



Sustainability at UBS

This document should be read in conjunction
with the UBS Group AG Sustainability Report 2022
and Annual Report 2022

ubs.com/annualreporting

March 2023



Important information

Forward Looking Statements: This presentation contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance, statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development and goals or intentions to achieve climate, sustainability and other social objectives. While these forward-looking statements represent UBS’s judgments, expectations and objectives concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. UBS’s business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with the SEC. More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including UBS’s Annual Report on Form 20-F for the year ended 31 December 2022. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

Alternative Performance Measures: In addition to reporting results in accordance with International Financial Reporting Standards (IFRS), UBS reports certain measures that may qualify as Alternative Performance Measures as defined in the SIX Exchange Directive on Alternative Performance Measures, under the guidelines published by the European Securities Market Authority (ESMA), or defined as Non-GAAP financial measures in regulations promulgated by the US Securities and Exchange Commission (SEC). Please refer to “Alternative Performance Measures” in UBS’s Annual Report for the year ended 31 December 2022 for a list of all measures UBS uses that may qualify as APMs.

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Available Information: UBS’s Annual Report, Quarterly Reports, SEC filings on Form 20-F and Form 6-K, as well as investor presentations and other financial information are available at ubs.com/investors. UBS’s Annual Report on Form 20-F, quarterly reports and other information furnished to or filed with the US Securities and Exchange Commission on Form 6-K are also available at the SEC’s website: www.sec.gov

Basel III RWA, LRD and capital: Basel III numbers are based on the BIS Basel III framework, as applicable for Swiss systemically relevant banks (SRB). Numbers in the presentation are based on the revised Swiss SRB rules as of 1.1.20 that became effective on 1.7.16, unless otherwise stated. Basel III risk-weighted assets in this presentation are calculated on the basis of Swiss SRB rules as of 1.1.20 unless otherwise stated. Our RWA under BIS Basel III are the same as under Swiss SRB Basel III. Leverage ratio and leverage ratio denominator in this presentation are calculated on the basis of Swiss SRB rules as of 1.1.20, unless otherwise stated. Refer to the “Capital management” section in the 2022 Annual Report report for more information. Numbers presented in US dollars unless otherwise indicated. Currency translation of monthly income statement items of operations with a functional currency other than the US dollar are translated with month-end rates into US dollar.

Definitions: “Earnings per share” refers to diluted earnings per share. “Litigation” refers to net additions/releases to provisions for litigation regulatory and similar matters reflected in the income statement for the relevant period. “Net profit” refers to net profit attributable to shareholders. “Sustainability-focus and impact” refers to sustainability-focus and impact investing; sustainability focus refers to strategies that have sustainability as an explicit part of the investment guidelines, universe, selection, and/or investment process that drive the strategy; impact investing refers to strategies that have an explicit intention to generate measurable, verifiable, positive sustainability outcomes. “Net new fee-generating assets” exclude the effects on fee-generating assets of strategic decisions by UBS to exit markets or services.

Rounding: Numbers presented throughout this presentation may not add up precisely to the totals provided in the tables and text. Percentages and percent changes disclosed in text and tables are calculated on the basis of unrounded figures. Absolute changes between reporting periods disclosed in the text, which can be derived from numbers presented in related tables, are calculated on a rounded basis.

Tables: Within tables, blank fields generally indicate non-applicability or that presentation of any content would not be meaningful, or that information is not available as of the relevant date or for the relevant period. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Values that are zero on a rounded basis can be either negative or positive on an actual basis.

Review of Sustainability Report: The Sustainability Report 2022 has been reviewed by Ernst & Young Ltd (EY). The content has been prepared in accordance with the GRI Standards, and both the GRI content index and the assurance report can be downloaded from ubs.com/gri. Furthermore, selected sustainability metrics in the Sustainability Report 2022 have been subject to reasonable or limited assurance by EY. A list of these metrics and level of assurance can be found in the assurance report. Our “Basis of Reporting” document provides further information on the definition, approach and scope used for these metrics.

Cautionary note: We have developed methodologies we use to set our goals and which underly the metrics that are disclosed in this presentation and the Sustainability Report 2022. Standard-setting organizations and regulators continue to provide new or revised guidance and standards, as well as new or enhanced regulatory requirements for climate disclosures. Our disclosed metrics are based upon data available to us, including estimates and approximations where actual or specific data is not available. We intend to update our disclosures to comply with new guidance and regulatory requirements as they become applicable to UBS. Such updates may result in revisions to our disclosed metrics, our methodologies and related disclosures, which may be substantial, as well as changes to the metrics we disclose.

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Our sustainability and impact strategy

Our ambition





We want to be the financial provider of choice for clients that wish to mobilize capital toward the achievement of the 17 UN Sustainable Development Goals (the SDGs) and the orderly transition to a low-carbon economy





Planet first: Taking climate action and supporting the transition to a net zero world

-  Decarbonization targets for 2030 for financing of the real estate, fossil fuels, power generation and cement sectors
-  Align 20% of Asset Management AuM to be managed in line with net zero by 2030
-  Achieve net-zero emissions across discretionary client portfolios by 2050 in Asset Management
-  Achieve net zero energy emissions from our own operations (scopes 1 and 2) by 2025. Cut energy consumption by 15% by 2025¹
-  Offset historical emissions back to the year 2000²
-  Engage with key vendors on aiming for net zero by 2035

People matter: Shaping a diverse, equitable and inclusive society. Addressing inequality through our focus on health and education

-  30% global female representation at Director level and above by 2025
-  26% of US and UK roles at Director level and above are held by employees from ethnic minorities by 2025
-  Raise 1bn in donations to our client philanthropy foundations and funds and reach 25m beneficiaries by 2025
-  Support 1.5m young people and adults to learn and develop skills through our community impact activities

Partnerships bring it together: Working with thought leaders and standard setters to unite around common goals that can drive change at a global scale

-  Establish UBS as a leading facilitator of discussion, debate and idea generation
-  Drive standards, research and development, and product development

External ESG ratings



Index member of DJSI World and DJSI Europe
Ranked fifth of the 612 companies assessed in the same industry group



One of nearly 300 companies on the CDP Climate A-List – out of more than 15,000 scored



“Leader” in industry group

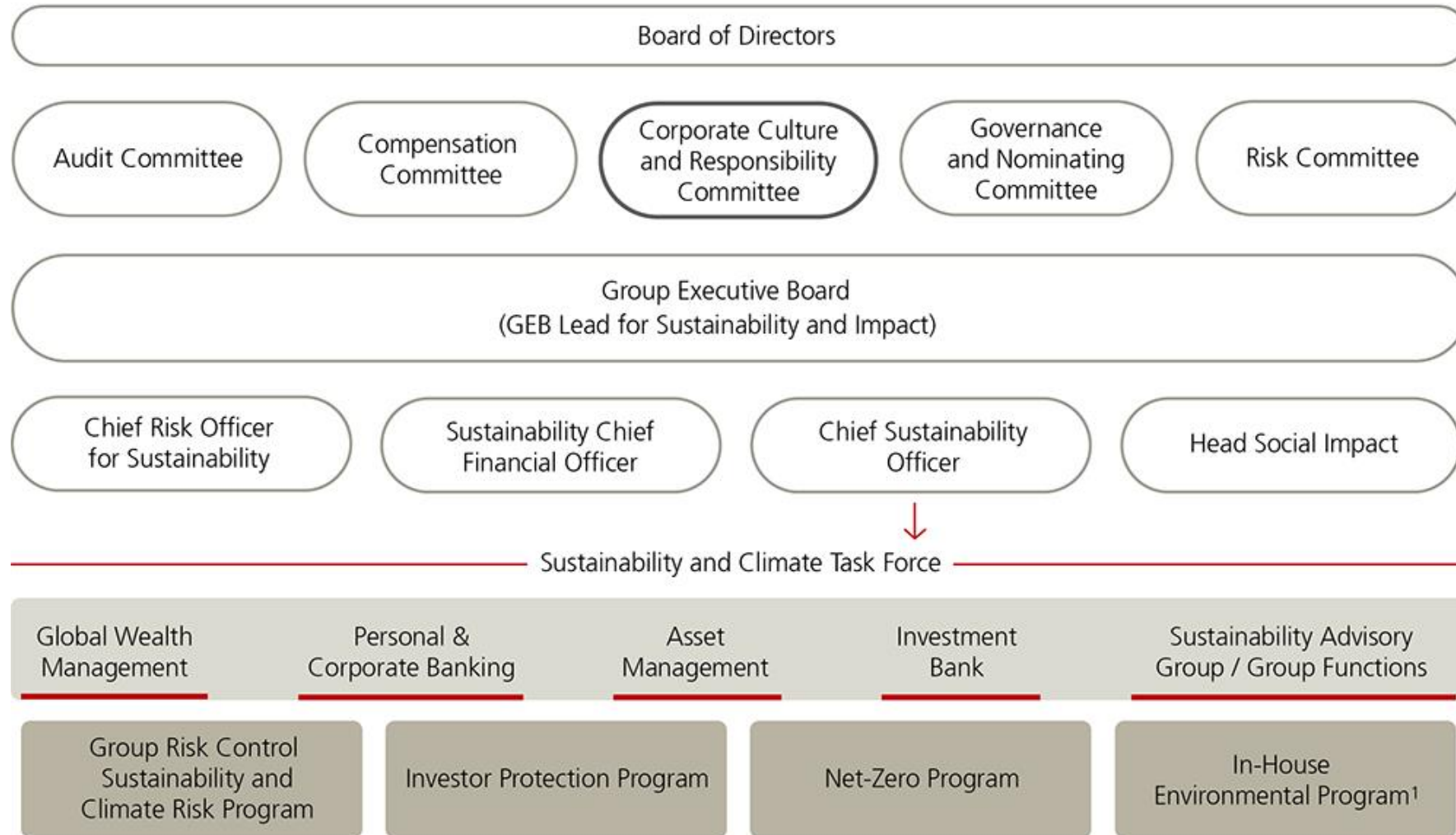


ESG Risk rating of 19.9 (Low risk)



ESG evaluation of 77/100 (Solicited rating)
Environmental profile: 70/100
Social profile: 66/100
Governance profile: 77/100
Preparedness: Strong (+5)

