Working capital solutions

Unlocking cash from your financial supply chain
Having a healthy working capital position is key to your company’s financial position and stability. You are looking to reduce your need for working capital, reduce costs and improve your financial supply chain. Looking at the future your business would benefit significantly if you could:

- Diversify funding
- Improve financial ratios and return on capital employed
- Improve cash flow and optimise working capital
- Realise pricing benefits
- Improve risk management.

ING’s working capital solutions are well equipped to help you tackle these issues and improve both sides of your balance sheet by applying one or more of our three working capital programmes.

**Supply chain finance**

<table>
<thead>
<tr>
<th>Help</th>
<th>Description</th>
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<tbody>
<tr>
<td>Helps reduce your working capital needs and can increase free cash flow</td>
<td>Source of funding which is scalable to finance trade growth and can help to improve your financial ratios</td>
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<tr>
<td>Tailor-made funding solution designed to mitigate exposure concentrations</td>
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**Coverage**

Our working capital solutions have serviced clients globally in a broad range of industries, including food & beverage, steel & non-ferrous metal, packaging, paper, plastic, construction, building materials, chemicals, energy, automotive, temporary employment, retail, utilities and telecommunications & media.
Supply chain finance is a working capital optimisation tool, which unlocks cash, trapped both within a company and in the value chain with key suppliers. ING purchases the approved trade receivables that suppliers have on the buyer and basically steps into the shoes of the supplier. Subsequently ING will receive payment from the buyer when the invoice becomes due and payable.

**Benefits**

**For the buyer**
- A reduction of working capital and increase of free cash flow through extended payment terms
- Improved relationship with the suppliers, which creates opportunities to negotiate better terms and conditions
- Reduced operational and payment costs.

**For suppliers**
- Instant liquidity through early payment of invoices and lower financing costs
- Unlocking working capital and free cash flow improvement
- Attractive source of non-recourse funding, based on buyer’s credit rating
- Payment certainty and improved transparency on status of invoices and timing of payment
- Credit risk management and balance sheet optimisation tool.

**Why ING?**
- ING offers a fully automated web based SCF solution, which complies with the highest possible security standards and is designed to have a limited impact on existing operations
- A detailed supplier analysis based on which an appropriate supplier on-boarding strategy can be established that will lead to quick wins for our clients.
- A broad international network supports both buyer and supplier on-boarding and facilitates an efficient roll out of a supply chain finance programme.

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**Client (“Buyer”)**

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<tr>
<th>Assets</th>
<th>Liabilities</th>
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<td>A/P</td>
<td>A/R</td>
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1. Buyer sends purchase order
2. Supplier sends goods/services and invoice
3. Buyer approves invoice and presents on platform
4. Supplier requests early payment
5. ING pays invoice amount less discount
6. Buyer pays invoice amount to ING on due date

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**ING SCF platform**

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ING’s trade receivables purchase programme provides an alternative funding solution to the “seller” based on securitisation techniques, by purchasing large and diversified portfolios of trade receivables. The transfer of receivables is typically executed via a true sale of the receivables to ING or to a so-called special purpose vehicle (SPV).

Your benefits
- Attractive source of committed funding, which offers competitive pricing up to an AA equivalent rating and is scalable to finance trading growth
- Anonymous access to financial markets
- The possibility to achieve off-balance sheet treatment
- Strong balance sheet management tool to improve financial ratios and overall pricing
- Multiple sellers and jurisdictions can be included in one programme.

Why ING?
- ING combines comprehensive global working capital solutions capabilities with a local presence spanning 40 countries.
- ING has a successful track record with over 250 TRP programmes completed
- An experienced team of professionals is available to cover all aspects of a TRPP transaction, from feasibility assessment to documentation.
International corporate receivables financing

International corporate receivables financing facilitates clients in raising liquidity through the financing of trade receivables, inventory and purchase orders. ING is able to take over debtor risk and it can be tailored to the needs of our customers as a one-off trade receivable purchase or as a facility for multiple receivables from the same debtor or group of debtors. Receivables financing can be done with recourse or on a non-recourse basis.

Your benefits
• Diversification of funding sources, scalable to finance trading growth at attractive pricing
• Tailor-made funding solution designed to accommodate exposure concentrations
• Flexible solution designed to capture everything ranging from single debtor receivables to multi-jurisdiction pools in a single transaction structure
• Possibility to achieve off-balance sheet treatment for non-recourse transactions.

Why ING?
• A seasoned team of professionals is available to cover all aspects of an ICRF transaction
• ING combines comprehensive global working capital solutions capabilities with a local presence spanning 40 countries and a broad range of industries.
More information
For more information about our working capital solutions please send an e-mail to WCScontact@ing.nl or visit www.ingwb.com

ING Bank N.V. has its registered office at Bijlmerplein 888, 1102 MG Amsterdam, the Netherlands, Trade Register no. 33031431 in Amsterdam. ING Bank N.V. is registered with De Nederlandsche Bank (DNB) and the Financial Markets Authority (AFM) in the Credit Institutions and Financial Institutions Register. ING Bank N.V. is also subject to the supervision of the Authority for Consumers & Markets (ACM). For more information regarding the supervision of ING Bank N.V., please contact DNB (www.dnb.nl), the AFM (www.afm.nl) or the ACM (www.acm.nl).

In the context of this publication ‘ING’ and ‘bank’ are understood to mean: ‘ING Bank NV.’