

UBS AG

Standalone financial statements and regulatory
information for the year ended 31 December 2025



UBS

Table of contents

1	Report of the statutory auditor	32	14	Trading portfolio and other financial instruments measured at fair value
7	UBS AG standalone financial statements (audited)	33	15	Derivative instruments
7	Income statement	35	16a	Financial investments by instrument type
8	Balance sheet	35	16b	Financial investments by counterparty rating – debt instruments
9	Off-balance sheet	35	17a	Other assets
10	Statement of changes in equity	36	17b	Other liabilities
		36	18	Pledged assets
11	1	37	19	Country risk of total assets
11	2	38	20	Structured debt instruments
16	3a	38	21	Funding eligible as total loss-absorbing capacity at the UBS AG level
16	3b	39	22a	Share capital
17	4	39	22b	Significant shareholders
17	5	40	23	Post-employment benefit plans
18	6	41	24	Related parties
18	7	42	25	Fiduciary transactions
19	8	42	26a	Invested assets and net new money
19	9	42	26b	Development of invested assets
20	10			
20	11	43		Statement of proposed appropriation of total profit and dividend distribution
21	12a			
22	12b	44		UBS AG standalone regulatory information
22	13			
23	13a	44		Key metrics for the fourth quarter of 2025
23	13b	45		Swiss systemically relevant bank going and gone concern requirements and information
24	13c	48		Sustainability and climate risk
26	13d			
28	13e	49		Cautionary statement

To the General Meeting of
UBS AG, Zurich and Basel

Basel, 6 March 2026

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of UBS AG (the Company), which comprise the balance sheet as at 31 December 2025, the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Valuation of investments in subsidiaries and other participations

Area of focus As of 31 December 2025, the carrying amount of UBS AG's investments in subsidiaries and other participations is USD 66.1 billion. Investments in subsidiaries and other participations are equity interests that are held to carry on the business of UBS AG or for other strategic purposes. They include all subsidiaries directly held by UBS AG through which UBS AG conducts its business on a global basis.

The investments are measured individually and carried at cost less impairment. The carrying amount is tested for impairment annually, with the recoverable amount being determined using a net asset value or discounted dividend model approach.

Due to the inherent uncertainties in valuing investments in subsidiaries, including forecasting and management's judgments, and considering the significance of the account we identified this area as a key audit matter.

Our audit response Our audit procedures included the review of management's process over the valuation of investments in subsidiaries and other participations, including impairment tests.

We obtained an understanding and evaluated the relevant controls addressing the identified risks and tested the design and operating effectiveness of these controls. Our focus was on controls over the review of the valuation models and the estimation of future cashflows, as well as governance and oversight over management's valuation process. We assessed the appropriateness of the valuation methodology, taking into account the nature of the investment and the underlying business. With the support of valuation specialists, we assessed the assumptions and methodologies used by management, to determine the recoverable amount of the investment in subsidiaries and other participations.

We also assessed the relevant disclosures regarding investments in subsidiaries and other participations (within note 4 to the financial statements).

Valuation of complex or illiquid instruments at fair value

Area of focus At 31 December 2025, UBS AG held financial assets measured at fair value and financial liabilities measured at fair value. These instruments are reported within the various accounts, mainly: trading portfolio assets, derivative financial instruments, trading portfolio liabilities and financial liabilities designated at fair value. In determining the fair value of these financial instruments, the Company used valuation techniques, modelling assumptions, and estimates of unobservable market inputs which required significant management judgment.

Auditing management's judgments and assumptions used in the estimation of the fair value of these instruments was complex due to the highly judgmental nature of valuation techniques, key modelling assumptions and significant unobservable inputs. Auditing the valuation of complex or illiquid instruments at fair value included consideration of any incremental risks arising from the impact of current macroeconomic influences on valuation techniques and inputs. The valuation techniques that required especially complex judgement included discounted cash flow, earnings-based valuation techniques and complex derivative pricing models. Valuation inputs which were particularly complex and subjective included those with a limited degree of observability and the associated extrapolation, interpolation or calibration of inputs using limited and proxy data points. Examples of such inputs included unobservable credit spreads and interest rates, equity valuations, and equity volatility.

Our audit response We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls over management's financial instrument valuation processes. This included controls over independent price verification, independent validation of methodologies, independent validation and usage monitoring of valuation models, and the calculation of fair value adjustments.

We tested the valuation techniques, models and methodologies, as well as the key inputs used in those models. We performed an independent revaluation of a sample of complex or illiquid financial assets and liabilities with the support of specialists using independent models and inputs. We also independently assessed the appropriateness of a sample of key inputs by comparing them to available market data or evaluating the suitability of proxy inputs where relevant.

Additionally, alongside our valuation specialists, we also independently challenged methodologies and key inputs in relation to fair value adjustments and performed recalculations for a sample of these using our own independent data and methodologies. We reviewed the observability of material Day 1 profit and loss adjustments by evaluating the availability and reliability of market data supporting initial valuations and evaluated management's processes for identifying and assessing unobservable inputs.

We also assessed management's disclosures regarding the financial assets measured at fair value and financial liabilities measured at fair value (within Notes 14, 15 and 20 to the financial statements).

Expected credit losses

Area of focus

UBS AG applies expected credit loss (ECL) approaches for credit-impaired and non-credit-impaired financial instruments in its standalone financial statements which is used in its consolidated financial statements under the IFRS Accounting Standards.

ECL is recognized for financial assets measured at amortized cost, fee and lease receivables, claims arising from Group-internal funding presented as Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity, guarantees, irrevocable loan commitments, revolving revocable credit lines, and forward starting reverse repurchase and securities borrowing agreements. The allowances and provisions for ECL mainly consist of losses inherent in the loan portfolio that are not specifically identified (“stage 1 and stage 2”). Management’s ECL estimates represent the difference between contractual cash flows and those the Company expects to receive, discounted at the effective interest rate.

Auditing management’s estimate of the allowances and provisions for ECL was complex due to the judgmental nature of forward-looking economic scenarios that form the basis of the ECL calculation and their probability weightings. Macroeconomic developments during 2025, such as geopolitical tensions and trade-policy, contributed to further uncertainty and complexity in estimating ECL. As a result, the ECL estimation required heightened management judgement, specifically in connection with the scenario selection, which involves assumptions about the scenario severity, underlying macroeconomic variables, and the number of scenarios needed to adequately capture the range of potential outcomes, along with their associated weights.

Our audit response

We obtained an understanding, evaluated the design and tested the operating effectiveness of management’s controls over the ECL estimate. This included assessing management’s selection of forward-looking economic scenarios used to measure ECL and the probability weightings assigned to those scenarios. We evaluated management’s methodologies and governance controls for developing and monitoring the economic scenarios used and their associated probability weightings. With the support of specialists, we assessed key macroeconomic variables used in the forward-looking scenarios, such as real gross domestic product growth, unemployment rates, interest rates and house price indices. We also evaluated the modelled correlation and translation of these macroeconomic factors to the ECL estimate.

We also assessed management’s disclosures regarding expected credit loss measurement (within Notes 13a to 13e to the financial statements).



Shape the future
with confidence



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework for banks, the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



Shape the future
with confidence

Report on other legal and regulatory requirements



In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Kristina Prenrecaj
Licensed audit expert
(Auditor in charge)

Robert Wadley
Certified Public Accountant (U.S.)

UBS AG standalone financial statements (audited)

Income statement

	Note	USD m		CHF m	
		For the year ended	31.12.24	For the year ended	31.12.24
Interest and discount income		23,937	30,753	18,980	27,217
Interest and dividend income from trading portfolio		3,708	4,063	2,940	3,607
Interest and dividend income from financial investments		1,698	1,544	1,347	1,364
Interest expense		(31,074)	(39,684)	(24,639)	(35,129)
Gross interest income		(1,731)	(3,324)	(1,373)	(2,940)
Credit loss (expense) / release	13	535	(206)	424	(179)
Net interest income		(1,196)	(3,531)	(948)	(3,120)
Fee and commission income from securities and investment business and other fee and commission income		5,686	4,256	4,509	3,760
Credit-related fees and commissions		299	330	237	292
Fee and commission expense		(1,201)	(1,041)	(953)	(920)
Net fee and commission income		4,784	3,545	3,793	3,132
Net trading income	3	9,442	9,451	7,487	8,334
Net income from disposal of financial investments		99	68	78	52
Dividend income from investments in subsidiaries and other participations	4	10,812	6,275	8,573	5,730
Income from real estate holdings		550	463	436	409
Sundry ordinary income	5	2,985	2,814	2,367	2,470
Sundry ordinary expenses	5	(1,927)	(800)	(1,528)	(700)
Other income from ordinary activities		12,518	8,821	9,926	7,960
Total operating income		25,548	18,286	20,258	16,307
Personnel expenses	6	5,657	5,511	4,486	4,868
General and administrative expenses	7	7,335	8,097	5,816	7,144
Subtotal operating expenses		12,992	13,608	10,302	12,012
Impairment of investments in subsidiaries and other participations	4	2,808	543	2,226	500
Depreciation, amortization and impairment of property, equipment, software and intangible assets		925	1,028	734	907
Changes in provisions for litigation, regulatory and similar matters, and other provisions	8	323	1,078	256	942
Total operating expenses		17,048	16,258	13,517	14,361
Operating profit		8,501	2,028	6,740	1,946
Extraordinary income	9	904	4,211	716	3,693
Extraordinary expenses	9	17	600	14	505
Tax expense / (benefit)	10	238	501	189	451
Net profit / (loss)		9,149	5,138	7,254	4,684

Balance sheet

	Note	USD m		CHF m	
		31.12.25	31.12.24	31.12.25	31.12.24
Assets					
Cash and balances at central banks	13	68,630	69,614	54,418	63,217
Due from banks	13, 24	102,570	96,243	81,330	87,399
Receivables from securities financing transactions	11, 13, 24	90,565	117,338	71,811	106,555
Due from customers	12, 13, 24	160,471	148,955	127,241	135,266
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity ¹	12, 13, 24	45,085	43,652	35,749	39,640
Mortgage loans	12, 13	8,695	8,438	6,894	7,662
Trading portfolio assets	14	162,706	148,686	129,013	135,022
Derivative financial instruments	15	14,034	21,941	11,128	19,925
Financial investments	16	52,625	39,850	41,727	36,188
Accrued income and prepaid expenses	13	3,918	4,194	3,107	3,808
Investments in subsidiaries and other participations	4	66,093	73,103	52,406	66,385
Property, equipment and software		5,471	5,364	4,338	4,871
Other assets	12, 13, 17	11,478	13,918	9,101	12,638
Total assets		792,341	791,297	628,262	718,576
<i>of which: subordinated assets</i>		<i>35,593</i>	<i>34,918</i>	<i>28,222</i>	<i>31,709</i>
<i>of which: subject to mandatory conversion and / or debt waiver</i>		<i>34,389</i>	<i>33,344</i>	<i>27,268</i>	<i>30,279</i>
Liabilities					
Due to banks	24	83,924	87,538	66,545	79,493
Payables from securities financing transactions	11, 24	28,091	42,638	22,274	38,720
Due to customers	24	237,917	227,493	188,649	206,587
Funding received from UBS Group AG measured at amortized cost	21, 24	114,423	113,898	90,728	103,431
Trading portfolio liabilities	14	47,268	29,316	37,480	26,622
Derivative financial instruments	15	16,476	14,005	13,064	12,718
Financial liabilities designated at fair value	14, 20	110,126	102,901	87,321	93,444
<i>of which: funding received from UBS Group AG</i>	20, 21, 24	<i>6,430</i>	<i>4,998</i>	<i>5,098</i>	<i>4,539</i>
Bonds issued	21	61,634	72,673	48,871	65,994
Accrued expenses and deferred income		7,062	8,230	5,600	7,474
Other liabilities	17	3,213	5,196	2,548	4,718
Provisions	13	1,751	3,101	1,388	2,816
Total liabilities		711,884	706,989	564,467	642,016
Equity					
Share capital	22	386	386	306	380
Statutory capital reserve		65,627	65,627	52,037	60,185
<i>of which: capital contribution reserve²</i>		<i>77,661</i>	<i>77,661</i>	<i>61,579</i>	<i>70,626</i>
<i>of which: other statutory capital reserve</i>		<i>(12,034)</i>	<i>(12,034)</i>	<i>(9,542)</i>	<i>(10,441)</i>
Voluntary earnings reserve		5,295	13,157	4,199	11,311
Net profit / (loss) for the period		9,149	5,138	7,254	4,684
Total equity		80,457	84,308	63,796	76,560
Total liabilities and equity		792,341	791,297	628,262	718,576
<i>of which: subordinated liabilities</i>		<i>123,199</i>	<i>121,588</i>	<i>97,687</i>	<i>110,414</i>
<i>of which: subject to mandatory conversion and / or debt waiver</i>		<i>122,830</i>	<i>120,865</i>	<i>97,394</i>	<i>109,757</i>

¹ Represents the Swiss GAAP carrying amount of instruments qualifying as total loss-absorbing capital at the level of the respective subsidiaries. ² The capital contribution reserve balance of USD 77,661m (CHF 61,579m) as of 31 December 2025 includes an amount of USD 53,533m (CHF 42,447m) that the Swiss Federal Tax Administration has assessed as available for distribution to the shareholder free of Swiss withholding tax.

Balance sheet (continued)

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Off-balance sheet items				
Contingent liabilities, gross	45,623	34,989	36,176	31,773
Sub-participations	(208)	(1,141)	(165)	(1,036)
Contingent liabilities, net	45,415	33,848	36,010	30,737
<i>of which: guarantees to third parties related to subsidiaries</i>	<i>11,911</i>	<i>8,389</i>	<i>9,445</i>	<i>7,618</i>
Irrevocable loan commitments, gross	43,644	44,469	34,606	40,382
Sub-participations	(32)	(26)	(25)	(24)
Irrevocable loan commitments, net	43,613	44,443	34,581	40,359
Forward starting transactions¹	100,493	101,465	79,683	92,140
<i>of which: forward starting reverse repurchase agreements</i>	<i>56,836</i>	<i>64,036</i>	<i>45,067</i>	<i>58,157</i>
<i>of which: repurchase agreements</i>	<i>43,657</i>	<i>37,428</i>	<i>34,616</i>	<i>33,989</i>
Liabilities for calls on shares and other equity instruments	5	5	4	4

¹ Cash to be paid in the future by either UBS AG or the counterparty.

Off-balance sheet items

Contingent liabilities include indemnities and guarantees issued by UBS AG for the benefit of subsidiaries and creditors of subsidiaries.

Where the indemnity amount issued by UBS AG is not specifically defined, the indemnity relates to the solvency or minimum capitalization of a subsidiary, and therefore no amount is included in the table above.

Joint and several liability – value-added tax

UBS AG is jointly and severally liable for the combined value-added tax (VAT) liability of UBS entities that belong to the VAT group of UBS in Switzerland. This contingent liability is not included in the table above.

Guarantees – UBS Europe SE

Following the combined UK business transfer and cross-border merger of UBS Limited into UBS Europe SE in March 2019, UBS AG issued a guarantee for the benefit of counterparties of UBS Europe SE's investment banking business, covering transactions subject to master netting agreements.

A similar guarantee that UBS AG issued in 2003 for the benefit of each counterparty of UBS Limited also continues to be effective. This guarantee covers transactions in accordance with and contemplated under any agreement entered into by UBS Limited prior to the merger into UBS Europe SE, to the extent that such an agreement has not been amended by UBS Europe SE thereafter.

Under both guarantees, UBS AG promises to pay to the beneficiary counterparties any unpaid liabilities covered under the terms of the guarantees on demand. These guarantees are included as contingent liabilities in the off-balance sheet items table above.

Indemnities – UBS Europe SE

In connection with the establishing of UBS Europe SE in 2016, UBS AG entered into agreements with UBS Europe SE under which UBS AG would provide UBS Europe SE with limited indemnification of payment obligations that may arise from certain litigation, regulatory and similar matters.

As of 31 December 2025, the amount of such potential payment obligations could not be reliably estimated and the likelihood of an outflow is not considered to be probable or the probability of an outflow was assessed to be remote; therefore, the table above does not include any amount related to this limited indemnification.

In addition, in accordance with the bylaws of the Deposit Protection Fund of the Association of German Banks, UBS AG issued an indemnity in favor of this fund on behalf of UBS Europe SE. The probability of an outflow was assessed to be remote, and as a result, the table above does not include any exposure arising under this indemnity.

Statement of changes in equity

<i>USD m</i>	Share capital	Statutory capital reserve	<i>of which: capital contribution reserve</i>	<i>of which: other statutory capital reserve</i>	Voluntary earnings reserve and profit / (loss) carried forward	Net profit / (loss) for the period	Total equity
Balance as of 1 January 2025	386	65,627	77,661	(12,034)	13,157	5,138	84,308
Net profit / (loss) appropriation					5,138	(5,138)	0
Dividend distribution					(13,000) ¹		(13,000)
Net profit / (loss) for the period						9,149	9,149
Balance as of 31 December 2025	386	65,627	77,661	(12,034)	5,295	9,149	80,457

¹ Includes ordinary dividend distribution of USD 6,500m and supplementary dividend distribution of USD 6,500m out of special dividend reserve within the voluntary earnings reserve.

Statement of changes in equity

<i>CHF m</i>	Share capital	Statutory capital reserve	<i>of which: capital contribution reserve</i>	<i>of which: other statutory capital reserve</i>	Voluntary earnings reserve and profit / (loss) carried forward	Net profit / (loss) for the period	Total equity
Balance as of 1 January 2025	380	60,185	70,626	(10,441)	11,311	4,684	76,560
Effect of translating opening balance at closing rate ¹	(74)	(8,149)	(9,047)	899	(878)	(610)	(9,710)
Net profit / (loss) appropriation					4,074	(4,074)	0
Dividend distribution					(10,308) ²		(10,308)
Net profit / (loss) for the period						7,254	7,254
Balance as of 31 December 2025	306	52,037	61,579	(9,542)	4,199	7,254	63,796

¹ Refer to "Presentation currencies" in Note 2a for more information. ² Includes ordinary dividend distribution of CHF 5,154m and supplementary dividend distribution of CHF 5,154m out of special dividend reserve within the voluntary earnings reserve.

Note 1 Name, legal form and registered office

UBS AG is incorporated and domiciled in Switzerland. Its registered offices are at Bahnhofstrasse 45, CH-8001 Zurich and Aeschenvorstadt 1, CH-4051 Basel, Switzerland. UBS AG operates under Art. 620 et seq. of the Swiss Code of Obligations and Swiss banking law as an *Aktiengesellschaft*, a corporation limited by shares.