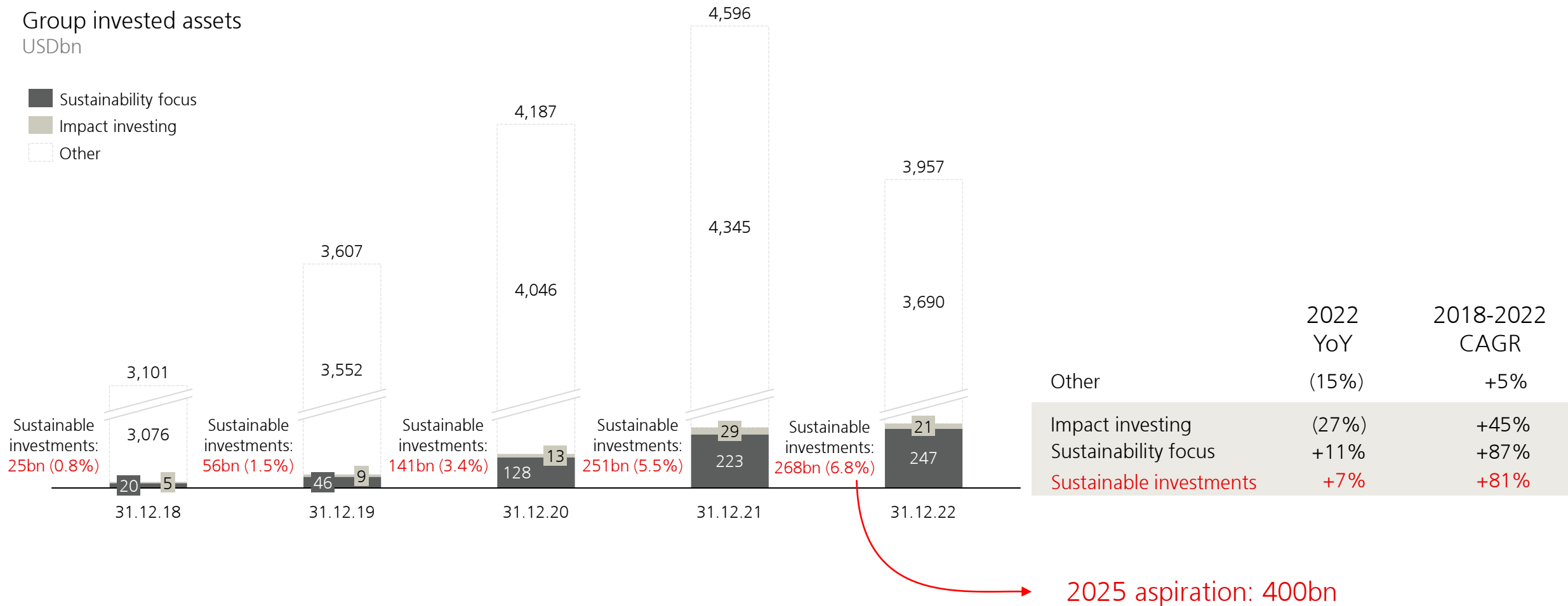
UBS sustainability and climate governance



Aspiration to achieve 400bn in sustainable investments by 2025

Increased invested assets in sustainable investments by **7%** to **USD 268 billion**

Group invested assets
USDbn



Sustainable finance approach and offering

Investment approaches

UBS's definition of sustainable investments

Sustainability focus

Target market-rate investment returns
Have explicit sustainable intentions or objectives that drive the strategy
Underlying investments may contribute to positive sustainability outcomes through products, services and / or proceeds

Impact investing

Target market-rate investment returns
Have explicit intentions to generate measurable, verifiable, positive sustainability outcomes
Impact attributable to investor action and / or contribution

Expanding offering for clients in 2022

GWM clients' discretionary assets aligned to **SI Strategic Asset Allocation** reached USD 23bn

GWM clients' **SDG-related impact commitments and invested assets** reached USD 10bn

GWM clients could invest in **6 new private market** impact vehicles aligned with the SDGs

Facilitated 77 green, social, sustainability or sustainability-linked (GSSS) **bond transactions**

Retained 1st rank position in Switzerland with 44% market share of Swiss Franc denominated GSSS bond issuance

3rd largest manager of open-ended funds and ETFs by SI AuM¹


70% of **net new investment products** in Personal Banking were sustainable

Sustainable investments make up 48% of total custody assets in Personal Banking

Voted on **climate related** resolutions at 160 companies


Expanded **alternatives offering** including energy storage, cold storage and life sciences real estate capabilities

Planet – our aspirational goals and progress in 2022 (1/2)

Our priorities	Our aspirational goals	Our progress in 2022
Planet 	<p>Decarbonization targets for 2030 for financing of the real estate, fossil fuels, power generation and cement sectors (from 2020 levels):</p> <ul style="list-style-type: none"> – reduce emissions intensity of UBS’s residential real estate lending portfolio by 42%; – reduce emissions intensity of UBS’s commercial real estate lending portfolio by 44%; – reduce absolute financed emissions associated with UBS loans to fossil fuel companies by 71%; – reduce emissions intensity associated with UBS loans to power generation companies by 49%; and – reduce emissions intensity associated with UBS loans to cement companies by 15%. 	<p>Calculated progress against pathways for the real estate (commercial and residential), fossil fuel and power generation sectors:¹</p> <ul style="list-style-type: none"> – reduced emissions intensity of UBS’s residential real estate lending portfolio by 8% (end of 2021 vs. 2020 baseline); – reduced emissions intensity of UBS’s commercial real estate lending portfolio by 7% (end of 2021 vs. 2020 baseline); – reduced absolute financed emissions associated with UBS loans to fossil fuel companies by 42% (end of 2021 vs. 2020 baseline); and – reduced emissions intensity associated with UBS loans to power generation companies by 12% (end of 2021 vs. 2020 baseline). <p>Introduction of an additional decarbonization target for the cement sector, as well as an estimation of the overall financed emissions.¹</p>
	<p>Align 20% of AuM to be managed in line with net zero by 2030 (Asset Management)²</p> <p>Achieve net-zero emissions across discretionary client portfolios by 2050 (Asset Management).³</p>	<p>Initiated analysis of revisions to fund documentation and investment management agreements to align with AM’s net-zero-aligned frameworks.</p>

¹ Refer to the “Environment” section of the Sustainability Report 2022 for further information. The inherent one-year time lag between the as-of date of our lending exposure and the as-of date of emissions can be explained by two factors: corporates disclose their emissions in annual reporting only a few months after the end of a financial year; and specialized third-party data providers take up to nine months to collect disclosed data and make it available to data users. Consequently, the baselines for our net-zero ambitions are based on year-end 2020 lending exposure and 2019 emissions data. Our 2021 emissions actuals are based on year-end 2021 lending exposure and 2020 emissions data; ² The 20% alignment goal amounted to USD 235 billion at the time of Asset Management’s commitment in 2021. By 2030, the weighted average carbon intensity of funds is to be 50% below the carbon intensity of the respective 2019 benchmark; ³ The near- and medium-term plans for the achievement of this goal include our Asset Management division only.

Planet – our aspirational goals and progress in 2022 (2/2)

Our priorities	Our aspirational goals	Our progress in 2022
Planet 	Achieve net-zero energy emissions resulting from our own operations (scopes 1 and 2) by 2025; cut energy consumption by 15% by 2025 (compared with 2020).	Reduced GHG footprint for scope 1 and 2 emissions by 13% and energy consumption by 8% (compared with 2021); continued implementation of the replacement of fossil fuel heating systems and investing in credible carbon removal projects; achieved 99% renewable electricity coverage despite challenging market conditions.
	Offset historical emissions back to the year 2000 by sourcing carbon offsets (by year-end 2021) and by offsetting credit delivery and full retirement in registry (by year-end 2025).	Continued to follow up on credit delivery and retirement of sourced portfolio.
	Engage with key vendors on aiming for net zero by 2035.	Identified “GHG key vendors” (vendors that collectively account for >50% of our estimated vendor GHG emissions) and invited the vendors that accounted for 67% of our annual vendor spend (including all GHG key vendors) to disclose their environmental performance through CDP’s Supply Chain Program, with 66% of the invited vendors completing their disclosures in the CDP platform.

Climate Strategy



Managing climate-related financial risks

Protecting our clients' assets

Managing climate-related risks and opportunities through our innovative products and services in investment, financing and research



67%

of our climate engagements yielded positive progress in 2022

Protecting our own assets

Limiting risk appetite for carbon-related assets and estimating our own firm's vulnerability to climate risks



7.5%

Exposure to carbon-related assets as % of total customer lending exposure, on 31.12.22

Acting on low carbon future

Reducing our climate impact

Sourcing our electricity consumption from renewable sources
Responsible supply chain management

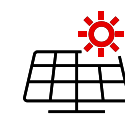


Net zero

Scope 1, 2 and 3 greenhouse gas emissions by 2050 in line with fiduciary duties

Mobilizing capital

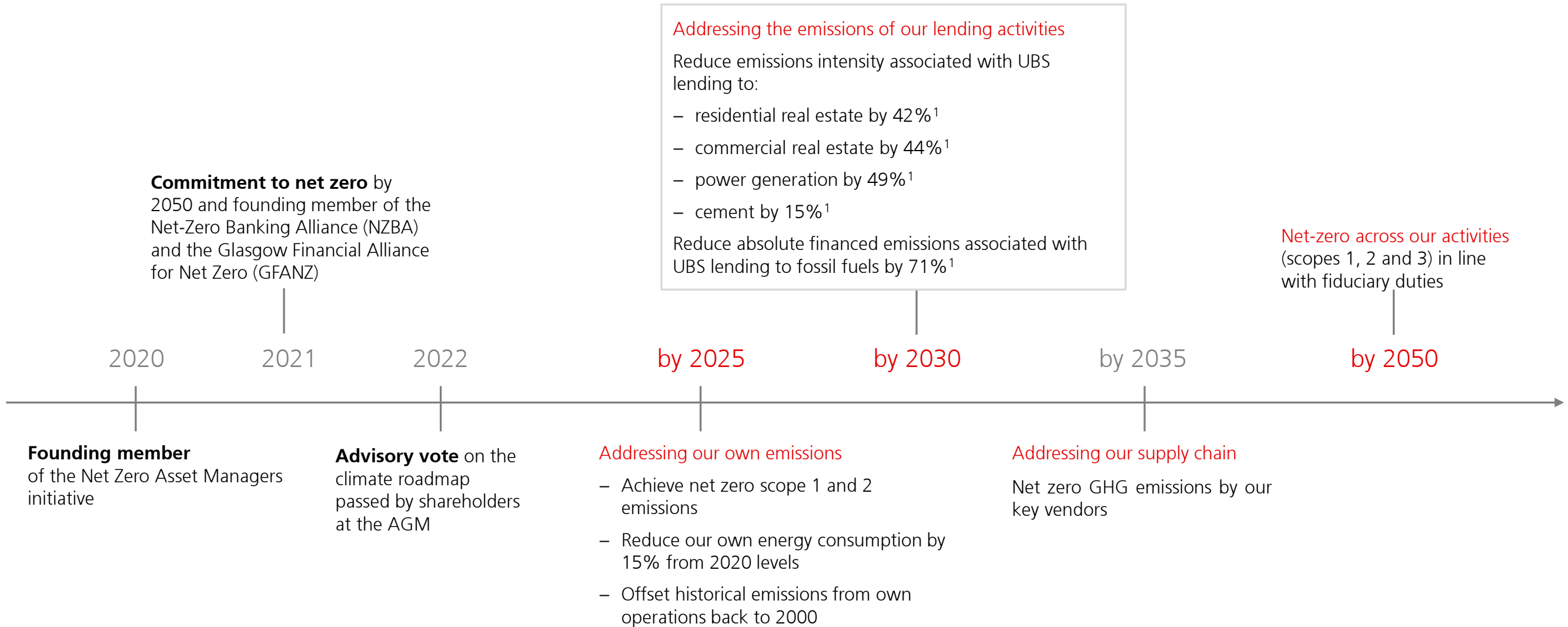
From private and institutional clients toward the orderly transition to a low-carbon economy



