual meeting of the shareholders. E&Y has served as auditor of ING Canada and its predecessor companies since 1993.

Pre-approval of External Auditor Services

As part of the Company’s corporate governance practices, the Audit and Risk Review Committee has adopted a policy restricting non-audit services that may be provided by E&Y to the Company or its subsidiaries. Prior to the engagement of the External Auditor for non-audit services, the Committee must pre-approve the provision of such services with due consideration to avoiding an impact on auditor independence. This includes consideration of applicable regulatory requirements and guidance and the Company’s own internal policies. All services provided by E&Y during the past two years have received the approval of the Board further to the recommendation of the Committee. Fees paid to the Auditor for 2004 and 2005 are as follows.

Auditor Fees

(in thousands of dollars)

	<u>2005</u>	<u>2004</u>
Audit Fees ⁽¹⁾	792	920
Audit-Related Fees ⁽²⁾	483	123
Tax Fees ⁽³⁾	55	100
All Other Fees ⁽⁴⁾	260	318
Total	<u>1,590</u>	<u>1,461</u>

- (1) Audit Fees include fees for professional services for the audit of the Company’s financial statements and those of its subsidiaries or other services that are normally provided by external auditors in connection with statutory and regulatory filings or engagements, including review of the Company’s interpretation of accounting and financial reporting standards. In addition to including fees for services necessary to perform an audit or review, these fees also include amounts for comfort letters, attest services, consents and assistance with and review of documents filed with regulators in connection with our initial public offering and other statutory audit requirements in 2004.
- (2) Audit-Related Fees are for assurance and related services performed by the Company’s external auditor. These services include pension fund audits, accounting consultations in connection with acquisitions and divestitures and interpretation of financial accounting and reporting standards, internal control reviews, and other attest services not required by statute or regulation.
- (3) Tax Fees are for assistance with tax compliance, tax planning, and tax advice related to restructurings and tax audits.
- (4) All other fees include fees for other services not included in the preceding categories, primarily audit services for the ING Funds and the translation of financial reports.

3: REPORTS OF THE COMMITTEES

The main responsibility of the Board of Directors is to oversee the management of the business and affairs of the Company. In this regard, the Board establishes policies, reporting mechanisms and procedures in view of safeguarding the assets of the Company and ensuring its long-term viability, profitability and development.

More specifically, the mandate of the Board is to review and approve strategic planning, supervise management and ensure succession planning, identify risks and assess their impact on the business and affairs of the Company, and ensure that adequate controls exist in relation to Compliance and Corporate Governance, including monitoring of conflicts of interest.

To this end, the Board delegates certain of its functions to Committees and the Committees are responsible for reviewing the above aspects more closely and reporting their findings to the Board.

The Board, the Committees and their members may retain independent consultants to advise them.

The reports of the main Committees of the Board are reproduced hereunder.

REPORT OF THE AUDIT AND RISK REVIEW COMMITTEE

The Committee is responsible for overseeing the integrity of the Financial Statements of the Company, its financial reporting processes, its internal controls and its risk management programs (and their implementation).⁽¹⁾

The Committee is composed of at least three Directors of the Board, who must be independent. Each Committee member also has to be financially literate.

The Committee also ensures that financial reporting is in compliance with legal and regulatory requirements, and reviews and assesses the qualifications, independence and performance of the External Auditor.

The Committee is responsible for reviewing certification by the Chief Executive Officer and the Chief Financial Officer of the financial statements of the Company.

Approval of the Financial Information

In line with its Mandate, the Committee has performed the following functions in 2005:

Financial Review

- reviewed on a continuing basis the best practices in relation to new laws and rules that apply to the Company; in this regard, the CEO and the CFO continued to certify the Consolidated Financial Statements as required under the Canadian Securities Administrators' ("CSA") rules;
- reviewed all interim and annual financial statements, Management Discussion and Analysis and press releases of the Company and either approved such documents or recommended them for approval to the Board of Directors;
- reviewed the examination reports of the Office of the Superintendent of Financial Institutions on the controls and processes of the Company's insurance subsidiaries.

Internal Controls and Disclosure Controls

- reviewed quarterly reports of the Internal Auditor and evaluated internal audit processes and adequacy of resources;

(1) This mandate is presented in its entirety in the Company's Annual Information Form for the most recently completed financial year. The Annual Information Form is available on SEDAR.

- oversaw the implementation of the major project of the Company in relation to the CSA rules regarding the evaluation of the effectiveness of internal control over financial reporting;
- reviewed the reports from the Senior Vice-President, Corporate and Legal Services on legal matters and matters related to litigation;
- reviewed the reports of the Internal Auditor and Management’s response to comments.

External Auditor

- reviewed and assessed the External Auditor’s Audit plan;
- reviewed all audit and permitted non-audit services performed by the External Auditor;
- confirmed the independence of the External Auditor;
- recommended to the Board the appointment of the External Auditor;
- met regularly with the External Auditor without the presence of Management.

Risk Management

- reviewed the risk management program of the Company, implementation plans and progress reports.

Revised Mandate of the Committee

In February 2005, the Audit and Risk Review Committee revised its mandate, which was subsequently adopted by the Board. The new mandate takes into account the public issuer context of the Company and integrates best practices in this regard.

Private Meetings

The Committee regularly held private meetings with the Vice-President and Head of Corporate Audit Services, the External Auditor, the Chief Actuary, the Chief Compliance Officer, the Chief of Risk Management, and Management.

The Committee is satisfied that the Audit and Risk Review Committee has appropriately fulfilled its mandate in 2005.

(Signed) Audit and Risk Review Committee

Ivan E.H. Duvar (Chair)
 Michael A. Mackenzie
 Eileen Mercier
 Robert Normand

REPORT OF THE CONDUCT REVIEW AND CORPORATE GOVERNANCE COMMITTEE

The Committee is responsible for ensuring a high standard of ethics and compliance in the Company. In this regard, the Committee reviews and approves Related Party Transactions and market conduct programs and, in performing its oversight function over ethics and compliance, ensures that the Company and its subsidiaries meet their legal requirements and employ best practices, as they may change from time to time. As part of its mandate, the Committee identifies and recommends candidates for nomination to the Board, monitors the orientation program for the Directors and maintains a process for assessing the performance of the Board, its Committees and individual Directors.

The Committee is composed of a minimum of three Directors, a majority of whom are independent Directors, and none of whom is an officer or employee of the Company or its P&C insurance subsidiaries.

Oversight over Compliance and Market Conduct Programs

The Committee reviewed and approved the Company's various compliance programs including the Ombudsman's Office, the Privacy Office, market conduct initiatives as well as the Company's relationships with clients, brokerages and regulatory authorities.

Related Party Transactions and Conflicts of Interest

The Committee reviewed the related party transactions during the year in accordance with applicable legislation to ensure that such transactions were at fair market value or at conditions at least as favourable as prevailing market terms and conditions, or fair value if fair market value references did not exist, and assessed the impact of such transactions on the stability and solvency of the Company.

More specifically, the Committee approved inter-company services and charges, including those between ING Canada and ING Groep, and the reallocation of business between ING Canada P&C subsidiaries; the Committee also reviewed the Directors and Officers Questionnaires for 2005 relating to Conflict of Interest, and no concern was identified in this regard.

Corporate Governance

The Committee reviewed the Company's relationship with ING Groep and the related agreements and policies in place that govern this relationship, as well as the Company's text on corporate governance practices included with the Annual Meeting documentation. It also reviewed reports with respect to corporate governance best practices and benchmarking.

Board Appointment and Assessment Processes

The Committee reviewed the results of the annual Self-Assessment on the Effectiveness of the Board, as well as the evaluations of the Committees of the Board. The Committee also reviewed the nomination process in place for the appointment of directors and the orientation and training programs developed for new Board members.

