



Generic Insider Code Netherlands ING Bank

Bank Compliance Risk Management Annex to the ING Market Abuse Policy (2016)

Effective Date: 1st of June 2020

INFORMATION SHEET

In the event of any discrepancies between the English version of this Code and a translated version, the English version is binding.

The definitions to the Generic Insider Code Netherlands ING Bank and Insider Code ING Bank form part of the Code and are included in a separate document.

Where this Code contains words such as “he”, “his” and “him”, where appropriate they shall be taken to mean “she” and “her”.

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I. Introduction

The main purpose of this Code is to prevent Generic Insiders to be involved in Market Abuse which includes: Insider Dealing, Market Manipulation and the unlawful disclosure of Inside Information. Market Abuse harms the integrity of financial markets and public confidence in securities and derivatives. This confidence is necessary for the proper functioning of financial markets.

Market Abuse needs to be combatted. A violation of the rules against market abuse may lead to criminal or administrative charges. This Code is based on the EU Market Abuse Regulation and the Market Abuse Policy.

The purposes of the regulation are to:

- protect the integrity of financial markets; and
- enhance investor confidence, which is based, in turn, on the assurance that investors will be placed on an equal footing and protected from Insider Dealing.

II. Scope

1. This Code applies to Generic Insiders of ING Bank and ING Groep employed in the Netherlands. A person can qualify as Generic Insider by virtue of his function with ING or has been designated as such by his manager. Generic Insiders will be informed hereof in writing.
2. Additional requirements or exceptions to this Code may apply to certain Generic Insiders.
3. This Code shall continue to apply to a Generic Insider up to three months after the Generic Insider has ceased to occupy his respective function with ING or has ceased to be designated as Generic Insider by his manager.
4. This Code shall take precedence over the conditions of any Staff Scheme.

III. Key obligations

5. A Generic Insider refrains himself from:
 - a) Insider Dealing;
 - b) Recommending or encouraging others to engage in Insider Dealing;
 - c) Unlawful disclosure of Inside Information;
 - d) Market Manipulation;
 - e) Undertaking an attempt of the behaviors described above.

IV. Insider Dealing

6. Insider Dealing can take a wide variety of forms. In essence it involves:
 - a) the use of Inside Information by executing private transactions in Financial Instruments;
 - b) the use of Inside Information by canceling or amending an existing private order for a Financial Instrument after the person in question came into possession of the Inside Information;
 - c) the use of a recommendation or inducement (as defined in article 11 of this Code) while that person knows, or should know, that it is based on Inside Information;
7. A Generic Insider who possesses Inside Information and executes a private transaction in Financial Instruments (to which the Inside Information relates) is considered to have used the Inside Information and therefore commits Insider Dealing, unless:
 - an exception applies (Article 15 or 47); or
 - the Generic Insider can produce significant evidence to rebut the presumption of use of that information, or show that the transaction falls outside the purposes of the Market Abuse Regulation (see Introduction).

8. A Generic Insider is prohibited from executing private transactions in Financial Instruments if this would create the foreseeable appearance of Insider Dealing.
9. A Generic Insider is prohibited from executing a private transaction in Financial Instruments if this involves the misuse or improper disclosure of Inside Information or (other) confidential information relating to clients or transactions with or for clients.
10. A detailed description of the term Insider Dealing is included in the definitions relating to this Code.

V. Recommending or encouraging others to engage in Insider Dealing

11. Recommending or encouraging others to engage in Insider Dealing includes, on the basis of Inside Information, recommend or encourage a person to:
 - a) acquire or dispose of Financial Instruments (to which the Inside Information relates); or
 - b) cancel or amend an order for a Financial Instrument (to which the Inside Information relates).

VI. Unlawful disclosure of Inside Information

12. Unlawful disclosure of Inside Information includes:
 - a) the disclosure of Inside Information to another person, except where the disclosure is made in the normal exercise of an employment, a profession or duties and the recipient of the Inside Information is under an obligation of confidentiality;
 - b) the onward disclosure of a received recommendation or inducement to engage in Insider Dealing (as defined in Article 11), while the person knew, or should have known, that it was based on Inside Information.

VII. Market Manipulation

13. Market Manipulation can take a wide variety of forms. In essence it comprises of:
- a) executing a transaction, placing an order to trade or any other behavior which:
 - i. gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of a Financial Instrument;
 - i. brings, or is likely to bring, the price of a Financial Instrument at an abnormal or artificial level; or
 - ii. affects, or is likely to affect, the price of a Financial Instrument which uses a fictitious device or any other form of deception or contrivance.
 - b) disseminating information (via the media, internet or otherwise) which gives, or is likely to give, false or misleading signals as to the supply of, demand for or price of a Financial Instrument.
 - c) benchmark manipulation, meaning:
 - i. transmitting false or misleading information or providing false or misleading inputs linked to a benchmark when the person who made the transmission or provided the input knew, or should have known, that it was false or misleading; or
 - ii. any other behavior which manipulates the calculation of a benchmark.
14. A detailed description of the term Market Manipulation is included in the definitions relating to this Code.

