



UBS Group AG

Invitation to the **Annual General Meeting**
of UBS Group AG



Tuesday, 10 May 2016, 10:30 a.m.
(Doors open at 9:30 a.m.)

Messe Basel
Messeplatz, Halle 1.0 Nord, Basel

Dear shareholders,

We are pleased to invite you to the Annual General Meeting of UBS Group AG. It will take place on Tuesday, 10 May 2016, at 10:30 a.m., at the Messe Basel, Messeplatz, Halle 1.0 Nord in Basel. Doors open at 9:30 a.m.

Agenda

1. Management report, UBS Group AG consolidated and standalone financial statements for the financial year 2015
 - 1.1. Approval of management report and UBS Group AG consolidated and standalone financial statements
 - 1.2. Advisory vote on the UBS Group AG Compensation Report 2015
2. Appropriation of retained earnings and dividend distribution
 - 2.1. Appropriation of retained earnings and distribution of ordinary dividend out of capital contribution reserve
 - 2.2. Special dividend distribution out of capital contribution reserve
3. Discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2015
4. Approval of the aggregate amount of variable compensation for the members of the Group Executive Board for the financial year 2015
5. Approval of the maximum aggregate amount of fixed compensation for the members of the Group Executive Board for the financial year 2017
6. Elections
 - 6.1. Re-election of members of the Board of Directors
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 - 6.2. Election of new members to the Board of Directors
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 - 6.3. Election of the members of the Compensation Committee
 - 6.3.1. Ann F. Godbehere
 - 6.3.2. Michel Demaré
 - 6.3.3. Reto Francioni
 - 6.3.4. William G. Parrett

7. Approval of the maximum aggregate amount of compensation for the members of the Board of Directors from the Annual General Meeting 2016 to the Annual General Meeting 2017
8. Re-elections
 - 8.1. Re-election of the independent proxy, ADB Altorfer Duss & Beilstein AG, Zurich
 - 8.2. Re-election of the auditors, Ernst & Young Ltd, Basel

Inclusion of items on the agenda

On 1 February 2016, UBS Group AG published a notice in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) and on its website at www.ubs.com/agm, inviting qualifying shareholders to submit their requests for the inclusion of individual items on the agenda by 29 February 2016. No requests were submitted in accordance with the Articles of Association of UBS Group AG.

Zurich, 5 April 2016

Yours sincerely,

UBS Group AG



Axel A. Weber
Chairman



Luzius Cameron
Group Company Secretary

Item 1

Management report, UBS Group AG consolidated and standalone financial statements for the financial year 2015

1.1. Approval of management report and UBS Group AG consolidated and standalone financial statements

A. Motion

The Board of Directors proposes that the management report on the financial year 2015 and the UBS Group AG consolidated and standalone financial statements for 2015 be approved.

B. Explanation

The "Consolidated financial statements" section of UBS Group AG's Annual Report 2015 contains the consolidated financial statements of UBS Group AG, whereas the "Legal entity financial and regulatory information" section contains the standalone financial statements of UBS Group AG. Information on the strategy, organization and activities of the Group, the business divisions and the Corporate Center, as well as on risk management and control, can be found in the chapter "The legal structure of UBS Group" and in the sections "Operating environment and strategy," "Financial and operating performance" and "Risk, treasury and capital management" of the Annual Report 2015. Information relating to corporate governance as required by applicable Swiss laws and regulations, in particular the SIX Swiss Exchange's Directive on Information Relating to Corporate Governance, the Swiss Code of Obligations and the Ordinance against Excessive Compensation in Listed Stock Corporations, can be found in the section "Corporate governance, responsibility and compensation" of the Annual Report 2015. The Annual Report 2015 is also available on the internet at www.ubs.com/annualreport. Shareholders registered in the share register in Switzerland and shareholders in the US who are registered with Computershare will receive the annual reporting documents as per their individual orders.

Net profit attributable to UBS Group AG shareholders was CHF 6,203 million in 2015 compared with CHF 3,466 million in 2014. We recorded an operating profit before tax of CHF 5,489 million compared with CHF 2,461 million, largely reflecting an increase of CHF 2,578 million in operating income, mainly due to increased net interest and trading income in the Investment Bank and our wealth management businesses, as well as reduced losses in Corporate Center – Non-core and Legacy Portfolio. Operating expenses decreased by CHF 451 million, mainly driven by a CHF 1,507 million lower net charge for provisions for litigation, regulatory and similar matters, partly offset by higher restructuring expenses and increased personnel expenses. We recorded a net tax benefit of CHF 898 million compared with CHF 1,180 million, reflecting net upward revaluations of deferred tax assets in both years, which more than offset tax expenses for taxable profits.

