



| Sustainability at UBS

This document should be read in conjunction
with the UBS Group AG Sustainability Report 2024
and Annual Report 2024

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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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.

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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.

Assurance and agreed-upon procedures: UBS’s sustainability metrics, as disclosed in the UBS Group AG Sustainability Report 2024, have been assured by Ernst & Young Ltd, Basel (EY). EY’s procedures covered 29 metrics subject to reasonable assurance in key areas such as climate and 230 metrics subject to limited assurance. A list of these metrics and level of assurance can be found in the assurance report. In 2024, we also engaged EY to perform agreed-upon procedures (AuP) on our lending sector decarbonization targets to assist us in determining whether these have been set in line with reference scenarios mentioned and informed by certain requirements taken from pertinent global standards and initiatives.

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 2024. 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 is to be a leader in sustainability

Our sustainability & impact approach



2024 key achievements

- ✓ The integration of CS governance bodies and policies is near completion. Aiming to integrate remainder in 2025
- ✓ Applied UBS sustainable investing policies to the Credit Suisse products onboarded to the UBS shelf. This will continue until at least the end of 2025
- ✓ Further advanced sustainability and climate risk (SCR) initiative toward fully integrating SCR into traditional risk management and stress-testing
- ✓ Ongoing focus on emerging risk management - further enhanced transition and physical climate-related risk methodology
- ✓ Exceeded 2030 fossil fuel lending decarbonization target with estimated financed emissions having decreased by 80% in 2023 vs. 2021 baseline, largely driven by Non-core and Legacy reductions
- ✓ Introduced the Company Transition Assessment Scorecard (CTAS) to evaluate how advanced a company is on its path to decarbonization
- ✓ Set new 1.5°C-aligned scope 1 and 2 net-zero target to be achieved by 2035 with 35% reduction achieved in FY24 vs. our 2023 baseline¹
- ✓ 29 sustainability metrics subject to reasonable assurance by Ernst & Young (EY), 230 metrics subject to limited assurance; EY performed agreed-upon procedures on our lending sector decarbonization targets²

Our sustainability and impact strategy

Protect

Manage our business in alignment with our sustainable, long-term strategy and evolving standards

Selected aspirations, goals or targets

- **Net Zero** target for emissions scopes 1 and 2 by 2035¹
- **Decarbonization** lending targets for specified sectors
- **35%** reduction in absolute energy consumption by 2030 vs. 2023 baseline
- **100%** renewable electricity aligned to RE100 in markets where feasible by 2026
- **100%** recycled and Forest Stewardship Council (FSC) paper for our operations by 2025
- Maintain strong **control and risk** framework to support regulatory requirements and product offering

Grow

Embed an innovative sustainability and impact offering across all our business divisions

- **Innovative** sustainable finance and investment solutions
- **20%** of Asset Management's fund offering will be sustainable investing products, providing choice for clients
- Raise **1bn** in donations to our client philanthropy foundations and funds (cumulative 21-25)
- Reach **26.5m** beneficiaries from social impact activities by 2025 (cumulative for 21-25)

Attract

Be the bank of choice for clients and employees

- Maintain **top-quartile** position in key ESG ratings
- **Go-to employer** through engagement and education programs

Update on Credit Suisse integration

2024 selected achievements, building on strong progress in 2023

2025 outlook

Governance	<ul style="list-style-type: none">✓ Near-completed integration of CS sustainability activities by decommissioning further CS governance bodies and policies	<ul style="list-style-type: none">– Aim to fully integrate remaining CS sustainability relevant governance bodies, policies and procedures
Strategy	<ul style="list-style-type: none">✓ Sustainability and impact strategy applied Group-wide	
Environment	<ul style="list-style-type: none">✓ Introduced the Company Transition Assessment Scorecard (CTAS)✓ Worked on defining a more strategic and scalable toolset for calculating, monitoring and reporting the integrated firms' climate-related metrics covering the financing of corporate loans and facilitated emissions	
Social	<ul style="list-style-type: none">✓ Former CS foundations were consolidated with the UBS Optimus Foundation, with the alignment of their philanthropic foundation program portfolios under way✓ Group-wide Responsible Supply Chain Management framework and our Global Procurement and Vendor Management Policy and Guidance rolled out to CS	
Supporting opportunities	<ul style="list-style-type: none">✓ Continued to align our sustainability-related governance structures and policies and brought together our processes and teams to enhance collaboration and leverage our combined strengths✓ Applied UBS sustainable investing policies to the Credit Suisse products when onboarded to the UBS shelf	<ul style="list-style-type: none">– Continue onboarding of CS products to the UBS shelf which will continue in waves until at least the end of 2025
Managing risks	<ul style="list-style-type: none">✓ Further enhanced transition and physical risk methodologies and updated the sustainable finance and carbon and environmental market guidelines, to address emerging sustainability and climate risks	

