



| Sustainability at UBS

This document should be read in conjunction
with the UBS Group AG Sustainability Report 2023
and Annual Report 2023

ubs.com/annualreporting

Important information

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

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

Definitions: “Sustainability-focus and impact” refers to sustainability-focus and impact investing; sustainability focus refers to strategies that have sustainability as an explicit part of the investment guidelines, universe, selection, and/or investment process that drive the strategy; impact investing refers to strategies that have an explicit intention to generate measurable, verifiable, positive sustainability outcomes.

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

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

Numbers presented in US dollars unless otherwise indicated. Currency translation of monthly income statement items of operations with a functional currency other than the US dollar are translated with month-end rates into US dollar.

Review of Sustainability Report: The Sustainability Report 2023 has been reviewed by Ernst & Young Ltd (EY). The content has been prepared in accordance with the GRI Standards, and both the GRI content index and the assurance report can be downloaded from ubs.com/gri. Furthermore, selected sustainability metrics in the Sustainability Report 2023 have been subject to reasonable or limited assurance by EY. A list of these metrics and level of assurance can be found in the assurance report. Our “Basis of Reporting” document provides further information on the definition, approach and scope used for these metrics.

Cautionary note: We have developed methodologies we use to set our goals and which underly the metrics that are disclosed in this presentation and the Sustainability Report 2023. Standard-setting organizations and regulators continue to provide new or revised guidance and standards, as well as new or enhanced regulatory requirements for climate disclosures. Our disclosed metrics are based upon data available to us, including estimates and approximations where actual or specific data is not available. We intend to update our disclosures to comply with new guidance and regulatory requirements as they become applicable to UBS. Such updates may result in revisions to our disclosed metrics, our methodologies and related disclosures, which may be substantial, as well as changes to the metrics we disclose.




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Our ambition remains unchanged, to be a global leader in sustainability

We have made significant progress in aligning our sustainability frameworks for the combined firm

- ✓ Expanded sustainability and climate risk policy framework and associated process to reflect the full suite of activities of the combined business and to ensure a consistent approach
- ✓ Transitioned portfolios in carbon intensive sectors that do not align with our approach and risk appetite into NCL
- ✓ Integrated overarching sustainability governance at CS AG, with aim of substantially completing integration in 2024
- ✓ Established new baselines and set decarbonization targets for specified carbon-intensive sectors
- ✓ Made UBS sustainable product standards the benchmark going forward, with CS products undergoing assessment
- ✓ Defined approach to sustainable investing with “sustainability focus” and “impact investing” strategies reflecting a defined and explicit sustainability intention of the underlying investment strategy

2023 key highlights


 Planet	<ul style="list-style-type: none"> – 81% of estimated total financed emissions covered by sectors with decarbonization pathways; added shipping and iron & steel sectors – Measured and disclosed facilitated emissions from our capital markets business – Tightened 2030 lending decarbonization goal for fossil fuels to (70%) vs. 2021 baseline; previously (71%) and (49%) from a 2020 baseline for UBS and CS, respectively
 People	<ul style="list-style-type: none"> – Progressed on DE&I aspirations incl. 29.5% global female representation at Director level and above vs. 30% 2025 target – Achieved a UBS Optimus network of foundations donation volume of USD 328 million in 2023
 Partnerships	<ul style="list-style-type: none"> – Joined Nature Action 100 – Co-led financial-sector-specific working group of the Taskforce on Nature-related Financial Disclosures (TNFD) and supported the launch of the TNFD framework
Sustainable investments	<ul style="list-style-type: none"> – USD 292 billion invested assets (UBS AG) in sustainable investments (+10% YoY); driven by new product launches, NNM inflows and markets

Group-wide ambition to achieve net-zero greenhouse gas (GHG) emissions across our scope 1 and 2, and specified scope 3 activities by 2050, with decarbonization targets for 2025, 2030 and 2035


Continued to make good progress on our sustainability and impact strategy

Our ambition


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




Planet first: Making climate a clear priority as we shift toward a low-carbon economy




Decarbonization targets for 2030 for financing of Swiss residential / commercial real estate, power generation, iron and steel, cement and fossil fuel sectors. Continue disclosing in-scope ship finance portfolios according to the Poseidon Principles decarbonization trajectories with the aim of aligning



Align 20% of Asset Management AuM with net zero by 2030. This Pre-acquisition UBS aspiration will be reassessed in 2024



Minimize scope 1 and 2 emissions through energy efficiencies and switching to more sustainable energy sources. Procure credible carbon removal credits to neutralize residual emissions down to zero by 2025¹




Offset historical emissions back to the year 2000²


0

Engage with key vendors, for 100% of them to declare their emissions and set net zero aligned goals by 2026, and reduce their scope 1 and 2 emissions in line with net zero trajectories by 2035³


People matter: Addressing societal challenges through client and corporate philanthropy, as well as employee engagement.




30% global female representation at Director level and above by 2025




26% ethnic minority backgrounds representation at Director level and above in the US and UK by 2025




4% black representation at Director level and above in the UK by 2025



25% of financial advisor / client advisor roles in Americas held by women by 2025⁴




18.8% of US financial advisor / client advisor roles held by employees from racial / ethnic minority backgrounds by 2025⁴




Raise 1bn in donations to our client philanthropy foundations and funds and reach 26.5m beneficiaries by 2025


Partnerships bring it together: Working with other thought leaders to achieve impact on a truly global scale



Continue to position UBS as a leading facilitator of discussion, debate and idea generation



Drive standards, research and development, and product development

 Refer to slides 34 to 37 for footnotes

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Aiming to substantially complete sustainability integration by end-2024

Illustrative key milestone timeline (examples)

	2023 ✓	2024 ➤	2025 ➤
Strategy	<ul style="list-style-type: none"> – The sustainability and impact strategy of Pre-acquisition UBS applies to UBS Group, including CS 		
Sustainability governance	<ul style="list-style-type: none"> – Overarching governance at CS AG integrated – Single GEB Lead of sustainability and impact – Certain CS governance bodies retired 	<ul style="list-style-type: none"> – Complete integration of CS sustainability governance bodies 	
Managing sustainability and climate risk	<ul style="list-style-type: none"> – Enhanced policy framework and processes, covering newly relevant areas incl. shipping, project finance and mining 	<ul style="list-style-type: none"> – CS AG climate risk metrics to be published during 2024 when aligned data is fully available 	
Sustainable finance	<ul style="list-style-type: none"> – Made UBS sustainable product standards the benchmark going forward – Existing CS products undergoing assessment 	<ul style="list-style-type: none"> – Fully incorporate CS data into our sustainable finance and investing disclosures – Apply UBS AM sustainable investing framework to CS AM products 	<ul style="list-style-type: none"> – Complete the migration of CS sustainable investing solutions onto GWM platform (starts in 2024)
Emissions	<ul style="list-style-type: none"> – Reviewed decarbonization targets to reflect activities of combined organization; revised lending sector decarbonization targets 	<ul style="list-style-type: none"> – We may review our targets for GHG key vendors for the combined organization and alignment with latest guidance 	
Employees	<ul style="list-style-type: none"> – Combined workforce disclosure; reporting against UBS public 2025 diversity aspirational goals – Fully integrated former CS Group employees into all of our fair pay practices 		

We have expanded our sustainability and climate risk policy framework



Embedding CS in our sustainability and climate policies

Following the acquisition of Credit Suisse, the sustainability and climate risk appetites of UBS and Credit Suisse were revised to define combined standards for the combined firm

- Aimed at supporting mitigation and de-risking the joint risk profile
- UBS's approach was chosen as the blueprint for the combined risk appetite because of its broader scope of application across sectors and its generally stronger risk-mitigants
- Former Credit Suisse standards were adopted in areas where UBS did not have a large business footprint before the acquisition, including shipping and project financing, as well as for certain metals and mining areas where UBS did not have a specific standard
- UBS is to become a member of the Poseidon Principles, the industry's international standard for ship finance

Additions to our sustainability and climate risk policy

- ✓ We do not provide financing where the stated use of proceeds is for mining operations that utilize tailings disposal in the sea or in rivers
- ✓ We do not provide financing where the stated use of proceeds is for the exploration or extraction of mineral resources of the deep seabed
- ✓ Transactions with companies that mine uranium are assessed against the companies' strategy and actions to manage water contamination, waste, and worker and community health and safety, especially in regard to radiation. Consideration is also given to the designated use of the mined uranium (or other radioactive material)
- ✓ Project financed transactions are subject to enhanced due diligence in alignment with the Equator Principles
- ✓ Shipping transactions are assessed against relevant factors, in line with international conventions and standards (e.g. International Maritime Organization conventions, the Hong Kong Convention and the Poseidon Principles)


Refer to slides 23 and 24 for an overview of our sustainability and climate risk policies

A recognized leader in sustainability

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA


Index member of DJSI
World and DJSI Europe

Ranked 6th of the 745
companies assessed in
the same industry
group¹



CDP score of A- and
included in Leadership
band¹

MSCI
ESG RATINGS



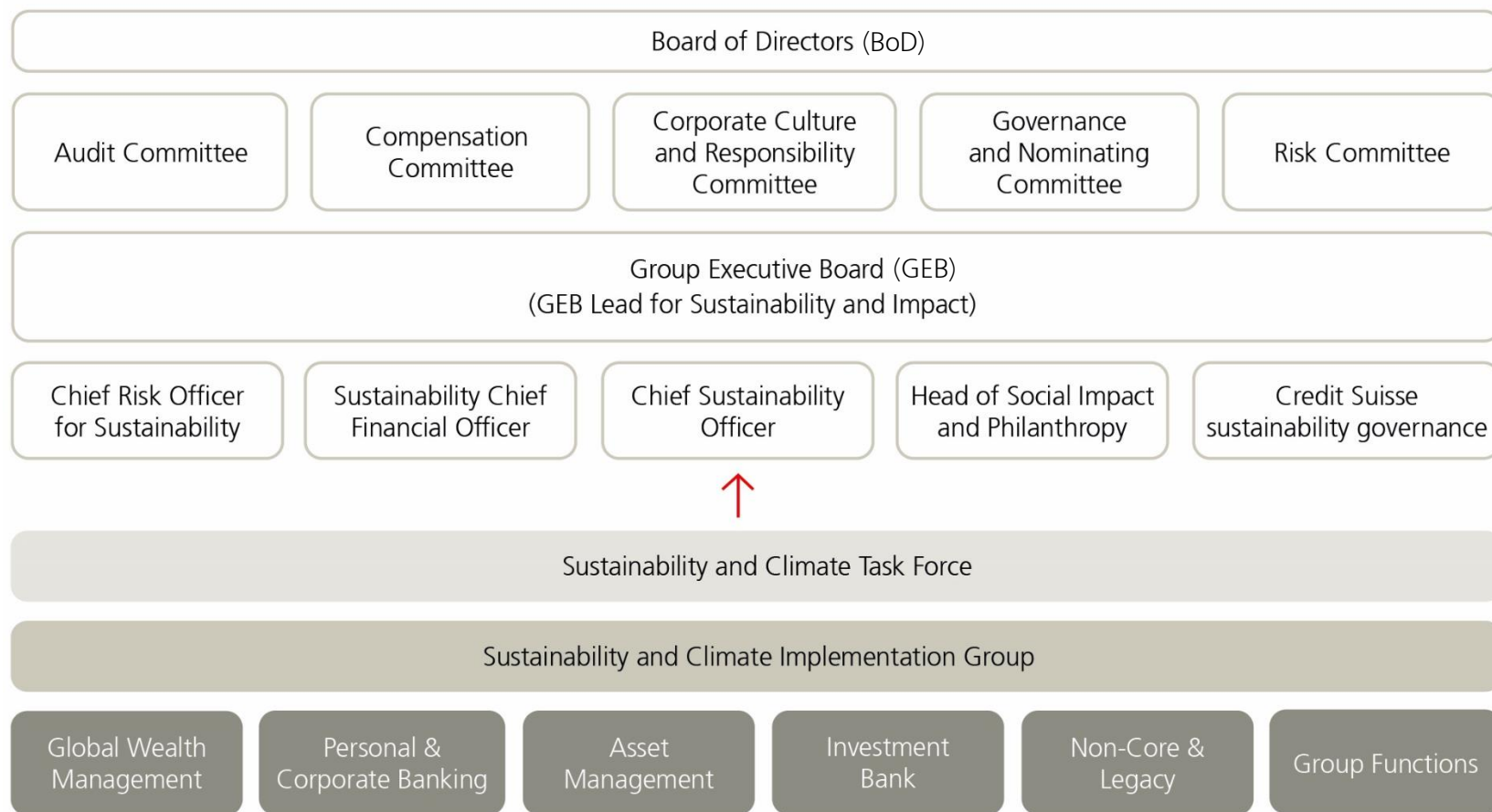
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“Leader” in industry
group¹

