ING Solutions Investment Management

European SRI Transparency Code

Funds aligned with European SRI Transparency Code

ING Aria-ING Impact Fund Moderate
ING Aria-ING Impact Fund Balanced
ING Aria-ING Impact Fund Active
ING Aria-ING Impact Fund Dynamic

October 2022

The European SRI Transparency Code (the Code) focuses on SRI funds distributed publicly in Europe and is designed to cover a range of assets classes, such as equity and fixed income.

All information pertaining to the European SRI Transparency Code can be found at the following website: www.eurosif.org. The Code comes with a Guidance Manual for fund managers on how to best use and respond to the Code. The present version of the Code was approved by the Board of Eurosif on February 19, 2018.

REVISION OF THE CODE

In 2017 the Code was updated to better reflect the continuing evolution of the European SRI market. A Working Group was set up to facilitate revision of the Code in line with the latest developments in the industry and in view of the latest work carried out by experts at the European and global level.

Applications to sign up to the Code will now be in line with key elements of the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD), Article 173 of the French TECV Act and the latest recommendations made by the High-Level Group of Experts on Sustainable Finance (HLEG) in its final report published in January 2018. Questions that are specifically designed to reflect those recommendations/legislation are indicated in the Code with footnotes.

TWO KEY MOTIVATIONS UNDERPIN THIS CODE

- The opportunity for retail SRI funds to provide clarification to investors and other stakeholders about their SRI approach in an easily accessible and comparable format.
- Proactive strengthening of self-regulation to contribute to the development and promotion of SRI funds by setting up a common framework for transparency best practices.

GUIDING PRINCIPLE

Signatories to the Code should be open and honest and should disclose accurate, adequate and timely information to enable stakeholders, especially consumers, to understand the ESG policies and practices of the fund.

COMMITMENTS BY SIGNATORIES

- The order and exact wording of the questions should be followed;
- Responses should be informative and clear, and the resources and methodologies used should be described in as much detail and as precisely as possible;
- Funds should report data in the currency that they use for other reporting purposes;
- Reasons preventing the fund from providing all or part of the information to a given question should be clearly stated and, in such cases, signatories should state when they will be able to answer the question;
- Responses should be updated at least on an annual basis and should have a precise publication date;
- Responses to the Code should be easily accessible from the website of the fund and/or of the fund manager. In any case, signatories should make it clear where to find the information required by the Code;
- Signatories are solely responsible for the answers to the questions and should state this in their response.

Statement of Commitment

Sustainable and Responsible Investing is an essential part of the strategic positioning and behaviour of ING Solutions Investment Management S.A. We have been involved in SRI since 1996 through ING Bank N.V and welcome the European SRI Transparency Code.
This is our first statement of commitment and covers the period October 2022 to October 2023. Our full response to the European SRI Transparency Code can be accessed below and is available in the annual report of the retail funds and on our website.

Compliance with the Transparency Code

ING Solutions Investment Management S.A is committed to transparency, and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate. ING Solutions Investment Management S.A. meets the full recommendations of the European SRI Transparency Code.

Eurosif classification of Sustainable and Responsible Investment[1] strategies

Sustainability Themed Investment: investment in themes or assets linked to the development of sustainability. Thematic funds focus on specific or multiple issues related to ESG. Sustainability Themed Investments inherently contribute to addressing social and/or environmental challenges, such as climate change, eco-efficiency and health. Funds are required to perform an ESG analysis or screening of investments in order to come under this category.

Best-in-Class Investment Selection: approach according to which leading or best-performing investments within a universe, category or class are selected or weighted based on ESG criteria. This approach involves the selection or weighting of the best-performing or most improved companies or assets as identified by ESG analysis within a defined investment universe. This approach includes best- in-class, best-in-universe and best-effort.

Norms-Based Screening: screening of investments according to their compliance with international standards and norms. This approach involves the screening of investments based on international norms or combinations of norms covering ESG factors. International norms on ESG are those defined by international bodies, such as the United Nations (UN).

Exclusion of Holdings from Investment Universe: an approach that excludes specific investments or classes of investment from the investible universe, such as companies, sectors or countries. This approach systematically excludes companies, sectors or countries from the permissible investment universe if they are involved in certain activities based on specific criteria. Common criteria include weapons, pornography, tobacco and animal testing. Exclusions can be imposed at the individual fund or mandate level, but also increasingly at the asset manager or asset owner level, across the entire product range of assets. This approach is also referred to as ethical or values-based exclusion, as exclusion criteria are typically based on the choices made by asset managers or asset owners.

Integration of ESG Factors into Financial Analysis: the explicit inclusion by asset managers of ESG risks and opportunities in traditional financial analysis and investment decisions based on a systematic process and appropriate research sources. This category covers explicit consideration of ESG factors alongside financial factors in the mainstream analysis of investments. The integration process focuses on the potential impact of ESG issues on company financials (positive and negative), which in turn may affect the investment decision.

Engagement and Voting on Sustainability Matters: engagement activities and active ownership through voting of shares and engagement with companies on ESG matters. This is a long-term process that seeks to influence behaviour or increase disclosure. Engagement and voting on corporate governance are necessary, but are not sufficient in themselves for inclusion in this category.

