

Summary Conflicts of Interests Policy

The summary of our Global Conflicts Policy below outlines how we will identify and manage actual and potential conflicts of interest that may arise through the provision of services to you.

1. Introduction

UBS Group (“we” or “our”) has adopted a Global Policy (“Policy”) to address actions or transactions with or within the UBS Group that may give rise to actual or potential conflicts of interest as further described in 4.2 below (“Conflicts”, and each such conflict of interest a “Conflict”). This Policy aims to uphold our reputation for transparency, integrity and fair dealing, meet regulatory expectations and maintain the trust and confidence of our clients and counterparties. The Policy makes up one part of our ongoing commitment to adhere to the highest standards of ethical conduct in relation to Conflicts management. This document aims to summarize the key aspects of that Policy.



2. The Policy

Our Policy is to identify and manage, and where necessary prohibit, any action or transaction that may pose a Conflict (i) between our, or our personnel’s interests and those of our clients or (ii) between the interests of two or more of our clients.

For those UBS Group entities that are subject to the Markets in Financial Instruments Directive II and related rules (“MiFID II”) (including through the implementation of such rules in the UK), there are specific rules that apply with respect to the prevention, management, and disclosure of Conflicts which may differ to those that apply to other entities.

3. Rationale

Like every global financial services provider that engages in a wide range of businesses and activities, we face potential Conflicts on a regular basis. We strive to manage them in a manner consistent with the highest standards of integrity and fair dealing. In order to ensure that these standards are met we continually and proactively seek to identify and to prevent or manage Conflicts to avoid the appearance of, as well as actual, impropriety.

4. Identification of Conflicts

4.1. Conflicts are unavoidable in an integrated global financial services operation. We undertake a number of activities and provide a number of services where there is a risk that the interests of one or more clients could be compromised. These include:

- a) Trading on behalf of clients
- b) Trading for our own account
- c) Managing portfolios of investments
- d) Lending activity
- e) Taking of deposits or other repayable funds
- f) Elective corporate action activity (including voting)
- g) Providing investment, corporate finance, or other financial advice
- h) Underwriting and/or placing securities and
- i) Publishing investment research

4.2. While it is not practical to define precisely or create an exhaustive list of all actual or potential Conflicts that may arise in all of our businesses, there are several identifiable categories of Conflicts:

a) Client-Bank Conflicts

Potential Conflicts may exist between client interests, on the one hand, and the interests of a particular business unit or the UBS Group generally, on the other hand. These types of Conflicts include situations where we may be unfairly advantaged at the expense of a client.

b) Client-Client Conflicts

Potential Conflicts may also exist between different clients or different types of clients. In these situations, one client may receive preferential treatment that could negatively impact another client.

c) Personnel-Client Conflicts

Potential Conflicts may also exist between the interests of one of our personnel (or other applicable representatives) and the interests of a client. In these situations, personnel's (or the applicable representative's) interests may not be aligned with the interests of a client.

d) Personnel-Bank Conflicts

Conflicts may exist between the interests of personnel and the Bank that may cause the personnel to act out of personal interests that are divergent from the interests of the Bank.

e) Third Party Affiliate/Vendor Conflicts

Conflicts may arise with regards to vendors or third party affiliates where relationships may give rise to favorable treatment or selection that could impact clients or personnel.

5. Conflicts Management

5.1. We employ a number of techniques to identify and to prevent or manage Conflicts including:

- a) Physical and electronic information barriers to stop and control the flow of information between certain parts of the business
- b) Monitoring to ensure proper functioning of the information barriers

- c) Systems to monitor activities undertaken or proposed to be undertaken and to assess whether such activities may give rise to Conflicts
- d) A Reputational Risk Review Process for the escalation of Conflicts that fall outside of established Conflicts-resolution procedures
- e) Provision of internal guidance and training to relevant personnel to raise their awareness of Conflicts and how to deal with Conflicts when they arise and
- f) The maintaining by divisions or business units within the UBS Group of registers which set out potential Conflicts that may exist relevant to that division or business unit, together with relevant mitigating policies and procedures

5.2. In addition, there are various other policies and processes in place that address Conflicts at all levels within the UBS Group. These include, for example, Information Barriers, Personal Account Trading, Outside Business Interests, Gifts and Entertainment, New Issues Allocation and the Independence of Financial Research.

6. Use of Disclosure

6.1. Disclosure of a Conflict must be considered in situations where the Bank has used reasonable efforts to manage a Conflict but those efforts are not sufficient to ensure with reasonable confidence that risks of damage to the interests of a client will be prevented. In some cases, the Bank may decide to refrain from engaging in or executing a transaction. These situations do not require disclosure. In certain jurisdictions, the use and content of a disclosure may be prescribed by local law or regulation.

6.2. In addition, where applicable activities are carried out by a UBS Group entity subject to MiFID II (including through the implementation of such rules in the UK) and such entity is not reasonably confident that the arrangements in place to manage or prevent a Conflict are sufficient to ensure that the risk of damage to the interests of a client will be prevented, such entity must clearly disclose the following to the client before undertaking business for that client:

- a) The general nature or sources of such Conflict
- b) The steps taken to mitigate that Conflict

The disclosure must:

- a) Be made in a durable medium
- b) Clearly state that the organizational and administrative arrangements established by such entity to prevent or manage that Conflict are not sufficient to ensure, with reasonable confidence, that the risks of damage to the interest of the client will be prevented
- c) Include specific description of the Conflict that arises in the provision of services
- d) Explain the risks to the client as a result of the Conflict and
- e) Use language that is clear and detailed (considering the nature of the client) and therefore will enable the client to make an informed decision as to whether to proceed with the transaction or service



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