The Committee reviewed the proposed Self-Assessment process of directors, starting for the year 2005. A consultant has been retained to advise the Committee on process and Self-Assessment documentation.

Engagement of External Consultants

The Committee reviewed the procedures for engagement of external consultants. While the Board, the Committees and individual members of the Board are authorized to engage consultants at the expense of the Company, the Committee is responsible for approving such engagements. No external consultant services were requested in 2005.

Revised Mandate and Policies of the Committee

In February 2005, the newly created Conduct Review and Corporate Governance Committee reviewed its mandate, which was subsequently adopted by the Board. The new mandate takes into account the public issuer context of the Company and includes continuous review of best practices and benchmarking in corporate governance.

The Committee has also reviewed the Policy on the appointment of Board members that provides for the independence of Board members, a high level of ethics and market reputation, as well as proficiencies including financial literacy. This Policy also provides mechanisms for ensuring continuity in Board and Committee membership.

Alignment in the Context of the Company's New Status as Public Issuer

As previously mentioned, the Committee reviewed in detail the relationship between the Company and its majority shareholder, ING Groep, including the Co-operation Agreement and related agreements. The Committee reviewed the policies and controls that have been put into place to ensure adequate flow of

information to and from the majority shareholder in this new context and compliance with the Company's corporate disclosure policy and obligations (Refer to Supplemental PREP Prospectus of December 9, 2004 of ING Canada, p. 39 to 44 — "Relationship with ING Groep" and see Section 8 hereunder: Corporate Governance Practices).

The Committee is satisfied that the Conduct Review and Corporate Governance Committee has appropriately fulfilled its mandate in 2005.

(Signed) Conduct Review and Corporate Governance Committee

Michael A. Mackenzie (Chair)
Ivan E.H. Duvar
Robert Normand
Mark A. Tullis

REPORT OF THE HUMAN RESOURCES COMMITTEE

The role of the Human Resources Committee is to assist management in defining a total management policy that supports the Company's overall strategy and objectives, attracting and retaining talent and key executives, linking total compensation to financial performance and attaining strategic objectives with a view to maximizing shareholder return. This includes policies and programs to foster an appropriate culture within the organization to meet goals with respect to diversity and fairness.

The Committee is composed of at least three Directors, a majority of whom are independent.

More specifically, the Committee recommends to the Board policies and programs in relation to compensation, including Benefits and Pension Plans; it reviews and approves or recommends to the Board for approval, the compensation of employees, management and Executives as well as the Chief Executive Officer's assessment and compensation. The Committee also reviews the performance assessments of key senior Executives and ensures that an adequate succession plan is in place and implemented. It periodically reviews Directors' compensation.

Review of Strategic and Organizational Matters

During the year, the Committee reviewed executive compensation programs, performance assessments of the Company's most senior Executives, and succession management for all key executive and senior management positions.

More particularly, the Committee:

- reviewed and assessed the Company's overall approach to executive compensation, including compensation philosophy, to include a larger part of variable income related to the financial performance of the Company and its subsidiaries and personal performance; in this regard, the Committee reviewed the short-term incentive plan and approved the new ING Canada 2005 Stock Incentive Plan as described under Section 4 "Report of the Human Resources Committee on Executive Compensation" hereunder;
- reviewed and approved the proposed succession plan at senior executive and senior management levels;
- reviewed policies and approved total compensation for all the employees of the Company, while ensuring that they are in line with shareholders' interests of the Company for the long term;
- reviewed the Directors' compensation plan and recommended 2005 grants under the ING Canada Deferred Share Unit Plan;
- reviewed and approved proposed action plans to promote diversity in the workplace;
- assessed the CEO's performance and reviewed the performance assessments of key executives and members of senior management;
- reviewed the Company's approach to the management of its pension plans.

Revised Mandate of the Committee

In February 2005, the newly created Human Resources Committee revised its mandate, which was subsequently adopted by the Board. The new mandate takes into account the public issuer context of the Company and integrates best practices in this regard.

The Committee is satisfied that the Human Resources Committee has appropriately fulfilled its mandate in 2005.

(Signed) Human Resources Committee

Marcel Côté (Chair)

Yves Brouillette

Louise Roy

Carol Stephenson

4: REPORT OF THE HUMAN RESOURCES COMMITTEE ON EXECUTIVE COMPENSATION

The following is the Human Resources Committee report on executive compensation for 2005.

Introduction

The Board mandated the Human Resources Committee (the “Committee”) to supervise and approve or recommend to the Board the human resources practices and policies of the Company that support the Company’s overall strategy and objectives.

The compensation principles that have been retained by the Committee and approved by the Board are as follows:

- target total compensation levels (including base salary, short-term incentives and long-term incentives, benefits and pensions) to the median of the relevant comparator market. While target total compensation levels are at the median, actual total compensation may be above median for the best performers when expectations in terms of growth, combined ratios (expenses and claims ratios) and Return on Equity performance relative to the Canadian property and casualty industry are met or exceeded. Conversely, total direct compensation may be below median if expectations are not met;
- attract, retain and motivate talented executives in a highly competitive business environment;
- offer compensation to management that includes a fixed base salary and variable components that align the objectives of employees with those of the Company and the long-term interests of the shareholders;
- link employees’ short-term incentives both to individual performance and achievement of the Company’s financial and strategic results;
- link management employees’ long-term incentives to the Company’s financial results relative to the financial results of the rest of the Canadian P&C insurance industry.
- Identify additional incentive awards that reward performance and recognize special achievements.

Independent Advice

The Committee receives recommendations from management and the majority shareholder, ING Groep, taking into consideration all shareholders’ interests. To this end, the Committee works with management and the Compensation team of ING Groep to review employment and compensation practices in the Canadian market in order to ensure that the Company’s employees and management are competitively compensated. The Committee may also consult directly with independent experts to fulfill its mandate.

Components of the Compensation of Executives of ING Canada and its subsidiaries

The compensation of Executives (about 100 people) is composed of the following:

- base salary paid in cash to all Executives. Base salaries are adjusted from year to year based on individual performance. Market trends for comparable positions in the Canadian financial services industry are also considered when making salary adjustment decisions;
- all Executives participate in the annual, cash based, Short-term Incentive Plan. Awards are earned based on achievement of the Company's strategic financial and non-financial objectives and the personal performance of individual participants. At the beginning of each year, a target incentive opportunity is communicated to each participant. This target incentive opportunity is expressed as a percentage of the participant's salary. Incentive opportunity ranges from a minimum of 0% of target to a maximum of 200% of target. The median bonus practices of the Canadian financial service companies for comparable positions are considered when setting target bonus percentages.

In 2005, the Board approved implementation of the ING Canada 2005 Stock Incentive Plan to better align the interest of ING Canada Executives with the interest of ING Canada shareholders. In prior years, ING Canada Executives participated in long-term incentive plans provided by ING Groep and ING Americas. Under the ING Canada 2005 Stock Incentive Plan, participants are awarded notional share units referred to as Performance Units. One performance unit is equal to one common share of ING Canada. The median long-term incentive practices of Canadian financial services companies for comparable positions are considered when determining the size of individual awards. Each award vests and is paid-out at the end of the three-year performance cycle. The value of the pay-out is based on the then current share market price and may be increased by up to 100% or decreased to as low as 0% based on the Company's three-year average return on equity relative to the Canadian P&C industry three-year average return on equity. The payment is in the form of ING Canada common shares. Restrictions are placed on such shares that prohibit their sale for a period of 2 years following payment of the award.

Such units lapse with early termination of employment of an executive, for any reason other than death, disability or retirement.

