

Minutes of the Annual General Meeting of UBS Group AG

4 May 2017, 10:30 a.m. at the Messe Basel

Formalities

Chair: Axel A. Weber, Chairman of the Board of Directors
Minutes: Markus Baumann, Group Company Secretary

Scrutineer: BDO AG, Solothurn

Independent proxy pursuant to Art. 689c of the Swiss Code of Obligations:
ADB Altorfer Duss & Beilstein AG, Zurich.

Ernst & Young AG, the statutory auditors, was represented by Marie-Laure Delarue, Ira S. Fitlin and Bruno Patusi.

The invitation to the Annual General Meeting (AGM) was published in the Swiss Official Gazette of Commerce and on the UBS homepage on 3 April 2017. In addition, printed copies of the invitation were sent to all shareholders listed in the share register.

No requests for the inclusion of individual items on the agenda were submitted. Voting on agenda items was conducted electronically. The AGM was transmitted live on the Internet in German and English.

Presence:

At 11:13 a.m. 1,377 shareholders were present, representing 2,197,313,223 votes (75.90% of shares eligible to vote),

of which,	
Independent proxy	2,191,004,871 votes
Shareholders present	6,308,352 votes

The Chairman explained in his speech that two landmark votes were held in 2016 in the form of Brexit and the election of Donald Trump. These events created an atmosphere of uncertainty in the markets and among investors, in both the run-up to the votes and afterwards. Both he and the Board of Directors considered the result that UBS achieved to be solid in spite of the challenging environment, the high risk aversion among clients and the various political shocks.

In the past, the Chairman continued, UBS has had to rebuild the trust it had had lost. The entire management team has espoused responsible and sustainable behavior as its enduring moral compass over the last five years, the Chairman said. UBS has encouraged and demanded that people act with integrity, collaborate and challenge critically. The key to success is a strong team, the Chairman said. Whether it's the front office, back office or Group Executive Board led by Group CEO Sergio Ermotti, everyone works hard day in and day out to ensure the success of the bank. This persistence has paid off: persistence creates certainty and reliability – and persistence creates trust. The Chairman explained that both the solid operating results and the challenging market environment are reflected in the variable compensation awarded to UBS employees. A reduction in performance compared to the previous year also led to a reduction in the bonus pool. The remuneration system works and is based on business performance. Salaries are once again the subject of intense discussion, the Chairman said, adding that the perfect system does not exist. In his opinion, an international company like UBS must offer remuneration that is competitive in the marketplace to ensure its success over the long term.

The current leadership at UBS has always advocated financial stability and the regulation needed to achieve this, the Chairman said. But we must consider two risks before we introduce further regulation: The more banks alone are targeted for regulations, the more business will switch to unregulated market participants with the associated risks. The more restrictive regulations are, the greater the overall economic costs, especially in relation to their

benefit. The Chairman added that regulation should always be proportionate and consider the international environment and Switzerland's competitiveness.

The Chairman went on to explain that UBS is in favor of regulation that promotes stability. UBS has cut its balance sheet, scaled back risks and significantly strengthened its capital base, not only for regulatory reasons, but for strategic purposes as well. Its current "hard" tier 1 capital ratio is 14.1%, making UBS one of the world's best-capitalized major banks. UBS has considerably boosted its ability to absorb losses.

The Chairman reiterated that in his acceptance speech five years ago his commitment to UBS would be a long-term goal. Five years on, the bank has come a long way, he said, adding that the best is still to come, but trust can only be regained through discipline and by continuing to do one's homework.

The full speech by Axel A. Weber can be found on the UBS homepage at www.ubs.com/agm.