Impact Investing: impact Investments are investments in companies, organizations and funds with the intention of generating a social and environmental impact alongside a financial return. Impact investments can be made in both emerging and developed markets and target a range of returns from below market-to-market rate, depending upon the circumstances[2]. Investments are often project- specific and distinct from philanthropy, as the investor retains ownership of the asset and expects a positive financial return. Impact investing includes microfinance, community investing, social business/entrepreneurship funds and French *fonds solidaires*.

Contents

[1] Sustainable and responsible investment ("SRI") is a long-term oriented investment approach which integrates ESG factors in the research, analysis and selection process of securities within an investment portfolio. It combines fundamental analysis and engagement with an evaluation of ESG factors in order to better capture long-term returns for investors and to benefit society by influencing the behaviour of companies. Ref. Eurosif 2016

1. List of Funds covered by the Code

Name of the fund(s): ING Impact Fund Moderate					
Dominant/preferred SRI strategy (Please choose a maximum of 2 strategies)	**Asset class**	**Exclusions standards and norms**	**Fund capital as at 31 - Dec**	**Other labels**	**Links to relevant documents**
▪ Best-in-Class Investment section ▪ Engagement & Voting ▪ ESG Integration ▪ **√ Exclusions** ▪ **√ Impact Investing** ▪ Norms-Based Screening o Leading to exclusions o Leading to risk management analyses/engagement " ▪ Sustainability Themed	**Passively managed** ▪ Passive investing – core benchmark: specify the index tracking ▪ Passive investing – ESG/SRI benchmark: specify the index tracking **Actively managed** ▪**√ Shares in a euro area country** ▪**√ Shares in an EU country** ▪**√ International shares** ▪**√ Bonds and other debt instruments denominated in euro** ▪**√ International bonds and other debt securities** ▪**√ Monetary assets** ▪**√ Short term monetary assets** ▪ Structured funds	▪ **√ Controversial weapons** ▪ **√ Alcohol** ▪ **√ Tobacco** ▪ **√ Arms** ▪ **√ Nuclear power** ▪ **√ Human rights** ▪ **√ Labour rights** ▪ **√ Gambling** ▪ **√ Pornography** ▪ Animal testing ▪ Conflict minerals ▪ Biodiversity ▪ Deforestration ▪ **√ CO2 intensitve (including coal)** ▪ Genetic engineering ▪ Other (please specify) ▪ **√ Global Compact** ▪ **√ OECD Guidelines for MNCs** ▪ **√ ILO Conventions**	To be filled out with a number of AuM	Will be available in the next period	▪ KIID ▪ Prospectus : https://www.ing-isim.lu/webisim/content/dam/isim/pdf/ing-aria/prospectus/ING_Aria_Prospectus_EN_VISA.pdf ▪ Management report ▪ Financial and non-financial reporting ▪ Corporate presentations ▪ Other (please specify)

Name of the fund(s): ING Impact Fund Balanced					
Dominant/preferred SRI strategy (Please choose a maximum of 2 strategies)	**Asset class**	**Exclusions standards and norms**	**Fund capital as at 31 - Dec**	**Other labels**	**Links to relevant documents**
▪ Best-in-Class Investment section ▪ Engagement & Voting ▪ ESG Integration ▪ **√ Exclusions** ▪ **√ Impact Investing** ▪ Norms-Based Screening o Leading to exclusions o Leading to risk management analyses/engagement" ▪ Sustainability Themed	**Passively managed** ▪ Passive investing – core benchmark: specify the index tracking ▪ Passive investing – ESG/SRI benchmark: specify the index tracking **Actively managed** **▪√ Shares in a euro area country** **▪√ Shares in an EU country** **▪√ International shares** **▪√ Bonds and other debt instruments denominated in euro** **▪√ International bonds and other debt securities** **▪√ Monetary assets** **▪√ Short term monetary assets** ▪ Structured funds	**▪ √ Controversial weapons** **▪ √ Alcohol** **▪ √ Tobacco** **▪ √ Arms** **▪ √ Nuclear power** **▪ √ Human rights** **▪ √ Labour rights** **▪ √ Gambling** **▪ √ Pornography** ▪ Animal testing ▪ Conflict minerals ▪ Biodiversity ▪ Deforestation **▪ √ CO2 intensitve (including coal)** ▪ Genetic engineering ▪ Other (please specify) **▪ √ Global Compact** **▪ √ OECD Guidelines for MNCs** **▪ √ ILO Conventions**	To be filled out with a number of AuM	Will be available in the next period	▪ KIID ▪ Prospectus : https://www.ing-isim.lu/webisim/content/dam/isim/pdf/ing-aria/prospectus/ING_Aria_Prospectus_EN_VISA.pdf ▪ Management report ▪ Financial and non-financial reporting ▪ Corporate presentations ▪ Other (please specify)