Pension Plans

ING Canada's executives at the level of vice-president and above benefit from two pension plans: a base plan, with pensionable earnings to the annual limits allowed by the Canada Revenue Agency ("CRA"); and a supplementary executive retirement plan ("SERP") for the difference between the limits established by the CRA and the executive's pensionable earnings. The SERP serves as a retention tool for executives and vests when the executive has completed five years of service with the Company and attained the age of 55. For certain senior executives, pensionable earnings comprise both base salary and 50% of short-term bonus targets.

The table contained in Section 5 hereunder illustrates the annual retirement benefits, effective January 1, 2000, available to certain of our executives, depending on their years of service. The pension benefits indicated are payable at normal retirement age. This table describes the retirement benefits under the current base plan and SERP combined.

Compensation of the President and Chief Executive Officer

Mr. Dussault's compensation is established separately by the Committee after considering the recommendations of ING Groep's Executive Management. In 2005, the compensation package consisted of a combination of base salary, cash bonus under the Short Term Incentive Plan, a perquisite allowance equal to 5% of salary plus \$7,500, benefits, and a Performance Unit Award under the ING Canada 2005 Stock Incentive Plan. The Board is of the view that this structure aligns the personal interest of Mr. Dussault with those of the shareholders.

In February 2005, the Committee approved a 3.5% salary increase for Mr. Dussault from \$462,000 to \$478,170.

The Committee also awarded Mr. Dussault a \$619,410 annual incentive payment for 2004, or 179% of the target award. The Board's decision on Mr Dussault's annual incentive payment was based 75% on ING Canada's financial and strategic objective performance which achieved 190% of target, 10% on the financial performance of ING Americas that achieved 148% of target and 15% on the financial performance of ING Groep that achieved 143% of target.

During 2005, the Committee also approved a long-term incentive award for Mr. Dussault consisting of a grant of 32,726 performance units under the ING Canada 2005 Stock Incentive Plan. The Committee determined the amount of this award after reviewing competitive market data and Mr. Dussault's individual performance.

Executive Compensation for 2003 through 2005

The Committee has reviewed the Executive Compensation of the most senior Executives for 2003 through 2005, which is presented in Section 5 hereunder.

(Signed) Human Resources Committee

Marcel Côté, Chair
Yves Brouillette
Louise Roy
Carol Stephenson

5: EXECUTIVE COMPENSATION

Summary of Total Compensation of Named Executive Officers

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation					All Other Compensation
		Salary (\$K)	Bonus (\$K)	Other Annual Compensation (\$K) ^(a)	Awards ^(b)		Payouts ^(e)			
					Options Granted (#) ^(b)	Performance Shares Granted (#) ^(d)	RPU Shares (#) ^(e)	RPU Payout Value (CAD\$K) ^(h)		
Claude Dussault President and Chief Executive Officer	2005	477.9	619.4	—	—	32,726	(e)	8,820	323.1	—
	2004	461.7	450.9	—	40,890	13,630	(d)	1,150	32.9	—
	2003	440.0	293.1	—	31,000	11,300	(c)	1,000	18.6	—
Michael Cunningham ⁽ⁱ⁾ Senior Vice President and CFO	2005	364.2	250.9	—	—	5,001	(e)	2,110	77.6	—
	2004	375.8	243.9	60.1	9,410	3,137	(d)	2,220	63.2	—
	2003	406.7	232.0	65.1	6,400	2,600	(c)	1,490	27.6	—
Derek Iles Executive Vice President	2005	319.8	314.9	—	—	11,559	(e)	2,750	100.7	—
	2004	309.9	213.7	—	13,720	4,574	(d)	500	14.3	—
	2003	300.0	140.3	—	9,000	3,600	(c)	410	7.6	—
Don Lough Executive Vice President	2005	309.8	293.5	—	—	11,198	(e)	2,840	104.0	—
	2004	299.9	199.9	—	13,280	4,427	(d)	810	23.2	—
	2003	294.0	144.8	—	8,900	3,600	(c)	660	12.3	—
Jacques Valotaire Executive Vice President	2005	319.6	293.5	—	—	11,559	(e)	2,700	98.9	—
	2004	299.8	193.7	—	13,280	4,427	(d)	770	22.1	—
	2003	285.0	144.5	—	8,600	3,500	(c)	650	12.1	—

(a) The compensation package for the Named Executive Officers includes perquisites. Perquisites and other personal benefits, securities or property are only included in the "Other Annual Compensation" columns where items in the aggregate exceed the lesser of \$50,000 or 10% of salary and bonus.

Awards

- (b) In 2003, the executive officers named above were granted options in ING Groep under the Global Share Option Plan (GSOP). In 2004, the named executive officers were granted options under the ING Groep global long-term incentive plan called *leo* (Long-Term Equity Ownership) which was implemented in 2004. Options granted under prior plans will continue to be held until exercise, vesting or expiration. The stock options have a strike price (in EUR) equal to the fair market value of ING Groep stock on the date of grant. Options granted under GSOP have a 10-year option life and vest $\frac{1}{3}$ per year at the end of the first, second and third years following grant date. Following vesting, they are then exercisable during the remaining option life. The options granted under *leo* vest three years after the grant date and can be exercised up to seven years after the vesting date.
- (c) In 2003 the executive officers named above were granted performance units under the ING Americas Stock Incentive Plan. Under this plan, participants were granted contingent share units which have a notional value equal to one share of ING American Depository Receipts (ADR) as listed on the New York Stock Exchange. The actual number of shares awarded is based on ING Groep's three-year Total Shareholder Return relative to a peer group of international financial services companies. The range of potential payout under the Plan can vary from 0% to 200% of target.
- (d) In 2004, the executive officers named above were granted performance shares under *leo*. Under this plan, participants were granted contingent shares which have a notional value equal to one share of ING Bearer Depository Receipts (BDR) as listed on the Euronext Stock Exchange. The actual number of shares awarded is based on ING Groep's three-year Total Shareholder Return relative to a peer group of international financial services companies. The range of potential payout under the Plan can vary from 0% to 200% of target.
- (e) In 2005, the executive officers named above were granted performance units under the ING Canada 2005 Stock Incentive Plan. These awards are further explained under Components of the Compensation of Executives of ING Canada and its subsidiaries above.
- (f) The aggregate number of performance units and performance shares held by Mr. Dussault, Mr. Cunningham, Mr. Iles, Mr. Lough and Mr. Valotaire as of December 31, 2005 were 57,656, 10,738, 19,733, 19,225 and 19,486 respectively.

