

Publication of the top five execution platforms used by UBS (France) S.A. for executing its client orders in 2017

Under Commission Delegated Regulation (EU) 2017/576 (RTS 28), UBS (France) S.A. is required to publish the top five execution platforms – in terms of trading volumes – that it uses to execute its client orders, for each class of financial instruments.

Investment firms that transmit orders on behalf of their clients are required to summarise and publish a list of the top five service providers used to execute such orders. This analysis is based both on the volume of transactions executed by those providers in the previous year, and on information on the quality of the execution.

This document therefore presents a summary, for each class of financial Instruments, of the analysis conducted by UBS (France) S.A. and its conclusions following a detailed assessment of the quality of the execution achieved by the counterparties to which it sent its client orders in the previous year.

1. Equities

1.1. Top 5 Execution Venue Report RTS 28

Class of financial instrument	Equities		
State whether it has executed an average of < 1 trade per business day in the previous year ("Y" or "N")	N		
Top five execution platforms ranked by trading volume (decreasing order)	Volume of orders executed as a percentage of total volume in that class	Number of orders executed as a percentage of total number in that class	Percentage of directed orders
UBS Limited LEI: REYPIEJN7XZHSUI0N355	66.08%	70.57%	0.00%
UBS Switzerland AG LEI: 549300WOIFUSNYH0FL22	33.92%	29.43%	2.11%
N/A			
N/A			
N/A			

1.2. Quality of execution report

(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;

For equities, although price is the most important factor, the factors "access to liquidity", "speed of execution" and "likelihood of execution" are also very important, depending on the size of the trade.

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

UBS (France) S.A. has a capital link with the execution platforms UBS Switzerland AG and UBS Limited London, which are both subsidiaries of the same group as UBS (France) S.A. and are therefore sister companies. These two platforms are strictly

subject to the selection and assessment criteria determined by UBS (France) S.A. in its Execution Venue Selection Policy, in order to prevent any situation whereby the providers are not selected entirely on the basis of their quality of execution.

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

UBS (France) S.A. does not pay any commission or non-monetary benefit to its chosen execution platforms.

(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;

Following the annual review of its Best Selection Policy, there was no change to the list of execution platforms selected by UBS (France) S.A., because the existing list ensured the best quality of execution for the trades placed by clients of UBS (France) S.A.

(e) an explanation of how order execution differs depending on client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Not applicable. The same Best Selection Policy is applied for all clients, except clients who place orders with special instructions.

(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 for the client in terms of total cost;

If a client order comes with special instructions, certain criteria may be given precedence when executing the order, especially if those criteria are regarded as obtaining the best possible outcome for the client in terms of total cost.

If the client gives a specific instruction concerning execution, UBS (France) S.A. places the order in accordance with that instruction. This means that speed of execution, for example, may be given precedence.

In certain circumstances, the special instructions accompanying an order may prevent UBS (France) S.A. from applying all the measures stated in its Best Selection Policy, in order to be able to achieve the best possible outcome for the execution of that order based on the instructions received.

(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 Delegated Regulation (EU) .../... to be completed before publication [RTS 27];

At publication of this quality analysis no data on the regulatory report on execution quality (RTS 27) was available on the execution platforms. It was therefore not taken into account when analysing the execution platforms.

(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 (France) S.A. does not use any output from a consolidated tape provider.

2. Debt instruments (bonds, money market instruments, etc.)

2.1. Top 5 Execution Venue Report RTS 28

Class of financial instrument	Debt instruments – Bonds		
State whether it has executed an average of < 1 trade per business day in the previous year (“Y” or “N”)	N		
Top five execution platforms ranked by trading volume (decreasing order)	Volume of orders executed as a percentage of total volume in that class	Number of orders executed as a percentage of total number in that class	Percentage of directed orders
UBS Switzerland AG LEI: 549300WOIFUSNYH0FL22	99.98%	99.91%	28.00%
UBS Limited LEI: REYPIEJN7XZHSUI0N355	0.02%	0.09%	0.00%
N/A			
N/A			
N/A			

2.2. Quality of execution report

(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;

For debt instruments, the most important factors are instrument price and execution cost. Although less important, the likelihood of execution is still a key factor for large orders; therefore, if the execution venue offering the best price is unable to guarantee execution of the whole order, the price factor takes second place behind likelihood of execution.