 **SUSTAINALYTICS**


ESG Risk rating of 27.5
(Medium risk)¹

Our Group-wide sustainability governance




- All BoD committees have specific responsibilities pertaining to ESG matters
- The BoD's Corporate Culture and Responsibility Committee (the CCRC) is the body primarily responsible for corporate culture, responsibility, and sustainability
- GEB Lead for sustainability and impact responsible for setting the sustainability and impact strategy and developing Group-wide sustainability and impact objectives
- Certain CS sustainability governance bodies have been retired in 2023 and our aim is to achieve full integration of the relevant bodies, together with their associated procedures and policies, into the overall UBS Group sustainability governance during 2024

Planet – our aspirations and progress in 2023 (1/2)

Our priorities	Our aspirations or targets	Our progress in 2023
<div>Planet</div> <div></div>	<p>Following the acquisition of the Credit Suisse Group, we refined the UBS Group lending sector decarbonization targets to reflect the activities of the combined organization and evolving standards and methodologies:¹</p> <p>Reduce emissions intensity associated with UBS in-scope lending by 2030 from 2021 levels for:</p> <ul style="list-style-type: none">– Swiss residential real estate by 45%;– Swiss commercial real estate by 48%;– power generation by 60%;– iron and steel by 27%; and– cement by 24%. <p>Reduce absolute financed emissions associated with UBS in-scope lending by 2030 from 2021 levels for:</p> <ul style="list-style-type: none">– fossil fuels by 70%. <p>Continue disclosing in-scope ship finance portfolios according to the Poseidon Principles decarbonization trajectories with the aim of aligning therewith.²</p> <hr/> <p>Aim, by 2030, to align 20% of UBS AG Asset Management’s total assets under management (AuM) with net zero. This Pre-acquisition UBS aspiration will be reassessed in 2024.⁴</p>	<p>Calculated progress against pathways for revised targets.³</p> <p>Changes in emissions intensity associated with UBS in-scope lending (end of 2022 vs. 2021 baseline):</p> <ul style="list-style-type: none">– Swiss residential real estate reduced by 6%;– Swiss commercial real estate increased by 2%;– power generation reduced by 13%;– iron and steel reduced by 4%; and– cement reduced by 1%. <p>Changes in absolute financed emissions associated with UBS in-scope lending (end of 2022 vs. 2021 baseline) for:</p> <ul style="list-style-type: none">– fossil fuels reduced by 29%. <p>In-scope ship finance portfolio remains below the existing International Maritime Organization (IMO 50) decarbonization trajectory.</p> <hr/> <p>Aligned 2.9% of UBS AG Asset Management’s total AuM with net zero.</p>

Planet – our aspirations and progress in 2023 (2/2)

Our priorities	Our aspirations or targets	Our progress in 2023
<div data-bbox="118 427 342 638">Planet</div> <div data-bbox="118 638 342 1366"></div>	<div data-bbox="342 427 1436 710"><p>Minimize our scope 1 and 2 emissions through energy efficiencies and switching to more sustainable energy sources. After which, procuring credible carbon removal credits to neutralize any residual emissions down to zero by 2025.¹</p></div> <div data-bbox="342 710 1436 965"><p>Offset historical emissions back to the year 2000 by sourcing carbon offsets (by year-end 2021) and by offsetting credit delivery and full retirement in registry (by year-end 2025). The scope is UBS Group excluding Credit Suisse.</p></div> <div data-bbox="342 965 1436 1366"><p>Engage with our greenhouse gas (GHG) key vendors, for 100% of them to declare their emissions and set net zero-aligned goals by 2026, and reduce their scope 1 and 2 emissions in line with net-zero trajectories by 2035.²</p></div>	<div data-bbox="1436 427 2731 710"><p>Reduced net GHG footprint for scope 1 and 2 emissions by 21% and energy consumption by 8% (compared with 2022); continued replacing fossil fuel heating systems and monitored delivery of contracted carbon removal credits; achieved 96% renewable electricity coverage in line with RE100 despite challenging market conditions.</p></div> <div data-bbox="1436 710 2731 965"><p>Continued to follow up on credit delivery and retirement of sourced portfolio.</p></div> <div data-bbox="1436 965 2731 1366"><p>We invited the vendors that accounted for 67% of our annual vendor spend to disclose their environmental performance through CDP's Supply Chain Program, with 70 % of the invited vendors completing their disclosures in the CDP platform.</p><p>65% of GHG key vendors (defined as those vendors that collectively account for more than 50% of our estimated vendor GHG emissions) have declared their emissions on CDP and set net-zero-aligned goals.</p></div>

Our approach to climate

Ambition

We will support clients through the world's transition to a low carbon economy and embed considerations of climate change risks and opportunities in our bank for the benefit of our stakeholders, now and in the future

Supporting our clients' low-carbon transition

- Mobilizing capital toward an orderly transition to a low-carbon economy
- Aligning our in-scope lending and investment portfolios to the objectives of the Paris Agreement
- Supporting the transition of our financing and investing clients to low-carbon and climate resilient business models
- Embedding climate considerations into our financing investment and capital markets offering

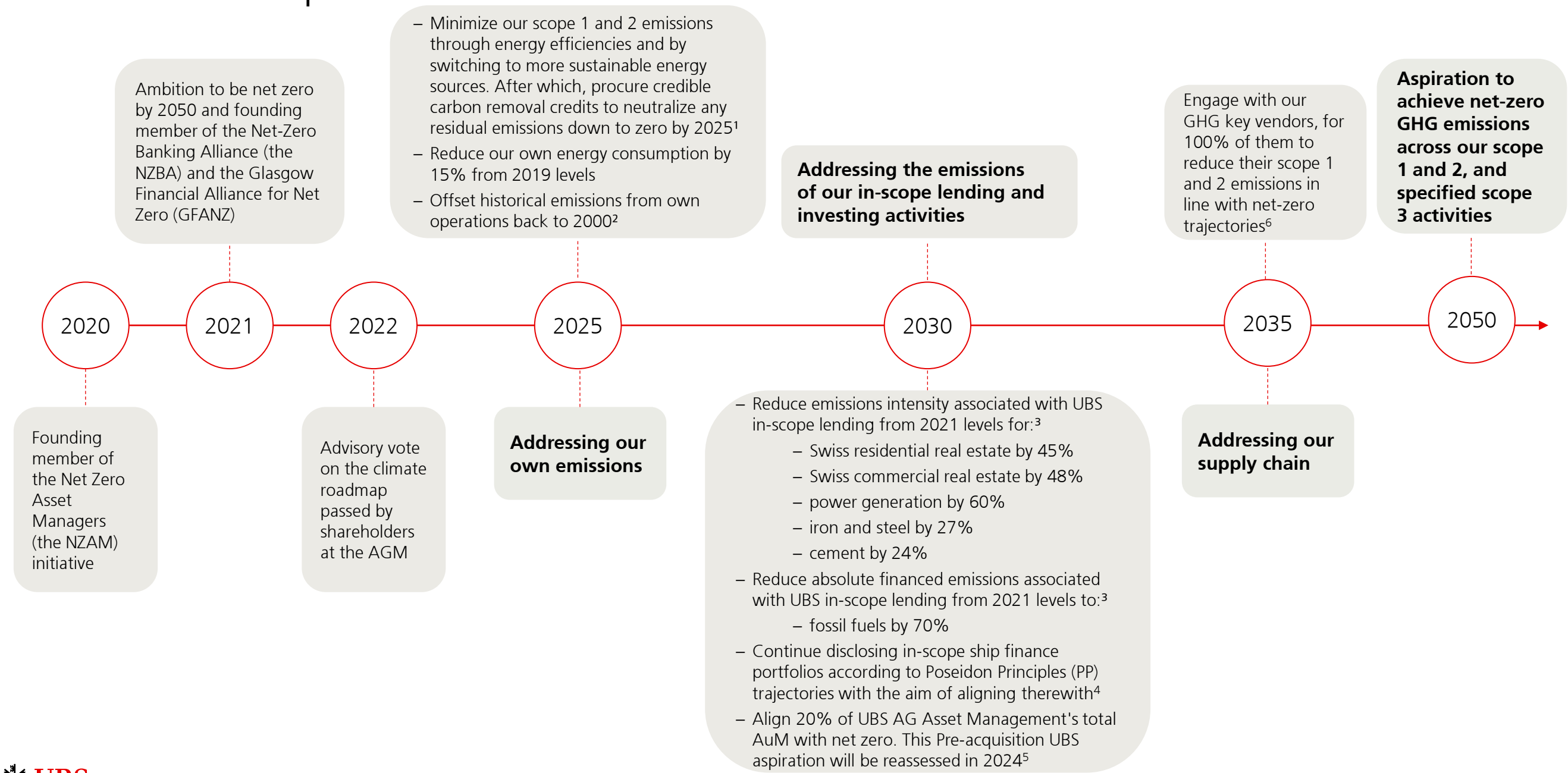
Reducing our climate impact

- Minimizing our own operational footprint and utilizing resources in an efficient and sustainable way
- Measuring and managing our travel footprint incl. reduction of air travel-related emissions
- Engaging our suppliers on emissions reductions and managing our supply chain responsibly

Managing the risks of climate change to our business

- Identifying, measuring, monitoring, managing and reporting sustainability and climate risks (including nature-related risks)
- Applying sustainability and climate risk appetite as codified in UBS Group's Sustainability and Climate Risks Policy
- Continue integrating sustainability and climate risk regulatory requirements into financial risk management and stress-test frameworks
- Ensuring the sustainability and climate risk framework is embedded into our activities at Group and legal entity level, the CS integration strategy and UBS's target operating model

Climate roadmap



Our ambition is to achieve net-zero greenhouse gas (GHG) emissions across our scope 1 and 2, and specified scope 3 activities by 2050

Following the CS acquisition, we conducted a review of the decarbonization targets to reflect the activities of the combined organization. As a result, we have revised the decarbonization targets and explicitly described in-scope activities where we have detailed plans, supported by short and medium-term targets

		Target set?	Comments
Scope 1 and 2	Operational footprint	✓	<ul style="list-style-type: none">– We minimize our scope 1 and 2 emissions through energy efficiencies and by switching to more sustainable energy sources; after which, procure credible carbon removal credits to neutralize any residual emissions down to zero by 2025¹
	Financed emissions (Lending)	✓	<ul style="list-style-type: none">– We evaluated the combined lending portfolios and resulting exposures to carbon-intensive sectors and have updated our previous emissions targets for real estate mortgage lending, as well as for the fossil fuels (oil, gas and coal), power generation and cement sectors.– We also identified iron and steel as additional target sector. For the Credit Suisse AG in-scope shipping portfolio, we continue to disclose the portfolio’s climate alignment to the Poseidon Principles decarbonization index.
Selected Scope 3 activities	Facilitated emissions (Underwriting)	-	<ul style="list-style-type: none">– By disclosing for the first time our facilitated emissions for select carbon-intensive sectors, we aim to provide transparency on the emissions we facilitate as a result of our capital market activities (in line with PCAF’s standard)
	Investing	✓	<ul style="list-style-type: none">– UBS AG Asset Management made progress toward delivering its target of aiming, by 2030, to align 20% of UBS AG Asset Management’s total assets under management (AuM) with net zero. This Pre-acquisition UBS aspiration will be reassessed in 2024.
		-	<ul style="list-style-type: none">– GWM continues with its business strategy to provide a range of credible solutions supporting private investors and family offices to address their own decarbonization objectives, where possible. We continue to build an understanding of how best to integrate climate risk into portfolios, while also driving solutions innovation across asset classes and strategies
	Supply chain (GHG key vendors)	✓	<ul style="list-style-type: none">– In 2023, 65% of our GHG key vendors declared their emissions and set net zero aligned goals (up from 49% in 2022). Our target is to engage with our GHG key vendors, for 100% of them to declare their emissions and set net zero-aligned goals by 2026, and reduce their scope 1 and 2 emissions in line with net zero trajectories by 2035²– Pre-acquisition Credit Suisse did not have GHG emission aspirations for vendors

