

BEST EXECUTION DISCLOSURE FOR UOB SINGAPORE PERSONAL FINANCIAL SERVICES CUSTOMERS

PURPOSE

We are committed to treating our customers fairly and creating a suitable trading environment for our customers. This document therefore outlines our approach relating to how United Overseas Bank Limited (“UOB” or “we” or “our” or “us”) seeks to provide placement and execution of customer orders on the best available terms (“Best Execution”) for our UOB Singapore Personal Financial Services customers¹. This document covers the placing and/or executing of our customer’s orders² by us for the purchase or sale of any capital markets products³ be it in our capacity as an agent or principal, and whether the order is being executed on-exchange or off-exchange⁴.

CONFLICTS OF INTEREST

We will endeavour to act in the best interests of our customers. If we become aware any conflict of interest arising from the execution of any order, we will act fairly and professionally and manage any such conflict that may arise in an appropriate manner.

PRODUCT SCOPE

The Best Execution applies to all capital markets products which include but not limited to the following:

1. Structured Notes
2. Structured Certificates
3. Securities traded through our Equity Trading Services
4. Bonds
5. Unit Trusts
6. Over-the-Counter Derivatives

BEST EXECUTION FACTORS

To achieve Best Execution, we will consider a range of execution factors including the following:

1. Price (costs of procuring the product for the customers excluding fees and charges);
2. Costs (payable by the customers inclusive of bank’s fees and any external charges);
3. Speed of execution (the time it takes to execute the order);
4. Likelihood of execution and settlement (the likelihood that we will be able to complete the order);
5. Size of order; and
6. Nature of order (e.g. market order, limit order).

In determining how to achieve Best Execution of the order, we would take into account the following general considerations (where applicable):

- a) the characteristics of the customer (whether retail⁵ or otherwise);
- b) the types of capital markets products for which it accepts, places or executes orders;

¹ Including customers who are Accredited Investors (as defined under Section 4A of the Securities and Futures Act (Cap. 289) (“SFA”).

² Order is defined in Para 2.1 of the SFA Notice 04-N16.

³ Please refer to the definition under Section 2 of the SFA.

⁴ Off-exchange or Over-The-Counter (OTC) trading is done directly between two parties, without the supervision of an exchange (such as cross trades)

⁵ A “retail customer” means a customer who is not an accredited investor, an institutional investor or an expert investor (as defined in section 4A of the SFA).



- c) the characteristics of the execution venues or brokers to which the order can be directed;
- d) the characteristics of the customer's orders.

The relevancy and importance of each execution factor and consideration will vary according to the type of product that is being executed, the timing in which execution takes place, general market conditions, our commercial experience, and any specific instructions given by our customers. These factors will be measured on a collective basis, unless the customer has specified otherwise. In certain instances, we may prioritize one or more of the execution factors above differently which may result in different permissible approaches being used. Accordingly, although price is an important factor, this may not necessarily mean that the best price will be achieved in every order for Best Execution to be provided.

USE OF AFFILIATES AND THIRD-PARTY BROKERS/COUNTERPARTIES

In executing orders for our customers, we may use affiliates and third-party brokers/counterparties to assist in the execution of orders. Where we use any affiliates and third-party brokers/counterparties, we undertake periodic review of such affiliates and third-party brokers/counterparties as part of our ongoing due diligence to assess and monitor if they are capable of providing the appropriate level of expertise and experience when executing in the relevant market/order.

Periodically, these affiliate and non-affiliate brokers/counterparties executions are also monitored to ensure that Best Execution is satisfied and to manage any conflict of interests on a consistent basis.

EXECUTION VENUES⁶

We may not connect to all venues or sources of liquidity when we use affiliates and third-party brokers/counterparties to assist in the execution of orders.

In certain transactions, there may only be one available execution venue. We will however ensure that we achieve Best Execution for our customers in this respect through our management of the affiliates and third-party brokers/counterparties with whom we use to assist in the execution of such orders.

SPECIFIC INSTRUCTIONS FROM CUSTOMERS

If there are specific instructions given by our customers (whether in relation to an order as a whole or any particular aspect of an order), we will execute the order in accordance with those instructions and in doing so we will have satisfied our Best Execution obligations with respect to the part or aspect of the order to which our customer's instruction relates. For aspects of the order where no specific instructions have been given, we will apply our own Best Execution principles. A specific instruction may include the price at which the order should be executed.

We would highlight that any specific instructions may prevent us from adhering to some or all of our Best Execution terms which are relevant in the context of executing that order.

We reserve the right to intervene in the execution if such orders would result in adverse market movement (e.g. large orders).

MONITORING AND REVIEW

We will regularly monitor compliance with our Best Execution procedures and policy, the effectiveness of our Best Execution policy and procedures, in order to identify and, where appropriate, correct any deficiencies.

⁶ Execution venue refers to exchanges and alternative venues where the execution of trades take place, such as dark pools, liquidity providers and market makers.