

# MiFID II Best Execution Top Five Broker Report Wealth Management, Personal and Corporate Banking, UBS Switzerland AG

This is the separate Top Five Broker Report for Wealth Management, Personal and Corporate Banking Divisions, UBS Switzerland AG, intended to provide users with additional transparency to the Top Five Venue and Broker Report of the Investment Bank, UBS Switzerland AG.

Link: <https://www.ubs.com/global/en/wealthmanagement/best-execution-ch.html>

Under Art. 65 (6) of the "Commission Delegated Regulation (EU) 2017/565", we are publishing the top five broker report for orders transmitted for execution to other entities. The information are consistent with the information published in accordance with the technical standards developed under Article 27(10)(b) of Directive 2014/65/EU.

For information on the top five execution venues for executed orders, please refer to the Top Five Venue and Broker Report of the Investment Bank, UBS Switzerland AG.

Furthermore you will find a summary of the analysis and conclusions we draw from our detailed monitoring of the quality of execution obtained on the execution venues where we executed and transmitted client orders for execution in the previous year.

## Applicability

<b>Legal Entity</b>	UBS Switzerland AG (UBS) Wealth Management, Personal and Corporate Banking
<b>LEI</b>	549300WOIFUSNYH0FL22
<b>Reporting Period</b>	01/03/2020 – 31/12/2020
<b>ESMA Class of Financial Instrument</b>	All, where applicable



# Table of contents

<b>1.</b>	<b>Shares &amp; Depository receipts</b> .....	<b>3</b>
1.1.	Article 65 (6) broker report .....	3
1.2.	Quality of execution summary.....	4
<b>2.</b>	<b>Debt instruments</b> .....	<b>6</b>
2.1.	Article 65 (6) broker report .....	6
2.2.	Quality of execution summary.....	6
<b>3.</b>	<b>Interest rates derivatives</b> .....	<b>9</b>
3.1.	Article 65 (6) broker report .....	9
3.2.	Quality of execution summary.....	9
<b>4.</b>	<b>Currency derivatives</b> .....	<b>11</b>
4.1.	Article 65 (6) broker report .....	11
4.2.	RTS 28 execution venue report .....	11
4.3.	Quality of execution summary.....	12
<b>5.</b>	<b>Structured finance instruments</b> .....	<b>14</b>
5.1.	Article 65 (6) broker report .....	14
5.2.	Quality of execution summary.....	14
<b>6.</b>	<b>Equity derivatives</b> .....	<b>17</b>
6.1.	Article 65 (6) broker report .....	17
6.2.	Quality of execution summary.....	17
<b>7.</b>	<b>Securitized derivatives</b> .....	<b>19</b>
7.1.	Article 65 (6) broker report .....	19
7.2.	Quality of execution summary.....	20
<b>8.</b>	<b>Exchange traded products</b> .....	<b>22</b>
8.1.	Article 65 (6) broker report .....	22
8.2.	Quality of execution summary.....	22
<b>9.</b>	<b>Other instruments</b> .....	<b>24</b>
9.1.	RTS Article 65 (6) broker report .....	24
9.2.	Quality of execution summary.....	24
<b>10.</b>	<b>Definitions and glossary</b> .....	<b>27</b>

# 1. Shares & Depository receipts

## 1.1. Article 65 (6) broker report

Class of Instrument	Equities – shares & depository receipts (i) Tick size liquidity bands 5 and 6 (from 2000 trades per day)		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

Class of Instrument	Equities – shares & depository receipts (ii) Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

Class of Instrument	Equities – shares & depository receipts (iii) Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

## 1.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, speed, likelihood of execution and size and nature and any other relevant factors.

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

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG is a 100% subsidiary of UBS AG. UBS Switzerland AG investment bank is used as broker for routing and the transmission of orders.

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

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

**(e) 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;**

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

**(f) 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;**

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.

## 2. Debt instruments

### 2.1. Article 65 (6) broker report

Class of Instrument	Debt instruments - Bonds		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues and brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

Class of Instrument	Debt instruments – Money market instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues and brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 2.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, likelihood of execution and size and nature of the order.

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

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

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

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on

an ongoing basis.

**(e) 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;**

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

**(f) 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;**

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Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.



### 3. Interest rates derivatives

#### 3.1. Article 65 (6) broker report

Class of Instrument	Interest rates derivatives - Futures and options admitted to trading on a trading venue		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

#### 3.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, speed, likelihood of execution and size and nature and any other relevant factors.

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

Conflicts of interest

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Policy and the Code of Conduct.

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**(e) 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;**

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where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

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- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.