69

green, sustainability, and sustainability-linked bond deals facilitated by UBS in 2022

Climate roadmap

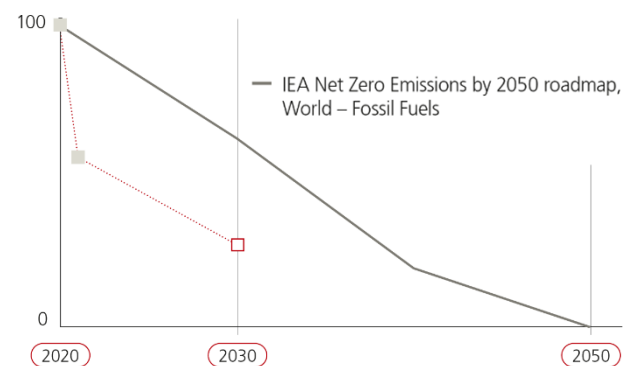


Our plan for addressing emissions in our lending book

Emissions associated with financing of fossil fuels, power generation, cement and real estate (commercial and residential) and targets we have set for 2030

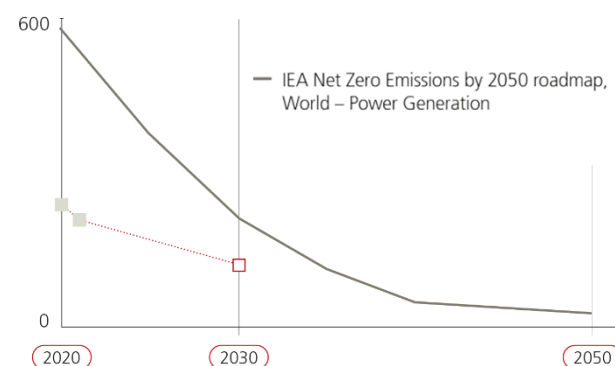
Fossil fuel lending

t CO₂e (base: 100)



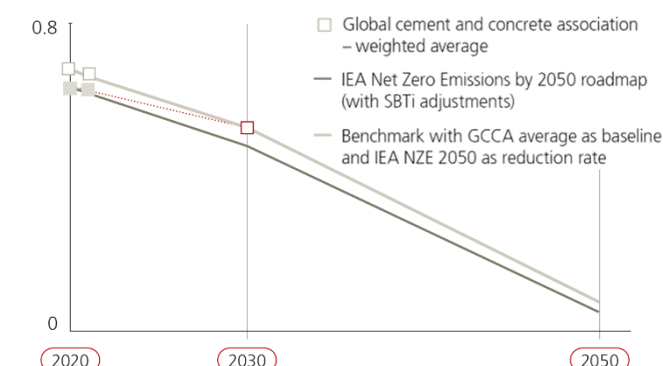
Power generation lending

kg CO₂e / MWh



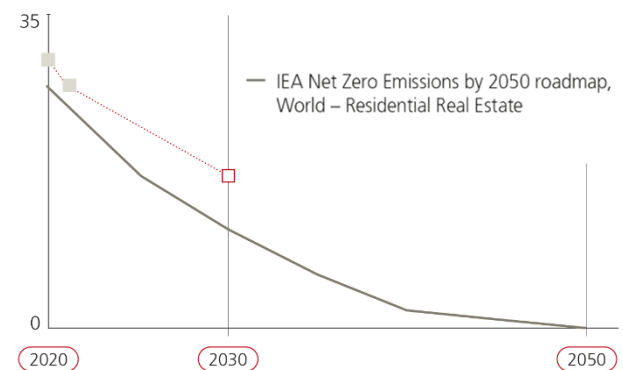
Cement lending

t CO₂e / t cementitious



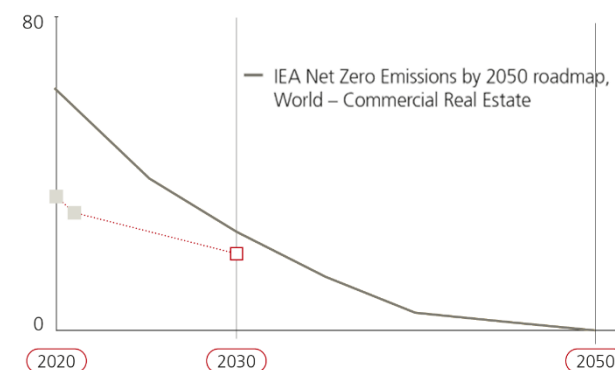
Residential real estate lending

kg CO₂e / m²



Commercial real estate lending

kg CO₂e / m²

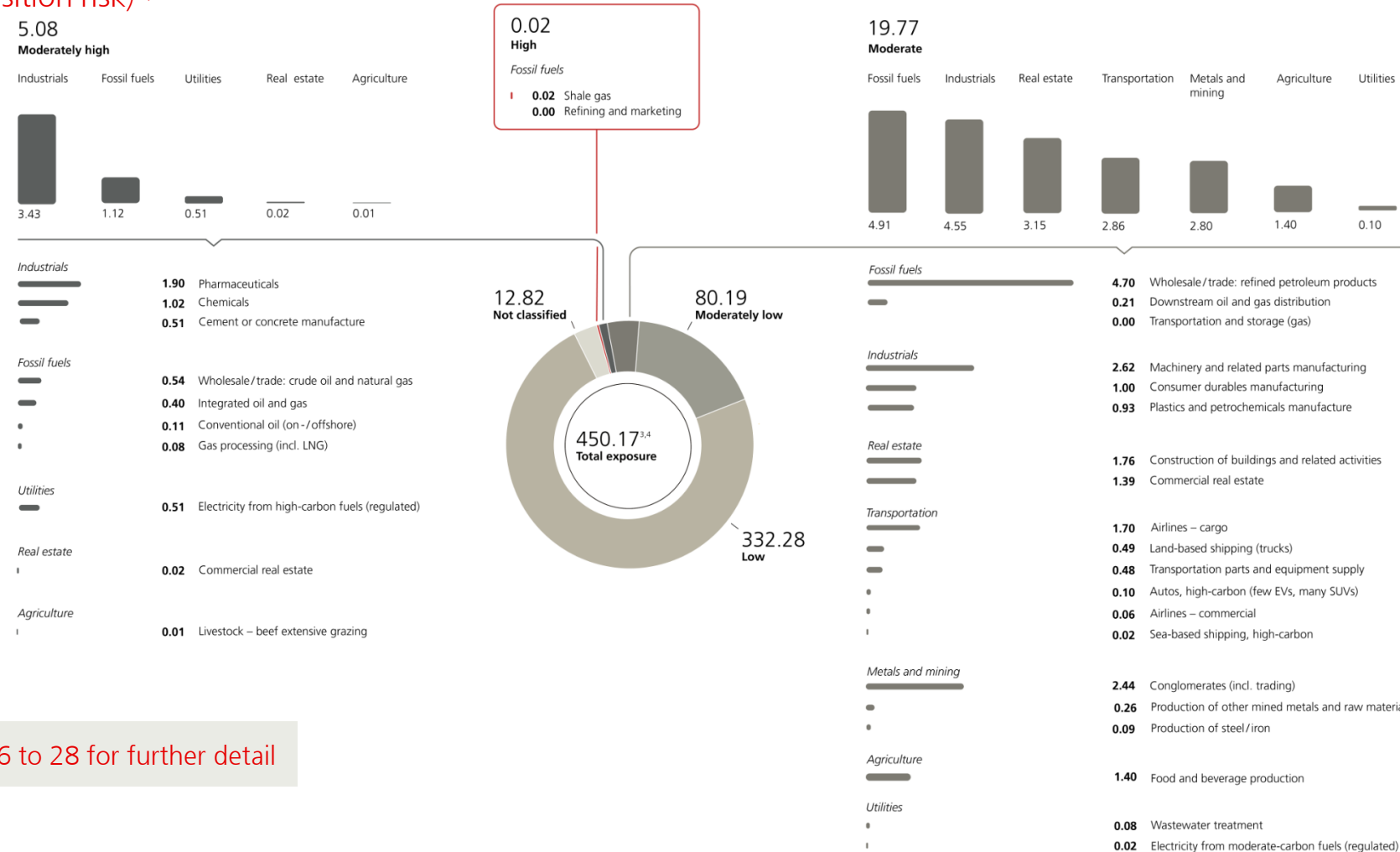


- UBS ambition
- UBS actuals
- Trend line to 2030 target (indicative)

