



# The way we do business

Our **Code of Conduct and Ethics**

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In this Code, the Board of Directors and the Group Executive Board set out the principles and practices that define our ethical standards and the way we do business.

By following it, we will foster an ethical culture where responsible behavior is second nature. We will protect our most important asset – our reputation. And, ultimately, we will create lasting value for our shareholders. The Code sets the standards that help us to make that happen.

It is based on three Principles: client focus, which is about building relationships that create long-term value, focusing on investment returns and **anticipating and managing conflicts of interest**; excellence in everything from our products and services to how we **collaborate across the firm to deliver** the best of what UBS has to offer; and sustainable performance, which is about working continuously to strengthen our reputation as a **rock-solid firm and provide consistent** returns for shareholders.

It is essential that we all follow these Principles. In short, if we do business in the right way, we will be a better business, and an even more successful one.

**The Code applies to everything and everyone**

The Code covers our dealings with stakeholders, clients, counterparties, shareholders, regulators and business partners – and each other. And it is the basis for all our policies, guidelines and procedures.

**Ignorance of the Code is no excuse**

As part of our training, everyone hears about the standards in the Code and learns how to apply them. But we also strongly encourage you to read the Code and get to know it. Not knowing the Code is no excuse for violating it.

**Our Board is fully behind the Code – and needs the whole business to be behind it, too**

The Code has the full backing of the Board of Directors and Group Executive Board. And every one of us needs to make sure our day-to-day actions and decisions follow the standards set out here. Above all, we must put the interests of UBS, our clients and our shareholders above our own.

Of course, the Code cannot cover every possible situation. So if you find yourself dealing with something unexpected, use your judgment and get guidance or help.

Thank you for your support.

Axel A. Weber  
Chairman of the Board of Directors

Sergio P. Ermotti  
Group Chief Executive Officer

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# Laws, rules and regulations

## **Obeying the law**

We obey the laws, rules and regulations where we live, work and do business – as well as our own UBS policies, guidelines and procedures.

And we cooperate with our regulators, being open and transparent in our dealings with them.

## **Cross-border business**

When we are working across borders, we obey all pertinent laws, rules and regulations – both at home and abroad.

If we are selling to, buying from, visiting or dealing with clients from outside our home country, it is our job to understand what rules, laws or policies apply – and follow them.

## **Fair dealing and fair competition**

We succeed by outperforming our competitors fairly and honestly, not by resorting to unfair or underhand tactics.

We don't stretch, distort or try to hide the facts or the truth. Nor do we use information we are not meant to have to gain an unfair advantage over competitors.

We act fairly, honestly and in good faith with everyone we deal with: our clients, business partners, competitors, suppliers, the public and each other.

And we respect all the laws, rules and regulations that are designed to create **a level playing field for all** – including antitrust and competition laws.

### Fighting crime

We have a duty to contribute to the **integrity of the financial system, as well** as our own business.

So we do whatever we can to combat money laundering, corruption and **terrorist financing – including imposing** global sanctions in line with our policy.

### Money laundering

We have rigorous systems in place to detect, report and stop any suspected money laundering.

### Corruption

We have zero tolerance for corruption or any kind of bribery, including so-called “facilitation payments.” We don’t offer or accept improper gifts or payments in the course of our business.

### Criminal activity

We carry out due diligence and keep a constant lookout for any suspicious activities, reporting them to senior management as soon as we discover them. And we follow strict know-your-customer regulations.

### Tax matters

We follow all the laws, rules, regulations and treaties around tax that apply to us, all over the world – not just to the letter, but in their true spirit. We pay and report all taxes due. We report information relating to our own tax position and that of our clients and employees as required.

We will not help our clients avoid paying the tax that they owe or reporting their income and gains, nor will we support any transactions where we know or shall presume that the tax outcome is dependent on unrealistic assumptions or the hiding of facts.

# Behaving responsibly and ethically

## Values and ethics

We don't just follow the laws, rules and regulations in everything we do. We do what is right. We don't just ask ourselves whether what we're **doing is legal, but whether it fits with** our three UBS Behaviors: integrity, collaboration and challenge.

## Client relationships

We look after our clients for the long term, winning their loyalty by earning their trust.

We try to anticipate what our clients are going to need before they ask. We go out of our way to give them an exceptional service. We make sure our products and services are adequate for our clients and are sold in a way that is not detrimental to their interests. And we treat them fairly, and with the same courtesy and respect, however large or small they may be.

## Conflicts of interest

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 systems to identify and **manage potential conflicts of interest.** And as soon as we do identify any such **conflicts, we raise them immediately** with our line manager or with Legal or Compliance & Operational Risk Control.

# Sharing, using and storing information

## Reporting and information sharing

When we share or report anything, **especially financial information – to either the public or our regulators – we take great care to make sure it is accurate, up to date and as easy to understand as it can be (and in line with any legal or regulatory requirements and best practice).**

We maintain an internal control framework that is designed to support the preparation and fair representation **of consolidated financial statements** in accordance with International Financial Reporting Standards (IFRS) and that are free from material misstatement.