Continued to foster a strong culture

Strong culture

Collaborate as one UBS to deliver integrated coverage for clients

Continuing to innovate and invest for the future

A place where the best talent is proud to work

2024 key highlights

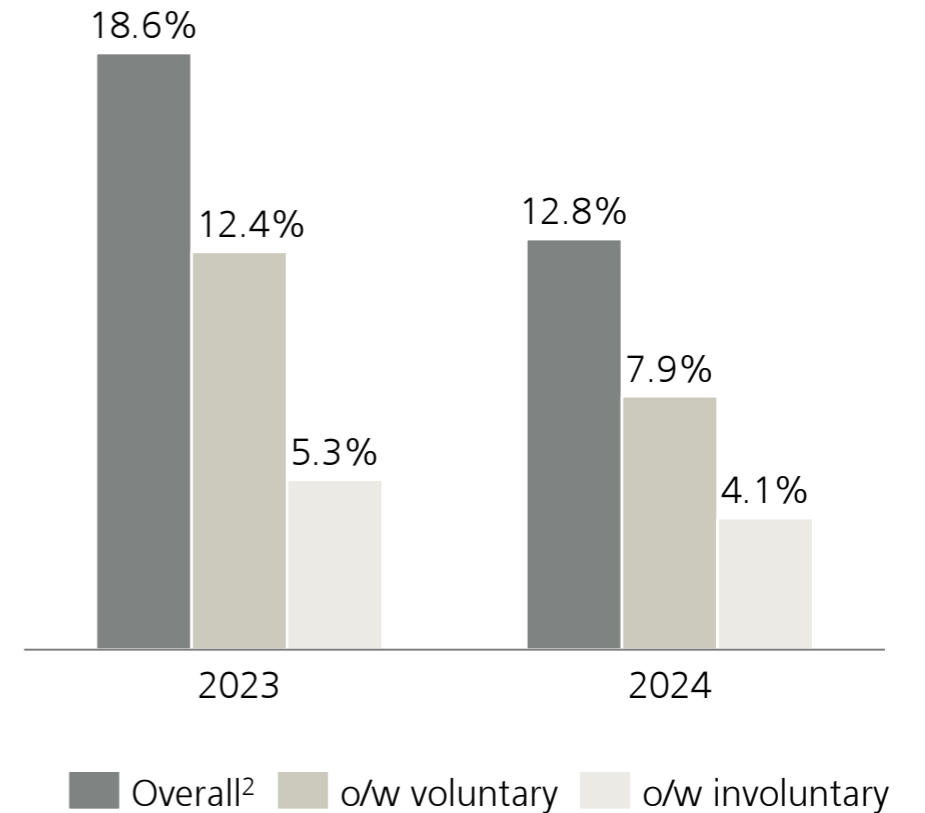
84%
proud to work for UBS¹

83%
would recommend UBS as an employer¹

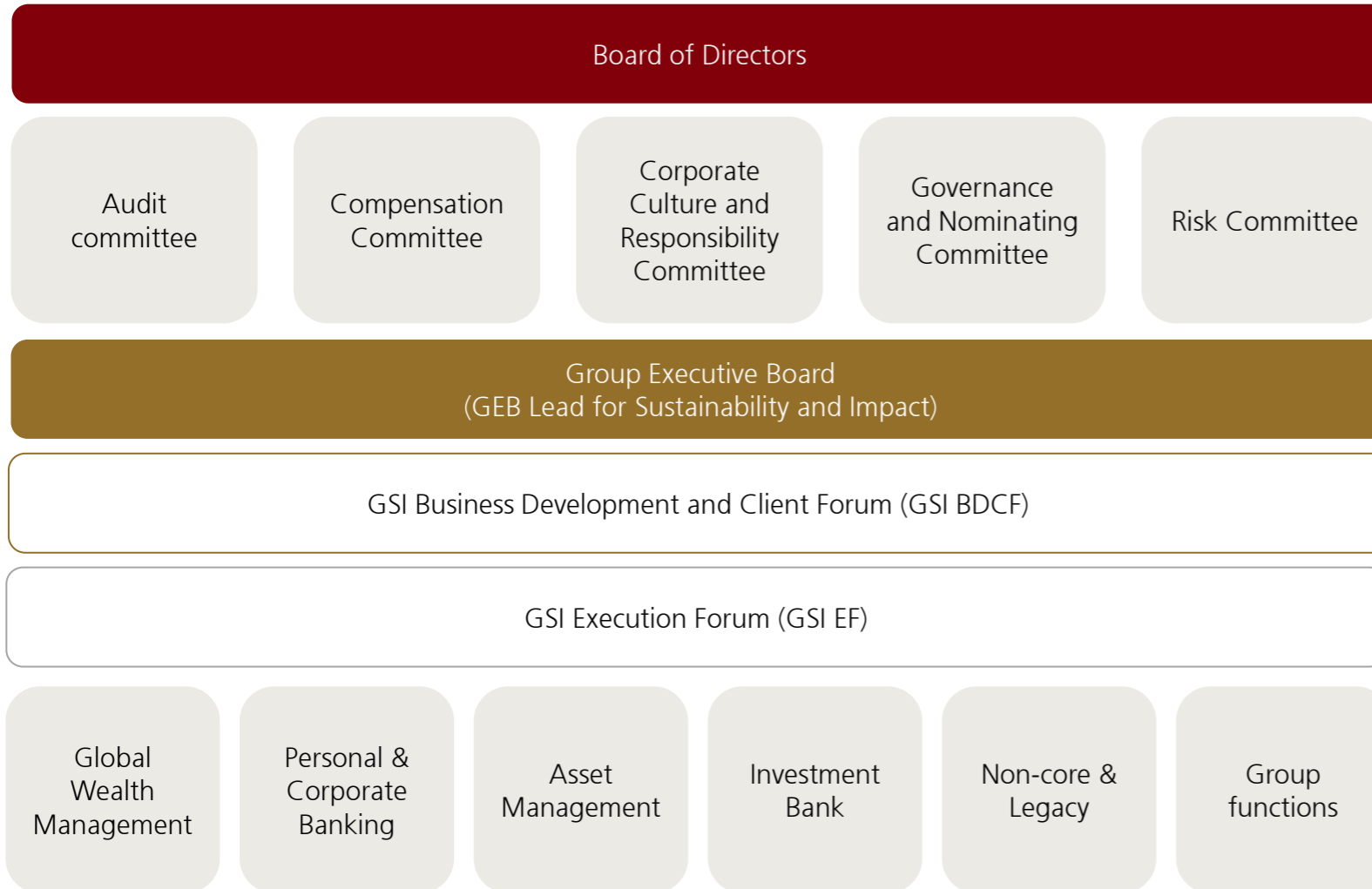
93%
understand the relevance of the three keys to success to day-to-day work¹

