

UBS Asset Management (UK) Ltd. Top 5 Counterparties reports

In accordance with RTS 28 and article 65 (6) detailed in the MiFID II regulation and our internal policy this document sets out UBS Asset Management (UK) Ltd. Top 5 Counterparties reports for each class of ESMA financial instruments

Applicability

Legal Entity Name	UBS Asset Management (UK) Ltd.
LEI	549300SGDHJDHGZYMB20
Reporting Period	01/01/2017 – 31/12/2017
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 2017.

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 provide below a qualitative assessment of execution covering key topics required by MiFID II, and supplement that with additional information alongside each of the Top 5 Counterparties tables where it is appropriate to do so.

Those ESMA Classes of Financial Instrument not listed in this document are not invested or traded by UBS Asset Management (UK) Ltd. (UBS AM UK).

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 Asset Management contact.

The scope of transactions for the Top 5 Counterparties reports is as follows:

- All orders executed by UBS AM UK
- All orders where the decision to invest was taken in UBS AM UK but the order was executed in the market by one of the other UBS Asset Management legal entities. In the reports we categorized these types of orders as "Delegation to UBS..."

The passive and aggressive fields do not apply to UBS AM UK 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 like instruments.

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

2. Qualitative assessment of execution

This section covers UBS AM UK obligation to publish a qualitative summary of the analysis it draw from the monitoring of its execution framework during 2017 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 AM UK 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 AM UK 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 AM as a professional client.

Subject to any exceptions such as receipt of specific client instructions, and after reviewing the execution policies and methodologies of potential execution entities, UBS AM UK has determined that the execution entities listed in our Global Best Execution and Order Handling policy (that go beyond the top 5 listed below per financial instrument) are the most significant entities which enable UBS AM UK 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 AM UK reserves the right to use other execution entities if this is 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 AM UK is authorised and regulated by the Financial Conduct Authority (FRN 119319) and is part of the UBS Group and a wholly owned subsidiary of UBS AG. UBS AM UK 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 AM UK 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 AM UK 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 AM UK 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 AM UK 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 AM UK 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, brokers and counterparties. The outcomes of these monitoring activities are reviewed at UBS AM's 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. The first reports published under RTS 27 will cover a reporting period that is representative of the first quarter of 2018 and will be published by 30 June 2018. We plan to assess the usefulness of this data, once it becomes available.

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 & Depositary Receipts

Top 5 Counterparties per volume traded

Class of Instrument	a) Equities - Shares & Depositary Receipts		
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 Asset Management (Americas) Inc. - F88SLSBEMHN5FUSNRO91	36.5%	44.9%	0%
Delegation to UBS Asset Management (Singapore) Ltd. - 549300ZJ8PJ0ED45HZ43	15.8%	20.2%	0%
Goldman Sachs International- W22LROWP2IHZNBB6K528	6.7%	3.8%	0%
Credit Suisse AG- ANGGYXNX0JLX3X63JN86	6.3%	3.6%	0%
UBS AG- BFM8T61CT2L1QCCEMIK50	5.4%	3.6%	0%

When executing or placing orders in "Equities – Shares and Depositary Receipts" UBS AM UK 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

We opted to group all equity trades in scope for this report under a single asset class "a) Equities - Shares & Depositary Receipts", as the tick size liquidity bands were not available for 2017.

Note that the above orders attributed to "Delegation to UBS Asset Management (Americas) Inc. " and "Delegation to UBS Asset Management (Singapore) Ltd. " were not executed with these entities. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by another UBS AM entity. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

UBS AG was one of our top counterparties for Equity trades conducted during 2017 for UBS AM UK. As a separate legal entity, UBS AM UK conducts all business with third parties, including its affiliates, at arms-length and applies a consistent control framework relating to best execution and order handling.

3.2 Debt Instruments i) Bonds

Top 5 venues 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
Bloomberg Trading Facility Limited - BMTF *	62.1%	48.7%	0%
MarketAxess Europe Limited - MAEL	14.4%	33.3%	0%
TRADEWEB EUROPE LIMITED - TREU	3.4%	3.2%	0%

* For completeness we included Bloomberg MTF in our top 5 venues table for Bonds. Note that Bloomberg only became a Multilateral Trading Facility for this instrument type from the second half of 2017.