UBS AG is a regulated bank in Switzerland and is 100% owned by UBS Group AG, the ultimate parent of the UBS Group. UBS AG holds investments in and provides funding to subsidiaries, including the other banking subsidiaries of the UBS Group. In addition, UBS AG operates globally, including business activities from all five UBS business divisions (which are supported by Group functions which mainly include Group Services and Group Treasury). In the ordinary course of business, the main contributors to the net profit / (loss) of UBS AG are Group Treasury (including dividend income from investments in subsidiaries and other participations), Global Wealth Management, the Investment Bank and Group Services. The balance sheet is mainly composed of financial assets and liabilities from the Investment Bank, Global Wealth Management and Group Treasury, as well as investments in subsidiaries and other participations in Group Treasury and fixed assets of Group Services.

UBS AG employed 15,045 personnel on a full-time equivalent basis as of 31 December 2025, compared with 18,161 personnel as of 31 December 2024.

Note 2 Accounting policies

a) Significant accounting policies

UBS AG standalone financial statements are prepared in accordance with Swiss GAAP (the FINMA Accounting Ordinance, FINMA Circular 2020/1 "Accounting – banks" and the Banking Ordinance) and represent "reliable assessment statutory single-entity financial statements". The accounting policies are principally the same as those outlined in Note 1 to the consolidated financial statements of UBS AG included in the UBS AG Annual Report 2025. Major differences between the Swiss GAAP requirements and IFRS Accounting Standards are described in Note 32 to the consolidated financial statements of UBS AG. The significant accounting policies applied for the standalone financial statements of UBS AG are discussed below.

- › Refer to the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Compensation policy

The compensation structure and processes of UBS AG conform to the compensation principles and framework of UBS Group AG.

- › Refer to the UBS Group AG Compensation Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Deferred compensation

Expenses for deferred compensation awards granted by UBS Group AG to employees of UBS AG in the form of UBS shares, notional additional tier 1 (AT1) capital instruments and notional investment funds are charged by UBS Group AG to UBS AG.

- › Refer to "Note 26 Employee benefits: variable compensation" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Foreign currency translation

Non-US-dollar-denominated transactions are translated into US dollars at the spot exchange rate on the date of the transaction. At the balance sheet date, all non-US-dollar-denominated monetary assets and liabilities, as well as non-US-dollar-denominated equity instruments recorded in *Trading portfolio assets* and *Financial investments*, are translated into US dollars using the closing exchange rate. Non-monetary items measured at historic cost are translated at the spot exchange rate on the date of the transaction. Assets and liabilities of branches with functional currencies other than the US dollar are translated into US dollars at the closing exchange rate. Income and expense items of such branches are translated at weighted-average exchange rates for the period. All currency translation effects are recognized in the income statement.

- › Refer to Note 2c for information about the retroactive translation of Credit Suisse AG's financial information in 2024 following the merger of UBS AG and Credit Suisse AG

The main currency translation rates used by UBS AG are provided in Note 31 to the UBS AG consolidated financial statements in the UBS AG Annual Report 2025.

- › Refer to "Note 31 Currency translation rates" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Note 2 Accounting policies (continued)

Presentation currencies

The primary presentation currency of the financial statements of UBS AG is the US dollar. Amounts in Swiss francs are additionally presented for each component of the financial statements.

As of 1 January 2025, UBS AG has prospectively adopted the closing rate method for presenting US dollar amounts in Swiss francs. Under this method, all assets, liabilities and equity positions, as well as income and expense items and other movements, are translated at the closing rate. For movement tables, such as the statement of changes in equity, the opening balance is remeasured at the closing rate, with the resulting currency translation effect presented in a separate row or column as *Effect of translating opening balance at closing rate*.

In the comparative period, UBS AG applied the modified closing rate method for converting the US dollar presentation currency amounts into Swiss francs: assets and liabilities were converted at the closing rate, equity positions at historic rates and income and expense items at the weighted-average rate for the period. The resulting currency translation effects were recognized separately in *Voluntary earnings reserve*.

UBS AG has updated the accounting policy as it provides a more current and more relevant presentation of the Swiss franc equivalents of the underlying US dollar amounts. The change in the accounting policy had no impact on the amounts presented in the primary presentation currency, the US dollar.

- › Refer to Note 2c for information about the retroactive translation of Credit Suisse AG's financial information in 2024 following the merger of UBS AG and Credit Suisse AG

Structured debt instruments

Structured debt instruments consist of debt instruments issued and transacted over the counter and include a host contract and one or more embedded derivatives that do not relate to UBS AG's own equity. By applying the fair value option, the vast majority of structured debt instruments are measured at fair value as a whole and recognized in *Financial liabilities designated at fair value*. The fair value option for structured debt instruments can be applied only if the following criteria are cumulatively met:

- the structured debt instrument is measured on a fair value basis and is subject to risk management that is equivalent to risk management for trading activities;
- the application of the fair value option eliminates or significantly reduces an accounting mismatch that would otherwise arise; and
- changes in fair value attributable to changes in unrealized own credit are not recognized.

Fair value changes related to *Financial liabilities designated at fair value*, excluding changes in unrealized own credit, are recognized in *Net trading income*. Interest expense on *Financial liabilities designated at fair value* is recognized in *Interest expense*.

Where the designation criteria for the fair value option are not met, the embedded derivatives are assessed for bifurcation for measurement purposes. Bifurcated embedded derivatives are measured at fair value through profit or loss and presented in the same balance sheet line as the host contract.

- › Refer to Note 20 for more information

Group-internal funding

UBS AG obtains funding from UBS Group AG in the form of loans that are subject to mandatory conversion and / or debt waiver, as explained below, and generally either qualify as loss-absorbing tier 1 capital or as gone concern loss-absorbing capacity, i.e. total funding eligible as total loss-absorbing capacity (TLAC), at the UBS AG consolidated and standalone levels. A portion of Group-internal funding obtained is further on lent by UBS AG to certain subsidiaries in the form of loans.

- › Refer to Note 21 for information about funding eligible as total loss-absorbing capacity at the UBS AG level

UBS AG's obligations arising from Group-internal funding it has received are presented as *Funding received from UBS Group AG measured at amortized cost* and *Funding received from UBS Group AG* within *Financial liabilities designated at fair value*. UBS AG's claims arising from the Group-internal funding it has provided are presented as *Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity* and are measured at amortized cost less any allowance for expected credit losses.

Note 2 Accounting policies (continued)

Subordinated assets and liabilities

Subordinated assets are composed of claims that, based on an irrevocable written declaration, in the event of liquidation, bankruptcy or composition concerning the debtor rank after the claims of all other creditors and may not be offset against amounts payable to the debtor nor be secured by its assets. *Subordinated liabilities* are composed of corresponding obligations.

Subordinated assets and liabilities that contain a point-of-non-viability clause in accordance with Swiss capital requirements pursuant to Art. 29 and 30 of the Capital Adequacy Ordinance are disclosed as being *Subject to mandatory conversion and / or debt waiver* and provide for the claim or the obligation to be written off or converted into equity in the event that the issuing bank reaches a point of non-viability.

Investments in subsidiaries and other participations

Investments in subsidiaries and other participations are equity interests that are held to carry on the business of UBS AG or for other strategic purposes. They include all subsidiaries directly held by UBS AG through which UBS AG conducts its business on a global basis. The investments are measured individually and carried at cost less impairment. The carrying amount is tested for impairment when indicators of a potential decrease in value exist, which include significant operating losses incurred or a severe depreciation of the currency in which the investment is denominated. If an investment in a subsidiary is impaired, its value is generally written down to the net asset value or a value above the net asset value if, in the opinion of management, forecasts of future profitability provide sufficient evidence that a carrying amount above net assets is supported. Subsequent recoveries in value are recognized up to the original cost value based on either an increased net asset value or a value above the net asset value if aforementioned conditions are met. Management may exercise its discretion as to what extent, and in which period, a recovery in value is recognized. Impairments of investments are presented as *Impairment of investments in subsidiaries and other participations* and reversals of impairments are presented as *Extraordinary income* in the income statement. Impairments and partial or full reversals of impairments for a subsidiary during the same annual period are determined on a net basis.

› Refer to Note 4 for more information

Hedge accounting for Investments in subsidiaries and other participations

UBS AG applies hedge accounting for certain investments in subsidiaries and other participations denominated in currencies other than the US dollar, which are designated as hedged items. For this purpose, foreign exchange (FX) derivatives, mainly FX forwards and FX swaps, are used and designated as hedging instruments.

The hedged risk is determined as the change in the carrying amount of the hedged item arising solely from changes in spot FX rates. Consequently, UBS AG only designates the spot element of the FX derivatives as hedging instruments. Changes in the fair value of the hedging instruments attributable to changes in forward points are not part of a hedge accounting designation. These amounts, therefore, do not form part of the effectiveness assessment and are recognized in *Net trading income*.

The effective portion of gains and losses of these FX derivatives is deferred on the balance sheet as *Other assets* or *Other liabilities* to the extent no change is recognized in the carrying amount of the hedged item arising from changes in spot FX rates. Otherwise, the effective portion of gains and losses of these FX derivatives is matched with the corresponding valuation adjustments of the hedged item recorded in the income statement and recorded either as a reduction of *Impairment of investments in subsidiaries and other participations* or as *Extraordinary income*.

Revenue and expense transfers with other Group entities

UBS AG pays to and receives amounts from other Group entities in connection with revenue-sharing arrangements. Revenues transferred to and received from Group entities are settled in cash as entity revenue transfers paid or received. When the nature of the underlying transaction between UBS AG and the Group entity contains a single, clearly identifiable service component, related income and expenses are presented in the respective income statement line item, e.g. *Fee and commission income from securities and investment business and other fee and commission income*, *Fee and commission expense* or *Net trading income*. To the extent the nature of the underlying transaction contains various service components and is not clearly attributable to a particular income statement line item, related income and expenses are presented in *Sundry ordinary income* and *Sundry ordinary expenses*.

UBS AG receives services from UBS Business Solutions AG, mainly relating to the Group Operations and Technology Office, as well as certain other services from other Group entities.

UBS AG provides services to Group entities, mainly relating to real estate and selected other Group Services functions.

Services received from and provided to Group entities are settled in cash as entity cost transfers paid or received. Entity cost transfers paid are presented within *General and administrative expenses* and entity cost transfers received are presented within *Sundry ordinary income* or *Income from real estate holdings*.

› Refer to Notes 5 and 7 for more information

Note 2 Accounting policies (continued)

Post-employment benefit plans

Swiss GAAP permit the use of IFRS Accounting Standards or Swiss accounting standards for post-employment benefit plans, with the election made on a plan-by-plan basis.

UBS AG has elected to apply Swiss accounting standards for the Swiss pension plans in its standalone financial statements. The requirements of the Swiss accounting standards are better aligned with the specific nature of Swiss pension plans, which are hybrid in that they combine elements of defined contribution and defined benefit plans but are treated as defined benefit plans under IFRS Accounting Standards. Swiss accounting standards require that the employer contributions to the pension fund are recognized as *Personnel expenses* in the income statement. The employer contributions to the Swiss pension fund are determined as a percentage of contributory compensation. Furthermore, Swiss accounting standards require an assessment as to whether, based on the financial statements of the pension funds prepared in accordance with Swiss accounting standards (Swiss GAAP FER 26), an economic benefit to, or obligation of, UBS AG arises from the pension funds that is recognized in the balance sheet when conditions are met. Conditions for recording a pension asset or liability would be met if, for example, an employer contribution reserve was available or UBS AG was required to contribute to the reduction of a pension deficit (on the pension plan's Swiss GAAP FER 26 basis).

Key differences between Swiss accounting standards and IFRS Accounting Standards include the treatment of dynamic elements, such as future salary increases and future interest credits on retirement savings, which are not considered under the static method used in accordance with Swiss accounting standards. Also, the discount rate used to determine the defined benefit obligation in accordance with IFRS Accounting Standards is based on the yield of high-quality corporate bonds of the market in the respective pension plan country. The discount rate used in accordance with Swiss accounting standards, i.e. the technical interest rate, is determined by the Pension Foundation Boards.

› Refer to Note 23 for more information

UBS AG has elected to apply IFRS Accounting Standards (IAS 19) for its non-Swiss defined benefit plans. However, remeasurements of the defined benefit obligation and the plan assets are recognized in the income statement rather than directly in equity.

› Refer to the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Deferred taxes

Deferred tax assets are not recognized in UBS AG's standalone financial statements. However, deferred tax liabilities may be recognized for taxable temporary differences. Changes in the deferred tax liability balance are recognized in the income statement.

Allowances and provisions for expected credit losses

UBS AG is required to apply expected credit loss (ECL) approaches for credit-impaired and non-credit-impaired financial instruments in its standalone financial statements.

For the substantial majority of non-credit-impaired exposures within the scope of the Swiss GAAP ECL requirements, UBS AG has chosen to apply the IFRS Accounting Standards ECL approach, which is also applied in its consolidated financial statements. These exposures include all financial assets that are measured at amortized cost under both frameworks, Swiss GAAP and IFRS Accounting Standards, fee and lease receivables, claims arising from Group-internal funding presented as *Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity*, guarantees, irrevocable loan commitments, revolving revocable credit lines, and forward starting reverse repurchase and securities borrowing agreements. Further information about the ECL approach under IFRS Accounting Standards is provided in Note 1 to the consolidated financial statements of UBS AG.

› Refer to the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

For the small residual population of exposures within the scope of the Swiss GAAP ECL requirements, which are not subject to ECL under IFRS Accounting Standards due to classification differences, alternative approaches are applied.

- For exposures for which Pillar 1 internal ratings-based models are applied for measurement of credit risk risk-weighted assets (RWA), ECL for such exposures is calculated as the regulatory expected loss (EL), with an add-on to scale up to the residual maturity of exposures maturing beyond the next 12 months. This approach is mainly applied for brokerage receivables presented within *Due from customers*, which generally mature within 12 months. For detailed information about regulatory EL, refer to the "Risk management and control" section of the UBS AG Annual Report 2025.
- For exposures for which the standardized approach is applied for the measurement of credit risk RWA, ECL is determined using a portfolio approach that derives a conservative probability of default (PD) and a conservative loss given default (LGD) for the entire portfolio. This approach is mainly applied for a small number of loans to large corporate clients presented within *Due from customers*.

Note 2 Accounting policies (continued)

UBS applies a single definition of default for credit risk management purposes, regulatory reporting and ECL, with a counterparty classified as defaulted based on quantitative and qualitative criteria.

- › Refer to the “Risk management and control” section of the UBS AG Annual Report 2025, available under “Annual reporting” at ubs.com/investors, for more information

An allowance for credit losses is reported as a decrease in the carrying amount of a financial asset. For an off-balance sheet item, such as a commitment, a provision for credit losses is reported in *Provisions*. Changes to allowances and provisions for credit losses are recognized in *Credit loss (expense) / release*.

- › Refer to Note 13 for more information

Dispensations in the standalone financial statements

As UBS AG prepares consolidated financial statements in accordance with IFRS Accounting Standards, UBS AG is exempt from various disclosures in the standalone financial statements. The dispensations include the management report, the statement of cash flows and various note disclosures, as well as the publication of full interim financial statements.

b) Changes in accounting policies

As of 1 January 2025, UBS AG has prospectively adopted the closing rate method for translating the US dollar amounts included in the financial statements into the additional presentation currency, i.e. the Swiss franc.

- › Refer to Note 2a Presentation currencies for more information

c) Changes in organization and other events affecting profitability

In 2025, UBS continued the integration of Credit Suisse, with a focus on client account migrations, infrastructure decommissioning and legal entity integration.

- › Refer to the “Our business model and environment” section of the UBS AG Annual Report 2025, available under “Annual reporting” at ubs.com/investors, for more information

Transfer of Global Wealth Management International and Global Financial Intermediaries businesses

In 2025, UBS decided to consolidate the Wealth Management International business, the Global Financial Intermediaries business, and other related businesses booked in Switzerland in UBS AG to further optimize Group legal and operational structures and to address regulatory considerations.

In the second quarter of 2025, UBS Switzerland AG transferred the beneficial ownership of the Wealth Management International business and the Global Financial Intermediaries business booked in UBS Switzerland AG to UBS AG, with effect from 1 January 2025. The transfer was made in the form of a dividend in kind amounting to USD 126m (CHF 100m), reflecting the net asset value of the in-scope businesses. In the fourth quarter of 2025, UBS Switzerland AG transferred the beneficial ownership of the related businesses to UBS AG, with effect from 1 May 2025. The transfer was made in the form of a dividend in kind amounting to USD 1,261 (CHF 1,000), reflecting the net asset value of the in-scope businesses.

UBS Switzerland AG will continue to manage the businesses under a contractual relationship with UBS AG until the completion of legal transfer, which is expected to take place in 2028, and will continue to recognize the underlying assets and liabilities of the relevant businesses until then. UBS AG’s share of the net profits of USD 695m (CHF 551m) for the full year of 2025 is reflected in *Fee and commission income from securities and investment business and other fee and commission income*.

Merger of UBS AG and Credit Suisse AG, completed in 2024

In December 2023, the Board of Directors of UBS Group AG approved the merger of UBS AG and Credit Suisse AG, and both entities entered into a definitive merger agreement, as amended on 30 April 2024. On 31 May 2024, UBS AG formally completed the merger by absorption of Credit Suisse AG. In the standalone financial statements of UBS AG, the acquisition has been accounted for retroactively as of 1 January 2024, applying the previous book values of Credit Suisse AG. The merger balance sheet with assets of USD 306,447m (CHF 257,935m) and liabilities of USD 275,105m (CHF 231,554m) was recognized, together with a corresponding increase of *Statutory capital reserves* in equity of USD 31,343m (CHF 26,381m), of which USD 55,471m (CHF 46,690m) was attributed to *Capital contribution reserve* and negative USD 24,129m (negative CHF 20,309m) to *Other statutory capital reserve*.

UBS AG’s accounting policies and methodologies were applied retroactively from 1 January 2024. This resulted in an adjustment, which was recorded in *Extraordinary expenses* of USD 598m (CHF 504m).

- › Refer to Note 9 for more information

Note 2 Accounting policies (continued)

Furthermore, the retroactive translation of Credit Suisse AG's financial information, previously expressed in Swiss francs, (i.e. the merger balance sheet, the accounting policy application and the activity from 1 January 2024 to 31 May 2024) to UBS AG's presentation currency, the US dollar, resulted in a foreign currency translation effect of USD 2,049m (CHF 1,851m), which was recorded as a reduction of *Other statutory capital reserves* within *Statutory capital reserves*.

Profit and loss information for 2024 includes the full-year profit and loss of the merged Credit Suisse AG.

d) Events after the reporting period

Transfer of Global Wealth Management International and Global Financial Intermediaries businesses

In connection with the migration of legacy Credit Suisse clients to UBS's client platform, UBS has decided to transfer to UBS Switzerland AG, the Wealth Management International business, the Global Financial Intermediaries business and other related businesses booked in UBS AG in Switzerland that are associated with legacy Credit Suisse clients. The beneficial ownership of these businesses is retained by UBS AG. The execution of the transfer is effected through two statutory bulk transfers pursuant to the Swiss Merger Act, both with effect as of 1 January 2026. The combined transfer balance sheets consist of assets of USD 16.5bn (CHF 13.1bn) (mainly loans) and liabilities of USD 15.9bn (CHF 12.6bn) (mainly customer deposits).

e) Risk management

UBS AG is fully integrated into the Group-wide risk management process described in the audited part of the "Risk management and control" section of the UBS AG Annual Report 2025.