Total balance sheet assets stood at CHF 943 billion as of 31 December 2015 compared with CHF 1,062 billion as of 31 December 2014. Equity attributable to UBS Group AG shareholders increased by CHF 4.7 billion to CHF 55.3 billion as of 31 December 2015.

On a fully applied basis, UBS Group AG's consolidated Swiss SRB Basel III common equity tier 1 (CET1) capital stood at CHF 30,044 million as of 31 December 2015 and risk-weighted assets were CHF 207,530 million, resulting in a CET1 capital ratio of 14.5%. On a phase-in basis, UBS Group AG's consolidated Swiss SRB Basel III common equity tier 1 (CET1) capital stood at CHF 40,378 million as of 31 December 2015 and risk-weighted assets were CHF 212,302 million, resulting in a CET1 capital ratio of 19.0%.

On a standalone basis, UBS Group AG recorded a net profit of CHF 2,756 million for 2015, mainly due to dividend income received from the investment in UBS AG.

In their reports to the Annual General Meeting, Ernst & Young Ltd, Basel, as auditors, recommended without qualification that the consolidated and standalone financial statements of UBS Group AG be approved. The auditors confirm that, in their opinion, the consolidated financial statements present fairly, in all material respects, the financial position of UBS Group AG and its subsidiaries and the consolidated results of operations and the cash flows, in accordance with the International Financial Reporting Standards (IFRS), and that they comply with Swiss law. With respect to the UBS Group AG standalone financial statements, the auditors confirm that these comply with Swiss law and with the Articles of Association of UBS Group AG.

1.2. Advisory vote on the UBS Group AG Compensation Report 2015

A. Motion

The Board of Directors proposes that the UBS Group AG Compensation Report 2015 be ratified in an advisory vote.

B. Explanation

The UBS Group AG Compensation Report 2015 is a chapter in the UBS Group AG Annual Report 2015. It explains the governance and principles behind the compensation structure at UBS Group AG, including the link between pay and performance. It contains information on the UBS Total Reward Principles and sets out the compensation framework of the management and Board of Directors in accordance with all applicable laws and regulations. The UBS Group AG Compensation Report 2015 is available electronically under www.ubs.com/annualreport. In addition, the enclosed brochure, "Shareholder information on compensation votes at the UBS Group AG Annual General Meeting 2016," sets out further details in relation to the proposed vote.

The vote on the UBS Group AG Compensation Report 2015 is advisory in nature.

Item 2

Appropriation of retained earnings and dividend distribution

2.1. Appropriation of retained earnings and distribution of ordinary dividend out of capital contribution reserve

A. Appropriation of retained earnings

a. Motion

The Board of Directors proposes the following appropriation of retained earnings:

Proposed appropriation of retained earnings

	For the year ended
<i>CHF million</i>	31.12.15
Net profit for the period	2,756
Retained earnings carried forward	0
Total retained earnings available for appropriation	2,756

Proposed appropriation of retained earnings

Appropriation to other capital reserve	(1,029)
Appropriation to voluntary earnings reserve	(1,727)
Retained earnings carried forward	0

b. Explanation

On a standalone basis, UBS Group AG recorded a net profit of CHF 2,756 million for 2015, which the Board of Directors proposes to partially appropriate to the other capital reserve, the remainder to the voluntary earnings reserve.

B. Distribution of ordinary dividend out of capital contribution reserve

a. Motion

The Board of Directors proposes an ordinary dividend distribution of CHF 0.60 in cash per UBS Group AG share of CHF 0.10 par value out of the capital contribution reserve.

b. Explanation

Provided that the proposed distribution of an ordinary dividend out of the capital contribution reserve is approved, the total payment of CHF 0.60 per share would be made on 17 May 2016 to holders of UBS Group AG shares on the record date 13 May 2016. The shares will be traded ex-dividend as of 12 May 2016, and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 11 May 2016. Please refer to the following table in item 2.2. B. for further information on the change in the capital contribution reserve after the proposed distribution.

2.2. Special dividend distribution out of capital contribution reserve

A. Motion

In addition to the dividend proposed under agenda item 2.1., the Board of Directors proposes the distribution of a special dividend of CHF 0.25 in cash per UBS Group AG share of CHF 0.10 par value out of the capital contribution reserve.