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
Delegation to UBS AG AM Business - BFM8T61CT2L1QCCEMIK50	9.9%	6.8%	0%
Goldman Sachs International - W22LROWP2IHZNBB6K528	7.9%	7.7%	0%
BARCLAYS BANK PLC - G5GSEF7VJP5I7OUK5573	7.7%	6.4%	0%
J.P. Morgan Securities PLC - K6Q0W1PS1L1O4IQL9C32	6.5%	6.4%	0%
Morgan Stanley & Co. LLC - 9R7GPTSO7KV3UQJZQ078	5.9%	5.1%	0%

UBS AM UK executed or placed 79.8% of bond trades via Multilateral Trading Facilities as these were available during 2017 for this instrument type. When executing or placing orders in "Debt Instruments - Bonds" UBS AM UK 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

Note that the above orders attributed to "Delegation to UBS AG Asset Management Business" were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by the Asset Management business of our UBS AG entity. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

3.3 Debt Instruments ii) Money Market Instruments

Top 5 Counterparties per volume traded

Class of Instrument	b) Debt Instruments ii) Money Market 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
ING Bank N.V. - 3TK20IVIUIJ8J3ZU0QE75	24.6%	16.7%	0%
DZ Bank AG - 549300H4VEXVCN0Z3G48	20.7%	13.6%	0%
Natixis SA - KX1WK48MPD4Y2NCUIZ63	11.2%	10.2%	0%
Delegation to UBS AG Asset Management Business - BFM8T61CT2L1QCEMIK50	10.1%	9.1%	0%
BNP Paribas Securities Services SCA- 549300WCGB70D06XZS54	8.5%	9.2%	0%

When executing or placing orders in "Debt Instruments - Money Market Instruments" UBS AM UK prioritises the following executing factors:

- Price and depth of quote
- Likelihood of execution
- Speed of execution
- Market impact – i.e. size and nature of the order
- Liquidity profile

UBS AM UK executed or placed circa 2.8% of its Money Market trades via Bloomberg Trading Facility Limited. Bloomberg was the only Multilateral Trading Facility (MTF) used for the Money Market in-scope trades and therefore we have not published a top 5 venue table for this instrument. Note that Bloomberg only became a Multilateral Trading Facility for this instrument type from the second half of 2017.

Note that the above orders attributed to "Delegation to UBS AG Asset Management Business" were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by the Asset Management business of our UBS AG entity. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

3.4 Interest Rate Derivatives i) Options and Futures admitted to trading on a trading venue

Top 5 Counterparties per volume traded

Class of Instrument	c) Interest Rate Derivatives i) Options and Futures admitted to trading on a trading venue		
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
UBS AG - BFM8T61CT2L1QCCEMIK50	98.8%	98.7%	0%
Delegation to UBS Asset Management (Americas) Inc. - F88SLSBEMHN5FUSNRO91	1.2%	1.3%	0%

(Table "c) Interest Rate Derivatives i) Options and Futures admitted to trading on a trading venue" revised on 10/09/2018)

The number of trades in "c) Interest Rate Derivatives i) Options and Futures admitted to trading on a trading venue" was significantly low.

When executing or placing orders in "Interest Rate Derivatives - Options and Futures admitted to trading on a trading venue" UBS AM UK 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

3.5 Interest Rate Derivatives - Swaps, forwards and other interest rates derivatives

Top 5 Counterparties per volume traded

Class of Instrument	c) Interest rate derivatives ii) Swaps, forwards and other interest rates 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
JPMorgan Chase Bank, National Association-7H6GLXDRUGQFU57RNE97	37.1%	40.3%	0%
UBS AG - BFM8T61CT2L1QCCEMIK50	25.4%	21.5%	0%
Morgan Stanley & Co. International PLC - 4PQUHN3JPFGFNF3BB653	16.3%	18.3%	0%
The Toronto-Dominion Bank - PT3QB789TSUIDF371261	9.7%	7.3%	0%

Goldman Sachs International- W22LROWP2IHZNBB6K528	3.7%	4.7%	0%
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The number of trades in "Interest Rate Derivatives - Swaps, forwards and other interest rates derivatives" was significantly low. When executing or placing orders in this instrument UBS AM UK 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)

UBS AG was one of our top counterparties for Interest Rate Derivatives trades conducted during 2017 for UBS AM UK. As a separate legal entity, UBS AM UK conducts all business with third parties, including its affiliates, at arms-length and applies a consistent control framework relating to best execution and order handling.