Name of the fund(s): ING Impact Fund Active					
Dominant/preferred SRI strategy (Please choose a maximum of 2 strategies)	**Asset class**	**Exclusions standards and norms**	**Fund capital as at 31 - Dec**	**Other labels**	**Links to relevant documents**
▪ Best-in-Class Investment section ▪ Engagement & Voting ▪ ESG Integration **▪ √ Exclusions** **▪ √ Impact Investing** ▪ Norms-Based Screening o Leading to exclusions o Leading to risk management analyses/engagement" ▪ Sustainability Themed	**Passively managed** ▪ Passive investing – core benchmark: specify the index tracking ▪ Passive investing – ESG/SRI benchmark: specify the index tracking **Actively managed** **▪√ Shares in a euro area country** **▪√ Shares in an EU country** **▪√ International shares** **▪√ Bonds and other debt instruments denominated in euro** **▪√ International bonds and other debt securities** **▪√ Monetary assets** **▪√ Short term monetary assets** ▪ Structured funds	**▪ √ Controversial weapons** **▪ √ Alcohol** **▪ √ Tobacco** **▪ √ Arms** **▪ √ Nuclear power** **▪ √ Human rights** **▪ √ Labour rights** **▪ √ Gambling** **▪ √ Pornography** ▪ Animal testing ▪ Conflict minerals ▪ Biodiversity ▪ Deforestation **▪ √ CO2 intensitve (including coal)** ▪ Genetic engineering ▪ Other (please specify) **▪ √ Global Compact** **▪ √ OECD Guidelines for MNCs** **▪ √ ILO Conventions**	To be filled out with a number of AuM	Will be available in the next period	▪ KIID ▪ Prospectus : https://www.ing-isim.lu/webisim/content/dam/isim/pdf/ing-aria/prospectus/ING_Aria_Prospectus_EN_VISA.pdf ▪ Management report ▪ Financial and non-financial reporting ▪ Corporate presentations ▪ Other (please specify)

Name of the fund(s): ING Impact Fund Dynamic					
Dominant/preferred SRI strategy (Please choose a maximum of 2 strategies)	Asset class	Exclusions standards and norms	Fund capital as at 31 - Dec	Other labels	Links to relevant documents
▪ Best-in-Class Investment section ▪ Engagement & Voting ▪ ESG Integration **▪ √ Exclusions** **▪ √ Impact Investing** ▪ Norms-Based Screening o Leading to exclusions o Leading to risk management analyses/engagement " ▪ Sustainability Themed	**Passively managed** ▪ Passive investing – core benchmark: specify the index tracking ▪ Passive investing – ESG/SRI benchmark: specify the index tracking **Actively managed** **▪√ Shares in a euro area country** **▪√ Shares in an EU country** **▪√ International shares** **▪√ Bonds and other debt instruments denominated in euro** **▪√ International bonds and other debt securities** **▪√ Monetary assets** **▪√ Short term monetary assets** ▪ Structured funds	**▪ √ Controversial weapons** **▪ √ Alcohol** **▪ √ Tobacco** **▪ √ Arms** **▪ √ Nuclear power** **▪ √ Human rights** **▪ √ Labour rights** **▪ √ Gambling** **▪ √ Pornography** ▪ Animal testing ▪ Conflict minerals ▪ Biodiversity ▪ Deforestation **▪ √ CO2 intensitve (including coal)** ▪ Genetic engineering ▪ Other (please specify) **▪ √ Global Compact** **▪ √ OECD Guidelines for MNCs** **▪ √ ILO Conventions**	To be filled out with a number of AuM	Will be available in the next period	▪ KIID ▪ Prospectus : https://www.ing-isim.lu/webisim/content/dam/isim/pdf/ing-aria/prospectus/ING_Aria_Prospectus_EN_VISA.pdf ▪ Management report ▪ Financial and non-financial reporting ▪ Corporate presentations ▪ Other (please specify)

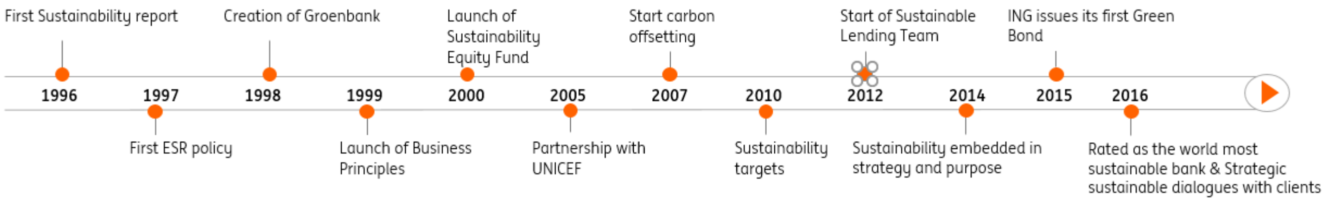
2. General information about the Funds management company

2.1. Name of the fund management company that manages the applicant fund(s)

ING SOLUTIONS INVESTMENT MANAGEMENT S.A.
Registered office:
26, Place de la Gare
L-1616 Luxembourg

2.2. What are the company's track record and principles when it comes to integrating SRI into its processes?

ING Solutions Investment Management('ISIM') is offering Sustainable Investment solutions and through ING Bank the sustainability is developing from 1996. Back then we developed a framework to screen companies on sustainability aspects. In 2001 we introduced the non-financial indicator (Nfi) for companies, and in 2015 we introduced our Responsible investing approach. ING has enforced environmental, social and governance (ESG) factors in its investment policy by creating a Sustainable Investment team within its investment department since 2000.
ING believes that investment comes with a sense of responsibility that exceeds mere financial consideration. Non-financial information is integrated in our investment selection process as we consider such intend as beneficial for investors and society alike. At ING Solutions Investment Management S.A. ('ISIM'), our aim is to offer our customers the best possible investment experience. We focus on positive long-term investment results (financial and non-financial), controlled risk with clear reporting and information for all customers.



