

# 1. Remuneration

## 1.1 Remuneration policy and compensation structure

Remuneration at UBS operates within the UBS Total Reward Principles. These principles and supporting processes provide a compensation structure for all employee remuneration at UBS, including those in the UK.

The principles are published as part of the Compensation Report in the UBS Group Annual Report, which can be accessed via the link below:

[UBS - 2012 - Compensation Report](#)

## 1.2 Remuneration awarded for 2012 in respect of UBS Code Staff

The following tables show details of the awards made to UBS Code Staff in respect of the 2012 financial year. All figures are shown in GBP 000s.

The disclosure is made covering all staff that were designated 2012 Code Staff under the UK Remuneration Code. This includes Code Staff across all entities (not just UBS Limited).

Number of beneficiaries and Total Remuneration, broken down by Business Area:

Division	Number of Beneficiaries	Total Remuneration for 2012
Corporate Center	66	44,051
Investment Bank	92	84,729
Wealth Management	12	9,330
Global Asset Management	18	16,464
<b>Total</b>	<b>188</b>	<b>154,574</b>

Total Remuneration broken down by "Senior Manager" and "Other":

Category	Number of Beneficiaries	Fixed Remuneration	Variable Remuneration
Senior Managers	18	9,539	24,069
Other	170	44,557	76,409
<b>Total</b>	<b>188</b>	<b>54,096</b>	<b>100,478</b>

### Notes

"Senior Manager" categorized as UK Code Staff that are Group Managing Director or above.

In addition, a special one-time deferred equity award was granted to certain employees in the Investment Bank. This was granted in April 2012 as a forward-looking performance award to support the Investment Bank in the accomplishment of its overall strategy, and is subject to certain performance conditions. If the conditions are met, the awards are scheduled to vest in 2015.

Breakdown of forms of variable remuneration awarded:

Category	Number of Beneficiaries	Immediate Cash	Deferred Cash	Immediate Shares	Deferred Shares
Senior Managers	14	4,603	7,522	2,174	9,771
Other	124	16,729	20,934	11,802	26,944
<b>Total</b>	<b>138</b>	<b>21,332</b>	<b>28,456</b>	<b>13,976</b>	<b>36,715</b>

Note: An additional 50 Code Staff received no variable remuneration

There has been no reduction of deferred remuneration granted in respect of the 2012 performance year as yet, although those awards granted to Code Staff do continue to have a performance condition attached to them.

Awards granted to Investment Bank Code Staff in respect of 2011, which were granted in February 2012, were subject to a downwards adjustment on the first tier that vested 1<sup>st</sup> March 2013 based on the performance of the Investment Bank in 2012.

Summary of outstanding deferred remuneration, broken down into vested and unvested portions, and vehicle type:

Category	Number of Beneficiaries	Vested Remuneration			Unvested Remuneration		
		Cash-based	Equity-based	Other vehicle	Cash-based	Equity-based	Other Vehicle
Senior Managers	17	0	12,269	325	7,473	61,597	0
Other	163	0	16,773	403	10,162	171,970	0
<b>Total</b>	<b>180</b>	<b>0</b>	<b>29,042</b>	<b>728</b>	<b>17,635</b>	<b>233,567</b>	<b>0</b>

Notes:

Equity includes awards tied to UBS share price (eg. Options and SARs). Value reported is based on the accounting value. An additional 8 Code Staff hold no outstanding deferred remuneration

Summary of guarantees paid to new hires:

Category	Number of Beneficiaries	Amount
Senior Managers	1	892
Other	4	4,940
<b>Total</b>	<b>5</b>	<b>5,832</b>

There were no sign on or severance awards granted during the financial year.

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