

# Best Execution of Orders Policy of ING Belgium in detail

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This document provides the practical details, per Financial Instrument category, of the Best Execution of Orders Policy (hereafter "BEOP") of ING as described in Appendix 1 to the Special Regulations for Trading in Financial Instruments and in Savings and Investments linked Insurances (hereafter the "SRTFI"). The breakdown on costs and charges mentioned in this document (brokerage,...) is included in the document "Charges applied to the main securities transactions" available in your branch and/or on [www.ing.be](http://www.ing.be) > Charges and regulations.

## In the case of listed Financial Instruments

In accordance with Article 13 of Appendix 1 of the SRTFI, orders transmitted by a Client via Home'Bank/Business'Bank, an ING branch or the ING Contact Centre or an empowered ING person, shall be executed via intermediaries selected by ING depending on the Trading Place:

- Either on the domestic market<sup>1</sup>, if the latter is the main listing place according to Telekurs (via ING Bank NV for the Euronext markets)
- Or on the Equiduct trading platform, if the instrument can be traded there and if the size of the order is suitable for transmission to Equiduct (via ING Bank NV)
- Or, for the other markets, according to the best execution of orders policy of the following intermediaries:
  - UBS AG
  - KBC Securities

## In the case of shares, warrants, ETFs<sup>2</sup>, rights, share certificates, etc.

The aim of our offer is to:

- Propose all the securities listed on Euronext (Brussels, Paris and Amsterdam)
- Propose the main securities in terms of stock market capitalisation on the main international markets

### Selected Trading Places

#### Equiduct offer

As Equiduct is a trading platform, active on the Regulated Market of the 'Börse Berlin AG', which analyses prices and compares them to the prices of shares listed on traditional markets (e.g. Euronext, Xetra, Milan) and alternative markets (Multi-Trading Facilities or "MTFs": Chi-X, Turquoise, BATS), ING is of the opinion that Equiduct, for its offer, executes orders at the best price.

#### Outside the Equiduct offer

- a) Moreover ING considers that in the case of Financial Instruments which are not covered by Equiduct, in most cases, the best possible result in terms of best execution shall be attained on the domestic market of such Financial Instrument, taking account of all execution factors (see Art. 13 § 2 of Appendix 1 to the SRTFI), except when the liquidity of the domestic market is insufficient.

<sup>1</sup> domestic market: Trading Place(s) belonging to the country of issue of a Financial Instrument, as determined by the ISO Code and its ISIN code.

**ISIN code** (International Securities Identification Number): identification code specific to each Financial Instrument. This code enables financial intermediaries to easily identify the Financial Instrument in question. It consists of two letters ("ISO code") indicating the country in which the Financial Instrument was issued (BE for Belgium) and ten digits which are unique to each Financial Instrument.

**ISO code**: international code used to identify a country. The first two letters are used for the ISIN code. For example, for "ING Groep" shares the ISIN code is "NL0000303600" and its ISO is "NL".

<sup>2</sup> Exchange Trade Fund (ETF): where the instruments are listed, as is the case on the Equities market as described above.

- b) In the Client's interest, the Trading Place could differ from the Trading Place as stipulated under the policy detailed above. This is possible if the financial intermediary ING calls on, executes the order on a (systematic) internal execution platform or on a Trading Place selected according to the criteria of its own Best Execution of Orders Policy, with better execution conditions, in terms of prices and costs, but also taking account of other elements such as liquidity, speed, probability of processing and execution, the size and nature of the order, as well as other relevant data.

The Trading Place will be indicated in the Client's account statements following the execution of the order.

#### Assessment of relevant execution factors

**Liquidity, price, costs, probability of execution** Liquidity is a dominant factor to ensure best execution where it is relevant in the choice of Trading Place for a listed security. The domestic market is, generally, the most liquid market, unless other markets offer better liquidity. Liquidity, together with probability of execution, size and speed, make it possible to attain a best global price. Execution shall be fully automated for orders of a normal size on the market.

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**Speed, size, nature** Under normal market conditions, execution shall be fast. In the case of substantial sized orders, execution shall depend on liquidity. The nature of the order determines execution on a case by case basis.

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**Costs** Brokerage fees (at current rates) and stock exchange fees apply to transactions executed.

#### In the case of listed bonds (OLOs, Government Bonds, etc.)

##### Selected Trading Places

The execution of listed securities, through the intermediary of KBC Securities, is generally on a Regulated Market (Euronext Brussels) or MTF.

A lack of liquidity on a Regulated Market or a better price off a Regulated Market may justify execution off the Regulated Market(s) on which the bond is listed (executed OTC).

