Guideline relating to the

SUSTAINABLE EUROPE LOW RISK EQUITY INDEX

Version 1 Dated 27 May, 2015

Contents

Introduction

1 Index specifications
1.1 Short names and ISINs
1.2 Initial value
1.3 Distribution
1.4 Prices and calculation frequency
1.5 Decision-making bodies
1.6 Publication
1.7 Historical data
1.8 Licensing

2 Composition of the index
2.1 Index concept
2.2 Ordinary adjustment

3 Calculation of the Index
3.1 Index formula
3.2 Selection Methodology
3.3 Weighting Methodology
3.4 Accuracy
3.5 Calculation of the Index in the event of a market disruption

4 Definition of the Selection Pool

5 Other Definitions

6 Appendix
6.1 Contact data
6.2 Calculation of the Index – Change in calculation method
6.3 Disclaimer

This document contains the underlying principles and regulations regarding the structure and the operating of the Sustainable Europe Low Risk Index. Solactive AG shall make every effort to implement regulations. Solactive AG does not offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the index nor the index value at any certain point in time nor in any other respect. The index is merely calculated and published by Solactive AG and it strives to the best of its ability to ensure the correctness of the calculation. There is no obligation for Solactive AG – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the index. The publication of the index by Solactive AG is no recommendation for capital investment and does not contain any assurance or opinion of Solactive AG regarding a possible investment in a financial instrument based on this index.

Introduction

This document is to be used as a guideline with regard to the composition, calculation and management of the Sustainable Europe Low Risk Equity Index. The Sustainable Europe Low Risk Equity Index is calculated and published by Solactive AG. ING Bank N.V. reserves all rights relating to the Index.

This methodology guide sets forth the methodologies for the construction and calculation of the Sustainable Europe Low Risk Equity Index.

1 Index Specifications

The Sustainable Europe Low Risk Equity Index (the "Index") is an index of ING Bank N.V. and is calculated and distributed by Solactive AG.
The Index is composed of 30 European sustainable shares (the "Index Components") that are carefully selected according to a set of **"Risks Filters"**, at each Index Selection Day (monthly basis), from the **"Sustainable Pool"** of sustainable shares selected in developed Europe by the Index ESG Agent (a research firm in Environmental, Social and Governance (ESG) factors for sustainable investing).

1.1 Short names and ISINs

The Sustainable Europe Low Risk Equity Index is both calculated and distributed with the following versions:

- The Sustainable Europe Low Risk Equity Price Index (price return version of the Index)
- The Sustainable Europe Low Risk Equity NTR Index (net total return version of the Index)

Index name	ISIN	WKN	Bloomberg	Reuters
Sustainable Europe Low Risk Equity Index	DE000SLA00Q0	SLA00Q	SELRE Index	.SELRE
Sustainable Europe Low Risk Equity Net Total Return Index	DE000SLA00R8	SLA00R	SELRENTR Index	.SELRENTR

For avoidance of doubt the Sustainable Europe Low Risk Equity Price Index is derived from the Base Index Sustainable Europe Low Risk Equity Net Total Return Index.

1.2 Initial value

The Index is set to 100 at the Index Closing Level on the Index Start Day (1 July 2005).

1.3 Distribution

The Sustainable Europe Low Risk Equity Index is published via the price marketing services of Boerse Stuttgart AG and is distributed to all affiliated vendors. Each vendor decides on an individual basis as to whether he will distribute/display the Sustainable Europe Low Risk Equity Index via his information systems.

1.4 Prices and calculation frequency

The price of the Sustainable Europe Low Risk Equity Index is calculated on each day from Monday to Friday from 9:00 am to 10:30 pm CET, based on the prices on the respective Exchanges on which the Index Components are listed. The most recent published prices of all Index Components are used. Prices of Index Components that are not listed in the Index Currency are translated using spot foreign exchange rates quoted by Reuters. The daily Index Closing Level is calculated using Reuters/WMCO closing spot rates as at 4 pm London time. Should there be no current price available on Reuters, the most recent price or the Trading Price on Reuters for the preceding Trading Day is used in the calculation.
In the event that data cannot be provided to the pricing services of Boerse Stuttgart AG the Index cannot be distributed.

Any incorrect calculation is adjusted on a retrospective basis.

1.5 Decision-making bodies

A Committee composed of representatives from the Index Calculation Agent and the Index ESG Agent is responsible for decisions regarding the composition of the Sustainable Europe Low Risk Equity Index as well as any amendments to the rules (in this document referred to as the "Committee“ or the “Index Committee”). The future composition of the Sustainable Europe Low Risk Equity Index is set by the Committee on the Index Selection Days. The Committee shall also decide about the future composition of Sustainable Europe Low Risk Equity Index if any Extraordinary Events should occur and the implementation of any necessary adjustments.
Members of the Committee can recommend changes to the guideline and submit them to the Committee for approval if there are regulatory reasons for changing the guidelines.

1.6 Publication

All specifications and information relevant for calculating the Index are made available on the **http://www.solactive.com** web page and sub-pages.

1.7 Historical data

Historical data will be maintained from 1 July 2005.

1.8 Licensing

Licences to use the Index as the underlying value for derivative instruments are issued to share exchanges, banks, financial services providers and investment houses by Solactive AG and ING Bank N.V.

