



Charter for the UBS Board of Directors

1. Preamble

The Swiss Code of Obligations, the UBS Articles of Association and the Organization Regulations of UBS AG contain the main rules for composition, election, organization and authorities of the Board of Directors (Board). They form the basis for this Charter.

2. Membership, Constitution

All members of the Board are elected by the Annual Meeting of Shareholders.

The Board constitutes itself in the last meeting preceding or the first meeting following the AGM, subject to approval of elections proposed to shareholders.

The Board appoints its Chairman, the executive and non-executive Vice Chairmen and the Company Secretary.

The Board shall establish formal standards for defining directors' independence.

It elects the chairmen and the members of the Board Committees.

3. Term of Office

Board members are elected for a defined term of office.

Newly elected members shall receive appropriate introduction to their mandate, according to their individual needs.

Directors who end their active involvement in the company or organization of which they used to be a representative at the time of their election, or directors who fundamentally change their professional activity during their term of office shall offer to vacate their directorship. The Board decides whether a resignation is necessary or whether the director may exercise the mandate until completion of the term of office, when the Board may also decide to propose the director for reelection.

4. Authorities and Duties

The Board has the authorities and duties as defined in Article 716a of the Swiss Code of Obligations, the UBS Articles of Association, the Organization Regulations and their Appendix.

Among the duties defined in the Articles of Association, the Board shall primarily focus on defining the Company's strategic development, assuming ultimate responsibility for the management of the Corporation, for succession planning and for supervising its executive management. The Board appoints and removes the Group CEO and the members of the Group Executive Board, and the Head of Group Internal Audit.

The majority of the Board members are non-executive and fully independent. The Chairman and at least one Vice Chairman are executive directors who also assume supervisory, leadership and business responsibilities.

5. Meetings and Minutes

The Board meets at least six times per year. The invitations together with the agenda and supporting documents are sent to the directors at least one week before the meeting. Highly sensitive documents may, in the discretion of the Chairman, not be distributed but made available for inspection for the Board members ahead of the meetings.

The minutes of the meetings contain all decisions taken and reflect the considerations, which led to the decisions. Dissenting votes of individual Board members shall be recorded upon request. Directors are any time entitled to examine the minutes.

Copies of the minutes are distributed to those members of the Board who have committed in writing to treat them confidentially, not to make additional copies, and to destroy the copy received after use. The minutes shall be approved at the following meeting. A copy of the minutes is circulated among the members of the Group Executive Board, but no additional copies shall be made. The Head of Group Internal Audit receives a copy of the minutes, which he may make available for inspection to the External Auditors. The Chairman may decide that minutes are not distributed at all because of their sensitive or private content or because of legal considerations. Such decisions shall be communicated to the Board.

Minutes of Private Board meetings are only distributed to the members of the Board.

6. Right to Information

The Chairman of the Board and the chairmen of the Board committees regularly update the Board on all decisions taken and the considerations, which led to such decisions.

Board members may request any information necessary to fulfill their duties.

At the Board meetings, any member is entitled to demand information on any matter relating to the Group regardless of what is on the agenda. The directors and any members of the Group Executive Board that are present shall provide such information to the best of their knowledge.

In order to allow for appropriate preparation it is advisable to pre-announce information demands, which require in-depth preparation. In such cases, directors shall address their requests to the Company Secretary who arranges for the appropriate handling of the matter. Any director may request that a specific topic be placed on the agenda.

Where it is necessary for compliance with his/her duties, any director may request information outside of meetings from members of the Group Executive Board concerning the Group's business development. Such requests shall be routed through the Company Secretary who organizes the appropriate contacts. Requests for information about individual businesses and transactions must be addressed to the Chairman of the Board.

Requests of directors for the examination of books and files must be made in writing to the Chairman. The director who makes such a request must examine the documents in person. If the Chairman rejects a request to examine books and files, the director making the request may submit his demand to the Board for decision.

7. External Communication

Relations with the media are the exclusive authority of the Chairman. Other Board members shall only convey internal matters of UBS to the media in case this authority is formally delegated or if they are authorized to do so for specific topics.

8. The Chairman

The Chairman in his personal capacity assumes responsibility for supporting major client and transaction initiatives, for representing the Group in important international bodies and vis-à-vis major investors. He assumes a leading role in designing the Group's Corporate Governance, in Group CEO succession planning and in positioning the Group on issues of public affairs and corporate social and environmental responsibility. Together with the Group CEO, he takes a leading role in setting the Group's strategic direction, planning succession at the GEB level, determining the Group's risk philosophy and defining global compensation principles. He is responsible, together with the Group CEO, for managing the Group's high quality reputation.

The Chairman meets with each Board member at least once per year to discuss individual performance in view of the annual Board self-assessment.

At least once a year, the Chairman informs the Board about his assessment of the top-level management and the status of succession planning.

9. The Board of Directors' Committees

The Board may delegate part of its authorities or special functions to Committees. It establishes a Charter for each of these Committees and is regularly informed about their activities. The Board Committees assume the authorities and responsibilities attributed to them by these Charters or by law. They shall not interfere with other Committees' or the full Board's authorities and responsibilities.

Interaction between various Committees shall be handled through the Chairman. The Company Secretary may arrange for the necessary coordination and act as facilitator.

10. Entry into Force

The Board of Directors has issued this Charter, which was last updated on 27 April 2006.

UBS AG

For the Board of Directors

Marcel Ospel
Chairman

Luzius Cameron
Company Secretary