VIII. Exception

15. In the following case, the mere fact that a Generic Insider possesses Inside Information and executes a private transaction in Financial Instruments to which the Inside Information relates, will not give rise to a presumption of Insider Dealing:

The Generic Insider has executed the private transaction in good faith in the discharge of an obligation that has become due in good faith; and

- 1. this obligation arises from an order given or an agreement concluded before he possessed Inside Information; or
 - 2. the private transaction is executed to fulfil a legal or regulatory obligation that arose before he possessed the Inside Information.
16. Notwithstanding Article 15 of this Code, the AFM preserves the right to conclude that a violation of the prohibition against Insider Dealing may still be deemed to have occurred if the AFM determines that there was an illegitimate reason for the respective private order, private transaction or behaviors concerned.

IX. Treatment of Inside Information and other confidential information

17. A Generic Insider who possesses Inside Information treat this information strictly confidential. A Generic Insider who intends to share Inside Information (or other confidential information) within ING Bank, shall observe the applicable Information Barriers.
18. A Generic Insider reports the Inside Information available to him directly to the Chief Compliance Officer (“**CCO**”), unless:
 - a) the Inside Information relates to a project for which he has already been designated as an insider or permanent insider; or
 - b) it can reasonably be assumed that the Inside Information is already known to compliance.

X. Restraint in private transactions

19. A Generic Insider must be cautious in his private transactions in Financial Instruments and refrains from transactions that may be regarded as excessive or highly speculative.

XI. Minimum holding period

20. A Generic Insider may not, within twenty-four hours of the placing of a private order, place any opposite order in relation to Financial Instruments of which the (underlying) value is related to the same issuing institution.
21. Article 20 of this Code shall not apply to a Generic Insider who immediately after exercising his ING employee options sells the acquired ING Financial Instruments.

XII. Location obligation

22. The CCO shall designate the Investment Companies where a Generic Insider must hold his Financial Instruments. The Generic Insider may only execute private transactions in Financial Instruments through such Investment Companies.
For the purpose of this requirement ING Bank Netherlands is the mandatory Investment Company unless a waiver has been granted by the CCO.
23. This location obligation also applies to an account of a Generic Insider on which also others are authorized to operate.

24. The location obligation (set out in Article 22 and 23) shall not apply to:
 - a) Financial Instruments in a (semi) open-ended investment institution, provided that the Generic Insider does not hold any management or control function in the investment institution;
 - b) Government bonds issued by OECD countries;
 - c) ING employee options which cannot be administered on an account of an Investment Company as designated by the CCO (see Article 22);
 - d) Transactions in Financial Instruments for which a Discretionary Management Agreement was concluded that meets the conditions set out in the definition of Discretionary Management Agreement; and
 - e) Temporary Generic Insiders to which this Code applies during a limited period of time of maximum 1 year provided that the exception is approved by the CCO;
 - f) Generic Insiders who also qualify as US Person according to the “Providing Securities Activities to Natural U.S. Persons Policy”.

XIII. Pre-screening of private transactions

25. A Generic Insider submits his (intended) private transaction in Financial Instrument for pre-approval to BCRM.
26. As soon as reasonably possible, BCRM verifies whether the interest of ING Groep and Bank opposes the submitted private transaction in Financial Instruments.
27. If the intended private transaction may not be executed, BCRM does not specify the grounds for its decision.
28. An approval granted by BCRM is valid for twenty-four hours from the moment it has been given, unless the conditions on which the approval has been granted change materially. The prohibition against Insider Dealing continues to apply to a Generic Insider to whom a pre-approval has been granted.
29. A previously approved private order that has not been executed within the approved timeframe may only be amended if the intended amendment is submitted for pre-approval to, and approved by BCRM, in accordance with the process described in this chapter XIII.
30. A Generic Insider or his asset manager does not inform others on the decision of BCRM whether a submitted private order may be performed, with the exception of persons who are also authorized to operate on the account of the Generic Insider.

31. The pre-screening requirement shall not apply to:
- a) Financial Instruments in a (semi) open-ended investment institution, provided that the Generic Insider does not hold any management or control function in the investment institution;
 - b) Government bonds issued by OECD countries;
 - c) The acceptance of Financial Instruments ING offered by ING Groep under a Staff Scheme in accordance with the applicable conditions of such scheme;
 - d) A transaction under a Discretionary Management Agreement that meets the conditions included in the definition of Discretionary Management Agreement.

