

**Strategic Value Partners (UK) LLP**  
**Annual Best Execution Report – 2018**

The Markets in Financial Instruments Directive II (“MiFID II”) and Article 3 of the Regulatory Technical Standards 28 (together, the “Regulation”) require MiFID investment firms to summarize and make public, on an annual basis, for each class of financial instruments applicable, the top five execution venues<sup>1</sup> in terms of trading volumes where they executed client orders<sup>2</sup> and information on the quality of execution obtained.

Strategic Value Partners (UK) LLP (the “Firm”), as a MiFID II entity, has produced the following report in accordance with this Regulation.

Calendar Year Disclosure Period: January 1, 2018 to December 31, 2018.

**Top Five Brokers:**

<b>Class of instrument</b>	<b>Bonds</b>	
<b>Notification if &lt; 1 average trade per business day in the previous year</b>	<b>Yes</b>	
<b>Top five execution venues ranked in terms of trading volumes (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as percentage of total in that class</b>
Citigroup Global Markets, Ltd. <i>(XKZZ2JZF41MRHTR1V493)</i>	61.51%	37.89%
Barclays Bank PLC <i>(G5GSEF7VJP5I7OUK5573)</i>	13.13%	16.84%

<sup>1</sup> In accordance with RTS 28, “Venue” includes all trading counterparties.

<sup>2</sup> Asset class allocation data have not been included for asset classes where no trades were executed during the reporting period.

Morgan Stanley and Co. <i>(9R7GPTS07KV3UQJZQ078)</i>	12.58%	18.95%
Goldman Sachs International <i>(W22LROWP2IHZNBB6K528)</i>	6.53%	13.68%
J.P. Morgan Securities PLC <i>(K6Q0W1PS1L1O4IQL9C32)</i>	4.36%	6.32%

<b>Class of instrument</b>	<b>Equity Derivatives</b>	
<b>Notification if &lt; 1 average trade per business day in the previous year</b>	Yes	
<b>Top five execution venues ranked in terms of trading volumes (descending order)</b>	<b>Proportion of volume traded as a percentage of total in that class</b>	<b>Proportion of orders executed as percentage of total in that class</b>
J.P. Morgan Securities PLC <i>(K6Q0W1PS1L1O4IQL9C32)</i>	53.26%	66.67%
Credit Suisse International <i>(E58DKGMJYYYJLN8C3868)</i>	46.74%	33.33%

**Qualitative Summary:**

During 2018, the Firm was not a member of any trading venues. Transactions were executed only with brokers in accordance with the Firm's Approved Counterparty List, which is comprised of brokers that the Firm believes to be the most reliable and provide it with the best overall execution services.

It is the policy of the Firm in selecting brokers to seek to obtain best execution when effecting transactions on behalf of a client. In light of this policy, the Firm will seek to execute transactions for its client in such a manner that the client's total cost or proceeds in each transaction is the most favourable given the circumstances and factors detailed below, and when selecting brokers, will consider the full range and quality of the services of the broker. Among other things, the Firm will take into account such factors as the following: the price of the security; the rate of commission; the size and difficulty of the order; the reliability, integrity, stability, financial condition, general execution, settlement and operational capabilities of competing brokers; and the broker's ability to handle difficult trades. The Firm relied on its own internal tools and available market data to monitor trading activity in accordance with its best execution policy.

The Firm has identified no close links, conflicts of interest, or common ownership structures or issues with respect to any counterparties used by the Firm to execute orders.

The Firm has only one class of client. As a result, the Firm makes no distinction between client categories and does not treat categories of clients differently for any order-execution arrangements. The Firm does not have retail clients; as such, no disclosure on retail client considerations is made.