



Insider Code ING Bank

Bank Compliance Risk Management Annex to the ING Market Abuse Policy (2015)

1 July 2016

INFORMATION SHEET

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

The definitions 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 Insiders ING 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 Insiders ING professionally based in the Netherlands. Exceptions may apply to certain employees of ING outside the Netherlands.
A person can qualify as Insider ING if he has been designated as such by his manager or by virtue of his function with ING. Insiders ING will be informed hereof in writing.
2. Additional requirements or exceptions to this Code may apply to certain Insiders ING.
3. This Code shall continue to apply to an Insider ING up to three months after the Insider ING has ceased to occupy his respective function with ING or has ceased to be designated as Insider ING by his manager.
4. This Code shall take precedence over the conditions of any Staff Scheme.

III. Key obligations

5. An Insider ING is only permitted to execute private transactions in ING Financial Instruments during an Open Period.
6. An Insider ING refrains himself from:
 - a) Insider Dealing in ING Financial Instruments ;
 - b) Recommending or encouraging others to engage in Insider Dealing in ING Financial Instruments ;
 - c) Unlawful disclosure of Inside Information relating to ING;
 - d) Market Manipulation in ING Financial Instruments;
 - e) Undertaking an attempt of the behaviors described above.

IV. Insider Dealing in ING Financial Instruments

7. Insider Dealing in ING Financial Instruments can take a wide variety of forms. In essence it involves:
 - a) the use of Inside Information relating to ING by executing private transactions in ING Financial Instruments ;
 - b) the use of Inside Information relating to ING by canceling or amending an existing private order for a Financial Instrument ING 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 relating to ING.
8. An Insider ING who possesses Inside Information relating to ING and executes a private transaction in ING Financial Instruments is considered to have used the Inside Information and therefore commits Insider Dealing in ING Financial Instruments , unless:
 - an exception applies (Article 15); or
 - the Insider ING 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.
9. An Insider ING is prohibited from executing private transactions in ING Financial Instruments if this would create the foreseeable appearance of Insider Dealing in ING Financial Instruments .
10. Detailed descriptions of the terms Insider Dealing and ING Financial Instruments are included in the definitions relating to this Code.

V. Recommending or encouraging others to engage in Insider Dealing in ING Financial Instruments

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

VI. Unlawful disclosure of Inside Information relating to ING

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

VII. Market Manipulation in ING Financial Instruments

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 an ING Financial Instrument;
 - ii. brings, or is likely to bring, the price of an ING Financial Instrument at an abnormal or artificial level; or
 - iii. affects, or is likely to affect, the price of an ING 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 an ING 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. Detailed descriptions of the terms Market Manipulation and ING Financial Instruments are included in the definitions relating to this Code.

VIII. Exception

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

The Insider ING 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 relating to ING; or
- 2. the private transaction is executed to fulfil a legal or regulatory obligation that arose before he possessed the Inside Information relating to ING.

16. Notwithstanding Article 15 of this Code, the AFM preserves the right to conclude that a violation of the prohibition against Insider Dealing in ING Financial Instruments 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.

17. The requirement that an Insider ING is only permitted to execute a private transaction in ING Financial Instruments during an Open Period does not apply to:
- transactions that fall under the scope of the exception to the prohibition against Insider Dealing in ING Financial Instruments (as described in Article 15);
 - transactions made under a Staff Scheme in accordance with the applicable conditions of such scheme; or
 - transactions where the beneficial interest in the relevant ING Financial Instruments does not change.

IX. Treatment of Inside Information and other confidential information relating to ING

18. An Insider ING who possesses Inside Information relating to ING treats this information strictly confidential. An Insider ING who intends to share Inside Information (or other confidential information) relating to ING within ING Bank, shall observe the applicable Information Barriers.
19. An Insider ING reports the Inside Information relating to ING 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 a project insider or permanent project insider by BCRM; or
 - b) it can reasonably be assumed that the Inside Information is already known to compliance.

X. Restraint in private transactions

20. An Insider ING must be cautious in his private transactions in ING Financial Instruments and refrains from transactions that may be regarded as excessive or highly speculative.

XI. Minimum holding period

21. Insiders ING may not place any opposite order in relation to ING Financial Instruments within the same Open Period.
22. Article 21 of this Code shall not apply to an Insider ING who immediately after exercising his ING employee options sells the acquired ING Financial Instruments.

