

Invitation to the Annual General Meeting

UBS Group AG

Thursday, 8 April 2021, 10:30 a.m.

UBS Conference Center Grüenhof, 8001 Zurich

Dear shareholders,

The Annual General Meeting of UBS Group AG (AGM) will take place as announced on Thursday, 8 April 2021, at 10:30 a.m.

To protect the health of our shareholders and employees, the Board of Directors has decided that voting rights can again only be exercised through the independent proxy. We regret that physical participation in the AGM will once more not be possible.

A live webcast of the AGM will be available and will include the speeches of the Chairman of the Board of Directors and the Group CEO. The agenda will be reduced to the legally required statutory items and the voting results announcement.

UBS is looking forward to inviting its shareholders to a physical meeting in 2022 in Basel and to having a direct and personal conversation with our shareholders.

The UBS Group AG Annual Report, including the UBS Group AG Compensation Report and the auditors' reports for the 2020 financial year, is available for inspection at UBS Group AG's head office, at Bahnhofstrasse 45, 8001 Zurich. The UBS Group AG Annual Report 2020 and the Compensation Report are available electronically at ubs.com/annualreport.

On 4 January 2021, UBS Group AG published a notice in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) and on its website, at ubs.com/aggm, inviting qualifying shareholders to submit their requests for the inclusion of individual items on the agenda by 12 February 2021. No requests were submitted.

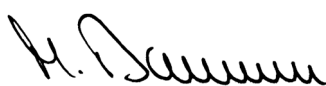
Zurich, 8 March 2021

Yours sincerely,

UBS Group AG



Axel A. Weber
Chairman of the Board of Directors



Markus Baumann
Group Company Secretary

1. Approval of the UBS Group AG management report and consolidated and standalone financial statements for the 2020 financial year

Motion

The Board of Directors proposes that the management report for the 2020 financial year and the UBS Group AG consolidated and standalone financial statements for the 2020 financial year be approved.

Explanation

In its reports to the AGM, Ernst & Young Ltd, Basel, as auditors, recommends without qualification that the consolidated and standalone financial statements of UBS Group AG be approved.

2. Advisory vote on the UBS Group AG Compensation Report 2020

Motion

The Board of Directors proposes that the UBS Group AG Compensation Report 2020 be ratified in an advisory vote.

Explanation

The UBS Group AG Compensation Report 2020 is a chapter in the UBS Group AG Annual Report 2020. It explains the governance and principles behind the compensation structure of UBS Group AG, including the link between pay and performance. The UBS Group AG Compensation Report 2020 and the enclosed "Say-on-pay" brochure set out further details in relation to the proposed vote.

The vote on the UBS Group AG Compensation Report 2020 is advisory in nature.

3. Appropriation of total profit and distribution of ordinary dividend out of total profit and capital contribution reserve

Motion

The Board of Directors proposes the appropriation of total profit and an ordinary dividend distribution of USD 0.37 (gross) in cash per share of CHF 0.10 nominal value under the terms set out in the table at the right.

The ordinary dividend distribution is declared in US dollars. Shareholders whose shares are held through SIX SIS AG will receive dividends in Swiss francs, based on a published exchange rate calculated up to five decimal places on the day prior to the ex-dividend date. Shareholders holding shares through the Depository Trust Company or directly registered in the US share register with Computershare will be paid dividends in US dollars. The total amount of the dividend distribution will be capped at CHF 2,628 million (the Cap). To the extent that the Swiss franc equivalent of the total dividend distribution would exceed the Cap on the day of the AGM, based on the exchange rate determined by the Board of Directors in its reasonable opinion, the US dollar per share

amount of the dividend will be reduced on a pro rata basis so that the total Swiss franc amount does not exceed the Cap.

