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News Release

UBS achieves ambitious sustainable investment goal ahead of schedule; tightens fossil fuel standards

Core sustainable investments rose to USD 488 billion or 13.5% of invested assets at the end of 2019, surpassing a three-year goal ahead of schedule.

Carbon-related assets on the balance sheet cut by more than 40% to USD 1.9 billion, or 0.8% of total gross banking products exposure.

New goal to improve lives of 6 million vulnerable children and young adults through work of UBS Optimus Foundation and community investment.

Zurich/Basel, 05 March 2020 – UBS made further significant progress toward meeting its ambitious sustainability targets in 2019. Today, the firm reports on its sustainability performance, applying an industry-leading, comprehensive approach, based on major, internationally recognized disclosure frameworks.

UBS increased its core sustainable investments, that involve a comprehensive asset selection process, by more than 56% to USD 488 billion, and more than doubled penetration to 13.5% of total invested assets from 5.6% in 2017, surpassing a three-year goal one year early.

As part of this, UBS has already directed USD 3.9 billion of client assets into impact investments related to the United Nations Sustainable Development Goals (SDGs), making substantial headway on a 2017 WEF goal to mobilize USD 5 billion by the end of 2021.

The firm has been awarded with the industry leadership position in the Dow Jones Sustainability Indices (DJSI), the most widely recognized sustainability rating, for the fifth time in a row.

Chairman Axel A. Weber said: "As the world's largest truly global wealth manager, we have a responsibility to take a leading role in shaping a positive future for everyone, including future generations. We aim to be the financial provider of choice for clients who want to engage toward the achievement of the United Nations Sustainable Development Goals (UN SDGs) while helping achieve an orderly transition to a low-carbon economy."

UBS again reduced carbon-related assets on its balance sheet to USD 1.9 billion or 0.8% at the end of 2019, down more than 40% from the previous year¹. The firm also committed to no longer provide financing where the stated use of proceeds is for new offshore oil projects in the Arctic, greenfield thermal coal mines or greenfield oil sands projects. The new standards also include enhanced due diligence for transactions directly related to liquefied natural gas and ultra-deepwater drilling. UBS is also well on track to meet its target of

¹ Carbon-related assets exposures are adjusted from previous years' versions to align with IFRS 9. Previous years showed net exposures.

reducing the firm's own greenhouse gas emissions in 2020 by 75% from 2004 levels, with a 71% reduction already achieved in 2019.

Underlining its extensive sustainability efforts, the firm in 2019 became a founding signatory of the Principles for Responsible Banking, which incorporate both the SDGs and the Paris Agreement on Climate Change, as well as of the IFC's Operating Principles for Impact Management. To further promote the SDGs, UBS last year launched the #TOGETHERBAND campaign with the aim to engage hundreds of thousands of people across the world towards achieving the global goals.

Phyllis Costanza, Head UBS in Society and CEO UBS Optimus Foundation, says: "We're proud that so many UBS clients and employees see the impact that we're having and choose us for our comprehensive sustainability efforts and specifically for our sustainable finance and philanthropy activities. The challenges the world faces today are so complex and wide ranging that no organization can solve them alone. That's why we need to work together if we really want to drive long-term environmental and societal impact that delivers break-through solutions to the most pressing issues."

The UBS Optimus Foundation has helped clients use their wealth to drive positive and sustainable social as well as environmental change. The firm has set itself a goal to improve the lives of 6 million vulnerable children and young adults in the areas of health, education and entrepreneurship by 2025. The firm is doing so by engaging clients in collective giving platforms and by continuing its investments for the benefit of the communities it operates in.

Links

For a full picture of UBS's sustainability metrics, read the report at www.ubs.com/sustainability-report
For further information, visit www.ubs.com/society

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