2 Composition of the Index

2.1 Index concept

The Index (Sustainable Europe Low Risk Equity Price Index) and the Base Index (Sustainable Europe Low Risk Equity Net Total Return Index) are computed and maintained pursuant to the general index guidelines and index calculation guidelines (together the **"Index Calculation Rules"**) which apply to indices which follow the Laspeyres formula, as provided and published by the **Index Calculation Agent** on its website (http://www.solactive.com) under the "Documents and Downloads" link under the "Indexing" tab, with the Laspeyres formula inputs Divisor (Dt) and Foreign Exchange Rate (fi,t) as defined there in.

The Index and the Base Index are computed **"Net Total Return"**, which means that dividends are reinvested in the Index, net of withholding tax.

The Sustainable Europe Low Risk Equity Price Index is comprised of 30 sustainable shares that are selected on a monthly basis from the members of the "Sustainable Pool" (see section Sustainable Pool)**.** The shares selection process consists in selecting the shares from that pool (the Sustainable Pool) with suitable liquidity and beta to build successively a Liquidity Pool (see section Calculation of the Index) and a Beta Pool (see section Calculation of the Index).
The components of the Beta Pool are then scored according to a set of risk criteria (the "Risk Filters") and only the 30 highest scored shares (the "Index Components") are selected in order to constitute the Final Pool.
The weighting allocation technique is based on an equal weighting scheme that is performed on a monthly basis on the Final Pool.

2.2 Ordinary adjustment

An ordinary adjustment will take place on every Index Adjustment Day after the Closing Valuation Time in the Index Country.

3 Calculation of the Index

3.1 Index formula

Index formula of the Sustainable Europe Low Risk Equity Price Index

The Index Level on an Index Calculation Day is calculated in accordance with the following formula:

$$Index_t = Index_{t-1} \times \left[1 + \left[\left\{\frac{Base\ Index_t}{Base\ Index_{t-1}} - 1\right\} - \left\{\frac{Synthetic\ Dividend\ Yield}{365}\right\} \times nb\ CD_{t-1,t}\right]\right]$$

Where

"$Synthetic\ Dividend\ Yield$" means 3.5%. This level represent an average annualized dividend yield in equity markets;

"$nb\ CD_{t-1,t}$" as the number of calendar days between Index Calculation Day t-1 and t;

“Base Index” stands as the Sustainable Europe Low Risk Equity Net Total Return Index which formula is described below;

Index formula of the Sustainable Europe Low Risk Equity Net Total Return Index

$$Index_t = \frac{\sum_{i=1}^{N} x_{i,t} * p_{i,t} * f_{i,t}}{D_t}$$

Where:

“$Index_t$“ means the Index Level on Index Calculation Day t;

“N“ means the number of Index Components on Index Calculation Day t;

“$x_{i,t}$“ means the number of shares of Index Component i in the Index on Index Calculation Day t;

“$p_{i,t}$“ means the Price of Index Component i on Index Calculation Day t;

“$f_{i,t}$“ means the Exchange rate to convert the price of Index Component i into the Index Currency on Index Calculation Day t;

“D_t“ means the Index Divisor on Index Calculation Day t;

Rebalancing adjustments

The number of shares of each Index Component i on an Index Adjustment Day is recalculated as:

$$x_{i,t} = \frac{rw_{i,t} * Index_{t-1} * D_{t-1}}{p_{i,t-1} * f_{i,t-1}}$$

Where:

“$x_{i,t}$” means the number of shares of Index Component i in the Index on Index Calculation Day t;

“$rw_{i,t}$” means the rebalancing weight of Index Component i on Index Calculation Day t as defined in Weighting Methodology;

"$Index_{t-1}$" means the Index Level on Index Calculation Day $\mathrm{t}-1$;

"D_{t-1}" means the Divisor on Index Calculation Day $\mathrm{t}-1$;

"$p_{i,t-1}$" means the Price of Index Component i on Index Calculation Day $\mathrm{t}-1$;

"$f_{i,t-1}$"means the exchange rate to convert the price of Index Component i into the Index currency on Index Calculation Day t;

Adjustments due to certain events

Certain events may lead to a change in the price of an Index Component. The number of shares of Index Component i and the divisor $\mathrm{D_t}$ are adjusted on the ex-date of the event. The adjustment is conducted in such a way that the level of the Index is unchanged.

The following formulas are used:

$$x_{i,t} = x_{i,t-1} * \frac{p_{i,t-1}}{ap_{i,t}}$$

$$D_t = \frac{D_{t-1} * Index_{t-1} + \Delta MCap}{Index_{t-1}}$$

Where:

"$\mathrm{x_{i,t}}$" means the number of shares of Index Component i in the Index on business day t

"$\mathrm{p_{i,t-1}}$" means Price of Index Component i on business day $\mathrm{t}-1$

"$\mathrm{ap_{i,t}}$" means Adjusted opening price of Index Component i on business day t

"$\mathrm{D_t}$" Divisor on business day t

"$\mathrm{Index_{t-1}}$" Index Level on business day $\mathrm{t}-1$

$\Delta MCap = \sum_{i=1}^{m} x_{i,t} * ap_{i,t} - \sum_{i=1}^{n} x_{i,t-1} * p_{i,t-1}$ (where $\mathrm{x_{i,t}}$ is adjusted)