Further information about the use of derivative instruments and hedge accounting is provided on the following pages and in Notes 1, 10 and 24 to the consolidated financial statements of UBS AG.

- › Refer to the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Note 3a Net trading income by business

Net trading income by business

	USD m		CHF m	
	For the year ended	31.12.24	For the year ended	31.12.24
	31.12.25	31.12.24	31.12.25	31.12.24
Investment Bank ¹	8,295	7,450	6,577	6,586
Other business divisions and Group Items ²	1,147	2,001	910	1,748
Total net trading income	9,442	9,451	7,487	8,334

¹ Almost entirely Global Markets. ² Group Items reflects the residual amount of Group functions which is not allocated to the business divisions.

Note 3b Net trading income by underlying risk category

Net trading income by underlying risk category

	USD m		CHF m	
	For the year ended	31.12.24	For the year ended	31.12.24
	31.12.25	31.12.24	31.12.25	31.12.24
Equity instruments (including funds)	6,406	6,198	5,080	5,485
Foreign exchange instruments	1,650	1,588	1,309	1,397
Interest rate and credit instruments (including funds)	1,261	1,780	1,000	1,551
Other	124	(114)	98	(99)
Total net trading income	9,442	9,451	7,487	8,334
<i>of which: net gains / (losses) from financial liabilities designated at fair value¹</i>	(4,584)	(981)	(3,635)	(829)

¹ Excludes fair value changes of hedges related to financial liabilities designated at fair value and foreign currency effects arising from translating foreign currency transactions into the respective functional currency, both of which are reported within Net trading income.

Note 4 Investments in subsidiaries and other participations

The table below provides the carrying amount, the equity interest and the registered office information regarding the investments in subsidiaries and other participations.

Investments in subsidiaries and other participations

	Registered office	Equity interest accumulated in %	Carrying amount in USD m		Carrying amount in CHF m	
			31.12.25	31.12.24	31.12.25	31.12.24
UBS Americas Holding LLC	Wilmington, Delaware, USA	100	28,835	31,834	22,864	28,908
UBS Switzerland AG	Zurich, Switzerland	100	20,997	20,996	16,649	19,066
UBS Europe SE	Frankfurt, Germany	100	4,686	4,175	3,716	3,791
UBS Asset Management AG	Zurich, Switzerland	100	2,648	2,260	2,099	2,053
Credit Suisse International	London, United Kingdom	98	2,633	5,040	2,088	4,577
Other			6,295	8,799	4,991	7,990
Total investments in subsidiaries and other participations			66,093	73,103	52,406	66,385

Impairments and reversal of impairments

In 2025, UBS AG recognized *Impairments of investments in subsidiaries and other participations* of USD 2,808m (CHF 2,226m), mainly due to impairments of the investments in Credit Suisse International (USD 1,073m (CHF 851m)) and Credit Suisse Investments (UK), the indirect holding company of Credit Suisse Securities (Europe) Limited, (USD 581m (CHF 461m)), which partly offset the dividends received from those subsidiaries. In 2024, UBS AG recognized *Impairments of investments in subsidiaries and other participations* of USD 543m (CHF 500m).

In 2025, UBS AG recognized *Reversal of impairments of investments in subsidiaries and other participations* of USD 889m (CHF 705m). In 2024, UBS AG recognized *Reversal of impairments of investments in subsidiaries and other participations* of USD 3,996m (CHF 3,497m), mainly due to a reversal of an impairment of the investment in Credit Suisse International, as the recoverable amount of this participation increased, mainly due to the progression of the integration, including improved actual financials and forecasted financial performance.

Dividends and capital repayments

Dividend income from investments in subsidiaries and other participations of USD 10,812m (CHF 8,573m) in 2025 and USD 6,275m (CHF 5,730m) in 2024 was mainly attributable to UBS Switzerland AG, Credit Suisse International, UBS Europe SE and Credit Suisse Securities (Europe) Limited.

In December 2025, UBS Americas Holding LLC repaid capital of USD 3.0bn (CHF 2.4bn) and Credit Suisse International repaid capital of USD 1.3bn (CHF 1.1bn) to UBS AG. In December 2024, UBS Americas Holding LLC repaid capital of USD 6.0bn (CHF 5.4bn) and Credit Suisse International repaid capital of USD 7.0bn (CHF 6.3bn) to UBS AG.

Note 5 Sundry ordinary income and expenses

Sundry ordinary income and expenses

	USD m		CHF m	
	For the year ended	31.12.24	For the year ended	31.12.24
	31.12.25	31.12.24	31.12.25	31.12.24
Income from services provided to UBS Group AG or its subsidiaries ¹	2,513	2,779	1,993	2,436
Net unrealized gains on financial investments	18		14	
Other ²	454	36	360	34
Total sundry ordinary income	2,985	2,814	2,367	2,470
Loss on repurchase of debt ³	(960)		(762)	
Expenses from revenue transfers to UBS Group AG or its subsidiaries	(877)	(641)	(696)	(566)
Net unrealized losses on financial investments		(116)		(98)
Other	(89)	(42)	(71)	(36)
Total sundry ordinary expenses	(1,927)	(800)	(1,528)	(700)

¹ Services provided by UBS AG primarily related to Group Services. ² 2025 includes a gain of USD 407m (CHF 322m) arising from the derecognition of an amortized cost liability below book value. ³ For 2025 reflects a loss from the repurchase of legacy Credit Suisse debt instruments. The debt repurchased included instruments issued directly by UBS AG and instruments on lent from UBS Group AG.

Note 6 Personnel expenses

Personnel expenses

	USD m		CHF m	
	For the year ended		For the year ended	
	31.12.25	31.12.24	31.12.25	31.12.24
Salaries	2,741	2,929	2,173	2,588
Variable compensation – performance awards	1,791	1,450	1,420	1,280
Variable compensation – other	242	308	192	274
Contractors	60	55	48	49
Social security	387	340	307	300
Post-employment benefit plans	255	277	202	243
<i>of which: value adjustments for economic benefits or obligations from non-Swiss pension funds¹</i>	47	9	37	6
Other personnel expenses	181	152	144	134
Total personnel expenses	5,657	5,511	4,486	4,868

¹ Reflects the remeasurement of the defined benefit obligation and return on plan assets excluding amounts included in interest income for the non-Swiss defined benefit plans, for which IAS 19 is applied.

Note 7 General and administrative expenses

General and administrative expenses

	USD m		CHF m	
	For the year ended		For the year ended	
	31.12.25	31.12.24	31.12.25	31.12.24
Real estate	661	630	524	556
Outsourcing costs	162	275	128	243
Technology costs	218	242	173	214
Market data services	211	229	167	202
Travel and entertainment	107	101	85	89
Marketing and communication	66	88	52	78
Fees to audit firms	32	48	26	42
<i>of which: financial and regulatory audits</i>	21	43	16	38
<i>of which: audit-related services</i>	11	4	9	3
<i>of which: tax and other services</i>	0	2	0	1
Other professional fees	323	487	256	431
Other	5,556	5,997	4,405	5,288
<i>of which: shared services costs charged by UBS Group AG or its subsidiaries</i>	5,027	5,572	3,986	4,911
Total general and administrative expenses	7,335	8,097	5,816	7,144

Note 8 Changes in provisions for litigation, regulatory and similar matters, and other provisions

Included in 2025 were litigation expenses of USD 256m (CHF 203m) and 2024 included litigation expenses of USD 1,005m (CHF 905m), largely in the Non-core and Legacy business division.

› Refer to “Note 17 Provisions and contingent liabilities” in the “Consolidated financial statements” section of the UBS AG Annual Report 2025, available under “Annual reporting” at ubs.com/investors, for more information

Note 9 Extraordinary income and expenses

Extraordinary income and expenses	USD m		CHF m	
	For the year ended		For the year ended	
	31.12.25	31.12.24	31.12.25	31.12.24
Reversal of impairments of subsidiaries and other participations ¹	889	3,996	705	3,497
Gains from disposals of subsidiaries and other participations	1	198	1	181
Net gains from disposals of properties	5	16	4	14
Other extraordinary income	8	1	7	1
Total extraordinary income	904	4,211	716	3,693
Accounting policy and methodology alignment effect upon merger of UBS AG and Credit Suisse AG ²		598		504
Other extraordinary expense	17	3	14	1
Total extraordinary expenses	17	600	14	505

¹ Refer to Note 4 for more information. ² Refer to Note 2c for more information.

Gains from disposals of subsidiaries and other participations in 2024 included a gain of USD 169m (CHF 155m) on the sale of Credit Suisse Services India Ltd, a former subsidiary of Credit Suisse AG, to UBS Business Solutions AG.

2024 accounting policy and methodology alignment effect upon merger of UBS AG and Credit Suisse AG

As a result of the merger of UBS AG and Credit Suisse AG, UBS AG’s accounting policies and methodologies were applied to the merger balance sheet of Credit Suisse AG as of 1 January 2024.

This resulted in a merger adjustment of USD 598m (CHF 504m), which was recorded in *Extraordinary expenses* in 2024. The adjustment included the alignment of methodologies related to credit allowances and provisions (USD –559m (CHF –471m)), which Credit Suisse AG generally accounted for by reference to US GAAP compared with UBS AG’s general application of IFRS Accounting Standards, own credit adjustment curves (USD –537m (CHF –452m)) and smaller adjustments related to the classification of certain debt instruments at fair value compared to a legacy Credit Suisse AG amortized cost treatment, and full expense recognition of certain loan origination costs and fees at inception, which were previously deferred and recognized over time by Credit Suisse AG. These effects were partly reduced by the effects of electing the fair value option for certain structured TLAC instruments under UBS AG’s accounting policies (USD 513m (CHF 432m)), and smaller adjustments related to the measurement of real estate and the recognition of net defined benefit assets.

Note 10 Taxes

Taxes	USD m		CHF m	
	For the year ended		For the year ended	
	31.12.25	31.12.24	31.12.25	31.12.24
Income tax expense / (benefit)	232	461	184	416
<i>of which: current</i>	240	492	190	443
<i>of which: deferred</i>	(7)	(31)	(6)	(28)
Capital tax	6	40	5	35
Total tax expense / (benefit)	238	501	189	451

A net income tax expense of USD 232m (CHF 184m) was recognized for UBS AG in 2025, compared with USD 461m (CHF 416m) for 2024. The income tax expense for 2025 was reduced by a benefit of USD 62m (CHF 49m) in respect of the utilization of tax losses carried forward, primarily in Jersey and Singapore.

The income tax expense for 2024 was reduced by a benefit of USD 36m (CHF 32m) in respect of the utilization of tax losses carried forward, primarily in Jersey and Singapore.

The income tax expenses for 2025 and 2024 related to UBS AG's taxable profits that are not offset by tax losses carried forward.

For 2025, the average tax rate, defined as net income tax expense divided by the sum of operating profit and extraordinary income minus extraordinary expenses and capital tax, was 2.5% (2024: 8.2%). This reflected the aforementioned benefit in respect of the utilization of tax losses carried forward and also that no tax expense was recognized in respect of dividends that UBS AG received from its subsidiaries.

Note 11 Securities financing transactions

Securities financing transactions

	USD bn		CHF bn	
	For the year ended		For the year ended	
	31.12.25	31.12.24	31.12.25	31.12.24
On-balance sheet				
Receivables from securities financing transactions, gross	188.8	200.9	149.7	182.4
Netting of securities financing transactions	(98.2)	(83.5)	(77.9)	(75.8)
Receivables from securities financing transactions, net	90.6	117.3	71.8	106.6
Payables from securities financing transactions, gross	126.3	126.2	100.2	114.6
Netting of securities financing transactions	(98.2)	(83.5)	(77.9)	(75.8)
Payables from securities financing transactions, net	28.1	42.6	22.3	38.7
Assets pledged as collateral in connection with securities financing transactions	87.4	74.8	69.3	67.9
<i>of which: trading portfolio assets</i>	74.6	61.8	59.1	56.1
<i>of which: assets that may be sold or repledged by counterparties</i>	51.3	44.5	40.7	40.4
<i>of which: financial investments</i>	12.8	13.0	10.2	11.8
<i>of which: assets that may be sold or repledged by counterparties</i>	12.0	12.8	9.6	11.7
Off-balance sheet				
Fair value of assets received as collateral in connection with securities financing transactions	504.1	425.2	399.7	386.1
<i>of which: repledged</i>	339.6	266.1	269.2	241.6
<i>of which: sold in connection with short sale transactions</i>	47.3	29.3	37.5	26.6

Note 12a Collateral for loans and off-balance sheet transactions

Collateral for loans and off-balance sheet transactions

USD m	31.12.25					31.12.24				
	Secured		Secured by other credit enhancements ²	Unsecured	Total	Secured		Secured by other credit enhancements ²	Unsecured	Total
	Secured by collateral	Other collateral ¹				Secured by collateral	Other collateral ¹			
	Real estate					Real estate				
On-balance sheet										
Due from customers, gross ³	20	120,805	1,809	38,846 ⁴	161,480	41	102,479	4,515	43,630 ⁴	150,665
Mortgage loans, gross	8,715				8,715	8,446				8,446
<i>of which: residential mortgages</i>	4,770				4,770	5,242				5,242
<i>of which: other mortgages⁵</i>	3,945				3,945	3,204				3,204
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity, gross				45,106	45,106				43,675	43,675
Total on-balance sheet, gross	8,735	120,805	1,809	83,952	215,301	8,486	102,479	4,515	87,305	202,786
Allowances	(20)	(255)	(66)	(709)	(1,049)	(7)	(109)	(40)	(1,584)	(1,740)
Total on-balance sheet, net	8,715	120,550	1,744	83,243	214,252	8,479	102,370	4,475	85,721	201,045

Off-balance sheet

Contingent liabilities, gross	2	30,055	211	15,355	45,623	31	20,590	1,276	13,092	34,989
Irrevocable commitments, gross	1,114	26,380	1,924	14,227	43,644	737	23,883	2,728	17,120	44,469
Forward starting reverse repurchase and securities borrowing transactions		56,836			56,836		64,036			64,036
Liabilities for calls on shares and other equities				5	5				5	5
Total off-balance sheet	1,116	113,271	2,135	29,587	146,109	768	108,510	4,004	30,217	143,499

¹ Mainly includes cash and securities. ² Includes guarantees. ³ Includes prime brokerage margin lending receivables and prime brokerage receivables relating to securities financing transactions. ⁴ Primarily consists of amounts due from subsidiaries and other Group entities. ⁵ Consists of office and business premises, industrial premises, and other mortgages.

Collateral for loans and off-balance sheet transactions

CHF m	31.12.25					31.12.24				
	Secured		Secured by other credit enhancements ²	Unsecured	Total	Secured		Secured by other credit enhancements ²	Unsecured	Total
	Secured by collateral	Other collateral ¹				Secured by collateral	Other collateral ¹			
	Real estate					Real estate				
On-balance sheet										
Due from customers, gross ³	16	95,789	1,434	30,801 ⁴	128,041	37	93,061	4,100	39,620 ⁴	136,818
Mortgage loans, gross	6,910				6,910	7,669				7,669
<i>of which: residential mortgages</i>	3,783				3,783	4,760				4,760
<i>of which: other mortgages⁵</i>	3,128				3,128	2,908				2,908
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity, gross				35,765	35,765				39,662	39,662
Total on-balance sheet, gross	6,926	95,789	1,434	66,567	170,716	7,706	93,061	4,100	79,281	184,148
Allowances	(16)	(202)	(52)	(562)	(832)	(6)	(99)	(37)	(1,438)	(1,580)
Total on-balance sheet, net	6,910	95,587	1,382	66,005	169,884	7,699	92,962	4,064	77,843	182,568

Off-balance sheet

Contingent liabilities, gross	2	23,831	167	12,175	36,176	28	18,698	1,159	11,888	31,773
Irrevocable commitments, gross	883	20,917	1,526	11,281	34,606	670	21,688	2,477	15,547	40,382
Forward starting reverse repurchase and securities borrowing transactions		45,067			45,067		58,151			58,151
Liabilities for calls on shares and other equities				4	4				4	4
Total off-balance sheet	885	89,815	1,693	23,460	115,853	698	98,538	3,636	27,440	130,311

¹ Mainly includes cash and securities. ² Includes guarantees. ³ Includes prime brokerage margin lending receivables and prime brokerage receivables relating to securities financing transactions. ⁴ Primarily consists of amounts due from subsidiaries and other Group entities. ⁵ Consists of office and business premises, industrial premises, and other mortgages.

Note 12b Credit-impaired financial instruments

Credit-impaired financial instruments

USD m	31.12.25				31.12.24			
	Gross credit-impaired financial instruments	Allowances and provisions	Estimated liquidation proceeds of collateral	Net credit-impaired financial instruments	Gross credit-impaired financial instruments	Allowances and provisions	Estimated liquidation proceeds of collateral	Net credit-impaired financial instruments
Amounts due from customers	1,628	827	757	43	3,329	1,496	894	939
Mortgage loans	329	19	311	0	206	4	201	0
Other assets	2	2	0	0	6	4	0	2
Guarantees and loan commitments	147	30	89	28	167	16	117	35
Total credit-impaired financial instruments¹	2,107	879	1,157	71	3,708	1,520	1,212	976

¹ Credit-impaired financial instruments are financial assets and off-balance sheet positions subject to incurred credit losses, also referred to as stage 3 positions. The net carrying amount of amounts due from customers, mortgage loans, and other assets is USD 1,111m.

Credit-impaired financial instruments

CHF m	31.12.25				31.12.24			
	Gross credit-impaired financial instruments	Allowances and provisions	Estimated liquidation proceeds of collateral	Net credit-impaired financial instruments	Gross credit-impaired financial instruments	Allowances and provisions	Estimated liquidation proceeds of collateral	Net credit-impaired financial instruments
Amounts due from customers	1,291	656	600	34	3,023	1,358	812	853
Mortgage loans	261	15	246	0	187	4	183	0
Other assets	2	2	0	0	6	3	0	2
Guarantees and loan commitments	116	24	70	22	152	14	106	32
Total credit-impaired financial instruments¹	1,670	697	917	57	3,367	1,380	1,100	887

¹ Credit-impaired financial instruments are financial assets and off-balance sheet positions subject to incurred credit losses, also referred to as stage 3 positions. The net carrying amount of amounts due from customers, mortgage loans, and other assets is CHF 881m.

Note 13 Allowances and provisions

Allowances and provisions of USD 2,817m (CHF 2,233m) as of 31 December 2025 included allowances and provisions for credit losses of USD 1,221m (CHF 968m). Allowances and provisions of as of 31 December 2024 included allowances and provisions for credit losses of USD 1,896m (CHF 1,722m).