Speed of execution, expertise and quality of service are also taken into account.

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

UBS (France) S.A. has a capital link with the execution platform UBS Switzerland AG, which is a subsidiary of the same group as UBS (France) S.A. and is therefore a sister company. UBS Switzerland AG is strictly subject to the selection and assessment criteria determined by UBS (France) S.A. in its Execution Venue Selection Policy, in order to prevent any situation whereby the providers are not selected entirely on the basis of their quality of execution.

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

UBS (France) S.A. does not pay any commission or non-monetary benefit to its chosen execution platforms.

(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;

Following the annual review of its Best Selection Policy, there was no change to the list of execution platforms selected by UBS (France) S.A., because the existing list ensured the best quality of execution for the trades placed by the clients of UBS (France) S.A.

(e) an explanation of how order execution differs depending on client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Not applicable. The same Best Selection Policy is applied for all clients, except clients who place orders with special instructions.

(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 for the client in terms of total cost;

If a client order comes with special instructions, certain criteria may be given precedence when executing the order, especially if those criteria are regarded as obtaining the best possible outcome for the client in terms of total cost.

If the client gives a specific instruction concerning execution, UBS (France) S.A. places the order in accordance with that instruction. This means that speed of execution, for example, may be given precedence.

In certain circumstances, the special instructions accompanying an order may prevent UBS (France) S.A. from applying all the measures stated in its Best Selection Policy, in order to be able to achieve the best possible outcome for the execution of that order based on the instructions received.

(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 Delegated Regulation (EU) .../... to be completed before publication [RTS 27];

At publication of this quality analysis no data on the regulatory report on execution quality (RTS 27) was available on the execution platforms. It was therefore not taken into account when analysing the execution platforms.

(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 (France) S.A. does not use any output from a consolidated tape provider.

3. Warrants and Certificates

3.1. Top 5 Execution Venue Report RTS 28

Class of financial instrument	Warrants and certificate derivatives		
State whether it has executed an average of < 1 trade per business day in the previous year ("Y" or "N")	N		
Top five execution platforms ranked by trading volume (decreasing order)	Volume of orders executed as a percentage of total volume in that class	Number of orders executed as a percentage of total number in that class	Percentage of directed orders
UBS Switzerland AG LEI: 549300WOIFUSNYH0FL22	69.27%	73.33%	0.00%
UBS Limited LEI: REYPIEJN7XZHSUION355	30.73%	26.67%	0.00%
N/A			
N/A			
N/A			

3.2. Quality of execution report

(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;

For warrants and certificates, although price is the most important factor, the factors "access to liquidity", "speed of execution" and "likelihood of execution" are also very important, depending on the size of the trade.

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

UBS (France) S.A. has a capital link with the execution platforms UBS Switzerland AG and UBS Limited London, which are both subsidiaries of the same group as UBS (France) S.A. and are therefore sister companies. These two platforms are strictly subject to the selection and assessment criteria determined by UBS (France) S.A. in its Execution Venue Selection Policy, in order to prevent any situation whereby the providers are not selected entirely on the basis of their quality of execution.

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

UBS (France) S.A. does not pay any commission or non-monetary benefit to its chosen execution platforms.

(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;

Following the annual review of its Best Selection Policy, there was no change to the list of execution platforms selected by UBS (France) S.A., because the existing list ensured the best quality of execution for the trades placed by the clients of UBS (France) S.A.

(e) an explanation of how order execution differs depending on client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Not applicable. The same Best Selection Policy is applied for all clients, except clients who place orders with special instructions.