XII. Location obligation

23. The CCO shall designate the Investment Companies where an Insider ING must hold his ING Financial Instruments. The Insider ING may only execute private transactions in ING 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.
24. This location obligation also applies to an account of an Insider ING on which also others are authorized to operate.
25. The location obligation (set out in Article 23 and 24) shall not apply to:
 - a) ING employee options which cannot be administered on an account of an Investment Company as designated by the CCO (see Article 23);
 - b) transactions in ING Financial Instruments for which a Discretionary Management Agreement was concluded that meets the conditions set out in the definition of Discretionary Management Agreement;
 - c) temporary Insiders ING to which this Code applies during a limited period of time of maximum 1 year provided that the exception is approved by the CCO;
 - d) Insiders ING who also qualify as US Person according to the “Providing Securities Activities to U.S. Persons Policy”.

XIII. Pre-screening of private transactions in ING Financial Instruments

26. An Insider ING submits his (intended) private transaction in ING Financial Instrument for pre-approval to BCRM.
27. As soon as reasonably possible, BCRM verifies whether the interest of ING Group and Bank opposes the submitted private transaction in ING Financial Instruments .
28. As soon as reasonably possible, BCRM notifies the Insider ING whether or not the intended private transaction may be executed without specifying the grounds for its decision.
29. 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 an Insider ING to whom a pre-approval has been granted.
30. 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.
31. An Insider ING 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 Insider ING.
32. The pre-screening requirement shall not apply to:
 - a) the acceptance of ING Financial Instruments offered by ING Group under a Staff Scheme in accordance with the applicable conditions of such scheme;
 - b) 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

33. A transaction in ING 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 Insider ING.
34. An Insider ING 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 ING Financial Instruments through the account, if this would result in a violation of this Code by the Insider ING who shall be deemed to have executed such transaction.

XV. Persons Obligated to Notify

35. Persons Obligated to Notify shall promptly notify BCRM and the AFM of every transaction executed on their own account in ING shares or ING debt instruments or to derivatives or other financial instruments linked thereto.
36. A Person Obligated to Notify is always personally responsible for the timely and correct notifications of such transactions to BCRM and the AFM.
37. An Insider ING who qualifies as a Person Obligated to Notify shall be informed hereof by BCRM. BCRM shall also inform the Person Obligated to Notify of his regulatory duties in this respect. Once a Person Obligated to Notify ceases to qualify as such according to BCRM, BCRM shall inform the person concerned hereof.
38. A Person Obligated to Notify may make a written request to BCRM to make the notifications to the AFM on his behalf. BCRM may impose additional conditions in this regard.
39. A Person Obligated to Notify shall make every reasonable effort to ensure that Persons Closely Associated with him shall promptly notify BCRM and the AFM of every transaction executed on their own account in ING shares or ING debt instruments or to derivatives or other financial instruments linked thereto.

XVI. Additional rules for Insiders ING

40. The management of ING Group or (a unit of) ING Bank shall, if reasonably needed, make additional rules for an Insider ING of that unit if his employment, profession or duties require to do so.

XVII. Open and Closed Periods

41. Before 1 December of each year BCRM shall announce the Open and Closed periods for the following year. Amendments or additions in the course of the year shall be announced immediately.

XVIII. Supervision and tracking records

42. BCRM shall supervise the implementation of and compliance with this Code.
43. 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 ING Financial Instruments submitted for approval;
 - c) private transactions in ING Financial Instruments executed by Insiders ING as far as pre-approval has been requested in accordance with this Code;
 - d) the Discretionary Management Agreements entered into by Insiders ING including all amendments thereto.

44. Upon request an Insider ING shall provide all information deemed necessary by BCRM concerning transactions in ING Financial Instruments executed by the Insider ING.

XIX. Confidential treatment of information obtained

45. 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.
46. 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

47. Before BCRM reports a violation of this Code it informs the Insider ING hereof.
48. The involved Insider ING shall be given the opportunity to respond to the report of BCRM and his response will be added to the report.

XXI. Sanctions

49. An Insider ING 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 Group, or the legal entity or company belonging to ING Group where the Insider ING is employed may impose all appropriate sanctions pursuant to applicable law and/or the (employment) agreement, including termination of the (employment) agreement.

XXII. Providing exemptions

50. The CCO is authorized to grant an exemption to (specific conditions of) this Code at the written reasoned request of an involved party.

XXIII. Authority to interpret and appeals

51. 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 at the request of an involved party.
52. An Insider ING may file a written reasoned appeal against such a decision of the CCO to the CRO. The CRO shall within four weeks after receipt of the appeal provide a written decision which is binding for all parties concerned.
53. An appeal lodged under this Chapter shall have no suspense effect of the decision of the CCO, unless the CCO decides otherwise.

XXIV. Financial disadvantage

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