The decrease in allowances and provisions for credit losses in 2025 of USD 676m (CHF 536m) included net credit loss releases of USD 535m (CHF 424m) recognized in the income statement, primarily related to credit-impaired positions. Additionally, there were USD 140m (CHF 111m) in other allowance and provision movements without credit loss expenses/ releases impact, mainly from write-offs and other movements that did not affect the credit loss expenses/ releases in the income statement.

The 2025 net credit loss releases of USD 535m (CHF 424m) mainly reflect a release from a loan to a subsidiary, following a capital injection and a related impairment recognized in *Impairments of investments in subsidiaries and other participations*.

› Refer to Note 4 for more information

Note 13a Allowances for credit losses

Allowances for credit losses

	Balance as of 31.12.24	Increase recognized in the income statement	Release recognized in the income statement	Write-offs	Recoveries and past due interest	Reclassifications / other	Foreign currency translation	Balance as of 31.12.25
<i>USD m</i>								
Default risk relating to on-balance sheet exposures	1,762	193	(778)	(150)	70	0	(31)	1,066
<i>of which: incurred credit losses</i>	1,504	193	(750)	(150)	70	0	(19)	848
<i>of which: expected credit losses</i>	258	0	(28)	0	0	0	(12)	218
Other	6	0	(6)	0	0	0	0	0
Total allowances	1,768	193	(784)	(150)	70	0	(31)	1,066

Allowances for credit losses

	Balance as of 31.12.24	Effect of translating opening balance at closing rate ¹	Increase recognized in the income statement	Release recognized in the income statement	Write-offs	Recoveries and past due interest	Reclassifications / other	Foreign currency translation	Balance as of 31.12.25
<i>CHF m</i>									
Default risk relating to on-balance sheet exposures	1,600	(204)	153	(617)	(119)	56	0	(24)	846
<i>of which: incurred credit losses</i>	1,366	(174)	153	(595)	(119)	56	0	(15)	673
<i>of which: expected credit losses</i>	235	(31)	0	(22)	0	0	0	(9)	173
Other	6	0	0	(6)	0	0	0	0	0
Total allowances	1,606	(204)	153	(623)	(119)	56	0	(24)	846

¹ Refer to "Presentation currencies" in Note 2a for more information.

Note 13b Provisions

Provisions

	Balance as of 31.12.24	Increase recognized in the income statement	Release recognized in the income statement	Provisions used in conformity with designated purpose	Recoveries	Reclassifications / other	Foreign currency translation	Balance as of 31.12.25
<i>USD m</i>								
Default risk related to off-balance sheet items and credit lines	134	50	0	0	0	0	(29)	154
<i>of which: incurred credit losses</i>	16	26	0	0	0	0	(11)	30
<i>of which: expected credit losses</i>	118	24	0	0	0	0	(18)	124
Litigation, regulatory and similar matters ¹	2,492	650	(525)	(1,868)	1	2	177	929
Restructuring	107	348	(55)	(302)	0	122 ²	13	233
Real estate ³	191	8	(2)	(41)	0	31 ²	30	217
Employee benefits	47	8	(13)	(8)	0	0	5	40
Deferred taxes	61	0	(11)	0	0	66 ⁴	0	116
Other	70	78	(27)	(63)	0	0	3	61
Total provisions	3,101	1,143	(632)	(2,282)	1	222	200	1,751

¹ Refer to "Note 17 Provisions and contingent liabilities" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information. ² Includes provisions transferred to UBS AG. ³ Includes provisions for onerous contracts of USD 79m as of 31 December 2025 (31 December 2024: USD 87m) and reinstatement cost provisions for leasehold improvements of USD 138m as of 31 December 2025 (31 December 2024: USD 103m). ⁴ Includes a USD 61m deferred tax liability resulting from the transfer of the Credit Suisse International pension scheme to UBS AG. Refer to Note 23 for more information.

Provisions

	Balance as of 31.12.24	Effect of translating opening balance at closing rate ¹	Increase recognized in the income statement	Release recognized in the income statement	Provisions used in conformity with designated purpose	Recoveries	Reclassifications / other	Foreign currency translation	Balance as of 31.12.25
<i>CHF m</i>									
Default risk related to off-balance sheet items and credit lines	122	(16)	40	0	0	0	0	(23)	122
<i>of which: incurred credit losses</i>	15	(2)	20	0	0	0	0	(8)	24
<i>of which: expected credit losses</i>	107	(13)	19	0	0	0	0	(14)	98
Litigation, regulatory and similar matters ²	2,263	(287)	515	(416)	(1,481)	1	2	141	737
Restructuring	97	(12)	276	(43)	(240)	0	97 ³	10	185
Real estate ⁴	173	(22)	7	(2)	(33)	0	25 ³	24	172
Employee benefits	43	(5)	7	(10)	(6)	0	0	4	32
Deferred taxes	55	(7)	0	(8)	0	0	52 ⁵	0	92
Other	63	(8)	62	(21)	(50)	0	0	3	49
Total provisions	2,816	(358)	906	(501)	(1,810)	1	176	158	1,388

¹ Refer to "Presentation currencies" in Note 2a for more information. ² Refer to "Note 17 Provisions and contingent liabilities" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information. ³ Includes provisions transferred to UBS AG. ⁴ Includes provisions for onerous contracts of CHF 63m as of 31 December 2025 (31 December 2024: CHF 79m) and reinstatement cost provisions for leasehold improvements of CHF 109m as of 31 December 2025 (31 December 2024: CHF 94m). ⁵ Includes a CHF 48m deferred tax liability resulting from the transfer of the Credit Suisse International pension scheme to UBS AG. Refer to Note 23 for more information.

Note 13c Development of allowances and provisions for credit losses

Development of allowances and provisions for credit losses

<i>USD m</i>	Total	Stage 1	Stage 2	Stage 3
Balance as of 31 December 2024	(1,896)	(226)	(150)	(1,520)
Net movement from new and derecognized transactions ¹	(10)	(9)	6	(6)
<i>of which: Large corporate clients</i>	(12)	(11)	(1)	0
Remeasurements with stage transfers ²	586	21	(40)	604
<i>of which: Large corporate clients</i>	(81)	20	(36)	(65)
<i>of which: Other</i>	669	0	0	669
Remeasurements without stage transfers ³	(47)	(2)	21	(66)
<i>of which: Large corporate clients</i>	(44)	(6)	1	(39)
Model changes ⁴	6	(1)	7	0
Total ECL allowance movements with profit or loss impact	535	9	(6)	533
Movements without profit or loss impact (write-off, FX and other)⁵	140	(3)	34	109
Balance as of 31 December 2025	(1,221)	(221)	(121)	(879)

¹ Represents the increase and decrease in allowances and provisions resulting from financial instruments (including guarantees and facilities) that were newly originated, purchased or renewed and from the final derecognition of loans or facilities on their maturity date or earlier. ² Represents the remeasurement between 12-month and lifetime ECL due to stage transfers. ³ Represents the change in allowances and provisions related to changes in model inputs or assumptions, including changes in forward-looking macroeconomic conditions, changes in the exposure profile, PD and LGD changes, and unwinding of the time value. ⁴ Represents the change in the allowances and provisions related to changes in models and methodologies. ⁵ Represents the decrease in allowances and provisions resulting from write-offs of the ECL allowance against the gross carrying amount when all or part of a financial asset is deemed uncollectible or forgiven and movements in foreign exchange rates.

Development of allowances and provisions for credit losses

<i>CHF m</i>	Total	Stage 1	Stage 2	Stage 3
Balance as of 31 December 2024	(1,722)	(205)	(136)	(1,380)
Effect of translating opening balance at closing rate ¹	219	26	17	175
Net movement from new and derecognized transactions ²	(8)	(7)	5	(5)
<i>of which: Large corporate clients</i>	(9)	(8)	0	0
Remeasurements with stage transfers ³	464	17	(32)	479
<i>of which: Large corporate clients</i>	(64)	16	(29)	(51)
<i>of which: Other</i>	530	0	0	530
Remeasurements without stage transfers ⁴	(37)	(2)	17	(52)
<i>of which: Large corporate clients</i>	(35)	(5)	1	(31)
Model changes ⁵	5	(1)	6	0
Total ECL allowance movements with profit or loss impact	424	7	(5)	422
Movements without profit or loss impact (write-off, FX and other)⁶	111	(3)	27	86
Balance as of 31 December 2025	(968)	(175)	(96)	(697)

¹ Refer to "Presentation currencies" in Note 2a for more information. ² Represents the increase and decrease in allowances and provisions resulting from financial instruments (including guarantees and facilities) that were newly originated, purchased or renewed and from the final derecognition of loans or facilities on their maturity date or earlier. ³ Represents the remeasurement between 12-month and lifetime ECL due to stage transfers. ⁴ Represents the change in allowances and provisions related to changes in model inputs or assumptions, including changes in forward-looking macroeconomic conditions, changes in the exposure profile, PD and LGD changes, and unwinding of the time value. ⁵ Represents the change in the allowances and provisions related to changes in models and methodologies. ⁶ Represents the decrease in allowances and provisions resulting from write-offs of the ECL allowance against the gross carrying amount when all or part of a financial asset is deemed uncollectible or forgiven and movements in foreign exchange rates.

Note 13c Development of allowances and provisions for credit losses (continued)

Development of allowances and provisions for credit losses

<i>USD m</i>	Total	Stage 1	Stage 2	Stage 3
Balance as of 31 December 2023	(294)	(133)	(41)	(120)
Balance recognized upon the merger with Credit Suisse AG as of 1.1.24	(1,551)	(165)	(48)	(1,338)
Net movement from new and derecognized transactions ¹	66	88	(31)	10
of which: Large corporate clients	69	90	(31)	10
Remeasurements with stage transfers ²	(210)	4	(1)	(213)
of which: Large corporate clients	(116)	4	(2)	(118)
Remeasurements without stage transfers ³	(10)	10	3	(23)
of which: Large corporate clients	(23)	12	8	(43)
Model changes ⁴	(52)	(17)	(34)	0
Total ECL allowance movements with profit or loss impact	(206)	84	(64)	(226)
Movements without profit or loss impact (write-off, FX and other) ⁵	155	(12)	3	164
Balance as of 31 December 2024	(1,896)	(226)	(150)	(1,520)

¹ Represents the increase and decrease in allowances and provisions resulting from financial instruments (including guarantees and facilities) that were newly originated, purchased or renewed and from the final derecognition of loans or facilities on their maturity date or earlier. ² Represents the remeasurement between 12-month and lifetime ECL due to stage transfers. ³ Represents the change in allowances and provisions related to changes in model inputs or assumptions, including changes in forward-looking macroeconomic conditions, changes in the exposure profile, PD and LGD changes, and unwinding of the time value. ⁴ Represents the change in the allowances and provisions related to changes in models and methodologies. ⁵ Represents the decrease in allowances and provisions resulting from write-offs of the ECL allowance against the gross carrying amount when all or part of a financial asset is deemed uncollectible or forgiven and movements in foreign exchange rates.

Development of allowances and provisions for credit losses

<i>CHF m</i>	Total	Stage 1	Stage 2	Stage 3
Balance as of 31 December 2023	(247)	(112)	(34)	(101)
Balance recognized upon the merger with Credit Suisse AG as of 1.1.24	(1,305)	(139)	(40)	(1,126)
Net movement from new and derecognized transactions ¹	58	76	(27)	8
of which: Large corporate clients	60	78	(27)	8
Remeasurements with stage transfers ²	(183)	3	(1)	(185)
of which: Large corporate clients	(101)	3	(2)	(102)
Remeasurements without stage transfers ³	(9)	9	3	(20)
of which: Large corporate clients	(20)	10	7	(38)
Model changes ⁴	(45)	(15)	(30)	0
Total ECL allowance movements with profit or loss impact	(179)	73	(55)	(196)
Movements without profit or loss impact (write-off, FX and other) ⁵	9	(27)	(6)	43
Balance as of 31 December 2024	(1,722)	(205)	(136)	(1,380)

¹ Represents the increase and decrease in allowances and provisions resulting from financial instruments (including guarantees and facilities) that were newly originated, purchased or renewed and from the final derecognition of loans or facilities on their maturity date or earlier. ² Represents the remeasurement between 12-month and lifetime ECL due to stage transfers. ³ Represents the change in allowances and provisions related to changes in model inputs or assumptions, including changes in forward-looking macroeconomic conditions, changes in the exposure profile, PD and LGD changes, and unwinding of the time value. ⁴ Represents the change in the allowances and provisions related to changes in models and methodologies. ⁵ Represents the decrease in allowances and provisions resulting from write-offs of the ECL allowance against the gross carrying amount when all or part of a financial asset is deemed uncollectible or forgiven and movements in foreign exchange rates.

Note 13d Balance sheet and off-balance sheet positions subject to expected credit losses

The tables below provide information about ECL exposures, allowances and provisions for financial instruments and certain non-financial instruments that are subject to ECL.

Balance sheet and off-balance sheet positions subject to expected credit losses

USD m									
31.12.25									
Financial instruments measured at amortized cost	Carrying amount ¹				ECL allowances				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	
Cash and balances at central banks	68,630	68,630	0	0	0	0	0	0	0
Due from banks	102,570	102,570	0	0	(14)	(14)	0	0	
Receivables from securities financing transactions	90,565	90,565	0	0	(1)	(1)	0	0	
Due from customers	160,471	156,682	2,988	801	(1,009)	(116)	(65)	(827)	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	45,085	45,085	0	0	(20)	(20)	0	0	
Mortgage loans	8,695	8,315	70	310	(20)	(1)	0	(19)	
Accrued income and prepaid expenses ²	2,635	2,627	8	1	0	0	0	0	
Other assets ³	1,688	1,678	10	0	(2)	0	0	(2)	
Total on-balance sheet financial assets within the scope of ECL	480,340	476,152	3,075	1,112	(1,066)	(153)	(65)	(848)	

Off-balance sheet (within the scope of ECL)	Total exposure				ECL provisions			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Contingent liabilities, gross	45,623	45,434	169	20	(7)	(2)	0	(4)
Irrevocable commitments, gross	43,644	40,044	3,474	127	(144)	(63)	(56)	(26)
Forward starting transactions (securities financing transactions) ⁴	10,750	10,750	0	0	0	0	0	0
Credit lines	38,728	38,682	40	6	(3)	(3)	0	0
Irrevocable committed prolongation of existing loans	1,487	1,487	0	0	0	0	0	0
Total off-balance sheet financial instruments and credit lines within the scope of ECL	140,232	136,396	3,684	152	(154)	(68)	(56)	(30)
Total allowances and provisions					(1,221)	(221)	(121)	(879)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Includes components of accrued interest assets within the scope of ECL. ³ Includes components of other receivables due from UBS Group AG and subsidiaries in the UBS Group and other assets within the scope of ECL. Refer to Note 17a for more information. ⁴ Includes forward starting reverse repurchase agreements within the scope of ECL.

Balance sheet and off-balance sheet positions subject to expected credit losses

CHF m									
31.12.25									
Financial instruments measured at amortized cost	Carrying amount ¹				ECL allowances				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	
Cash and balances at central banks	54,418	54,418	0	0	0	0	0	0	
Due from banks	81,330	81,330	0	0	(11)	(11)	0	0	
Receivables from securities financing transactions	71,811	71,811	0	0	(1)	(1)	0	0	
Due from customers	127,241	124,236	2,370	635	(800)	(92)	(52)	(656)	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	35,749	35,749	0	0	(16)	(16)	0	0	
Mortgage loans	6,894	6,593	55	246	(16)	(1)	0	(15)	
Accrued income and prepaid expenses ²	2,090	2,083	6	1	0	0	0	0	
Other assets ³	1,338	1,330	8	0	(2)	0	0	(2)	
Total on-balance sheet financial assets within the scope of ECL	380,871	377,551	2,438	882	(846)	(121)	(52)	(673)	

Off-balance sheet (within the scope of ECL)	Total exposure				ECL provisions			
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3
Contingent liabilities, gross	36,176	36,025	134	16	(5)	(2)	0	(3)
Irrevocable commitments, gross	34,606	31,751	2,755	101	(115)	(50)	(44)	(21)
Forward starting transactions (securities financing transactions) ⁴	8,524	8,524	0	0	0	0	0	0
Credit lines	30,708	30,672	32	5	(3)	(2)	0	0
Irrevocable committed prolongation of existing loans	1,179	1,179	0	0	0	0	0	0
Total off-balance sheet financial instruments and credit lines within the scope of ECL	111,193	108,151	2,921	121	(122)	(54)	(44)	(24)
Total allowances and provisions					(968)	(175)	(96)	(697)

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Includes components of accrued interest assets within the scope of ECL. ³ Includes components of other receivables due from UBS Group AG and subsidiaries in the UBS Group and other assets within the scope of ECL. Refer to Note 17a for more information. ⁴ Includes forward starting reverse repurchase agreements within the scope of ECL.

Note 13d Balance sheet and off-balance sheet positions subject to expected credit losses (continued)

Balance sheet and off-balance sheet positions subject to expected credit losses

USD m	31.12.24								
	Carrying amount ¹				ECL allowances				
Financial instruments measured at amortized cost	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	
Cash and balances at central banks	69,614	69,614	0	0	0	0	0	0	0
Due from banks	96,243	96,164	79	0	(14)	(14)	(1)	0	
Receivables from securities financing transactions	117,338	117,338	0	0	(2)	(2)	0	0	
Due from customers	148,955	143,834	3,288	1,833	(1,710)	(106)	(108)	(1,496)	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	43,652	43,652	0	0	(23)	(23)	0	0	
Mortgage loans	8,438	7,880	356	201	(7)	(2)	(1)	(4)	
Accrued income and prepaid expenses	3,091	3,081	10	0	0	0	0	0	
Other assets ²	2,172	2,170	0	2	(5)	(1)	0	(4)	
Total on-balance sheet financial assets within the scope of ECL	489,504	483,734	3,733	2,037	(1,762)	(148)	(109)	(1,504)	

Off-balance sheet (within the scope of ECL)	Total exposure				ECL provisions				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	
Contingent liabilities, gross	34,989	34,799	147	43	(7)	(4)	0	(3)	
Irrevocable commitments, gross	44,469	40,818	3,526	125	(128)	(74)	(40)	(14)	
Forward starting transactions (securities financing transactions) ³	22,954	22,954	0	0	0	0	0	0	
Credit lines	39,291	39,239	46	6	0	0	0	0	
Irrevocable committed prolongation of existing loans	245	245	0	0	0	0	0	0	
Total off-balance sheet financial instruments and credit lines within the scope of ECL	141,947	138,055	3,718	173	(134)	(78)	(40)	(16)	
Total allowances and provisions					(1,896)	(226)	(150)	(1,520)	

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Includes components of other receivables due from UBS Group AG and subsidiaries in the UBS Group and other assets within the scope of ECL. Refer to Note 17a for more information. ³ Includes forward starting reverse repurchase agreements within the scope of ECL.