B. Explanation

Provided that the proposed distribution of a special dividend out of the capital contribution reserve, reflecting a significant net upward revaluation of deferred tax assets in 2015, is approved, the total payment of CHF 0.25 per share would be made on 17 May 2016 to holders of UBS Group AG shares on the record date 13 May 2016. The shares will be traded ex-dividend as of 12 May 2016, and accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 11 May 2016.

<i>CHF million, except where indicated</i>	31.12.15
Total statutory capital reserve: capital contribution reserve before proposed distribution^{1,2}	38,035
Proposed ordinary distribution of capital contribution reserve within statutory capital reserve: CHF 0.60 per dividend-bearing share ³	(2,310)
Proposed special distribution of capital contribution reserve within statutory capital reserve: CHF 0.25 per dividend-bearing share ³	(962)
Total statutory capital reserve: capital contribution reserve after proposed distribution	34,763

¹ The capital contribution reserve of CHF 38,035 million is a component of the statutory capital reserve of CHF 37,006 million after taking into account the negative other capital reserve of CHF 1,029 million. ² The Swiss Federal tax authorities confirmed that UBS Group AG would be able to repay to shareholders a maximum amount of CHF 25.6 billion of disclosed capital contribution reserve (status as of 31 December 2014) without being subject to the withholding tax deduction that applies to dividends paid out of retained earnings. This assessment reflects the qualification of the capital contribution reserve of UBS AG as a consequence of the reorganization implemented by the share-for-share exchange. The amount decreased to CHF 22.9 billion as of 31 December 2015 subsequent to distributions in 2015. ³ Dividend-bearing shares are all shares issued except for treasury shares held by UBS Group AG as of the record date. The CHF 2,310 million and CHF 962 million presented are based on the total number of shares issued as of 31 December 2015.

Item 3

Discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2015

A. Motion

The Board of Directors proposes that the discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2015 be granted.

Item 4

Approval of the aggregate amount of variable compensation for the members of the Group Executive Board for the financial year 2015

A. Motion

The Board of Directors proposes that the aggregate amount of variable compensation of CHF 71,250,000 for the members of the Group Executive Board for the financial year 2015 be approved.

B. Explanation

In accordance with Article 43 para. 1 lit. c of the UBS Group AG Articles of Association, the Annual General Meeting shall approve the aggregate amount of variable compensation for the members of the Group Executive Board for the financial year 2015. The proposed aggregate amount includes any immediate cash to be received along with any deferred awards. This amount does not include legally required employer's contributions to social security. The enclosed brochure, "Shareholder information on compensation votes at the UBS Group AG Annual General Meeting 2016," and the UBS Group AG Compensation Report 2015 set out further details in relation to the proposed vote. The UBS Group AG Compensation Report 2015 is available electronically under www.ubs.com/annualreport.

Item 5

Approval of the maximum aggregate amount of fixed compensation for the members of the Group Executive Board for the financial year 2017

A. Motion

The Board of Directors proposes that the maximum aggregate amount of fixed compensation of CHF 28,500,000 for the members of the Group Executive Board for the financial year 2017 be approved.

B. Explanation

In accordance with Article 43 para. 1 lit. b of the UBS Group AG Articles of Association, the Annual General Meeting shall approve the maximum aggregate amount of fixed compensation for the members of the Group Executive Board for the financial year 2017. The proposed aggregate amount does not include legally required employer's contributions to social security. The enclosed brochure, "Shareholder information on compensation votes at the UBS Group AG Annual General Meeting 2016," and the UBS Group AG Compensation Report 2015 set out further details in relation to the proposed vote. The UBS Group AG Compensation Report 2015 is available electronically under www.ubs.com/annualreport.

Item 6

Elections

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

The Board of Directors proposes that Axel A. Weber, Michel Demaré, David Sidwell, Reto Francioni, Ann F. Godbehere, William G. Parrett, Isabelle Romy, Beatrice Weder di Mauro and Joseph Yam, each of whose term of office expires at the Annual General Meeting 2016, be re-elected for a one-year term of office.

The actual functions of the Board members in UBS Group are listed on the following pages. More detailed CVs can be found in the section “Corporate governance, responsibility and compensation” of the Annual Report 2015 as well as on the internet at www.ubs.com/boards.