Climate risk heatmap – transition risk

Climate risk heatmap (transition risk)^{1,2}

USD bn

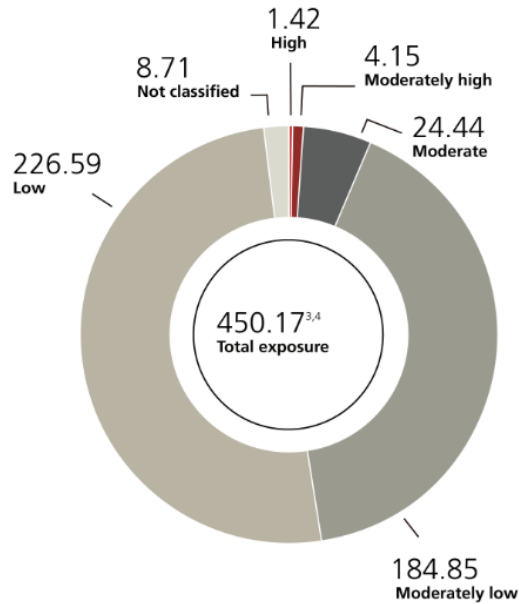


Refer to the table on pages 26 to 28 for further detail

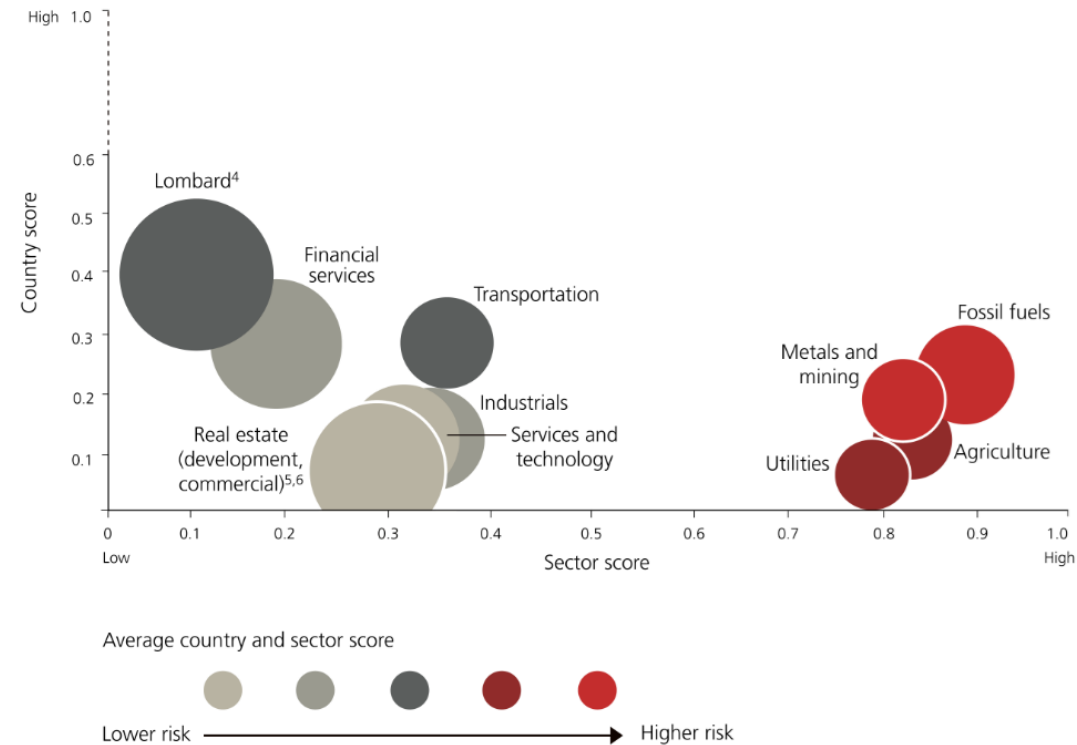
1 Consists of total loans and advances to customers and guarantees, as well as irrevocable loan commitments (within the scope of expected credit loss), and are based on consolidated and standalone IFRS numbers; **2** Climate-related risks are scored between 0 and 1, based upon sustainability and climate risk transmission channels, as outlined in the Methodology Appendix. Risk ratings represent a range of scores across, 5 risk rating categories: low, moderately low, moderate, moderately high, and high. Climate-sensitive exposure metric is determined based upon the top 3 out of 5 rated categories: high to moderate. Sectors, such as fossil fuels, are further segmented to categories reflecting a range of risk vulnerabilities from high to moderate, within the sensitive sector; **3** Total exposure calculation is subject to rounding to two decimal places, hence potential deviation from actual; **4** Methodologies for assessing climate-related risks are emerging and may change over time. As the methodologies, tools, and data availability improve, we will further develop our risk identification and measurement approaches, including updated geospatial analysis of properties securing financing with UBS (real estate) and better understanding how private lending (e.g., Lombard) activities may result in direct financial impacts to UBS. Not classified represents portion of UBS business activities where methodologies and data are not yet able to provide a rating. Lombard lending rating is assigned based on the average riskiness of loans.

Climate risk heatmap – physical risk

Climate risk heatmap (physical risk)^{1,2}
USD bn



Physical risk by sector and geographic (country) scores
Market size indicates relative exposure magnitude

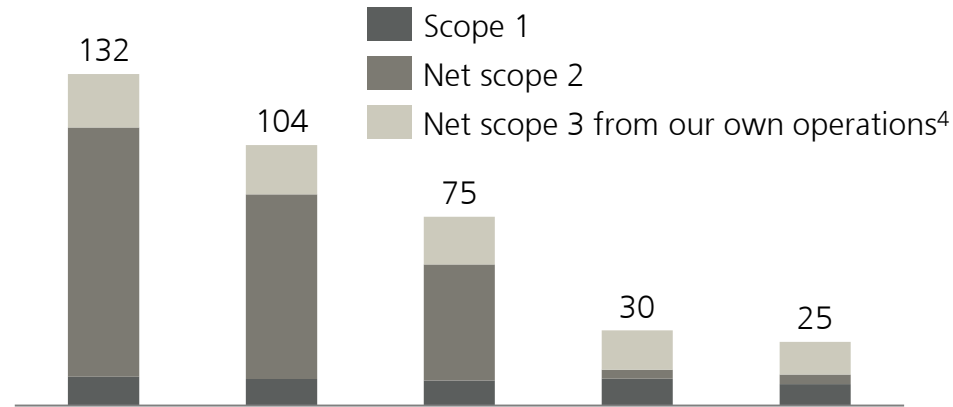


Refer to the table on pages 26 to 28 for further detail

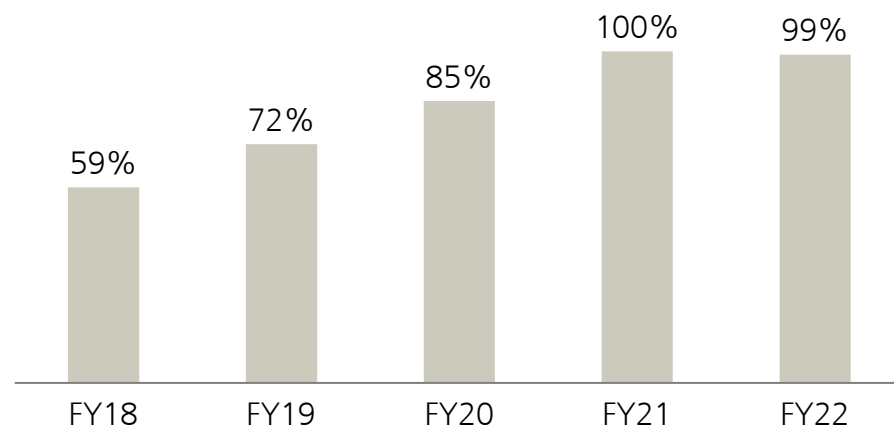
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Progress on our direct environmental footprint

GHG footprint (total net GHG emissions)
Kilotonnes CO₂e



Renewable electricity sourcing

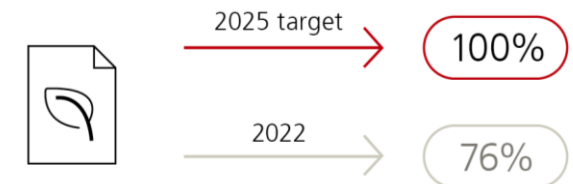


Environmental performance and 2025 targets

Energy reduction¹



Paper from sustainable sources¹



Waste reduction¹



Water reduction¹



People – our aspirational goals and progress in 2022

Our priorities	Our aspirational goals	Our progress in 2022
People 	30% global female representation at Director level and above by 2025.	Increased to 27.8% (2021: 26.7%) female representation at Director level and above.
	26% of US roles at Director level and above are held by employees from ethnic minorities by 2025.	Increased to 20.4% (2021: 20.1%) ethnic minority representation at Director level and above in the US.
	26% of UK roles at Director level and above are held by employees from ethnic minorities by 2025.	Increased to 23.0% (2021: 21.3%) ethnic minority representation at Director level and above in the UK.
	Raise USD 1 billion in donations to our client philanthropy foundations and funds and reach 25 million beneficiaries by 2025 (cumulative for years 2021–2025).	Achieved the UBS Optimus Foundation network donation volume of USD 274 million in 2022, totaling USD 436 million since 2021 (both figures include UBS matching contributions). Reached 5.9 million beneficiaries.
	Support 1.5 million young people and adults to learn and develop skills through our community impact activities (2022–2025).	Reached 370,916 beneficiaries through strategic community impact activities. ¹

Driving forward the group diversity, equity and inclusion agenda

Vision: We're building a culture of belonging where everybody can unlock their full potential. Together, we champion equality for our employees, clients and society.



Hire

Attracting **diverse perspectives and experiences** into our workforce

- External sourcing partnerships
- Social media and branding
- Onboarding experience
- Diversity outreach and attraction



Develop

Providing employees the **visibility** and **opportunities** to realise their **unique potential**

- Development programs
- Sponsorship and mentoring
- Promotion



Belong

Creating a sense of belonging through our inclusive culture, where **employees from all backgrounds and identities** feel **recognised and valued**

- Inclusive leadership
- Equitable policies and practices
- Employee Networks and Engagement
- Awareness



Accountable

The framework through which **leaders deliver the strategy** and **everyone is held accountable** for achieving our DE&I vision

- GEB commitment (2025 aspirations) and oversight
- Line manager objectives and key results
- Measure and Monitor
- Governance (e.g. ROI, budget, networks, etc)
- External transparency and reporting



2025 aspirations

2022 progress

30%	Female representation at Director level and above Global	27.8% +1.1ppts YoY
26%	Ethnic minority representation at Director level and above U.K.	23.0% +1.7ppts YoY
26%	Ethnic minority representation at Director level and above U.S.	20.4% +0.3ppts YoY

Partnerships – our aspirational goals and progress in 2022

Our priorities

Our aspirational goals

Our progress in 2022

Partnerships



Establish UBS as a leading facilitator of discussion, debate and idea generation.

Drive standards, research and development, and product development.

- Co-organized, with the Institute of International Finance, the first Wolfsberg Forum for Sustainable Finance.
- Joined a consortium, which is pioneering methods of assessing and maximizing the GHG reduction potential of energy storage.
- Co-founded Carbonplace, a technology platform for the voluntary carbon market that has the goal of creating a streamlined and transparent market for our clients.
- Co-led the Taskforce on Nature-related Financial Disclosures' financial-sector-specific working group.
- Collaboration with two Swiss companies, which are pioneering innovative carbon removal technologies.
- Joined the Partnership for Carbon Accounting Financials (PCAF)

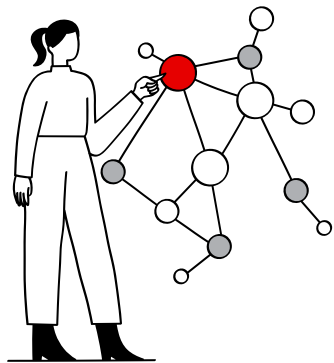
Partnerships – connecting people for a better world

We realize that to create change, we all need to unite around common goals. To do so, measurement standards need to be developed. We're contributing our expertise to leading partnerships seeking to create common understanding and transparency. And we are convening a platform to drive the debate towards solving some of the world's most pressing challenges.

