

ING Wholesale Banking

Conflicts of Interest Policy – MiFID¹

1. Introduction

The ING Wholesale Banking Conflicts of Interest Policy (the Policy) sets out how ING Wholesale Banking² (we, us, our or ING as appropriate) identifies, prevents and manages conflicts of interest within its Wholesale Banking business department where providing investment or ancillary services.

We are committed to the relationship we have with our clients and we act in an honest, fair and professional way in accordance with their best interests. Based on this principle, we are committed to this Policy.

2. What is the goal of this Policy?

As a global financial services provider we can face potential and actual conflicts of interest. We maintain and operate effective organisational and administrative arrangements with a view to take all reasonable steps to prevent conflicts of interest from adversely affecting the interests of our clients. This Policy specifies the potential conflicts of interest that may exist in our business and the procedures and measures implemented in order to identify, prevent and manage such conflicts of interest.

3. Applicability of this Policy

This Policy applies globally to all investment or ancillary services provided by us, and it applies to all our employees and representatives. This Policy therefore applies to the execution, reception and transmission of client orders and all other forms of sales and trading activities in securities and derivatives and any underlying(s) thereof, underwriting and placing activities, portfolio management, research, investment advice, custody, corporate finance, M&A advisory activities, lending and foreign exchange services related to sales and trading activities.

This Policy sets out the minimum standards that we will apply in order to comply with applicable rules and guidance. This Policy is without prejudice to any additional local regulatory requirements regarding conflicts of interest.

4. What are conflicts of interest?

For the purposes of this Policy, we consider a conflict of interest as a conflict that may arise between your interests and our own interests or those of our employees when carrying out investment or ancillary services and the conflict may damage your interests.

There are many varieties of conflicts of interest that apply to a wide range of behaviours and circumstances. Typically, a conflict of interest arises when two or more persons have competing interests and a duty of care or trust exists between those persons. An employee may face a conflict of interest in the course of working at ING which could have the potential to compromise or bias their professional judgement and objectivity or otherwise hinder the proper discharge of duties and responsibilities owed by the employee to ING. Failure to recognise and appropriately manage conflicts of interest could result in inappropriate or adverse consequences for Clients, ING and Employees.

ING has carried out an exercise to identify conflicts of interest that exist in its business and has put in place measures it considers appropriate to the relevant conflict in an effort to monitor, manage and control the potential impact of those conflicts on its clients. The conflicts identified include:

- those between clients with competing interests;
- those between clients and ING where their respective interests in a particular outcome may be different;
- those between the personal interests of staff of ING and the interests of ING or its clients where those interests may be different.

5. Who is responsible for the identification, prevention and managing of conflicts of interest?

ING's senior management is responsible for ensuring that our systems, controls and procedures are adequate to identify, prevent and manage conflicts of interest. Our compliance and legal departments assist in the identification and monitoring of actual and potential conflicts of interest. Business-specific procedures address the identification, prevention and management of actual and potential conflicts of interest that may arise in the course of our business.

¹ The term "MiFID" in this policy also includes the equivalent rules on conflicts of interests in the UK pursuant to the EU Withdrawal Act 2018, the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 and any rules made by the UK Financial Conduct Authority

² For purposes of the ING Wholesale Banking Conflicts of Interest Policy, the name ING Wholesale Banking is intended, particularly, to include ING Wholesale Banking Financial Markets. ING Wholesale Banking is a trading name of ING Bank N.V. and its branches and subsidiaries. In Europe these include: ING Bank N.V., ING Belgium SA/NV, ING Luxembourg SA, ING Bank Śląski S.A., but may include other entities for specific countries or products. The legal entity for any transaction will be advised to you at the time of effecting a transaction with ING Wholesale Banking.

6. Between which persons may conflicts of interest arise?

Conflicts of interest may arise when:

1. ING or a person directly or indirectly linked to ING is likely to make a financial gain, or avoid a financial loss, at the expense of the client;
2. ING or a person directly or indirectly linked to ING has interest in the outcome of an investment or ancillary service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
3. ING or a person directly or indirectly linked to ING has a financial or other incentive to favour the interest of another client or group of clients over the interest of another client;
4. ING or a person directly or indirectly linked to ING carries on the same business as the client; or
5. ING or a person directly or indirectly linked to ING receives or will receive from a third party an inducement in relation to an investment or ancillary service provided to the client, in the form of monetary or non-monetary benefits or services.

Some of these conflicts may arise merely because entities belonging to ING Bank N.V. are involved in a broad range of business activities with different customers. Others may arise because of the specific circumstances of particular business activities.

7. Which conflicts of interest may arise from our business?

We have identified potential and typical conflicts of interest that may exist in our business and we have adopted and implemented procedures and measures to prevent or manage such conflicts.

