Statement by the Directors in performance of their statutory duties in accordance with S172(1) of the Companies Act 2006

The Company is required to comply with Section 172 (1) of the Companies Act 2006. Section 172 (1) is a part of the section of the Act which defines the duties of a company director and concerns the "duty to promote the success of the Company" for the benefit of its stakeholders whose interests are in the future success of the Company. Stakeholders include shareholders, employees, suppliers and the local communities affected by the Company's activities.

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole and, in doing so have regard (amongst other matters) to:
– likely consequences of any decisions in the long-term;
– the interests of the company's employees;
– need to foster the company's business relationships with suppliers, customers and others;
– impact of the company's operations on the community and environment;
– maintaining a reputation for high standards of business conduct, and
– a need to act fairly between members of the company.

The following paragraphs summarise how the Directors discharge their duties:

Strategy and consideration of consequences of decisions for the long term

The global Asset Management (AM) business has a highly differentiated global client offering, providing investment management products and services, platform solutions and advisory support to institutions, wholesale intermediaries, wealth management clients and retail via the direct dealing offerings.

The strategic focus for the AM business remains consistent with the previous year's strategic plan. This focuses on capitalizing on the areas where the Company has a leading position to drive further profitable growth and scale.

The Company aims to continue to achieve capital growth and/or income returns to investors, while being fully transparent and treating all customers fairly.

Purpose and Culture

UBS's purpose statement is: **"Reimagining the Power of Investing, Connecting people for a better world"**. Everything we do as a firm starts with our purpose. It is why we do what we do, and in this respect, our culture is decisive in achieving our ambitions and is grounded in our three keys to success: our Pillars, Principles and Behaviours. UBS Group engage with employees and seek to build an even more diverse and inclusive organisation. The Company holds the same cultural values and complies with all internal policies and regulations.

Governance

There is an annual board effectiveness self-assessment that is undertaken for the Board and the various underlying sub-committees.

Engaging with our Customers

UBS Asset Management in the UK has a dedicated client relationship team. It conducts a client survey every 2 years meaning we receive feedback about our products, client relationship, ease of doing business, sale and after sales. This also benchmarks us against the industry and drives our improvement priorities. As necessary, the results of this survey would be reviewed and discussed by the Company.

Engaging with our Shareholders

The Company's shareholder is UBS Asset Management Holding Ltd. As part of UBS Group, the Company complies with internal policies and regulations which ensure that the shareholder is informed of the Company's activities on matters such as strategy, performance and governance. Activities of the Company are reported in the Joint Board meetings on a quarterly basis.

Engaging with our Suppliers

The Company engages external companies or individuals for a wide variety of goods and services to effectively run its business. The Company leverages the comprehensive UBS Third Party Risk Management Framework (TPRM) covering all external arrangements (including outsourcing/offshoring as well as intra-group arrangements) to ensure all contractual arrangements are identified, assessed, and comply with applicable regulatory requirements and guidance.

Engaging with Community and Environment

The Company, as part of the UBS Group, recognises that its long-term success depends on the health and prosperity of the communities within which it operates.

The UBS Group has a strategic focus on education and the development of skills, as it believes these topics are where resources can make the most impact. The UBS Group regards its long-term investment in these areas as central to furthering the economic and social inclusion of people its activities support.

Through local execution and partnerships, the UBS Group endeavours to deliver business and community impact by identifying innovative and high-quality programs that are aligned to its business and provides focused financial and human support, including employee volunteering programs and client participation, where appropriate.

Engaging with our Regulators

There is an open and regular dialogue with the FCA that keeps them informed of the key activities and strategic developments of the Company.

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