## 4. Currency derivatives

### 4.1. Article 65 (6) broker report

Class of Instrument	Currency derivatives - Futures and options admitted to trading on a trading venue		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 4.2. RTS 28 execution venue report

Class of Instrument	Currency derivatives - Swaps, forwards, and other currency derivatives
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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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 4.3. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, likelihood of execution, speed and size and nature and any other relevant factors.

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

#### Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

#### Close links and common ownerships

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for routing and the transmission of orders.

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

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

**(e) 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;**

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

**(f) 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;**

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of

best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS do not make use of the output of a consolidated tape provider.

## 5. Structured finance instruments

### 5.1. Article 65 (6) broker report

Class of Instrument	Structured finance instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five execution venues and brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 5.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, likelihood of execution, and size and nature of the order, speed, and any other relevant factors.

**(b) a description of any close links, conflicts of interests, and common ownerships with respect to**

**any execution venues used to execute orders;**

## Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

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## Close Links and common ownerships

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**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

**(e) 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;**

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Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.



## 6. Equity derivatives

### 6.1. Article 65 (6) broker report

Class of Instrument	Equity derivatives - Options and Futures admitted to trading on a trading venue		
Notification if < 1 average trade per business day in the previous year	No		
Top brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 6.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, speed, likelihood of execution and size and nature and any other relevant factors.

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

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling

Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG is a 100% subsidiary of UBS AG. UBS Switzerland AG investment bank is used as broker for routing and the transmission of orders.

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

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

**(e) an explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements;**

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

**(f) 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;**

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients. When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.

## 7. Securitized derivatives

### 7.1. Article 65 (6) broker report

Class of Instrument	Securitized derivatives - Warrants and certificate derivatives		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

## 7.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, size and nature of the order, speed, likelihood of execution and any other relevant factors.

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

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG is a 100% subsidiary of UBS AG. UBS Switzerland AG investment bank is used as broker for routing and the transmission of orders.

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

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

**(e) an explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements;**

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

**(f) 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;**

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.

## 8. Exchange traded products

### 8.1. Article 65 (6) broker report

Class of Instrument	Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 8.2. Quality of execution summary

**(a) 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;**

When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, size and nature of the order, speed, likelihood of execution and any other relevant factors.

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

Conflicts of interest

Any conflicts of interest relating to execution venues as listed below that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has ownership of or other economic interest in an execution venue or clearing house.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer-based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

## Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG is a 100% subsidiary of UBS AG. UBS Switzerland AG investment bank is used as broker for routing and the transmission of orders.

### **(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;**

UBS may not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if it results in UBS failing to meet its best possible outcome obligations or results in contravening requirements regarding conflicts of interest or inducements. UBS has guidelines and procedures in place to ensure that arrangements with execution venues are in the best interest of the client.

### **(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

### **(e) an explanation of how order execution differs according to client categorization, where the firm treats categories of clients differently and where it may affect the order execution arrangements;**

Clients of Wealth Management are generally regarded as retail clients unless they are explicitly classified as professional clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client orders or receiving and transmitting orders on behalf of its retail clients, and it extends the same treatment to its professional clients.

### **(f) 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;**

Certain criteria are given precedence to the execution of client orders if they are either express instructions from the client or if those criteria are assessed as delivering the best possible result in terms of the total consideration to the client.

If a client gives an express instruction to execute an order in a particular way, UBS will execute the order in accordance with these express instructions. If the instructions only relate to a part of an order, UBS will apply its principles for best execution to the remaining part of the order which is not covered by the express instruction.

Please note that under certain circumstances, express instructions for executing an order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

An internal venue analysis is undertaken to support the review and assessment of venues in the provision of best execution for our clients.

When assessing the quality of execution of execution venues, UBS uses the following available tools and data to ensure the best possible result for the client:

- Real-time monitoring of the execution venues;
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.

## 9. Other instruments<sup>1</sup>

### 9.1. RTS Article 65 (6) broker report

Class of Instrument	Other instruments		
Notification if < 1 average trade per business day in the previous year	No		
Top five brokers 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 Switzerland AG Investment Bank LEI: 549300WOIFUSNYH0FL22	100%	100%	

### 9.2. Quality of execution summary

**(a) 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;**

<sup>1</sup> Other instruments also includes various instruments i.e. Equities ETFs, Fixed Income and Money Market, Securitized Derivatives where MiFID reference data are not available.



When assessing the quality of execution, UBS takes into consideration the relative importance of the execution factors: price, cost, provider quality and likelihood of execution.