"$\mathrm{p_{i,t}}$" Price of Index Component i on business day t

"m" Number of Index Components on business day t

"n" Number of Index Components on business day $\mathrm{t}-1$

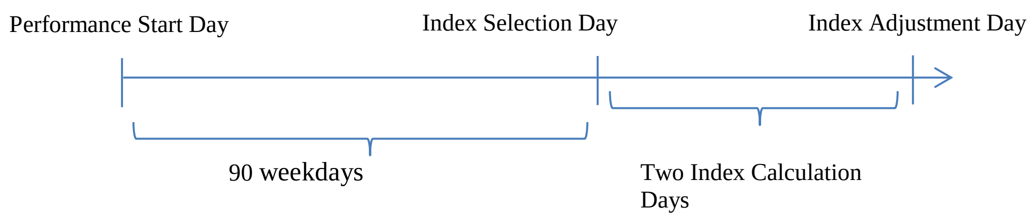
3.2 Selection Methodology

The Index is adjusted (rebalanced) on the Index Adjustment Day.
If on any Index Adjustment Day, a Market Disruption Event (See "Market Disruption Events" for more information) has occurred or is continuing, the Index Calculation Agent will determine whether such day remains an Index Adjustment Day or if the Index Adjustment Day will be postponed to the next available Index Calculation Day on which no Market Disruption Event occurs or is continuing.

(a) Identifying the Performance Observation Periods

The weights assigned to the Index Components are based on an equal weighting scheme (i.e. the same weight is applied to each Index Component) and are determined on the Index Selection Day which is two Index Calculation Days before the Index Adjustment Day. If the Index Selection Day is not an Index Calculation Day, then the Index Selection Day is the previous available Index Calculation Day.

The Liquidity and Risk Filters are based on statistical measures that use the historical returns of the Sustainable Shares over the period of 90 historical weekdays prior to and including each Index Selection Day (each, a "Performance Observation Period").
If the Performance Start Day, which is supposedly 90 weekdays prior to the Index Selection Day, is not a Scheduled Trading Day, then the Performance Start Day is the prior available Scheduled Trading Day.



(b) Shares Selection

With respect to the applicable Performance Observation Period, on each Index Selection Day, the algorithm seeks to efficiently select the Sustainable Shares that will constitute the Final Pool.

The algorithm is then decomposed into four steps:

1. The Liquidity Test aims at filtering out from the Sustainable Pool, the Sustainable Shares that are not considered as liquid based on the Liquidity Test (as described under "Description of the Liquidity Test"). The Sustainable Shares that pass the Liquidity Test form the Liquidity Pool.

2. The Liquidity Pool is then screened in order to filter out shares displaying a high systematic risk profile based on a systematic risk measure: the Beta Test (as described under "Description of the Beta Test"). The Sustainable Shares that pass the Beta Test form the Beta Pool.

3. The Beta Pool is then screened in order to identify the Sustainable Shares that display a low risk profile based on key risk measures that account for tail risk and asymmetric risk (as described under "Description of the Risk Filters"). At this step, a scoring methodology (as described under "Description of the Scoring Methodology") aiming at ranking the Sustainable Shares by their level of riskiness is performed.

4. The Final Pool contains the 30 Sustainable Shares displaying the best scoring (lowest risk) from the Beta Pool. A turnover methodology (as described under "Description of the Turnover Methodology") is also included in the scoring.

In case the entire selection process results in less than 30 Index Components, the 20 highest ranked Sustainable Shares will be chosen as Index Components.
If there are less than 20 Sustainable Shares passing the entire selection process, all of these shares will be added to the index.
If there are less than 10 Sustainable Shares passing the entire selection process or the resulting number of shares would be lower than 20 for the second Index Adjustment Day in a row, the Index will be discontinued.

<u>Description of the Liquidity Test</u>

At least, 75% of daily trading volumes over the Performance Observation Period need to be above or equal to a predefined Liquidity Threshold (€10 million)

$$75\%\ Daily\ Trading\ Volume \geq Liquidity\ Treshold$$

Description of the Beta Test

The "Beta Coefficient" (β) captures the dependence between the shares returns and a benchmark return. The benchmark β is equal to one. Therefore, a share which shows a β that has an absolute value greater than one will usually be considered as risky with respect to the benchmark and conversely a share which shows a β that has an absolute value lower than one will usually be considered as less risky with respect to the benchmark. The β is calculated as follows:

$$\beta_{i,M,t} = \frac{cov(r_{i,t}, r_{M,t})}{var(r_{M,t})}$$

Where:

"$cov(r_{i,t}, r_{M,t})$" means the Exponential Weighted Moving Average Covariance ("EWMA Covariance") between the Sustainable Share i and the Benchmark M on the Index Selection Day t and is calculated according to the following formula:

$$cov(r_{i,t}, r_{M,t}) = \sum_{s=t-89}^{t} \frac{(1-\lambda_{i,M})^{t-s}}{Weighting\ Factor} \times r_{i,s} * r_{M,s}$$

Where:

"$\lambda_{i,M}$" means the decay factor of the Covariance between the Sustainable Share i and the Benchmark M;

$$\text{" } Weighting\ Factor \text{ "} = \sum_{s=t-89}^{t} (1-\lambda_i)^{t-s}$$

"$r_{i,s}$" means the return of the Sustainable Share i on weekday s and is calculated as follows:

$$r_{i,s} = ln(\frac{P_{i,s}}{P_{i,s-1}})$$

Where:

"$P_{i,s}$" means the value Sustainable Share i on weekday s;

"$P_{i,s-1}$" means the value of Sustainable Share i on weekday $s-1$;

"ln" means the natural logarithm;

And where:

"$r_{M,s}$" means the return of the Benchmark M on weekday s;

And where:

"$var(r_{M,t})$" means the Exponential Weighted Moving Average Variance ("EWMA Variance") of the Benchmark M on the Index Selection Day t and is calculated according to the following formula:

$$var(r_{M,t}) = \sum_{s=t-89}^{t} \frac{(1-\lambda_{i,M})^{t-s}}{Weighting\ Factor} \times r_{M,t} * r_{M,t}$$