53%
of all roles at UBS were filled by internal candidates

Employee turnover has reduced YoY



Our sustainability governance



- The Board of Directors of the UBS Group (the BoD) has ultimate responsibility for the success of the Group and for delivering sustainable shareholder value within a framework of prudent and effective controls. Five committees support the BoD in fulfilling its duty through the respective responsibilities and authority given to them. All BoD committees have specific responsibilities pertaining to ESG (environmental, social and governance) matters
- The GEB Lead for Sustainability and Impact (S&I) has overall responsibility for the management and control of the Group Sustainability and Impact (GSI) function. In particular, the GEB Lead for S&I is responsible for the oversight of matters, such as maintaining an appropriate and adequate functional organization designed to ensure compliance with applicable laws and regulations
- The GSI function develops the Group’s S&I strategy and oversees implementation of the strategy by the business divisions and Group Functions responsible for execution

Protect – our aspirations, goals or targets and progress in 2024

Ambitions	Topics	Our aspirations, goals or targets	Our progress in 2024
Protect	Climate	<p>Lending sector decarbonization targets have been established to address our financed emissions by aligning specified sectors to decarbonization pathways.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>Calculated progress against pathways for lending sector decarbonization targets.²</p> <p>Changes in emissions intensity associated with UBS in-scope lending (end of 2023 vs 2021 baseline):</p> <ul style="list-style-type: none"> – Swiss residential real estate reduced 11%; – Swiss commercial real estate reduced 9%; – power generation reduced 33%; – iron and steel reduced 20%; and – cement reduced 3%. <p>Changes in absolute financed emissions associated with UBS in-scope lending (end of 2023 vs 2021 baseline):</p> <ul style="list-style-type: none"> – fossil fuels reduced 80%.
		<p>Reduce our scope 1 and 2 emissions to net zero by 2035 (90% reduction of scope 1 and net scope 2 emissions by 2035 vs 2023 baseline, neutralizing the remaining 10% with high-quality carbon removals).</p>	<p>Scope 1 and net scope 2 emissions reduced 35% vs 2023 baseline.</p>
		<p>Reduce our absolute energy consumption by 35% by 2030 vs 2023 baseline.</p>	<p>Absolute energy consumption reduced 10% vs 2023 baseline.</p>
	Environment	<p>Achieve 100% renewable electricity aligned to RE100 in markets where feasible by 2026.</p>	<p>Achieved 99.8% renewable electricity aligned to RE100.</p>
		<p>Paper: Use 100% recycled and Forest Stewardship Council (FSC) paper for our operations by 2025.</p>	<p>Reached 49.9% share of recycled and FSC paper in our operations in 2024.</p>
		<p>Waste: Achieve 60% recycling ratio for our office waste by 2025.</p>	<p>Achieved 52.9% recycling ratio in 2024.</p>
		<p>Water: Reduce water consumption by 5% by 2025 vs 2019 baseline.</p>	<p>Water consumption reduced 8% vs 2019 baseline.</p>

Our approach to climate

Our ambition

We will support our clients in the transition to a low-carbon world and embed considerations of climate change risks and opportunities into our firm 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 activities 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

