

Invitation to the Annual General Meeting

UBS Group AG

Thursday, 2 May 2019, 10:30 a.m. (Doors open at 9:30 a.m.)
St. Jakobshalle, St. Jakobs-Strasse 390, 4052 Basel

Dear shareholders,

We are pleased to invite you to the Annual General Meeting of UBS Group AG (AGM). It will take place on Thursday, 2 May 2019, at 10:30 a.m., at the St. Jakobshalle, Basel. Doors open at 9:30 a.m.

In addition to this invitation, you receive the "Power of attorney and voting instructions" and the "Admission card" forms as well as the brochure "Say-on-pay." The latter sets out further details in relation to the proposed compensation votes.

The UBS Group AG Annual Report including the UBS Group AG Compensation Report and the auditors' reports for the financial year 2018 are available for inspection at UBS Group AG's head office, Bahnhofstrasse 45, 8001 Zurich. The UBS Group AG Annual Report 2018 as well as the Compensation Report are available electronically under www.ubs.com/annualreport.

On 1 February 2019, UBS Group AG published a notice in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) and on its website at www.ubs.com/aggm, inviting qualifying shareholders to submit their requests for the inclusion of individual items on the agenda by 13 March 2019. No requests were submitted.

Zurich, 29 March 2019

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 financial year 2018

Motion

The Board of Directors proposes that the management report for the financial year 2018 and the UBS Group AG consolidated and standalone financial statements for the financial year 2018 be approved.

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 2018

Motion

The Board of Directors proposes that the UBS Group AG Compensation Report 2018 be ratified in an advisory vote.

The UBS Group AG Compensation Report 2018 is a chapter in the UBS Group AG Annual Report 2018. It explains the governance and principles behind the compensation structure at UBS Group AG, including the link between pay and performance. The UBS Group AG Compensation Report 2018 and the enclosed brochure "Say-on-pay" set out further details in relation to the proposed vote.

The vote on the UBS Group AG Compensation Report 2018 is advisory in nature.

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

3.1. Appropriation of total profit

Motion

The Board of Directors proposes the following appropriation of total profit:

Proposed appropriation of total profit/(loss) carried forward		
For the year ended 31.12.18	USD million	CHF million
Net profit for the period	3,171	3,111
Profit/(loss) carried forward	0	0
Total profit/(loss) carried forward available for appropriation	3,171	3,111
Appropriation of total profit/(loss) carried forward		
Appropriation to voluntary earnings reserve	(3,171)	(3,111)
Profit/(loss) carried forward	0	0

On a standalone basis, UBS Group AG recorded a net profit of USD 3,171 million (CHF 3,111 million) for 2018, which the Board of Directors proposes to fully appropriate to the voluntary earnings reserve.

3.2. Distribution of ordinary dividend out of capital contribution reserve

Motion

The Board of Directors proposes an ordinary dividend distribution of CHF 0.70 in cash per share of CHF 0.10 par value payable out of the capital contribution reserve. Furthermore, the Board of Directors proposes to cap the total amount of dividends at USD 3,255 million.

For the year ended 31.12.18	USD million	CHF million
Total statutory capital reserve: capital contribution reserve before proposed distribution¹	30,846	30,271
Proposed ordinary distribution of capital contribution reserve within statutory capital reserve: CHF 0.70 per dividend-bearing share ²		(2,699)
Total amount of dividends capped in US dollars ³	(3,255)	
Total statutory capital reserve: capital contribution reserve after proposed distribution	27,591	27,572

¹ The Swiss Federal Tax Administration's current position is that, of the CHF 30.3 billion capital contribution reserve available as of 31 December 2018, an amount limited to CHF 15.6 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 CHF 2,699 million presented is based on the total number of shares issued as of 31 December 2018. ³ The amount of USD 3,255 million represents the cap as described below in more detail.

Provided that the proposed dividend distribution out of the capital contribution reserve is approved, the payment of CHF 0.70 per share will be made on 8 May 2019 to holders of shares on the record date 7 May 2019. The shares will be traded ex-dividend as of 6 May 2019 and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 3 May 2019.

Due to the change in the presentation currency from Swiss francs to US dollars, currency fluctuations could theoretically violate certain capital maintenance provisions under the Swiss Code of Obligations. A technical cap to the dividend payment remedies such a situation. The Board of Directors therefore proposes to cap the total amount of dividends at USD 3,255 million. To the extent that the US dollar dividend amount corresponding to a CHF 0.70 dividend per share would exceed this cap on the day of the 2019 AGM, due to the exchange rate as reasonably determined by the Board of Directors, the

dividend per share in Swiss francs will be reduced on a pro rata basis so that the total US dollar dividend amount does not exceed the proposed cap of USD 3,255 million.

4. Discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2018

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 2018 be granted.

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, David Sidwell, Jeremy Anderson, Reto Francioni, Fred Hu, Julie G. Richardson, Isabelle Romy, Robert W. Scully, Beatrice Weder di Mauro and Dieter Wemmer, each of whose term of office expires at the 2019 AGM, be re-elected for a one-year term of office.

Detailed CVs as well as mandates in board committees can be found in the section "Corporate governance and compensation" of the UBS Group AG Annual Report 2018 as well as on the internet at www.ubs.com/boards.