6.1.1. Axel A. Weber as Chairman of the Board of Directors

A. Motion

The Board of Directors proposes that Axel A. Weber be re-elected as the Chairman of the Board for a one-year term of office.

B. Explanation

Axel A. Weber's term of office as Chairman of the Board of Directors expires at the Annual General Meeting 2016. He is prepared to stand for re-election.

Axel A. Weber (born 1957) was elected Chairman of the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. He has been Chairman of UBS AG since 2012.

Axel A. Weber chairs the Corporate Culture and Responsibility Committee and the Governance and Nominating Committee.



6.1.2. Michel Demaré

A. Motion

The Board of Directors proposes that Michel Demaré be re-elected for a one-year term of office.

B. Explanation

Michel Demaré's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election.

Michel Demaré (born 1956) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014, at which time he was appointed independent Vice Chairman by the Board of Directors. He has been on the Board of Directors of UBS AG since 2009 and its independent Vice Chairman since April 2010.

Michel Demaré is a member of the Audit Committee, the Compensation Committee and the Governance and Nominating Committee.



6.1.3. David Sidwell

A. Motion

The Board of Directors proposes that David Sidwell be re-elected for a one-year term of office.

B. Explanation

David Sidwell's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election.

David Sidwell (born 1953) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014, at which time he was appointed Senior Independent Director by the Board of Directors. He has been on the Board of Directors of UBS AG since 2008 and its Senior Independent Director since April 2010.

David Sidwell chairs the Risk Committee and is a member of the Governance and Nominating Committee.



6.1.4. Reto Francioni

A. Motion

The Board of Directors proposes that Reto Francioni be re-elected for a one-year term of office.

B. Explanation

Reto Francioni's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election.

Reto Francioni (born 1955) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. He has been on the Board of Directors of UBS AG since 2013.

Reto Francioni is a member of the Compensation Committee, the Corporate Culture and Responsibility Committee and the Risk Committee.



6.1.5. Ann F. Godbehere

A. Motion

The Board of Directors proposes that Ann F. Godbehere be re-elected for a one-year term of office.

B. Explanation

Ann F. Godbehere's term of office expires at the Annual General Meeting 2016. She is prepared to stand for re-election.

Ann F. Godbehere (born 1955) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. She has been on the Board of Directors of UBS AG since 2009.

Ann F. Godbehere chairs the Compensation Committee and is a member of the Audit Committee.



6.1.6. William G. Parrett

A. Motion

The Board of Directors proposes that William G. Parrett be re-elected for a one-year term of office.

B. Explanation

William G. Parrett's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election.

William G. Parrett (born 1945) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. He has been on the Board of Directors of UBS AG since 2008.

William G. Parrett chairs the Audit Committee, is a member of the Compensation Committee and the Corporate Culture and Responsibility Committee.



6.1.7. Isabelle Romy

A. Motion

The Board of Directors proposes that Isabelle Romy be re-elected for a one-year term of office.

B. Explanation

Isabelle Romy's term of office expires at the Annual General Meeting 2016. She is prepared to stand for re-election.

Isabelle Romy (born 1965) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. She has been on the Board of Directors of UBS AG since 2012.

Isabelle Romy is a member of the Audit Committee and the Governance and Nominating Committee.



6.1.8. Beatrice Weder di Mauro

A. Motion

The Board of Directors proposes that Beatrice Weder di Mauro be re-elected for a one-year term of office.

B. Explanation

Beatrice Weder di Mauro's term of office expires at the Annual General Meeting 2016. She is prepared to stand for re-election.

Beatrice Weder di Mauro (born 1965) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. She has been on the Board of Directors of UBS AG since 2012.

Beatrice Weder di Mauro is a member of the Audit Committee and the Risk Committee.



6.1.9. Joseph Yam

A. Motion

The Board of Directors proposes that Joseph Yam be re-elected for a one-year term of office.

B. Explanation

Joseph Yam's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election.

Joseph Yam (born 1948) was elected to the Board of Directors at the Extraordinary General Meeting of UBS Group AG in November 2014. He has been on the Board of Directors of UBS AG since 2011.

Joseph Yam is a member of the Corporate Culture and Responsibility Committee and the Risk Committee.

6.2. Election of new members to the Board of Directors



6.2.1. Robert W. Scully

A. Motion

The Board of Directors proposes that Robert W. Scully be elected as a member of the Board of Directors for a one-year term of office.