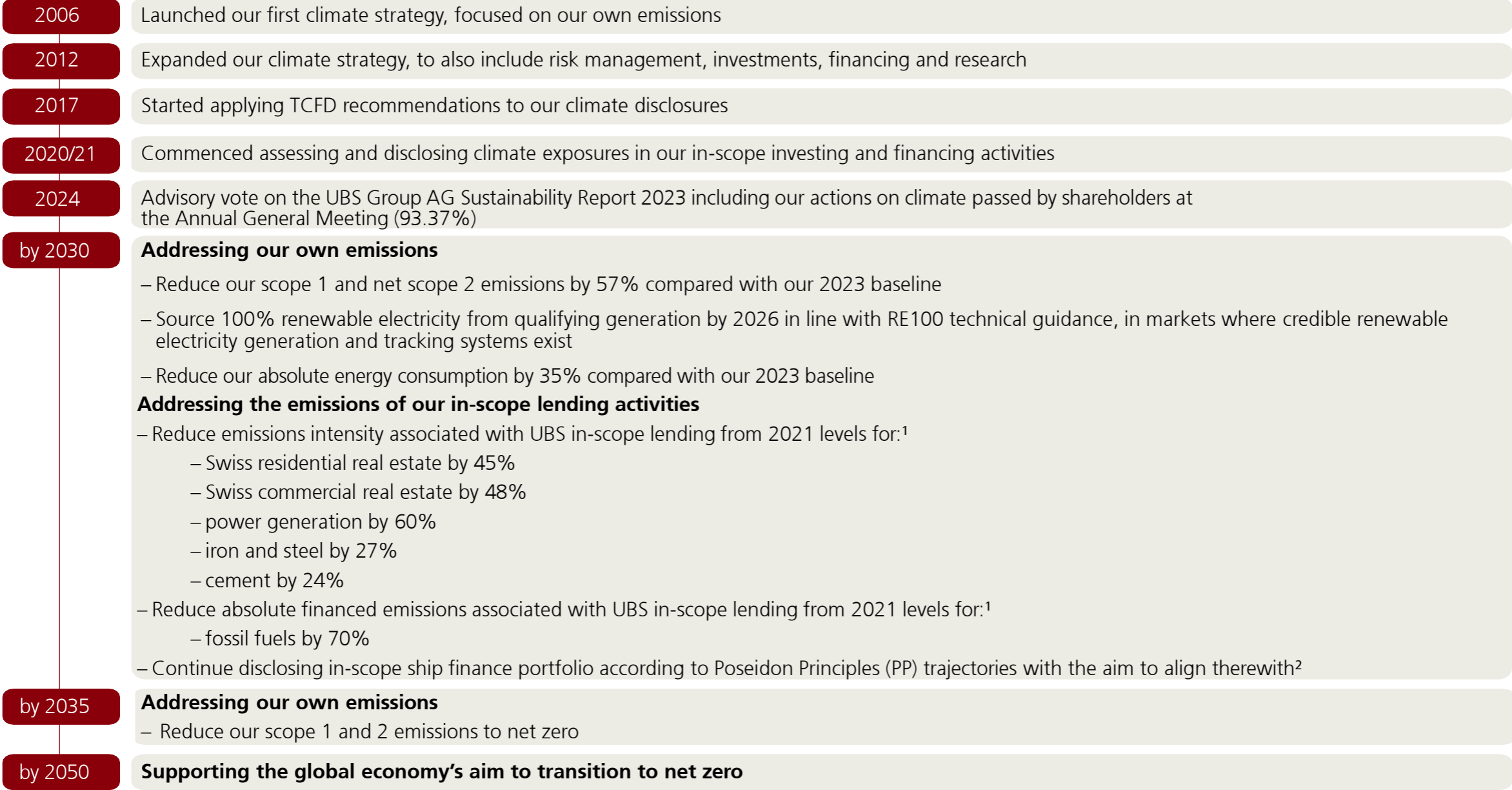
Reducing our climate impact

- Minimizing our own operational footprint and utilizing resources in an efficient and sustainable way
- Measuring and managing our travel footprint, including reducing air-travel-related emissions
- Interacting with 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
- Applying our sustainability and climate risk policy framework
- Further integrating sustainability and climate risk regulatory requirements into financial risk management and stress-test frameworks
- Ensuring that the sustainability and climate risk policy framework is integrated into our Group- and organization wide activities