(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 for the client in terms of total cost;

If a client order comes with special instructions, certain criteria may be given precedence when executing the order, especially if those criteria are regarded as obtaining the best possible outcome for the client in terms of total cost.

If the client gives a specific instruction concerning execution, UBS (France) S.A. places the order in accordance with that instruction. This means that speed of execution, for example, may be given precedence.

In certain circumstances, the special instructions accompanying an order may prevent UBS (France) S.A. from applying all the measures stated in its Best Selection Policy, in order to be able to achieve the best possible outcome for the execution of that order based on the instructions received.

(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 Delegated Regulation (EU) .../... to be completed before publication [RTS 27];

At publication of this quality analysis no data on the regulatory report on execution quality (RTS 27) was available on the execution platforms. It was therefore not taken into account when analysing the execution platforms.

(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 (France) S.A. does not use any output from a consolidated tape provider.

4. Structured finance instruments

4.1. Top 5 Execution Venue Report RTS 28

Class of financial instrument	Structured finance instruments		
State whether it has executed an average of < 1 trade per business day in the previous year ("Y" or "N")	N		
Top five execution platforms ranked by trading volume (decreasing order)	Volume of orders executed as a percentage of total volume in that class	Number of orders executed as a percentage of total number in that class	Percentage of directed orders
UBS Switzerland AG LEI: 549300WOIFUSNYH0FL22	98.92%	99.36%	5.33%
N/A			
N/A			
N/A			
N/A			

4.2. Quality of execution report

(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;

If the product is sold by UBS (France) S.A., orders are only filled on the primary market. For this instrument class, UBS (France) S.A. has chosen to send orders for these structured products directly to the issuer(s) of these products. For structured products on the secondary market, the most important factors are instrument price and execution cost. Likelihood of execution is also an important factor for large orders. Although not as important as these three factors, speed of execution and likelihood of settlement/delivery may also be decisive factors.

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

UBS (France) S.A. has a capital link with the execution platform UBS Switzerland AG, which is a subsidiary of the same group as UBS (France) S.A. and is therefore a sister company. UBS Switzerland AG is strictly subject to the selection and assessment criteria determined by UBS (France) S.A. in its Execution Venue Selection Policy, in order to prevent any situation whereby the providers are not selected entirely on the basis of their quality of execution.

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

UBS (France) S.A. does not pay any commission or non-monetary benefit to its chosen execution platforms.

(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;

Following the annual review of its Best Selection Policy, there was no change to the list of execution platforms selected by UBS (France) S.A., because the existing list ensured the best quality of execution for the trades placed by the clients of UBS (France) S.A.

(e) an explanation of how order execution differs depending on client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Not applicable. The same Best Selection Policy is applied for all clients, except clients who place orders with special instructions.

(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 for the client in terms of total cost;

If a client order comes with special instructions, certain criteria may be given precedence when executing the order, especially if those criteria are regarded as obtaining the best possible outcome for the client in terms of total cost.

If the client gives a specific instruction concerning execution, UBS (France) S.A. places the order in accordance with that instruction. This means that speed of execution, for example, may be given precedence.

In certain circumstances, the special instructions accompanying an order may prevent UBS (France) S.A. from applying all the measures stated in its Best Selection Policy, in order to be able to achieve the best possible outcome for the execution of that order based on the instructions received.

(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 Delegated Regulation (EU) .../... to be completed before publication [RTS 27];

At publication of this quality analysis no data on the regulatory report on execution quality (RTS 27) was available on the execution platforms. It was therefore not taken into account when analysing the execution platforms.

(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 (France) S.A. does not use any output from a consolidated tape provider.