From transparency to impact

Within the industry and within the firm

Sustainability and Impact Institute



Task Force on Climate-related Financial Disclosures (TCFD)

Capitals Coalition

Net-Zero Banking Alliance (NZBA)

Taskforce on Nature-related Financial Disclosures (TNFD)

Net Zero Asset Managers initiative (NZAMi)

A platform to develop and propose solutions to the world

- Thought leadership
- Promoting objective, fact-based debate
- Collaboration and advocacy with leading external partners

| Appendix

Net-zero targets in relation to UBS lending emissions

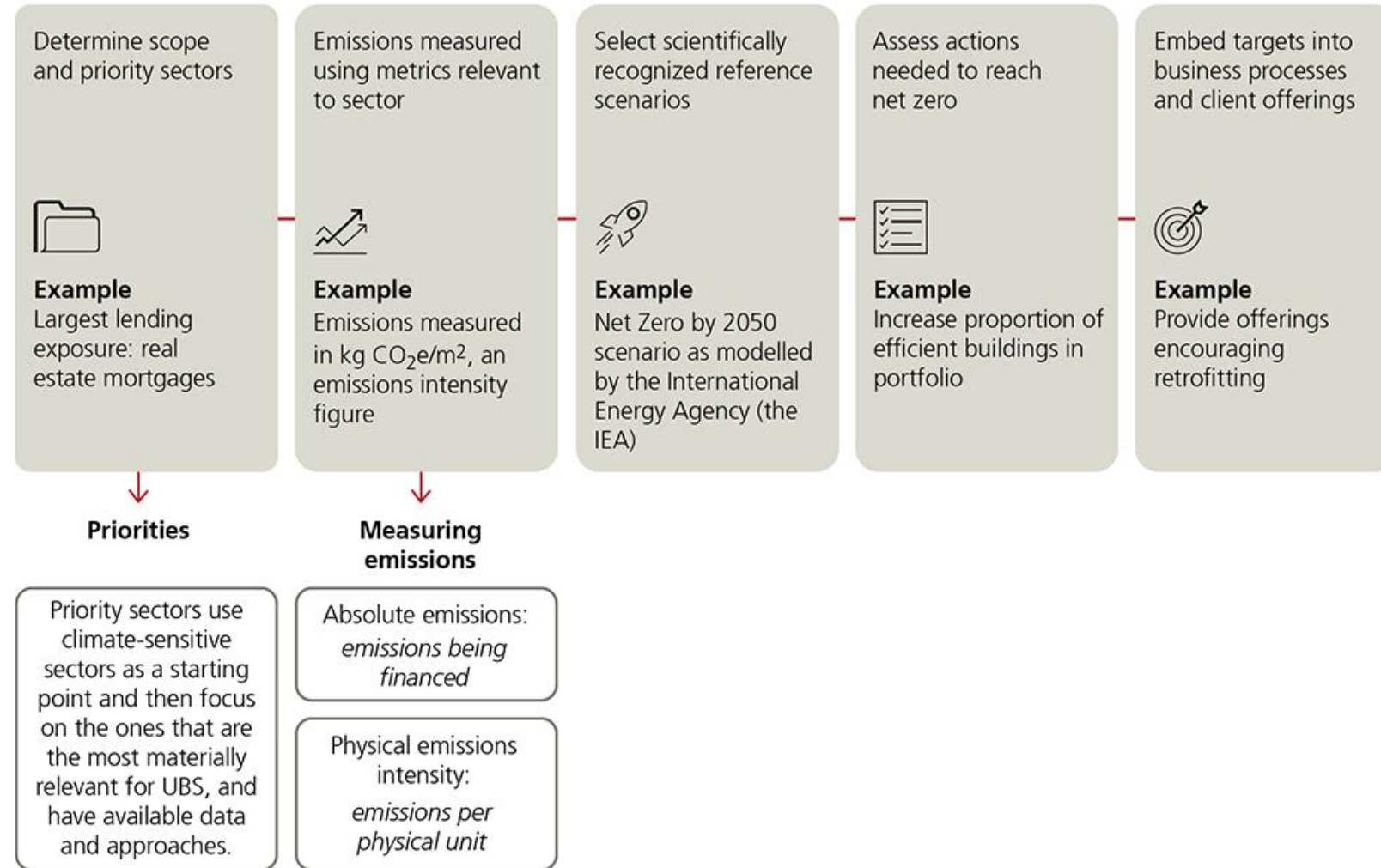
	Lending volume 2021 ¹	Lending volume 2022 ¹	Emissions baseline 2020	Emissions 2021 ²	Emissions 2021 vs. baseline 2020	Emissions target 2030 vs. baseline 2020	Notes
Residential real estate	USD 152.9bn	USD 156.9bn	30 kg CO ₂ e/m ²	27 kg CO ₂ e/m ²	(8%)	(42%)	Reduction of emissions intensity (scopes 1 and 2)
Commercial real estate	USD 43.6bn	USD 45.5bn	32 kg CO ₂ e/m ²	30 kg CO ₂ e/m ²	(7%)	(44%)	Reduction of emissions intensity (scopes 1 and 2)
Fossil fuels	USD 0.7bn	USD 0.5bn	t CO ₂ e baseline indexed as 100	58 (index)	(42%)	(71%)	Reduction of absolute emissions (scopes 1, 2 and 3)
Power generation	USD 1.2bn	USD 1.8bn	238 kg CO ₂ e/MWh	210 kg CO ₂ e/MWh	(12%)	(49%)	Reduction of emissions intensity (scopes 1, 2 and 3)
Cement	USD 0.5bn	USD 0.5bn	0.62 t CO ₂ e / t cementitious	0.61 t CO ₂ e / t cementitious	(2%)	(15%)	Reduction of emissions intensity (scopes 1 and 2)
Total loans and advances to customers	USD 459.1bn	USD 450.2bn					

- The sectors for which interim targets have been set represent USD 205.3bn, or 46%, of the USD 450.2bn in total gross exposure for 2022, and 81% of the USD 254.4bn in gross exposure for which data and methodologies are available to estimate emissions
- These sectors account for 2.2 metric megatons (mt) of CO₂e emissions financed, or 63% of the total financed emissions of 3.6 mt³ (3.1 mt for scopes 1 and 2 and 0.5 mt for scope 3)





¹ Gross exposure ² Refer to “Net-zero targets in relation to UBS lending emissions” in the Sustainability Report 2022 and note that there is an inherent one-year time lag between the as-of-date of our lending exposure and the as-of-date of emissions. The reasons for this inherent time lag are twofold: 1) corporates disclose their emissions in annual reporting only a few months after the end of a financial year; 2) specialized third-party data providers take up to nine months to collect disclosed data and make it available to consumers; ³ This is the first approximation of our total financed emissions, numbers expected to be restated over time as data availability and quality improves

Our approach to net-zero alignment



Climate-related lending standards in the energy and utilities sectors

<p>Coal</p> 	Coal-fired power plants (CFPP)	<p>No project-level finance to new coal-fired power plants globally.</p> <p>Only supporting financing to transactions of existing coal-fired operators (>20% coal reliance) if they have a transition strategy that aligns with the goals of the Paris Agreement, or if the transaction is related to renewable energy or clean technology.</p>
	Coal mining	<p>No financing where the stated use of proceeds is for greenfield¹ thermal coal mines.</p> <p>We only provide financing to existing thermal coal-mining companies (>20% of revenues) if they have a transition strategy that aligns with the goals of the Paris Agreement, or if the transaction is related to renewable energy or clean technology.</p>
	Mountaintop removal (MTR)	<p>Not providing financing to coal mining companies engaged in MTR operations.</p>
<p>Oil and gas</p> 	Arctic oil and oil sands	<p>No financing where the stated use of proceeds is for new offshore oil projects in the Arctic or greenfield¹ oil sands projects.</p> <p>We only provide financing to companies with significant reserves or production in Arctic oil / oil sands (>20% of reserves or production) if they have a transition strategy that aligns with the goals of the Paris Agreement or if the transaction is related to renewable energy or clean technology.</p>
	Liquefied natural gas (LNG) and ultra-deepwater drilling	<p>Transactions directly related to LNG infrastructure assets are subject to enhanced SCR due diligence considering relevant factors such as management of methane leaks, as well as the company's past and present environmental and social performance.</p> <p>Transactions directly related to ultra-deepwater drilling assets are subject to enhanced SCR due diligence considering relevant factors such as environmental impact analysis, spill prevention and response plans, and the company's past and present environmental and social performance.</p>

Our standards – overview (sustainability and climate risk policy framework)

Controversial activities

Where we will **not do business**

- UNESCO world heritage sites
- Wetlands on the Ramsar list
- Endangered species
- High conservation value forests
- Illegal fire
- Illegal logging
- Child labor
- Forced labor
- Indigenous peoples' rights
- Controversial weapons

Areas of concern

Where we will only do business under **stringent criteria**

Soft commodities:

- Palm oil
- Soy
- Timber
- Fish and seafood

Power generation:

- Coal-fired power plants
- Large dams
- Nuclear power

Extractives:

- Arctic oil and oil sands
- Coal mining and mountain top removal
- Liquefied natural gas (LNG)
- Ultra-deepwater drilling
- Hydraulic fracturing
- Precious metals and minerals
- Diamonds



Climate-related metrics (1/2)

	For the year ended			% change from 31.12.21
	31.12.22	31.12.21	31.12.20	
Risk management				
Carbon-related assets (USD billion) ^{1,2}	33.8	36.5	37.1	(7.4)
<i>of which: UBS AG</i>	8.9	10.1	11.0	(11.9)
<i>of which: UBS Switzerland AG</i>	24.6	26.0	25.4	(5.4)
<i>of which: UBS ESE</i>	0.3	0.3	0.6	0.0
<i>Proportion of total customer lending exposure, gross (%)</i>	7.5	8.0	8.6	
Total exposure to climate-sensitive sectors, transition risk (USD billion) ^{2, 3, 4}	24.9	27.3	27.1	(8.8)
<i>of which: UBS AG</i>	5.4	6.7	7.5	(19.4)
<i>of which: UBS Switzerland AG</i>	19.3	20.4	19.2	(5.4)
<i>of which: UBS ESE</i>	0.1	0.2	0.4	(50.0)
<i>Proportion of total customer lending exposure, gross (%)</i>	5.5	5.9	6.2	
Total exposure to climate-sensitive sectors, physical risk (USD billion) ^{2, 3, 4}	30.0	31.9	35.0	(6.0)
<i>of which: UBS AG</i>	11.6	13.3	18.3	(12.8)
<i>of which: UBS Switzerland AG</i>	17.7	18.2	16.2	(2.7)
<i>of which: UBS ESE</i>	0.3	0.3	0.3	0.0
<i>Proportion of total customer lending exposure, gross (%)</i>	6.7	7.0	8.0	
Total exposure to nature-related risks (USD billion) ^{2,5}	44.0	42.9	42.8	2.6
<i>Proportion of total customer lending exposure, gross (%)</i>	9.8	9.3	9.8	
Opportunities				
Number of green, sustainability, and sustainability-linked bond deals ⁶	69	98	29	(29.6)
Total deal value of green, sustainability, and sustainability-linked bond deals (USD billion) ⁶	42.4	63.3	19.3	
<i>UBS apportioned deal value of above (USD billion)</i>	8.8	13.2	5.7	