Potential conflicts of interests may arise as a result of the interaction of the different capacities in which we may act. Please find a non-exhaustive list of these potential and typical conflicts of interest in Annex 1.

8. How do we prevent and manage conflicts of interest?

For the conflicts of interest that we have identified, we have put in place measures to prevent the occurrence of conflicts, and if a conflict occurs, to manage such conflicts with a view to prevent or mitigate the potential adverse impact on you, appropriate to the type of conflict. For any particular conflict of interest, one or more of the following or other measures may be adopted, as appropriate in order to prevent or manage such conflict.

In general ING has the following measures in place to ensure a requisite degree of independence:

1. effective procedures to prevent or control the exchange of information between relevant persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;

2. the separation of reporting lines of persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict, or otherwise represent different interests that may conflict, including those of the firm;
3. the removal of any direct link between the remuneration of relevant persons engaged in one activity and the remuneration of, or revenues generated by, different relevant persons principally engaged in another, where a conflict of interest may arise in relation to those activities;
4. measures to prevent or limit any person from exercising inappropriate influence over the way in which a relevant person carries out investment or ancillary services or activities; and
5. measures to prevent or control the simultaneous or sequential involvement of a relevant person in separate investment or ancillary services or activities where such involvement may impair the proper management of conflicts of interest.

8.1. Independence

All our departments and their staff are acting independently insofar as the interests of their respective clients are concerned.

8.2. Decline to act

When we are already acting for one client, it may be inappropriate for us to provide investment or ancillary services to another client if we cannot properly manage the conflict of interest on a reasonable commercial basis. We may also be precluded from providing the investment or ancillary service, financial instrument or transaction on legal or regulatory grounds. In particular, when we are providing underwriting or (self)-placement activities and we cannot manage a conflict of interest by way of implementing appropriate procedures or arrangements, we will not engage in the operation.

8.3. Information barriers

We respect the confidentiality of information we receive about or from our clients. As explained in the ING Privacy Statement we comply with all applicable laws with respect to the handling of non-public and inside information. We maintain a "Need to Know" approach which means that we only share your personal information within ING when that is necessary to receive any investment or ancillary service from us. In line with this approach we control access to non-public information through maintaining information barriers to prevent the potential or perceived unauthorized access to and misuse of non-public and inside information.

8.4. Conflicts procedures and arrangements

Conflicts of interest procedures and arrangements are maintained within ING to prevent and to manage actual or potential conflicts of interest in order to prevent or mitigate any adverse impact to our clients.

8.5. ING Conflicts of Interest Register

ING conflicts of interest register is a register of the types of conflicts of interest entailing a material

risk of damage to the interests of one or more clients that have arisen or, may arise, in relation to regulated services or activities. Additionally, the ING conflicts of interest register identifies and records structural or business practice conflicts of interest that can arise due to the multi-services nature of ING's services and operations. The information contained within the ING Conflicts of Interest Register facilitates the effective identification, escalation and management of potential conflicts of interest.

8.6. Escalation to senior management

Senior management of ING is accountable for the implementation of this Policy and other governance arrangements that ensure the prevention and effective and prudent management of conflicts of interests. As such, senior management receives reports regarding the register of potential conflicts of interest as referred to above.

8.7. Remuneration of employees

Our remuneration policy prevents remuneration structures that may give rise to conflicts of interests.

8.8. Inducements

ING has established an inducement policy that aims at ensuring that fees or remunerations received comply with applicable legal and regulatory provisions relating to inducements.

8.9. External activities of employees

Our employees are required to declare activities they undertake outside of ING. An assessment is done by ING as to whether such activities could potentially conflict with interest of ING and/or its clients.

8.10. Personal account trading

All employees are subject to personal account dealing rules as laid down in the Insider Code of ING.

8.11. Gift policy

Gifts or entertainment must always be proportionate and reasonable and must have a legitimate purpose and must not create a conflict of interest or the perception thereof.

8.12. Disclosure

Where we identify an actual or potential conflict of interest, our procedures and measures should effectively prevent the risk of damaging your interests. Only where such risks cannot be prevented with reasonable confidence, we will rely on the management of such risks by means of client disclosure and consent. The client may then decide whether or not to continue on that basis.

We will make this disclosure in writing with sufficient detail for you to take an informed decision with respect to the service in the context of which the conflict of interest occurred. Only upon receiving your consent to our disclosure of the conflict of interest, will we provide the relevant investment or ancillary service to you. If we receive your verbal consent regarding a conflict of interest, we will maintain a record thereof.

9. Monitoring and review

This Policy shall be reviewed at least annually and any material amendments will be notified to you via our webpage www.ingwb.com/mifid. Please contact your relationship manager should you require further information on this Policy.