Where:

"λ_M" means the decay factor of the Variance of the Benchmark M;

$$\text{" } Weighting\ Factor \text{ "} = \sum_{s=t-89}^{t} (1-\lambda_i)^{t-s}$$

"$r_{M,s}$" means the return of the Benchmark M on weekday s;

The Index Components absolute β needs therefore to be below or equal to one:

$|\beta_{i,M,t}| \leq 1$

<u>Description of the Risk Filters</u>

Different risk measures that capture the key stylized facts of financial returns are taken into account:

- Volatility:
  The Volatility is an indicator of the magnitude of a share's deviations of returns (positive or negative). The higher the volatility, the higher the dispersion in the returns and therefore the higher the risk.
  The Exponential Weighted Moving Average Volatility ("EWMA Volatility") of the share i on the Index Selection Day t is equal to the square root of its EWMA Variance calculated according to the following formula:

  $$var(r_{i,t}) = \sum_{s=t-89}^{t} \frac{(1-\lambda_{i,M})^{t-s}}{Weighting\ Factor} \times r_{i,s} * r_{i,s}$$

  Where:

  "λ_i" means the decay factor of the Variance of the Sustainable Share i;

  "$r_{i,s}$" means the return of Share i on weekday s;

  $$\text{" } Weighting\ Factor \text{ "} = \sum_{s=t-89}^{t} (1-\lambda_i)^{t-s}$$

- Downside Volatility:
  The Downside Volatility measure eliminates positive returns when calculating risk. It measures the variability of underperformance below a minimum target rate. The Downside Volatility of the Share i on the Index Selection Day t is calculated according to the following formula:

  $$DownsideVolatility(r_{i,t}, MAR_{i,t}) = \sqrt{\frac{\sum_{s=t-89}^{t} min\,(r_{i,s} - MAR_{i,t}, 0)^2}{89}}$$

  Where:

  "$MAR_{i,t}$" means the Minimum Acceptable Return of the Share i on the Index Selection Day t;
  "$r_{i,s}$" means the return of Share i on weekday s;

  For the avoidance of doubt 89 is the number of returns over the 90 weekdays within the Performance Observation Period;

- Sortino Ratio:
  The Sortino Ratio is an improvement to the Sharpe Ratio measure that better accounts for excess performance as it uses the downside deviation instead of the standard deviation of returns. The Sortino Ratio is calculated according to the following formula:

$$Sortino_{i,t} = \frac{(\overline{r_{i,t}} - MAR_{i,t})}{DownsideVolatility(r_{i,t}, MAR_{i,t})}$$

Where:

"$MAR_{i,t}$" means the Minimum Acceptable Return of the Sustainable Share i on the Index Selection Day t;
"$\overline{r_{i,t}}$" means the average return of share i on the Index Selection Day t and is calculated as follows:

$$\overline{r_{i,t}} = \frac{\sum_{s=t-89}^{t} r_{i,s}}{n}$$

Where:

"$r_{i,s}$" means the return of Sustainable Share i on weekday s;

For the avoidance of doubt 89 is the number of returns over the 90 weekdays within the Performance Observation Period;

- Skewness:
  The Skewness characterizes the degree of asymmetry of a share's distribution of returns around its mean.
  A Skewness that is null is representative of a symmetric distribution (e.g Normal Distribution). A positive Skewness indicates that the distribution of returns is skewed to the right, which means that more of the returns are positive (the mean is greater than the median). Conversely, a negative Skewness indicates that the distribution of returns is skewed to the left which means that more of the returns are negative (the mean is below the median).

$$Skewness_{i,t} = \frac{n}{(n-1)(n-2)} \sum_{s=t-89}^{t} \frac{(r_{i,s} - \overline{r_{i,t}})^{3}}{\sigma^3}$$

Where:

"n" means the number of returns included in the 90 weekdays within the Performance Observation Period, i.e n=89

"σ" means the Sample Deviation and is calculated according to the following formula:

$$\sigma = \sqrt{\sum_{s=t-89}^{t} \frac{(r_{i,s} - \overline{r_{i,t}})^2}{n-1}}$$

Description of the Scoring Methodology

An arbitrary weight w_k is assigned for each Risk Filter k described under “Description of the Risk Filters”.
These weights are chosen such that a Risk Filter that is considered more important is assigned a greater weight compared to a less important one.

For each Risk Filter, the shares are ranked according to their level of riskiness (for this specific Risk Filter) such that the best share is ranked 1st and the worst share is ranked last. For example, if the sub-universe contains 50 shares, then the best share would be ranked 1st and the worst share would be ranked 50th.

Each share i within a specific Risk Filter is given a score s_k^i depending on its rank for this particular Risk Filter k. The score of a share for a Risk Filter is defined as the number of shares N that make up the Beta Pool divided by the rank r of the share for this particular Risk Filter:

$$s_k^i = \frac{N}{r_k^i}$$

It is thus ensured that the best share is assigned the highest score and the worst share is assigned the lowest score. On the above example, the score of the best share would be $\frac{50}{1} = 50$ whereas the score of the worst share would be $\frac{50}{50} = 1$.

The final score of a share is equal to the sum of its scores s_k^i for all the Risk Filters k times the weight of the Risk Filter k plus its score s_t^i for the Turnover Filter times the weight of the Turnover Filter (as described under “Description of the Turnover Methodology”):

$$Score_i = \sum_{k=1}^{m}(w_k * s_k^i) + w_t * s_t^i$$

Where:

“m” means the number of Risk Filters;

“w_k” the weight of the Risk Filter k;

“w_t” the weight of the Turnover Filter;

"s_k^i" the score for the Risk Filter k for share i ;

"s_t^i" the score for the Turnover Filter for share i;

The Final Pool contains the best shares in terms of their overall final score.