Balance sheet and off-balance sheet positions subject to expected credit losses

CHF m	31.12.24								
	Carrying amount ¹				ECL allowances				
Financial instruments measured at amortized cost	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	
Cash and balances at central banks	63,217	63,217	0	0	0	0	0	0	0
Due from banks	87,399	87,327	71	0	(13)	(12)	(1)	0	
Receivables from securities financing transactions	106,555	106,555	0	0	(2)	(2)	0	0	
Due from customers	135,266	130,616	2,985	1,664	(1,553)	(96)	(98)	(1,358)	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	39,640	39,640	0	0	(21)	(21)	0	0	
Mortgage loans	7,662	7,156	324	183	(6)	(2)	(1)	(4)	
Accrued income and prepaid expenses	2,807	2,798	9	0	0	0	0	0	
Other assets ²	1,972	1,970	0	2	(4)	(1)	0	(3)	
Total on-balance sheet financial assets within the scope of ECL	444,518	439,279	3,390	1,849	(1,600)	(134)	(100)	(1,366)	

Off-balance sheet (within the scope of ECL)	Total exposure				ECL provisions				
	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	
Contingent liabilities, gross	31,773	31,601	134	39	(6)	(4)	0	(2)	
Irrevocable commitments, gross	40,382	37,067	3,202	113	(116)	(67)	(37)	(12)	
Forward starting transactions (securities financing transactions) ³	20,844	20,844	0	0	0	0	0	0	
Credit lines	35,680	35,633	41	5	0	0	0	0	
Irrevocable committed prolongation of existing loans	222	222	0	0	0	0	0	0	
Total off-balance sheet financial instruments and credit lines within the scope of ECL	128,901	125,367	3,377	157	(122)	(71)	(36)	(15)	
Total allowances and provisions					(1,722)	(205)	(136)	(1,380)	

¹ The carrying amount of financial assets measured at amortized cost represents the total gross exposure net of the respective ECL allowances. ² Includes components of other receivables due from UBS Group AG and subsidiaries in the UBS Group and other assets within the scope of ECL. Refer to Note 17a for more information. ³ Includes forward starting reverse repurchase agreements within the scope of ECL.

Note 13e Financial assets subject to credit risk, by rating category

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification.

Financial assets subject to credit risk, by rating category

USD m		31.12.25								
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total gross carrying amount	ECL allowances	Net carrying amount (maximum exposure to credit risk)	
Financial instruments measured at amortized cost										
Cash and balances at central banks	68,386	217	27	0	0	0	68,630	0	68,630	
of which: stage 1	68,386	217	27	0	0	0	68,630	0	68,630	
Due from banks	4,842	90,856	2,511	4,068	308	0	102,584	(14)	102,570	
of which: stage 1	4,842	90,856	2,511	4,068	308	0	102,584	(14)	102,570	
Receivables from securities financing transactions	23,248	24,013	10,212	32,092	1,001	0	90,566	(1)	90,565	
of which: stage 1	23,248	24,013	10,212	32,092	1,001	0	90,566	(1)	90,565	
Due from customers	4,756	45,792	14,722	78,988	15,594	1,628	161,480	(1,009)	160,471	
of which: stage 1	4,756	45,755	14,269	78,366	13,651	0	156,798	(116)	156,682	
of which: stage 2	0	37	452	621	1,943	0	3,054	(65)	2,988	
of which: stage 3	0	0	0	0	0	1,628	1,628	(827)	801	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	0	45,106	0	0	0	0	45,106	(20)	45,085	
of which: stage 1	0	45,106	0	0	0	0	45,106	(20)	45,085	
Mortgage loans	1	299	1,626	5,652	807	329	8,715	(20)	8,695	
of which: stage 1	1	295	1,622	5,606	792	0	8,316	(1)	8,315	
of which: stage 2	0	4	5	47	15	0	70	0	70	
of which: stage 3	0	0	0	0	0	329	329	(19)	310	
Accrued income and prepaid expenses	175	1,177	164	1,033	86	1	2,635	0	2,635	
of which: stage 1	175	1,177	159	1,033	84	0	2,627	0	2,627	
of which: stage 2	0	0	5	0	2	0	8	0	8	
of which: stage 3	0	0	0	0	0	1	1	0	1	
Other assets	50	585	37	1,005	10	2	1,690	(2)	1,688	
of which: stage 1	50	578	37	1,003	10	0	1,678	0	1,678	
of which: stage 2	0	7	0	2	0	0	10	0	10	
of which: stage 3	0	0	0	0	0	2	2	(2)	0	
Total in scope of ECL assets / ECL amounts by stages	101,459	208,045	29,299	122,838	17,805	1,960	481,406	(1,066)	480,340	

Off-balance sheet positions and credit lines subject to expected credit loss, by rating category

USD m		31.12.25								
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total off-balance sheet exposure (maximum exposure to credit risk)	ECL provisions		
Off-balance sheet (within the scope of ECL)										
Contingent liabilities, gross	25,709	7,812	363	2,222	9,496	20	45,623	(7)		
of which: stage 1	25,709	7,812	343	2,194	9,376	0	45,434	(2)		
of which: stage 2	0	0	20	28	120	0	169	0		
of which: stage 3	0	0	0	0	0	20	20	(4)		
Irrevocable commitments, gross	468	8,642	9,990	6,736	17,681	127	43,644	(144)		
of which: stage 1	468	8,477	9,930	6,664	14,505	0	40,044	(63)		
of which: stage 2	0	165	60	73	3,176	0	3,474	(56)		
of which: stage 3	0	0	0	0	0	127	127	(26)		
Forward starting transactions (securities financing transactions)	0	2,050	13	8,687	0	0	10,750	0		
of which: stage 1	0	2,050	13	8,687	0	0	10,750	0		
Credit lines	6	33,601	814	4,217	85	6	38,728	(3)		
of which: stage 1	6	33,584	807	4,217	69	0	38,682	(3)		
of which: stage 2	0	17	7	0	16	0	40	0		
of which: stage 3	0	0	0	0	0	6	6	0		
Irrevocable committed prolongation of existing loans	0	1,483	0	3	0	0	1,487	0		
of which: stage 1	0	1,483	0	3	0	0	1,487	0		
Total off-balance sheet financial instruments and credit lines	26,182	53,587	11,181	21,866	27,263	152	140,232	(154)		

Note 13e Financial assets subject to credit risk, by rating category (continued)

Financial assets subject to credit risk, by rating category

CHF m		31.12.25							
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total gross carrying amount	ECL allowances	Net carrying amount (maximum exposure to credit risk)
Financial instruments measured at amortized cost									
Cash and balances at central banks	54,225	172	21	0	0	0	54,418	0	54,418
of which: stage 1	54,225	172	21	0	0	0	54,418	0	54,418
Due from banks	3,840	72,041	1,991	3,225	244	0	81,341	(11)	81,330
of which: stage 1	3,840	72,041	1,991	3,225	244	0	81,341	(11)	81,330
Receivables from securities financing transactions	18,434	19,040	8,097	25,446	794	0	71,811	(1)	71,811
of which: stage 1	18,434	19,040	8,097	25,446	794	0	71,811	(1)	71,811
Due from customers	3,771	36,310	11,673	62,631	12,365	1,291	128,041	(800)	127,241
of which: stage 1	3,771	36,280	11,314	62,138	10,824	0	124,328	(92)	124,236
of which: stage 2	0	30	359	493	1,540	0	2,421	(52)	2,370
of which: stage 3	0	0	0	0	0	1,291	1,291	(656)	635
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	0	35,765	0	0	0	0	35,765	(16)	35,749
of which: stage 1	0	35,765	0	0	0	0	35,765	(16)	35,749
Mortgage loans	1	237	1,289	4,482	640	261	6,910	(16)	6,894
of which: stage 1	1	234	1,286	4,445	628	0	6,594	(1)	6,593
of which: stage 2	0	3	4	37	12	0	55	0	55
of which: stage 3	0	0	0	0	0	261	261	(15)	246
Accrued income and prepaid expenses	139	933	130	819	68	1	2,090	0	2,090
of which: stage 1	139	933	126	819	66	0	2,083	0	2,083
of which: stage 2	0	0	4	0	2	0	6	0	6
of which: stage 3	0	0	0	0	0	1	1	0	1
Other assets	39	464	30	797	8	2	1,340	(2)	1,338
of which: stage 1	39	458	30	796	8	0	1,330	0	1,330
of which: stage 2	0	6	0	2	0	0	8	0	8
of which: stage 3	0	0	0	0	0	2	2	(2)	0
Total in scope of ECL assets / ECL amounts by stages	80,449	164,963	23,232	97,401	14,118	1,554	381,717	(846)	380,871

Off-balance sheet positions and credit lines subject to expected credit loss, by rating category

CHF m		31.12.25							
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total off-balance sheet exposure (maximum exposure to credit risk)	ECL provisions	
Off-balance sheet (within the scope of ECL)									
Contingent liabilities, gross	20,385	6,195	288	1,762	7,530	16	36,176	(5)	
of which: stage 1	20,385	6,194	272	1,740	7,434	0	36,025	(2)	
of which: stage 2	0	0	16	22	96	0	134	0	
of which: stage 3	0	0	0	0	0	16	16	(3)	
Irrevocable commitments, gross	371	6,852	7,922	5,341	14,020	101	34,606	(115)	
of which: stage 1	371	6,721	7,874	5,284	11,502	0	31,751	(50)	
of which: stage 2	0	131	48	58	2,518	0	2,755	(44)	
of which: stage 3	0	0	0	0	0	101	101	(21)	
Forward starting transactions (securities financing transactions)	0	1,625	10	6,888	0	0	8,524	0	
of which: stage 1	0	1,625	10	6,888	0	0	8,524	0	
Credit lines	4	26,643	646	3,344	67	5	30,708	(3)	
of which: stage 1	4	26,629	640	3,344	54	0	30,672	(2)	
of which: stage 2	0	13	6	0	13	0	32	0	
of which: stage 3	0	0	0	0	0	5	5	0	
Irrevocable committed prolongation of existing loans	0	1,176	0	3	0	0	1,179	0	
of which: stage 1	0	1,176	0	3	0	0	1,179	0	
Total off-balance sheet financial instruments and credit lines	20,760	42,490	8,866	17,338	21,617	121	111,193	(122)	

- Refer to "Note 9 Financial assets at amortized cost and other positions in scope of expected credit loss measurement" and "Note 19 Expected credit loss measurement" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information about ECL in accordance with IFRS Accounting Standards

Note 13e Financial assets subject to credit risk, by rating category (continued)

Financial assets subject to credit risk, by rating category

USD m							31.12.24			
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total gross carrying amount	ECL allowances	Net carrying amount (maximum exposure to credit risk)	
Financial instruments measured at amortized cost										
Cash and balances at central banks	69,375	216	23	0	0	0	69,614	0	69,614	
of which: stage 1	69,375	216	23	0	0	0	69,614	0	69,614	
Due from banks	10,103	82,957	1,501	1,572	124	0	96,257	(14)	96,243	
of which: stage 1	10,103	82,957	1,483	1,570	65	0	96,178	(14)	96,164	
of which: stage 2	0	0	18	2	59	0	79	(1)	79	
Receivables from securities financing transactions	50,251	23,557	12,213	29,796	1,523	0	117,340	(2)	117,338	
of which: stage 1	50,251	23,557	12,213	29,796	1,523	0	117,340	(2)	117,338	
Due from customers	5,426	52,373	18,111	64,292	7,136	3,326	150,665	(1,710)	148,955	
of which: stage 1	5,426	52,252	17,718	63,125	5,419	0	143,940	(106)	143,834	
of which: stage 2	0	121	392	1,167	1,715	0	3,396	(108)	3,288	
of which: stage 3	0	0	0	0	2	3,326	3,329	(1,496)	1,833	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	0	43,675	0	0	0	0	43,675	(23)	43,652	
of which: stage 1	0	43,675	0	0	0	0	43,675	(23)	43,652	
Mortgage loans	2	599	1,653	4,518	1,468	206	8,446	(7)	8,438	
of which: stage 1	2	582	1,628	4,309	1,362	0	7,883	(2)	7,880	
of which: stage 2	0	17	25	209	106	0	357	(1)	356	
of which: stage 3	0	0	0	0	0	206	206	(4)	201	
Accrued income and prepaid expenses	373	1,512	296	839	72	0	3,091	0	3,091	
of which: stage 1	373	1,512	290	838	69	0	3,081	0	3,081	
of which: stage 2	0	0	6	1	3	0	10	0	10	
Other assets	348	416	41	1,349	16	6	2,177	(5)	2,172	
of which: stage 1	348	416	41	1,349	16	0	2,170	(1)	2,170	
of which: stage 3	0	0	0	0	0	6	6	(4)	2	
Total in scope of ECL assets / ECL amounts by stages	135,879	205,306	33,837	102,366	10,339	3,538	491,265	(1,762)	489,504	

Off-balance sheet positions and credit lines subject to expected credit loss, by rating category

USD m							31.12.24			
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total carrying amount (maximum exposure to credit risk)	ECL provision		
Off-balance sheet (in scope of ECL)										
Contingent liabilities, gross	16,706	12,865	3,204	1,486	684	43	34,989	(7)		
of which: stage 1	16,706	12,862	3,195	1,471	564	0	34,799	(4)		
of which: stage 2	0	3	9	16	120	0	147	0		
of which: stage 3	0	0	0	0	0	43	43	(3)		
Irrevocable commitments, gross	1,447	10,520	10,045	7,549	14,827	82	44,469	(128)		
of which: stage 1	1,447	10,354	9,889	7,320	11,808	0	40,818	(74)		
of which: stage 2	0	165	156	229	2,975	0	3,526	(40)		
of which: stage 3	0	0	0	0	43	82	125	(14)		
Forward starting transactions (securities financing transactions)	0	0	0	22,954	0	0	22,954	0		
of which: stage 1	0	0	0	22,954	0	0	22,954	0		
Credit lines	7	34,857	784	3,522	115	6	39,291	0		
of which: stage 1	7	34,838	776	3,522	96	0	39,239	0		
of which: stage 2	0	19	8	0	18	0	46	0		
of which: stage 3	0	0	0	0	0	6	6	0		
Irrevocable committed prolongation of existing loans	0	245	0	0	0	0	245	0		
of which: stage 1	0	245	0	0	0	0	245	0		
Total off-balance sheet financial instruments and credit lines	18,160	58,486	14,033	35,511	15,626	130	141,947	(134)		

Note 13e Financial assets subject to credit risk, by rating category (continued)

Financial assets subject to credit risk, by rating category

CHF m		31.12.24								Net carrying amount (maximum exposure to credit risk)
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total gross carrying amount	ECL allowances		
Financial instruments measured at amortized cost										
Cash and balances at central banks	62,999	196	21	0	0	0	63,217	0	63,217	
of which: stage 1	62,999	196	21	0	0	0	63,217	0	63,217	
Due from banks	9,175	75,334	1,363	1,427	112	0	87,411	(13)	87,399	
of which: stage 1	9,175	75,334	1,347	1,426	58	0	87,339	(12)	87,327	
of which: stage 2	0	0	17	2	54	0	72	(1)	71	
Receivables from securities financing transactions	45,633	21,392	11,090	27,058	1,383	0	106,557	(2)	106,555	
of which: stage 1	45,633	21,392	11,090	27,058	1,383	0	106,557	(2)	106,555	
Due from customers	4,928	47,560	16,446	58,384	6,481	3,020	136,818	(1,553)	135,266	
of which: stage 1	4,928	47,450	16,090	57,324	4,921	0	130,712	(96)	130,616	
of which: stage 2	0	110	356	1,059	1,558	0	3,084	(98)	2,985	
of which: stage 3	0	0	0	0	2	3,020	3,023	(1,358)	1,664	
Funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity	0	39,662	0	0	0	0	39,662	(21)	39,640	
of which: stage 1	0	39,662	0	0	0	0	39,662	(21)	39,640	
Mortgage loans	2	544	1,501	4,102	1,333	187	7,669	(6)	7,662	
of which: stage 1	2	528	1,478	3,913	1,237	0	7,159	(2)	7,156	
of which: stage 2	0	16	23	189	96	0	324	(1)	324	
of which: stage 3	0	0	0	0	0	187	187	(4)	183	
Accrued income and prepaid expenses	338	1,373	269	762	65	0	2,807	0	2,807	
of which: stage 1	338	1,373	263	761	63	0	2,798	0	2,798	
of which: stage 2	0	0	5	1	2	0	9	0	9	
Other assets	316	378	37	1,225	14	6	1,977	(4)	1,972	
of which: stage 1	316	378	37	1,225	14	0	1,971	(1)	1,970	
of which: stage 3	0	0	0	0	0	6	6	(3)	2	
Total in scope of ECL assets / ECL amounts by stages	123,392	186,439	30,727	92,959	9,388	3,213	446,118	(1,600)	444,518	

Off-balance sheet positions and credit lines subject to expected credit loss, by rating category

CHF m		31.12.24								
Rating category	0-1	2-3	4-5	6-8	9-13	Credit-impaired (defaulted)	Total carrying amount (maximum exposure to credit risk)	ECL provision		
Off-balance sheet (in scope of ECL)										
Contingent liabilities, gross	15,171	11,683	2,910	1,350	621	39	31,773	(6)		
of which: stage 1	15,171	11,680	2,902	1,336	513	0	31,601	(4)		
of which: stage 2	0	3	8	14	109	0	134	0		
of which: stage 3	0	0	0	0	0	39	39	(2)		
Irrevocable commitments, gross	1,314	9,553	9,122	6,855	13,464	74	40,382	(116)		
of which: stage 1	1,314	9,403	8,980	6,647	10,723	0	37,067	(67)		
of which: stage 2	0	150	141	208	2,702	0	3,202	(37)		
of which: stage 3	0	0	0	0	39	74	113	(12)		
Forward starting transactions (securities financing transactions)	0	0	0	20,844	0	0	20,844	0		
of which: stage 1	0	0	0	20,844	0	0	20,844	0		
Credit lines	6	31,654	712	3,198	104	5	35,680	0		
of which: stage 1	6	31,637	705	3,198	88	0	35,633	0		
of which: stage 2	0	17	7	0	17	0	41	0		
of which: stage 3	0	0	0	0	0	5	5	0		
Irrevocable committed prolongation of existing loans	0	222	0	0	0	0	222	0		
of which: stage 1	0	222	0	0	0	0	222	0		
Total off-balance sheet financial instruments and credit lines	16,491	53,111	12,744	32,248	14,190	118	128,901	(122)		

Note 14 Trading portfolio and other financial instruments measured at fair value

Trading portfolio and other financial instruments measured at fair value

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Assets				
Trading portfolio assets	162,706	148,686	129,013	135,022
<i>of which: debt instruments¹</i>	32,795	30,308	26,004	27,523
<i>of which: listed</i>	28,458	21,960	22,565	19,942
<i>of which: equity instruments</i>	119,796	113,185	94,988	102,783
<i>of which: precious metals and other physical commodities</i>	10,116	5,193	8,021	4,715
Total assets measured at fair value	162,706	148,686	129,013	135,022
<i>of which: fair value derived using a valuation model</i>	29,314	27,939	23,243	25,371
<i>of which: securities eligible for repurchase transactions in accordance with liquidity regulations²</i>	21,469	15,542	17,023	14,113
Liabilities				
Trading portfolio liabilities	47,268	29,316	37,480	26,622
<i>of which: debt instruments¹</i>	16,615	11,884	13,174	10,792
<i>of which: listed</i>	16,027	11,157	12,708	10,131
<i>of which: equity instruments</i>	30,654	17,431	24,306	15,829
Financial liabilities designated at fair value ³	110,126	102,901	87,321	93,444
Total liabilities measured at fair value	157,394	132,216	124,801	120,065
<i>of which: fair value derived using a valuation model</i>	123,572	112,247	97,983	101,931

¹ Includes money market paper. ² Consists of high-quality liquid debt securities that are eligible for repurchase transactions at the Swiss National Bank or other central banks. ³ Refer to Note 20 for more information.