Proposed appropriation of total profit and dividend distribution (50%) out of total profit

For the year ended 31.12.20	USD million	CHF million
Net profit for the period	3,841	3,635
Profit/(loss) carried forward	0	0
Total profit available for appropriation	3,841	3,635

Appropriation of total profit

Appropriation to voluntary earnings reserve	(3,127)	(3,004)
Dividend distribution: USD 0.37 (gross) per dividend-bearing share, USD 0.185 of which out of total profit ¹	(714)	(632) ²
Profit/(loss) carried forward	0	0

¹ Dividend-bearing shares are all shares issued except for treasury shares held by UBS Group AG as of the record date. The amount of USD 714 million presented is based on the total number of shares issued as of 31 December 2020. If the final total amount of the dividend is higher/lower, the difference will be balanced through the appropriation to the voluntary earnings reserve. ² For illustrative purposes, translated at closing exchange rate as of 31 December 2020 (CHF/USD 1.13).

Proposed dividend distribution (50%) out of capital contribution reserve

For the year ended 31.12.20	USD million	CHF million
Total statutory capital reserve: capital contribution reserve before proposed distribution ¹	27,048	26,506
Dividend distribution: USD 0.37 (gross) per dividend-bearing share, USD 0.185 of which out of capital contribution reserve ²	(714)	(632) ³
Total statutory capital reserve: capital contribution reserve after proposed distribution	26,334	25,874

¹ The Swiss Federal Tax Administration's current position is that, of the CHF 26.5 billion capital contribution reserve available as of 31 December 2020, an amount limited to CHF 11.9 billion is available from which dividends may be paid without a Swiss withholding tax deduction. ² Dividend-bearing shares are all shares issued except for treasury shares held by UBS Group AG as of the record date. The amount of USD 714 million presented is based on the total number of shares issued as of 31 December 2020. ³ For illustrative purposes, translated at closing exchange rate as of 31 December 2020 (CHF/USD 1.13).

Provided that the proposed dividend distribution is approved, the payment of the dividend will be made on 15 April 2021 to holders of shares on the record date 14 April 2021. The shares will be traded ex-dividend as of 13 April 2021 and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 12 April 2021.

Explanation

UBS Group AG declares its dividend in US dollars, which is its presentation currency. However, shareholders whose shares are held through SIX SIS AG will still receive their dividends converted into Swiss francs.

Due to capital maintenance provisions under the Swiss Code of Obligations, a technical cap in Swiss francs to the dividend payment is required. The proposed Cap of CHF 2,628 million is expected to give sufficient headroom to accommodate even significant currency fluctuations.

As set out above, half of the ordinary dividend distribution of USD 0.37 (gross) in cash per share is payable out of total profit and the other half is payable out of the capital contribution reserve due to a change in Swiss tax law. The portion of the dividend paid out of total profit will be subject to a 35% Swiss withholding tax.

4. Discharge of the members of the Board of Directors and the Group Executive Board for the 2020 financial year

Motion

The Board of Directors proposes that discharge of the members of the Board of Directors and the Group Executive Board for the 2020 financial year be granted, excluding all issues related to the French cross-border matter.

Explanation

UBS has appealed the decision of the Court of First Instance. The retrial of the case is scheduled to continue through 24 March 2021. As a result, the ongoing proceedings in France may still be considered too much of an uncertainty in the context of the grant of discharge. Therefore the Board of Directors proposes that discharge for the 2020 financial year be granted with the explicit exclusion of all issues related to the French cross-border matter.

UBS has compiled and published a report on the French cross-border matter to answer some of the most common questions that its shareholders, clients and employees have asked after the decision was issued. The report is available for download at ubs.com/investors.

5. Re-election of members of the Board of Directors

Motion

The Board of Directors proposes that Axel A. Weber, as Chairman of the Board of Directors, Jeremy Anderson, William C. Dudley, Reto Francioni, Fred Hu, Mark Hughes, Nathalie Rachou, Julie G. Richardson, Dieter Wemmer and Jeanette Wong, each of whose term of office expires at the 2021 AGM, be re-elected for a one-year term of office.

