

Top 5 counterparties reports

In accordance with Article 3(3) detailed in the Market in Financial Instruments Directive II ("MiFID II") and our internal policy this document sets out UBS O'Connor Limited top five counterparties for each class of ESMA financial instruments.

Applicability

Legal Entity Name	UBS O'Connor Limited
LEI	54930036444TZ5UWTY74
Reporting Period	01/01/2019 – 31/12/2019
ESMA Class of Financial Instrument	All, where applicable
Report type	MiFID II RTS 28 and Art. 65 (6) reports

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1. Notes

For the purpose of meeting our obligations under MiFID II RTS 28 and article 65 (6) we published in this document the top 5 counterparties reports per ESMA Class of Financial Instrument used during 2019.

We do not make distinction between RTS 28 and article 65 (6) reports because for the same ESMA Class of Financial Instrument we only either place or execute client orders. We also do not believe this distinction is useful to our clients and it does not impact the number of reports we are required to publish. Collectively we call the RTS 28 reports and the article 65 (a) reports "Top 5 Counterparties" reports.

We describe alongside each of the top 5 counterparties tables a qualitative assessment of execution covering the key topics required by MiFID II.

Those ESMA Classes of Financial Instrument not listed in this document are not traded by UBS O'Connor Limited (UBS OC).

This document should be read in conjunction with our Global Best Execution and Order Handling policy published on our website. Should clients require further information about our Best Execution and Order Handling Principles, please raise them with your UBS O'Connor contact.

The scope of transactions for the top five counterparties reports is as follows:

- All orders executed by UBS O'Connor Limited
- All orders where the decision to invest was taken in UBS O'Connor Limited but the order was executed in the market by one of the other UBS O'Connor affiliates. In the reports we categorized these type of orders as "Delegation to UBS..."

The passive and aggressive fields do not apply to UBS OC as we do not direct where or how a broker should execute our orders and we do not operate on a order book for non-equity instruments.

UBS OC only deals with clients categorised as 'professionals' under MiFID II.

2. Qualitative assessment of execution

This section covers UBS OC's obligation to publish a qualitative summary of the analysis it drew from the monitoring of its execution framework during 2019 for all financial instruments in scope. Asset class specific assessment is provided in section 3 of this document, where appropriate.

a) Provide 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 when assessing the quality of execution:

UBS OC reserves the right to act with discretion, unless otherwise instructed by the Client, in order to select an execution entity or execution venue that is considered most appropriate to achieve the best possible result for the Client. By assessing the quality of execution, UBS OC considers the relative importance of the following execution factors:

- Price of execution and depth of quote;
- Costs associated with execution (e.g. expenses incurred by the client including execution, clearing and settlement fees and any other fees paid to a counterparty or third party involved in the execution of the order);
- Speed of execution;
- Size;
- Nature of the order;
- The likelihood of execution;
- The likelihood of settlement;
- Liquidity profile;
- Any other consideration relevant to the execution of an order.

Orders are executed through selected counterparties including UBS AG. When selecting a counterparty the following criteria are considered, but without limitation:

- Counterparty's ability to execute and settle the trade in a prompt, orderly and satisfactory manner;
- Counterparty's willingness to commit capital;
- Counterparty's confidentiality;
- Counterparty's financial status and credit worthiness, e.g. responsibility and solvency as required by our internal credit risk framework;
- Counterparty's execution capabilities and any related risks when trading a block of securities (e.g. anonymity);
- Counterparty's regulatory status;
- Counterparty's reputation;
- Counterparty's broad market coverage and knowledge;
- Counterparty's consistent quality of service; and
- Counterparty's treatment of UBS OC as a professional client.

UBS OC has determined that the execution entities available (that go beyond the top 5 listed in this document) are the most significant entities which enable UBS OC to meet its execution obligations. This list of execution counterparties will be kept under review and updated in accordance with our Best Execution Policy. UBS OC reserves the right to use other execution entities if in the best interest of the client.

b) Provide a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders:

UBS OC is authorised and regulated by the Financial Conduct Authority (FRN 122627) and is part of the UBS Group and a wholly owned subsidiary of UBS AG. UBS OC does not have any conflicts of interest with UBS AG, or common ownership in respect to execution venues owned by UBS AG.

c) Provide a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received:

UBS OC has robust policies and procedures in place in order to ensure that arrangements with execution venues and counterparties are in the best interest of the client. Some execution venues and counterparties may offer UBS OC minor non-monetary benefits permissible under MiFID II regulation and UBS internal policies.

d) Provide 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:

There were no material changes to our execution venues and counterparties during this period.

e) Provide an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements:

UBS OC only deals with clients categorised as 'professionals' under MiFID II.

f) Provide 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:

Not applicable. UBS OC only deals with clients categorised as professionals under MiFID II.

g) Provide an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575:

UBS OC monitors quality of execution via its first and second line monitoring framework using available data from key trading venues and internal records. Monitoring includes the periodic review and evidence of outliers, trader activity, and overall trading volumes with particular venues, broker or counterparties. The outcomes of these monitoring activities are reviewed at UBS Asset Management Global Best Execution Committee.