Environmental, Social and Governance (ESG) factors have a prominent role, resulting in investment solutions beneficial for investors and society alike. In our Responsible Investment Guidelines, we are defining the levels of sustainability depending on the integration of the ESG factors embedded in the products.

In the **Traditional** investing approach, ESG aspects are not part of the investment decision process, besides mandatory exclusions such as controversial weapons. In the **Responsible** investing approach, ESG aspects are part of the investment decision process. Investment in companies with the most significant adverse impacts towards sustainability, such as coal mining or tobacco industry, are restricted. Companies conveying controversial conduct are also excluded from our portfolios following this approach. In our **Sustainable** investing approach, the investment decision is focused on ESG aspects. Investment in companies with significant adverse impacts towards sustainability is excluded, and Investment in companies providing solutions for limiting adverse impact on sustainability is promoted. In the **Impact** investing approach, a sustainable objective is pursued. Sustainability is given a higher priority over financial yield. Investment is made in companies and projects affecting positively societal or environmental matters, such as contributing to the Sustainable Development Goals (SDGs) of the United Nations.

Link to the company's sustainable investment webpages : Sustainability (ing-isim.lu)

2.3. How does the company formalise its sustainable investment process?

ISIM in its documents Responsible investment guidelines, Engagement policy and Voting policy explains the **Sustainable Top-down Investing Process** which relies on our sustainability integration tools to enforce sustainability considerations throughout this process, starting from a macro perspective. Furthermore, taking in consideration the Sustainable Finance Disclosure Regulation (SFDR) we define a Policy on Principle Adverse Impact Indicators where the management of principle adverse impacts is explained.

The overview below outlines the seven steps in the investment selection process and the extra research on sustainability issues that we can carry out when investing.

1. Determining the long-term outlook, plus long-term sustainability trends

The first step in the STIP is about the long-term outlook. Next to the interpretation of key trends in the (macro) economy and the financial markets, developments in the field of sustainability are taken into consideration in the investment decision process.

2. Asset allocation, plus ESG impacts on assets

The second step in the process involves determining the distribution of assets over the main asset classes (shares and bonds, as well as real estate or even alternative investments) to suit your investment goal, whilst keeping sustainability into consideration.

3.Sub-asset allocation, exclusion of high-risk sectors

The third step refines the allotment of investments across asset classes and industry sectors, by excluding certain business activities or sub-sectors with negative impact on environmental, social and governance factors, such as coal mining or tobacco industry.

4. Investment selection, quality, conduct and activities

Quality of management

The fourth step of the process involves selecting the companies in which investments will be made. Such decision can either be driven by anticipating financial yield and / or sustainability consideration. Financial yield often offers perspective on a shorter term than sustainability analysis which by nature focuses more on long term results. As such both types of considerations complement each-others.

Excluding risky conduct

Companies demonstrating controversial behaviour may see their performance negatively impacted. In this step of the STIP, for example, companies which activity contradicts the United Nations Global Compact guidelines are excluded from our investment strategies.

Including sustainable activities

Companies providing solutions for a sustainable future are considered into our Sustainable and Impact investing strategies.

5. Portfolio construction, a balanced portfolio

The completion of the first four steps results in a portfolio of securities balanced between sustainability considerations and financial yield.

6. Return and risk management, (adverse) impact measurement

The sixth step is the evaluation the portfolio's risk and return and sustainability characteristics. This is an ongoing process, which may require portfolio composition calibration over time to ensure long term achievement of sustainable and financial objectives.

7. Improvement, voting and engagement

The seventh and final step of the STIP consists in an extra assessment of the positions held in portfolio. This is a recursive process between steps 7 and 4b ("engagement arrow"). The idea of engagement is to discuss with companies ESG issues or to partake in their shareholders' meetings. Should a company strategy not convey sustainable features, this could ultimately lead to divestment.

Link to the sustainable investment policy

Responsible_investment_guidelines_EN.pdf (ing-isim.lu)

Link to the voting rights policy.

ING_Voting-Guidelines.pdf (ing-isim.lu)

Link to the engagement policy[3].

ING_Engagement_guidelines_EN.pdf (ing-isim.lu)

2.4. How are ESG risks and opportunities – including those linked to climate change understood/taken into account by company?[3]

ISIM is committed to the integration of the ESG tools in its investment process which enable us to detect the ESG risks and act on them. Sustainability risk means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments. Environmental factors that are considered are the company's use of energy, waste generation, level of pollution produced, utilization of resources. Social factors concern a company's relationships with other businesses and communities and its attitude towards diversity, human rights, and consumer protection. Corporate governance is concerned with the internal company affairs and its relationships with the main company's stakeholders, including its employees and the shareholders. Investments in government bonds are also sensitive to certain ESG-factors. Environmental score, the level of social progress, corruption is all taken into account when estimating the government bonds investments.

Our ESG products that we classify as Responsible, Sustainable and Impact as well as our Pension solution product, offer a spectrum of different levels of sustainability. In our sustainable investment product range where we have an integration of the ESG and best-in-class selection, we invest in companies that do not have a significant adverse impact and are providing solutions for limiting the adverse impact on sustainability. (e.g. ING Select – ING Select Duurzaam Fund, ING Aria - ING Global Index Portfolio, ING Fund – ING Sustainable, ING iCAV – ING World Fund). In our Impact investing product range, we offer solutions that integrate the ESG, have a best in class approach and have a positive impact on societal or environmental matters, such as contributing to the Sustainable Development Goals (SDGs) of the United Nations (ING Aria -ING Impact Fund).