Detailed biographies as well as memberships in Board committees can be found in the "Corporate governance and compensation" section of the UBS Group AG Annual Report 2020, as well as on the Internet, at ubs.com/boards.

- 5.1. [Axel A. Weber, as Chairman of the Board of Directors](#)
- 5.2. [Jeremy Anderson](#)
- 5.3. [William C. Dudley](#)
- 5.4. [Reto Francioni](#)
- 5.5. [Fred Hu](#)
- 5.6. [Mark Hughes](#)

- 5.7. [Nathalie Rachou](#)
- 5.8. [Julie G. Richardson](#)
- 5.9. [Dieter Wemmer](#)
- 5.10. [Jeanette Wong](#)

6. Election of new members to the Board of Directors

6.1. Claudia Böckstiegel

Motion

The Board of Directors proposes that Claudia Böckstiegel be elected as a member of the Board of Directors for a one-year term of office.

Explanation

Claudia Böckstiegel (born 1964) has been General Counsel and member of the Enlarged Executive Committee of Roche Holding AG since 2020. She joined Roche in 2001, and was Head of Legal Diagnostics for F. Hoffmann-La Roche Ltd in Basel from 2016 to 2020. From 2010 to 2016, she was Head Legal Business of Roche Diagnostics International Ltd in Rotkreuz. She held further senior management positions as Head Legal Business and as Legal Counsel at Roche Diagnostics GmbH in Mannheim from 2001 to 2010. Ms. Böckstiegel started her professional career as attorney in a private practice in Karlsruhe and later worked as a partner at Philipp & Littig in Mannheim.

She completed her law studies in Mannheim and Heidelberg and obtained an LLM at Georgetown University. Ms. Böckstiegel is a Swiss and German citizen.

Ms. Böckstiegel complies with the mandate threshold set forth in article 31 of the Articles of Association.

6.2. Patrick Firmenich

Motion

The Board of Directors proposes that Patrick Firmenich be elected as a member of the Board of Directors for a one-year term of office.

Explanation

Patrick Firmenich (born 1962) has been the Chairman of the Board of Firmenich International SA, the world's largest privately owned perfume and taste company, since 2016. He was Firmenich's CEO from 2002 to 2014, and has been a member of its Board of Directors since 2002. He joined Firmenich in 1990 and spent a decade leading the strategic development of the company's International Fine Fragrance business in New York and Paris, holding management positions such as Corporate Vice President from 2001 to 2002 and Vice President of Fine Fragrance Worldwide, as well as Président Directeur Général at Firmenich & Cie (Paris) from 1997 to 2001. Prior to joining Firmenich, Mr. Firmenich held several positions in the legal and banking sectors, including as an international investment banking analyst for Credit Suisse First Boston, as a business attorney at Patry, Junet, Simon & Le Fort and legal counsel at Chase Manhattan Bank. Mr. Firmenich holds a master's degree in

law from the University of Geneva and is admitted to the bar in 1987 in Geneva. He also holds an MBA from INSEAD. He is a Swiss citizen.

Mr. Firmenich is a member of the boards of Jacobs Holding AG, INSEAD and INSEAD World Foundation. He is a member of the Advisory Council of the Swiss Board Institute.

Mr. Firmenich complies with the mandate threshold set forth in article 31 of the Articles of Association.

7. Election of the members of the Compensation Committee

Motion

The Board of Directors proposes that Julie G. Richardson, Reto Francioni, Dieter Wemmer and Jeanette Wong be re-elected for a one-year term of office as members of the Compensation Committee. At its constitutional meeting, the Board of Directors intends to re-appoint Julie G. Richardson as Chairperson of the Compensation Committee.

- 7.1. Julie G. Richardson
- 7.2. Reto Francioni
- 7.3. Dieter Wemmer
- 7.4. Jeanette Wong

8. Approval of compensation for the members of the Board of Directors and the Group Executive Board

8.1. Approval of the maximum aggregate amount of compensation for the members of the Board of Directors from the 2021 AGM to the 2022 AGM

Motion

The Board of Directors proposes that the maximum aggregate amount of compensation of CHF 13,000,000 for the members of the Board of Directors for the period from the 2021 AGM to the 2022 AGM be approved.