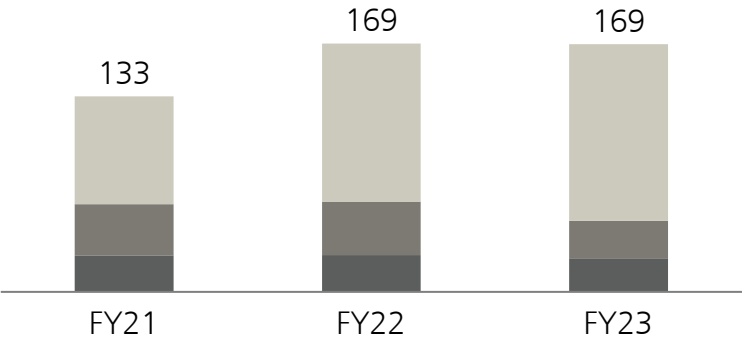


Progress on our direct environmental footprint

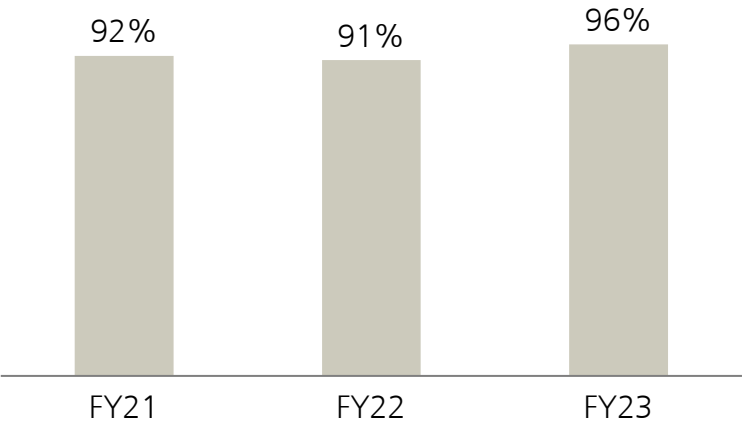
GHG footprint (total net GHG emissions)

Kilotonnes CO₂e

- Scope 1
- Net scope 2
- Scope 3 from our own operations³

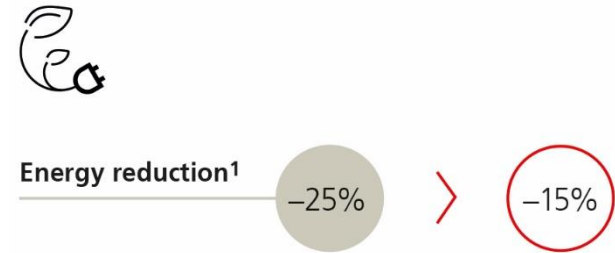


Renewable electricity sourcing⁴



Environmental performance and 2025 targets

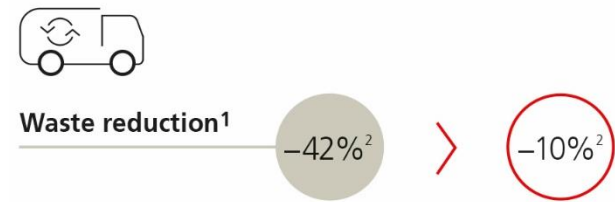
Energy reduction¹



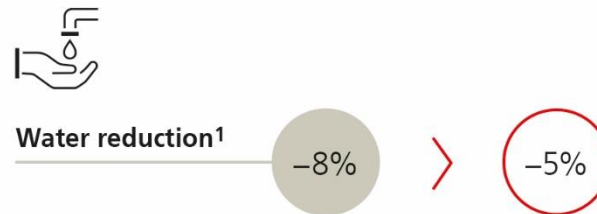
Paper from sustainable sources¹



Waste reduction¹



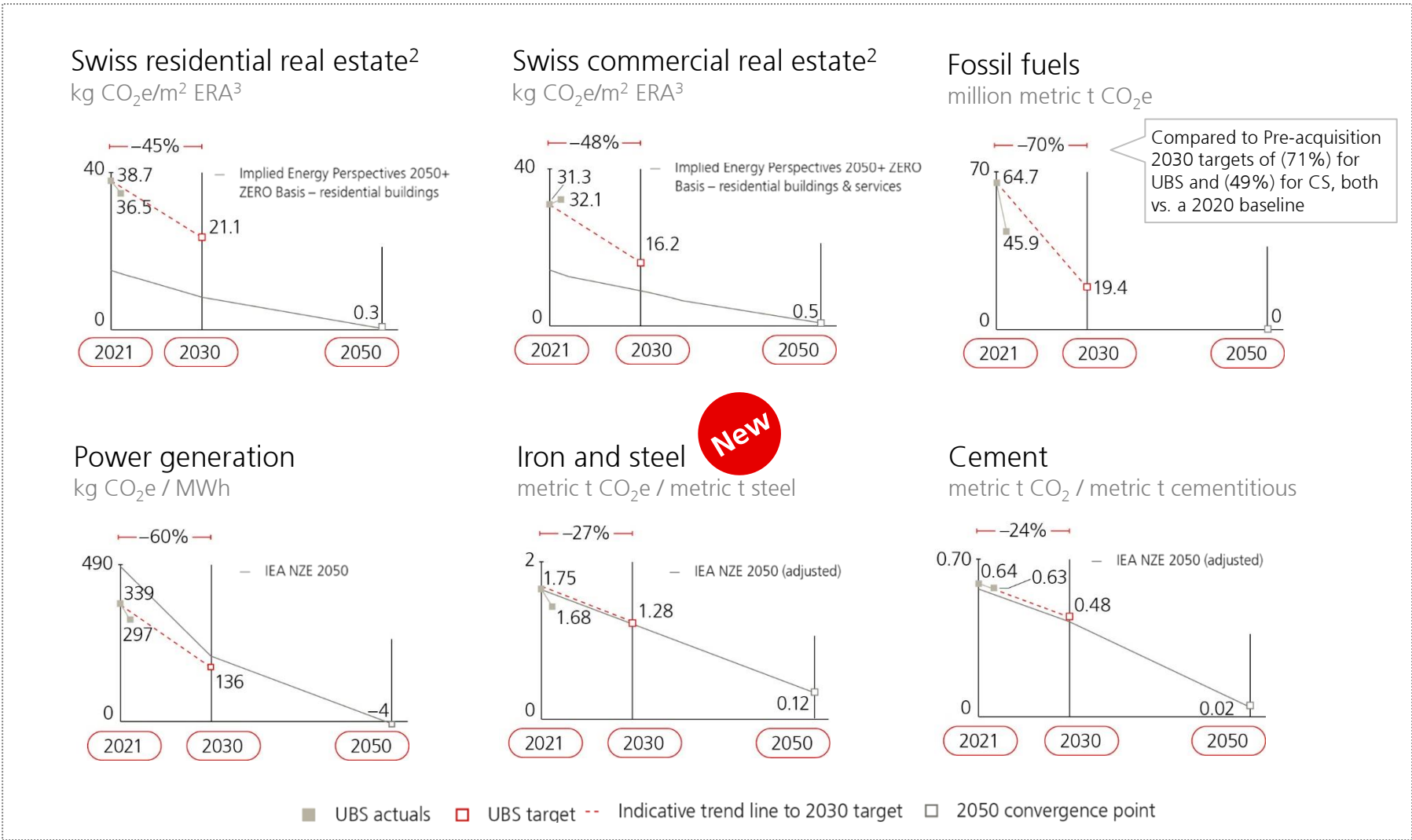
Water reduction¹



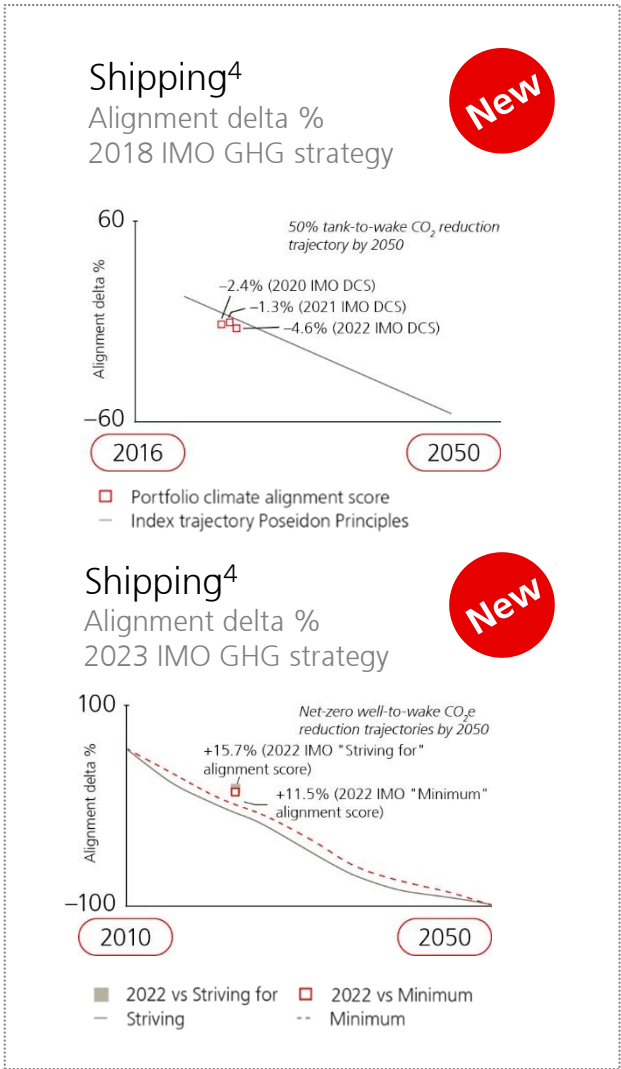
● 2023 actuals ○ 2025 targets

Decarbonization targets for sectors representing ~81 % of total financed emissions

UBS Group¹



Credit Suisse AG

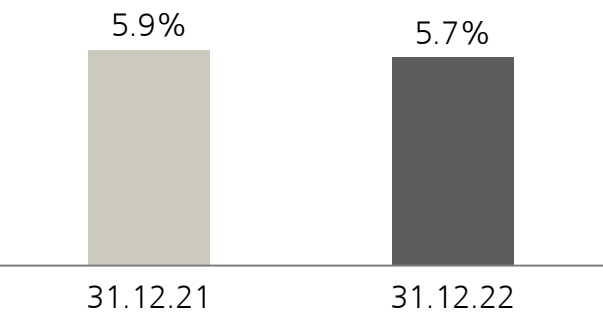


- SBTi guidance used where possible; continue to assess the options for target validation and assurance
- Automotive and aluminum sectors for which Pre-acquisition CS had decarbonization targets were deprioritized for target setting at this time given materiality to the combined Group

Measuring facilitated emissions from our capital markets business



Select carbon-intensive sectors as % of total facilitated notional




Overview

- UBS reviews and assesses every Global Banking transaction and employs a robust business selection process. For carbon-intensive sectors, we consider the potential climate and sustainability impacts of the transaction and related material risks and opportunities
- Facilitated emissions from transactions introduces volatility in our numbers given the relation to the volume of capital markets activity in the year and our market share


Facilitated emissions	31.12.22						31.12.21					
	Facilitated amount (USD bn)	Facilitated emissions, scope 1 and 2 (million metric t CO ₂ e)	Facilitated emissions, scope 3 (million metric t CO ₂ e)	PCAF score ² scopes 1 and 2	PCAF score ² scope 3	Facilitated intensity (million metric t CO ₂ e / USD bn)	Facilitated amount (USD bn)	Facilitated emissions, scope 1 and 2 (million metric t CO ₂ e)	Facilitated emissions, scope 3 (million metric t CO ₂ e)	PCAF score ² scopes 1 and 2	PCAF score ² scope 3	Facilitated intensity (million metric t CO ₂ e / USD bn)
Select carbon-intensive sectors ¹	12.0	2.0	2.3	1.6	2.3	0.4	23.0	5.1	16.3	1.6	2.8	0.9
Select carbon-intensive sectors as % of total	5.7%						5.9%					
Other sectors	197.7						368.2					
Total facilitated amount ³	209.7						391.3					

People – our aspirations and progress in 2023

Our priorities	Our aspirations	Our progress in 2023
People 	By 2025, 30% of worldwide roles at Director level and above held by women.	Increased to 29.5% (2022: 27.8%) of worldwide roles at Director level and above held by women.
	By 2025, 26% of US roles at Director level and above held by employees from ethnic minority backgrounds.	Increased to 25.1% (2022: 20.5%) of US roles at Director level and above held by employees from ethnic minority backgrounds.
	By 2025, 26% of UK roles at Director level and above held by employees from ethnic minority backgrounds.	Increased to 24.3% (2022: 23.4%) of UK roles at Director level and above held by employees from ethnic minority backgrounds.
	By 2025, 4% of UK roles at Director level and above held by black employees.	Stable at 2.1% (2022: 2.2%).
	By 2025, 25% of Americas financial advisor / client advisor roles held by women (UBS Group excluding Credit Suisse).	Increased to 16.8% (2022: 16.6%).
	By 2025, 18.8% of US financial advisor / client advisor roles held by employees from racial / ethnic minority backgrounds (UBS Group excluding Credit Suisse).	Decreased to 12.2% (2022: 12.4%).
	Raise USD 1 billion in donations to our client philanthropy foundations and funds and reach 26.5 million beneficiaries by 2025 (cumulative for 2021–2025).	Achieved a UBS Optimus network of foundations donation volume of USD 328 million in 2023, totaling USD 763.9 million since 2021 (both figures include UBS matching contributions). ¹ Reached 7 million beneficiaries in 2023 and 18.5 million beneficiaries across our social impact activities since 2021.