Regarding the climate change, as a global asset manager, we have the opportunity to direct our actions and investment decisions to resolve the climate challenges and to make the impact for the better. All our Sustainable and Impact investment solutions are taking into consideration the negative impacts on the environment from fossil fuels and the use of other resources. Our analyses also estimates how our investments are contributing to the energy transition and a low carbon economy.

2.5. How many employees are directly involved in the company's sustainable investment activity?

ISIM Sustainability Team is consisted of the employees in the Portfolio Oversight Team and counts three people. The Team is part of the Global Sustainability department at ING which helps cascade sustainability responsibilities to subject-matter experts throughout the various business units. These experts help develop ING's policies, programmes and targets on sustainability-related risks and opportunities, in line with our global strategy. Our global head of Sustainability reports directly to ING's CEO. Sustainability/ESG leads in major countries have a functional line to the global head of Sustainability in order to create a stronger connection between global and local activities. ESG has become a regular topic on the Management Board Banking (MBB) agenda and all members have ESG-related key performance indicators that are cascaded through ING's business lines. The Supervisory Board also has a committee to oversee ESG topics. This committee is responsible for supervising and challenging our direction as well as endorsing and monitoring progress and advising the MBB on dilemmas. ING has also created an 'ESG Sounding Board' comprised of senior leaders who own ESG KPIs and representatives from Legal, Investor Relations and Corporate Strategy. It will help to guide the development and implementation of our strategy for ESG topics as well as monitoring and reporting on our progress. The Sounding Board is organised by Group Sustainability, who co-chairs it with the ESG Risk Centre of Expertise.

2.6. Is the company involved in any RI initiatives?

ISIM is a signatory of Principles of Responsible Investment. PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of environmental, social and governance (ESG) factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

2.7. What is the total number of SRI assets under the company's management?

As at the end of 31.03.2022 the total number of SRI investments under the company management represent 9/10 of the total assets under management which is 27 billion EUR.

3. General information about the SRI fund(s) that come under the scope of the Code

3.1. What is (are) the fund(s) aiming to achieve by integrating ESG factors?

The Funds aim to invest in companies with good sustainability management, avoid companies with controversial conduct, and select products that have a positive impact. The Funds aims to contribute to the realisation of the United Nations Sustainable Development Goals (SDGs). The SDGs are a call for action defined by the United Nations to promote prosperity while protecting the planet. We have divided the SDGs in 3 overarching themes: planet, people and prosperity, and the Funds aims to contribute to each of those 3 themes.

We further believe that by integrating the ESG factors we will maximize the financial returns and will mitigate the sustainability risks.

With our ESG tool of active shareholding, we also aim to engage with the companies to improve their sustainability or to motivate them to change their behaviour or the activities where we consider this desirable. This is a measure we take to help mitigate also future sustainability risks.

3.2. What internal or external resources are used for ESG evaluation of the issuers who make up the investment universe of the fund(s)?

As an external ESG data provider, we use Sustainalytics data, Carbon4Finance, Bloomberg and other data providers. The data from these external data providers together with our internal research is then incorporated in Sequantis application for further analyses and reporting purposes.

3.3. What ESG criteria are taken into account by the fund(s)?

Our analyses of the ESG criteria takes into account the following:

1. **International Codes of Conduct** : The analyses reflects several international guidelines like United Nations guidelines for good business practices (the Global Compact) the Principles for Responsible Investment (PRI).
2. **Sector exclusions**: Exclusion of business activities or sectors according to our proprietary exclusion policy.
3. **Organizational performance:** The ESG performance of the organization and the business model measured through the Non-Financial Indicator (Nfi) which integrates the management of ESG risks, momentum ESG score and principle adverse impact indicators on the environment and society.

ESG Risk Management			Momentum ESG Risk	Principle Adverse Impacts
Governance	Material ESG Issues	Idiosyncratic risks		
• Board and management quality and integrity, • Board structure, • Ownership and shareholder rights, Remuneration, • Financial reporting, • Stakeholder governance	• Human Capital • Business Ethics • Product Governance • Carbon – Own Operations • Occupational Health and Safety • Data Privacy and Security	An idiosyncratic issue is an issue that was not deemed material at the subindustry level, but becomes a material ESG issue for a company based on the occurrence of a severe or very severe controversy	Momentum ESG score considers the development of a company's exposure to- and management of sustainability risks over the past twelve months	• All Mandatory PAI's according to SFDR regulation • Two optional PAI's according to SFDR regulation : ▪ Investments in companies without carbon emission reduction initiatives" ▪ Average income inequality score

4. **Business conduct**: The company business conduct and exclusion of companies breaching the labor rights, human rights, environmental laws, anti - corruption, international codes of conduct
5. **Sustainable activities:** Companies which business activity is addressing important issues in the field of sustainable development are further identified against the United Nations' Sustainable Development Goals (SDGs).