B. Explanation

Robert W. Scully (1950) served as a Member of the Office of the Chairman of Morgan Stanley from 2007 to 2009 and was its Co-President from 2006 to 2007. Prior to assuming the position of Co-President, he was Chairman of Global Capital Markets from 2004 to 2006, Vice Chairman of Investment Banking from 1999 to 2006 and Managing Director from 1996 to 2009. Robert W. Scully was Managing Director at Lehman Brothers from 1993 to 1996, having worked for Scully Brothers Foss & Wight from 1989 to 1993 as Managing Director and for Salomon Brothers in Investment Banking and Capital Markets from 1980 to 1989, becoming a Managing Director in 1984. He began his career in the banking industry with Chase Manhattan Bank in 1972 and then worked as an investment banker for Blyth Eastman Dillon & Co. from 1977 to 1980.

Robert W. Scully graduated in 1972 with a bachelor's degree in psychology from Princeton University and holds an MBA from Harvard University.

Robert W. Scully is on the boards of Chubb Limited, Zoetis Inc. and KKR & Co LP. He is a member of the Board of Governors of the Financial Industry Regulatory Authority (FINRA). Furthermore he is on the boards of the Dean's Advisors of Harvard Business School and the FINRA Investor Education Foundation. He is a US citizen.

Robert W. Scully complies with the mandate thresholds set forth in Article 31 of the UBS Group AG Articles of Association.



6.2.2. Dieter Wemmer

A. Motion

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

B. Explanation

Dieter Wemmer (1957) has been Chief Financial Officer (CFO) of Allianz SE since January 2013. He joined Allianz SE in 2012 as a member of the Board of Management, responsible for the insurance business in France, Benelux, Italy, Greece and Turkey and for the Center of Competence “Global Property & Casualty.”

He was CFO of Zurich Insurance Group (Zurich) from 2007 to 2011. From 2010 to 2011 he was made Zurich’s Regional Chairman of Europe. Prior to this, Dieter Wemmer was CEO of the Europe General Insurance business and member of Zurich’s Group Executive Committee from 2004 to 2007. He held various other management positions in the Zurich Group such as Chief Operating Officer of the Europe General Insurance business from 2003 to 2004, Head of Mergers and Acquisitions from 1999 to 2003 and Head of Financial Controlling in 1997 to 1999. He began his career in the insurance industry within the Zurich Group in 1986 in Cologne after graduating from the University of Cologne with a master’s degree and acquiring his doctorate in mathematics in 1985.

In addition, Dieter Wemmer currently serves on the Boards of Allianz Asset Management AG and Allianz Investment Management SE, both Allianz Group mandates. He is a member of the CFO Forum, Chairman of the Economic & Finance Committee of Insurance Europe and member of the Berlin Center of Corporate Governance. He is a German and Swiss citizen.

Dieter Wemmer complies with the mandate thresholds set forth in Article 31 of the UBS Group AG Articles of Association.

6.3. Election of the members of the Compensation Committee

The Board of Directors proposes that Ann F. Godbehere, Michel Demaré and Reto Francioni be re-elected and William G. Parrett be elected for a one-year term of office as members of the Compensation Committee.

6.3.1. Ann F. Godbehere

A. Motion

The Board of Directors proposes that Ann F. Godbehere be re-elected as a member of the Compensation Committee for a one-year term of office.

B. Explanation

Ann F. Godbehere's term of office expires at the Annual General Meeting 2016. She is prepared to stand for re-election as a member of the Compensation Committee.

6.3.2. Michel Demaré

A. Motion

The Board of Directors proposes that Michel Demaré be re-elected as a member of the Compensation Committee for a one-year term of office.

B. Explanation

Michel Demaré's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election as a member of the Compensation Committee.

6.3.3. Reto Francioni

A. Motion

The Board of Directors proposes that Reto Francioni be re-elected as a member of the Compensation Committee for a one-year term of office.

B. Explanation

Reto Francioni's term of office expires at the Annual General Meeting 2016. He is prepared to stand for re-election as a member of the Compensation Committee.

6.3.4. William G. Parrett

A. Motion

The Board of Directors proposes that William G. Parrett be elected as a member of the Compensation Committee for a one-year term of office. After Jes Staley's resignation in October 2015, William G. Parrett was appointed to succeed him as a member of the Compensation Committee.

B. Explanation

William G. Parrett is prepared to stand for election as a member of the Compensation Committee.