Employee-focused diversity, equity and inclusion agenda


At UBS, we aim to build a culture of belonging, where employees from all backgrounds and identities can feel recognized and valued, and where everyone can unlock their full potential



Accountable

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

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



Hire

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

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



Develop

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

- Development programs
- Sponsorship and mentoring
- Promotion



Belong

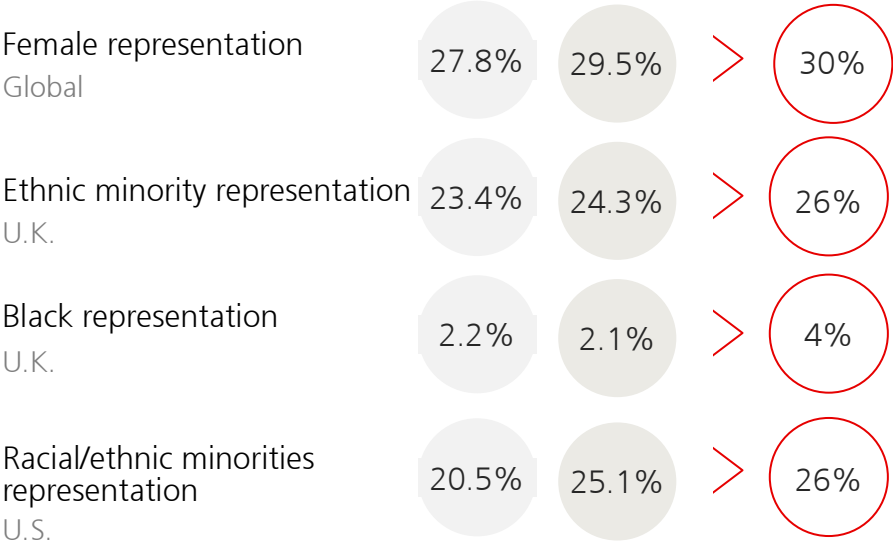
Creating a sense of belonging through our inclusive culture, where **employees from all backgrounds and identities** feel **recognised and valued**

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

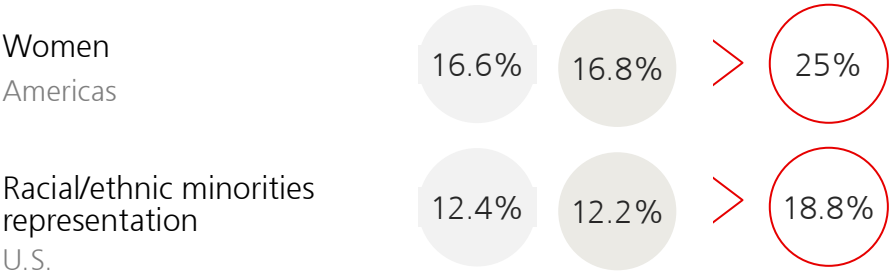
2025 aspirational goals






Director level and above




Financial advisors / client advisors¹



 2022 actuals  2023 actuals  2025 aspirations

Partnerships – our aspirations and progress in 2023

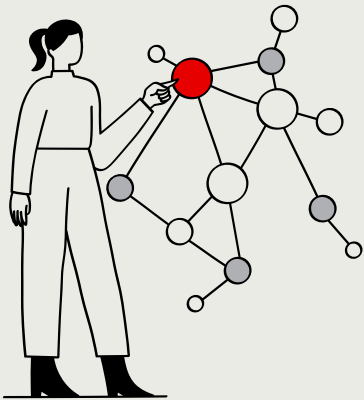
Our priorities	Our aspirations or targets	Our progress in 2023
<p>Partnerships</p> 	<p>Continue to position UBS as a leading facilitator of discussion, debate and idea generation.</p> <hr/> <p>Drive standards, research and development, and product development.</p>	<p>Delivered a variety of insights, including through interviews with subject-matter experts, individual research reports and comprehensive white papers, via the UBS Sustainability and Impact Institute, including key publications <i>The Rise of the Impact Economy</i> and <i>Rethink, rebuild, reimagine</i></p> <p>Co-organized, with the Institute of International Finance, the second Wolfsberg Forum for Sustainable Finance.</p> <hr/> <p>Co-led financial-sector-specific working group of the Taskforce on Nature-related Financial Disclosures (the TNFD) and supported the launch of the TNFD framework.</p> <p>Co-chaired the UNEP FI Principles for Responsible Banking Nature working group that developed initial guidance on nature target setting for financial institutions.</p>

Partnerships – connecting people for a better world

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

From transparency to impact

Within the industry and within the firm



IFRS International Sustainability Standards Board (ISSB)

Net-Zero Banking Alliance (NZBA)

Net Zero Asset Managers initiative (NZAMi)

Taskforce on Nature-related Financial Disclosures (TNFD)

Capitals Coalition

Sustainability and Impact Institute

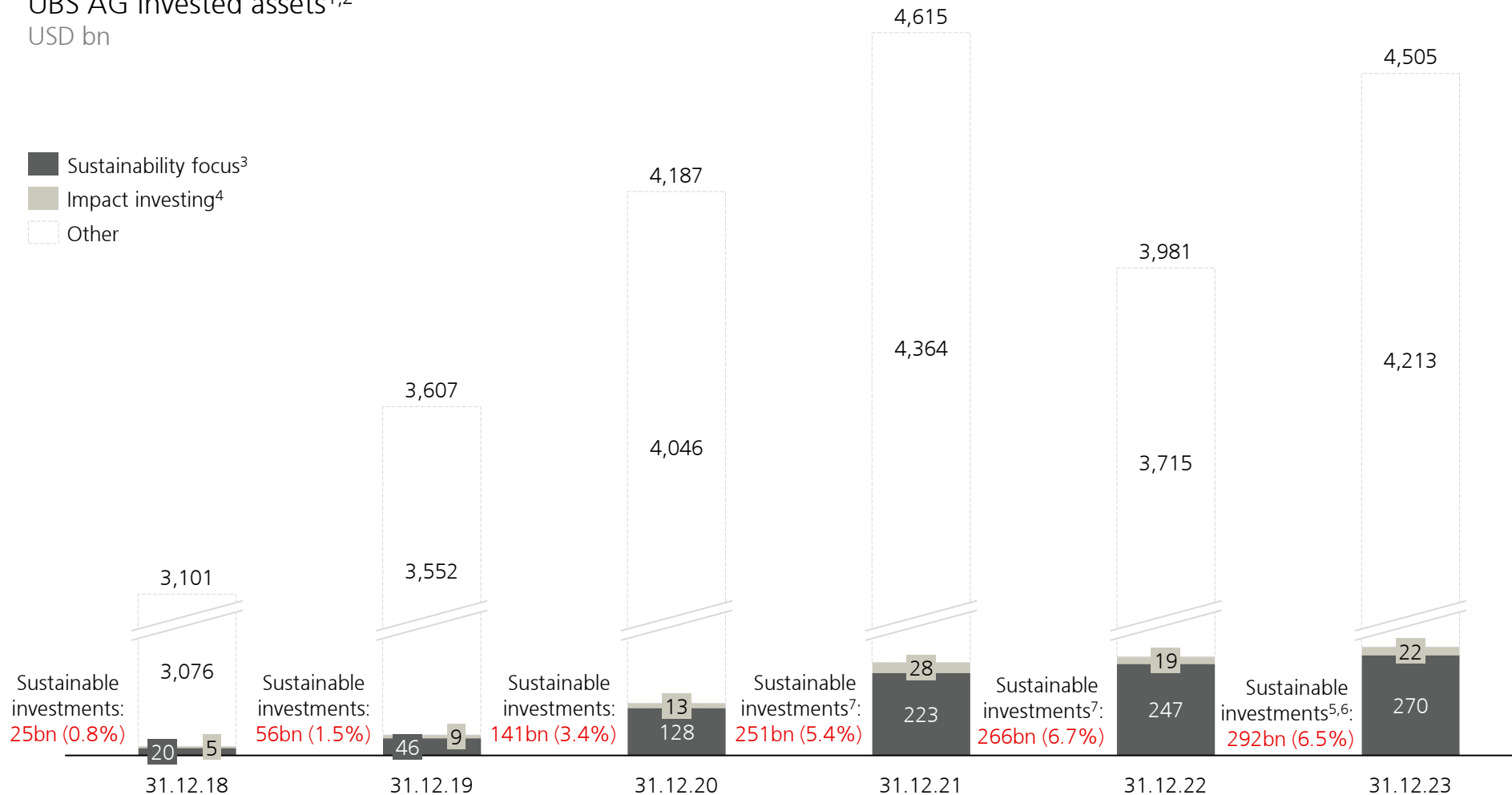
A platform to develop and propose solutions to the world

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

Increased invested assets in sustainable investments by 10% to USD 292 billion

UBS AG invested assets^{1,2}
USD bn

■ Sustainability focus³
■ Impact investing⁴
□ Other



Credit Suisse integration update

In 2024, the UBS AG **Asset Management** SI product classification framework will be applied to the Credit Suisse AG Asset Management products when onboarded to the UBS shelf

In 2024 and 2025, we will bring selected Credit Suisse sustainable and impact investing solutions onto the merged **Global Wealth Management** platform. These solutions will be subject to existing UBS Global Wealth Management sustainable investing frameworks, diligence, and instrument selection approaches

FY 2024 sustainable investing **disclosures** to apply to the combined Group

	2023 YoY	2018-2023 CAGR
Other	+13%	+6%
Impact investing	+14%	+36%
Sustainability focus	+10%	+68%
Sustainable investments	+10%	+64%

Sustainable finance approach and offering

Investment approaches

UBS's definition of sustainable investments

Sustainability focus

Target market-rate investment returns

Have explicit sustainable intentions or objectives that drive the strategy

Underlying investments may contribute to positive sustainability outcomes through products, services and / or proceeds

Impact investing

Target market-rate investment returns

Have explicit intentions to generate measurable, verifiable, positive sustainability outcomes

Impact attributable to investor action and / or contribution

Expanding offering for clients in 2023

UBS AG GWM clients' discretionary assets aligned to **SI Strategic Asset Allocation** reached USD 23bn¹

UBS AG GWM clients' **SDG-related impact commitments and invested assets** reached USD 11bn²

UBS AG GWM clients could invest in **7 new private market** impact vehicles aligned with the SDGs

Facilitated 102 green, social, sustainability or sustainability-linked **bond transactions**³

Retained #1 position in Swiss franc-denominated green, social, sustainability and sustainability-linked bond issuance⁴

2nd largest manager of open-ended funds and ETFs by SI invested assets⁵

42% of **net new investment products** UBS AG P&C Personal Banking were sustainable⁶


Sustainable investments make up 47% of total custody assets in UBS AG P&C Personal Banking⁶

UBS AG AM voted on 1,611 ESG **shareholder resolutions**

UBS AG AM had 35 **net-zero ambition portfolios** available for clients at the end of 2023

| Appendix

Sustainability and climate risk policy framework (coal, oil & gas and shipping)