8.2. Approval of the aggregate amount of variable compensation for the members of the Group Executive Board for the 2020 financial year

Motion

The Board of Directors proposes that the aggregate amount of variable compensation of CHF 85,000,000 for the members of the Group Executive Board for the 2020 financial year be approved.

8.3. Approval of the maximum aggregate amount of fixed compensation for the members of the Group Executive Board for the 2022 financial year

Motion

The Board of Directors proposes that the maximum aggregate amount of fixed compensation of CHF 33,000,000 for the members of the Group Executive Board for the 2022 financial year be approved.

9. Re-elections

9.1. Re-election of the independent proxy, ADB Altorfer Duss & Beilstein AG, Zurich

Motion

The Board of Directors proposes that ADB Altorfer Duss & Beilstein AG, Zurich, be re-elected as the independent proxy for a one-year term of office expiring after completion of the AGM in 2022.

Explanation

The Board of Directors proposes that ADB Altorfer Duss & Beilstein AG, Zurich, be re-elected for a further one-year term of office as the independent proxy. ADB Altorfer Duss & Beilstein AG, Zurich, has confirmed to the Board of Directors that it possesses the level of independence required to take on this role.

9.2. Re-election of the auditors, Ernst & Young Ltd, Basel

Motion

The Board of Directors proposes that Ernst & Young Ltd, Basel, be re-elected for a one-year term of office as auditors for the consolidated and standalone financial statements of UBS Group AG.

Explanation

Upon the recommendation of the Audit Committee, the Board of Directors proposes that Ernst & Young Ltd, Basel, be re-elected for a further one-year term of office as auditors. Ernst & Young Ltd, Basel, has confirmed to the Board of Directors' Audit Committee that it possesses the level of independence required to take on this role.

9.3. Re-election of the special auditors, BDO AG, Zurich

Motion

The Board of Directors proposes that BDO AG, Zurich, be re-elected for a three-year term of office as special auditors.

Explanation

Upon the recommendation of the Audit Committee, the Board of Directors proposes that BDO AG, Zurich, be re-elected for a three-year term of office as special auditors. In accordance with article 39 para. 3 of the Articles of Association, special auditors are responsible for providing the legally required attestations in cases of capital increases.

10. Amendments of the Articles of Association

Motion

The Board of Directors proposes that due to a request by the Swiss Financial Market Supervisory Authority (FINMA), article 23 para. 1 of the Articles of Association be amended as follows:

B. Board of Directors

Article 23

Decision

¹ Decisions of the Board of Directors are taken by an absolute majority of the votes **present** cast. In case of a tie, the presiding chair of the meeting shall cast the deciding vote.

² [remains unchanged]

Explanation

In accordance with FINMA's long-standing supervisory practice and the respective implementation in our Organization Regulations, resolutions of the Board of Directors are to be taken by a majority of the votes present. Abstentions are consequently considered to be "votes against." This is to prevent members of the Board of Directors to elude from voting.

11. Reduction of share capital by way of cancellation of shares repurchased under the 2018–2021 share buyback program

Motion

The Board of Directors proposes that (i) the Company's share capital be reduced by CHF 15,663,240 from CHF 385,905,539.50 to CHF 370,242,299.50 by cancelling 156,632,400 registered shares with a nominal value of CHF 0.10 each, all of which are held in treasury; (ii) it be acknowledged that according to the special audit report prepared by Ernst & Young Ltd the claims of creditors will be covered even after the capital reduction; and (iii) article 4 para. 1 of the Articles of Association be amended as follows:

Share capital

Article 4

Share capital

¹ The share capital of the Corporation is CHF **370,242,299.50** ~~385,905,539.50~~, divided into **3,702,422,995** ~~3,859,055,395~~ registered shares with a par value of CHF 0.10 each. The share capital is fully paid up.