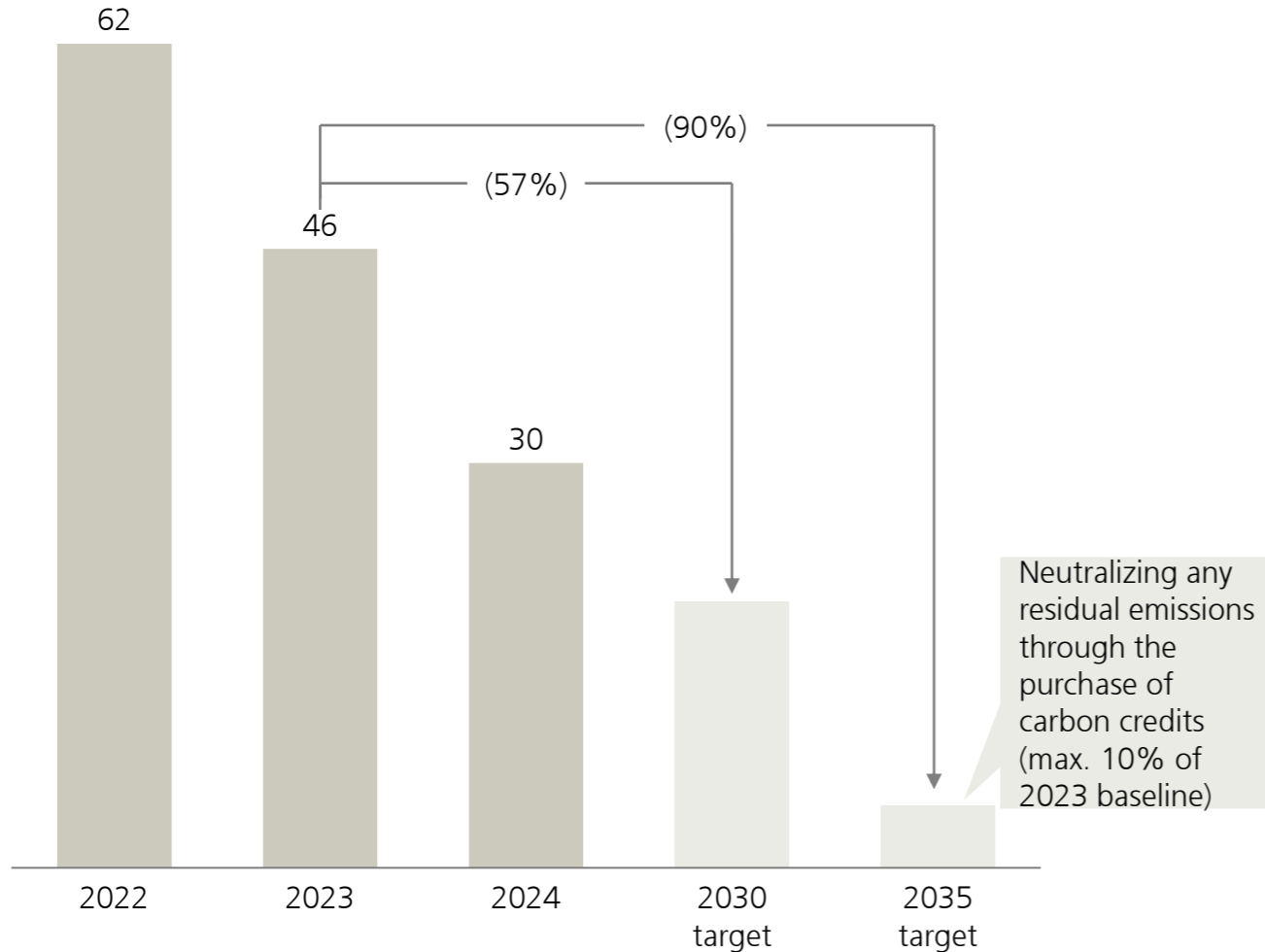
Our climate roadmap



Progress on our own direct environmental footprint

Decarbonization pathway

Scope 1 and net scope 2 greenhouse gas emissions, t CO₂e



Environmental performance and targets

Energy reduction



Paper from sustainable sources



Waste reduction



Water reduction

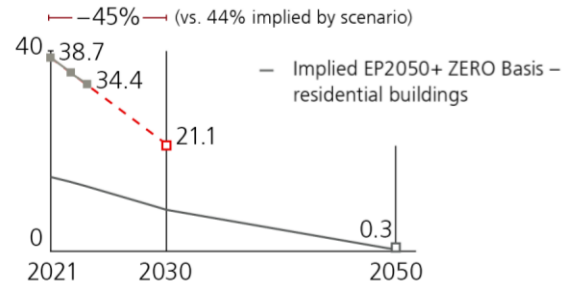


○ 2024 ● 2025 targets ● 2030 targets

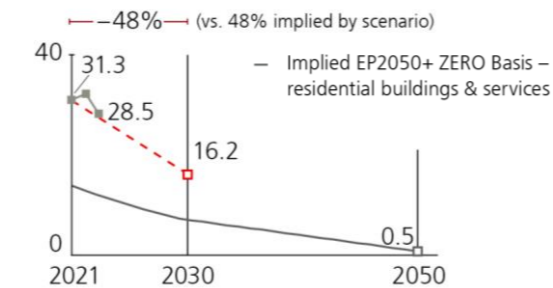
Our lending sector decarbonization targets

Overview of lending sector decarbonization targets and progress

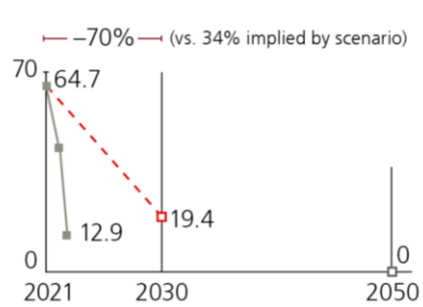
Swiss residential real estate¹
kg CO₂e/m² ERA²



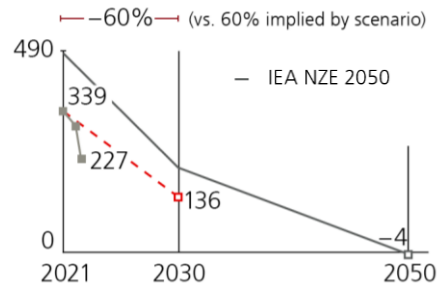
Swiss commercial real estate¹
kg CO₂e/m² ERA²