Coal	Coal-fired power plants (CFPP)	We do not provide project-level finance for new CFPP globally and only support financing transactions of existing coal-fired operators (>20% coal reliance) if they have a transition strategy that aligns with the goals of the Paris Agreement or if the transaction is related to renewable energy or clean technology.
	Coal mining and mountaintop removal (MTR)	<p>We do not provide financing where the stated use of proceeds is for greenfield¹ thermal coal mines and do not provide financing to coal-mining companies engaged in MTR operations.</p> <p>We only provide financing to existing thermal coal-mining companies (>20% of revenues) if they have a transition strategy that aligns with the goals of the Paris Agreement, or if the transaction is related to renewable energy or clean technology.</p> <p>Pre-acquisition CS: >25% today, >15% in 2025, >5% in 2030</p>
	Arctic drilling and oil sands	We do not provide financing where the stated use of proceeds is for new offshore oil projects in the Arctic or greenfield ¹ oil sands projects, and only provide financing to companies with significant reserves or production in arctic oil and/or oil sands (>20% of reserves or production) if they have a transition strategy that aligns with the goals of the Paris Agreement or if the transaction is related to renewable energy or clean technology.
Oil and gas	Liquefied natural gas (LNG)	Transactions directly related to LNG infrastructure assets are subject to enhanced sustainability and climate risk due diligence considering relevant factors, such as management of methane leaks and the company's past and present environmental and social performance.
	Ultra-deepwater drilling	Transactions directly related to ultra-deepwater drilling assets are subject to enhanced sustainability and climate risk due diligence considering relevant factors, such as environmental impact analysis, spill prevention and response plans, and the company's past and present environmental and social performance.
	Hydraulic fracturing	Transactions with companies that practice hydraulic fracturing in environmentally and socially sensitive areas are assessed against their commitment to and certification of voluntary standards, such as the American Petroleum Institute's documents and standards for hydraulic fracturing.
Shipping 	Transactions involving marine transportation are assessed against relevant factors such as greenhouse gas emissions and energy efficiency, human rights, safety and pollution prevention policies, and responsible ship recycling, in line with applicable international conventions and standards (e.g., International Maritime Organization conventions, the Hong Kong Convention and the Poseidon Principles).	
	The carbon intensity and climate alignment of the ship financing portfolio are measured and reported in accordance with the Poseidon Principles.	

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

Controversial activities

Where we will **not do business**

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

Areas of concern

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

- Soft commodities:

 - Palm oil
 - Soy
 - Forestry
 - Fish and seafood
- Power generation:

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

 - Arctic drilling and oil sands
 - Coal mining and mountain top removal (MTR)
 - Liquefied natural gas (LNG)
 - Ultra-deepwater drilling
 - Hydraulic fracturing
 - Metals and mining **Extended**
 - Diamonds
 - Project finance **New**
 - Shipping **New**

Decarbonization targets in relation to UBS lending book

NZBA sectors with target	2022 (pro forma)			Unit	Baseline 2021	2022 actuals	Change vs. 2021	2021 – 2030 target	Notes
	Total sector exposure, gross (USD bn) ¹	Exposure covered with target, gross (USD bn) ¹	Outstanding exposure covered by target (USD bn) ²						
Swiss residential real estate	364.9	224.9	223.6	kg CO ₂ e/m ² ERA ⁴	38.7	36.5	(6%)	(45%)	Reduction of emissions intensity (scopes 1 and 2)
Swiss commercial real estate		99.1	98.7	kg CO ₂ e/m ² ERA ⁴	31.3	32.1	+2%	(48%)	Reduction of emissions intensity (scopes 1 and 2)
Fossil fuels ³	20.0	7.4	1.3	million metric t CO ₂ e	64.7	45.9	(29%)	(70%)	Reduction of absolute emissions (scopes 1, 2 and 3)
Power generation	13.7	12.2	2.4	kg CO ₂ e/MWh	339	297	(13%)	(60%)	Reduction of emissions intensity (scope 1)
Iron and steel <div>New</div>	1.4	0.7	0.3	metric t CO ₂ / metric t steel	1.75	1.68	(4%)	(27%)	Reduction of emissions intensity (scopes 1 and 2)
Cement	1.1	1.0	0.1	metric t CO ₂ / metric t cementitious	0.64	0.63	(1%)	(24%)	Reduction of emissions intensity (scopes 1 and 2)
Total	401.1	345.3	326.4						

Climate-related lending metrics – shipping / Poseidon Principles disclosure

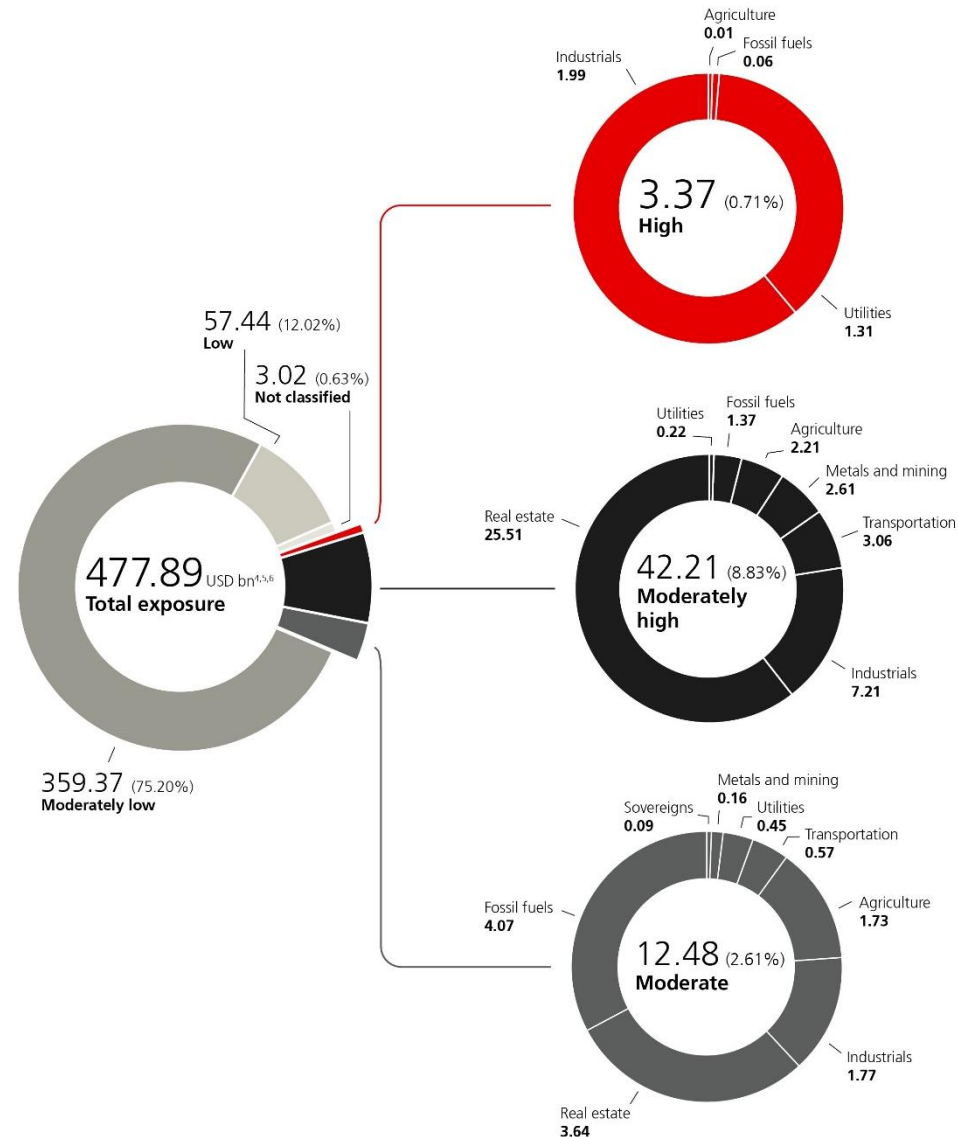


	Gross exposure (USD bn)	Exposure in scope of Poseidon Principles disclosure (USD bn)	Unit	Notes
Shipping	9.4	6.9 ¹	% delta alignment vs. trajectory	Poseidon Principles in scope (Credit Suisse AG)
Poseidon Principles disclosure			2021	2022
Shipping (delta alignment to Poseidon Principles “IMO 50” trajectory) ²			(1.3%)	(4.6%)
Shipping (delta alignment to “IMO 2023 minimum trajectory”) ³			n/a ⁴	11.5%
Shipping (delta alignment to “IMO 2023 striving for trajectory”) ³			n/a ⁴	15.7%

Climate risk heatmap – transition risk

Climate risk heatmap (transition risk)^{1,2, 3}

USD bn



High

Industrials 1.99
1.64 Chemicals
0.35 Cement or concrete manufacture
Utilities 1.31
1.31 Power production: regulated and high-carbon fuels

Fossil fuels 0.06
0.04 Coal
0.02 Shale gas
Agriculture 0.01
0.01 Livestock – beef extensive grazing

Moderately high

Real Estate 25.51
23.12 Commercial real estate
2.40 Development and management of real estate
Industrials 7.21
3.24 Machinery and related parts manufacturing
2.12 Pharmaceuticals
0.97 Consumer durables manufacturing
0.82 Plastics and petrochemicals manufacture
0.06 Chemicals
Metals and Mining 2.61
2.06 Mining conglomerates (including trading)
0.28 Production of other mined metals and raw materials
0.28 Production of steel and iron
Agriculture 2.21
2.21 Food and beverage production

Transportation 3.06
1.66 Airlines – cargo
0.64 Transportation parts and equipment supply
0.51 Land-based shipping high-carbon (trucks)
0.09 Sea-based shipping (high-carbon fuels)
0.09 Automobile manufacture (high-carbon fuels)
0.07 Airlines – commercial
Fossil Fuels 1.37
0.81 Wholesale and trading: crude oil and natural gas
0.32 Integrated oil and gas
0.16 Conventional oil (on/offshore)
0.08 Gas processing (including LNG)
Utilities 0.22
0.16 Wastewater treatment
0.06 Power production: regulated and high-carbon fuels

Moderate

Fossil Fuels 4.07
3.74 Wholesale and trading: refined petroleum products
0.17 Transportation and storage (gas)
0.16 Downstream oil and gas distribution
Real Estate 3.64
1.91 Construction – non-infrastructure
1.63 Commercial real estate
0.07 Development and management of real estate
0.03 Construction of buildings and related activities
Industrials 1.77
0.98 Other consumer goods manufacturing
0.67 Clothing manufacture
0.09 Plastics and petrochemicals manufacture
0.02 Machinery and related parts manufacturing

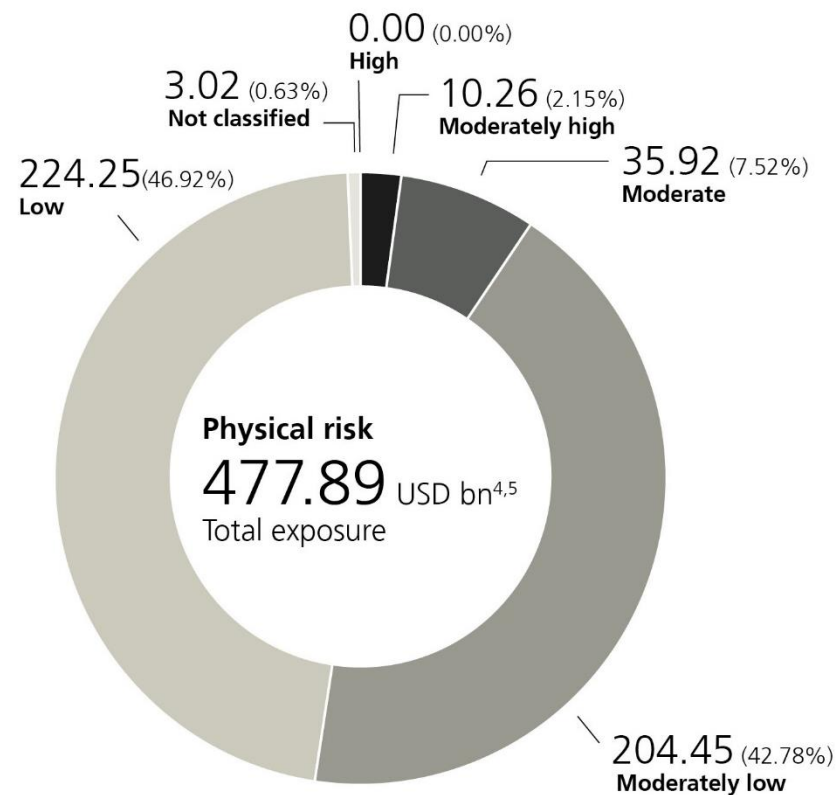
Transportation 0.57
0.55 Passenger ships
0.02 Automobile manufacture (high-carbon fuels)
Utilities 0.45
0.33 Grid operation and transmission
0.11 Waste disposal and recycling
0.01 Wholesale and trading: electricity and power
Metals and Mining 0.16
0.12 Metal ore mining not elsewhere classified
0.03 Production of other mined metals and raw materials
0.01 Production of steel and iron
Sovereigns 0.09
0.09 Sovereigns