3.4. What principles and criteria linked to climate change are taken into account in the

fund(s)?[3]

The Non Financial indicator that is used in the selection process as described above, have embedded environmental indicators linked to climate change. This includes the following:

- Carbon intensity and carbon exposures
- Carbon intensity (relative to revenue)
- Exposure to revenues from fossil fuels
- Extent of consumption or production of renewable energy
- Intensity of energy use compared to sectors with high climate impact
- Being active in biodiversity sensitive areas
- Amount of wastewater
- Amount of hazardous waste
- Greenhouse gas reduction policy

In order to tackle climate change, we have our proprietary exclusion policy and thresholds for the use of fossil fuels and allows 5% for production and 10% for distribution of services in those sectors.

3.5. What is the ESG analysis and evaluation methodology of the fund manager/fund management company (how is the investment universe built, what rating scale is used etc.)?

The investment universe of is built upon our Sustainable Top-Down approach that follows the next steps:

1. Determining the long-term outlook, plus long-term sustainability trends

In our Impact investing approach, sustainability is the main objective. The objective of sustainability is giving form by investing in companies and projects that contribute positively to societal or environmental problems, e.g., contributing to the Sustainable Development Goals (SDGs) of the United Nations.

2. Asset allocation, plus ESG impacts on assets

When investing sustainably, we examine which asset classes would best contribute to our sustainability objectives and better support positive ESG developments.

3. Sub-asset allocation, exclusion of high-risk sectors

When investing directly in bond, equity instruments companies from the following industry sectors are excluded from our investment selection process:

- Alcohol
- Animal welfare / Fur
- Coal
- Controversial weapons (be it nuclear, biological, or chemical weapons, or cluster munition)
- Gambling
- Nuclear power
- Oil and non-conventional gas
- Adult entertainment
- Tobacco
- Weapons

We will not invest in companies with a focus on any of these activities Companies are also excluded should their revenue derive only partly from these industry sectors. For Controversial weapons we have a threshold of 0%, for nuclear power 30%, for all the other activities 5% for production and 10% for distribution or services. By doing so we expect to limit possible sustainability risks, but also limit the adverse impacts on sustainability of the companies in our portfolios.

Sustainable characteristics of companies in which we invest in are reviewed on a yearly basis for consistency. Any company which business activity no longer matches our sustainable requirements will be disinvested.

[3] Reference to Article 173 of the French TECV Act see paragraphs 3 and 4 of Article D.533-16-1 of Chapter III of the French Legal Code): https://www.legifrance.gouv.fr/affichCodeArticle.do?cidTexte=LEGITEXT000006072026&idArticle=LEGIARTI00 0031793697

When investing in sovereign bonds, the robustness of the state and its institutions are assessed, based on the following three aspects relevant to sustainable investing:

- Environment:
  - Environmental Performance Index (EPI)
- Society:
  - Social Progress Index (SPI)
  - Exclude government bonds of countries which carry out the death penalty
  - Signatory of at least one of two treaties: Ottawa Convention, and Convention on Cluster Munitions
- Governance:
  - Corruption Perception Index

Only sovereign bonds that score above average against the indices, and positively on the two exclusions are retained in our Impact investing universe.

Sustainability bonds are bonds from companies or sovereigns that have special sustainability characteristics. Issuing companies are assessed as to whether they meet our sustainability requirements. Extra analysis is performed at instrument level to ascertain for instance that a bond is aligned with the best practices as defined by ICMA's Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainable Bonds Guidelines (SBG). These voluntary process guidelines enforce transparency and promote integrity in the development of these sustainability bonds. In our Impact investing solution, only sustainable issuers issuing green, social, or sustainable bonds are retained.

Direct investment in sovereign bonds in our portfolios are limited to bonds of OECD countries.

4. Investment selection, quality, conduct and activities

Organization

In recent decades, SRI has evolved from a strategy based on excluding certain unsustainable activities (such as weapons, tobacco and fur) to a strategy that focuses on inclusion; investing in companies that contribute positively to sustainability. ING has been relying on Sustainalytics (now part of Morningstar), one of the largest providers of sustainability data. Data are combined to measure sustainability into one metric, the Nfi. Non-financial indicators are further described in the Governance section of the Responsible Investment Guidelines.

Business conduct

The sustainability assessment based on Nfi is complemented by a review of company business conduct. Such exclusion on conduct focuses on the following aspects:

- Labour
- Human rights
- Environment
- Anti-corruption
- Animal welfare
- International codes of conduct

We exclude a company when its conduct is seen as contradicting the Global compact principles. For our Impact investing approach we exclude very severe controversial conduct and severe controversial conduct (category 4 and sometimes 3 by Sustainalytics).

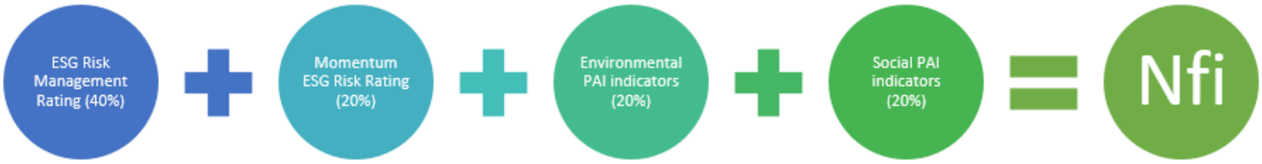
Business activity

After compiling the Sustainable Investment universe, companies which business activity is addressing important issues in the field of sustainable development are further identified against the United Nations' 17 Sustainable Development Goals (SDGs). Matching companies are then included in our investment universe.