In this case, the best execution of orders policy for unlisted Financial Instruments shall apply by analogy to the Financial Instrument concerned, the Client's express consent shall be requested, where appropriate, in accordance with Article 13, § 2 b), of Appendix 1 of the SRTFI.

## In the case of unlisted Financial Instruments

### In the case of corporate bonds, other debt instruments, etc.

#### Selected Trading Places

Orders for this category of Financial Instruments shall be executed by ING privately off market (i.e. "OTC" or "Over-The-Counter"). To ensure best execution, the counterpart of such transaction is a financial institution with which ING is in contact, via one or several platforms.

#### Assessment of relevant execution factors

<b>Liquidity</b>	Orders shall be executed by ING with the counterpart(s) which offer(s) the best price (including ING's own costs) taking account of the liquidity available for the Financial Instrument in question.
<b>Prices / costs</b>	Where the Client requests a price for a buy or sell transaction for such category of Financial Instruments, the price offered includes a flat margin of a maximum of 0.60% to cover the service and costs linked to an OTC transaction (plus brokerage). Brokerage (at the current rate) applies to transactions executed. In the event one Client's order is crossed with that of another Client, the best price at that time shall be applied.
<b>Probability of execution</b>	If the liquidity of a Financial Instrument is insufficient with ING's counterparts (to allow execution within a reasonable timeframe) it is possible that execution at the best price is not guaranteed. In that case ING reserves the right to not execute the Client's order.
<b>Type of order</b>	All orders at market price and orders with a limit price are executed according to their order of arrival (the "first in/first out" rule).

### In the case of Structured Notes and derivatives in the form of securities

#### Selected Trading Places

Orders for this category of Financial Instruments are executed privately by ING off market (i.e. "OTC" or "Over-The-Counter"). ING Bank NV is the only counterpart to offer a redemption price for this category of Financial Instruments.

#### Assessment of relevant execution factors

<b>Independent control</b>	To ensure the best execution of orders, ING Bank NV has set up an independent control of price calculation methods on both the primary market and the secondary market. Such control has been set up with the Risk Management Department of ING and it involves the calculation methods specific to ING as well as the main market parameters of the instrument (assessment of the underlying, volatility, market rate, funding cost for ING Bank NV, etc.).
<b>Liquidity</b>	Structured Notes are not listed on a regulated market. Under normal market conditions, ING Bank NV shall guarantee market liquidity to the Client by offering a redemption price to the Client.
<b>Prices / costs</b>	Where the Client requests a price for a transaction for such category of Financial Instruments, the price offered includes a flat margin of a maximum of 0.50% to cover the service and costs linked to an OTC transaction (plus brokerage). Brokerage (at the current rate) applies to transactions executed. In the event one Client's order is crossed with that of another Client, the best price at that time shall be applied.
<b>Probability of execution</b>	Insofar as the only counterpart of such transaction is ING Bank NV which offers a price for this category of Financial Instruments, if the liquidity for a Financial Instrument is insufficient (and to allow execution within a reasonable timeframe), it is possible that execution at best price is not guaranteed. In that case ING reserves the right to not execute the Client's order.

## In the case of undertakings for collective investment (UCIs)

Undertakings for collective investment (hereafter "UCIs") encompass SICAVs (sociétés d'investissement à capital variable/ variable capital investment funds) and mutual funds. The net asset value (hereafter "NAV") is calculated independently by the administrative officer of the UCI. A single NAV is applied for both subscriptions and redemptions.

### Selected Trading Places

Subscription and redemption orders are carried out via the transfer agent of the UCI, as mentioned in the prospectus of the UCI or, where appropriate, via a centralising agent who forwards the order to the transfer agent of the UCI.

In the case of SICAFI (société d'investissement à capital fixe/fixed capital investment funds) and ETF (Exchange Traded Funds), which are listed Financial Instruments, the applicable BEOP is described above.

### Assessment of relevant execution factors

<b>Costs</b>	The costs from the commissions applied by fund centralising agents chosen by ING.
<b>Timeframes</b>	Under normal conditions, executions closely follow receipt of the net asset value, provided the order is given before the cut-off time.
<b>Description of cut-off time</b>	The "cut-off" time designates the time at which it is possible to give buy or sell orders to be taken into account on the same day. After the cut-off time, orders shall be taken into account the next day. The cut-off time is indicated in the UCI's prospectus. Investors are advised to enquire beforehand from distributors to know the cut-off time of the acceptance period for offers from the latter.
<b>Probability</b>	The probability of execution and settlement is certain.
<b>Other factors</b>	Quality of centralising agent and fund transfer agent.

## In the case of derivatives: options, forward exchange contracts, Interest Rate Swaps (IRS), Forward Rate Agreements (FRA), cap/floor contracts, etc.

### Selected Trading Places

All derivative orders are executed by ING OTC (Over-The-Counter).