XIV. Account on which others are authorized to operate

32. A transaction in Financial Instruments that is executed through an account on which also others are authorized to operate shall be deemed to have been executed by the Generic Insider.
33. A Generic Insider who holds such account shall:
- a) inform the other holders of the account that the holding of the account may restrict them in the execution of transactions through the account;
 - b) make every reasonable effort to ensure that the other holders of the account do not execute any transaction in Financial Instruments through the account, if this would result in a violation of this Code by the Generic Insider who shall be deemed to have executed such transaction.

XV. Exercising influence on portfolios of others

34. A transaction in a portfolio of Financial Instruments of another person on which a Generic Insider exercises influence shall be deemed to have been executed by the Generic Insider.
35. A Generic Insider who exercises influence on the portfolio of Financial Instruments of another person shall make every effort to ensure that the other person:
- does not execute any transaction that would entail a violation of this Code by the Generic Insider; and
 - provides all information concerning the transactions executed by him whenever so requested by BCRM.
36. This Chapter XV is not applicable where a Generic Insider exercises influence on the portfolio of Financial Instruments of another person in the normal exercise of his work, profession or duties.

XVI. Discretionary Management Agreement (DMA)

37. The definitions relating to this Code provide a detailed description of the requirements that apply if a Generic Insider enters into a DMA, including the requirement that a Generic Insider who intends to enter into a DMA must submit a draft DMA for approval to the CCO (see the definition of DMA).

XVII. Additional rules for Generic Insiders

38. The management of ING Groep or (a unit of) ING Bank within the Netherlands shall make additional rules for a Generic Insider of that unit if his employment, profession or duties require to do so or if otherwise reasonably needed.

XVIII. Supervision and tracking records

39. BCRM shall supervise the implementation of and compliance with this Code.
40. BCRM shall, in accordance with the applicable laws and regulations, keep a record of:
 - a) the granted exemptions on (specific) terms of this Code;
 - b) private orders in Financial Instruments submitted for approval;
 - c) private transactions in Financial Instruments executed by Generic Insiders (as far as pre-approval has been requested in accordance with this Code); and
 - d) the Discretionary Management Agreements entered into by Generic Insiders including all amendments thereto.
41. Upon request a Generic Insider shall provide all information deemed necessary by BCRM concerning transactions in Financial Instruments executed by the Generic Insider.

XIX. Confidential treatment of information obtained

42. The information obtained under this Code will be kept confidential and is accessible only to BCRM, unless providing information to others is required by law, regulations, court order, industry standards or otherwise reasonably needed.
43. BCRM can also use the information obtained, if needed, in the context of:
 - a) the 'Procedure for irregularities', the 'Special Investigation Policy' or other relevant procedures;
 - b) a report (of a violation) to the Supervisory Board of ING Group, the Executive Board of ING Group, the Management Board Banking, the (internal and external) auditors of ING Group or an involved company or legal entity belonging to ING Group.

XX. Reporting violations

44. Before BCRM reports a violation of this Code, it informs the Generic Insider hereof.
45. The relevant Generic Insider shall be given the opportunity to respond to the report of the BCRM and his response will be added to the report.

XXI. Sanctions

46. A Generic Insider who is suspected of a violation of this Code may be subject to the 'Procedure for irregularities' included in Appendix 1 of the General Code of Conduct ING Netherlands, the 'Special Investigation Policy' or other relevant procedures. In the event of a violation of this Code, ING Groep, or the legal entity or company belonging to ING Groep where the Generic Insider is employed may impose all appropriate sanctions pursuant to applicable law and/ or the (employment) agreement, including termination of the (employment) agreement. For a description of market abuse prohibitions and related maximum sanctions see the 'Q&A Generic Insider Code and Insider Code ING.

XXII. Providing exemptions

47. The CCO is authorized to grant an exemption to specific conditions of this Code at the written reasoned request of an involved party or on his own authority power.

XXIII. Authority to interpret and appeals

48. If there is any lack of clarity regarding the interpretation or application of this Code and in cases not provided for by this Code, the CCO can take a decision either or at the request of an involved party.
49. A Generic Insider may file a written reasoned appeal against such a decision of the CCO to the CRO. The CRO then shall within four weeks after receipt of the appeal provide a written decision which is binding for all parties concerned.
50. An appeal lodged under this Chapter shall have no suspense effect of the decision taken by the CCO unless the CCO decides otherwise.

XXIV. Financial disadvantage

51. ING is not liable for any financial disadvantage of a Generic Insider that arises from (the application of) this Code, unless there is a case of serious negligence on the part of ING.
