

Global Supplier Policy

Subcontractor Policy

**WHY**

We set out our requirements for subcontracting to meet our risk appetite and regulatory requirements.

**WHEN**

Whenever you use Subcontractors in the provision of any Products or Services



WHAT to know about **HOW** to comply

1. General

- You may only use the Subcontractors specified in the Supply Order, and only at the Approved Location(s) and for the Subcontracted Services.
- You must ensure that the Subcontractors do not further subcontract any of the Subcontracted Services, unless you notify us and obtain our written approval.
- You must ensure the continuity of the Subcontracted Services and that the Subcontractor is fully able to comply with its obligations under the Agreement.
- The contract between you and the Subcontractor must be in writing and must contain all terms in the Agreement that are relevant to the Subcontracted Services. The contract must include, as a minimum and as relevant to the Subcontracted Services, substantive terms to the following effect:
 - the same right of full access, inspection and audit for us, our Regulators and any other Auditors as is set out in the Agreement, and to be supplied with all information and documentation necessary for supervisory and monitoring activities;
 - reporting obligations with regard to performance measurement;
 - obligations to implement and test disaster recovery and business continuity plans, including service levels related to them;
 - security obligations, including any appropriate minimum security measures security policies, and incident reporting obligations;
 - an obligation on the Subcontractor to comply with Applicable Laws (and any obligations that are required to for compliance with Applicable Laws); and
 - an obligation to store and process UBS Data only at the Approved Locations.
- You remain liable and responsible for all acts and omissions of any Subcontractor and their Staff.

2. Changes

- You must seek our approval at least 90 days in advance

(“Notice Period”) if you wish to: (i) add or change a Subcontractor; (ii) change the scope of any Subcontracted Services, or any Approved Location(s); or (iii) make any material amendments to a Subcontractor’s agreement with you. You must not proceed with the change and you must not use the unapproved Subcontractor until you have received our written approval.

- When seeking our approval, you should provide sufficient information for us to consider the change. We may ask you for further information, and we may ask you to make changes before granting approval. We will inform you during the Notice Period whether approval has been granted. As a minimum, your request should include the following information (where applicable):
 - if you’re proposing to use a new Subcontractor, details of the nature and scope of any Products or Services to be subcontracted to it, and the proposed location(s) from which that Subcontractor will provide those Products or Services;
 - if you are proposing a change in respect of an existing Subcontractor, details of the changes to the scope of the Subcontracted Service or any Approved Location(s).

3. Due Diligence Process

- All Subcontractors you use must be subject to a Risk Assessment and Due Diligence Process, which must as a minimum include the following:
 - your processes for assessing a Subcontractor's operational and financial capacity to perform the Subcontracted Services and to fulfil its contractual obligations (including obligations you flow down to a Subcontractor);
 - a risk assessment of a Subcontractor’s location(s), the location(s) of any controlling entity, and the location(s) from which the proposed Subcontracted Services will be provided;
 - a Subcontractor's role and responsibilities (if any) in your disaster recovery and business continuity plans;
 - your ongoing monitoring of the performance and standards of a Subcontractor's performance of the Subcontracted Services; and
 - your strategy if a Subcontractor is unable to perform the Subcontracted Services.
- We may require you to amend your Due Diligence Process to ensure that our regulatory requirements are met.

4. Monitoring

- You will oversee all monitor all Subcontracted Services and ensure that all Subcontractors remain able to perform the Subcontracted Services and continuously meet their contractual obligations.
- Where you discover that any Subcontractor does not

perform the Subcontracted Services or does not comply with the terms of its agreement with you, you must without undue delay:

- notify us in writing; and
- if the non-compliance is remediable, ensure that the Subcontractor completes such remediation within a reasonable timeframe.
- If the non-compliance: (i) is not remediable, (ii) is remediable but remediation is not completed within a reasonable timeframe, or (iii) would entitle us to terminate our Agreement with you, you must stop using that Subcontractor within a timeframe agreed with us.

5. Breach

- Any failure by you to comply with any provision of this Policy shall be deemed a material breach of the Agreement,

and we shall be entitled to terminate the Agreement on written notice.

6. Audit

- We and our Auditors have the right to request:
 - evidence of your and your Subcontractors' compliance with this Policy;
 - evidence of the Subcontractor's compliance with its obligations relating to the Subcontracted Services;
 - an overview of your Due Diligence Process;
 - any available audits or reports on your control environment relating to the use of Subcontractors (e.g. SOC2 report); and
 - any disaster recovery and business continuity management testing performed by you in relation to the Subcontractors.