



UBS O'Connor Ltd - Company  
Number 02140296

Public

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

The Board of Directors of UBS O'Connor Limited must act in accordance with a set of general duties. These duties are detailed in the UK's Companies Act and include a duty to promote the success of the Company, which is summarised as follows:

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 shareholders 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 as between members of the Company.

The following paragraphs summarise how the Directors fulfil their duties:

*Purpose Strategy and Consideration of Consequences of Decision for the Long Term*

The strategy is focused on capitalizing on the areas where there is a leading position to drive further profitable growth and scale. The aim is to achieve capital growth to investors, while being fully transparent and treating all of the Company's customers fairly.

It has been assessed that, for regulatory purposes, the Company is well positioned to house the operating entity of the multi-trading facility ('MIF') where currently both the membership and the operating activities are being conducted through UBS AG London Branch.

*Our Culture and Conduct*

The core behaviours of 'Collaboration', 'Integrity' and 'Challenge' form part of the assessment process for all UBS Group employees that are performing activities for the Company. Evidence of performance in these areas forms part of that assessment and therefore has a direct impact on staff compensation. Additionally, all staff attest annually to compliance with key policies, including the 'Code of Conduct and Ethics'. Staff are also subject to various mandatory trainings each year which include the area of conduct and behaviour. The Boards monitors conduct violation statistics and would take action if necessary, using appropriate escalations. To date, this has not been

required. There is also a widely publicised 'Whistleblowing' framework accessible to all staff and this operates from an independent team within UBS Business Solutions AG.

#### *Governance*

There is an annual Board effectiveness self-assessment that is undertaken for the Board. The Board meet at least quarterly to review the quarterly financial reporting and regulatory submissions.

#### *Engagement with Our Customers*

UBS O'Connor Limited does not have any external customers.

#### *Engaging with Our Employees*

The Company strives to ensure there are forums in place to encourage feedback and dialogue from its employees to maintain a strong connection and be in a position to be able to react to changing needs. This includes;

The annual 'Staff Survey': this is organised globally for UBS Group but the Company is able to monitor the results at a local entity level. It also provides us with insights into staff morale and enables us to direct resources or support to those areas where improvements are required.

Rungway is an online tool which provides a forum for employees to be able to get advice on sensitive subjects, ask questions and share their experiences. Questions and experiences can be asked or shared either openly or anonymously and replies can be provided either publicly or privately.

The 'People Agenda' committee strives to connect staff with each other and with management through social, educational and information sharing events. Every area of the business presents to colleagues what their function does in a relaxed forum to aid networking and knowledge sharing.

Quarterly UK-specific town halls are held to educate staff around strategy and the latest topics.

Globally the 'Grow Asset Management initiative' has been launched seeking ideas relating to subjects such as training, recruitment, community and diversity.

All Company employees that existed as at 31 October 2020 were transferred to UBS Asset Management Holding Ltd.

#### *Engaging with Our Shareholders*

As part of the UBS Group we comply with internal policies and regulations which ensure that our shareholder (UBS Asset Management AG) is informed of our activities on matters such as strategy, performance and governance. All Board Directors must be approved by the Global Executive Committee of UBS Asset Management AG.



*Engaging with Our Suppliers*

Quarterly reviews are undertaken with UBS Business Solution AG, our proprietary service provider which covers our finance, legal, compliance, risk and operational requirements. They are assessed against Key Performance Indicators.

UBS Group has a very robust centralised outsourcing process which involves hundreds of checks on outsourcing arrangements, especially with regard to the areas of cyber and data security.

*Engaging with Our Community and Environment*

The award winning 'Community Affairs' programme operates both globally and locally. Throughout 2020, a proportion of the UBS Asset Management division in the UK were involved with some form of community activity. Locally, there are very strong links with the Bridge Academy in Hackney and this is a major key community partnership and another key partnership is with 'Into University'.

*Engaging with our Regulators*

We have an open and ongoing dialogue with the Financial Conduct Authority ("FCA"), keeping them informed of the key activities and strategic developments of the firm