Description of the Turnover Methodology

The score to the Turnover Filter is assigned a weight w_t which may vary depending on the turnover ratio targeted. The higher the weight, the lower the turnover ratio.

The scoring assigns the same positive score for each share within the Final Pool of the previous period. Therefore, the Turnover Filter is effectively used only from the start of the second rebalancing period. How it is used is described below:

- A share which belongs to the previous period Final Pool is assigned a score equal to the numbers of shares N in the Beta Pool.
- A share which does not belong to the previous period Final Pool is assigned a score equal to 0.

3.3 Weighting Methodology

The Index is based on an equal weighting methodology which aims to allocate the same weighting in percentage of the Index Level on the Index Adjustment Day in respect of each Index Component.

As of each Index Adjustment Date, the quantities of each Index Component within the Index will be determined using the Laspeyres formula set in 3.1 Index formula as well as in the general Index Calculation Guideline of Solactive available at http://www.solactive.com/news/documents.

3.4 Accuracy

The Index Level will be rounded to three decimal places.

3.5 Calculation of the Index in the event of a market disruption

An Index Level is not calculated in the case of a Market Disruption Event. If the market disruption continues over a period of three Business Days, the Index Calculation Agent calculates the Index Level taking into account the market conditions prevailing at this point in time and the last prices of the Index Components as well as any other conditions that it deems relevant for calculating the Index Level.

4. "Sustainable Pool"

"Sustainable Pool" in respect of a Selection Day are those shares that fulfil the following conditions:

Eligible Universe:

Incorporation and share market listing in Developed Europe. Developed Europe is defined as: France, Germany, Austria, Belgium, Luxembourg, Netherlands, Switzerland, Italy, Spain, Portugal, UK, Ireland, Denmark, Sweden, Finland, Norway, Greece.
Primary Listing on a regulated share exchange in the form of shares tradable for foreign investors without restrictions.

Company ESG Ratings

Per sector, companies which are in the top 50 per cent in terms of ESG score are selected. The relative performance is determined based on the companies that are covered by the Index ESG Agent.

Global Compact Compliance

The Index ESG Agent has developed a process that identifies companies involved in some of the most severe ESG incidents by applying criteria that are derived from the UN Global Compact's ten principles, and its underlying conventions and treaties. Companies are assessed as either 'compliant' or 'non-compliant'.

Human Rights
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.
Labour
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.
Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Non-compliant companies are excluded.

Controversial Weapons

The process focuses on seven types that are considered controversial due to the disproportionate and indiscriminate impact they have on civilian populations. These weapons include: anti-personnel mines, biological weapons, chemical weapons, cluster weapons, depleted uranium, nuclear weapons, and white phosphorus weapons.

Anti-Personnel mines

Anti-personnel mines are explosives that are designed to detonate at the proximity or contact of a person, which incapacitates, injures, or kills the person and/or others nearby. After being planted, anti-personnel mines can remain undetonated for years, posing a serious risk to civilians after a conflict has ended. Sustainalytics utilises the definition applied by the 1997 Ottawa (Mine-Ban) Treaty. (http://www.apminebanconvention.org/)

Biological and chemical weapons

Biological or chemical weapons are munitions that utilise biological or chemical agents, respectively, to inflict death or harm. Either type can be dispersed in gas, liquid, or solid forms. As these munitions are based on organisms or chemicals, civilians are often unintended victims since the impact zone is constrained only by how far the particles can disperse. For biological weapons, person-to-person transmission of the illness can further exacerbate the civilian impact. Sustainalytics utilises the definitions outlined in the 1972 Biological and Toxin Weapons Convention (BTWC) and the 1993 Chemical Weapons Convention (CWC). (http://www.un.org/disarmament/WMD/Bio/ and http://www.opcw.org/chemical-weapons-convention/)

Cluster weapons

Cluster weapons are air-dropped explosives that release in flight 10 or more submunitions (bomblets), each weighing less than 4 kg. The submuntions have a wide impact zone, and often remain undetonated on the ground. These munitions can remain dangerous for years after the conflict has ended, posing a serious risk to civilians. Sustainalytics utilises the definition applied by the 2008 Convention on Cluster Munitions (CCM), which outlines seven criteria to define a cluster weapon, besides weight and submunition quantity. (http://www.clusterconvention.org/)

Nuclear weapons

A nuclear weapon is a device that is capable of releasing nuclear energy in an uncontrolled manner, due to fusion and/or fission reactions, making it a highly destructive explosive. The indiscriminate and disproportionate impact makes nuclear weapons a controversial weapon. As the 1968 Treaty on the Non-Proliferation of Nuclear Weapons (NPT) does not contain a definition, Sustainalytics bases its definition of a nuclear weapon on the Treaty for the Prohibition of Nuclear Weapons in Latin

America and the Caribbean (Tlatelolco). There is currently no comprehensive convention or legal framework that illegalises the use or production of nuclear weapon systems. The NPT Treaty deals only with trade: (http://disarmament.un.org/treaties/t/tlatelolco).