² [remains unchanged]

Explanation

On 22 January 2018, UBS Group AG announced its intention to buy back own registered shares over the period of three

years starting from March 2018, in an aggregate value of up to CHF 2 billion. The buyback has been conducted via a separate trading line on the SIX Swiss Exchange.

Until 2 February 2021 a total of 156,632,400 shares, with an overall market value of CHF 1,999,999,800, were re-purchased under this share buyback program. The average purchase price was CHF 12.77 per share.

The Board of Directors now proposes that the AGM approve the cancellation of the 156,632,400 shares repurchased and the corresponding reduction of the share capital as set forth in article 4 para. 1 of the Articles of Association. The capital reduction can only be accomplished after publication of three notices to creditors in the Swiss Official Gazette of Commerce after the AGM and a subsequent two-month waiting period. The capital reduction will then be registered in the commercial register and become effective.

Ernst & Young Ltd as statutory auditors has confirmed in a special audit report addressed to the AGM that the claims of creditors are fully covered even after the reduction in capital. The report is available at ubs.com/aggm. A copy may also be physically inspected at the offices of UBS Group AG, Bahnhofstrasse 45, CH-8001 Zürich, Switzerland.

12. Approval of a new share buyback program 2021–2024

Motion

The Board of Directors proposes the approval of the following resolution:

"The Board of Directors is hereby authorized to buy back shares for cancellation purposes in an aggregate value of up to CHF 4 billion until the AGM 2024. Any shares bought back under this authority are intended to be cancelled by way of capital reduction which will be subject to shareholders' approval at one or several subsequent AGMs and the acquisition and holding of such shares are not subject to the 10% threshold for UBS Group AG's own shares within the meaning of Art. 659 para. 1 of the Swiss Code of Obligations."

Explanation

As announced in January 2021, on 8 February 2021 the Board of Directors launched a new three-year share buyback program ending on 7 February 2024 and has subsequently started to buy back shares under this new program.

The Board of Directors has decided to opt for a two-step procedure with the shareholders expressly authorizing the Board of Directors to buy back shares for cancellation purposes at this AGM and deciding on the definitive cancellation of the repurchased shares at one or several subsequent AGMs. In the interim period, these shares no longer fall under the statutory restrictions prohibiting corporations from holding more than 10% of their own shares. This will provide UBS Group AG with greater flexibility to execute repurchases allowing it to efficiently manage its capital.

Organizational issues

Voting rights

Shareholders entered in the share register of UBS Group AG on 1 April 2021 at 5 p.m. CEST (on 26 March 2021 at 4:30 p.m. EDT with the US transfer agent Computershare) are entitled to vote via the independent proxy.

No trading restriction on UBS Group AG shares

The registration of shareholders for voting purposes does not affect the trading of UBS Group AG shares held by registered shareholders before, during or after the AGM. Neither Swiss law nor the UBS Group AG Articles of Association impose trading restrictions for shareholders that have been entered in the share register of UBS Group AG with a view to voting at the upcoming AGM.

Representation

Shareholders may be represented at the AGM only by ADB Altorfer Duss & Beilstein AG (Dr. Urs Zeltner, Attorney and Notary), Walchestrasse 15, 8006 Zurich, Switzerland, as the independent proxy.

In order to appoint, or give instructions to, the independent proxy (ADB Altorfer Duss & Beilstein AG), please complete and sign the enclosed "Power of attorney and voting instructions" form or visit gvmanager.ch/ubs. Timely processing can be guaranteed for all duly signed forms received **by 6 April 2021**.

Live webcast

The AGM, held in German, will be broadcast live on the Internet, via ubs.com/agm, in English and German.

Should you have any questions related to the AGM, we are happy to answer them via our hotline: +41-44-235 66 52.

UBS Group AG
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ubs.com

