Information on our conflicts of interest policy
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1 Why do we have a Conflicts of Interest policy?

(a) UBS operates in many jurisdictions all over the globe. We are active in many markets in all kinds of transactions. We are engaged in a wide range of financial services including corporate and investment banking, securities trading, asset management, wealth management and retail banking. We act simultaneously for many clients in many different capacities. We also act on our own behalf. As a result, unavoidably, the various interests we represent will sometimes conflict.

(b) UBS principles and practices that define our ethical standards and the way we do business are set out in our Code of Conduct and Ethics (attach link). This states that “We put our clients’ best interests before our own – and UBS’s interests before our personal interests. And we never let UBS’s or our personal interests influence our advice to a client, or our dealings with them”. We have policies and procedures in place to address and manage conflicts of interest as they arise. This document summarises the internal conflict of interest policy maintained by UBS in respect of regulated activities carried out within the European Economic Area.

2 Which employees are in scope of this policy?

(a) The UBS Conflicts of Interest Policy applies to all UBS staff, whether permanent or temporary, anyone else providing services to UBS and to tied agents or other appointed representatives of UBS.

3 What are the guiding principles followed by UBS?

(a) UBS is committed to treating its clients fairly and with integrity across all its business activities

(b) UBS is committed to complying with all applicable legal and regulatory requirements relating to the proper identification and management of conflicts of interest

(c) UBS is committed to maintaining and operating effective organizational and administrative arrangements to identify and manage actual or potential conflicts of interest

(d) UBS recognizes that the most important factor allowing it successfully to manage conflicts of interest is a culture of integrity.

(e) UBS recognizes that remuneration structures must support conflict management and independence

(f) UBS expects its employees to apply the same standards of skill, due care and diligence in its dealings with other UBS entities or divisions as they would if dealing with a third party

4 What factors are considered when identifying conflicts of interest?

(a) When identifying the types of conflict of interest that may arise in the course of providing a service which may entail a material risk of damage to the interests of client or the integrity of the financial market, UBS and its employees take account of whether:

(i) UBS or its employees is likely to make a financial gain or avoid a loss, at the expense of the client
(ii) the interests of UBS or its employees are different to those of the client
(iii) there is the potential for a financial or other incentive to favour the interests of one client or group of clients over another
(iv) monetary or non-monetary benefits have been received from a third party in relation to a service supplied to the client other than standard commissions or fees
(v) UBS or that person carries on the same business as the client

5 How does UBS manage conflicts of interest?

(a) UBS will seek to manage the conflict of interest through the following measures or combinations of measure (this list is not exhaustive):

(i) Setting up electronic and/or physical barriers including system access restrictions to prevent the flow of information between conflicting business activities

(ii) Appropriate governance, transparency and oversight of compensation of UBS or its employees to avoid incentivising behaviours that conflict with our duty to act in the best interest of our clients

(iii) Establishing supervision and monitoring procedures to ensure employees are complying with our policies

(iv) Controlling the type of tasks employees are allowed where types of duties could conflict with each other

(v) Oversight and approval committees, independent from directly involved UBS employees

(vi) Controls to restrict and monitor personal investment and external business activities of UBS employees to prevent conflicts of interest arising against the interest of clients

(vii) Providing general or specific disclosures of the conflict of interest

(b) If it is considered that appropriate measures cannot be put in place to manage the conflict UBS would either decline to act for a client(s) if their interests (or another client(s) interests) may be materially harmed by the potential conflict of interest or obtain the consent of such client(s).

6 What training do employees receive in relation to conflicts of interest?

(a) All UBS employees receive group wide web based training on how to recognize and manage conflicts of interest. This is complemented by specialized face to face training for certain business activities.

7 How often is the Conflicts of Interest policy reviewed?

(a) We monitor the effectiveness of the procedures for conflicts of interest on an on-going basis and will review the policy at least once a year. We will update and republish this document whenever material changes are required.