

ING Belgium S.A.

Top 5 execution venues
and/or intermediaries and
quality of order execution

Annual report 2022 (activities 2021)

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Introduction

ING Belgium SA. (ING) is subjected to the EU Directive 2014/65/EU (“MIFID2”) and consequently to the ongoing reporting and disclosure obligations defined therein.

MiFID2 Best Execution requirements and Regulatory Technical Standard 28 (“RTS 28”) (Delegated Regulation (EU) 2017/576), require to publish the following information on an annual basis:

- a list of the Firm’s top 5 execution venues and intermediaries in terms of trading volumes for all executed client orders per class of financial instruments;
- for each class of financial instrument, a summary of the analysis and conclusions the Firm draws from monitoring the quality of execution obtained on execution venues (including intermediaries).

The publication of this information is to enable investors to make meaningful comparisons. ING publishes, for all its execution and receiving and transmitting orders activity, reports with the content and format as defined by MiFID2 in article 3 of the delegated regulation (EU) 2017/576 of the commission (8 June 2016) and article 65, paragraph 6 of the delegated regulation (EU) 2017/565 (25 April 2016). The information is available for download in a machine-readable electronic format. Should you have problems in downloading this document, please notify ING without delay.

This disclosure document contains information for the period 1 January 2021 - 31 December 2021 on a best effort basis.

1. Summary Quality of Best Execution

In order to comply with article 3 of the Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution, ING confirms that it performs qualitative and quantitative monitoring of the different aspects of its Order Execution Policy.

The summary of quality of Best Execution is applicable for all asset classes within the ING offer.

Best Execution

An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client.

In its evaluation of the quality of the execution and complying with the best execution of orders in financial instruments policy and as basic principle, ING considers the liquidity of the market for the given instrument as the most relevant criteria to achieve the best possible result for its customers.

For listed financial instruments, the predominant criteria to select the execution venue is liquidity, but speed of execution, size of the order, costs or probability of execution are also relevant to determine the best execution venue and achieve the best overall result for the client. Most of the time, the domestic market is the most liquid. The execution will be fully automated for orders having a size compatible with the usual daily volume of transactions.

Execution factors

An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors.

ING ensures that we take all sufficient steps to obtain the best possible result for the client when executing or receiving and transmitting your order. In determining how we will achieve best execution for your order we will take into account the following factors:

- liquidity
- price
- costs
- speed
- likelihood of execution and settlement
- size and nature of the order, and any other consideration relevant to the efficient execution of your order.

For retail clients under MiFID 2, the best possible result can be determined in terms of total consideration (price + costs), for orders that ING executes or receives and transmits to a financial intermediary for execution. The costs taken into account include execution costs as well as foreign exchange fees paid for financial instruments traded in a currency other than euro.

Client categorization

An explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect execution arrangements.

The client classification has an impact on the execution factors and their relative importance that the Bank takes into account to obtain the best possible result for its clients.

Orders are executed by separate desks. However if executed by the same desk the same execution factors are applied, regardless of the client categorization. Orders from MiFID professional clients may be treated differently than orders from retail clients due to other characteristics (e.g. size), hence they may be executed differently in accordance with the best execution policy.

Consolidated Tape Provider

when applicable an explanation of how the investment firm has used output of a consolidated tape provider (CTP)

ING does not use any Consolidated Tape Provider for its Best Execution analysis.

Execution Venues

ING Belgium has performed in 2020 a review of the current instrument offer and has concluded that the execution venues used were still the most liquid venues for routing of orders.

An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred.

No changes occurred during 2020 to the list of execution venues in ING's execution policy.

A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.

ING has no close link with, conflict of interest with, nor any participations in third party execution venues used for the execution of orders via its services. ING hasn't entered in any particular agreement with any third party execution venue that would grant it any benefit but ING can act as a counterparty in OTC-transactions.

A description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

ING receives no remuneration, discount or any other non-monetary benefit for the routing of an order towards a specific third party execution venue.

Intermediaries

In the framework of its order routing activity, ING selects the intermediaries according to a list of criteria from which the most important are :

- An adequate structure and internal control process
- The quality of the order execution processes
- A strong financial position
- A commitment to comply at all time with all rules and regulations applying
- The documentation relative to the best execution policy and selection of the execution venues.
- The quality of the service rendered
- The quality of the order execution and speed of the order transmission

Pursuing an objective of alignment and simplification of procedures, the execution of orders on OLOs has been entrusted to ING Bank NV since March 24th 2021, instead of KBC Securities. NV, like for all other European government bonds.

Belgium maintains direct links with ING Bank NV, in particular as a subsidiary.

A periodic monitoring enabling to follow the respect of the instruction given by ING to the intermediaries as well as the speed of execution of the orders routed via its intermediaries is performed. Each of the selected intermediaries is requested to evidence for a selected number of orders the execution was done according to the best execution policy.

The outcome of the monitoring performed in 2021 is in line with our best execution obligation.

ING holds a reporting concerning the improvement of price for orders executed via the Equiduct platform.

Data and tools relating to the quality of execution

An explanation of how the investment firm has used any data or tools relating to the quality of execution including any data published under Commission Delegated Regulation (EU) 2017/575

ING Belgium uses the financial data of an external data provider to determine which market is the most suitable to each financial instrument. Reviews of the execution venues are made on a yearly basis. This process allows ING Belgium to provide, on a regular basis, the best order execution possible for its clients.

ING Belgium uses a number of tools and processes to analyze the quality of its execution arrangements.

Executing OTC orders means that the clients orders will be executed outside of a trading venue. In this case we need your explicit consent to execute such order outside a trading venue. For these transactions the fair price is determined based on internal models and is verified based on external market prices when available.

2. Top 5 execution venues and/or intermediaries for Retail clients

You'll find the reporting in PDF format via the following link

https://www.ing.be/Assets/nuid/documents/Top5_MIFID_Ret_2021E.pdf

3. Top 5 execution venues and/or intermediaries for MiFID professional clients

You'll find the reporting in PDF format via the following link

https://www.ing.be/Assets/nuid/documents/Top5_MIFID_Prof_2021E.pdf