Payouts

- (g) Awards were made to the named executive officers under the ING Americas Stock Incentive Plan 2000-2002, 2001-2003 and 2002-2004 Restricted Performance Unit (RPU) cycles. Participants were provided a contingent award of a target number of RPU's, each of which are equal to one ADR as traded on the New York Stock Exchange at the beginning of each cycle, with the final payout dependant on the collective financial performance of ING Americas during the respective performance cycle. Payouts could range from 0%-200% of target. Performance under the 2000-2002, 2001-2003 and 2002-2004 cycles resulted in payouts of 33.8%, 61.6% and 111% of target, respectively. The number of units shown represents 33.8%, 61.6% and 111% of each individuals target award, respectively.
- (h) For Canadian participants, the value of the earned shares is deposited into a notional share account (a phantom account) that tracks the price of ING Groep stock. The notional shares are credited with dividends and liquidated subsequent to the termination of employment. The value was converted from Euros to Canadian Dollars at the March 14, 2003, March 31, 2004 and March 31, 2005 exchange rates of C\$1.5896, C\$1.6018 and C\$1.5720 = €1.00, respectively; and, ING BDR price as listed on the Euronext Exchange of €11.70, €17.88 and €23.30, respectively. This is a change in methodology from the disclosure in the 2004 Proxy Management Circular. The change in disclosure methodology is to align the disclosure with notional share account administrative procedures.
- (i) Michael Cunningham, who is a U.S. expatriate, does not have a notional share account. His shares were delivered to him on March 15, 2003, March 31, 2004 and March 31, 2005. Mr. Cunningham works exclusively for ING Canada, but further to an arrangement with ING Americas, 50% of his remuneration is paid by ING Americas and the remaining 50% by ING Canada. The dollar amounts shown above represent Mr. Cunningham's total remuneration package and are converted from U.S. dollars to Canadian dollars as follows: Salary — the yearly average exchange rate for 2003, 2004 and 2005 of C\$1.4025, C\$1.2960 and C\$1.2101 = U.S. \$1.00; Bonus — the March 14, 2003, March 15, 2004 and March 15, 2005 exchange rates of C\$1.4732, C\$1.3340 and C\$1.2069 = U.S. \$1.00; and, Performance Units — March 14, 2003, March 31, 2004 and March 31, 2005 exchange rates of C\$1.4732, C\$1.3095 and C\$1.2127 = U.S. \$1.00, respectively; and, ING ADR price as listed on the New York Stock Exchange of \$12.21, \$22.05 and \$30.23, respectively. In addition, because Mr. Cunningham is an expatriate, he receives an assignment allowance equivalent to 10% of his base salary. In 2003 and 2004 Mr. Cunningham received a business allowance of 6% of salary. This program was discontinued as of December 31, 2004. Mr. Cunningham has announced his intention to retire from ING as of March 31, 2006. In the 2005 Proxy Management Circular, year end US to Canadian dollar exchange rates were used to convert Mr. Cunningham's compensation to Canadian dollars. The method disclosed in this footnote (i) more accurately reflects the value received by Mr. Cunningham.

Long Term Incentive Plan (LTIP) — Awards in Most Recently Completed Financial Year

NEO Name	Securities, Units or Other Rights	Performance or Other Period Until Maturity or Payout	Estimated Future Payouts Under Non-Securities-Price-Based Plans		
			Threshold (#)	Target (#)	Maximum (#)
Claude Dussault	32,726	December 31, 2007	0	32,726	65,452
Michael Cunningham ⁽¹⁾	5,001	January 1, 2008	0	5,001	10,002
Derek Iles	11,559	December 31, 2007	0	11,559	23,118
Don Lough	11,198	December 31, 2007	0	11,198	22,396
Jacques Valotaire	11,559	December 31, 2007	0	11,559	23,118

(1) Further to an arrangement with ING Americas, 50% of this remuneration is paid by ING Canada, and the remaining 50% by ING Americas. Since Mr. Cunningham is subject to US Internal Revenue Code section 409(a), his vesting date is January 1st of the year following the end of the performance period.

In 2005, ING Canada established a long-term incentive plan called *The ING Canada 2005 Stock Incentive Plan (the “Plan”)*. Under the *Plan*, employees are granted performance units.

The performance units are contingent awards of ING Canada stock that vest at the end of three-year performance periods. The final payout is dependent on ING Canada’s three year average Return on Equity (ROE) relative to the three-year average ROE performance of the Canadian Property and Casualty Industry. Payouts can range from 0%-200% of target, depending on ING Canada’s relative ROE performance over the three-year performance period. Resale restrictions are placed on ING Canada stock awarded under the plan that prohibit sale or transfer for two years following the award.

Aggregated Option Exercises During the Most Recently Completed Financial Year and Financial Year-End Option Values

NEO Name	Securities, Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at FY-End (#) Exercisable/Unexercisable	Value of Unexercised in-the-Money Options at FY-End (CAD\$) ⁽¹⁾ Exercisable/Unexercisable
Claude Dussault	0	0	92,216 / 51,224	572,116 / 831,994
Michael Cunningham	0	0	45,116 / 11,544	396,241 / 185,879
Derek Iles	6,000	107,613	37,550 / 16,720	34,405 / 268,462
Don Lough	0	0	34,102 / 16, 248	164,975 / 261,322
Jacques Valotaire	0	0	41,952 / 16,148	232,088 / 259,033

(1) Closing price of ING Groep stock as of December 30, 2005: €29.30. The value of unexercised options was converted from Euros at the 2005 year-end exchange rate of C\$1.3750 = €1.00. This is a change from the disclosure method used in the 2005 Proxy Management Circular. This change aligns with the administration of the ING Groep long-term incentive plans.

Pension Plan Entitlements based on Years of Service
(in \$ per year)

Final Average Earnings ⁽¹⁾	Years of Service ⁽²⁾					
	15	20	25	30	35	40
\$ 125,000	\$ 37,500	\$ 50,000	\$ 62,500	\$ 75,000	\$ 87,500	\$ 100,000
150,000	45,000	60,000	75,000	90,000	105,000	120,000
175,000	52,500	70,000	87,500	105,000	122,500	140,000
200,000	60,000	80,000	100,000	120,000	140,000	160,000
225,000	67,500	90,000	112,500	135,000	157,500	180,000
250,000	75,000	100,000	125,000	150,000	175,000	200,000
275,000	82,500	110,000	137,500	165,000	192,500	220,000
300,000	90,000	120,000	150,000	180,000	210,000	240,000
400,000	120,000	160,000	200,000	240,000	280,000	320,000
500,000	150,000	200,000	250,000	300,000	350,000	400,000
600,000	180,000	240,000	300,000	360,000	420,000	480,000
700,000	210,000	280,000	350,000	420,000	490,000	560,000
800,000	240,000	320,000	400,000	480,000	560,000	640,000
900,000	270,000	360,000	450,000	540,000	630,000	720,000
1,000,000	300,000	400,000	500,000	600,000	700,000	800,000
1,100,000	330,000	440,000	550,000	660,000	770,000	880,000
1,200,000	360,000	480,000	600,000	720,000	840,000	960,000
1,300,000	390,000	520,000	650,000	780,000	910,000	1,040,000
1,400,000	420,000	560,000	700,000	840,000	980,000	1,120,000
1,500,000	450,000	600,000	750,000	900,000	1,050,000	1,200,000

- (1) Pensionable earnings are calculated by adding base salary and 50% of target short-term bonus entitlement for the named executive officers except Mr. Cunningham. The final average earnings are calculated on the best 5 consecutive years out of the last 10.
- (2) Prior to January 1, 2000, pension entitlement was slightly lower than shown in the above table, being based on 1.3% per year of service up to the annual CRA maximum and 2% per year of service for pensionable earnings above that maximum. The above pension entitlements are based on 2% of the final average earnings per year of service and are not subject to Canada Pension Plan or Québec Pension Plan offset amounts.

The following table sets out the years of credited service of our named executive officers, other than Mr. Cunningham who participated in pension plans with ING Americas, as at December 31, 2005.

	Years of Credited Service
Claude Dussault	20
Derek Iles	12
Don Lough	16
Jacques Valotaire	23 ⁽¹⁾

- (1) Mr. Valotaire has 23 years of credited service with respect to the base plan and 15 years of credited service with respect to the SERP. Upon employment with the Company, it was agreed for Mr. Valotaire to buy back years of credited service with his previous employer with respect to the base plan only.

Compensation of Directors

Please refer to the “Directors Compensation” section at page 10 of this Circular.