5. Exchange traded products (ETPs) – Exchange traded funds (ETFs)

5.1. Top 5 Execution Venue Report RTS 28

Class of financial instrument	Exchange traded funds (ETF)		
State whether it has executed an average of < 1 trade per business day in the previous year (“Y” or “N”)	N		
Top five execution platforms ranked by trading volume (decreasing order)	Volume of orders executed as a percentage of total volume in that class	Number of orders executed as a percentage of total number in that class	Percentage of directed orders
UBS Switzerland AG LEI: 549300WOIFUSNYH0FL22	66.32%	87.22%	0.35%
UBS Limited LEI: REYPIEJN7XZHSUI0N355	33.68%	12.78%	0.00%
N/A			
N/A			
N/A			

5.2. Quality of execution report

(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;

For ETFs, although price is the most important factor, the factors “access to liquidity”, “speed of execution” and “likelihood of execution” are also very important, depending on the size of the trade.

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

UBS (France) S.A. has a capital link with the execution platforms UBS Switzerland AG and UBS Limited London, which are both subsidiaries of the same group as UBS (France) S.A. and are therefore sister companies. These two platforms are strictly subject to the selection and assessment criteria determined by UBS (France) S.A. in its Execution Venue Selection Policy, in order to prevent any situation whereby the providers are not selected entirely on the basis of their quality of execution.

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

UBS (France) S.A. does not pay any commission or non-monetary benefit to its chosen execution platforms.

(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;

Following the annual review of its Best Selection Policy, there was no change to the list of execution platforms selected by UBS (France) S.A., because the existing list ensured the best quality of execution for the trades placed by the clients of UBS (France) S.A.

(e) an explanation of how order execution differs depending on client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Not applicable. The same Best Selection Policy is applied for all clients, except clients who place orders with special instructions.

(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 for the client in terms of total cost;

If a client order comes with special instructions, certain criteria may be given precedence when executing the order, especially if those criteria are regarded as obtaining the best possible outcome for the client in terms of total cost.



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In certain circumstances, the special instructions accompanying an order may prevent UBS (France) S.A. from applying all the measures stated in its Best Selection Policy, in order to be able to achieve the best possible outcome for the execution of that order based on the instructions received.

(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 Delegated Regulation (EU) .../... to be completed before publication [RTS 27];

At publication of this quality analysis no data on the regulatory report on execution quality (RTS 27) was available on the execution platforms. It was therefore not taken into account when analysing the execution platforms.

(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 (France) S.A. does not use any output from a consolidated tape provider.

Annex A – Glossary

Client

An individual or company to which UBS (France) S.A. provides investment or related services.

Client order

A transaction to buy or sell one or more financial instruments, made on behalf or at the request of a client.

Execution platform or investment firm

An entity instructed by UBS (France) S.A. to execute an order.

Execution venue

A regulated market, MTF, OTF, systematic internaliser, market maker or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by the execution platform.

Financial instrument

See Annex I Section C of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (MiFID II).

For the avoidance of doubt, “Financial Instruments” do not include spot transactions or loans.

Investment services

Includes:

- (i) Reception and transmission of client orders in relation to one or more financial instruments;
- (ii) Execution of orders on behalf of clients;
- (iii) Dealing on own account;
- (iv) Portfolio management;
- (v) Investment advice;
- (vi) Underwriting of financial instruments and/or placing
- (vii) of financial instruments on a firm commitment basis;
- (viii) Placing of financial instruments without a firm commitment basis; and
- (ix) Operation of a multilateral trading facility (MTF)
- (x) (ix) Operation of an OTF.

MiFID II

Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and all directives, regulations and laws for the implementation or transposition of the Markets in Financial Instruments Directive

MiFID

Markets in Financial Instruments Directive

Regulated market (RM)

A multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing
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together of multiple third-party buying and selling interests in financial instruments – in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is duly authorised and functions in accordance with Title III of Directive 2014/65/EU.

Multilateral trading facility or MTF

A multilateral system, operated by an investment firm or market operator, which brings together multiple third-party buying and selling interests in financial instruments – in the system and in accordance with non-discretionary rules – in a way that results in a contract.

OTF

A multilateral system which is not a regulated market or 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.

Professional client

A client meeting the criteria laid down in Article D533-11 COMOFI.

Private client

A client who is neither a professional client nor an eligible counterparty.

RTO

See above.