Refer to the Sustainability Report 2022 for further information; **1** As defined by the Task Force on Climate-related Financial Disclosures, in its expanded definition published in 2021, UBS defines carbon-related assets through industry identifying attributes of the firm's banking book. UBS further includes the four non-financial sectors addressed by the TCFD, including but not limited to, fossil fuel extraction, carbon-based power generation, transportation (air, sea, rail, and auto manufacture), metals production and mining, manufacturing industries, real estate development, chemicals, petrochemicals, and pharmaceuticals, building and construction materials and activities, forestry, agriculture, fishing, food and beverage production, as well as including trading companies who may trade any of the above (e.g. oil trading or agricultural commodity trading companies). This metric is agnostic of risk rating, and therefore may include exposures of companies who may be already transitioning or adapting their business models to climate risks, unlike UBS climate-sensitive sectors methodology, which takes a risk-based approach to defining material exposure to climate impact; **2** Methodologies for assessing climate- and nature-related financial risks are emerging and may change over time, including further and updated geospatial analysis of properties securing financing with UBS (real estate) and better understanding how private lending (e.g. Lombard) activities may result in direct financial impacts to UBS. Not classified represents portion of UBS business activities where methodologies and data are not yet able to provide a rating. Lombard lending is analyzed through rating the climate riskiness of its collateral; **3** Includes total loans and advances to customers and guarantees, as well as irrevocable loan commitments (within the scope of expected credit loss), and are based on consolidated and standalone IFRS numbers, in USD billion. Metrics are calculated and restated based on 2022 methodology, across three years of reporting, 2020 to 2022; **4** Climate- and nature-related risks are scored between 0 and 1, based upon sustainability and climate risk transmission channels, as outlined in the methodology Supplement. Risk ratings represent a range of scores, in 0.2 increments, across 5 risk rating categories: low, moderately low, moderate, moderately high, and high. Climate- or nature-sensitive exposure metric is determined based upon the top 3 out of 5 rated categories: moderate to high; **5** Nature-related risk metric is provided as a proof-of-concept, as part of an ongoing collaboration between UBS and UNEP-FI. UBS continues to collaborate to resolve methodological and data challenges, and seeks to integrate both impacts to and dependency on a changing natural and climatic environment, in how it evaluates risks and opportunities. For more, please refer to section on UBS participation in the Task Force on Nature-related Financial Disclosures (TNFD); **6** Such as, but not limited to, IB Global Banking bonds issued under the voluntary ICMA Green Bond Principles, Sustainability Bond Principles, and Sustainability-linked Bond Principles. The Principles include a recommendation that the issuer appoints an external review provider to undertake an independent external review (e.g. Second Party Opinion – SPO). This is consistent with market practice.

Climate-related metrics (2/2)

	For the year ended			% change from 31.12.21
	31.12.22	31.12.21	31.12.20	
Portfolio emissions¹				
Weighted average carbon intensity – active equity assets (in metric tons CO ₂ e per USD million of revenue)	130.4	109.8		
<i>% AuM weighted average carbon intensity below benchmark (active equity)</i>	75.7	0.6		
Weighted average carbon intensity – active fixed income assets (in metric tons CO ₂ e per USD million of revenue)	145.3	198.0		
<i>% AuM weighted average carbon intensity below benchmark (active fixed income)</i>	63.5	0.8		
Weighted average carbon intensity – indexed equity assets (in metric tons CO ₂ e per USD million of revenue)	128.3	128.9		
Weighted average carbon intensity – indexed fixed income assets (in metric tons CO ₂ e per USD million of revenue)	139.8	169.8		
Weighted average carbon intensity – REPM (in metric tons CO ₂ e per square meter)	34.6			
Stewardship – Voting				
Number of climate-related resolutions voted upon ²	160	89	50	79.8
<i>Proportion of supported climate-related resolutions (%)</i>	71.2	78.6	88.0	
Own operations (reporting period: July to June)				
Net GHG footprint (1,000 metric tons CO ₂ e) ³	25	30	75	(15.4)
<i>Change from baseline 2004 (%)</i>	(93.0)	(92.0)	(79.0)	
Share of renewable electricity (%)	99	100	85	
	For the year ended			% change from
	31.12.22	31.12.21	31.12.20	31.12.20
Net-zero lending metrics⁴				
Residential real estate (scopes 1 and 2 kg CO ₂ e/m ²) ⁵	n/a	27	30	(8)
Commercial real estate (scopes 1 and 2 kg CO ₂ e/m ²) ⁵	n/a	30	32	(7)
Fossil fuels (scopes 1, 2 and 3 t CO ₂ e, baseline 2020 indexed as 100) ⁵	n/a	58	100	(42)
Power generation (scopes 1, 2 and 3 kg CO ₂ e/MWh) ⁵	n/a	210	238	(12)
Cement (scopes 1 and 2 t CO ₂ e/t of cementitious) ⁵	n/a	0.61	0.62	(2)
Financed emissions – Estimated total for non-financial corporates and real estate mortgages (mt CO ₂ e) ⁶	n/a	3.6	3.8	(6)

Refer to the Sustainability Report 2022 for further information; **1** Numbers related to portfolio carbon intensity and comparison to benchmarks apply to our Asset Management business only. Carbon intensity is based on data for scope 1 and 2 GHG emissions of investee companies which is provided by a third data provider. Carbon intensity of an asset class is the aggregate of the carbon intensity of individual portfolios weighted by portfolio size. Carbon intensity of a benchmark is the weighted average carbon intensities of the benchmark constituents. Time series calculation of asset class carbon intensity metrics commenced in 2021; **2** This excludes proposals related to Japanese companies that included changes to the companies' articles of association. 2022 and 2021 numbers include shareholder and management proposals, 2020 and 2019 numbers shareholder proposals only. This reflects the increasingly common market practice of climate-related proposals being presented by management.; **3** Net greenhouse gas (GHG) footprint equals gross GHG emissions minus GHG reductions from renewable electricity and CO₂e offsets (gross GHG emissions include: direct GHG emissions by UBS; indirect GHG emissions associated with the generation of imported / purchased electricity (grid average emission factor), heat or steam; and other indirect GHG emissions associated with business travel, paper consumption and waste disposal). A breakdown of our GHG emissions (scopes 1, 2 and 3) is provided in Supplement 3 "Climate-related methodologies – net zero approach for our financing activities" of the Sustainability Report 2022; **4** See section "Net zero to support the transition of our financing clients" for further information on scope and methodologies used to estimate these metrics; **5** Based on gross exposure, which includes total loans and advances to customers and guarantees as well as irrevocable loan commitments (within the scope of expected credit loss). Exclusions from scope of analysis primarily comprise Lombard, Financial Services, Commodity Trade Finance, Credit Card and other exposure to private individuals. Refer to the Supplement 3 for parts of the value chain within sectors covered by metrics and targets; **6** Based on outstanding exposure which includes total loans and advances to customers (within the scope of expected credit loss). Exclusions from scope of analysis primarily comprise Lombard, Financial Services, Commodity Trade Finance, Credit Card and other exposures to private individuals.

Exposure to climate-sensitive sectors (1/3)

Risk exposures by sector ^{1, 2}		Year-on-year exposure		Transition risk			Physical risk			Nature-related risk ⁶			
Sector	Subsector	2020 – 2022 trend	2022 (USD billion)	2022 Climate-sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴	In scope of net-zero target (%) ⁵	2022 Climate-sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴	2022 Nature-related sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴
Agriculture	Agriculture, fishing and forestry	↓	0.3	0.0	Moderately Low	↑		0.3	Moderate	↓	0.2	Moderate	↓
	Food and beverage	↓	3.2	1.4	Moderate	↓		2.3	Moderate	↓	1.3	Moderately Low	↓
Financial services	Financial services	↑	46.9	0.0	Low	↓		7.1	Moderately Low	↓	0.7	Low	→
Industrials	Cement or concrete manufacture	↑	0.5	0.5	Moderately High	↓	98%	0.5	Moderate	↓	0.5	Moderately Low	↓
	Chemicals manufacture	↓	1.0	1.0	Moderately High	↓		1.0	Moderate	↑	0.5	Moderate	↑
	Electronics manufacture	↓	1.8	0.0	Moderately Low	↓		0.1	Moderately Low	↑	0.5	Moderately Low	↓
	Goods and apparel manufacture	↑	2.1	1.0	Moderate	↓		0.9	Moderately Low	↓	1.2	Moderate	↓
	Machinery manufacturing	↓	2.9	2.6	Moderate	↓		0.1	Moderately Low	↓	2.3	Moderate	↓
	Pharmaceuticals manufacture	↑	1.9	1.9	Moderately High	↓		0.2	Moderately Low	↓	1.7	Moderate	↓
	Plastics and petrochemicals manufacture	↓	0.9	0.9	Moderate	↓		0.8	Moderate	↓	0.4	Moderately Low	↓

Refer to the Sustainability Report 2022 for further information; **1** Includes total loans and advances to customers and guarantees, as well as irrevocable loan commitments (within the scope of expected credit loss), and are based on consolidated and standalone IFRS numbers, in USD billion. Metrics and trends are calculated and restated based on 2022 methodology, across three years of reporting, 2020 to 2022; **2** Methodologies for assessing climate- and nature-related risks are emerging and may change over time, including further and updated geospatial analysis of properties securing financing with UBS (real estate) and better understanding how private lending (e.g. Lombard) activities may result in direct financial impacts for UBS. For physical climate risks, UBS has identified select properties in its residential portfolio that are vulnerable to acute climate hazards however portfolio-level risks are inherently low given the integration of such information into UBS's loan underwriting process; **3** Climate- and nature-related risks are scored between 0 and 1, based upon sustainability and climate risk transmission channels, as outlined in the methodology Supplement. Risk ratings represent a range of scores, in 0.2 increments, across 5 risk rating categories: low, moderately low, moderate, moderately high, and high. Climate or nature-sensitive exposure metric is determined based upon the top 3 out of 5 rated categories: moderate to high. Legend on risk codes: Not classified means the respective category of risk rating is not classified and its range of risk profiles scores 0%; Low means the category of risk rating is low and its range of risk profiles scores ≤20%; Moderately low means the category of risk rating is moderately low and its range of risk profiles scores >20% and ≤40%; Moderate means the category of risk rating is moderate and its range of risk profiles scores >40% and ≤60%; Moderately high means: the category of risk rating is moderately high and its range of risk profiles scores >60% and ≤80%; High means the category of risk rating is high and its range of risk profiles scores >80% and ≤100%; **4** A material change in risk profile (discrete risk score, weighted average per subsector) is considered as more than a 5% shift up, or down; **5** Calculated as % of total exposure to the subsector, overall net-zero targets cover 45.6% of UBS lending, as defined in footnote 1; **6** Nature-sensitive metric is provided as a proof-of-concept, as part of an ongoing collaboration between UBS and UNEP-FI. UBS continues to collaborate to resolve methodological and data challenges, and seeks to integrate both impacts to and dependency on a changing natural and climatic environment, in how it evaluates risks and opportunities. For more, please refer to section on our participation in the Task Force on Nature-related Financial Disclosures (TNFD);