Under MiFID II Art 27(3) and Commission Delegated Regulation (EU) 2017/575 ("RTS 27"), execution venues (including trading venues, systematic internalisers, market makers and other liquidity providers) are required to publish a large range of information on execution quality on a quarterly basis. We may use this data.

h) Provide an explanation, where applicable, of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU:

This is not applicable for this year reporting cycle as there are no official consolidated tape providers operating.

3. Top 5 counterparties reports

3.1 Equities - Shares & Depository Receipts

Top 5 counterparties per volume traded

Class of Instrument	(a) Equities - Shares & Depository Receipts - Tick size liquidity bands 1 & 2		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Delegation to UBS O'Connor LLC - DKTEQ75O7X3COBPLT084	35.7%	23.3%	0%
Delegation to UBS Asset Management (Singapore) Ltd - 549300ZJ8PJOED45HZ43	17.4%	35.6%	0%
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	14.5%	0.4%	0%
Wells Fargo Securities, LLC. - VYVVKR63DVZZN70PB21	11.4%	7.6%	0%
BTIG Limited - 213800YZXS7U4QZP6441	8.7%	4.2%	0%

Class of Instrument	(a) Equities - Shares & Depository Receipts - Tick size liquidity bands 3 & 4		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
J.P. Morgan Securities Plc - K6Q0W1PS1L1O4IQL9C32	14.1%	5.9%	0%
BTIG Limited - 213800YZXS7U4QZP6441	10.3%	5.0%	0%
Delegation to UBS O'Connor LLC - DKTEQ75O7X3COBPLT084	8.8%	10.6%	0%
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	7.8%	5.5%	0%
Olivetree Financial Limited - 213800WJG33TNCVZK61	7.3%	10.6%	0%

Class of Instrument	(a) Equities - Shares & Depository Receipts - Tick size liquidity bands 5 & 6		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Jefferies International Limited- S5THZMDUJCTQZBTRVI98	15.7%	20.7%	0%
J.P. Morgan Securities Plc - K6Q0W1PS1L1O4IQL9C32	11.3%	7.1%	0%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V49	10.2%	12.8%	0%
Exane Limited – 969500UP76J52A9OXU27	8.6%	8.2%	0%
UBS AG – BFM8T61CT2L1QCEMIK50	7.8%	9.1%	0%

When executing or placing orders in "Equities – Shares and Depository Receipts" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Nature of order
- Liquidity profile
- Likelihood of execution
- Speed of execution
- Costs associated with execution
- Likelihood of settlement

Note that the above orders attributed to "Delegation to UBS O'Connor LLC - DKTEQ7507X3COBPLT084" and " Delegation to UBS Asset Management (Singapore) Ltd - 549300ZJ8PJOED45HZ43" were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS O'Connor Limited entity but the order was placed into the market by another UBS O'Connor entity. Our global model facilitates delegation of execution across UBS Asset Management entities, where appropriate.

3.2 Debt Instruments i) Bonds

Top 5 counterparties per volume traded

Class of Instrument	b) Debt Instruments i) Bonds		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Barclays Bank PLC – G5GSEF7VJP5I7OUK5573	36.8%	11.0%	0%
Goldman Sachs International – W22LROWP2IHZNBB6K528	8.5%	8.9%	0%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V49	7.6%	10.4%	0%
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	6.5%	9.8%	0%
J.P. Morgan Securities Plc - K6Q0W1PS1L1O4IQL9C32	5.2%	5.9%	0%

When executing or placing orders in "Debt Instruments - Bonds" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Liquidity profile
- Market impact – i.e. size and nature of the order
- Likelihood of execution
- Speed of execution
- Venue factors such as efficiency and product availability e.g. Offers straight through processing or trades specific instruments

3.3 Credit Derivatives – Other credit derivatives

Top 5 counterparties per volume traded

Class of Instrument	d) Credit Derivatives ii) Other credit derivatives		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Barclays Bank PLC – G5GSEF7VJP5I7OUK5573	23.2%	22.7%	0%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V49	20.9%	13.8%	0%
BNP Paribas – ROMUWSFPU8MPRO8K5P83	15.5%	10.2%	0%
Deutsche Bank AG – 7LTWFZYICNSX8D621K86	13.4%	5.9%	0%
Morgan Stanley & Co. International PLC- 4PQUHN3JPF GFNF3BB653	10.2%	15.8%	0%

When executing or placing orders in "Debt Instruments - Bonds" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Liquidity profile
- Market impact – i.e. size and nature of the order
- Likelihood of execution
- Speed of execution
- Venue factors such as efficiency and product availability e.g. Offers straight through processing or trades specific instruments

3.4 Equity Derivatives - Futures and options admitted to trading on trading venue

Top 5 counterparties per volume traded

Class of Instrument	g) Equity Derivatives i) Options and Futures admitted to trading on a trading venue		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Credit Suisse Securities (Europe) Limited - DL6FFRRLF74S01HE2M14	78.4%	56.1%	0%
Mariana UFP LLP - 213800YRA1J9QFBMU217	11.6%	14.6%	0%
Delegation to UBS O'Connor LLC - DKTEQ7507X3COBPLT084	2.7%	2.8%	0%
Goldman Sachs International – W22LROWP2IHZNBB6K528	2.6%	14.0%	0%
Barclays Bank PLC – G5GSEF7VJP5I7OUK5573	1.3%	7.9%	0%

When executing or placing orders in "Equity Derivatives - Futures and options admitted to trading on trading venue" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Market impact – i.e. size and nature of the order
- Costs associated with execution
- Likelihood of execution

Note that the above orders attributed to "Delegation to UBS O'Connor LLC - DKTEQ7507X3COBPLT084" were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS O'Connor Limited entity but the order was placed into the market by another UBS O'Connor entity. Our global model facilitates delegation of execution across UBS Asset Management entities, where appropriate.