Item 7

Approval of the maximum aggregate amount of compensation for the members of the Board of Directors from the Annual General Meeting 2016 to the Annual General Meeting 2017

A. Motion

The Board of Directors proposes that the maximum aggregate amount of compensation of CHF 14,000,000 for the members of the Board of Directors for the period from the Annual General Meeting 2016 to the Annual General Meeting 2017 be approved.

B. Explanation

In accordance with Article 43 para. 1 lit. a of the UBS Group AG Articles of Association, the Annual General Meeting shall approve the maximum aggregate amount of compensation for the members of the Board of Directors from the Annual General Meeting 2016 to the Annual General Meeting 2017. The proposed aggregate amount includes base fees and any relevant retainers for committee membership. This amount does not include UBS's portion related to the legally required social security contributions. The enclosed brochure, "Shareholder information on compensation votes at the UBS Group AG Annual General Meeting 2016," and the UBS Group AG Compensation Report 2015 set out further details in relation to the proposed vote. The UBS Group AG Compensation Report 2015 is available electronically under www.ubs.com/annualreport.

Item 8

Re-elections

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

A. 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 Annual General Meeting in 2017.

B. Explanation

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.

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

A. 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.

B. 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 and that its independence will not be affected by additional mandates performed for the UBS Group. Any such additional mandates will require general or specific pre-approval by the Audit Committee. Ernst & Young Ltd, Basel, further confirms that it did not provide, in the period from 1 January to 31 December 2015, any services for UBS Group AG and its subsidiaries prohibited by the US Securities and Exchange Commission (SEC) for a company's principal auditor.

Ernst & Young Ltd, Basel, has been responsible for auditing consolidated and standalone financial statements of UBS AG since 1998. Further information concerning the independence of UBS's auditors and the fees paid to them can be found in the section "Corporate governance, responsibility and compensation" of the UBS Group AG Annual Report 2015.

Organizational issues

Voting rights

Shareholders entered in the share register of UBS Group AG on 6 May 2016 at 5 p.m. CEST (on 25 April 2016 at 4:30 p.m. EDT with the US transfer agent Computershare) are entitled to participate and to vote at the Annual General Meeting.

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 Annual General Meeting. Neither Swiss law nor the Articles of Association of UBS Group AG impose trading restrictions for shareholders that have been entered in the share register of UBS Group AG, voting at the upcoming Annual General Meeting.

Admission cards for the Annual General Meeting

Shareholders entered in the share register of UBS Group AG in Switzerland may order their admission cards by sending the order form attached to this invitation to the following address by 6 May 2016:

UBS Group AG, Shareholder Services, P.O. Box, CH-8098 Zurich

Shareholders entered in the share register in the United States of America may request their admission cards by writing to the following address by 25 April 2016:

UBS Group AG, c/o Computershare Trust Company NA, P.O. Box 43102, Providence, Rhode Island 02940, USA

Admission cards will be sent out from 27 April 2016. Issued admission cards will be invalidated if the corresponding shares are sold prior to the Annual General Meeting and if notice of such sale is entered in the share register.

Representation

Shareholders may be represented at the Annual General Meeting by their legal representative, by any other shareholder entitled to vote or by ADB Altorfer Duss & Beilstein AG (Dr. Urs Zeltner, Attorney and Notary), Walchestrasse 15, CH-8006 Zurich 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 form or access www.ubs.com/shareholderportal and follow the instructions displayed on your computer screen. Timely processing can be guaranteed for all forms received by 6 May 2016.

Language / live webcast

The Annual General Meeting will be held in German. Simultaneous translations into English and French, and for speeches in other languages, into German, will be available at the meeting. Headsets can be obtained at the entrance of the main hall.

The Annual General Meeting will be broadcast live on the internet via www.ubs.com/aggm in English and German.

Miscellaneous

The UBS Group AG Annual Report (including the UBS Group AG Compensation Report) and the auditors' reports for the financial year 2015 are available for inspection at UBS Group AG's head office, UBS Group AG, Bahnhofstrasse 45, 8001 Zurich.

The voting device for electronic voting will be handed out upon registration at the validation desk. If you choose to leave the Annual General Meeting before its official end, please return the electronic device to the validation desk.

Speakers are asked to register at the speaker's desk located in the hall before the start of the Annual General Meeting.

The Basel public transport network ticket that will be enclosed to an ordered admission card can be used on all public transport in zone 10 to get to the Annual General Meeting (Messeplatz) and back. We recommend using public transport.

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