

Exercising voting rights for single investor funds



Framework conditions

Since 2015, Swiss pension funds (subjects to FZG) are subject to include exercising voting rights at market-listed Swiss stock companies. The exercising of voting rights by UBS Fund Management (Switzerland) AG (hereinafter called UBS FMCH) on the one hand fulfils legal specifications (based on Article 23 Para. 1 CISA) and on the other hand also fulfils the rules of conduct by the Asset Management Association Switzerland (AMAS). It therefore implements the high requirements imposed upon institutional and retail investors. For pension funds we therefore also fulfil the provisions of the 'Ordinance against Excessive compensation' (VegüV), and they are included as key factors in our voting policy.

Our principles for exercising voting rights are reviewed on an annual basis and adjusted to market conditions, market practices and current legislation. Within the laws named above and the voting policy set by UBS FMCH, we have over many years created an independent procedure in the area of voting rights, which applies for all general assemblies.

Voting policy

In order to guarantee the exercising of voting rights in accordance with your wishes, we consider it key that all agenda items are pursued critically, assessed independently and a vote is to be taken, including counter recommendation of the supervisory board where required.

Critical agenda items, which could affect you on an ongoing basis or for which there is particular public interest, are discussed in more detail and decided by a committee made up by managers (the Voting Committee). In order to obtain information, we rely on the opinions and information supplied by our analysts at UBS, the custodian bank and the media or third parties.

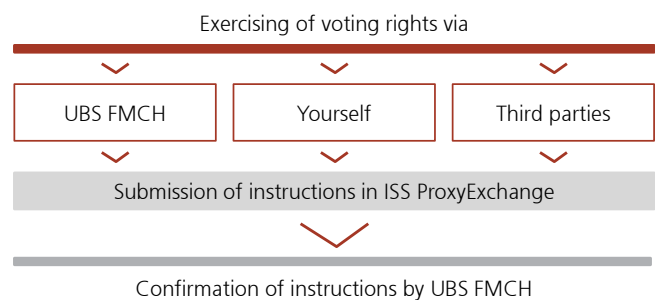
Access to voting portal

Together with our partner Institutional Shareholder Services Inc. ISS, we offer access to the market-leading application for electronic vote-casting "ISS ProxyExchange". This gives a

convenient overview of the exercising of voting rights within collective capital investment and you can easily fulfil any reporting needs you may have.

Control of exercising the voting rights

Pursuant to CISA, UBS FMCH is obliged to act in the best interest of investors. The final votes must be cast by UBS FMCH. For this reason, we monitor with discretion the quality for customers along the exercising process, and inform if any discrepancies found.



Straightforward reporting

The user-friendly portal from the leading application for exercising your voting right will inform you promptly about all relevant general assemblies and you can easily enter your voting right recommendations with just one mouse click if you wish. Alongside numerous additional functions such as email notifications or individual watch lists, the Voting Dash-board also offers a graphical overview, enabling you to process your voting right particularly easily and efficiently.

You can use ISS ProxyExchange to access information on your electronic vote-casting at any time in PDF, Excel or Word format, thereby fulfilling the requirements under OaEC.



Legal framework

- Collective Investment Schemes Act (CISA)
- Asset Management Association Switzerland (AMAS) rules of conduct
- Stock Corporation Law (OR)
- Financial Markets Infrastructure Act (FMIA)
- Economiesuisse – Code of Best Practice
- Economiesuisse – Guidance for Institutional Investors for Exercising their right to participation for stock companies
- Ordinance against Excessive Compensation in-Listed Stock Corporations (OaEC)
- UBS FMCH's own principles for exercising voting rights



Administration

UBS Management Companies work with a limited number of best-in-class selected Central Administrators while you as a white labelling client will have a contract only with the UBS Management Company.



Tailor-made ESG mandates

White label funds are particularly suitable for implementing tailor-made ESG mandates. This is because you have the choice of the various Environmental, Social and Governmental sustainability criteria you want to apply, either in your role as asset manager or in your role as sponsor together with your chosen asset managers. Through our Proxy-Voting offering you also have the ability to either opt for principles and standards defined in the publicly available UBS Management Company proxy voting directive policy or to opt for a dedicated directives, according to your role as sponsor and/or the delegated asset manager, for executing voting preferences. With a white label fund solution, we can assist you in implementing the regulatory and operational set up of your ESG strategy.



Benefits

Independent and legally compliant exercising of the voting rights:

- based on your voting policy or
- based on voting recommendations from third parties or
- based on the UBS FMCH voting policy

Contact us

White Labelling Solutions - Switzerland

Head Switzerland

Hubert Zeller
+41-61-288 18 90
hubert.zeller@ubs.com

Head Client Management Wholesalers

Marc Reto Fischer
+41-44-236 28 93
marc-r.fischer@ubs.com

Head Client Management Pension Funds

Christian Wehinger
+41-44-236 46 52
christian.wehinger@ubs.com

White Labelling Solutions - Europe

Head Business Development & Client Relationship Management

Roberto Colicci
+352-27-15 67 47
roberto.colicci@ubs.com



Visit us:
ubs.com/wls

For marketing and information purposes by UBS Asset Management Switzerland AG, its subsidiary or affiliate ("UBS"). For qualified investors / professional clients only. The contents of this document shall not constitute an obligation to buy or sell a service or a product, launch a product, but are pending to the positive outcome of further investigations as well as subject to internal and external approval. Please note that UBS retains the right to change the range of services, the products and the prices at any time without prior notice and that all information and opinions indicated are subject to change. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources deemed reliable and in good faith, but is not guaranteed as being accurate, nor is it a complete statement or summary of the markets or developments referred to in the document. This document does not create any legal or contractual obligation with UBS. This document is intended solely for the information of the person to whom it has been delivered and is for distribution only under such circumstances as may be permitted by applicable law. It is, in particular, not intended for distribution into the US and/or to US persons. UBS specifically prohibits the redistribution, reproduction or publication of this document in whole or in part without the prior written permission of UBS and UBS accepts no liability whatsoever for the actions of third parties in this respect. This document was written without reference to any specific investment objectives, financial situation or particular needs of any specific recipient. Further, this document includes services and products which require an individualized and tailor-made set up. Such services and products may require further UBS internal approvals on a case-by-case basis, which may depend on various client- and UBS-specific factors. This document contains statements that constitute "forward-looking statements", including, but not limited to, statements relating to our future business development. While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. **Tax treatment depends on the recipient's circumstances and may be subject to change in the future. UBS does not provide legal or tax advice and makes no representations as to the tax treatment of assets or the investment returns thereon, either in general or with reference to specific recipient's circumstances and needs.** UBS recommends that recipients obtain independent legal and tax advice on the implications of the products/services in the respective jurisdiction before making decisions. This document and its contents have not been reviewed by, delivered to or registered with any regulatory or other relevant supervisory authority.