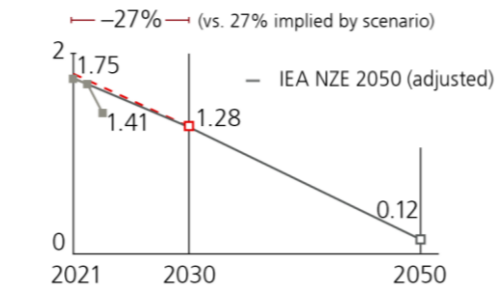
Fossil fuels³
million metric t CO₂e



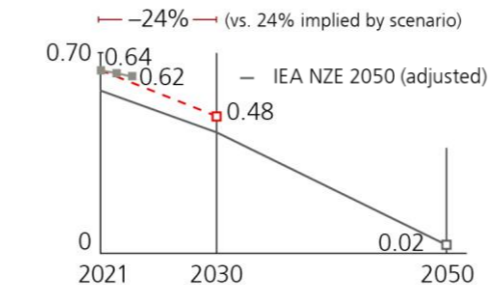
Power generation⁴
kg CO₂e / MWh



Iron and steel⁴
metric t CO₂e / metric t steel



Cement⁴
metric t CO₂ / metric t cementitious

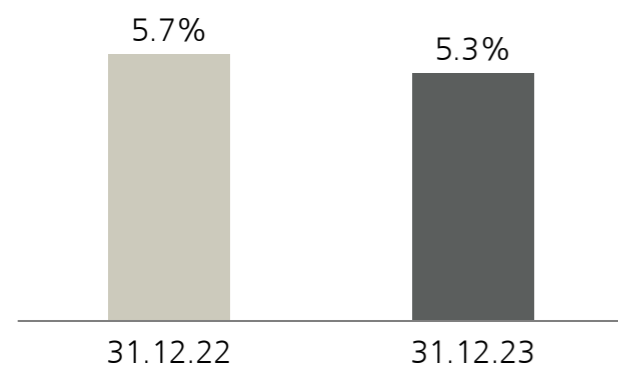


■ UBS actuals (2021–2023) □ UBS target - - - Indicative trend line to 2030 target □ 2050 convergence point

- Our approach to target-setting is based on industry guidance and our calculation methodology is based on global standards such as the GHG Protocol Corporate Accounting and Reporting Standard and the Partnership for Carbon Accounting Financials (the PCAF)
- In 2024, we also engaged EY to perform agreed-upon procedures on our lending sector decarbonization targets to assist us in determining whether these have been set in line with reference scenarios mentioned and informed by certain requirements taken from pertinent global standards and initiatives
- Our 2030 targets were approved and are continued to be overseen by the BoD Corporate Culture and Responsibility Committee (CCRC), and are managed by the business divisions in collaboration with GSI and the Group functions under the leadership of the GEB Lead for Sustainability and Impact

Measuring facilitated emissions from our capital markets business

Selected carbon-intensive sectors as % of total facilitated notional



Overview

- We review and assess Global Banking transactions and employ a robust business selection process for mandates that are accepted. For carbon-intensive sectors, we consider the potential climate and sustainability impacts of the transaction and related material risks and opportunities, in line with our Sustainability and Climate Risk Policy Framework
- We continue to review and assess emerging industry guidance and target-setting methodologies for facilitated emissions
- Facilitated emissions are dependent on the capital markets activity during the year and our market share is expected to fluctuate in our year-on-year reporting

Facilitated emissions	31.12.23						31.12.22					
	Facilitated amount (USD bn)	Facilitated emissions, scopes 1 and 2 (million metric t CO ₂ e)	Facilitated emissions, scope 3 (million metric t CO ₂ e)	PCAF score, scopes 1 and 2 ²	PCAF score, scope 3 ²	Facilitated intensity (million metric t CO ₂ e / USD bn)	Facilitated amount (USD bn)	Facilitated emissions, scopes 1 and 2 (million metric t CO ₂ e)	Facilitated emissions, scope 3	PCAF score, scopes 1 and 2 ²	PCAF score, scope 3 ²	Facilitated intensity (million metric t CO ₂ e / USD bn)
Selected carbon-intensive sectors ¹	6.5	1.3	1.8	1.6	1.7	0.46	12.0	2.0	2.3	1.6	2.3	0.35 ⁴
Selected carbon-intensive sectors as % of total	5.3%						5.7%					
Other sectors	117.7						197.7					
Total facilitated amount³	124.2						209.7					

Company Transition Assessment Scorecard (CTAS)

Overview¹

- In 2024, we introduced CTAS to evaluate companies' decarbonization progress, manage climate transition risks, and support clients' transition efforts through engagement, product development and business planning.
- Initially, and in response to regulatory requirements, the CTAS is used as an input for our Climate Risk Rating Models (CRRM), in particular the transition risk rating model.
- Companies are categorized into one of eight readiness categories based on emissions disclosure, decarbonization commitments and targets, decarbonization plans and actual carbon performance of the company
- Companies are categorized by utilizing publicly available data from external third-party sources, which means it is limited to public companies providing relevant disclosures