Sergio P. Ermotti, Group Chief Executive Officer, started his speech by highlighting how much the bank had done to protect its profitability. Thanks to these measures, UBS produced a solid performance, despite the headwinds on the earnings front, and further reduced costs. This resulted in an adjusted profit before tax of 5.3 billion francs, only 5% less than in the previous year. The adjusted return on tangible equity was 9.0%. If shareholders were to exclude the significant effect of deferred tax assets, the return would be 11.4%

He reiterated that the wealth management units generated net new money of more than 42 billion francs, while UBS absorbed 14 billion francs in cross-border outflows. Good progress is being made in terms of cost targets, he said. Net savings had been increased from 500 million to 1.6 billion francs, despite the ongoing rise in expenses for regulatory matters. UBS is well on the way to meeting its annualized savings target of 2.1 billion francs by the end of the year, he said, adding that UBS is constantly striving to become more effective and more efficient. The bank is also investing in its infrastructure and its business so as to become even more attractive for clients.

The Group Chief Executive Officer outlined the reasons for the success: UBS is the world's largest and only truly global wealth manager, with a strong presence in both mature markets and high-growth markets. UBS is No. 1 among Swiss banks and has competitive but focused Investment Bank and Asset Management units. Since 2012, UBS has been talking about building its capital base and returning capital to shareholders in the amount of more than 15 billion francs. UBS was able to add an additional 5.5 billion francs to its tier 1 capital. The cumulative dividend payments were approximately 10 billion francs. And this has come about despite expenses related to legacy issues of almost 9 billion francs as well as costs for new regulations of an additional 4 billion francs. If the legal and regulatory costs continue to fall, UBS should be in a position to return even more capital to shareholders, whether in the form of a dividend or share buybacks.

He then went on to discuss the first quarter of 2017 and explained there were good reasons to be confident. External challenges would remain a factor, as in previous years, he said. The priorities are clear and consistent, and UBS would continue to focus on the sustainability of the business model. He then thanked employees and the Board of Directors, as well as the Chairman. He said that the Chairman works with the Group Executive Board as a loyal, but also critical companion.

The full speech by Sergio P. Ermotti can be found on the UBS homepage at www.ubs.com/agm.

The Chairman then proceeded to agenda item 1.

Item 1

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

The Board of Directors proposed that the management report and the Group consolidated and standalone financial statements for 2016 be approved.

The Chairman reported that Ernst & Young Ltd., Basel, as Group and statutory auditors, recommended that the Group and UBS Group AG standalone financial statements be approved.

A lengthy discussion on this item ensued in which 10 shareholders voiced their opinions. The AGM approved the UBS Group AG management report and consolidated and standalone financial statements for 2016 with the following voting results:

Valid votes cast	2 197 269 613	100%
Quorum	1 098 634 807	50%
Yes	2 184 995 168	99.44%
No	7 220 870	0.33%
Abstentions	5 053 575	0.23%

1.2. Advisory vote on the UBS Group AG Compensation Report 2016

The Board of Directors proposed that the UBS Group AG Compensation Report 2016 be ratified in a non-binding advisory vote. In a brief overview, the Chairman outlined the remuneration concept for 2016. In the subsequent discussion, one shareholder voiced an opinion.

The AGM endorsed the UBS Group AG Compensation Report 2016 with the following voting results:

Valid votes cast	2 197 182 520	100%
Quorum	1 098 591 261	50%
Yes	1 942 796 787	88.42%
No	230 683 279	10.50%
Abstentions	23 702 454	1.08%

Item 2

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

The Board of Directors proposed that the profit of UBS Group AG for 2016 of CHF 5,606 million be appropriated in full to the voluntary earnings reserve, and an ordinary dividend of CHF 0.60 per UBS Group AG share with a nominal value of CHF 0.10 each be distributed from the capital contribution reserves.

In the subsequent discussion, one shareholder voiced an opinion. The AGM approved the proposal of the Board of Directors with the following voting results:

Valid votes cast	2 197 158 959	100%
Quorum	1 098 579 480	50%
Yes	2 188 057 955	99.59%
No	7 072 971	0.32%
Abstentions	2 028 033	0.09%

Item 3

Discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2016

The Board of Directors proposed that discharge be granted to the members of the Board of Directors and Group Executive Board for the 2016 financial year. No one wished to speak on the issue.