Climate risk heatmap – physical risk

Climate risk heatmap (physical risk)^{1,2,3}

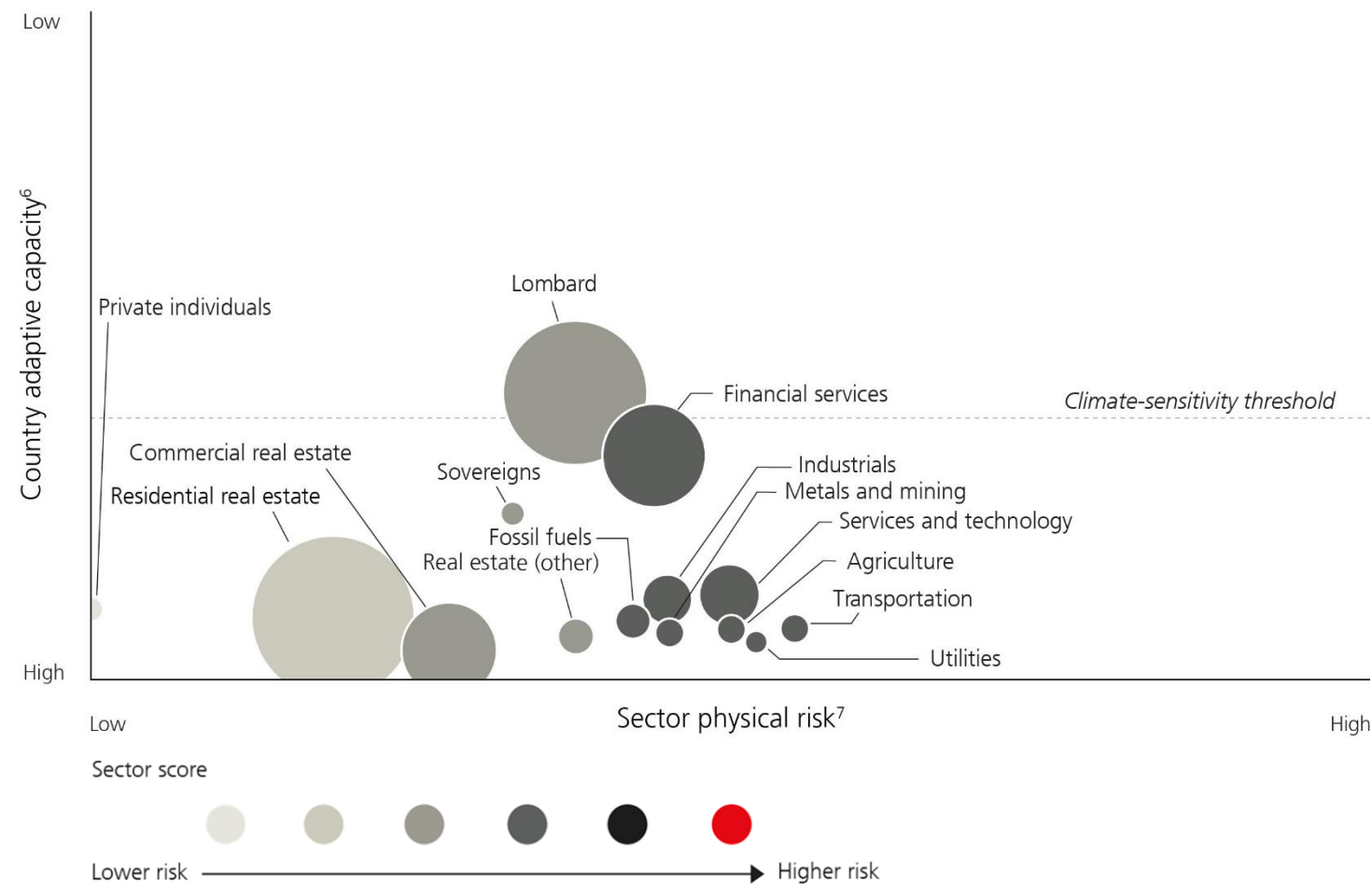
USD bn



Physical risk by sector and country adaptive capacity

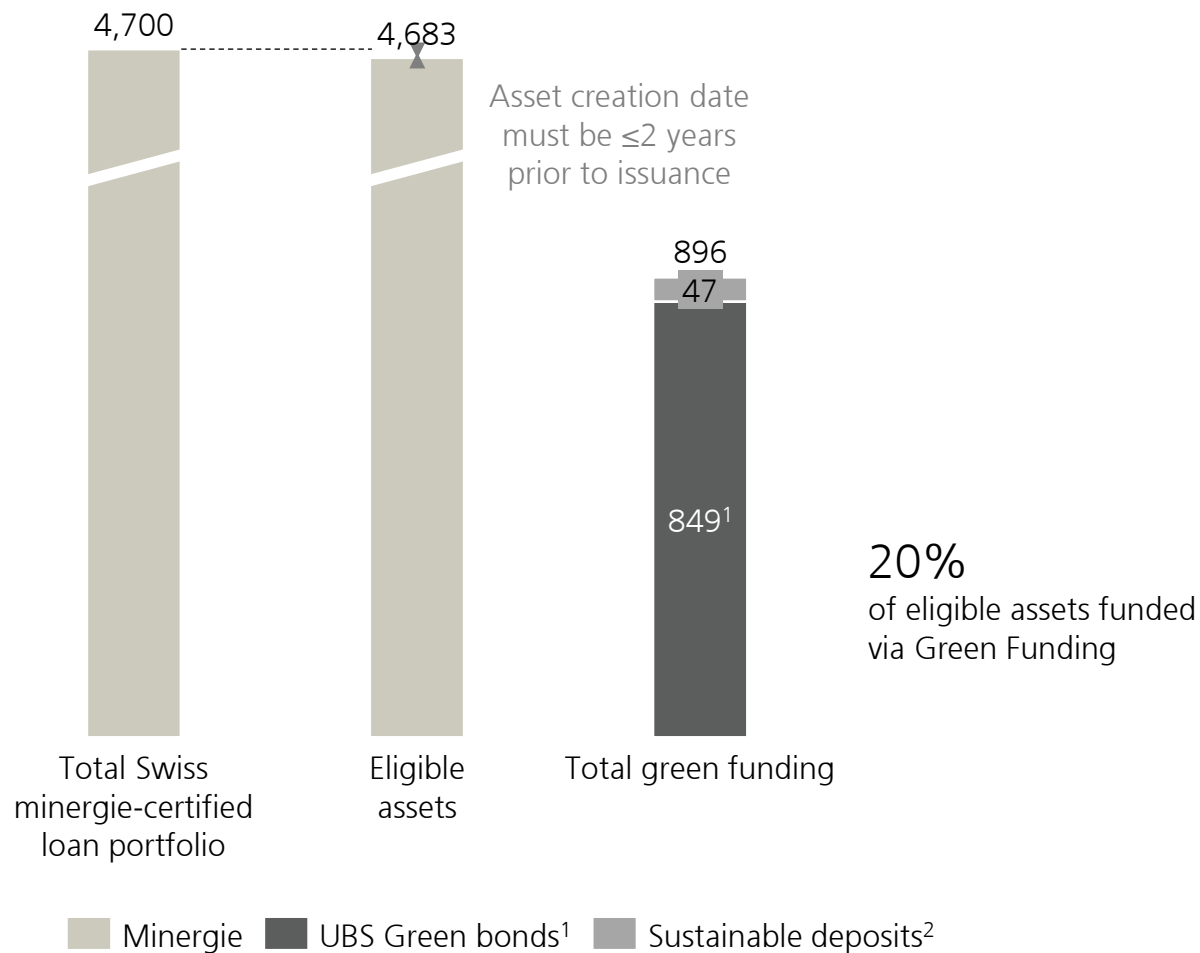
Market size indicates relative exposure magnitude

Color indicates physical risk level



Green funding update

Eligible assets and green funding outstanding
USD m, 31.12.23



UBS's Green Funding framework key features

Eligible asset pool:

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

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

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

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

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

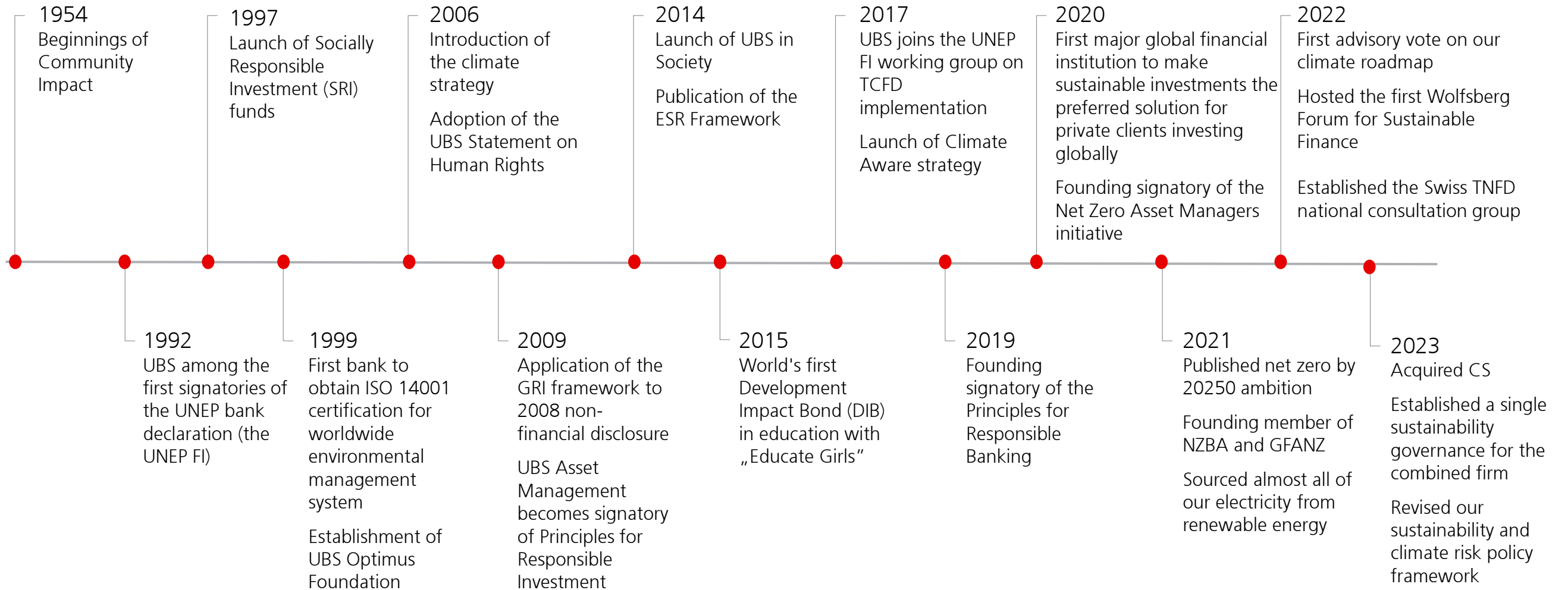
Meeting the core components of the **Green Bond Principles**



UBS

Refer to slides 34 to 37 for footnotes. Refer to our Green Funding Framework Annual Investor Report on ubs.com/greenbonds for more information.

Our long history in sustainability



Our approach to tax matters

UBS Code of Conduct and Ethics



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



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

Five key Principles

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

Key terms and definitions

SDGs

The 2030 Agenda for Sustainable Development, adopted by all UN member states in 2015, provides a shared blueprint for peace and prosperity for people and the planet. At its heart are the 17 UN Sustainable Development Goals (available on sdgs.un.org/goals), the SDGs, which are an urgent call for action by all countries – developed and developing – in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

Sustainable finance

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

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

Green, social, sustainability and sustainability-linked bonds: Instruments made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible green and/or social projects that form part of a credible program from the borrower/issuer to improve their environmental and/or social footprint.