White Phosphorus	White phosphorus (WP) is an allotrope of the chemical element phosphorus, which burns fiercely when exposed to oxygen. A WP munition is any projectile (e.g. flares, grenades, or mortars) that is equipped with WP, in order to act as a smoke-producing agent, or as tracer, illumination, or incendiary munition. As an incendiary, WP can cause injury or death when ingested, inhaled, or causing severe burns. As a smoke-based weapon, WP munitions have an indiscriminate effect, often seriously impacting civilians in densely populated areas. There is currently no convention or legal framework comprehensively illegalising or regulating white phosphorus.

In identifying companies involved in controversial weapons, the analysis takes into account components or services that are key and/or dedicated to the weapon or weapon system. The research analyses the identified controversial weapon systems, and traces the companies that have a role in the production, development, maintenance, or sale of all essential parts of the weapon. These parts are categorised as key or non-key, and dedicated or non-dedicated. Dedicated components are specifically designed for the weapon under consideration, and key parts are essential for the functioning lethal use of the weapon. Furthermore, companies have a stake of 10% or more in an involved company and companies of which 10% is owned by an involved company, are considered involved in the research.

For any type of involvement in any of the controversial weapons, companies are excluded.

Product Involvement Indicators

Adult Entertainment

The following categories are used to track publicly traded companies involved in adult entertainment:

1. *Production (exclusion if revenue exceeds 5 per cent)*: The company is involved in the production of adult entertainment and/or owns/operates adult entertainment establishments. This includes: The production of adult entertainment media such as movies and television programs, magazines and adult websites; the ownership and operation of strip clubs, topless bars and other types of adult entertainment establishments.

2. *Distribution (exclusion if revenue exceeds 10 per cent):* The company is involved in the distribution of adult entertainment materials. This includes: The generation of revenue from the rental, sale or distribution of adult materials; the direct distribution of pay-per-view adult channels and/or movie channels with adult content through the internet, cellular telephones, satellite and broadcast television.

Animal Testing

The following categories are used to track publicly traded companies involved in animal testing:

Non-pharmaceutical products (identified in case of any involvement): The company conducts animal testing for non-pharmaceutical products.

Firearms

The following categories are used to track publicly traded companies involved in the manufacture and distribution of small arms:

1. *Civilian customers (exclusion if revenue exceeds 5 per cent)*: The company manufactures and sells small arms to civilian customers.

2. *Military/law enforcement (exclusion if revenue exceeds 5 per cent)*: The company manufactures and sells small arms to military/law enforcement.

3. *Retail/Distribution (exclusion if revenue exceeds 5 per cent)*: The company is involved in the retail and/or distribution of small arms and/or key components.

Fur And Specialty Leather

The following categories are used to track publicly traded companies involved in the fur and specialty leather industries:
1. *Production (exclusion if revenue exceeds 5 per cent)*: The company manufactures products made from fur or specialty leather. This includes the manufacture products made from animals that are solely hunted or bred for their skin or fur (such as, for example, mink farms for fur and crocodile hunts for leather).

2. *Retail (exclusion if revenue exceeds 10 per cent)*: The company derives 10 per cent or more of its revenues from the distribution and/or retail sale of products made from fur or specialty leather.

Gambling

The following categories are used to track publicly traded companies involved in the gambling industry:

1. *Operations (exclusion if revenue exceeds 5 per cent)*: The company owns and/or operates a gambling establishment. This includes: The ownership and/or operation of casinos, racetracks, online gambling, bingo parlors or other betting establishments. Bookmaking.

2. *Specialized Equipment (exclusion if revenue exceeds 10 per cent)*: The company manufactures specialized equipment used exclusively for gambling. This includes the manufacture of slot machines, roulette wheels and lottery terminals.

3. *Supporting Products and Services (exclusion if revenue exceeds 10 per cent)*: The company provides supporting products/services to gambling operations. This includes gambling-related, customized products or services such as credit lines within casinos, consulting services, gambling technology and technology support.

Genetically Modified Plants and Seeds

The following categories are used to track publicly traded companies involved in the production of genetically modified seeds and plants:

1. *Development (exclusion if revenue exceeds 5 per cent):* The company is involved in the development and/or cultivation of genetically modified seeds and/or plants. Genetically modified seeds/plants are those whose genetic characteristics have been altered by the insertion of a modified gene or a gene from another organism using the techniques of genetic engineering.

2. *Growth (exclusion if revenue exceeds 5 per cent):* The company grows genetically modified crops. This includes the ownership and/or operation of farms/plantations that grow genetically modified crops, such as trees, soybeans, corn, etc.

Military Contracting

The following categories are used to track revenues from publicly traded companies involved in contracts related to military weapons, weapon systems, secondary components of weapons, or weapon related services:

1. Weapons (exclusion if revenue exceeds 5 per cent): The company manufactures military weapon systems and/or integral, tailor-made components or these weapons. This includes but is not limited to:

- Weapons, such as bombs, missiles, missile launchers, grenades, mines, pistols, rifles, machine guns, ammunition, warheads, incendiaries, etc.
- Offensive weapons systems, such as jet fighters, attack helicopters, battleships, tanks, and other assault vehicles. The weapon system has to be clearly used for assault, and not for transportation or rescue;
- Specialised components that constitute an integral part of the weapon/ weapon system, such as fuses.

2. *Weapon related products and/or services (exclusion if revenue exceeds 5 per cent)*: The company provides tailor-made products and/or services that support military weapons. This includes equipment, components, or support systems designed or adapted for military use, which support a weapon system that does not fundamentally depend on said parts to be considered armed and lethal. Examples include landing gear or oxygen systems for jet fighters, fuel cells developed for military applications, and specialised radar or communications systems for aircraft or naval ships. This category does not include dual-use products that are in no way specialised or adapted for military applications.