Appendix 1

Non-exhaustive list of potential conflicts of interest

We have identified the following circumstances that may potentially give rise to one or more conflicts of interest, from the perspective of you, us or any ING employee, representative or entity belonging to ING Bank N.V.

Client

- When investing in financial instruments;
- When trading financial instruments;
- When borrowing or receiving credit facilities;
- When receiving one or more investment or ancillary services;
- When acting as an agent in a transaction pertaining to financial instruments;
- When receiving advice; or
- When receiving or when being the subject of investment research.

ING

- When investing in financial instruments;
- When trading in financial instruments;
- When underwriting or placing financial instruments;
- When advising issuers or vendors on the issuance of financial instruments;
- When advising business on corporate finance transactions, securitisations and lending;
- When lending or providing other credit facilities;
- When acting as an agent other than as lender in credit facilities;
- When executing transactions in financial instruments on behalf of customers, either when dealing on own account or on an agency or a matched principal basis;
- When producing and distributing investment research;
- When obtaining a satisfactory outcome for transactions on which it is advising;
- When an employee, alone or in collusion with others, attempts to manipulate a benchmark or influencing contributions of submitters for their own or ING's benefit and to the detriment of a client
- When obtaining new business; or
- When maintaining satisfactory relations with third parties, including clients, market participants and authorities.

ING Employee or representative

- When performing his/her role;
- When generating business;
- When achieving objectives or targets;
- When having regard to status, remuneration and bonus;
- When having personal investments;
- When engaging in external businesses/activities; or
- When receiving or providing gifts, entertainment or other monetary or non-monetary benefits.

Non-exhaustive list of typical conflicts of interest

Below are non-exhaustive examples of what may be considered typical conflicts of interest that may arise in relation to all investment or ancillary services provided by us:

- When ING provides investment advice or discretionary portfolio management services to its clients and ING also recommends or sells products issued by itself or affiliated companies;
- When ING is the discretionary portfolio manager for more than one client or fund in respect of the aggregation and allocation of orders;
- When ING trades financial instruments with its clients against its proprietary book;
- When ING trades proprietary positions in a financial instrument when at the same time we have information about potential future client orders in relation to that financial instrument;
- When ING provides investment research in relation to an entity or group to which it also provides corporate finance or other investment or ancillary services;
- When ING produces research that is disseminated to our clients or to the public;
- When we provide execution and research services to our clients as well as carrying out underwriting and placing activities;
- When we are involved in the pricing of an issue or involving relevant parties to the process of pricing a financial instrument for an offering;
- When we deal for you in financial instruments which may be or which may have been subject of (price) stabilization activities, either by us or by an affiliate or third party;
- When persons responsible for providing investment or ancillary services to our investment clients are directly involved in decisions about recommendations to our issuer clients on allocation;
- When ING provides corporate finance advice to one or more clients who are direct competitors of one another;
- When ING has provided corporate finance advice or other investment or ancillary services to one client in the course of which ING obtained information about such client and subsequently, when that corporate client becomes a target for a bid, ING also seeks to act for the bidder;
- When ING provides corporate finance advice in combination with the service of underwriting and placing activities;
- When ING is engaged in the placement of financial instruments issued by itself or by entities that form part of ING's group and ING intends to place these financial instruments with its investment clients;
- When a client has an interest in financial instruments and one or more of the employees of ING engage in personal account dealing in respect of these financial instruments;
- When ING provides advisory and financing services to one client in respect of a bid and seeks to provide financing services to another client in respect of the same bid;

- When ING is the syndicate agent for a financing arrangement for a client and ING's corporate finance team is looking to advise either that client as acquirer or another firm targeting that client;
- When ING has granted a loan or credit to an issuer client, or an entity within the same group, and the loan or credit will be paid with the proceeds of the issue in the context of which ING provides investment or ancillary services;
- When ING has information in relation to distressed assets and ING trades proprietary positions in those assets;
- When gifts and entertainment (including non-monetary gifts) or other inducements are received that may influence ING's behaviour in any way that conflicts with the interests of any client;
- When employees of ING engage in external activities that may conflict with the interests of ING or its clients;
- When ING provides investment or ancillary services to its clients to participate in a new issue and ING receives a commission, fee or any monetary or non-monetary benefits in relation to arranging that new issuance;
- When ING has structured its remuneration policy on the basis of sales targets that could provide an incentive for staff to recommend or sell particular financial instruments to their clients that are not in the client's best interest;
- When ING has entered into revenue-sharing, rebate or other commercial arrangements with clients, counterparties, market participants or affiliated companies, which may influence ING's behaviour in a way that conflicts with the interests of any client.