The AGM confirmed discharge for the financial year 2016 with the following voting results:

Valid votes cast	2 194 200 655	100%
Quorum	1 097 100 328	50%
Yes	2 010 606 189	91.63%
No	133 174 683	6.07%
Abstentions	50 419 783	2.30%

Item 4
Approval of the aggregate amount of variable compensation for the members of the Group Executive Board for the financial year 2016

The Board of Directors proposed that the aggregate amount of variable compensation of CHF 71,900,000 for the members of the Group Executive Board for the financial year 2016 be approved.

No one wished to speak on the issue. The AGM approved the proposal of the Board of Directors with the following voting results:

Valid votes cast	2 197 165 950	100%
Quorum	1 098 582 976	50%
Yes	1 953 185 148	88.89%
No	233 317 861	10.62%
Abstentions	10 662 941	0.49%

Item 5
Approval of the maximum aggregate amount of fixed compensation for the members of the Group Executive Board for the financial year 2018

The Board of Directors proposed that the maximum aggregate amount of fixed compensation of CHF 31,500,000 for the members of the Group Executive Board for the financial year 2018 be approved.

No one wished to speak on the issue. The AGM approved the proposal of the Board of Directors with the following voting results:

Valid votes cast	2 197 096 336	100%
Quorum	1 098 548 169	50%
Yes	2 008 717 635	91.43%
No	176 188 032	8.02%
Abstentions	12 190 669	0.55%

Item 6

Before proceeding to the first election agenda item, the Chairman said farewell to Joseph Yam, who had been a member of the Board of Directors since May 2011 and stepped down at this year's AGM.

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

The Board of Directors proposed that Axel A. Weber, Michel Demaré, David Sidwell, Reto Francioni, Ann F. Godbehere, William G. Parrett, Isabelle Romy, Robert W. Scully, Beatrice Weder di Mauro and Dieter Wemmer, each of whose term of office expired at the 2017 Annual AGM, be re-elected for a one-year term of office. No one wished to speak on the issue.

Elections 6.1.1. to 6.1.10

The AGM approved the election of the Board of Directors with the following voting results:

Axel A. Weber as Chairman of the Board of Directors

Valid votes cast	2 197 014 154	100%
Quorum	1 098 507 078	50%
Yes	2 132 419 495	97.06%
No	56 536 432	2.57%
Abstentions	8 058 227	0.37%

Michel Demaré

Valid votes cast	2 196 925 636	100%
Quorum	1 098 462 819	50%
Yes	2 173 962 699	98.95%
No	13 362 833	0.61%
Abstentions	9 600 104	0.44%

David Sidwell

Valid votes cast	2 196 941 580	100%
Quorum	1 098 470 791	50%
Yes	2 177 103 045	99.10%
No	10 800 783	0.49%
Abstentions	9 037 752	0.41%

Reto Francioni

Valid votes cast	2 196 783 218	100%
Quorum	1 098 391 610	50%
Yes	2 177 380 156	99.12%
No	13 614 607	0.62%
Abstentions	5 788 455	0.26%

Ann F. Godbehere

Valid votes cast	2 196 783 047	100%
Quorum	1 098 391 524	50%
Yes	2 165 521 215	98.58%
No	22 379 988	1.02%
Abstentions	8 881 844	0.40%

William G. Parrett

Valid votes cast	2 196 765 642	100%
Quorum	1 098 382 822	50%
Yes	2 048 369 136	93.24%
No	135 671 617	6.18%
Abstentions	12 724 889	0.58%

Isabelle Romy

Valid votes cast	2 196 657 416	100%
Quorum	1 098 328 709	50%
Yes	2 182 310 145	99.35%
No	9 722 564	0.44%
Abstentions	4 624 707	0.21%

Robert W. Scully

Valid votes cast	2 196 670 056	100%
Quorum	1 098 335 029	50%
Yes	2 179 223 353	99.21%
No	11 491 177	0.52%
Abstentions	5 955 526	0.27%

Beatrice Weder di Mauro

Valid votes cast	2 196 648 882	100%
Quorum	1 098 324 442	50%
Yes	2 181 104 928	99.29%
No	10 025 024	0.46%
Abstentions	5 518 930	0.25%

Dieter Wemmer

Valid votes cast	2 196 129 890	100%
Quorum	1 098 064 946	50%
Yes	1 882 771 322	85.73%
No	268 172 598	12.21%
Abstentions	45 185 970	2.06%

6.2. Election of a new member to the Board of Directors: Julie G. Richardson

The Chairman then proceeded to the election of Julie G. Richardson. Julie G. Richardson's curriculum vitae was briefly presented in an animation. The Board of Directors proposed that Julie G. Richardson be elected as an independent member of the Board of Directors for a one-year term of office.

