

Overview of ING Commercial Banking Order Execution Policy

1. Who will be affected?

The ING Commercial Banking Order Execution Policy¹ shall apply to both Professional and Retail Clients (as defined in EU MiFID; 2004/39/EC) for the handling and execution of orders in financial instruments (again, as defined in EU MiFID; 2004/39/EC).

2. What is best execution?

Best execution is how we ensure that we take all reasonable steps to obtain the best possible result in the execution of client orders, taking into account the factors and criteria listed below.

In some circumstances, we may not legally owe you a duty of best execution. Please note, where you give us a specific instruction in relation to your order, we will execute your order in accordance with that instruction. When we act under such instructions from you, you must be aware that in so doing we may not be able to follow the steps in our Order Execution Policy to obtain the best possible result for you (please refer to Section 3.4: 'Exceptions to best execution').

It should also be noted that we are not under an obligation to obtain the best possible result for each individual order; rather we will apply our Order Execution Policy to your orders with a view to obtaining the best possible result in accordance with our Order Execution Policy. However, regardless of any legal obligation to do so, we uphold the highest standards of integrity and fairness for the execution of client orders and will always take the client's interest into consideration.

3. Best execution factors, criteria, venues and exceptions²

3.1 Best execution factors

In achieving the best possible result, we will take into account the following factors:

- Price;
- Costs;
- Trader discretion, e.g., a trader may also weigh execution factors such as speed, likelihood of execution and settlement, the size and nature of the order and any other consideration relevant to achieving the best possible result.

If you are categorized as a Retail Client, the emphasis in achieving the best possible result will be on price and costs, whereas for Professional Clients it is more likely that the above trader discretion factors may be taken into account as well.

3.2 Best execution criteria

We will determine the relative importance of the above mentioned factors. This determination shall be based on our commercial experience and judgement in the light of available market information at the relevant time and taking into account the best execution criteria considering:

- The characteristics of the client;
- The size and nature of the client order;
- The characteristics of the market.

Based on the application of these best execution factors and the above criteria, ING Commercial Banking shall select the best venue to execute your order.

¹ For purposes of the ING Commercial Banking Order Execution Policy, the name ING Commercial Banking is intended, particularly, to include ING Commercial Banking Equity Markets and ING Commercial Banking Financial Markets. ING Commercial Banking is a trading name of ING Bank N.V. and its branches and subsidiaries. In Europe these would include ING Bank N.V. and its branches and subsidiaries. In Europe these would include: ING Bank N.V., ING Belgium S.A., ING Bank Luxembourg SA, ING Bank Deutschland AG, ING Bank Slaski S.A., ING Securities S.A. Warsaw, ING Bank Zrt. (Hungary) and ING Securities S.A (Romania) 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 Commercial Banking.

² Except in the event of gross negligence or wilful default in acting on your instructions, we will not be responsible for any delay or inaccuracy in transmitting your instructions to a third party nor in executing your transactions. Once given, instructions may only be withdrawn or amended with our consent. We can only cancel your instructions if we have not already acted upon those instructions. If, after instructions are received, we reasonably believe that it is in your best interest not to act on such instructions, we may defer acting upon those instructions until it is in our reasonable opinion, practicable (or in your best interest) to do so, or notify you that we decline to act upon such instructions. We will not be liable for any losses resulting from such deferral or refusal.

3.3 Execution venues

ING Commercial Banking shall execute client orders by one of the following methods or combination of methods:

- Directly or indirectly on a regulated market (usually exchanges where companies have their primary listing or where securities are admitted to trading and also those exchanges where derivatives are listed and traded).
- Directly or indirectly on a Multilateral Trading Facility ("MTF").
- Our own book (which may, for some MiFID instruments, result in the pricing of the transaction being centralised in a regional trading hub e.g. Amsterdam, Brussels, London or Warsaw).
- The book of another broker or investment firm.
- Systematic Internalisers ("SI's) which are investment firms who on an organised frequent and systematic basis deal on their own account by executing client orders outside a regulated market or MTF.
- Other liquidity providers that have a similar function to any of the above (which includes non-EEA regulated markets and exchanges).
- Crossing the order with a matching order of another client.

When we execute client orders using a third party, we will ensure that their execution arrangements are adequate to enable us to comply with our best execution obligations.

We are also required to take steps so that we do not structure or charge our commissions in such a way that we discriminate between execution venues to your detriment.

3.4 Exceptions to best execution

Best execution does not apply, or is modified in its application, to the following transactions:

- Request for Quote Trading: where the client merely requests or takes a price but is not relying on ING Commercial Banking to protect its interests.
- Highly structured and customised transactions: e.g. customised OTC financial instruments, tailored to the specific circumstances of the client, for which the market does not provide a comparable alternative.
- Single venue transactions: if the order given by the client relates by definition to only one venue.
- Direct market access: where the client has direct market access through an electronic interface provided by the firm and in each case it links only to a certain exchange.
- Specific client instruction: where we receive a specific client instruction we must execute in accordance with it and to that extent our obligation of best execution is satisfied.

4. General Terms of Order Handling

Under MiFID we are required to execute client orders in a prompt, fair and expeditious manner relative to other client orders and our own trading interests. We will execute otherwise comparable client orders sequentially in accordance with the time of their reception unless:

- Otherwise instructed by the client; or
- The characteristics of the client order or prevailing market conditions make such course of action impracticable; or
- The interest of the client requires otherwise.

Client orders and transactions for own account will not be carried out in aggregation with each other unless:

- It is unlikely that the relevant aggregation of the client order and own account transactions will work to the disadvantage of the client whose order is to be aggregated; and
- It has been disclosed to the client whose order is to be aggregated that the effect of aggregation may work to its disadvantage; and
- We comply with our order allocation procedures.

Under MiFID we are also required to obtain the express consent of our clients in order for us to execute a client order outside of a regulated market or MTF.

In the case of client limit orders (as defined in MiFID) in respect of shares admitted to trading on a regulated market which are not immediately executed under prevailing market conditions, we will pass that order to the relevant execution venue to be immediately displayed unless:

- Expressly otherwise instructed by the client; or
- The limit order is large in scale compared to normal market size (as defined in MiFID).

5. Monitoring and review

We will monitor compliance with our Order Execution Policy and assess its effectiveness on a regular basis.

We will review our Order Execution Policy at least annually. We will notify our clients of any material changes to our Order Execution Policy by posting an updated version on; www.ingcommercialbanking.com/mifid. By carrying on business with us after we have posted an updated version, you shall be deemed to have consented to such changes to the Order Execution Policy, unless you notify us that you do not agree with certain changes to the Order Execution Policy.