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

Conflicts of interest

There are conflicts of interest relating to execution venues, listed below, that are monitored and mitigated as described:

- A conflict may arise if UBS or a UBS employee has an ownership or other economic interest in an execution venue or clearinghouse.
- A conflict arises when UBS routes orders to an exchange(s) based on volume discounts or fees rather than best execution.

Conflicts (1) are mitigated via the logging of a Key Performance Control, mandatory computer based training on recognition and management of conflicts of interest, the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy and the Order Execution and Handling Policy.

Conflict (2) is mitigated via the logging of a Key Performance Control and the required adherence to the processes and controls detailed in the internal Conflicts of Interest Policy, the Order Execution and Handling Policy and the Code of Conduct.

Close Links and common ownerships

MiFID II – Level 1 Text – Article 4 (Definitions) defines close links' as a situation in which two or more natural or legal persons are linked by participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of an undertaking.

UBS Switzerland AG is a 100% subsidiary of UBS AG. UBS Switzerland AG investment bank is used as broker for routing and the transmission of orders.

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

UBS will not receive any incentives (remuneration, discount or non-monetary benefit) for routing client orders to a particular venue if they will result in UBS failing to meet its best possible outcome obligations or result in contravening requirements on conflicts of interest or inducements. UBS has guidelines and procedures in place in order to ensure that arrangements with execution venues are in the best interest of the client.

**(d) 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;**

With the implementation of MiFID II, an overall review of the list of venues was completed in line with the review of the Order Execution Policy and Product General Procedures, with the list of venues to be reviewed on an ongoing basis.

**(e) 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;**

Clients of Wealth Management are generally regarded as Retail Clients unless they are explicitly classified as Professional Clients.

Under MiFID II, UBS is required to put in place an order execution and handling policy (MiFID II order execution policy) and to take all sufficient steps to obtain the best possible result (best execution) either when executing client Orders or receiving and transmitting Orders on behalf of its Retail Clients and it extends the same treatment to its Professional Clients.

**(f) 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;**

Certain criteria are given precedence to the execution of Client Orders if they are either express instruction from the Client or those criteria are assessed as delivering the best possible result in terms of the total consideration to the Client.

If a Client gives an express instruction to execute an Order in a particular way, UBS will execute the Order in accordance with these express instructions. If the instructions only relate to a part of an Order, UBS will apply its principles for best execution to the remaining part of the Order which is not covered by the express instruction.

Please note that under certain circumstances express instructions for executing an Order may lead to a situation where UBS is not in a position to take the necessary measures to attain the best possible result in relation to this (or the partial) Order.

**(g) 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) .../...to be inserted before publication [RTS 27];**

As of the date of publication of this qualitative assessment, no regulatory quality of execution reports (RTS 27) are yet available from execution venues. Therefore these have not been a factor in our assessments of execution venues.

However, there is internal venue analysis that is undertaken to support the review and assessment of venues in the provision of best execution for our Clients.

When assessing the quality of execution of execution venues, UBS utilizes the following available tools and data in order ensure the best possible result for the Client:

- Real time monitoring of markets, NAV or price
- Broker & service quality controls;
- Client feedback.

UBS reviews its execution arrangements on an ongoing basis.

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

UBS does not make use of the output of a consolidated tape provider.

## 10. Definitions and glossary

**Aggressive order**

Means an order entered into the order book that took liquidity.

**Execution venue**

Describes a regulated market, a MTF, an SI, an OTF, a market maker or different liquidity provider and/or a unit which realizes a similar task to one of the aforementioned instances.

**Directed Order**

Means an order where a specific execution venue was specified by the client prior to the execution of the order.

**Multilateral Trading Facility ("MTF")**

Describes a multilateral system operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments in a way that results in a contract.

**Order** – describes the instruction to buy or sell a financial instrument which is accepted by UBS for execution or for passing on to a third party.

**Organized Trading Facility ("OTF")**

Means a multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract.

**Passive order**

Means an order entered into the order book that provided liquidity.

**Regulated Market**

A multilateral system operated and/or administered by a market operator which consolidates or promotes the consolidation of the interests of a large number of third parties in the purchasing and selling of financial instruments within the system and according to its rules which, in such way, works properly and leads to a contract in relation to financial instruments which have been approved for trading in accordance with the rules and/or the systems of the market and which have received an approval.

**Systematic Internaliser ("SI")**

Means an investment firm which, on an organized, frequent systematic and substantial basis, deals on own account when executing client orders outside a regulated market, an MTF or an OTF without operating a multilateral system.

**Trading Venue**

A regulated market, MTF or an OTF.

**WM**

Wealth Management division of UBS.