Exposure to climate-sensitive sectors (2/3)

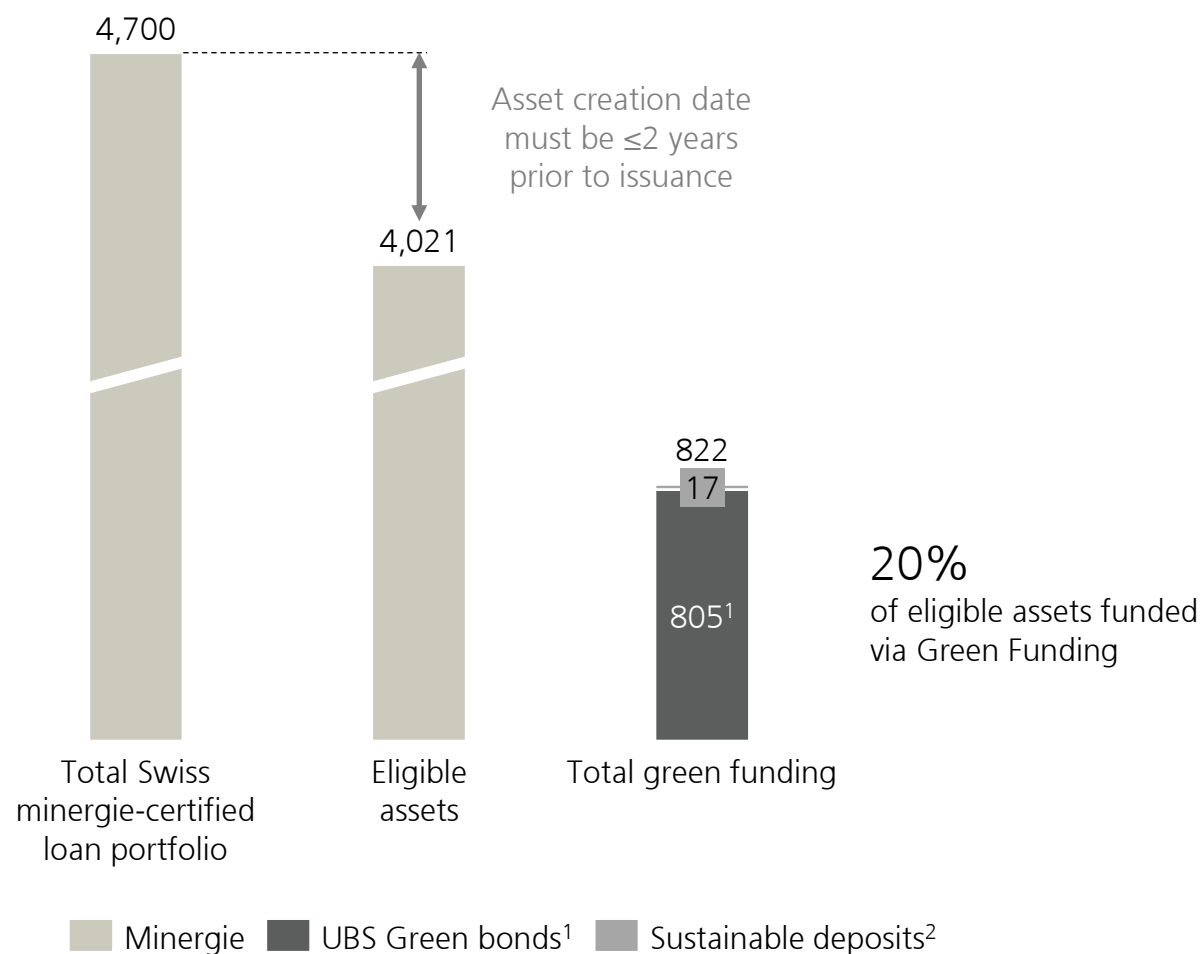
Risk exposures by sector ^{1, 2}		Year-on-year exposure		Transition risk			Physical risk			Nature-related risk ⁶			
Sector	Subsector	2020 – 2022 trend	2022 (USD billion)	2022 Climate-sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴	In scope of net-zero target (%) ⁵	2022 Climate-sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴	2022 Nature-related sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴
Metals and mining	Conglomerates (incl. trading)	↓	2.4	2.4	Moderate	↓		0.4	Moderately Low	↓	0.0	Moderately Low	↓
	Mining and quarrying	↓	0.4	0.0	Moderately Low	↓		0.4	Moderately High	↓	0.4	Moderately Low	↓
	Production	↑	0.4	0.4	Moderate	↓		0.1	Moderate	↑	0.3	Moderate	↓
Fossil Fuels	Downstream refining, distribution	↑	0.3	0.3	Moderate	↑		0.3	Moderate	↓	0.0	Moderately Low	↓
	Integrated	↓	0.4	0.4	Moderately High	↓	100%	0.4	Moderate	↓	0.0	Moderately Low	↓
	Midstream transport, storage	↑	0.0	0.0	Moderate	↓		0.0	Moderate	↓	0.0	Low	↓
	Trading	↑	5.2	5.2	Moderate	↓		5.2	Moderately High	↓	0.0	Moderately Low	↓
	Upstream extraction	↓	0.1	0.1	Moderately High	↓	95%	0.1	Moderate	↓	0.0	Moderately Low	↓
Real estate	Real estate development and management	↓	5.6	1.8	Moderately Low	↓		0.8	Moderately Low	↓	5.5	Moderately Low	↓
	Residential ²	↑	158.9	0.0	Low	→	99%	0.0	Low	→	0.0	Not Classified	→
	Commercial ²	↑	47.1	1.4	Moderately Low	↓	97%	1.7	Low	↑	21.0	Moderately Low	↑

Exposure to climate-sensitive sectors (3/3)

Risk exposures by sector ^{1,2}		Year-on-year exposure		Transition risk				Physical risk			Nature-related risk ⁶		
Sector	Subsector	2020 – 2022 trend	2022 (USD billion)	2022 Climate-sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴	In scope of net-zero target (%) ⁵	2022 Climate-sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴	2022 Nature-related sensitive exposure ³	2022 Risk rating category ³	2020 – 2022 trend in risk profile ⁴
Services and technology	Services and technology	↓	19.6	0.0	Low	↓		3.0	Moderately Low	↓	2.1	Low	→
Transportation	Air transport	↓	1.8	1.8	Moderate	↓		1.1	Moderate	↓	1.8	Moderate	↓
	Automotive	↓	0.4	0.1	Moderately Low	↓		0.0	Moderately Low	↓	0.4	Moderate	↓
	Parts and equipment supply	↓	0.5	0.5	Moderate	↓		0.1	Moderately Low	↓	0.4	Moderately Low	↓
	Rail freight	↓	0.7	0.0	Low	↓		0.2	Moderately Low	↓	0.7	Moderate	↓
	Road freight	↓	0.5	0.5	Moderate	↓		0.2	Moderately Low	↓	0.0	Moderately Low	↓
	Transit	↓	0.2	0.0	Moderately Low	↓		0.1	Moderately Low	↓	0.0	Moderately Low	↓
	Water transport	↓	0.4	0.0	Moderately Low	↓		0.4	Moderate	↓	0.4	Moderately Low	↑
	Other	↓	0.2	0.1	Moderately Low	↑		0.1	Moderate	↓	0.2	Moderately High	↑
Utilities	Secondary energy production	↑	2.0	0.5	Moderately Low	↓	91%	2.0	Moderate	↓	1.5	Moderate	↓
	Secondary energy trading	↓	0.0	0.0	Moderately Low	↓		0.0	Moderate	↓	0.0	Moderately High	↑
Private lending	Lombard ^{2,7}	↓	137.3	0.0	Low	↓		0.0	Moderately Low	↓	0.0	Low	→
	Private lending, credit cards, other ²	↓	4.1	0.0	Not Classified	→		0.0	Not Classified	→	0.0	Not Classified	→
Total		↓	450.0	24.9	Moderately Low	↓		30.0	Moderately Low	↓	44.0	Moderately Low	↓
<i>thereof sensitive exposure (%)</i>				5.5%				6.7%			9.8%		

Green funding update

Eligible assets and green funding outstanding
USDm, 31.12.22



UBS's Green Funding framework key features

Eligible asset pool:

- Mortgage loans financing Minergie-certified real estate in Switzerland
- Any equivalent real estate certification system as determined by UBS
- Asset creation date of maximum 2 years prior to the issuance

UBS will perform **quarterly checks** to ensure continued asset eligibility

Proceeds raised will be booked in a **dedicated booking structure** to ensure monitoring of the source of funds

