

To the Management of
UBS Group AG, Zurich

Basel, 3 March 2023

Independent assurance on certain sustainability metrics and information for the year ended 31 December 2022

Scope

EY was engaged by UBS Group AG (the 'Group' or 'UBS') to perform assurance engagements, as defined by International Standards on Assurance Engagements, here after referred to as the engagement, in respect of certain sustainability metrics and information (the 'Subject Matter') presented in the Group's Sustainability Report 2022, Supplemental Information to the Sustainability Report 2022, and the Annual Report 2022 (collectively referred to as 'the Reports'). Specifically, for the following Subject Matter EY was engaged to provide:

- ▶ limited assurance on the part of the Subject Matter on sustainability metrics and information as referenced in the Group's GRI (Global Reporting Initiative) Content Index;
- ▶ limited assurance over the part of the Subject Matter identified in Appendix A; and
- ▶ reasonable assurance over the part of the Subject Matter identified in Appendix B.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Reports, and accordingly, we do not express an opinion or conclusion on this information.

Criteria applied by the Group

In preparing the Subject Matter, the Group applied GRI Standards (a summary of the standards is presented on the GRI homepage) and the definitions and methods as defined in the '2022 Basis of Reporting' document (within Appendix 5 of the Sustainability Report 2022) (collectively, the 'Criteria'). The '2022 Basis of Reporting' has been used as the Criteria against which to evaluate the Subject Matter identified in Appendices A and B, unless relevant GRI Standards are indicated (see Appendix B). The Criteria were specifically designed for the preparation of the Reports. As a result, the Subject Matter may not be suitable for other purposes.

The Group's responsibilities

Management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Limited assurance

Our responsibility is to express a limited assurance conclusion on the presentation of the Subject Matter on sustainability metrics and information as referenced in the Group's GRI Content Index and identified in Appendix A, based on the evidence we have obtained.

Reasonable assurance

Our responsibility is to express a reasonable assurance opinion on the presentation of the Subject Matter identified in Appendix B, based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'). This standard requires that we plan and perform this engagement to obtain limited or reasonable assurance as stated above about whether the Subject Matter in the Reports are free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including *International Independence Standards*) (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our approach

Limited assurance

The procedures performed in a limited assurance engagement in accordance with ISAE 3000 on the Subject Matter on sustainability metrics and information as referenced in the Group's GRI Content Index and identified in Appendix A, vary in nature and timing from, and are less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Reasonable assurance

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about the Subject Matter identified in Appendix B. The procedures selected depend on the practitioner's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error, in the Subject Matter identified in Appendix B. In making those risk assessments, we considered internal control relevant to the Group's preparation of the Subject Matter identified in Appendix B.

Although we considered the effectiveness of management's internal control when determining the nature and extent of our procedures, our limited assurance engagement nor our reasonable assurance engagement were designed to provide assurance on internal control. Our reasonable assurance procedures included the identification of controls, but did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Description of procedures performed

The procedures we performed were based on our professional judgement and included, but were not limited to:

- ▶ Conducting interviews with key personnel to understand the sustainability strategy and the process for determining material sustainability topics.
- ▶ Comparing material topics against key issues raised in stakeholder dialogues, areas of performance covered in external media reports and sustainability reports of UBS's peers.
- ▶ Evaluating the appropriateness of the Criteria used, their consistent application and related disclosures in the Reports.
- ▶ Conducting interviews with key personnel to understand the process for collecting, collating, and reporting the Subject Matter during the reporting period, including obtaining an understanding of internal control relevant to

the engagement, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- ▶ Undertaking analytical review procedures to support the reasonableness of the data and to identify areas of the Subject Matter with a higher risk of misleading or unbalanced information or material misstatements and obtaining an understanding of any explanations provided for significant variances.
- ▶ Evaluating the appropriateness of related metrics within the Reports and the consistency of the Subject Matter presented across the Reports.
- ▶ Our procedures over the Subject Matter for which we provided reasonable assurance additionally included, but were not limited to:
 - Performed process walkthroughs to obtain and understanding of Management's reporting processes, including Management's internal control framework and guidelines.
 - Selecting key items and representative samples based on statistical sampling methodology and agreeing to source information to test the accuracy and completeness of the data, including the correct filtering and mapping of data based on the underlying Criteria.

Our procedures did not include testing the accuracy of the externally published input data provided by third parties.

Inherent limitations

Due to a lack of standardization regarding the measurement of the Subject Matter, different, but acceptable approaches are emerging in the market which can affect comparability between entities and over time. In addition, there is a lack of high-quality data in certain areas which can further impact how the Subject Matter is measured. Significant assumptions and limitations are laid out in more detail in the '2022 Basis of Reporting' document.

Our conclusion and our opinion

Conclusion - limited assurance

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter on sustainability metrics and information as referenced in the Group's GRI Content Index and identified in Appendix A for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the applicable Criteria.