Note 15 Derivative instruments

Derivative instruments¹

USD bn	31.12.25			31.12.24		
	Derivative financial assets	Derivative financial liabilities	Total notional values ²	Derivative financial assets	Derivative financial liabilities	Total notional values ²
Interest rate contracts						
Forwards ³	0.2	0.1	1,333	0.2	0.2	602
Swaps	27.3	21.6	20,911	32.7	25.8	15,269
<i>of which: designated in hedge accounting relationships</i>	0.0	0.0	197	0.0	0.0	197
Futures	0.0	0.0	918	0.0	0.0	802
Over-the-counter (OTC) options	11.8	13.1	2,081	11.6	13.2	1,963
Exchange-traded options	0.0	0.1	247	0.1	0.2	198
Total	39.4	34.8	25,490⁴	44.6	39.4	18,834
Foreign exchange contracts						
Forwards	18.7	18.3	3,166	37.2	32.5	2,290
<i>of which: designated in hedge accounting relationships</i>	0.0	0.0	3	0.2	0.0	3
Swaps	24.7	26.1	4,056	53.1	51.4	4,012
<i>of which: designated in hedge accounting relationships</i>	0.3	0.4	66	0.9	0.9	59
Futures	0.0	-	1	0.0	0.0	1
Over-the-counter (OTC) options	6.2	6.3	1,005	9.5	9.7	1,157
Exchange-traded options	0.0	0.0	8	0.1	0.1	9
Total	49.7	50.7	8,236	99.9	93.7	7,469
Equity contracts						
Forwards	1.1	0.9	59	0.3	0.3	30
Swaps	6.5	12.9	484	6.1	8.6	363
Futures	0.0	0.0	81	0.0	0.0	80
Over-the-counter (OTC) options	7.6	13.0	411	4.4	8.5	229
Exchange-traded options	15.1	15.6	784	13.2	12.9	778
Total	30.3	42.4	1,818	24.1	30.3	1,479
Credit derivative contracts						
Credit default swaps	3.0	3.7	155	2.4	3.0	133
Total return swaps	0.0	0.4	1	0.1	0.4	1
Other	0.7	0.0	8	0.3	0.0	4
Total	3.7	4.0	164	2.8	3.3	139
Commodity, precious metals and other contracts						
Forwards ⁵	1.5	1.5	88	0.6	0.4	78
Swaps	3.9	3.7	93	0.9	1.1	58
Futures	0.0	0.0	17	0.0	0.0	13
Over-the-counter (OTC) options	2.7	2.1	53	0.8	0.4	42
Exchange-traded options	1.0	0.6	18	0.3	0.4	9
Total	9.1	7.9	269	2.6	2.3	200
Total before netting	132.2	140.0	35,977	173.9	169.1	28,120
<i>of which: trading derivatives</i>	<i>131.8</i>	<i>139.6</i>		<i>172.9</i>	<i>168.1</i>	
<i>of which: fair value derived using a valuation model</i>	<i>131.3</i>	<i>138.9</i>		<i>171.9</i>	<i>167.2</i>	
<i>of which: derivatives designated in hedge accounting relationships</i>	<i>0.3</i>	<i>0.4</i>		<i>1.0</i>	<i>0.9</i>	
<i>of which: fair value derived using a valuation model</i>	<i>0.3</i>	<i>0.4</i>		<i>1.0</i>	<i>0.9</i>	
Netting with cash collateral payables / receivables	(17.7)	(23.1)		(20.2)	(23.4)	
Replacement value netting	(100.4)	(100.4)		(131.8)	(131.7)	
Total after netting	14.0	16.5		21.9	14.0	
<i>of which: with central clearing counterparties</i>	<i>0.5</i>	<i>0.0</i>		<i>0.6</i>	<i>0.3</i>	
<i>of which: with bank and broker-dealer counterparties</i>	<i>1.9</i>	<i>3.6</i>		<i>3.0</i>	<i>4.2</i>	
<i>of which: other client counterparties</i>	<i>11.6</i>	<i>12.9</i>		<i>18.3</i>	<i>9.5</i>	

¹ Bifurcated embedded derivatives are presented on the same balance sheet lines as their host contracts and are excluded from this table. The replacement values and related notional values of these derivatives were not material for the periods presented. ² Total notional values include USD 23.2trn (31 December 2024: USD 15.5trn) relating to derivatives that are cleared through either a central counterparty or an exchange. The fair value of these derivatives net of the corresponding cash margin was not material for any of the periods presented. ³ Includes forward rate agreements. ⁴ Notional amounts related to interest rate contracts increased by USD 6.7trn compared with 31 December 2024, mainly due to higher business volume in the Investment Bank. ⁵ Includes derivative loan commitments with notional values of USD 20bn as of 31 December 2025 (31 December 2024: USD 23bn) and negative replacement values of USD 33m (31 December 2024: USD 137m).

Note 15 Derivative instruments (continued)

Derivative instruments¹

CHF bn	31.12.25			31.12.24		
	Derivative financial assets	Derivative financial liabilities	Total notional values ²	Derivative financial assets	Derivative financial liabilities	Total notional values ²
Interest rate contracts						
Forwards ³	0.2	0.1	1,057	0.2	0.2	547
Swaps	21.7	17.1	16,581	29.7	23.4	13,865
<i>of which: designated in hedge accounting relationships</i>	0.0	0.0	156	0.0	0.0	179
Futures	0.0	0.0	728	0.0	0.0	728
Over-the-counter (OTC) options	9.3	10.4	1,650	10.6	12.0	1,782
Exchange-traded options	0.0	0.0	196	0.1	0.1	180
Total	31.2	27.6	20,212⁴	40.5	35.8	17,103
Foreign exchange contracts						
Forwards	14.9	14.5	2,511	33.8	29.5	2,080
<i>of which: designated in hedge accounting relationships</i>	0.0	0.0	3	0.1	0.0	3
Swaps	19.6	20.7	3,216	48.2	46.7	3,643
<i>of which: designated in hedge accounting relationships</i>	0.2	0.3	52	0.8	0.9	53
Futures	0.0	0.0	1	0.0	0.0	1
Over-the-counter (OTC) options	5.0	5.0	797	8.7	8.8	1,050
Exchange-traded options	0.0	0.0	6	0.1	0.1	8
Total	39.4	40.2	6,530	90.7	85.1	6,783
Equity contracts						
Forwards	0.9	0.7	46	0.3	0.3	27
Swaps	5.2	10.2	384	5.5	7.8	329
Futures	0.0	0.0	65	0.0	0.0	73
Over-the-counter (OTC) options	6.0	10.3	326	4.0	7.7	208
Exchange-traded options	11.9	12.4	621	12.0	11.7	706
Total	24.0	33.6	1,442	21.9	27.5	1,343
Credit derivative contracts						
Credit default swaps	2.3	2.9	123	2.2	2.7	121
Total return swaps	0.0	0.3	1	0.0	0.3	1
Other	0.5	0.0	7	0.3	0.0	4
Total	2.9	3.2	130	2.5	3.0	126
Commodity, precious metals and other contracts						
Forwards ⁵	1.2	1.2	70	0.5	0.3	71
Swaps	3.1	2.9	74	0.8	1.0	53
Futures	0.0	0.0	14	0.0	0.0	11
Over-the-counter (OTC) options	2.2	1.6	42	0.7	0.4	38
Exchange-traded options	0.8	0.5	14	0.3	0.4	8
Total	7.2	6.3	213	2.3	2.1	181
Total before netting	104.8	111.0	28,527	157.9	153.5	25,536
<i>of which: trading derivatives</i>	<i>104.5</i>	<i>110.7</i>		<i>157.0</i>	<i>152.7</i>	
<i>of which: fair value derived using a valuation model</i>	<i>104.1</i>	<i>110.1</i>		<i>156.1</i>	<i>151.9</i>	
<i>of which: derivatives designated in hedge accounting relationships</i>	<i>0.2</i>	<i>0.3</i>		<i>1.0</i>	<i>0.9</i>	
<i>of which: fair value derived using a valuation model</i>	<i>0.2</i>	<i>0.3</i>		<i>1.0</i>	<i>0.9</i>	
Netting with cash collateral payables / receivables	(14.0)	(18.3)		(18.4)	(21.2)	
Replacement value netting	(79.6)	(79.6)		(119.7)	(119.6)	
Total after netting	11.1	13.1		19.9	12.7	
<i>of which: with central clearing counterparties</i>	<i>0.4</i>	<i>0.0</i>		<i>0.6</i>	<i>0.2</i>	
<i>of which: with bank and broker-dealer counterparties</i>	<i>1.5</i>	<i>2.8</i>		<i>2.7</i>	<i>3.8</i>	
<i>of which: other client counterparties</i>	<i>9.2</i>	<i>10.2</i>		<i>16.6</i>	<i>8.7</i>	

¹ Bifurcated embedded derivatives are presented on the same balance sheet lines as their host contracts and are excluded from this table. The replacement values and related notional values of these derivatives were not material for the periods presented. ² Total notional values include CHF 18.4trn (31 December 2024: CHF 14.1trn) relating to derivatives that are cleared through either a central counterparty or an exchange. The fair value of these derivatives net of the corresponding cash margin was not material for any of the periods presented. ³ Includes forward rate agreements. ⁴ Notional amounts related to interest rate contracts increased by CHF 5.3trn compared with 31 December 2024, mainly due to higher business volume in the Investment Bank. ⁵ Includes derivative loan commitments with notional values of CHF 16bn as of 31 December 2025 (31 December 2024: CHF 20bn) and negative replacement values of CHF 26m (31 December 2024: CHF 125m).

Note 16a Financial investments by instrument type

Financial investments by instrument type

USD m	31.12.25		31.12.24	
	Carrying amount	Fair value	Carrying amount	Fair value
Debt instruments	52,554	52,478	38,710	38,190
<i>of which: held to maturity</i>	23,759	23,462	21,095	20,413
<i>of which: available for sale</i>	28,795	29,016	17,615	17,776
Equity instruments	70	75	1,140	1,144
<i>of which: qualified participations¹</i>	0	0	1	1
Other	0	0	0	0
Total financial investments	52,625	52,553	39,850	39,334
<i>of which: securities eligible for repurchase transactions in accordance with liquidity regulations²</i>	<i>47,310</i>	<i>47,162</i>	<i>34,381</i>	<i>33,744</i>

¹ Qualified participations are investments in which UBS AG holds 10% or more of the total capital or has at least 10% of total voting rights. ² Consists of high-quality liquid debt securities that are eligible for repurchase transactions at the Swiss National Bank or other central banks.

Financial investments by instrument type

CHF m	31.12.25		31.12.24	
	Carrying amount	Fair value	Carrying amount	Fair value
Debt instruments	41,671	41,611	35,153	34,680
<i>of which: held to maturity</i>	18,839	18,603	19,157	18,537
<i>of which: available for sale</i>	22,832	23,008	15,996	16,143
Equity instruments	56	59	1,035	1,038
<i>of which: qualified participations¹</i>	0	0	1	1
Other	0	0	0	0
Total financial investments	41,727	41,670	36,188	35,719
<i>of which: securities eligible for repurchase transactions in accordance with liquidity regulations²</i>	<i>37,513</i>	<i>37,395</i>	<i>31,221</i>	<i>30,643</i>

¹ Qualified participations are investments in which UBS AG holds 10% or more of the total capital or has at least 10% of total voting rights. ² Consists of high-quality liquid debt securities that are eligible for repurchase transactions at the Swiss National Bank or other central banks.

Note 16b Financial investments by counterparty rating – debt instruments

Financial investments by counterparty rating – debt instruments

Internal UBS rating ¹	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
0–1	23,873	25,113	18,929	22,805
2–3	28,103	13,231	22,283	12,015
4–5	579	363	459	330
6–8	0	0	0	0
9–13	0	0	0	0
Non-rated	0	3	0	3
Total financial investments	52,554	38,710	41,671	35,153

¹ Refer to Note 19 for more information.

Note 17a Other assets

Other assets

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Deferral position for hedging instruments	7,249	9,129	5,748	8,290
Deposits and collateral provided in connection with litigation, regulatory and similar matters	209	1,290	166	1,172
Fee- and commission-related receivables	190	282	151	256
Net assets for defined benefit plans	903	428	716	388
VAT, withholding tax and other tax receivables	1,217	823	965	747
Other	1,709	1,966	1,355	1,784
<i>of which: other receivables due from UBS Group AG and subsidiaries in the UBS Group</i>	<i>1,212</i>	<i>1,459</i>	<i>961</i>	<i>1,325</i>
Total other assets¹	11,478	13,918	9,101	12,638

¹ Includes components of other receivables due from UBS Group AG and subsidiaries in the UBS Group and other assets totaling USD 1,688m (CHF 1,338m) as of 31 December 2025 (USD 2,172m (CHF 1,972m) as of 31 December 2024), which are within the scope of expected credit loss accounting. Refer to Note 13d for more information.

Note 17b Other liabilities

Other liabilities

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Settlement and clearing accounts	11	401	9	364
Net defined benefit liabilities	61	61	48	55
VAT, withholding tax and other tax payables ¹	224	108	177	98
Other	2,918	4,626	2,313	4,201
<i>of which: other payables due to UBS Group AG and subsidiaries in the UBS Group</i>	<i>1,895</i>	<i>1,885</i>	<i>1,502</i>	<i>1,712</i>
Total other liabilities	3,213	5,196	2,548	4,718

¹ Excludes capital tax payables.

Note 18 Pledged assets

The table below provides information about pledged assets, other than assets placed with central banks related to undrawn credit lines and for payment, clearing and settlement purposes (31 December 2025: USD 5.4bn (CHF 4.3bn), 31 December 2024: USD 1.1bn (CHF 0.9bn)) and those pledged in connection with securities financing transactions.

› Refer to Note 11 for more information

Pledged assets

USD m	31.12.25	31.12.24
	Carrying amount of pledged assets	Carrying amount of pledged assets
Securities ¹	10,455	12,112
Property ²	0	2,025
Total pledged assets	10,455	14,137

¹ Includes securities pledged for derivative transactions, where the replacement values are managed on a portfolio basis across counterparties and product types, and therefore there is no direct relationship between the specific collateral pledged and the associated liability. ² As of 31 December 2024, these pledged properties served as collateral for a mortgage loan from UBS Switzerland AG, the carrying amount of which was USD 2,521m. As of 31 December 2025, the properties were no longer pledged following the expiry of the mortgage during 2025.

Pledged assets

CHF m	31.12.25	31.12.24
	Carrying amount of pledged assets	Carrying amount of pledged assets
Securities ¹	8,290	10,999
Property ²	0	1,839
Total pledged assets	8,290	12,838

¹ Includes securities pledged for derivative transactions, where the replacement values are managed on a portfolio basis across counterparties and product types, and therefore there is no direct relationship between the specific collateral pledged and the associated liability. ² As of 31 December 2024, these pledged properties served as collateral for a mortgage loan from UBS Switzerland AG, the carrying amount of which was CHF 2,289m. As of 31 December 2025, the properties were no longer pledged following the expiry of the mortgage during 2025.

Note 19 Country risk of total assets

The table below provides a breakdown of total non-Swiss assets by credit rating, after netting of assets and liabilities as recognized on the balance sheet but before other risk mitigants. The credit ratings reflect the sovereign credit rating of the country to which the ultimate risk of the underlying asset is related. The ultimate country of risk for unsecured loan positions is the domicile of the immediate borrower or, in the case of a legal entity, the domicile of the ultimate parent entity. For collateralized or guaranteed positions, the ultimate country of risk is the domicile of the provider of the collateral or guarantor or, if applicable, the domicile of the ultimate parent entity of the provider of the collateral or guarantor. For mortgage loans, the ultimate country of risk is the country where the real estate is located. Similarly, the ultimate country of risk for property and equipment is the country where the property and equipment are located. Assets for which Switzerland is the ultimate country of risk are provided separately at the bottom of the table in order to provide a reconciliation to total balance sheet assets.

► Refer to the "Risk management and control" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Country risk of total assets

						31.12.25	31.12.24		
Classification	Internal UBS rating ¹	Description	Moody's Investors			USD m	%	USD m	%
			Service	S&P	Fitch				
Low risk	0 and 1	Investment grade	Aaa	AAA	AAA	75,156	9	343,884	43
	2		Aa1 to Aa3	AA+ to AA-	AA+ to AA-	363,005	46	134,479	17
	3		A1 to A3	A+ to A-	A+ to A-	125,201	16	93,246	12
Medium risk	4	Sub-investment grade	Baa1 to Baa2	BBB+ to BBB	BBB+ to BBB	20,842	3	18,082	2
	5		Baa3	BBB-	BBB-	8,115	1	6,872	1
	6		Ba1	BB+	BB+	447	0	828	0
High risk	7		Ba2	BB	BB	3,825	0	2,765	0
	8		Ba3	BB-	BB-	69	0	246	0
	9		B1	B+	B+	1,422	0	1,805	0
Very high risk	10		B2	B	B	382	0	454	0
	11		B3	B-	B-	491	0	129	0
	12		Caa1 to Caa2	CCC+ to CCC	CCC+ to CCC	5,498	1	4,659	1
Distressed	13	Defaulted	Caa3 to C	CCC- to C	CCC- to C	157	0	121	0
Distressed	Default	Defaulted		D	D	25	0	119	0
Subtotal						604,636	76	607,688	77
Switzerland						187,705	24	183,608	23
Total assets						792,341	100	791,297	100

¹ Internal ratings are mapped to the external ratings in line with the table published in the "Risk management and control" section of the UBS AG Consolidated Annual Report 2025.