No one wished to speak on the issue. The AGM elected Julie G. Richardson as an independent member of the Board of Directors with the following voting results:

Valid votes cast	2 196 887 925	100%
Quorum	1 098 443 963	50%
Yes	2 145 654 374	97.67%
No	44 868 887	2.04%
Abstentions	6 364 664	0.29%

The Chairman announced that the newly elected member of the Board of Directors, Julie G. Richardson, had stated in advance of the AGM that she would accept election in the event of a positive voting result.

6.3. Election of members of the Compensation Committee

The Board of Directors proposed that Ann F. Godbehere, Michel Demaré, Reto Francioni and William G. Parrett be re-elected for a one-year term of office as members of the Compensation Committee. No one wished to speak on the issue.

6.3.1. to 6.3.4.

The AGM approved the election of the members of the Compensation Committee with the following voting results:

Ann F. Godbehere

Valid votes cast	2 194 791 671	100%
Quorum	1 097 395 836	50%
Yes	2 151 120 228	98.01%
No	37 582 756	1.71%
Abstentions	6 088 687	0.28%

Michel Demaré

Valid votes cast	2 194 809 601	100%
Quorum	1 097 404 801	50%
Yes	2 158 426 867	98.35%
No	29 519 304	1.34%
Abstentions	6 863 430	0.31%

Reto Francioni

Valid votes cast	2 194 804 838	100%
Quorum	1 097 402 420	50%
Yes	2 159 838 162	98.41%
No	29 492 443	1.34%
Abstentions	5 474 233	0.25%

William G. Parrett

Valid votes cast	2 194 675 593	100%
Quorum	1 097 337 797	50%
Yes	2 037 744 279	92.85%
No	150 335 125	6.85%
Abstentions	6 596 189	0.30%

Item 7
Approval of the maximum aggregate amount of compensation for the members of the Board of Directors from the 2017 Annual General Meeting to the 2018 Annual General Meeting

The Board of Directors proposed 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 2017 Annual General Meeting to the 2018 Annual General Meeting be approved.

No one wished to speak on the issue. The AGM approved the proposal of the Board of Directors with the following voting results:

Valid votes cast	2 194 803 119	100%
Quorum	1 097 401 560	50%
Yes	1 956 387 845	89.14%
No	227 210 043	10.35%
Abstentions	11 205 231	0.51%

Item 8
8.1. Re-election of the independent proxy, ADB Altorfer Duss & Beilstein AG, Zurich

The Board of Directors proposed that ADB Altorfer Duss & Beilstein AG, Zurich be elected as the Independent Proxy for a one-year term of office expiring after completion of the AGM in 2018.

No one wished to speak on the issue. The AGM elected ADB Altorfer Duss & Beilstein AG, Zurich as the independent proxy for a one-year term of office with the following voting results:

Valid votes cast	2 194 745 017	100%
Quorum	1 097 372 509	50%
Yes	2 186 146 678	99.61%
No	5 974 107	0.27%
Abstentions	2 624 232	0.12%

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

The Board of Directors proposed that Ernst & Young Ltd, Basel be re-elected for a one-year term of office as auditors.

No one wished to speak on the issue. The AGM re-elected Ernst & Young Ltd, Basel as auditors with the following voting results:

Valid votes cast	2 194 696 395	100%
Quorum	1 097 348 198	50%
Yes	2 083 534 573	94.94%
No	107 159 834	4.88%
Abstentions	4 001 988	0.18%

The Annual General Meeting ended at 1:42 p.m.

Zurich, 11 May 2017

UBS Group AG



Axel A. Weber
Chairman of the Board of Directors



Markus Baumann
Group Company Secretary