3. *Non-weapon related products and/or services (exclusion if revenue exceeds 5 per cent)*: The company provides non-weapons related tailor-made products and/or services to the military or defence industry. Products or services in this category are customised for military application, but are not used for lethal and offensive purposes, nor do they support offensive weapon systems. This includes but is not limited to:

- Specialized telecommunication services or transportation of military equipment, without a link to weapon systems such as fighter jets.
- Customised fabrics for bulletproof vests and electronics used for non-weapon related defence products such as military transport vehicles.
- Customised information and data management services or security for military operations.

Nuclear Power

The following categories are used to track publicly traded companies involved in the nuclear power industry:

1. Production (exclusion if revenue exceeds 5 per cent): The company produces nuclear power. This includes: Utilities that own/operate nuclear power generators;

2. Products and Services (exclusion if revenue exceeds 10 per cent): The company provides products/services that support the nuclear power industry. This includes: Design and construction of nuclear power plants. Design and manufacture of specialized parts for use in nuclear power plants, including steam generators, control rod drive mechanisms, reactor vessels, cooling systems, containment structures, fuel assemblies, and digital instrumentation and controls. Special services, such as the transport of nuclear power materials, and nuclear plant maintenance. Uranium mining and exploration, including companies that mine uranium and convert, enrich, and fabricate.

3. Distribution (exclusion if revenue exceeds 10 per cent): The company distributes electricity generated from nuclear power. This includes: The resale or distribution of electricity generated from nuclear power; This applies to distributors, resellers and utilities that distribute nuclear power as a part of their energy mix;

Palm Oil

The following categories are used to track publicly traded companies involved in palm oil:

1. *Production (exclusion if revenue exceeds 5 per cent):* The company produces palm oil.

2. *Trading (exclusion if revenue exceeds 5 per cent):* The company trades palm oil.

3. *Refining and retail (exclusion if revenue exceeds 50 per cent):* The company refines palm oil or is involved in retailing palm oil.

Pesticides

The following categories are used to track publicly traded companies involved in the manufacture and/or distribution of pesticides:

1. *Production (exclusion if revenue exceeds 5 per cent):* The company manufactures pesticides. This includes manufacturers of pesticides, including herbicides, fungicides and insecticides.

2. *Retail (exclusion if revenue exceeds 50 per cent):* The company derives 50 per cent or more of its revenues from the distribution and/or retail sale of pesticides. This category is designed to identify specialized retailers such as wholesalers for agricultural chemicals and specialized agricultural chemical stores. The company derives 10 per cent or more of its revenues from the distribution and/or retail sale of pesticides. This category is designed to identify specialized retailers such as wholesalers for agricultural chemicals and specialized agricultural chemical stores.

Tobacco

The following categories are used to track publicly traded companies involved in the tobacco industry.

1. *Production (exclusion if revenue exceeds 5 per cent):* The company manufactures tobacco products. This includes: Manufacture of cigarettes, cigars, tobacco for pipes and snuff, and smokeless tobacco products. Companies that distribute their own label tobacco products.

2. *Related Products/Services (exclusion if revenue exceeds 10 per cent):* The company supplies tobacco-related products/services. This includes: Products that facilitate the consumption of tobacco, such as pipes and rolling papers; The supply of specialized materials, such as acetate tow or specialized packaging materials; The supply of specialized materials, such as acetate tow or specialized packaging materials; Raw materials that are produced primarily for use in tobacco products.

3. *Retail (exclusion if revenue exceeds 10 per cent):* The company derives 10 per cent or more of its revenues from the distribution and/or retail sale of tobacco products.

Update Procedure of the “Sustainable Pool”

The Index ESG Agent provides the Calculation Agent with a “Sustainable Pool” on a semi-annual basis no later than five business days before a Selection Day. For avoidance of doubt, the “Sustainable Pool” is provided in the month of September, no later than five business days before the Selection Day corresponding to the Adjustment Day of the Index in October as well as in March, no later than five business days before the Selection Day corresponding to the Adjustment Day of the Index in April.

Additionally, the Index ESG Agent provides alerts to the Calculation Agent in case of Environmental, Social and Governance (ESG). In that case, the corresponding share will be removed from the current available “Sustainable Pool”. The alert is to occur no later than 5 business days before a Selection Day.

The Index ESG Agent only provides an alert in case a company in the Index is assessed as non-compliant related to the section Global Compact Compliance or is assessed as involved related to the section Controversial Weapons of the rulebook.

5. Definitions

"Affiliated Exchange" is with regard to the Index Component, an exchange, a trading or quotation system on which options and futures contracts on the Index Component in question are traded, as specified by the Index Calculator.

"Closing Level" means, in respect of the Index Components, the level of the Index Component at the close on a Scheduled Trading Day.

"Closing Valuation Time" means, the actual closing time for normal trading on the Exchange or Affiliated Exchange on the Scheduled Trading Day in question or, if earlier, the closing time (if given) of the Exchange or Affiliated Exchange for the execution of orders at the time the quote is given.

"Exchange" means, for each Index Component, the exchange on which such Index Component is quoted.

"Index" means the Sustainable Europe Low Risk Equity Index.

"Index Calculation Agent" means Solactive AG or any other appropriately appointed successor in this function, acting as calculation agent for the Index.

"Index ESG Agent" means Sustainalytics or any other appropriately appointed successor in this function, acting as Adviser on the Sustainability Criteria.

"Index Calculation Day" means any Scheduled Calculation Day on which no Market Disruption Event exists.