Country risk of total assets

						31.12.25	31.12.24		
Classification	Internal UBS rating ¹	Description	Moody's Investors			CHF m	%	CHF m	%
			Service	S&P	Fitch				
Low risk	0 and 1	Investment grade	Aaa	AAA	AAA	59,592	9	312,281	43
	2		Aa1 to Aa3	AA+ to AA-	AA+ to AA-	287,834	46	122,121	17
	3		A1 to A3	A+ to A-	A+ to A-	99,275	16	84,676	12
Medium risk	4	Sub-investment grade	Baa1 to Baa2	BBB+ to BBB	BBB+ to BBB	16,526	3	16,420	2
	5		Baa3	BBB-	BBB-	6,435	1	6,240	1
	6		Ba1	BB+	BB+	355	0	752	0
High risk	7		Ba2	BB	BB	3,033	0	2,511	0
	8		Ba3	BB-	BB-	54	0	223	0
	9		B1	B+	B+	1,128	0	1,639	0
Very high risk	10		B2	B	B	303	0	412	0
	11		B3	B-	B-	389	0	117	0
	12		Caa1 to Caa2	CCC+ to CCC	CCC+ to CCC	4,359	1	4,231	1
Distressed	13	Defaulted	Caa3 to C	CCC- to C	CCC- to C	124	0	110	0
Distressed	Default	Defaulted		D	D	20	0	108	0
Subtotal						479,427	76	551,841	77
Switzerland						148,835	24	166,734	23
Total assets						628,262	100	718,576	100

¹ Internal ratings are mapped to the external ratings in line with the table published in the "Risk management and control" section of the UBS AG Consolidated Annual Report 2025.

Note 20 Structured debt instruments

The table below provides a breakdown of financial liabilities designated at fair value that are considered structured debt instruments.

Structured debt instruments

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Fixed-rate bonds with structured features	8,275	8,684	6,561	7,886
Structured debt instruments issued:				
Equity-linked	60,278	53,917	47,795	48,962
Rates-linked	25,545	22,373	20,255	20,316
Credit-linked	2,990	4,787	2,371	4,347
Commodity-linked ¹	3,032	3,620	2,404	3,288
FX-linked	1,467	1,253	1,163	1,138
Funding received from UBS Group AG designated at fair value ²	6,430	4,998	5,098	4,539
Structured over-the-counter (OTC) debt instruments	2,109	3,268	1,672	2,968
Total financial liabilities designated at fair value	110,126	102,901	87,321	93,444

¹ Includes precious metals-linked debt instruments issued. ² Refer to Note 21 for more information.

In addition to *Financial liabilities designated at fair value*, certain structured debt instruments were reported within the balance sheet lines *Due to banks*, *Due to customers* and *Bonds issued*. These instruments were bifurcated for measurement purposes. As of 31 December 2025, the total carrying amount of the host instruments was USD 11,864m (CHF 9,407m) (31 December 2024: USD 8,258m (CHF 7,499m)) and the total carrying amount of the bifurcated embedded derivatives was positive USD 91m (CHF 72m) (31 December 2024: positive USD 63m (CHF 57m)).

Note 21 Funding eligible as total loss-absorbing capacity at the UBS AG level

Funding eligible as total loss-absorbing capacity at the UBS AG level

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Funding eligible as total loss-absorbing capacity at the UBS AG level included in:				
Funding received from UBS Group AG measured at amortized cost	107,016	108,185	84,855	98,243
Funding received from UBS Group AG designated at fair value	6,430	4,998	5,098	4,539
Bonds issued	0	218	0	198
Total funding eligible as total loss-absorbing capacity at the UBS AG level¹	113,446	113,401	89,953	102,980

¹ Represents the Swiss GAAP carrying amount of instruments qualifying as total loss-absorbing capital. In accordance with the Basel III framework, as applicable to Swiss systemically relevant banks (SRB), total funding eligible as total loss-absorbing capacity at the UBS AG level was USD 109,738m (CHF 87,014m) as of 31 December 2025 (31 December 2024: USD 108,004m (CHF 98,079m)). Refer to the "UBS AG standalone regulatory information" section of this report for more information about Swiss SRB going and gone concern capital.

Note 22a Share capital

UBS AG shares issued and outstanding

As of 31 December 2025, UBS AG's share capital of USD 386m (CHF 306m) consisted of 3,858,408,466 fully paid-up registered issued and outstanding shares with a nominal value of USD 0.10, which each entitle the holder to one vote at the meeting of the shareholders of UBS AG, if entered into the share register as having the right to vote, as well as a proportionate share of distributed dividends (unchanged from 31 December 2024). UBS AG's shares are not subject to any restrictions or limitations on their transferability. All shares were held by UBS Group AG.

Conditional share capital

As of 31 December 2025, the following conditional share capital was available to the Board of Directors (the BoD) of UBS AG:

- Conditional capital in the amount of USD 38,000,000, for the issuance of a maximum of 380,000,000 fully paid registered shares with a nominal value of USD 0.10 each (unchanged from 31 December 2024), to be issued through the voluntary or mandatory exercise of conversion rights and / or warrants granted in connection with the issuance of bonds or similar financial instruments on national or international capital markets. This conditional capital allowance was approved at the Extraordinary General Meeting held on 26 November 2014, having originally been approved at the Annual General Meeting (the AGM) of UBS AG on 14 April 2010. The BoD has not made use of such allowance.

Conversion capital

As of 31 December 2025, UBS AG had conversion capital in the amount of USD 70,000,000, for the issuance of a maximum of 700,000,000 fully paid registered shares with a nominal value of USD 0.10 each (unchanged from 31 December 2024). The issuance of fully paid registered shares only occurs through the mandatory conversion of claims arising upon occurrence of one or more trigger events under financial market instruments with contingent conversion features issued by UBS AG. The creation of this conversion capital was approved at the AGM held on 23 April 2024.

Non-distributable reserves

Non-distributable reserves consist of 50% of the share capital of UBS AG, amounting to USD 193m (CHF 153m) as of 31 December 2025 (unchanged from 31 December 2024).

Note 22b Significant shareholders

The sole direct shareholder of UBS AG is UBS Group AG, which holds 100% of UBS AG shares. These shares are entitled to voting rights. Indirect shareholders of UBS AG included in the table below are the direct shareholders of UBS Group AG (acting in their own name or in their capacity as nominees for other investors or beneficial owners) that were registered in the UBS Group AG share register with 3% or more of the share capital of UBS Group AG as of 31 December 2025 or as of 31 December 2024. The shares and share capital of UBS AG held by indirect shareholders, as shown in the table below, represent their relative holding of UBS Group AG shares. They do not have voting rights in UBS AG.

Significant shareholders

USD m, except where indicated	31.12.25		31.12.24	
	Share capital held	Shares held (%)	Share capital held	Shares held (%)
Significant direct shareholder of UBS AG				
UBS Group AG	386	100	386	100
Significant indirect shareholders of UBS AG				
DTC (Cede & Co.), New York ¹	30	8	25	6
The Bank of New York Mellon, Everett	13	3		
Nortrust Nominees Ltd., London	13	3	14	4

¹ DTC (Cede & Co.), New York, "The Depository Trust Company", is a US securities clearing organization.

Significant shareholders

CHF m, except where indicated	31.12.25		31.12.24	
	Share capital held	Shares held (%)	Share capital held	Shares held (%)
Significant direct shareholder of UBS AG				
UBS Group AG	306	100	380	100
Significant indirect shareholders of UBS AG				
DTC (Cede & Co.), New York ¹	24	8	25	6
The Bank of New York Mellon, Everett	10	3		
Nortrust Nominees Ltd., London	10	3	14	4

¹ DTC (Cede & Co.), New York, "The Depository Trust Company", is a US securities clearing organization.

Note 23 Post-employment benefit plans

Post-employment benefit plans

a) Assets related to defined benefit plans

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Net defined benefit assets for defined benefit plans ¹	903	428	716	388
Total assets for defined benefit plans	903	428	716	388

¹ As of 31 December 2025, USD 903m (CHF 716m) mainly reflected USD 833m (CHF 660m) for the UBS and Credit Suisse UK defined benefit plans (including USD 444m (CHF 352m) transferred from Credit Suisse International in 2025), USD 34m (CHF 27m) for the Credit Suisse Guernsey defined benefit plan, USD 29m (CHF 23m) for the UBS US Investment Bank defined benefit plan, and USD 8m (CHF 6m) for the Credit Suisse Swiss pension plan. As of 31 December 2024, USD 428m (CHF 388m) mainly reflected USD 362m (CHF 329m) for the UBS UK defined benefit plan, USD 36m (CHF 33m) for the Credit Suisse Guernsey defined benefit plan, USD 22m (CHF 20m) for the UBS US Investment Bank defined benefit plan, and USD 6m (CHF 6m) for the Credit Suisse Swiss pension plan.

b) Liabilities related to defined benefit plans

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Provision for Swiss pension plans	0	0	0	0
Net defined benefit liabilities for defined benefit plans ¹	61	61	48	55
Total provision for defined benefit plans	61	61	48	55
Bank accounts at UBS and UBS debt instruments held by Swiss pension funds	98	293	78	266
UBS derivative financial instruments held by Swiss pension funds	6	15	5	14
Total liabilities related to defined benefit plans	165	369	131	335

¹ As of 31 December 2025, USD 61m (CHF 48m) mainly reflected USD 35m (CHF 28m) for the UBS US plans, USD 13m (CHF 10m) for the UBS UK plan, and USD 8m (CHF 6m) for the UBS Taiwan plan. As of 31 December 2024, USD 61m (CHF 55m) mainly reflected USD 35m (CHF 32m) for the UBS US plans, USD 12m (CHF 11m) for the UBS UK plan, and USD 8m (CHF 7m) for the UBS Taiwan plan.

c) Swiss pension plans

	USD m		CHF m	
	As of or for the year ended			
	31.12.25	31.12.24	31.12.25	31.12.24
Pension plan surplus ¹	832	1,195	660	1,085
Economic benefit / (obligation) of UBS AG	8	6	6	6
Change in economic benefit / (obligation) recognized in the income statement	0	0	0	0
Employer contributions in the period recognized in the income statement	102	177	81	157
Performance awards-related employer contributions accrued	13	7	10	6
Total pension expense recognized in the income statement within Personnel expenses	114	184	91	163

¹ The pension plan surplus is determined in accordance with Swiss GAAP (FER 26) and consists of the reserve for the fluctuation in asset value and a prepaid contribution. The reserve for the fluctuation did not represent an economic benefit for UBS AG in accordance with Swiss accounting standards as of both 31 December 2025 and 31 December 2024.

UBS AG has elected to apply Swiss accounting standards for its Swiss pension plan and IFRS Accounting Standards (IAS 19) for its non-Swiss defined benefit plans. However, remeasurements of the defined benefit obligations and assets for non-Swiss defined benefit plans are recognized in the income statement rather than directly in equity.

In 2025, an expense of USD 255m (CHF 202m) was recognized in the income statement, driven by expenses of USD 136m (CHF 108m) related to defined contribution plans and USD 119m (CHF 94m) related to defined benefit plans. In 2024, an expense of USD 277m (CHF 243m) was recognized in the income statement, driven by expenses of USD 130m (CHF 116m) related to defined contribution plans and USD 148m (CHF 127m) related to defined benefit plans.

In 2025, as part of the process of winding down Credit Suisse International, Credit Suisse International transferred its UK pension scheme to UBS AG via dividend in kind, with UBS AG becoming the new principal employer of the former Credit Suisse International UK pension scheme.

The Swiss pension plans had an employer contribution reserve of USD 8m as of 31 December 2025 and USD 6m as of 31 December 2024.

- › Refer to Note 2 for more information
- › Refer to "Note 25 Post-employment benefit plans" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information about defined benefit plans in accordance with IFRS Accounting Standards

Note 24 Related parties

Transactions with related parties are conducted at internally agreed transfer prices or at arm's-length terms and neither involve more than the normal risk of collectability nor contain any other unfavorable features for the firm. Loans, fixed advances and mortgages granted to non-independent members of the governing bodies in the ordinary course of business are also on substantially the same terms and conditions that are available to other employees, including interest rates and collateral. Independent members of the governing bodies are granted loans and mortgages in the ordinary course of business at general market conditions.

Related parties

USD m	31.12.25		31.12.24	
	Amounts due from	Amounts due to	Amounts due from	Amounts due to
Qualified shareholders ¹	1,551	128,815	3,099	123,802
<i>of which: due from / to customers</i>	869	5,915	2,047	2,590
<i>of which: funding received from UBS Group AG measured at amortized cost</i>		114,423		113,898
<i>of which: funding received from UBS Group AG designated at fair value</i>		6,430		4,998
Subsidiaries	188,199	95,774	187,707	116,401
<i>of which: due from / to banks</i>	94,139	66,566	88,211	73,492
<i>of which: due from / to customers</i>	28,842	5,845	33,376	4,869
<i>of which: receivables / payables from securities financing transactions</i>	16,778	20,614	17,475	35,526
<i>of which: funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity</i>	45,085		43,652	
Affiliated entities ²	173	1,635	502	1,397
<i>of which: due from / to customers</i>	109	1,081	416	889
External auditors		11		23
Other related parties ³	70	1	63	21

¹ The qualified shareholder of UBS AG is UBS Group AG. ² Affiliated entities of UBS AG are all direct subsidiaries of UBS Group AG. ³ Includes amounts due to / from other participations.

Related parties

CHF m	31.12.25		31.12.24	
	Amounts due from	Amounts due to	Amounts due from	Amounts due to
Qualified shareholders ¹	1,230	102,140	2,815	112,424
<i>of which: due from / to customers</i>	689	4,690	1,859	2,352
<i>of which: funding received from UBS Group AG measured at amortized cost</i>		90,728		103,431
<i>of which: funding received from UBS Group AG designated at fair value</i>		5,098		4,539
Subsidiaries	149,226	75,941	170,457	105,704
<i>of which: due from / to banks</i>	74,645	52,782	80,105	66,738
<i>of which: due from / to customers</i>	22,869	4,635	30,309	4,422
<i>of which: receivables / payables from securities financing transactions</i>	13,303	16,346	15,869	32,261
<i>of which: funding provided to significant regulated subsidiaries eligible as total loss-absorbing capacity</i>	35,749		39,640	
Affiliated entities ²	137	1,296	456	1,268
<i>of which: due from / to customers</i>	87	857	378	808
External auditors		8		20
Other related parties ³	55	1	58	19

¹ The qualified shareholder of UBS AG is UBS Group AG. ² Affiliated entities of UBS AG are all direct subsidiaries of UBS Group AG. ³ Includes amounts due to / from other participations.

As of 31 December 2025, off-balance sheet positions related to subsidiaries amounted to USD 16.0bn (CHF 12.7bn) (31 December 2024: USD 14.2bn (CHF 12.9bn)), of which USD 11.9bn (CHF 9.4bn) related to guarantees to third parties (31 December 2024: USD 8.4bn (CHF 7.6bn)) and USD 1.1bn (CHF 0.8bn) related to loan commitments (31 December 2024: USD 1.9bn (CHF 1.7bn)).

Loans to and deposits from members of governing bodies were immaterial for all periods presented.

Note 25 Fiduciary transactions

Fiduciary transactions

	USD m		CHF m	
	31.12.25	31.12.24	31.12.25	31.12.24
Fiduciary deposits	3,997	2,435	3,169	2,211
<i>of which: placed with third-party banks</i>	3,997	2,435	3,169	2,211
<i>of which: placed with subsidiaries and affiliated entities</i>	0	0	0	0
Total fiduciary transactions	3,997	2,435	3,169	2,211

Fiduciary transactions encompass transactions entered into by UBS AG that result in holding or placing assets on behalf of individuals, trusts, defined benefit plans and other institutions. Unless the recognition criteria for the assets are satisfied, these assets and the related income are excluded from UBS AG's balance sheet and income statement but are disclosed in this Note as off-balance sheet fiduciary transactions. Client deposits that are initially placed as fiduciary transactions with UBS AG may be recognized on UBS AG's balance sheet in situations in which the deposit is subsequently placed within UBS AG. In such cases, these deposits are not reported in the table above.

Note 26a Invested assets and net new money

Invested assets and net new money

	USD bn		CHF bn	
	As of or for the year ended 31.12.25	31.12.24	As of or for the year ended 31.12.25	31.12.24
Discretionary assets	127	106	101	96
Other invested assets	922	799	731	726
Total invested assets	1,049	905	832	822
<i>of which: double counts</i>	<i>1</i>	<i>0</i>	<i>1</i>	<i>0</i>
Net new money¹	23	(12)	18	(11)

¹ Includes double counts.

Note 26b Development of invested assets

Development of invested assets

	USD bn		CHF bn	
	31.12.25	31.12.24	31.12.25	31.12.24
Total invested assets at the beginning of the year	905	494	822	416
Effect of translating opening balance at closing rate ¹			(104)	
Invested assets recognized upon the merger of UBS AG and Credit Suisse AG ²		382		345
Net new money	23	(12)	18	(11)
Market movements ³	107	67	85	61
Foreign currency translation	25	(10)	20	25
Other effects	(11)	(16)	(9)	(14)
Total invested assets at the end of the year⁴	1,049	905	832	822

¹ Refer to "Presentation currencies" in Note 2a for more information. ² Invested assets recognized upon the merger of UBS AG and Credit Suisse AG were measured and reported as of 31 May 2024, the merger effective date, in alignment with UBS accounting policies outlined in Note 30 to the UBS AG consolidated financial statements in the UBS AG Annual Report 2025. ³ Includes interest and dividend income. ⁴ Includes double counts.

› Refer to "Note 30 Invested assets and net new money" in the "Consolidated financial statements" section of the UBS AG Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for more information

Statement of proposed appropriation of total profit and dividend distribution

The Board of Directors (the BoD) proposes that the Annual General Meeting of Shareholders (the AGM) on 14 April 2026 approve the appropriation of total profit and an ordinary dividend distribution of USD 4,500m out of the total profit. Furthermore, the BoD proposes the appropriation of an amount of USD 4,500m out of the *Voluntary earnings reserve* to a special dividend reserve within the *Voluntary earnings reserve*.

Appropriation of and distribution out of total profit

	USD m	CHF m
	For the year ended	For the year ended
	31.12.25	31.12.25
Net profit for the period	9,149	7,254
Profit / (loss) carried forward	0	0
Total profit available for appropriation	9,149	7,254
Appropriation of total profit		
Appropriation to voluntary earnings reserve	(4,649)	(3,686)
Dividend distribution	(4,500)	(3,568) ¹
Profit / (loss) carried forward	0	0
Proposed appropriation to voluntary earnings reserve		
Total voluntary earnings reserve before appropriation	5,295	4,199
Appropriation to voluntary earnings reserve	4,649	3,686
Total voluntary earnings reserve after appropriation	9,944	7,885
<i>of which: appropriation to special dividend reserve within voluntary earnings reserve²</i>	<i>4,500</i>	<i>3,568¹</i>

¹ For illustrative purposes, converted at the closing exchange rate as of 31 December 2025. ² The Voluntary earnings reserve includes a special dividend reserve of USD 4,500m (CHF 3,568m) available for appropriation. The decision on the special dividend payment is intended to be made at an Extraordinary General Meeting in the second half of 2026 and is subject to UBS AG meeting its capital requirements on a standalone and consolidated level, and the outcome and timing of the implementation of the new regulatory regime in Switzerland.