GHG emissions

Scope 1: Accounts for GHG emissions by UBS.

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

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

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

Sustainability disclosure

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

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

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

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

Footnotes (1/3)

Slide 3: Continued to make good progress on our sustainability and impact strategy

1. Scope 2 emissions are market-based emissions. The remaining scope 1 and 2 emissions may be in excess of the approximately 5-10% residuals required for net zero (per the definition of a “net-zero target” by the ESRS E1 Climate Change per delegated act, adopted on 31 July 2023), which is our ambition for 2050. In 2024, we will be reviewing our 2025 scope 1 and 2 target for achievability for the combined organization and alignment with latest guidance;
2. By sourcing carbon offsets (by year end 2021) and by offsetting credit delivery and full retirement in registry (by year end 2025). The scope is UBS Group AG excluding Credit Suisse entities;
3. In 2024, we may review our targets for GHG key vendors for the combined organization and alignment with latest guidance. Our GHG key vendors are those vendors that collectively account for more than 50% of our estimated vendor GHG emissions;
4. UBS Group excluding Credit Suisse.

Slide 6: A recognized leader in sustainability

1. Ratings are as of 28.3.23.

Slide 8: Planet – our aspirations and progress in 2023 (1/2)

1. While we continue to take steps to align our business activities to our targets, it is important to note that progress towards our targets may not be linear and that the realization of our own targets and aspirations is dependent on various factors which are outside of our direct influence. We will continue to adjust our approach in line with external developments and evolving best practices for the financial sector and climate science. Refer to the Supplement to the UBS Group Sustainability Report 2023 for parts of the value chain within sectors covered by metrics and targets. Metrics are based on gross exposure, which includes total loans and advances to customers, fair value loans and guarantees as well as irrevocable loan commitments. Exclusions from the scope of analysis primarily include financial services, credit card and other exposure to private individuals;
2. As part of our ship finance strategy, ships in scope of Poseidon Principles (PP) are assessed on criteria which aim at aligning portfolios to the PP decarbonization trajectories. The PP are a framework for assessing and disclosing, on an annual basis, the climate alignment of in-scope ship finance portfolios to the ambition of the International Maritime Organization (the IMO), including its 2023 Revised GHG Strategy for GHG emissions from international shipping to decrease to net zero by or around 2050 (compared with 2008 levels);
3. Refer to the “Environment” section of the UBS Group Sustainability Report 2023 for further information. The inherent one-year time lag between the as-of date of our lending exposure and the as-of date of emissions can be explained by two factors: corporations disclose their emissions in annual reporting only a few months after the end of a financial year; and specialized third-party data providers take up to nine months to collect disclosed data and make it available to data users. Consequently, the baselines for our decarbonization targets are calculated on year-end 2021 lending exposure and 2020 emissions data. Our 2022 emissions actuals are based on year-end 2022 lending exposure and 2021 emissions data. For asset financing (e.g., real estate, shipping) there is no time lag, and exposure and emissions actuals refer to the same year;
4. The 20% alignment goal amounted to USD 235 billion at the time of Pre-acquisition Asset Management’s commitment in 2021. By 2030, the weighted average carbon intensity of funds is to be 50% below the carbon intensity of the respective 2019 benchmark.

Slide 9: Planet – our aspirations and progress in 2023 (2/2)

1. Scope 2 emissions are market-based emissions. The remaining scope 1 and 2 emissions may be in excess of the approximately 5–10% residuals required for net zero (per the definition of a “net-zero target” by the ESRS E1 Climate Change per delegated act, adopted on 31 July 2023), which is our ambition for 2050. In 2024, we will be reviewing our 2025 scope 1 and 2 target for achievability for the combined organization and alignment with latest guidance;
2. In 2024, we may review our targets for GHG key vendors for the combined organization and alignment with latest guidance. Our GHG key vendors are those vendors that collectively account for more than 50% of our estimated vendor GHG emissions.

Slide 11: Climate roadmap

1. Scope 2 emissions are market-based emissions. The remaining scope 1 and 2 emissions may be in excess of the approximately 5-10% residuals required for net zero (per the definition of a “net-zero target” by the ESRS E1 Climate Change per delegated act, adopted on 31 July 2023), which is our ambition for 2050. In 2024, we will be reviewing our 2025 scope 1 and 2 target for achievability for the combined organization and alignment with latest guidance
2. Target applies to UBS Group excluding Credit Suisse;
3. While we continue to take steps to align our business activities to our targets, it is important to note that progress towards our targets may not be linear and that the realization of our own targets and ambitions is dependent on various factors which are outside of our direct influence. We will continue to adjust our approach in line with external developments, as well as evolving best practices for the financial sector and climate science. Refer to the “Climate-related methodologies – net-zero approach for our financing activities” section of the Supplement to the UBS Group Sustainability Report 2023, available at ubs.com/sustainability-reporting, for more information about parts of the value chain within sectors covered by metrics and targets. Metrics are based on gross exposure, which includes total loans and advances to customers, fair value loans and guarantees as well as irrevocable loan commitments. Exclusions from scope of analysis primarily comprise financial services firms and other exposure to private individuals;
4. As part of our ship finance strategy, ships in scope of Poseidon Principles are assessed on criteria which aim at aligning portfolios to the Poseidon Principles decarbonization trajectories. The PP are a framework for assessing and disclosing, on an annual basis, the climate alignment of in-scope ship finance portfolios to the ambition of the International Maritime Organization (the IMO), including its 2023 Revised GHG Strategy for GHG emissions from international shipping to decrease to net zero by or around 2050 (against 2008 levels);
5. In line with the Net Zero Asset Managers initiative, we acknowledge that the scope for asset managers to invest for net zero depends on the mandates agreed with clients and clients’ and managers’ regulatory environments. Also in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met, including increasing the ambition of their Nationally Determined Contributions, and in the context of investing, our legal duties to clients and unless otherwise prohibited by applicable law. In some asset classes or for some investment strategies, agreed net-zero methodologies do not yet exist. Where our ability to align our approach to investments with the goal of net zero emissions by 2050 is, today, constrained, we commit to embark with determination and ambition on a journey, and to challenge and seek to overcome the constraints we face;
6. In 2024, we may review our target for GHG key vendors for the combined organization and alignment with latest guidance. Our GHG key vendors are those vendors that collectively account for more than 50% of our estimated vendor GHG emissions.

Footnotes (2/3)

Slide 12: By 2050, our ambition is to achieve net-zero greenhouse gas (GHG) emissions across our scope 1 and 2, and specified scope 3 activities

1. In 2024, we will be reviewing our 2025 scope 1 and 2 target for achievability for the combined organization and alignment with latest guidance;
2. In 2024, we may review our targets for GHG key vendors for the combined organization and alignment with latest guidance. Our GHG key vendors are those vendors that collectively account for more than 50% of our estimated vendor GHG emissions.

Slide 13: Progress on our direct environmental footprint

1. All reduction targets relate to 2019 baseline;
2. Per full-time employee;
3. Such as business travel, paper consumption and waste disposal;
4. Renewable electricity in line with RE100.

Slide 14: Decarbonization targets for sectors representing ~81% of total financed emissions

1. For corporate sectors (fossil fuels, power generation, iron and steel and cement) we have used the Sector Decarbonization Approach (SDA). The SDA assumes global convergence of key sectors' emissions intensities by 2050 and we set our 2030 targets to be in line with this assumption. We have used externally published independent net-zero scenarios as reference for the 2050 convergence points used to define the 2030 targets;
2. Swiss commercial real estate and Swiss residential real estate portfolio decarbonization rates are in line with the Implied Energy Perspectives 2050+ Zero Basis benchmarks. The high observed emissions intensities are mainly due to conservative assumptions (e.g. oil heating assumed if actual heating type not available) and high emissions factors per unit of energy used;
3. ERA: Energy Reference Area;
4. Shipping graphs display our portfolio's alignment to the Poseidon Principles decarbonization trajectories. Refer to the "Sector approach – Shipping (Credit Suisse AG – Poseidon Principles 2023 disclosure) sub-section in "Appendix 3 – Environment" in the appendices to the UBS Group Sustainability Report 2023 for more information

Slide 15: Measuring facilitated emissions from our capital markets business

1. Select carbon-intensive sectors comprise: fossil fuels (coal, oil and gas), power generation, iron and steel, aluminum, cement, automotive and air transportation. Refer to the sector approach in the "Climate-related methodologies – decarbonization approach for our financing activities" section in "Appendix 3 – Environment" in the appendices to the UBS Group Sustainability Report 2023 for the parts of the value chain in-scope within sectors.
2. PCAF data quality score has been combined for the key sectors and weighted by the facilitated amount;
3. Includes all sectors.

Slide 16: People – our aspirations and progress in 2023

1. Figures provided for the UBS Optimus network of foundations are based on unaudited management accounts and information available as of January 2024. Audited financial statements for UBS Optimus network of foundations entities are produced and available per local market regulatory guideline.

Slide 17: Employee-focused diversity, equity and inclusion agenda

1. FA/CA population refers to UBS Group excluding Credit Suisse.

Slide 20: Increased invested assets in sustainable investments by 10% to USD 292 billion

1. The chart on slide 20 details UBS AG Sustainable Investing Invested Assets (IA) and the evolution thereof. This chart does not contain any Credit Suisse products and associated IA classified under the Credit Suisse Sustainable Investing Framework (SIF). Credit Suisse IA in accordance with the SIF are reported separately as figures are not directly comparable with the UBS figures due to material differences in the underlying sustainable investment frameworks and definitions being applied. Please see "Appendix 7 Entity-specific disclosures for Credit Suisse AG" in the UBS Group Sustainability Report 2023 for further details;
2. We focus our sustainable investment reporting on those investment strategies exhibiting an explicit sustainability intention;
3. Strategies that have explicit sustainable intentions or objectives that drive the strategy. Underlying investments may contribute to positive sustainability outcomes through products / services / use of proceeds;
4. Strategies that have explicit intentions of generating measurable, verifiable and positive sustainability outcomes. Impact generated is attributable to investor action and/or contributions;
5. Certain products have been reclassified during 2023 for reasons including, but not limited to, an evolving regulatory environment, periodic monitoring of the product shelf, and developing internal classification standards. Impact of these movements on sustainable investment invested assets was a net reduction by USD 7 billion in UBS AG Global Wealth Management Americas and a net reduction by USD 6 billion in UBS AG Asset Management;
6. In line with general market practice, IA reported for sustainable investments include limited amounts of instruments not classified as sustainable investment, including cash and cash-like instruments that each fund and portfolio hold for liquidity management purposes, as well as, subject to clear, limiting restrictions, client-directed investments included in sustainable investing mandates managed by UBS Asset Management;
7. The impact investing and total sustainable investments (UBS AG) disclosures for 31.12.22 and 31.12.21 reporting periods have been restated to remove investments that were duplicated in the disclosed.

Slide 21: Sustainable finance approach and offering

1. Figures include limited amounts of instruments not classified as sustainable investment, including cash and cash-like instruments that each portfolio holds for liquidity management purposes, as well as, subject to clear, limiting restrictions, client-directed investments included in sustainable investing mandates;
2. Figures include limited amounts of instruments not classified as sustainable investment, including cash and cash-like instruments that each portfolio holds for liquidity management purposes;
3. Investment Bank figure is 102 of which UBS (AG) figure is 93 and Credit Suisse figure is 16. The metrics include transactions such as, but not limited to, Investment Bank Global Banking bonds issued under the voluntary ICMA Green Bond Principles, Sustainability Bond Principles, and Sustainability-Linked Bond Principles. The principles include a recommendation that the issuer appoints an external review provider to undertake an independent external review (e.g., second-party opinion). This is consistent with market practice. The metrics also include sustainability themed bonds (e.g., Transition). Transactions are counted only once, there is no double counting (e.g., if and where UBS AG and Credit Suisse were involved in the same transaction). UBS performed an assessment for Credit Suisse green, social, sustainability and sustainability-linked bonds reported in the 2023 Sustainability Report and deemed them to be aligned to UBS sustainable bond guidelines;
4. Bloomberg;
5. Morningstar;
6. Figures can include limited amounts of instruments not classified as sustainable investment, including cash and cash-like instruments that each portfolio holds for liquidity management purposes.