"Index Closing level" means, in respect of any Index Calculation Day (t), the level of the Index calculated and published by the Index Calculation Agent as at the Closing Valuation Time on such Index Calculation Day (t)

"Index Component" means a share included in the Index. The Index components are determined pursuant to the section "Index Specifications" and "Composition of the Index".

"Index Country" is Germany.

"Index Currency" means the Euro ("EUR")

"Index Level" means, in respect of any Index Calculation Day (t), the level of the Index calculated and published by the Index Calculation Agent at any time between the Opening Valuation Time and the Closing Valuation Time on such Index Calculation Day (t).

"Index Adjustment Day" means, in respect of the Index, each first Calendar Day of a month. If this is not a Scheduled Calculation Day, the Index Rebalancing Day is postponed to the next Scheduled Calculation Day.

"Index Start Day" means 1 July 2005

"Index Selection Day" means two Index Calculation Days previous to the Index Adjustment Day.

"Market Disruption Event" occurs if

1. one of the following events occurs or exists on a Scheduled Trading Day for the Index Component:

   A) trading is suspended or restricted (due to price movements that exceed the limits allowed by the Exchange or an Affiliated Exchange, or for other reasons):

   1.1. across the whole Exchange; or

   1.2. in options or futures contracts on or with regard to the Index Component that is quoted on an Affiliated Exchange; or

   1.3. on an Exchange or in a trading or quotation system (as determined by the Index Calculation Agent) in which the Index Component is listed or quoted; or

   B) an event that (in the assessment of the Index Calculation Agent) generally disrupts and affects the opportunities of market participants to execute on the exchange transactions in respect of the Index Components or to determine market values for the Index Components or to execute on an Affiliated

Exchange transaction with regard to options and futures contracts on the Index Components or to determine market values for such options or futures contracts; or

2. trading on the Exchange or an Affiliated Exchange is ceased prior to the usual Closing Valuation Time (as defined above), unless the early cessation of trading is announced by the Exchange or Affiliated Exchange on this Scheduled Trading Day at least one hour before; or
3. a general moratorium is imposed on banking transactions in the Index Country if the above-mentioned events are material in the assessment of the Index Calculation Agent, whereby the Index Calculation Agent makes his decision based on those circumstances that he considers reasonable and appropriate.

"Opening Valuation Time" means, the actual opening time for normal trading on the Exchange or Affiliated Exchange on the Scheduled Trading Day in question.

"Performance Start Day" means, 90 weekday prior to the Index Selection Day.

"Scheduled Calculation Day" means, in respect of the Index, any day which is a Scheduled Trading Day for all Index Components.

"Scheduled Trading Day" means, for any Index Component, any day on which the Exchange is scheduled to be open for trading during its regular trading session.

"Sustainability Criteria" means the set of rules in chapter 4 "Sustainable Pool".

"Sustainable Pool" is defined in chapter 4 "Sustainable Pool", it is the pool of shares resulting from the Sustainability Criteria.

"Sustainable Share" means a share included in the Sustainable Pool.

6 Appendix

6.1 Contact data

Index Owner
ING Bank N.V.
24 rue Marnix
Brussels 1000
+32 2 557 15 65

Index Calculator
Solactive AG
Bettinastrasse 30
D-60325 Frankfurt am Main
+49 69 9760 955-00
indexing@solactive.de

Index ESG Agent (ESG criteria)
Sustainalytics
De Entrée 35-37 – 1101BH
P.O. Box 22703 – 1100 DE
Amsterdam, The Netherlands

6.2 Calculation of the Index – Change in calculation method

The application by the Index Calculation Agent of the method described in this document is final and binding. The Index Calculation Agent shall apply the method described above for the composition and calculation of the Index. However it cannot be excluded that the market environment, supervisory, legal, financial or tax reasons may require changes to be made to this method. The Index Calculation Agent together with the Index Committee may also make changes to the terms and conditions of the Index and the method applied to calculate the Index level, which they deem to be necessary and desirable in order to prevent obvious or demonstrable error or to remedy, correct or supplement incorrect terms and conditions. The Index Calculation Agent is not obliged to provide information on any such modifications or changes. Despite the modifications and changes, the Index Calculation Agent will take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.

6.3 Disclaimer

The Index is not sponsored, endorsed, sold or promoted by the ETF provider and the ETF provider has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index Component and/or the levels at which the Index Component stands at any particular time on any particular date or otherwise. The ETF provider has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Index Component. Neither the Issuer nor the Index Calculation Agent has any affiliation with or control over the Index Component or the ETF provider or any control over the computation, composition or dissemination of the Index Calculation Agent. Although the Issuer and the Index Calculation Agent will obtain information concerning the Index Component from publicly available sources they believe to be reliable, they will not independently verify this information.

Sustainalytics is an independent environmental, social and governance ("ESG") and corporate governance research and analysis firm and its role is limited to providing research and analysis in order to facilitate well-informed decision-making.
Sustainalytics shall provide ESG research to be used in connection with the creation of the Index`s Sustainable Pool. Sustainalytics shall only participate in the Index construction in what pertains to the creation of the Sustainable Pool and therefore will not accept any liability for the Index`s calculation, performance and/or representation.
Sustainalytics` ESG research is – fully or partially – derived from third parties and is therefore subject to continuous modification. Sustainalytics observes the greatest possible care in conducting the ESG research but cannot guarantee that

the research is accurate and/or complete. Sustainalytics will not accept any liability for damage arising from the use or for the substance of its research, other than liability for direct damage in cases of an intentional act or omission or gross negligence on the part of Sustainalytics.