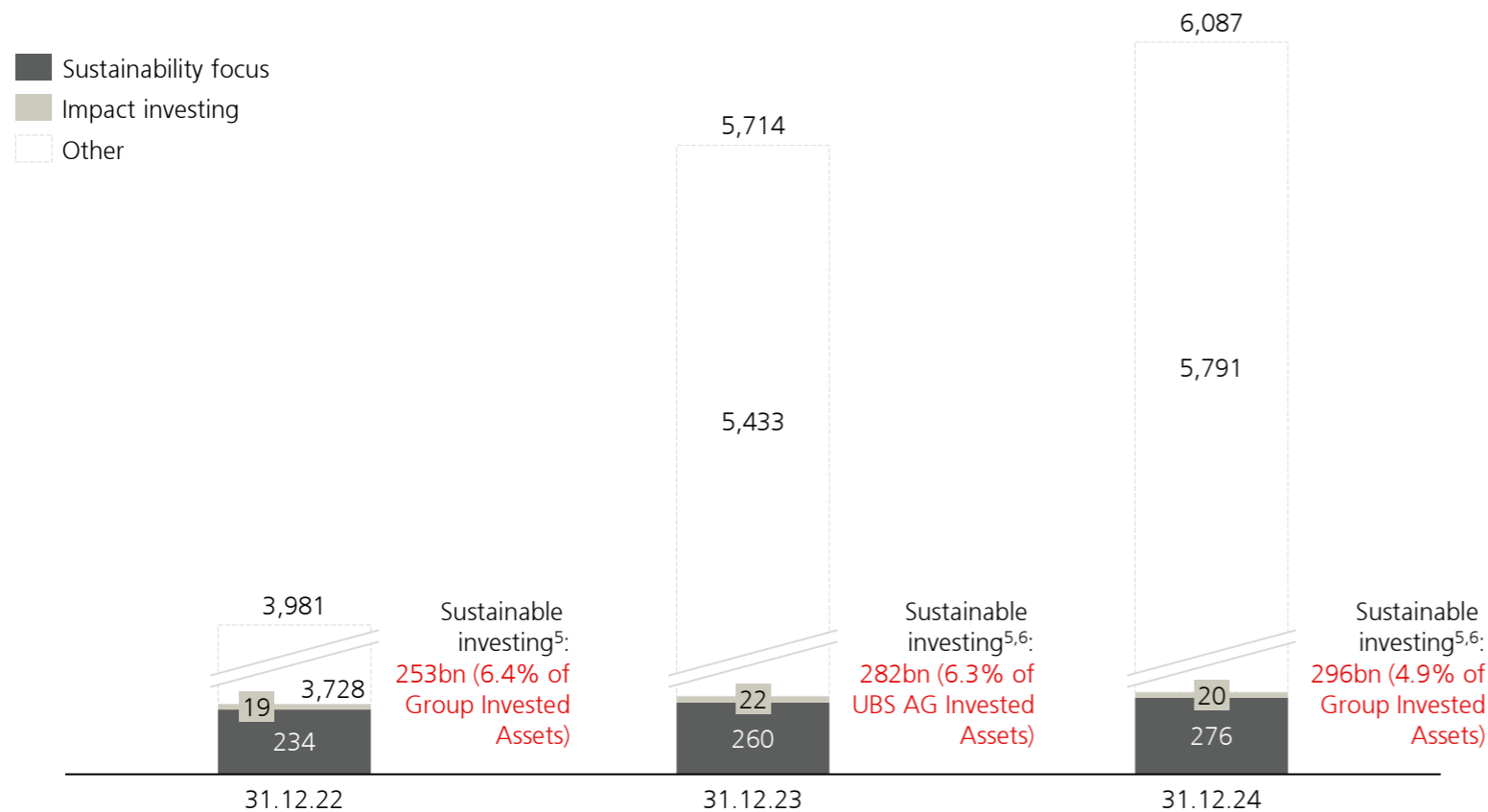
Module	Factor	Unaware	Aware	Strategic 1 – Committed to aligning	Strategic 2 – Aligning toward net zero	Strategic 3 – Aligned targets and plans	Aligned to net zero	Achieving net zero	Climate solution
Emissions disclosure	Disclosure of GHG emissions		✓	✓	✓	✓	✓	✓	
	Long-term net-zero commitment			✓	✓	✓	✓	✓	
Commitments and targets	Medium- / short-term net-zero targets				✓	✓	✓	✓	
	Net-zero commitment recognized by third party					✓	✓	✓	
	Interim targets validated by third party					✓	✓	✓	✓
	High-level plan				✓	✓	✓	✓	
Decarbonization plan	Credible plan					✓	✓	✓	
	Carbon performance in line with pathway						✓	✓	
Carbon performance	Carbon performance at (or close to) net zero							✓	

Grow – our aspirations, goals or targets and progress in 2024

Ambitions	Topics	Our aspirations, goals or targets	Our progress in 2024
Grow	Market opportunities	Embed an innovative sustainability and impact offering across all our business divisions.	<p>Increased sustainable investing invested assets to USD 296bn (2023: USD 282bn).¹</p> <p>Facilitated 96 green, social, sustainability or sustainability-linked (GSSS) bond transactions globally against our target of 100 (2023: 102).²</p> <p>The total on-balance sheet drawn exposure of sustainable loans granted to corporate and institutional clients booked on the UBS Switzerland AG platform amounted to USD 2.0bn as of end 2024 (excluding mortgages).³</p>
		Supporting our clients to achieve their sustainable investing goals: 20% of Asset Management’s fund offering globally will be sustainable-investing products, providing choice for clients.	As of end 2024, 23.4% of Asset Management’s fund offering consisted of sustainable-investing products. ⁴
	Social Impact and Philanthropy	<p>Raise USD 1bn in donations to our client philanthropy foundations and funds (cumulative for 2021–2025).</p> <p>Reach 26.5 million beneficiaries by 2025 (cumulative for 2021–2025).</p>	<p>Achieved a UBS Optimus Foundation donation volume of USD 366m in 2024 (2023: USD 328m), totaling USD 1.1bn since 2021, thus surpassing our goal (all figures include UBS matching contributions).⁵</p> <p>Reached 7.4 million beneficiaries in 2024 (2023: 7 million)⁶ and 25.9 million beneficiaries across our social impact activities since 2021.⁷</p>