6: INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS AND LIABILITY INSURANCE

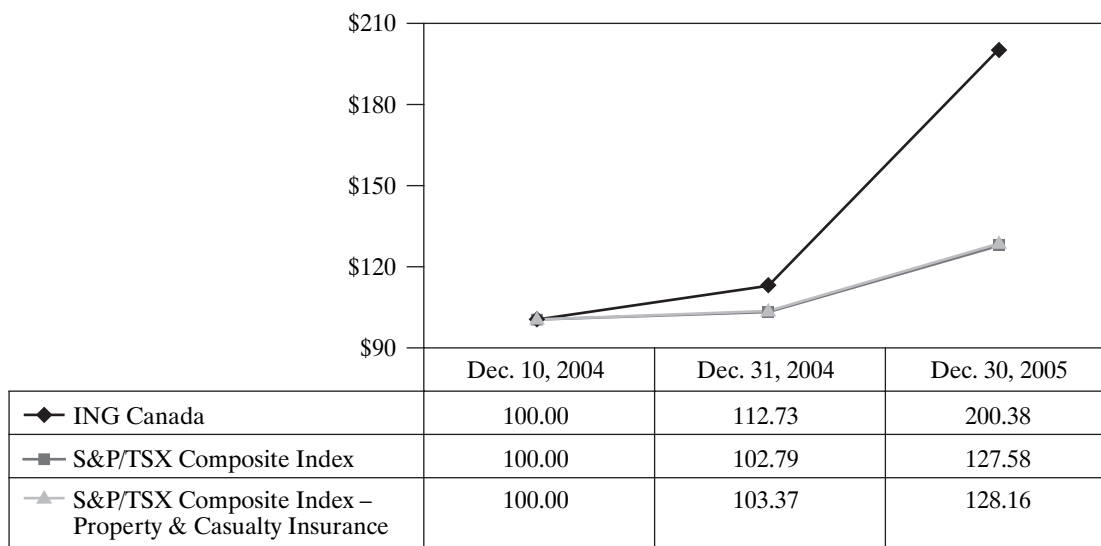
To the knowledge of the Company, there was no outstanding indebtedness to the Company or to its subsidiaries, incurred by Directors, executive Officers, employees or former Directors, executive Officers or employees of the Company, except under a loan program for the acquisition of computer equipment and software that is available to all the employees of the Company. Advances to a person under this program are of a nominal value (average: \$4,000). As well, a number of executive officers benefited from a reduced rate of interest on their personal residence mortgage, provided by a sister company, ING Bank of Canada; this program provides for a company subsidy of up to 30% of the Bank's posted rate plus 1% for the offered term.

ING Canada is covered by civil liability insurance for Directors and Officers of the Company and its subsidiaries that is purchased by ING Groep for itself and all its subsidiaries. This policy provides coverage in excess of Euros 125,000,000 (approximately C\$176,375,000, as of March 21, 2006) with an ING Canada deductible of Euros 100,000 (approximately C\$141,100, as of March 21, 2006) per claim. Please note that there is no deductible charged to any individual director, officer or employee. This insurance covers directors, officers and employees of the Company for acts committed in the performance of their duties as directors, officers or employees; illegal acts and those committed for personal gain are excluded from this coverage. The premium paid by the Company (Euros 172,000 for the current policy year) is part of the allocation of costs, fees and expenses of ING Groep to its subsidiaries for services provided to them; such allocation is generally based on costs, fees and expenses which approximates fair value.

7: PERFORMANCE GRAPH OF THE COMMON SHARES OF THE COMPANY

The following graph compares the total cumulative return for \$100 invested in Common Shares on December 10, 2004, with the total cumulative return of the S&P/TSX Composite Index and the S&P/TSX Composite Index-Property & Casualty Insurance for the period from December 10, 2004, the date the Common Shares commenced trading on the Toronto Stock Exchange (the "TSX"), through to December 30, 2005.

Cumulative Value of a \$100 Investment Assuming Reinvestment of Dividends



8: CORPORATE GOVERNANCE PRACTICES

Although ING Canada was a private company until December 10, 2004, it had a long-standing practice of following strict corporate governance rules and implementing progressive governance practices on the basis that it was a wholly-owned subsidiary of a large publicly listed financial holding company, and that it was also the holding company of a number of highly regulated financial institutions in Canada.

ING Canada, following the example of its parent company, ING Groep, considered that corporate governance and sound market practices were essential components of its operations. As a Canadian reporting issuer with securities listed on the Toronto Stock Exchange (“TSX”), ING Canada has corporate governance practices that are not only consistent with the requirements of the TSX and the applicable rules of the Canadian Securities Administrators (“CSA”), but in certain cases exceed such requirements.

ING Canada has signed with ING Groep a Co-operation Agreement and other related agreements whereby ING Groep has special approval rights in certain circumstances. These rights include the right to nominate and elect a certain number of directors to the Board of ING Canada as determined by the percentage of common shares of the Company owned by ING Groep from time to time. Currently, ING Groep has the right to nominate and elect five directors out of twelve. Please refer to “Supplemental PREP Prospectus of December 9, 2004 of ING Canada Inc, p. 39 to 44 — “Relationship with ING Groep” for further information.

The Company’s Statement of Corporate Governance Practices is attached as **Schedule A** to this Circular.

9: SHAREHOLDER PROPOSALS

The *Canada Business Corporations Act* permits certain eligible shareholders of the Company to submit shareholder proposals to the Company for inclusion in a management proxy circular for an annual meeting of shareholders. No shareholder proposals were submitted for consideration at the 2006 annual meeting of shareholders. The final date by which the Company must receive shareholder proposals for the annual meeting of shareholders of the Company to be held in 2007 is December 28, 2006.


10: ADDITIONAL INFORMATION AND CONTACTING ING CANADA

Further information relating to ING Canada may be obtained from its website at www.ingcanada.com and from the SEDAR website at www.sedar.com. Financial information is provided in the Company’s comparative financial statements and management’s discussion and analysis for the fiscal year ended December 31, 2005 and these documents are accessible through SEDAR.

To obtain a copy of these documents together with the Company’s Annual Information Form, when available, at no cost, please contact the Secretary’s Office of the Company at 181 University Avenue, 7th Floor, Toronto, Ontario, M5H 3M7, or by telephone at (416) 941-5149, or by fax at (416) 941-5322, or at 1611 Crémazie Boulevard East, 10th Floor, Montréal, Québec, H2M 2R9, or by telephone at (514) 985-7111, ext. 8367 or by fax at (514) 842-6958; you may also contact the Investors Relations Department of the Company at 181 University Avenue, 7th Floor, Toronto, Ontario, M5H 3M7, or by telephone toll-free within North America at 1-866-778-0774 ((416) 941-5181 outside North America), or by fax at (416) 941-0006.

11: APPROVAL OF THE BOARD OF DIRECTORS

The Board of Directors of the Company has approved the contents and the sending of this Management Proxy Circular to the shareholders of the Company.

A handwritten signature in black ink, appearing to read "Françoise Guénette". The signature is written in a cursive style with a large initial 'F'.

Françoise Guénette
Senior Vice-President,
Corporate and Legal Services and Secretary

March 27, 2006

SCHEDULE A
ING Canada Inc.

Statement of Corporate Governance Practices

In establishing its governance practices, the Board of ING Canada has adopted principles, structures and processes to enable the Board to carry out its responsibilities more effectively and that are focused on the implementation, development and maintenance of a compliance and corporate governance mindset throughout the company.

These principles, structures and processes include the following: a Code of Conduct that details high ethical standards; the support of a dedicated Compliance team that follows legislative, regulatory and compliance and governance trends and best practices; various policies and reporting mechanisms including Whistleblower procedures and Incident Reporting. The Company has also put in place strict policies on conflict of interest, disclosure of confidential information and insider trading.

By virtue of the Code of Conduct, the Company has endorsed high ethical and compliance principles to promote integrity. These principles shape the Company's activities globally and apply to all of our employees, including our officers and directors. They include abiding by the law, respecting confidentiality, avoiding conflicts of interest, respect in the workplace, proper use of the Company's resources and opportunities and sound market conduct, the whole based on personal accountability.