Footnotes (3/3)

Slide 23: Sustainability and climate risk policy frameworks (coal, oil & gas and shipping)

1. Greenfield means a new mine/well or an expansion of an existing mine/well that results in a material increase in existing production capacity.

Slide 25: Decarbonization targets in relation to UBS lending book

1. Gross exposure includes total loans and advances to customers, fair value loans, and guarantees as well as irrevocable loan commitments;
2. Outstanding exposure includes total loans and advances to customers and fair value loans;
3. For fossil fuels, a significant share of our gross exposure not covered by this target is commodity trade financing for which guidelines and methodologies have yet to be developed. Refer to "Climate-related methodologies – decarbonization approach for our financing activities" in the "Environment" section of the Supplement to the UBS Group Sustainability Report 2023, for details about our climate-related methodologies;
4. Energy Reference Area.

Slide 26: Climate-related lending metrics – shipping / Poseidon Principles disclosure

1. In the case of ship finance, following the Poseidon Principles technical guidance, this value excludes irrevocable loan commitments;
2. Poseidon Principles "IMO 50" trajectory is not 1.5°C aligned;
3. The IMO Revised GHG Strategy sets out the following absolute reduction levels of ambition: (i) to reduce total annual GHG emissions by at least 20%, striving for 30%, by 2030 (compared with 2008); (ii) to reduce total annual GHG emissions by at least 70%, striving for 80%, by 2040 (compared with 2008); (iii) GHG emissions to peak as soon as possible and to reach net-zero GHG emissions by or around 2050; and (iv) carbon intensity to decrease in order to reduce CO₂ emissions per transport unit by at least 40% by 2030 (compared with 2008). The Revised GHG Strategy considers well-to-wake CO₂e emissions, i.e., it includes upstream emissions, as well as accounting for the impact of methane (CH₄) and nitrous oxide (N₂O). The updated IMO trajectories are not 1.5°C aligned.;
4. Following the IMO Revised GHG Strategy adopted during MEPC 80 in July 2023, the Poseidon Principles reporting framework was revised so as to be aligned with the revised IMO ambition. The IMO Revised GHG Strategy alignment scores were disclosed in the 2023 public reporting under the Poseidon Principles (based on 2022 data) for the very first time.

Slide 27: Climate risk heatmap – transition risk

1. Total customer lending exposure consists of total loans and advances to customers and guarantees, as well as irrevocable loan commitments (within the scope of expected credit loss) and is based on consolidated and standalone IFRS numbers. Total and subtotal exposure calculation is subject to rounding to two decimal places, hence potential deviation from actual;
2. UBS continues to collaborate to resolve methodological and data challenges, and seeks to integrate both impacts to and dependency on a changing natural and climatic environment, in how it evaluates risks and opportunities;
3. Climate- and nature-related risks are scored between 0 and 1, based on sustainability and climate risk transmission channels, as outlined in the Supplement to the UBS Group Sustainability Report 2023. Risk ratings represent a range of scores across five-rating categories: low, moderately low, moderate, moderately high, and high. The climate- or nature-sensitive exposure metrics are determined based upon the top three of the five rated categories: moderate to high;
4. Methodologies for assessing climate- and nature-related risks are emerging and may change over time. As the methodologies, tools, and data availability improve, we will further develop our risk identification and measurement approaches. Lombard lending rating is assigned based on the average riskiness of loans;
5. The credit exposure includes portfolio adjustment bookings, which are either directly impacting the metrics, and have been reflected in the heatmaps, or are impact assessed and immaterial to the metrics representation;
6. Not classified represents the portion of UBS's business activities where methodologies and data are not yet able to provide a rating, e.g. private Individuals.

Slide 28: Climate risk heatmap – physical risk

1. Total customer lending exposure consists of total loans and advances to customers and guarantees, as well as irrevocable loan commitments (within the scope of expected credit loss) and is based on consolidated and standalone IFRS numbers. Total and subtotal exposure calculation is subject to rounding to two decimal places, hence potential deviation from actual;
2. UBS continues to collaborate to resolve methodological and data challenges, and seeks to integrate both impacts to and dependency on a changing natural and climatic environment, in how it evaluates risks and opportunities;
3. Climate- and nature-related risks are scored between 0 and 1, based on sustainability and climate risk transmission channels, as outlined in the Supplement to the UBS Group Sustainability Report 2023. Risk ratings represent a range of scores across five-rating categories: low, moderately low, moderate, moderately high, and high. The climate- or nature-sensitive exposure metrics are determined based upon the top three of the five rated categories: moderate to high;
4. Methodologies for assessing climate- and nature-related risks are emerging and may change over time. As the methodologies, tools, and data availability improve, we will further develop our risk identification and measurement approaches. Lombard lending rating is assigned based on the average riskiness of loans;
5. Not classified represents the portion of UBS's business activities where methodologies and data are not yet able to provide a rating, e.g. private Individuals;
6. Country adaptive capacity is represented by a sector exposure weighted-average based on the sovereign's segment score for the country of risk;
7. Displayed ratings represent exposure-weighted averages for a given sector scope.

Slide 29: Green funding update

1. EUR 500m maturing Jun-26 and CHF 250m maturing Jun-28, both issued in June 2021;
2. For further information, see the factsheet for the Sustainable Savings Account [here](#).

Cautionary statement regarding Forward looking statements

Cautionary Statement Regarding Forward looking Statements | This presentation contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance, statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development and goals or intentions to achieve climate, sustainability and other social objectives. While these forward-looking statements represent UBS’s judgments, expectations and objectives concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. In particular, terrorist activity and conflicts in the Middle East, as well as the continuing Russia–Ukraine war, may have significant impacts on global markets, exacerbate global inflationary pressures, and slow global growth. In addition, the ongoing conflicts may continue to cause significant population displacement, and lead to shortages of vital commodities, including energy shortages and food insecurity outside the areas immediately involved in armed conflict. Governmental responses to the armed conflicts, including, with respect to the Russia–Ukraine war, coordinated successive sets of sanctions on Russia and Belarus, and Russian and Belarusian entities and nationals, and the uncertainty as to whether the ongoing conflicts will widen and intensify, may continue to have significant adverse effects on the market and macroeconomic conditions, including in ways that cannot be anticipated. UBS’s acquisition of the Credit Suisse Group has materially changed our outlook and strategic direction and introduced new operational challenges. The integration of the Credit Suisse entities into the UBS structure is expected to take between three and five years and presents significant risks, including the risks that UBS Group AG may be unable to achieve the cost reductions and other benefits contemplated by the transaction. This creates significantly greater uncertainty about forward-looking statements. Other factors that may affect our performance and ability to achieve our plans, outlook and other objectives also include, but are not limited to: (i) the degree to which UBS is successful in the execution of its strategic plans, including its cost reduction and efficiency initiatives and its ability to manage its levels of risk-weighted assets (RWA) and leverage ratio denominator (LRD), liquidity coverage ratio and other financial resources, including changes in RWA assets and liabilities arising from higher market volatility and the size of the combined Group; (ii) the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions, including as a result of the acquisition of the Credit Suisse Group; (iii) increased inflation and interest rate volatility in major markets; (iv) developments in the macroeconomic climate and in the markets in which UBS operates or to which it is exposed, including movements in securities prices or liquidity, credit spreads, currency exchange rates, deterioration or slow recovery in residential and commercial real estate markets, the effects of economic conditions, including increasing inflationary pressures, market developments, increasing geopolitical tensions, and changes to national trade policies on the financial position or creditworthiness of UBS’s clients and counterparties, as well as on client sentiment and levels of activity; (v) changes in the availability of capital and funding, including any adverse changes in UBS’s credit spreads and credit ratings of UBS, Credit Suisse, sovereign issuers, structured credit products or credit-related exposures, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC), in particular in light of the acquisition of the Credit Suisse Group; (vi) changes in central bank policies or the implementation of financial legislation and regulation in Switzerland, the US, the UK, the EU and other financial centers that have imposed, or resulted in, or may do so in the future, more stringent or entity-specific capital, TLAC, leverage ratio, net stable funding ratio, liquidity and funding requirements, heightened operational resilience requirements, incremental tax requirements, additional levies, limitations on permitted activities, constraints on remuneration, constraints on transfers of capital and liquidity and sharing of operational costs across the Group or other measures, and the effect these will or would have on UBS’s business activities; (vii) UBS’s ability to successfully implement resolvability and related regulatory requirements and the potential need to make further changes to the legal structure or booking model of UBS in response to legal and regulatory requirements and any additional requirements due to its acquisition of the Credit Suisse Group, or other developments; (viii) UBS’s ability to maintain and improve its systems and controls for complying with sanctions in a timely manner and for the detection and prevention of money laundering to meet evolving regulatory requirements and expectations, in particular in current geopolitical turmoil; (ix) the uncertainty arising from domestic stresses in certain major economies; (x) changes in UBS’s competitive position, including whether differences in regulatory capital and other requirements among the major financial centers adversely affect UBS’s ability to compete in certain lines of business; (xi) changes in the standards of conduct applicable to our businesses that may result from new regulations or new enforcement of existing standards, including measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (xii) the liability to which UBS may be exposed, or possible constraints or sanctions that regulatory authorities might impose on UBS, due to litigation, contractual claims and regulatory investigations, including the potential for disqualification from certain businesses, potentially large fines or monetary penalties, or the loss of licenses or privileges as a result of regulatory or other governmental sanctions, as well as the effect that litigation, regulatory and similar matters have on the operational risk component of our RWA, including as a result of its acquisition of the Credit Suisse Group, as well as the amount of capital available for return to shareholders; (xiii) the effects on UBS’s business, in particular cross-border banking, of sanctions, tax or regulatory developments and of possible changes in UBS’s policies and practices; (xiv) UBS’s ability to retain and attract the employees necessary to generate revenues and to manage, support and control its businesses, which may be affected by competitive factors; (xv) changes in accounting or tax standards or policies, and determinations or interpretations affecting the recognition of gain or loss, the valuation of goodwill, the recognition of deferred tax assets and other matters; (xvi) UBS’s ability to implement new technologies and business methods, including digital services and technologies, and ability to successfully compete with both existing and new financial service providers, some of which may not be regulated to the same extent; (xvii) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xviii) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks, data leakage and systems failures, the risk of which is increased with cyberattack threats from both nation states and non-nation-state actors targeting financial institutions; (xix) restrictions on the ability of UBS Group AG and UBS AG to make payments or distributions, including due to restrictions on the ability of its subsidiaries to make loans or distributions, directly or indirectly, or, in the case of financial difficulties, due to the exercise by FINMA or the regulators of UBS’s operations in other countries of their broad statutory powers in relation to protective measures, restructuring and liquidation proceedings; (xx) the degree to which changes in regulation, capital or legal structure, financial results or other factors may affect UBS’s ability to maintain its stated capital return objective; (xxi) uncertainty over the scope of actions that may be required by UBS, governments and others for UBS to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and the possibility of conflict between different governmental standards and regulatory regimes; (xxii) the ability of UBS to access capital markets; (xxiii) the ability of UBS to successfully recover from a disaster or other business continuity problem due to a hurricane, flood, earthquake, terrorist attack, war, conflict (e.g., the Russia–Ukraine war), pandemic, security breach, cyberattack, power loss, telecommunications failure or other natural or man-made event, including the ability to function remotely during long-term disruptions such as the COVID-19 (coronavirus) pandemic; (xxiv) the level of success in the absorption of Credit Suisse, in the integration of the two groups and their businesses, and in the execution of the planned strategy regarding cost reduction and divestment of any non-core assets, the existing assets and liabilities of Credit Suisse, the level of resulting impairments and write-downs, the effect of the consummation of the integration on the operational results, share price and credit rating of UBS – delays, difficulties, or failure in closing the transaction may cause market disruption and challenges for UBS to maintain business, contractual and operational relationships; and (xxv) the effect that these or other factors or unanticipated events, including media reports and speculations, may have on our reputation and the additional consequences that this may have on our business and performance. The sequence in which the factors above are presented is not indicative of their likelihood of occurrence or the potential magnitude of their consequences. Our business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with the US Securities and Exchange Commission (the SEC). More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including the UBS Group AG and UBS AG Annual Reports on Form 20- F for the year ended 31 December 2023. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

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