Companies matching the following requirements are considered as Sustainable Investment:

- Nfi = (best 70%)
- Sustainable exclusions on conduct
- Sustainable exclusion on activity
- Have sustainable revenues of at least 5%, as measured with Sustainalytics Sustainable product revenue data.
- Or for bonds are labelled as green, social, climate or sustainable bond.

The Non-Financial Indicator(Nfi) shows how a company scores on the management of material environmental and social factors compared to others within its sector. To measure this, we look at three ESG aspects: the management of ESG Risks, the ESG risk momentum and the principal adverse impact indicators as defined by the SFDR.



Companies that can be selected for our Impact portfolios are given Nfi grades of = + (best 30%) or ++ (best 10%). Companies with inferior scores are given Nfi grades of 'Nfi –' or 'Nfi - -' (the worst 10%).

The element with the greatest weight (40%) is the ESG Risk Management score. This score, compiled by Sustainalytics, measures the extent to which a company manages sustainability risks. With this score, we take into consideration six to nine key sustainability issues. These range from greenhouse gas emissions and corporate governance to employee relations. The topics used to measure ESG Risk Management may differ per company due its activities. Given the large number of subjects that contribute to this score, we give this measurement the highest weight in the Nfi methodology.

The second element, the Momentum ESG score, we give a weight of 20%. This element looks at the development of a company's exposure to and management of sustainability risks over the past twelve months. We believe it is important that companies do stay stationary and continue to develop their awareness of sustainability. In that case, we show our appreciation by means of a higher Nfi score.

The third and fourth elements both are related to PAI indicators. These are indicators that reflect a company's (Principal Adverse Impact) on sustainability. These indicators were created by the European Union with the aim of creating transparency in the field of sustainability and to reduce the negative impact of companies.

Environmental PAI indicators constitute 20% of the final score. This includes the following indicators:

- Carbon footprint (relative to enterprise value)
- Carbon intensity (relative to revenue)
- Exposure to revenues from fossil fuels
- Extent of consumption or production of renewable energy
- Intensity of energy use compared to sectors with high climate impact
- Being active in biodiversity sensitive areas
- Amount of wastewater
- Amount of hazardous waste
- Greenhouse gas reduction policy

Social PAI indicators determine the last 20% of the Nfi score. This group includes the following indicators:

- Processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- The gender pay gap
- Board gender diversity

Once we have determined which data, we need for each of the four elements, we calculate the individual score per indicator and per company.

- We determine the ranking between zero and one (0-worst, 1-best). This is how each company determines where it stands in relation to other companies in its sector.
- After this calculation, we add up the rankings for each indicator, per element, for each company and divide them by the number of indicators of each element. In this way we end up with a ranking for all companies for each of the four elements.
- As mentioned earlier, the four elements have their own specific weight. This leads to an overall score.
- We rank this score again so that we can classify all companies by sector into deciles.
- With these deciles we can classify companies into the categories that are distinctive for the Nfi. These can be found in the table below.

Five categories of sustainability: Nfi --, Nfi -, Nfi =, Nfi + and Nfi ++

After the various score calculations on sub-aspects, we determine a relative score for each company in relation to the other companies in the relevant sector that we have assessed. We rank the companies on their sustainability score and divide them into five Nfi categories. The final Nfi++ rating means that the company is in the top 10% of its sector. Nfi – (and of course Nfi --) stands for an unsatisfactory rating and is automatically a reason to exclude the company from ING's sustainable universe. This means that it is not eligible to be selected for the Impact investing approach. The other three Nfi categories also provide an indication of a company's relative sustainability performance. The category Nfi -- (the worst-scoring 10% in the Nfi determination) indicates that the company has no vision of important social developments or is not transparent about this.

3.6. How often is the ESG evaluation of the issuers reviewed? How are any controversies managed?

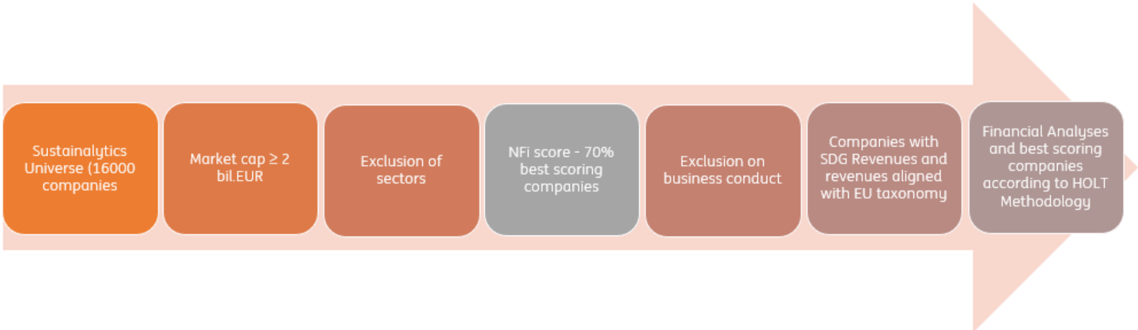
In addition to the risk and return characteristics, the results from non-financial metrics are reviewed for consistency on a yearly basis and may trigger portfolio composition calibration over time to ensure long term achievement of sustainable and financial objectives. CO2 footprint of investees is also assessed. It is intended to add extra measures on sustainability impacts on top of CO2 footprint and get more grip on related risks of the portfolio over time.