The compliance programs and systems, including the Code of Conduct and its related policies and processes, are managed by the Company's full-time dedicated compliance team that reports to the Senior Vice-President, Corporate and Legal Services, and Secretary, in addition to 22 representatives from the operations and Human Resources departments across Canada. This statement of corporate governance is responsive to the rules and guidelines adopted by the Canadian securities regulatory authorities, as set out in National Instrument 58-101 Disclosure of Corporate Governance Practices, National Policy 58-201 Corporate Governance Guidelines and Multilateral Instrument 52-110 on Audit Committees ("Disclosure Rules"). The Board of Directors has approved this disclosure on the recommendation of its Conduct Review and Corporate Governance Committee.

Additional information about our governance programs may be found in our 2005 Annual Report, on SEDAR where our Code of Conduct is filed, and in this Statement of Corporate Governance Practices.

We will continue to follow changes and consider amendments to our governance practices as appropriate and in the context of our relationship with our majority shareholder. Please refer to "Supplemental PREP Prospectus of December 9, 2004 of ING Canada Inc, p. 39 to 44 — "Relationship with ING Groep" for further information.

BOARD OF DIRECTORS

Director Independence

The Company is subject to various disclosure rules, guidelines and requirements governing the independence of the Board and its committees.

Independence of a director is defined as a person who has no direct or indirect material relationship with the Company, its parent, subsidiaries, or its auditors, or as a partner, officer or significant shareholder of an entity that has a material relationship with the Company.

The Conduct Review and Corporate Governance Committee determines, at least annually, whether a director is independent, based on information provided by each director on a conflict of interest questionnaire that lists his/her personal business and other relationships and dealings with the Company or its affiliates and our auditors. The conflict of interest questionnaire also requires disclosure of all entities with which a director or an officer is involved.

Additional information relating to each director standing for election may be found on pages 3 to 8 of this Circular.

As stated above, the Company has signed a Co-operation Agreement with its majority shareholder whereby ING Groep is entitled to appoint and elect nominees to the Board of ING Canada based upon its ownership stake in the Company: currently, ING Groep is entitled to appoint and elect five (5) nominees out of twelve (12) candidates to be elected to the Board.

Seven (7) out of the twelve (12) candidates proposed for election qualify as unrelated and independent, as they are independent from management and from the majority shareholder, and free from any interest, function, business or other relationship that could, or could reasonably be perceived to, materially, interfere with the Director's ability to act in the Company's best interest. Among the seven members are Eileen Mercier and Paul Cantor, who, along with ING Groep nominee Claude Dussault, are currently Directors of ING Bank of Canada, which reports to the banking division of ING Groep, such division being separate from the insurance division of ING Groep and therefore not reasonably expected to interfere with the exercise of the independent judgement of these three directors.

Independent Lead Director

The roles of Chairman and Chief Executive Officer are separate. Yves Brouillette, a related director nominated and elected by ING Groep, acted as Chairman in 2005. In this context, Michael Mackenzie, an independent director and Chairman of the Conduct Review and Corporate Governance Committee, has acted as "lead director" to manage the independence process and lead the Board in meeting its obligations and responsibilities to all shareholders. In this capacity, Mr. Mackenzie has presided over private sessions of the independent directors (and occasionally private sessions of all of the directors) without the presence of management. In 2005, five (5) such meetings were held among the independent Board members.

It is also the practice of each Committee of the Board to meet without management present immediately following each of its meetings. Topics discussed at these meetings include, but are not limited to, Board processes and contexts, succession planning, executive assessments and strategy. Each of these committees (Conduct Review and Corporate Governance Committee, Audit and Risk Review Committee and Human Resources Committee) held four (4) private meetings of their independent members during 2005.

It is to be noted that Mr. Yves Brouillette retired from his functions as Chief Executive Officer of ING Latin America in the fall of 2005. Mr. Brouillette is now a corporate director who will continue to be nominated and elected by ING Groep and will continue to act as Chairman of the Board until further notice. Mr. Brouillette will ensure a liaison between the Board and its committees, the Board and management, and the Board and the majority shareholder: in this regard, the Chairman shall work closely with the Chair of the Conduct Review and Corporate Governance Committee.

Board Mandate

The Board, either directly or through its committees, explicitly assumes responsibility for the stewardship of the Company; it is responsible for the supervision of the management of the business and affairs of the Company with the objective of enhancing the value of the Company for its shareholders and with a view to ensuring the Company's long-term viability.

The Board Mandate (reproduced on pages 32 to 34 of this Circular) sets out the responsibilities of the Board, which can be summarized as follows: review and approval of the strategic plan and in relation thereto approval of material transactions; supervision of Senior Management and Succession Planning including the appointment of the Chief Executive Officer and ensuring that other executives are in place to ensure sound management of the Company; oversight of financial reporting including ensuring the accuracy of financial statements and returns and timely reporting and disclosure; assessment by the Board of its own effectiveness and that of its committees and members; ensuring that the Company has sound risk management programs and also ensuring that the Company has appropriate internal controls in place; and ensuring a business ethics, compliance and corporate governance mindset and creation of a culture of integrity throughout the organisation. Finally, the mandate of the Board confirms independent access of the Board and its committees to outside consultants and experts.

Position descriptions

The Board Mandate and the position descriptions of the Chairman of the Board and of the Committee Chairs define the roles and responsibilities of the Board, its Committees and their Chairs. The description of the functions of the Chief Executive Officer delineate management's responsibilities. These mandates, the by-laws of the Company and Board resolutions that are adopted from time to time, including signature authority limits, clearly define the limits to management's authority.

The description of the functions of the Chairman of the Board takes into account the special relationship that exists between the Company and its majority shareholder, ING Groep, through the Co-operation Agreement.

The description of functions of the President and Chief Executive Officer has been developed with the input of the Chief Executive Officer and has been approved by the Board of Directors. This description of functions includes: Leadership Role; Strategic Planning; Financial Results; Succession Planning; Human Resources Management; Board Relations and Overall Performance. The CEO is responsible for defining, communicating and implementing the strategic direction, goals and core values of the Company with a view to maximizing shareholders value and ensuring the long-term viability of the Company.

Orientation and Continuing Education

Each Director receives a Directors' Manual or an update of the Directors' Manual annually. A copy of the Directors' Manual is also provided to new Directors. This Manual includes information on the corporate and organizational structures of the Company and its subsidiaries, a description of its Board and Committees, their mandates and composition, the corporate governance and compliance programs of the Company, and a template of the subjects presented to the Board and its Committees at each of their regular meetings.

Directors are expected to attend all Board and Committee meetings in person, although attendance by video-conference or telephone is also accepted in appropriate circumstances. Directors are also expected to prepare in advance of each meeting in order to positively contribute to discussions and decisions.

At each Board meeting, a strategic review is presented to the Board that repositions the Company in its various markets and that reiterates main developments and challenges; at each such meeting, a special subject is also covered with a view to keeping the Directors informed and up-to-date in relation to industry developments, new legislation that affects operations and distribution, as well as political and social trends. Each year, at the dedicated strategic planning meeting, an overview of the industry is provided to the Directors together with an assessment of the risks and opportunities and market trends: threats and opportunities as well as strengths and weaknesses are presented and discussed with the Board of Directors, who are expected to give their points of view and provide input on the assessment of such risks. Senior Management representatives are invited to present their vision of the main aspects affecting their respective sector of activities. In addition, an industry publication of the Insurance Bureau of Canada detailing industry results and its main issues is made available to the Directors on a quarterly basis.