Based on their audit work, our independent external auditors express an opinion on our internal controls **over financial reporting as well as on the financial statements themselves.** Our internal audit function often provides support to our external auditors in discharging their responsibilities, and also assesses the adherence to our strategy and the effectiveness of our governance, risk management and control processes.

## Inside information

We never use inside information (material information that is not public) to do anything other than what it **was given to us for in the first place.**

Having made every effort to ascertain whether information is inside information, we only ever share such information on a need-to-know basis. That applies to people inside and outside UBS, in line with our internal procedures, as well as any relevant laws, rules and regulations.

## **Client confidentiality**

Our clients trust us to keep the information they've shared with us safe and secure and only use it in the ways we've agreed with them.

We follow the highest standards of information security to keep our client **information confidential and to protect** legitimate client privacy rights. We have strict data security standards and procedures designed to prevent data being tampered with, seen or used by the wrong people, stolen, lost or destroyed.

We never share our clients' details with anyone, unless we have their express permission to do so – or where we have a legal duty to share it with the relevant authorities. And even within UBS, we will only share client details with those colleagues who genuinely need to see it to serve our clients' best interests.

# Creating the right culture

## **Diversity and equal opportunity**

We believe that people from different backgrounds, with different thoughts and opinions, make us a stronger business. They bring us valuable new ideas, approaches and experiences.

Regardless of their status, everyone has the same chance to get ahead at UBS – whatever their ethnicity, gender, national origin, age, ability, sexual orientation or religion. And we work to create a culture where everyone feels they are welcome, respected and that they are a valuable part of our team – whatever part of UBS they work in.

We do not tolerate any kind of discrimination, bullying or harassment. And we encourage each other to speak up and report it through clear channels, without fear of reprisals.

## **Performance and professionalism**

Our professionalism, integrity and pursuit of excellence are how we create value for our clients and shareholders. So our compensation system is designed to reward long-term performance – not short-term gains.

We know that our business is only as strong as our people. So we work hard to create a working environment where talent can thrive and reach its full potential.

### **Protecting our assets**

We keep UBS's assets safe and secure – **from sensitive, confidential information** about our business, plans and people to our intellectual property, systems and equipment, as well as documents, information and other materials belonging to others that are entrusted or made available to us. That means making sure that these assets are handled properly and used in line with relevant laws and regulations and doing what we can to prevent them from being lost, stolen, damaged **or misused. We retain data to fulfill** regulatory retention and legal hold obligations.

We will not use such assets for non-UBS business or for our own personal advantage.

### **Health and safety**

We never do anything that might put people in danger or harm them in any way – whether they're colleagues, clients, partners, competitors, visitors or anyone else.

We keep our workplaces safe by following health and safety rules. Doing this makes sure we have safe and healthy working conditions in which our dignity is respected.

# Society and the environment

## **Integrating financial and societal performance**

**We integrate financial and societal performance for the mutual benefit of our clients and our firm.**

So we're constantly looking for better ways to do business in an environmentally sound and socially responsible manner.

That includes monitoring, managing and reducing any negative impact we might have on the environment and on human rights. It means managing social and environmental risks that our own and our clients' assets are exposed to. And it means looking for sustainable investment opportunities, for ourselves and our clients.

## **Investing in our communities**

We constantly look for ways to contribute to the well-being of our local communities – by supporting charitable activities financially and non-financially, including through our volunteering efforts.

# Violating the Code

## **Disciplinary procedures**

Anyone who breaks the rules (whether it is our Code, UBS policies or outside laws, rules and regulations) will face serious consequences – from reprimands and warnings to demotions or dismissal.

This includes not only the person who broke the rules, but also their line manager and anyone who knew about it but did not report it.

And where someone has broken the law, we will not hesitate to report them to the relevant authorities.

# Upholding the Code

From our Board of Directors down, we live up to this Code at all times, with no exceptions.

**UBS will not accept any justification or excuse for breaking it, whatever the reason – whether for profit, convenience or competitive advantage or because a client or someone else asked for it.**

## **Changes to the Code**

**The Code defines the way we do business.** It is reviewed regularly to make sure it is consistent with the rest of our policies, as well as the law. Whenever there's a change, a notice goes to every employee.

## **Performance reviews**

Each of us declares that we have not breached the Code, as part of our annual performance review.

## **Whistle-blowing**

We immediately report any potential violations to our line manager or local **compliance officer. We can also report them confidentially to our Legal or Compliance & Operational Risk Control teams, using whistle-blowing procedures.**

UBS will never punish or reprimand anyone who reports these kinds of breaches or violations in good faith.

And UBS expects its line managers to escalate and report any violations of laws, rules, regulations, policies, professional standards and the principles of the Code.

## **Questions about the Code**

Any questions about any part of this Code, or what it means in practice, should go to the Group General Counsel or the Global Head of Compliance & Operational Risk Control.