- 5.1. Axel A. Weber as Chairman of the Board of Directors
- 5.2. David Sidwell
- 5.3. Jeremy Anderson
- 5.4. Reto Francioni
- 5.5. Fred Hu
- 5.6. Julie G. Richardson
- 5.7. Isabelle Romy
- 5.8. Robert W. Scully
- 5.9. Beatrice Weder di Mauro
- 5.10. Dieter Wemmer

6. Election of new members to the Board of Directors



William C. Dudley



Jeanette Wong

6.1. William C. Dudley

Motion

The Board of Directors proposes that William C. Dudley be elected as a member of the Board of Directors for a one-year term of office.

William C. Dudley (1953) became chief executive officer of the Federal Reserve Bank of New York (NY Fed) in 2009, a position he held until 2018. In that capacity, he served as the vice chairman and a permanent member of the Federal Open Market Committee. Previously, Mr. Dudley served as executive vice president of the Markets Group at the NY Fed and Head of the Markets Group from 2007 to 2009. Prior to the NY Fed, Mr. Dudley joined Goldman Sachs in 1986 and held several senior management positions. He was partner and managing director and for a decade the chief US economist.

In 2012, Mr. Dudley was appointed chairman of the Committee on the Global Financial System of the Bank for International Settlements (BIS). Prior to that, he served as chairman of the former Committee on Payment and Settlement Systems of the BIS from 2009 to 2012. He was a member of the Board of Directors of the BIS from 2009 to 2018.

Mr. Dudley is an American citizen. He has a bachelor's degree from New College of Florida and received his doctorate in economics from the University of California, Berkeley in 1982.

Currently, Mr. Dudley is a senior research scholar at the Griswold Center for Economic Policy Studies at Princeton University. He is a member of the Group of Thirty and the Council on Foreign Relations.

Mr. Dudley complies with the mandate threshold set forth in Article 31 of the UBS Group AG Articles of Association.

6.2. Jeanette Wong

Motion

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

Jeanette Wong (1960) was group executive responsible for the Institutional Banking business at the Singapore-based DBS Group from 2008 to March 2019, encompassing Corporate Banking, Global Transaction Services, Strategic Advisory and Mergers & Acquisitions. Previously, she served as chief financial officer of the DBS Group between 2003 and 2008. Ms. Wong has spent more than 30 years working in different senior management roles within the financial industry in Singapore. She started her career in 1982 with positions at Banque Paribas and Citibank, before helping to build up JP Morgan's Asia and emerging markets business over a sixteen-year career with the firm.

Ms. Wong is a Singapore citizen. She holds an MBA from the University of Chicago and a BA in business administration from the National University of Singapore.

Ms. Wong sits on the boards of Essilor International/ EssilorLuxottica, Jurong Town Corporation and PSA International. She is a board member of FFMC Holdings Pte. Ltd. and Fullerton Fund Management Company Ltd. In addition, she is a member of the NUS Business School Management Advisory Board and a member of the Global Advisory Board, Asia, for the University of Chicago Booth School of Business. Ms. Wong is also a member of the Securities Industry Council.

Ms. Wong complies with the mandate threshold set forth in Article 31 of the UBS Group AG Articles of Association.

7. Election of the members of the Compensation Committee

Motion

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

7.1. Julie G. Richardson

7.2. Dieter Wemmer

7.3. Reto Francioni

7.4. Fred Hu

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 2019 AGM to the 2020 AGM

Motion

The Board of Directors proposes that the maximum aggregate amount of compensation of CHF 14,500,000 for the members of the Board of Directors for the period from the 2019 AGM to the 2020 AGM be approved.

8.2. Approval of the aggregate amount of variable compensation for the members of the Group Executive Board for the financial year 2018

Motion

The Board of Directors proposes that the aggregate amount of variable compensation of CHF 73,300,000 for the members of the Group Executive Board for the financial year 2018 be approved.

8.3. Approval of the maximum aggregate amount of fixed compensation for the members of the Group Executive Board for the financial year 2020

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 financial year 2020 be approved.

9. 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 2020.

10. 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.

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.

Organizational issues

Voting rights

Shareholders entered in the share register of UBS Group AG on 26 April 2019 at 5 p.m. CEST (on 17 April 2019 at 4:30 p.m. EDT with the US transfer agent Computershare) are entitled to participate and to vote at the AGM.

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.

Admission cards for the AGM

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 26 April 2019: UBS Group AG, Shareholder Services, P.O. Box, 8098 Zurich, Switzerland

Shareholders entered in the share register of UBS Group AG in the United States of America may request their admission cards by writing to the following address by 17 April 2019: UBS Group AG, c/o Computershare Trust Company NA, P.O. Box 505000, Louisville, KY 40233-5000, USA

Admission cards will be sent out starting 18 April 2019. Issued admission cards will be invalidated if the corresponding shares are sold prior to the AGM and if notice of such sale is given to the share register of UBS Group AG. The public transport ticket of the North-West Switzerland ticket zone (Tarifverbund Nordwestschweiz) will be enclosed to an ordered admission card and is free of charge for your return journey to the St. Jakobshalle.

Representation

Shareholders may be represented at the AGM 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, 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 access www.gvmanager.ch/ubs. Timely processing can be guaranteed for all duly signed forms received by 26 April 2019.

Live webcast

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

Back home again

In 2018, we moved back into our completely renovated historical headquarters. You will read about this and other highlights of the past business year in the Annual Review 2018.

Available in branches and online
ubs.com/annualreview



UBS Group AG
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