Finally, a training session is organized on a yearly basis to cover various aspects related to the Company and its subsidiaries, including subjects such as industry information, interpretation of financial information, marketing programs, distribution programs, corporate governance, risk management and other pertinent subjects.

Programs for new Directors also include one-on-one meetings with executives holding key functions at the Company.

Code of Conduct and Ethics

The Board has adopted a Code of Conduct that is filed on SEDAR. This Code of Conduct applies to all employees, officers and Directors of the Company. It provides a framework to promote integrity and, together with related compliance programs, it provides mechanisms to detect and deter wrongdoing.

The Code of Conduct promotes the highest levels of personal conduct and ethical standards in conformity with the law while promoting the spirit of fairness and honesty behind the law; it promotes respect for privacy and confidential information and fosters open and honest communication and disclosure.

A number of policies have been adopted over the years and are amended from time to time to take into account new trends in best practices and legal requirements; such policies include Conflicts of interest, Protection and proper use of the Company's assets and opportunities, Incident Reporting and Whistleblowing procedures. In this regard, procedures allow reporting on a confidential and anonymous basis: complaints can be made by telephone or e-mail or direct communications through Internal Audit Services, the Law and Compliance Department or Human Resources: complaints can also be brought to the Conduct Review and Corporate Governance Committee or to the Board. All complaints and compliance issues are reported to the Legal and Compliance team that makes a determination as to the most appropriate forum to deal with the complaint. The Senior Vice-President, Corporate and Legal Services, and Secretary, who is also ultimately responsible for Compliance in Canada, reports to the Conduct Review and Corporate Governance Committee on a quarterly basis and to the Board on an annual basis: such reports cover compliance programs, compliance issues, clients' complaints and statistics, performance for the past year and Action Plan for the following twelve to fifteen months. The Audit and Risk Review Committee is also notified by the Senior Vice-President, Corporate Audit Services, if a complaint relates to accounting, internal controls or audit matters or if fraudulent conduct is involved. In such instances, the Audit and Risk Review Committee determines how the case will be handled.

Nomination of Directors

The Conduct Review and Corporate Governance Committee is the nominating committee of the Board of Directors. As such, this Committee is responsible for the review of the "Nomination Policy for the Board and Committee Members" (the "Nomination Policy") and for its implementation once it is approved by the Board. The Committee also reviews the nomination process as well as the orientation and education programs for new members and for current members.

The Conduct Review and Corporate Governance Committee is also responsible for assessing the Board of Directors and the members of the Board and its Committees on an on-going basis. As part of the process, the Committee considers the competencies and skills of the Board, as a whole, and required competencies and skills from new members. Candidates are screened to ensure they have the following attributes: integrity, judgment, financial literacy, excellent communication skills, ability to act as a team player, in addition to adhering to the values of the Company expressed in its Code of Conduct and related policies referred to above.

The Nomination Policy process also provides for verification and monitoring of conflicts of interest and relationships with the Company and its affiliates, as well as the independence of directors.

In 2005, the Committee was composed of four members, one of whom represented the majority shareholder and therefore was not "unrelated" or "independent": this member does not participate in discussions on new Board member appointments and abstains from voting on such appointments.

Size of the Board and Election of Directors

The size of the Board and the election process is described on page 3 of this Circular. We consider that the size of the Board and its Committees is appropriate. With respect to the election process, as previously noted, it is subject to the Co-operation Agreement between the Company and ING Groep.

Compensation

See pages 15 to 21 of this Circular for information on Compensation, CEO assessment and determination of remuneration.

Board Assessment

For many years now, the Board has been proceeding to its Self-Assessment. Prior to 2005, the Self-Assessment was completed by the independent Board members only. Starting in 2005, the Self-Assessment

questionnaire is also completed by the related directors who represent ING Groep; it was judged that the Company would benefit from the vast experience of the related directors regarding Board matters and functioning. The results of the two groups are analyzed separately and jointly for the benefit of the Conduct Review and Corporate Governance Committee and the Board.

The Conduct Review and Corporate Governance Committee monitors the Board Self-Assessment process and reports to the Board which also receives the Summary Report and analysis that includes all of the comments received from the directors. The Conduct Review and Corporate Governance Committee also reviews and approves the Action Plan to address comments from the Directors with a view to improving Board and Committee processes, documentation and performance.

As of 2005, a process has been put into place for the Self-Assessment of each individual director with the assistance of an external consultant. The Self-Assessment process includes completion of the Self-Assessment questionnaire by all of the directors, who return it on a confidential basis to the external consultant for analysis and reporting to the Chairman of the Board, with recommendations. Each director will then meet with the Chairman of the Board to discuss his or her contribution to the Board and its Committees, as well as his or her own competencies and skills and what he or she is expected to bring to the Board.

Disclosure process

The Board has approved disclosure policies upon the recommendation of the Conduct Review and Corporate Governance Committee and the Audit and Risk Review Committee. The Corporate disclosure policies include processes and guidelines for ensuring the timely disclosure of all material information; this policy has established guidelines to avoid selective disclosure and to ensure wide dissemination of confidential material information. The Disclosure Committee is composed of the CEO, the CFO, the Chief Legal Officer (who chairs this Committee), the Head of Communications and other representatives of the Company, including an Executive Vice-President and representatives from the Company's Investors Relations Department; this Committee reviews and assesses each specific issue or situation to determine if it constitutes material information and if, how and when it should be publicly disseminated. The Disclosure Committee also determines if a situation must be referred to the Audit and Risk Review Committee or the Board for consideration and further assessment.

The Disclosure Committee has a sub-committee dedicated to financial disclosure: this sub-committee is composed of executives knowledgeable and possessing the skills and proficiencies to review and assess financial information. This Sub-Committee meets on a quarterly and annual basis and as needed to review any financial information that is made public by the Company; it recommends the approval of key documents to the Board or its Audit and Risk Review Committee, such as interim and annual financial statements, MD&A and Press Releases.

Committees of the Board

The Board has appointed the following committees:

- *Conduct Review and Corporate Governance Committee*

This Committee has three main functions:

- it is responsible for developing and maintaining principles and programs consistent with the highest standards of corporate governance, compliance and market conduct;
- as previously noted, this Committee is the Nominating Committee of the Company;
- the Committee is also responsible for designing and implementing the Board and individual directors' assessment programs.

In 2005, no outside consultant was retained by the Committee. An outside consultant has recently been retained to review the Self-Assessment process and content of individual directors for 2005. A report of the activities of this Committee for 2005 is available on pages 13 to 15 of this Circular: it includes the names of the Chair and the Committee members.

- *Audit and Risk Review Committee*

The main functions of this Committee are:

- oversee the integrity of the Company's financial information and its timely disclosure;
- review the works and programs of the Company's Internal Audit Services and oversee the quality and integrity of the internal controls and procedures;
- establish procedures for the receipt and treatment of complaints received by the Company regarding internal accounting controls or auditing matters and fraud cases;
- oversee the risk management policy and procedures;
- ensure relationship with External Auditor and, in this regard, review the External Audit proposed programs and recommend the remuneration of the External Auditor to the Board of Directors.

This Committee is composed of independent directors only and the Board of Directors has determined that each member of the Committee is "financially literate" as such terms are used in the CSA rules.

This Committee meets in private with the Internal Auditor, the External Auditor, the Chief Actuary, the Compliance and Risk Management Officers and Management. The members of the Committee also meet in private at each meeting, without the presence of Management.

This Committee also pre-approves all audit and non-audit services performed by the External Auditors.

See page 11 of this Circular for fees paid to External Auditor in 2005 and pages 12 and 13 for the report on the activities of this Committee in 2005, including the names of the Chair and Committee members.