3.5 Equity Derivatives - Swaps and other equity derivatives

Top 5 counterparties per volume traded

Class of Instrument	g) Equity Derivatives ii) Swaps and other equity derivatives		
Notification if <1 average trade per business day in the previous year	Yes		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Barclays Bank PLC – G5GSEF7VJP5I7OUK5573	40.4%	41.7%	0%
J.P. Morgan Securities Plc - K6Q0W1PS1L1O4IQL9C32	26.3%	29.2%	0%
Morgan Stanley & Co. International PLC- 4PQUHN3JPF GFNF3BB653	23.0%	8.3%	0%
Goldman Sachs International – W22LROWP2IHZNBB6K528	10.2%	12.5%	0%
Jefferies International Limited- S5THZMDUJCTQZBTRVI98	0.2%	4.2%	0%

There were only a two orders executed in these instruments. When executing or placing orders in "Equity Derivatives - Swaps and other equity derivatives" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Liquidity profile
- Market impact – i.e. size and nature of the order
- Likelihood of settlement
- Likelihood of execution
- Speed of execution
- Costs associated with execution (e.g. expenses incurred by the client including execution, clearing and settlement fees plus any other fees paid to)

3.6 Contracts for Difference

Top 5 counterparties per volume traded

Class of Instrument	j) Contracts for Difference		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Jefferies International Limited- S5THZMDUJCTQZBTRVI98	15.1%	19.6%	0%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	13.7%	9.3%	0%
Citigroup Global Markets Limited - XKZZ2JZF41MRHTR1V493	8.2%	10.9%	0%
Olivetree Financial Limited - 213800WJG33TNCFVZK61	6.5%	8.2%	0%
Exane Limited – 969500UP76J52A9OXU27	6.2%	6.9%	0%

When executing or placing orders in "Contracts for Difference" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Market impact – i.e. size and nature of the order
- Costs associated with execution
- Likelihood of execution

3.7 Exchange traded products

Top 5 counterparties per volume traded

Class of Instrument	(k) Exchange traded products		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Wells Fargo Securities, LLC. - VYVVCKR63DVZZN70PB21	39.2%	29.9%	0%
Delegation to UBS O'Connor LLC - DKTEQ75O7X3COBPLT084	36.5%	48.9%	0%
Macquarie Capital Europe Limited - 549300GX4FPMFF91RJ37	14.5%	14.8%	0%
BTIG Limited - 213800YZXS7U4QZP6441	8.3%	4.9%	0%
Jefferies International Limited- S5THZMDUJCTQZBTRVI98	1.4%	1.4%	0%

When executing or placing orders in "Exchange traded products" UBS OC prioritises the following executing factors:

- Price and depth of quote
- Nature of order
- Liquidity profile
- Likelihood of execution
- Speed of execution
- Costs associated with execution
- Likelihood of settlement

Note that the above orders attributed to "Delegation to UBS O'Connor LLC - DKTEQ75O7X3COBPLT084" were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS O'Connor Limited entity but the order was placed into the market by another UBS O'Connor entity. Our global model facilitates delegation of execution across UBS Asset Management entities, where appropriate.

3.8 Other instruments

Top 5 counterparties per volume traded

Class of Instrument	(m) Other instruments		
Notification if <1 average trade per business day in the previous year	No		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of directed orders
Delegation to UBS O'Connor LLC - DKTEQ75O7X3COBPLT084	20.7%	12.8%	0%
Morgan Stanley & Co. International PLC- 4PQUHN3JPFQFNF3BB653	11.5%	9.4%	0%
Olivetree Financial Limited - 213800WJG33TNCVFZK61	11.0%	9.6%	0%
HSBC Bank Plc – MP6I5ZYZBEU3UXPYFY54	10.5%	12.4%	0%
BTIG Limited - 213800YZXS7U4QZP6441	9.1%	5.8%	0%

When executing or placing orders in "Other instruments " UBS OC prioritises the following executing factors:

- Price and depth of quote
- Nature of order
- Liquidity profile
- Likelihood of execution
- Speed of execution
- Costs associated with execution
- Likelihood of settlement

Note that the above orders attributed to "Delegation to UBS O'Connor LLC - DKTEQ75O7X3COBPLT084" were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS O'Connor Limited entity but the order was placed into the market by another UBS O'Connor entity. Our global model facilitates delegation of execution across UBS Asset Management entities, where appropriate.