4. Investment process

4.1. How are the results of the ESG research integrated into portfolio construction?

The portfolio construction integrates the ESG results in the creation of the Impact universe of the companies after which the financial analyses is done. The results of the analyses should be a selection of companies that excel both on sustainability, impact and financial characteristics.

Following is the process for the selection of equity direct lines in the portfolio.



4.2. How are the criteria specific to climate change integrated into portfolio construction?

The indicators that are measuring the impact on climate change are considered during the selection of the instrument and the analyses of the business model, and they are embedded in our Nfi score.

4.3. How are the issuers that are present in the portfolio, but not subject to ESG analysis evaluated (not including mutual funds)?

All direct investments in the Funds are subject of ESG analyses. We do not consider companies for investment if there is not a sufficient data available to estimate their ESG characteristics.

4.4. Has the ESG evaluation or investment process changed in the last 12 months?

The ESG investment process has changed in the last 12 months in order to be more aligned with the new regulations and to include more sustainability tools.

4.5. Is a part of the fund(s) invested in entities pursuing strong social goals/social enterprises?

Our approach which also contains the best-in-class tools contributes to a selection of companies with a strong social goal.

4.6. Does (do) the fund(s) engage in securities lending activities?

No

4.7. Does(do) the Fund(s) use derivative instruments?

No

4.8. Does (do) the fund(s) invest in mutual funds?

(if so, how do you ensure compatibility between the policy for selecting mutual funds and the SRI policy of the fund(s)? How many funds can be held?)

The fund is invested in mutual funds and it can hold 15 mutual funds. When investing in Funds, we ascertain how their asset managers integrate ESG criteria in their investment decision process. This results in an ESG Fund survey where asset and product managers are questioned about:

- Their responsible investment policy
- Membership of the PRI
- Active engagement and voting programmes
- Integration of sustainability risks
- Exclusions of controversial weapons
- Exclusions of tobacco
- Exclusions of coal
- Exclusion of UN Global Compact Principle offenders

Above listed elements are completed in this investing approach with the additional criteria such as, but not limited to:

- Animal welfare / fur
- Oil and non-conventional gas
- Gambling
- Nuclear Power
- Adult entertainment
- Weapons

Asset manager investment decision process is further assessed following a two-step analysis:

- The first step is a 'quantitative' test, i.e., a numerical assessment of a wide range of factors. A detailed questionnaire to investment fund managers. The answers give us insight about their intake on sustainability and how this transpose in their management of assets. In this step we also perform a holding check: all securities (stocks, bonds, and other securities) within a mutual fund will be compared to ING's sustainable universe. This comparison highlights the differences in the sustainability assessment of companies between the ING and the investment fund concerned. This enables us to have a look-through of the fund and check if the fund is exposed to controversial activities or invested in some of the exclusions we agreed on. Any differences will be reported and discussed with the asset manager.
- The second step is a qualitative assessment. For this, we initiate discussions with the fund management. During these conversations, we discuss the results of the questionnaire and the holding check and examine the fund manager's motives. We also compare the company names in the fund portfolio with our own Sustainable Investment universe.

Investment funds are included in our investment universe based on the outcome of the survey. In case an investment fund is not matching our Impact investing approach / is no longer labelled as Article 9 product; it is either excluded from our investment universe or we initiate an improvement process with the fund or asset manager.

5. ESG controls

5.1. What internal and/or external control mechanisms are in place to ensure compliance of the portfolio with the ESG rules on managing the fund(s) as defined in section 4?

The internal controls in place that ensure compliance of the portfolio with ESG rules are executed within the Portfolio oversight and Risk department team within the company. The proper reports on current ESG indicators are reported on the Management board meetings as well as on the portfolio oversight meeting.

6. Impact measures and ESG reporting

6.1. How is the ESG quality of the fund(s) assessed?

The ESG quality of the Funds is assessed through the analyses that consists of the different ESG criteria that were mentioned in the document including the realization of the sustainable objective to contribute to SDG goals and people, planet and prosperity themes. The quality of the other ESG factors including sector exclusions, controversies are also part of the assessment of the ESG quality of the Funds.

The Funds will also apply for ESG labels that will ensue the quality of the ESG integration.

6.2. What ESG indicators are used by the fund(s)?

The ESG indicators that are used by this Fund include:

- % of AUM contributing to People, Planet and Prosperity themes as defined in our investment objectives
- % of AUM in sustianable investment as defined in our Sustainable Investment Approach
- % of AUM in companies that do not have severe and very severe controversies
- % of AUM in companies that are not involved in sector exclusions
- % of sovereign bonds labeled as Green, Social, and Sustainable

6.3. What communication resources are used to provide investors with information about the SRI management of the fund(s)?

The information about the SRI management will be available on our web site through the following documents:

- Factsheets
- Annual Report
- Impact report
- Periodic reporting according to the Sustainable Finance Disclosure Reporting

6.4 Does the fund management company publish the results of its voting and engagement policies?(*If so, please include links to the relevant activity reports*.)

The Funds according to its investment process will be engaged in its investee activities and will report on its engagement and voting policy as of mid-2023 year.