

INDEPENDENT RESEARCH

At UBS our research is deemed to be *independent*. This is both the cornerstone of our number 1 ranked research department and it is equally our regulatory duty. This means that, among other things, it is free from the influence of other departments within UBS, (such as the departments that advise companies on offerings or takeovers or our share trading departments) and free from the influence of external parties such as investors or issuers. Analysts' work will also be independent of any other relationship you may have with any other part of UBS. Analysts cannot be paid to hold a particular view and as set out by local regulations, to protect both you and UBS, the analysts must not be pressured to change their view or to include or exclude anything specific in their research. They are not permitted to share a draft of a report with anyone at your company, and they will not be permitted to give you any advanced notice of any recommendations or conclusions ahead of a report being published. This is standard industry practice, required by applicable laws and regulations and not specific to Sponsored Research.

The recommendations descriptions that analysts use in research reports are: **Buy**, **Neutral**, **or Sell**. These are the 12 month forward views of the analysts based on their detailed analysis and modelling. A more detailed description of the recommendations is found on our website (<u>www.ubs.com/disclosures</u>). This webpage will also show you the regulatory disclosures that we make and that are designed to highlight either actual, or perceived, conflicts of interest. You will be unable to terminate coverage of research on the grounds that you disagree with a recommendation or with any other opinion or statement expressed by UBS in the research report.

You acknowledge that the research prepared by UBS will state that it has been paid for by [you/issuer] and will include a description of the nature of the arrangement including any amount paid by you to UBS.

The integrity of the independent research department is essential to ensure that those who read our research, i.e. our investor clients, understand that the views expressed are the truly held views of the analyst and they have drawn their own conclusions regarding the valuation. At the end of each report you will find a regulatory statement to this effect.

Our analysts may wish to have conversations with you or your investor relations team. If you speak to our analysts it is vital that you do not give the analysts any unpublished price sensitive information/material non-public information (MNPI). Please ensure that you only discuss public information. If you realize that you may have given an analyst MNPI in error then please immediately notify the analyst of this as we have specific protocols that we must follow when we inadvertently receive such information.