3.6 Credit Derivatives - Futures and options admitted on a trading venue

Top 5 Counterparties per volume traded

Class of Instrument	d) Credit Derivatives i) Futures and options admitted 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
Merrill Lynch International - GGDZP1UYGU9STUHRDP48	44.5%	8.1%	0%
UBS AG - BFM8T61CT2L1QCEMIK50	36.5%	77.2%	0%
Delegation to UBS Asset Management (Americas) Inc. - F88SLSBEMHN5FUSNRO91	12.0%	7.8%	0%
Delegation to UBS AG Asset Management Business - BFM8T61CT2L1QCEMIK50	4.4%	1.6%	0%
Goldman Sachs International - W22LROWP2IHZNBB6K528	2.4%	0.9%	0%

(Table "d) Credit Derivatives i) Futures and options admitted on a trading venue" was revised on 10/09/2018)

When executing or placing orders in "Credit Derivatives - Futures and options admitted on a trading venue" UBS AM UK 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

UBS AG was one of our top counterparties for Credit Futures trades conducted during 2017 for UBS AM UK. As a separate legal entity, UBS AM UK conducts all business with third parties, including its affiliates, at arms-length and applies a consistent control framework relating to best execution and order handling.

Note that the above orders attributed to "Delegation to UBS Asset Management (Americas) Inc." and "Delegation to UBS AG Asset Management Business" were not executed with these entities. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by another UBS AM entities. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

3.7 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	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	36.5%	32.7%	0%
Citibank, National Association- E57ODZWZ7FF32TWEFA76	18.3%	20.5%	0%
JPMorgan Chase Bank, National Association- 7H6GLXDRUGQFU57RNE97	17.6%	23.7%	0%
Credit Suisse International- E58DKGMJYYYJLN8C3868	14.1%	7.1%	0%
Merrill Lynch International- GGDZP1UYGU9STUHRDP48	5.3%	5.1%	0%

The number of trades in "Credit Derivatives – Other Credit Derivatives" was significantly low. When executing or placing orders in this instrument UBS AM UK 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)

3.8 Currency Derivatives - Swaps, Forwards, and other currency derivatives

Top 5 Counterparties per volume traded

Class of Instrument	e) Currency Derivatives ii) Swaps, Forwards, and other currency 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
UBS AG- BFM8T61CT2L1QCCEMIK50	32.3%	28.9 %	72.1%
State Street Bank and Trust Company - 571474TGEMMWANRLN572	16.2%	15.5%	8.8%
JPMorgan Chase Bank, National Association - 7H6GLXDRUGQFU57RNE97	10.0%	14.7%	0.4%
Citibank, National Association - E57ODZWZ7FF32TWEFA76	9.4%	5.4%	0.5%
HSBC BANK PLC - MP6I5ZYZBEU3UXPYFY54	6.3%	6.5%	0.4%

When executing or placing orders in "Currency Derivatives - Swaps, Forwards, and other currency derivatives" UBS AM UK prioritises the following executing factors:

- Price and depth of quote
- Costs associated with execution
- Speed of execution
- Market impact (i.e. size and nature of the order)
- Liquidity profile

UBS AG was our top counterparty for FX trades conducted during 2017 for UBS AM UK mainly due to the large number of client directed trades to this counterparty. As a separate legal entity, UBS AM UK conducts all business with third parties, including its affiliates, at arms-length and applies a consistent control framework relating to best execution and order handling.