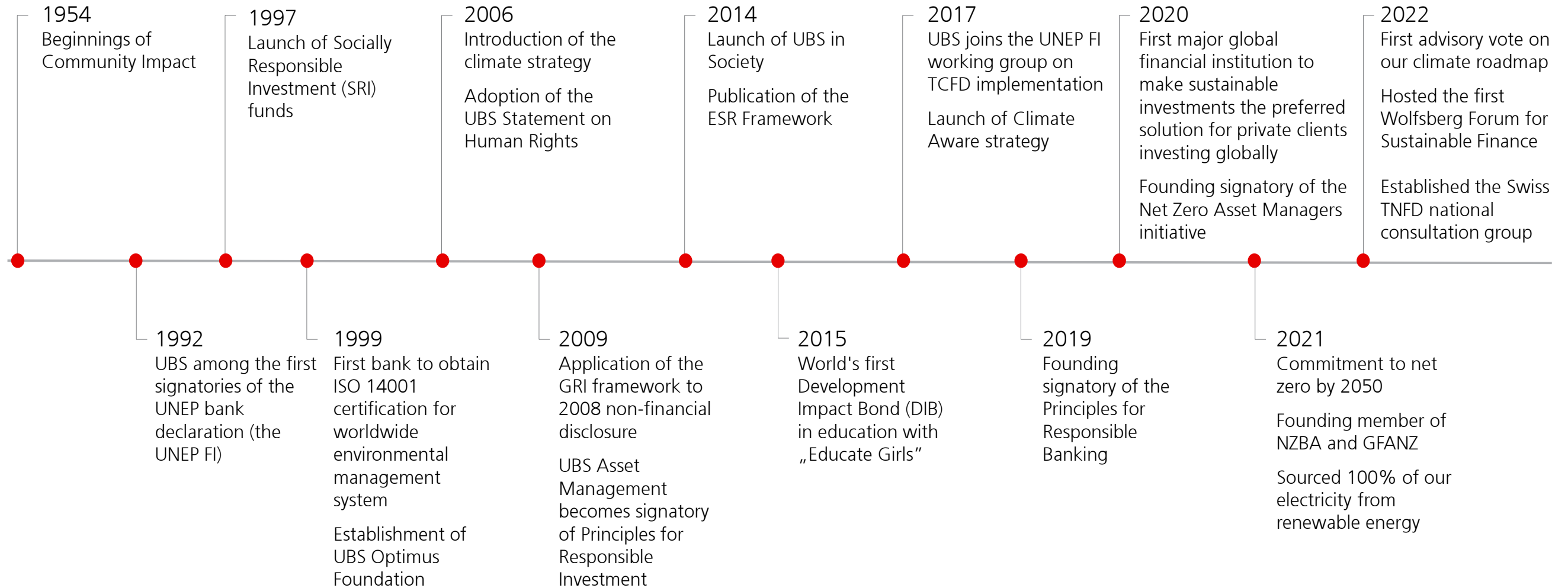
UBS's intention is to maintain a healthy **buffer of assets over liabilities of at least 110%**

UBS will provide a **Green Funding Investor Report** on an annual basis, which will be published on the IR website

Meeting the core components of the **Green Bond Principles**



Our long history in sustainability



Our approach to tax matters

UBS Code of Conduct and Ethics



We pay and report all taxes due. We report information relating to our own tax position and that of our clients and employees as required. We will not help our clients or any other party avoid paying the tax that they owe or reporting their income and gains, nor will we support any transactions where we know or shall presume that the tax outcome is dependent on unrealistic assumptions or the hiding of facts. We will also not contract with third parties that provide services for or on our behalf, where those acts help others to evade taxes owed



Every employee is required to read and affirm his or her commitment to following the Code of Conduct and Ethics on an annual basis

Five key Principles

1. UBS will fully comply with tax laws in a principled manner;
2. UBS will manage its tax affairs in a manner which is consistent with maximizing long-term shareholder value;
3. UBS will maintain transparency and seek a mutually beneficial relationship with tax authorities;
4. UBS will refrain from promoting or engaging in transactions, products or services that lack a commercial purpose; and
5. UBS will submit all tax sensitive transactions to additional scrutiny.

Enhancing ESG risk management and controls

1. Selected sustainable finance and climate metrics subject to reasonable assurance by our auditor and described in detail in the Basis of reporting
2. Sustainability Expert Group within Group Compliance, regulatory & Governance (GCRG) responsible for ESG-related non-financial risk assessments
3. Dedicated Group Legal team for legal and strategic advice on sustainability-related matters
4. Dedicated sustainability CFO function focused on enhancing ESG Reporting control frameworks and embedding ESG considerations into the firm's Strategic financial planning processes
5. Explicit ESG roles for all BoD committees

Key terms and definitions

SDGs

The 17 UN Sustainable Development Goals are an urgent call for action by all countries – developed and developing – in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Sustainable finance

Sustainability focus: Strategies that have explicit sustainable intentions or objectives that drive the strategy. Underlying investments may contribute to positive sustainability outcomes through products / services / use of proceeds.

Impact investing: Investment strategies that have an explicit intention to generate measurable, verifiable, positive sustainability outcomes. Impact generated is attributable to investor action and/or contribution.

Green, social, sustainability and sustainability-linked bonds: Debt instruments with a commitment to use the proceeds to (re-)finance green or sustainable projects, aligned with the voluntary guidelines in the pertinent International Capital Market Association (ICMA) Principles.

GHG emissions

Scope 1: Accounts for GHG emissions by UBS.

Scope 2: Accounts for indirect GHG emissions associated with the generation of imported / purchased electricity (grid average emission factor), heat or steam.

Scope 3: Accounts for GHG emissions resulting from activities from assets not owned or controlled by the reporting organization, but that the organization indirectly impacts in its value chain.

GHG key vendor: A top GHG scope 3 emitter relative to UBS's overall scope 3 supply chain emissions and with which UBS has a long-term ongoing relationship.

Sustainability disclosure

Global Reporting Initiative (GRI): Provider of the world's most widely used sustainability disclosure standards (the GRI Standards).

Task Force on Climate-Related Financial Disclosures (TCFD): Provider of climate-related financial disclosure recommendations designed to help companies provide better information to support informed capital allocation.

Taskforce on Nature-related Financial Disclosures (TNFD): Provider of nature-related financial disclosure recommendations designed to help companies provide better information to support informed capital allocation.

Value Reporting Foundation SASB Standards: Disclosure standards to guide the disclosure of officially material sustainability information by companies to their investors.

World Economic Forum International Business Council (WEF IBC): Provider of the Stakeholder Capitalism Metrics, which offer a set of universal, comparable disclosures focused on people, planet, prosperity and governance that companies can report on, regardless of industry or region.

Cautionary statement regarding forward-looking statements

Cautionary Statement Regarding Forward-Looking Statements | This presentation contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance, statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development and goals or intentions to achieve climate, sustainability and other social objectives. While these forward-looking statements represent UBS’s judgments, expectations and objectives concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. The Russia–Ukraine war has led to heightened volatility across global markets, exacerbated global inflation, and slowed global growth. In addition, the war has caused significant population displacement, and if the conflict continues or escalates, the scale of disruption will increase and continue to cause shortages of vital commodities, including energy shortages and food insecurity, and may lead to recessions in OECD economies. The coordinated sanctions on Russia and Belarus, and Russian and Belarusian entities and nationals, and the uncertainty as to whether the war will widen and intensify, may have significant adverse effects on the market and macroeconomic conditions, including in ways that cannot be anticipated. This creates significantly greater uncertainty about forward-looking statements. Other factors that may affect our performance and ability to achieve our plans, outlook and other objectives also include, but are not limited to: (i) the degree to which UBS is successful in the ongoing execution of its strategic plans, including its cost reduction and efficiency initiatives and its ability to manage its levels of risk-weighted assets (RWA) and leverage ratio denominator (LRD), liquidity coverage ratio and other financial resources, including changes in RWA assets and liabilities arising from higher market volatility; (ii) the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions; (iii) increased interest rate volatility in major markets; (iv) developments in the macroeconomic climate and in the markets in which UBS operates or to which it is exposed, including movements in securities prices or liquidity, credit spreads, currency exchange rates, the effects of economic conditions, including increasing inflationary pressures, market developments, increasing geopolitical tensions, and changes to national trade policies on the financial position or creditworthiness of UBS’s clients and counterparties, as well as on client sentiment and levels of activity, including the COVID-19 pandemic and the measures taken to manage it, which have had and may also continue to have a significant adverse effect on global and regional economic activity, including disruptions to global supply chains and labor market displacements; (v) changes in the availability of capital and funding, including any changes in UBS’s credit spreads and ratings, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC); (vi) changes in central bank policies or the implementation of financial legislation and regulation in Switzerland, the US, the UK, the European Union and other financial centers that have imposed, or resulted in, or may do so in the future, more stringent or entity-specific capital, TLAC, leverage ratio, net stable funding ratio, liquidity and funding requirements, heightened operational resilience requirements, incremental tax requirements, additional levies, limitations on permitted activities, constraints on remuneration, constraints on transfers of capital and liquidity and sharing of operational costs across the Group or other measures, and the effect these will or would have on UBS’s business activities; (vii) UBS’s ability to successfully implement resolvability and related regulatory requirements and the potential need to make further changes to the legal structure or booking model of UBS Group in response to legal and regulatory requirements, or other external developments; (viii) UBS’s ability to maintain and improve its systems and controls for complying with sanctions in a timely manner and for the detection and prevention of money laundering to meet evolving regulatory requirements and expectations, in particular in current geopolitical turmoil; (ix) the uncertainty arising from domestic stresses in certain major economies; (x) changes in UBS’s competitive position, including whether differences in regulatory capital and other requirements among the major financial centers adversely affect UBS’s ability to compete in certain lines of business; (xi) changes in the standards of conduct applicable to our businesses that may result from new regulations or new enforcement of existing standards, including measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (xii) the liability to which UBS may be exposed, or possible constraints or sanctions that regulatory authorities might impose on UBS, due to litigation, contractual claims and regulatory investigations, including the potential for disqualification from certain businesses, potentially large fines or monetary penalties, or the loss of licenses or privileges as a result of regulatory or other governmental sanctions, as well as the effect that litigation, regulatory and similar matters have on the operational risk component of our RWA, as well as the amount of capital available for return to shareholders; (xiii) the effects on UBS’s business, in particular cross-border banking, of sanctions, tax or regulatory developments and of possible changes in UBS’s policies and practices; (xiv) UBS’s ability to retain and attract the employees necessary to generate revenues and to manage, support and control its businesses, which may be affected by competitive factors; (xv) changes in accounting or tax standards or policies, and determinations or interpretations affecting the recognition of gain or loss, the valuation of goodwill, the recognition of deferred tax assets and other matters; (xvi) UBS’s ability to implement new technologies and business methods, including digital services and technologies, and ability to successfully compete with both existing and new financial service providers, some of which may not be regulated to the same extent; (xvii) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xviii) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks, data leakage and systems failures, the risk of which is increased with cyberattack threats from nation states; (xix) restrictions on the ability of UBS Group AG to make payments or distributions, including due to restrictions on the ability of its subsidiaries to make loans or distributions, directly or indirectly, or, in the case of financial difficulties, due to the exercise by FINMA or the regulators of UBS’s operations in other countries of their broad statutory powers in relation to protective measures, restructuring and liquidation proceedings; (xx) the degree to which changes in regulation, capital or legal structure, financial results or other factors may affect UBS’s ability to maintain its stated capital return objective; (xxi) uncertainty over the scope of actions that may be required by UBS, governments and others for UBS to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and the possibility of conflict between different governmental standards and regulatory regimes; and (xxii) the effect that these or other factors or unanticipated events may have on our reputation and the additional consequences that this may have on our business and performance. The sequence in which the factors above are presented is not indicative of their likelihood of occurrence or the potential magnitude of their consequences. Our business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with the US Securities and Exchange Commission (the SEC). More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including UBS’s Annual Report on Form 20-F for the year ended 31 December 2022. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

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