- *Human Resources Committee*

The role of this Committee is to assist management in defining total management policy that supports the Company's overall strategy and objectives, attracts and retains talent and key executives and links total compensation to performance and attaining objectives.

The main functions of this Committee are:

- review and assess the CEO at least once a year and recommend the CEO's compensation to the Board for approval;
- review the assessment of the senior executives of the Company and approve their compensation;
- review the policies and programs related to succession planning and talent development;
- review the Directors' compensation with the same philosophy as that used for senior executives, namely to attract and retain key Board members with a view to enhancing the Company's ability to determine its plans and strategies for attainment of the Company's objectives.

See pages 15 to 18 of this Circular for the Report on the activities of this Committee for 2005.

See page 10 of this Circular for information regarding Directors' compensation and pages 18 to 21 for information regarding Executive Compensation.

- *Investment Committee*

The role of this Committee is to advise the Company on the investment strategies that are appropriate in the context of the P&C insurance subsidiaries' activities.

The main functions of this Committee are:

- recommend to the Board of Directors the adoption of an investment policy that is likely to support the P&C subsidiaries in meeting their financial obligations, in addition to maximizing the return on such investments while preserving value for the long-term;

- approve strategies that are in line with the investment policy approved and reviewed by the Board from time to time;
- approve investment tools in view of supporting the furtherance of the investment policy and strategies of the Company;
- review investment results of the Company and take appropriate measures to re-align strategies and select or re-select advisors and portfolio managers;
- review and follow specific investments as required; and
- review compliance reports in relation to the activities of the portfolio manager, ING Investment Management, Inc., a wholly owned subsidiary of the Company.

SCHEDULE B

Mandate of the Board of Directors ING Canada Inc. And its P&C Insurance Companies

I. Purpose

The main responsibility of the Board of Directors is to oversee the management of business and affairs of the Company. In this regard, the Board establishes policies, reporting mechanisms and procedures in view of safeguarding the assets of the Company and ensuring its long-term viability, profitability and development. The Board appoints the following committees to assist it in its stewardship role: the Audit and Risk Review Committee, the Conduct Review and Corporate Governance Committee, the Human Resources Committee, and the Investment Committee. The Board may also appoint other Committees, such as Pension Committee or Risk Management Committee and others, as it deems appropriate.

II. Composition

The composition of the Board is determined based on applicable legal requirements and subject to the Co-operation Agreement and related documents executed by ING Canada Inc. and ING Groep N.V., effective December 15, 2004 (the “Co-Operation Agreement”). The mandate of the Board requires complementary knowledge, skills and expertise on the part of the directors, to enable them to positively contribute to the achievement of the Company’s corporate objectives. The Nomination Policy for the Board of Directors, as approved from time to time by the Board, serves as a guide to determine the composition of the Board.

III. Process and Operations

The Board of Directors meets at least four times per year. The calendar of meetings is determined at the end of the preceding year for the following year.

IV. Mandate

The Board of Directors supervises the management of the business and affairs of the Company. In exercising this role, the Board fulfills the following responsibilities:

1. Strategic Planning

Each year, the Board reviews, discusses and approves the strategic plan and the corporate objectives of the Company; it reviews and discusses attainment of results at each of its quarterly meetings, to ensure close monitoring of key objectives and prompt realignment, if judged appropriate.

In relation thereto, the Board reviews with management the opportunities and risks of the Company’s three-year plan, including the Budget for the following year.

As part of strategic planning, the Board also reviews and approves material transactions and reorganizations, such as acquisitions, dispositions, mergers, corporate reorganizations, alliances and financing.

2. Supervision over Senior Management and Succession Planning.

The Board is responsible for ensuring that the Company is supported by an appropriate organizational structure including a CEO and other executives who have complementary skills and expertise to ensure the sound management of the business and affairs of the Company and its long-term profitability.

To play its role, the Board delegates this function to its Human Resources Committee that will make recommendations on the appointment of the CEO and other executives and see to the assessment of senior management. The Committee will advise management in relation to its succession planning including the appointment, training and monitoring of senior management.

To support these objectives, the Human Resources Committee reviews, discusses and recommends or approves compensation and benefit plans for employees, management and senior management in view of attracting and retaining talent and linking total compensation to financial performance and the attainment of strategic objectives.

3. Financial Reporting & Disclosures

The Board of Directors is responsible for ensuring that the Company adopts appropriate policies and procedures for the accuracy of its financial statements and returns and the timely reporting and disclosure of financial information to regulators and shareholders, respectively.

The Board may delegate this function to the Audit and Risk Review Committee, which will review the Company's annual and quarterly financial statements and management discussion and analysis and meet with the internal and external auditors and actuaries to discuss such statements and documentation. The Committee will approve or make recommendations to the Board for its approval of such statements and returns. The Committee may also review and approve press releases containing previously undisclosed financial information.

To this end, the Committee recommends to the Board the external auditor to be nominated for the purpose of making examinations and reporting on the financial statements of the Company. The Committee ensures that the qualifications, performance and independence of the auditor is appropriate for the circumstances.

4. Board of Directors

The Board of Directors is responsible for ensuring that its own structure and composition are in compliance with applicable corporate governance legislation and best practices and that such structures are appropriate for the Company.

With a view to ensuring effective Board structure and composition, on an annual basis, the Board undertakes a self-assessment to evaluate the effectiveness of the Board and individual Board members. The Board may delegate to the Conduct Review and Corporate Governance Committee the nomination of new Board members and the implementation and review of the nomination process for new Board members.

To support corporate governance objectives, the Board may also delegate to the Chairman or the Conduct Review and Corporate Governance Committee the monitoring of the relationship with the majority shareholder and the Company's corporate governance disclosure to be included in the Annual Report to shareholders.

5. Risk Management & Internal Controls

The Board is responsible for ensuring that the Company's business strategies and allocations of capital are related to the Company's risk appetite. To this end, the Board must ensure that the Company has effective risk management programs and practices.

The Board may delegate this function to the Audit and Risk Review Committee, which will review the Company's risk management programs and practices and evaluate the Company's compliance with key operational risk policies and limits.

The Board is also responsible for ensuring that the Company has appropriate internal controls in place for the protection of the accounting and financial reporting process. The Board may delegate this function to the Audit and Risk Review Committee, which will evaluate and approve the Company's internal control procedures, and establish procedures to receive submissions or complaints regarding accounting or auditing matters.

6. Business Ethics, Compliance and Corporate Governance

The Board of Directors is responsible for ensuring that the Company has the appropriate structures and programs in place to operate within the highest ethics, compliance and corporate governance practices.

The Board may delegate this function to the Conduct Review and Corporate Governance Committee, which will review the Company's compliance programs including the ombudsman's office, the privacy office, market conduct and corporate governance initiatives. The Committee will review the Company's procedures to

monitor its related party transactions and will approve permitted related party transactions. The Committee will also ensure that there are appropriate procedures in place for the identification and resolution of conflicts of interest.

7. Access to External Auditor and Other Experts

The Board of Directors enjoys a broad oversight function over many technical and specialised aspects of the business and affairs of the Company. As such, individual members of the Board are authorised to engage consultants including lawyers, auditors and actuaries at the expense of the Company, in appropriate circumstances.

It is the responsibility of the Board of Directors to ensure that consultants are retained only when necessary and that such consultants are retained prudently and without duplication.

The Board of Directors may delegate this function to the Conduct Review and Corporate Governance Committee, which will ensure that appropriate policies and procedures are in place to provide for the prudent engagement of consultants.

Upon the recommendation of the Audit and Risk Review Committee, the Board also recommends the appointment of the external auditor to the Shareholders.

Approved by the Board of Directors of ING Canada Inc. and its P&C Subsidiaries on February 25, 2005, and reviewed on March 3, 2006.