Opinion - reasonable assurance

In our opinion, the Subject Matter identified in Appendix B for the year ended 31 December 2022 is presented, in all material respects, in accordance with the applicable Criteria.

Restricted use

This assurance report is intended solely to inform Management about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned.

Ernst & Young Ltd.



Maurice McCormick
Partner



Eveline Hunziker
Partner

Appendix A

Subject Matter covered by our limited assurance engagement	
Graph "2022 sustainable finance in numbers"	Global Wealth Management clients' Discretionary Assets aligned to SI Strategic Asset Allocation (USD billion)
	Global Wealth Management clients' SDG-related Impact Commitments and Invested Assets (USD billion)
	SI share of asset under custody in Personal Banking (%)
	Net New Sustainable Investments in Personal Banking (%)
	Share of corporate engagements on climate topics with progress against pre-set objectives (%)
Text "Leading by example"	Green, social and sustainability labelled bonds in the Treasury asset portfolios (USD billion)
Text "Financing a sustainable future"	Number of green, social, sustainability, and sustainability-linked (GSSS) bond deals
	Total deal value of green, social, sustainability, and sustainability-linked bond deals (USD billion)
Table "Key climate- and nature-related achievements"	Companies actively engaged on climate topics
Text "Stewardship / voting rights"	Companies actively engaged on ESG topics
Table "Climate-related metrics 2022"	Total exposure to nature-related risks (USD billion)
	Proportion of total customer lending exposure, gross (%)
	Weighted average carbon intensity - active equity assets (in metric tons CO ₂ e per USD million of revenue)
	% AuM weighted average carbon intensity below benchmark (active equity)
	Weighted average carbon intensity - active fixed income assets (in metric tons CO ₂ e per USD million of revenue)
	% AuM weighted average carbon intensity below benchmark (active fixed income)
	Weighted average carbon intensity - indexed equity assets (in metric tons CO ₂ e per USD million of revenue)
	Weighted average carbon intensity - indexed fixed income assets (in metric tons CO ₂ e per USD million of revenue)
	Weighted average carbon intensity - Direct Real Estate (in metric tons CO ₂ e per square meter)
	Residential real estate (scopes 1 and 2 kg CO ₂ e/m ²)
	Commercial real estate (scopes 1 and 2 kg CO ₂ e/m ²)
	Fossil fuels (scopes 1, 2 and 3 t CO ₂ e, baseline 2020 indexed as 100)
	Power generation (scopes 1, 2 and 3 kg CO ₂ e/MWh)
Cement (scopes 1 and 2 t CO ₂ e/t of cementitious)	
Financed emissions - Estimated total for non-financial corporates and real estate mortgages (mt CO ₂ e)	
Text "ESG integration and exclusion"	ESG integration and exclusion assets under management (USD billion)
	ESG integration assets under management (USD billion)
	Exclusion assets under management (USD billion)
Graph "Climate risk heatmap (transition risk)"	Exposure to climate-sensitive sectors, transition risk, breakdown by sector (USD billion)
	Exposure to climate-sensitive sectors, transition risk, breakdown by risk category (USD billion)
Graph "Climate risk heatmap (physical risk)"	Exposure to climate-sensitive sectors, physical risk, breakdown by sector and geographic (country) scores (USD billion)
	Exposure to climate-sensitive sectors, physical risk, breakdown by risk category (USD billion)

Appendix B

Subject Matter covered by our reasonable assurance engagement	
Table "Sustainable investments"	Total sustainable investments assets under management (USD billion)
	Sustainability focus assets under management (USD billion)
	Impact investing assets under management (USD billion)
	Sustainable investments proportion of total invested assets (%)
Table "Climate-related metrics 2022"	Carbon-related assets (USD billion) of which: UBS AG of which: UBS Switzerland AG of which: UBS Europe SE Proportion of total customer lending exposure, gross (%)
	Total exposure to climate-sensitive sectors, transition risk (USD billion) of which: UBS AG of which: UBS Switzerland AG of which: UBS Europe SE Proportion of total customer lending exposure, gross (%)
	Total exposure to climate-sensitive sectors, physical risk (USD billion) of which: UBS AG of which: UBS Switzerland AG of which: UBS Europe SE Proportion of total customer lending exposure, gross (%)
	Number of green, sustainability, and sustainability-linked bond deals
	Total deal value of green, sustainability, and sustainability-linked bond deals (USD billion) UBS apportioned deal value of above (USD billion)
	Number of climate-related resolutions voted upon Proportion of supported climate-related resolutions (%)
	Net GHG footprint (1,000 metric tons CO ₂ e) (Criteria is GRI 305, reported as of the year ended 30 June 2022) Change from baseline 2004 (%) (Criteria is GRI 305, reported as of the year ended 30 June 2022)
	Share of renewable electricity (%) (Criteria is GRI 302, reported as of the year ended 30 June 2022)