### Assessment of relevant execution factors

<b>Price/Probability</b>	Markets are mainly OTC markets where prices are determined on the basis of generally acknowledged price determination methods. In addition data providers of such reference markets provide excellent references to control prices.
<b>Costs</b>	Transaction costs can be charged. Moreover a liquidity and credit margin is generally included in the transaction fee and generally depends on current market conditions. The size of such transactions can also impact pricing.
<b>Size/Speed/Nature</b>	Access to the market is limited (for instance, a minimum amount is charged most of the time). Under normal market conditions, orders are executed straightaway. Buy and sell orders are executed order by order.

## List of main financial intermediaries

ING only agrees to work with financial intermediaries whose best execution of orders policy meets the requirements of Belgian financial legislation. ING shall check the efficiency of the best execution of orders policy of the financial intermediary, with a view to pinpointing and rectifying any errors. The Best Execution of Orders Policy shall be assessed at least once a year, or amended when a significant change or modification likely to impact on the best possible result occurs.

### List of financial intermediaries:

ING Bank NV  
 KBC Securities NV  
 UBS AG  
 BBH (transfer agent)  
 RBC Investor & Treasury Services (transfer agent)

This list is subject to change.

### List of main Trading Places

The Trading Place depends on the Financial Instrument. Please find below the main Trading Places used by ING when ING receives a request to execute an order.

This list is not exhaustive. It will be updated in accordance with the execution of orders practices. ING reserves the right to use other Trading Places than those listed below, insofar as ING deems it appropriate in accordance with best execution of orders practices.

### Publication of top five execution venues

As ING Belgium is receiving and transmitting orders to external brokers, ING will publish an annual report of the top five entities (brokers) to which client orders were routed during the preceding year. This publication will be available on <http://www.ing.be/charges>.

	Country	Market/Listing Place	Trading place in the Equiduct universe	Trading place
Euronext	NL 	Euronext Amsterdam	EAM Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Euronext Amsterdam.	
	BE 	Euronext Brussels	EBR Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Euronext Brussels.	
	FR 	Euronext Paris	EPA Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Euronext Paris.	
US	US 	NYSE	NYX	NYSE – New York Stock Exchange (in accordance with UBS's execution policy)
	US 	Nasdaq	NMS	NASDAQ (in accordance with UBS's execution policy)
	US 	Nyse Arca	NAR	NYSE Arca (in accordance with UBS's execution policy)

	Country	Market/Listing Place	Trading place in the Equiduct universe	Trading place	
Non-Euronext Europe	AT 	Vienna SE	VIE		Wiener Börse (in accordance with UBS's execution policy)
	CH 	Swiss Exchange (Virt-X)	VTX		Swiss Exchange (in accordance with UBS's execution policy)
	DE 	Xetra	ETF	Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Xetra.	
	DE 	Frankfurt	FRA	Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Frankfurter Wertpapierbörse.	
	DK 	Copenhagen SE	CPH		NASDAQ OMX Nordic Exchange – Copenhagen (in accordance with UBS's execution policy)
	ES 	Mercado Continuo de España	STN		Bolsa de Madrid (in accordance with UBS's execution policy)
	FI 	Helsinki SE	HEL		NASDAQ OMX Nordic Exchange – Helsinki (in accordance with UBS's execution policy)
	IT 	Mercato Milano	MCI	Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Mercato Milano	
	LU 	Bourse de Luxembourg	LUX		Bourse de Luxembourg (in accordance with UBS's execution policy)
	NO 	Oslo Stock Exchange	OSL		Oslo Bors (in accordance with UBS's execution policy)
	PT 	Euronext Lisbon	LIS		Euronext Lisbon (in accordance with UBS's execution policy)
	SE 	Stockholms Fondbors	STO		NASDAQ OMX Nordic Exchange – Stockholm (in accordance with UBS's execution policy)
	UK 	London Stock Exchange	LON		London Stock Exchange (in accordance with UBS's execution policy)
	UK 	SET	LSS		London Stock Exchange (in accordance with UBS's execution policy)
UK 	SEATS	SEA		London Stock Exchange (in accordance with UBS's execution policy)	

	Country	Market/Listing Place	Trading place in the Equiduct universe	Trading place
Others	JP 	Via Xetra or Frankfurt	ETR/ FRA	Equiduct unless: <ul style="list-style-type: none"> <li>Instrument not offered via Equiduct</li> <li>Size of order does not allow routing via Equiduct</li> </ul> In either of the two previous cases the order will be executed on Frankfurter Wertpapierbörse or Xetra depending on the Listing Place of the instrument
	CA 	Toronto	TOR	Toronto Stock Exchange (in accordance with UBS's execution policy)