UBS AG standalone regulatory information

Key metrics for the fourth quarter of 2025

The table below is based on the Swiss Financial Market Supervisory Authority (FINMA) Ordinance on the Disclosure Obligations of Banks and Securities Firms (DisO-FINMA) rules and IFRS Accounting Standards.

During the fourth quarter of 2025, tier 1 capital increased by USD 0.4bn to USD 93.7bn. Common equity tier 1 (CET1) capital increased by USD 0.7bn to USD 74.1bn, mainly reflecting operating profit before tax of USD 1.6bn, partly offset by additional accruals for capital returns to UBS Group AG of USD 1.0bn. As of 31 December 2025, accruals for capital returns to UBS Group AG amounted to USD 9.0bn, reflecting a proposed ordinary dividend distribution of USD 4.5bn and the appropriation of USD 4.5bn to a special dividend reserve, both subject to approval at the Annual General Meeting in the second quarter of 2026. The decision on the distribution of the special dividend is intended to be made at an Extraordinary General Meeting in the second half of 2026 and is subject to UBS AG meeting its capital requirements on a standalone and consolidated level, as well as the outcome and timing of the implementation of the new regulatory regime in Switzerland.

Additional tier 1 (AT1) capital issued by the Group and on lent to UBS AG decreased by USD 0.4bn to USD 19.6bn, mainly reflecting the call of one AT1 capital instrument equivalent to USD 0.4bn that was on lent from the Group.

Risk-weighted assets (RWA) decreased by USD 26.3bn to USD 491.6bn during the fourth quarter of 2025, primarily driven by lower RWA on investments in subsidiaries following capital repatriations, and decreases in credit and counterparty credit risk RWA, as well as market risk RWA. This was partly offset by an increase in operational risk RWA, mainly due to the higher business indicator component.

The leverage ratio denominator (the LRD) decreased by USD 22.1bn to USD 930.0bn, driven by a USD 20.9bn decrease from asset size and other movements and a USD 1.3bn decrease from currency effects. The change in asset size and other movements was mainly due to capital repatriations reducing investments in subsidiaries, lower lending balances, and disposals of high-quality liquid asset (HQLA) portfolio securities and trading assets, along with lower securities financing transactions and derivative exposures, partly offset by increases in cash and balances at central banks and off-balance sheet items.

Correspondingly, the CET1 capital ratio of UBS AG standalone increased to 15.1% from 14.2%, reflecting the aforementioned decrease in RWA and the aforementioned increase in CET1 capital. The firm's Basel III leverage ratio increased to 10.1% from 9.8%, reflecting the aforementioned decrease in the LRD and the aforementioned increase in tier 1 capital.

The quarterly average liquidity coverage ratio (the LCR) of UBS AG standalone decreased 6.0 percentage points to 234.9%, remaining above the prudential requirement communicated by FINMA. The movement in the quarterly average LCR was primarily driven by a decrease in average HQLA of USD 13.2bn to USD 149.3bn, mainly reflecting lower cash available due to lower customer deposits and higher funding to subsidiaries. Average net cash outflows decreased by USD 3.9bn to USD 63.7bn, mainly reflecting higher inflows from intercompany loans.

As of 31 December 2025, the net stable funding ratio decreased 5.5 percentage points to 90.7%, remaining above the prudential requirement communicated by FINMA. Available stable funding decreased by USD 14.2bn to USD 404.8bn, mainly driven by decreases in debt issued measured at amortized cost and intercompany deposits. Required stable funding increased by USD 10.9bn to USD 446.5bn, mainly reflecting higher intercompany funding to subsidiaries, partly offset by a decrease in investments in subsidiaries due to capital repatriations.

KM1: Key metrics

USD m, except where indicated

	31.12.25	30.9.25	30.6.25	31.3.25	31.12.24
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	74,108	73,384	73,178	70,980	75,051
2 Tier 1	93,707	93,349	91,834	89,305	90,881
3 Total capital	93,731	93,349	91,834	89,305	90,882
Risk-weighted assets (amounts)¹					
4 Total risk-weighted assets (RWA)	491,583	517,929	516,479	514,897	507,964
4a Total risk-weighted assets (pre-floor)	491,583	517,929	516,479	514,897	
4b Minimum capital requirement ²	39,327	41,434	41,318	41,192	40,637
Risk-based capital ratios as a percentage of RWA¹					
5 Common equity tier 1 ratio (%)	15.08	14.17	14.17	13.79	14.77
5b Common equity tier 1 ratio (%) (pre-floor)	15.08	14.17	14.17	13.79	
6 Tier 1 ratio (%)	19.06	18.02	17.78	17.34	17.89
6b Tier 1 ratio (%) (pre-floor)	19.06	18.02	17.78	17.34	
7 Total capital ratio (%)	19.07	18.02	17.78	17.34	17.89
7b Total capital ratio (%) (pre-floor)	19.07	18.02	17.78	17.34	
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (%)	2.50	2.50	2.50	2.50	2.50
9 Countercyclical buffer requirement (%)	0.12	0.14	0.15	0.15	0.19
9a Additional countercyclical buffer for Swiss mortgage loans (%)	0.00	0.00	0.00	0.00	0.00
10 Bank G-SIB and / or D-SIB additional requirements (%) ³					
11 Total of bank CET1 specific buffer requirements (%) ⁴	2.62	2.64	2.65	2.65	2.69
12 CET1 available after meeting the bank's minimum capital requirements (%) ⁵	10.58	9.67	9.67	9.29	9.89
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure	929,979	952,112	964,000	935,496	899,348
14 Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) ⁶	10.08	9.80	9.53	9.55	10.11
14b Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	10.08	9.80	9.53	9.55	
14c Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets ⁶	9.96	9.72	9.56	9.52	
14d Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	9.96	9.72	9.56	9.52	
14e Minimum capital requirements ⁷	39,327	41,434	41,318	41,192	
Liquidity coverage ratio (LCR)⁸					
15 Total high-quality liquid assets (HQLA)	149,309	162,513	177,434	150,544	142,661
16 Total net cash outflow	63,723	67,644	75,720	65,962	58,620
16a of which: cash outflows	249,107	244,306	248,255	238,931	231,213
16b of which: cash inflows	185,384	176,662	172,535	172,969	172,593
17 LCR (%)	234.90	240.93	235.52	229.18	243.95
Net stable funding ratio (NSFR)⁹					
18 Total available stable funding	404,842	419,024	421,323	410,507	410,197
19 Total required stable funding	446,475	435,582	435,547	418,661	421,792
20 NSFR (%)	90.68	96.20	96.73	98.05	97.25

¹ Based on phase-in rules for RWA. Refer to "Swiss systemically relevant bank going and gone concern requirements and information" below for more information. ² Calculated as 8% of total RWA, based on total capital minimum requirements, excluding CET1 buffer requirements. ³ Swiss SRB going and gone concern requirements and information for UBS AG standalone are provided below in this section. ⁴ Excludes non-BCBS capital buffer requirements for risk-weighted positions that are directly or indirectly backed by residential properties in Switzerland. ⁵ Represents the CET1 ratio that is available to meet buffer requirements. Calculated as the CET1 ratio minus the BCBS CET1 capital requirement and, where applicable, minus the BCBS tier 2 capital requirement met with CET1 capital. ⁶ There is currently no temporary exemption of central bank reserves for UBS. ⁷ The higher of capital requirements based on 8% of RWA or 3% of LRD. ⁸ Calculated after the application of haircuts and inflow and outflow rates, as well as, where applicable, caps on Level 2 assets and cash inflows. Calculated based on an average of 64 data points in the fourth quarter of 2025 and 65 data points in the third quarter of 2025. For the prior-quarter data points, refer to the respective Pillar 3 Report, available under "Pillar 3 disclosures" at ubs.com/investors, for more information. ⁹ In accordance with Art. 17h para. 3 and 4 of the Liquidity Ordinance, UBS AG standalone is required to maintain a minimum NSFR of at least 80% without taking into account excess funding of UBS Switzerland AG and 100% after taking into account such excess funding.

Swiss systemically relevant bank going and gone concern requirements and information

UBS AG standalone is considered a systemically relevant bank (an SRB) under Swiss banking law and is subject to capital regulations on a standalone basis.

The going concern requirements include the FINMA Pillar 2 add-on related to the supply chain finance funds matter at Credit Suisse. This Pillar 2 add-on results in an additional CET1 capital ratio requirement of 2 basis points and an additional CET1 leverage ratio requirement of 1 basis point as of 31 December 2025.

Effective 1 January 2025, a Pillar 2 capital add-on for residual exposures (after collateral mitigation) to hedge funds, private equity and family offices has been introduced. This resulted in an increase as of 31 December 2025 of 18 basis points in the RWA phase-in-based going concern capital requirement and 17 basis points in the RWA fully applied-based going concern capital requirement.

The capital requirements based on RWA include a minimum CET1 capital requirement of 10.27%, including a countercyclical buffer of 0.12% and the Pillar 2 add-ons, and a total going concern capital requirement of 14.62%, including a countercyclical buffer of 0.12% and the Pillar 2 add-ons. The capital requirements based on the LRD include a minimum CET1 capital requirement of 3.51% and a total going concern leverage ratio requirement of 5.01%.

CET1 capital and high-trigger AT1 capital instruments are eligible as going concern capital.

UBS AG standalone is subject to a gone concern capital requirement based on the sum of: (i) the nominal value of the gone concern instruments issued by UBS entities and held by the parent firm; (ii) 75% of the going concern capital requirements resulting from third-party exposure on a standalone basis; and (iii) a buffer requirement equal to 30% of the Group's gone concern capital requirement on UBS AG's consolidated exposure. The gone concern capital requirement is the higher of RWA- and LRD-based requirements, calculated separately. The gone concern capital coverage ratio reflects how much gone concern capital is available to meet the gone concern requirement. Outstanding total loss-absorbing capacity-eligible unsecured debt instruments are eligible to meet gone concern requirements until one year before maturity.

► Refer to "Capital and capital ratios of our significant regulated subsidiaries" in the "Capital management" section of the UBS Group Annual Report 2025, available under "Annual reporting" at ubs.com/investors, for information about the joint liability of UBS AG and UBS Switzerland AG

The tables below provide details of the Swiss SRB RWA- and LRD-based going and gone concern requirements and information as required by FINMA; details regarding eligible gone concern instruments are provided below.

Swiss SRB going and gone concern requirements and information

As of 31.12.25	RWA, phase-in		RWA, fully applied as of 1.1.28 ¹		LRD	
<i>USD m, except where indicated</i>	in %		in %		in %	
Required going concern capital						
Total going concern capital	14.62 ²	71,866	14.61 ²	76,379	5.01 ²	46,606
Common equity tier 1 capital	10.27 ³	50,464	10.26 ³	53,631	3.51	32,656
<i>of which: minimum capital</i>	4.50	22,121	4.50	23,529	1.50	13,950
<i>of which: buffer capital</i>	5.50	27,037	5.50	28,758	2.00	18,600
<i>of which: countercyclical buffer</i>	0.12	584	0.12	621		
Maximum additional tier 1 capital	4.35 ³	21,402	4.35 ³	22,748	1.50	13,950
<i>of which: additional tier 1 capital</i>	3.50	17,205	3.50	18,301	1.50	13,950
<i>of which: additional tier 1 buffer capital</i>	0.80	3,933	0.80	4,183		
Eligible going concern capital						
Total going concern capital	19.06	93,707	17.92	93,707	10.08	93,707
Common equity tier 1 capital	15.08	74,108	14.17	74,108	7.97	74,108
Total loss-absorbing additional tier 1 capital	3.99	19,600	3.75	19,600	2.11	19,600
<i>of which: high-trigger loss-absorbing additional tier 1 capital</i>	3.99	19,600	3.75	19,600	2.11	19,600
<i>of which: low-trigger loss-absorbing additional tier 1 capital</i>	0.00	0	0.00	0	0.00	0
Risk-weighted assets / leverage ratio denominator						
Risk-weighted assets		491,583		522,876		
Leverage ratio denominator						929,979
Required gone concern capital⁴						
Total gone concern loss-absorbing capacity	Higher of RWA- or LRD-based		78,104			
Eligible gone concern capital						
Total gone concern loss-absorbing capacity			90,163			
Total tier 2 capital⁵			24			
TLAC-eligible unsecured debt			90,139			
Gone concern capital coverage ratio			115.44			

¹ Fully applied relates to participation RWA. Direct and indirect investments including holding of regulatory capital instruments in Switzerland-domiciled subsidiaries and for direct and indirect investments including holding of regulatory capital instruments in foreign-domiciled subsidiaries were risk weighted at 235% and 340%, respectively, for 2025. As per current rules, risk weights will gradually increase by 5 percentage points per year for Switzerland-domiciled investments and 20 percentage points per year for foreign-domiciled investments until the fully applied risk weights of 250% and 400%, respectively, are applied. ² Includes applicable add-ons of 1.64% for risk-weighted assets (RWA, phase-in), 1.63% for risk-weighted assets (RWA, fully applied) and 0.51% for leverage ratio denominator (LRD), of which 2 basis points for RWA phase-in, 2 basis points for RWA fully applied and 1 basis point for LRD reflect a Pillar 2 capital add-on of USD 107m related to the supply chain finance funds matter at Credit Suisse. An additional 18 basis points for RWA phase-in and 17 basis points for RWA fully applied reflect a Pillar 2 capital add-on for the residual exposure (after collateral mitigation) to hedge funds, private equity and family offices, effective 1 January 2025. ³ Includes the Pillar 2 add-on for the residual exposure (after collateral mitigation) to hedge funds, private equity and family offices of 0.13% for CET1 capital and 0.05% for AT1 capital for RWA phase-in and 0.12% for CET1 capital and 0.05% for AT1 capital for RWA fully applied, effective 1 January 2025. For AT1 capital under Pillar 1 requirements a maximum of 4.3% of AT1 capital can be used to meet going concern requirements; 4.35% for RWA phase-in and 4.35% for RWA fully applied include the aforementioned Pillar 2 capital add-on. ⁴ A maximum of 25% of the gone concern requirements can be met with instruments that have a remaining maturity of between one and two years. Once at least 75% of the minimum gone concern requirement has been met with instruments that have a remaining maturity of greater than two years, all instruments that have a remaining maturity of between one and two years remain eligible to be included in the total gone concern capital. ⁵ Reflects an add-back of 45% of unrealized gains from financial assets measured at fair value through other comprehensive income. Such gains do not qualify as CET1 capital but 45% of these gains can be recognized as tier 2 capital.

Swiss SRB going and gone concern information

USD m, except where indicated

	31.12.25	30.9.25	31.12.24
Eligible going concern capital			
Total going concern capital	93,707	93,349	90,881
Total tier 1 capital	93,707	93,349	90,881
Common equity tier 1 capital	74,108	73,384	75,051
Total loss-absorbing additional tier 1 capital	19,600	19,964	15,830
of which: high-trigger loss-absorbing additional tier 1 capital	19,600	19,964	14,585
of which: low-trigger loss-absorbing additional tier 1 capital			1,245
Eligible gone concern capital			
Total gone concern loss-absorbing capacity	90,163	98,452	92,174
Total tier 2 capital	24 ¹	0	204
of which: non-Basel III-compliant tier 2 capital	0	0	204
TLAC-eligible unsecured debt	90,139	98,452	91,970
Total loss-absorbing capacity			
Total loss-absorbing capacity	183,870	191,800	183,055
Denominators for going and gone concern ratios			
Risk-weighted assets, phase-in	491,583	517,929	507,964
of which: investments in Switzerland-domiciled subsidiaries ²	91,598	91,436	83,221
of which: investments in foreign-domiciled subsidiaries ²	144,200	167,254	162,098
Risk-weighted assets, fully applied as of 1.1.28	522,876	553,280	555,726
of which: investments in Switzerland-domiciled subsidiaries ²	97,444	97,272	90,458
of which: investments in foreign-domiciled subsidiaries ²	169,647	196,770	202,623
Leverage ratio denominator	929,979	952,112	899,348
Capital and loss-absorbing capacity ratios (%)			
Going concern capital ratio, phase-in	19.1	18.0	17.9
of which: common equity tier 1 capital ratio, phase-in	15.1	14.2	14.8
Going concern capital ratio, fully applied as of 1.1.28	17.9	16.9	16.4
of which: common equity tier 1 capital ratio, fully applied as of 1.1.28	14.2	13.3	13.5
Leverage ratios (%)			
Going concern leverage ratio	10.1	9.8	10.1
of which: common equity tier 1 leverage ratio	8.0	7.7	8.3
Capital coverage ratio (%)			
Gone concern capital coverage ratio	115.4	125.4	122.3

¹ Reflects an add-back of 45% of unrealized gains from financial assets measured at fair value through other comprehensive income. Such gains do not qualify as CET1 capital but 45% of these gains can be recognized as tier 2 capital. ² Fully applied relates to participation RWA. Direct and indirect investments including holding of regulatory capital instruments in Switzerland-domiciled subsidiaries and for direct and indirect investments including holding of regulatory capital instruments in foreign-domiciled subsidiaries were risk weighted at 235% and 340%, respectively, for 2025. As per current rules, risk weights will gradually increase by 5 percentage points per year for Switzerland-domiciled investments and 20 percentage points per year for foreign-domiciled investments until the fully applied risk weights of 250% and 400%, respectively, are applied.

Sustainability and climate risk

Our climate strategy and governance are determined and overseen at the UBS Group level. Climate-related metrics for the UBS AG legal entity are presented in the UBS Group Annual Report 2025.

- › Refer to **“Our focus on sustainability”** in the **“Our stakeholders”** section and to **“Sustainability and climate risk”** in the **“Risk management and control”** section of the UBS Group Annual Report 2025, available under **“Annual reporting”** at ubs.com/investors, for more information
- › Refer to **“Our sustainability and impact strategy”** in the **“Strategy”** section of the UBS Group Sustainability Report 2025, available under **“Annual reporting”** at ubs.com/investors, for more information

Cautionary statement | This report and the information contained herein are provided solely for information purposes, and are not to be construed as solicitation of an offer to buy or sell any securities or other financial instruments in Switzerland, the United States or any other jurisdiction. No investment decision relating to securities of or relating to UBS Group AG, UBS AG or their affiliates should be made on the basis of this report. Refer to UBS's most recent annual report on Form 20-F, quarterly reports and other information furnished to or filed with the US Securities and Exchange Commission (the SEC) on Form 6-K, available at ubs.com/investors, for additional information.

Rounding | Numbers presented throughout this report 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.

Websites | In this report, any website addresses are provided solely for information and are not intended to be active links. UBS does not incorporate the contents of any such websites into this report.

UBS AG
P.O. Box, CH-8098 Zurich
P.O. Box, CH-4002 Basel

ubs.com