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

Top 5 Counterparties per volume traded

Class of Instrument	g) Equity Derivatives i) Futures and options admitted to trading on 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
Delegation to UBS Asset Management (Americas) Inc.- F88SLSBEMHN5FUSNRO91	31.6%	27.1%	0%
Delegation to UBS Asset Management (Singapore) Ltd.- 549300ZJ8PJOED45HZ43	21.6%	26.5%	0%
Delegation to UBS AG AM Business - BFM8T61CT2L1QCEMIK50	15.8%	6.3%	0%
J.P. Morgan Securities PLC- K6Q0W1PS1L1O4IQL9C32	13.2%	12.3%	0%
UBS AG- BFM8T61CT2L1QCEMIK50	8.9%	19.5%	0%

When executing or placing orders in "Equity Derivatives - Futures and options admitted to trading on trading venue" UBS AM UK 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 Asset Management (Americas) Inc.", "Delegation to UBS Asset Management (Singapore) Ltd.", and "Delegation to UBS AG AM Business" were not executed with these entities. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by another UBS AM entity. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

UBS AG was one of our top counterparties for Equity trades conducted during 2017 for UBS AM UK. As a separate legal entity, UBS AM UK conducts all business with third parties, including its affiliates, at arms-length and applies a consistent control framework relating to best execution and order handling.

3.10 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
Merrill Lynch International- GGDZP1UYGU9STUHRDP48	74.6%	30.6%	0%
Bank of America, National Association - B4TYDEB6GKMZO031MB27	25.4%	69.4%	0%

There were only few orders executed in this instruments with the above two brokers. When executing or placing orders in "Equity Derivatives - Swaps and other equity derivatives" UBS AM UK 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)

3.11 Commodities derivatives and emission allowances Derivatives - Other commodities derivatives and emission allowances

Top 5 Counterparties per volume traded

Class of Instrument	i) Commodities derivatives and emission allowances Derivatives ii) Other commodities derivatives and emission allowances		
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
UBS AG- BFM8T61CT2L1QCCEMIK50	100%	100%	0%

The number of trades in "Commodity Derivatives" was significantly low. When executing or placing orders in this instrument UBS AM UK 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

UBS AG was our single counterparties for Commodities Derivatives trades conducted during 2017 for UBS AM UK. As a separate legal entity, UBS AM UK conducts all business with third parties, including its affiliates, at arms-length and applies a consistent control framework relating to best execution and order handling.

3.12 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
HSBC BANK PLC- MP615ZYBUEU3UXPYFY54	22.1%	21.2%	0%
Credit Suisse AG- ANGGYXNX0JLX3X63JN86	19.5%	17.8%	0%
Morgan Stanley & Co. LLC- 9R7GPTSO7KV3UQJZQ078	12.1%	9.8%	0%
BARCLAYS CAPITAL SECURITIES LIMITED- K9WDOH4D2PYBLSLOB484	7.4%	3.9%	0%
Delegation to UBS Asset Management (Americas) Inc.- F88SLSBEMHN5FUSNRO91	6.8%	14.7%	0%

When executing or placing orders in "Contracts for Difference" UBS AM UK 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 Asset Management (Americas) Inc." were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by our UBS Asset Management (Americas) Inc.. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

3.13 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
Delegation to UBS Asset Management (Americas) Inc.- F88SLSBEMHN5FUSNRO91	25.3%	9.7%	0%
Commerzbank Aktiengesellschaft - 851WYGNLUQLFZBSYGB56	19.7%	17.7%	0%
Goldman Sachs International- W22LROWP2IHZNBB6K528	15.6%	6.9%	0%
DEUTSCHE BANK AKTIENGESELLSCHAFT - 7LTFZYICNSX8D621K86	9.7%	14.1%	0%
Credit Suisse AG- ANGGYXNX0JLX3X63JN86	8.0%	10.7%	0%

When executing or placing orders in "Exchange traded products" UBS AM UK 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 Asset Management (Americas) Inc. "were not executed with this entity. These were orders for accounts where the decision to invest was in the UBS AM UK entity but the order was placed into the market by another UBS AM entity. Our global model facilitates delegation of execution across UBS AM entities, where appropriate.

3.14 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	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
Delegation to UBS AG Asset Management Business - BFM8T61CT2L1QCCEMIK50	100%	99.1%	0%
Delegation to UBS Asset Management (Americas) Inc. - F88SLSBEMHN5FUSNRO91	0.01%	0.9%	0%

The "Other instruments" category only contains a small volume of Mutual Funds trades. None of these trades were placed in the market by UBS Asset Management (UK) Ltd. UBS AM UK took the decision to invest in these instruments and delegated execution of these orders to UBS Asset Management Americas and the Asset Management business of UBS AG.

When executing or placing orders in "Other Instruments" UBS AM UK 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