Sustainable investing invested assets increased by 5% to 296bn

Invested assets^{1,2, 3, 4, 5, 6}
USD bn



- Sustainable investing invested assets grew 5% YoY, benefitting from market performance, Credit Suisse integration-related impacts, partially offset by foreign exchange effects and net new money outflows
- Sustainable investing invested assets accounted for 4.9% of the Group's total invested assets as at 31.12.24

	2024 YoY
Other	+7%
Impact investing	(7%)
Sustainability focus	+6%
Sustainable investments	+5%

Supporting opportunities across sustainable investing and finance

Our investing approaches

Traditional investing	Sustainable investing	
	Sustainability focus	Impact investing
<ul style="list-style-type: none"> - Targets market-rate investment returns - No explicit sustainability objectives - Manages sustainability and all risks related to investment performance - May use sustainability-related tools, but these do not drive the strategy 	<ul style="list-style-type: none"> - Targets market-rate investment returns - Has explicit sustainable intentions or objectives that drive the strategy - Underlying investments may contribute to positive sustainability outcomes through products, services and / or proceeds 	<ul style="list-style-type: none"> - Targets market-rate investment returns - Has explicit intentions to generate measurable, verifiable, positive sustainability outcomes - Impact attributable to investor action and / or contribution

2024 highlights

GWM	P&C	AM	IB
<p>10.5bn impact investing assets¹</p>	<p>43% share of sustainable investing products within clients' investment assets (excluding cash deposits and savings) in Personal Banking³</p>	<p>23% of AM fund offering consisted of sustainable investing products</p>	<p>96 green, social, sustainability or sustainability-linked (GSSS) bond transactions facilitated⁶</p>
<p>20.6bn discretionary assets aligned to a sustainable investing strategic asset allocation²</p>	<p>2.0bn drawn exposure of sustainable loans granted to corporate and institutional clients booked on UBS Switzerland AG platform⁴</p>	<p>220bn sustainable investing invested assets⁵</p>	<p>#1 rank in GSSS bond issuance in Brazil⁷</p>

Driving social impact and philanthropy





2024 key highlights

- 366m**
donations raised by UBS Optimus Foundation including matching contributions from UBS
- 1.1bn**
in donations raised by UBS Optimus Foundation including UBS matching contributions since 2021, surpassing our 1bn goal for 2021 to 2025
- 7.4m**
beneficiaries reached across our social impact activities and 25.9m beneficiaries since 2021
- 32%**
of workforce engaged in volunteering
- 74m**
in charitable cash contributions from UBS¹

Supporting the transition to an economy that considers the well-being of people and planet

- Through the UBS Optimus network of foundations (the UBS Optimus Foundation), which is an independent network, and in partnership with philanthropists, employees, implementation organizations and institutional partners, we want to find innovative ways to drive systemic and catalytic impact for marginalized communities at scale, both globally and locally especially for children and young people
- In addition to providing comprehensive insights, advice and execution services to existing and prospective clients, we have increased our efforts in the areas of blended finance, collaborative philanthropy and impact transparency

UBS Optimus Foundation focus areas

-  Health
-  Education
-  Climate and environment
-  Humanitarian aid and disaster

25th anniversary of UBS Optimus Foundation in 2024

Attract – our aspirations, goals or targets and progress in 2024

Ambitions Topics

Our aspirations, goals or targets

Our progress in 2024

<p>Attract</p>	<p>Bank of choice</p>	<p>Maintain top quartile position in key ESG ratings.</p>	<p>Achieved top quartile position vs direct peers as defined in UBS compensation report in:</p> <ul style="list-style-type: none"> - MSCI: AA rating, "Leader" in industry group; - S&P Global Corporate Sustainability Assessment: Score of 72. Constituent of the Dow Jones Sustainability Indices (DJSI); - CDP: A- rating. Included in the leadership band.
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ESG ratings overview

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


Global Corporate Sustainability Assessment (CSA) score of 72¹

Index member of DJSI World and DJSI Europe

Ranked 5th of over 650 companies assessed in the same industry group²



CDP score of A- and included in Leadership band²



MSCI ESG RATINGS

“Leader” in industry group²

Workforce inclusion

We are committed to being a diverse and inclusive workplace based on meritocracy, and aim to build a culture of belonging where all employees are recognized and valued, and where everyone can be successful and thrive

Transparency

- Transparency is the foundation framework through which we enable leaders to deliver the strategy, and everyone is held responsible
- We leverage various communication channels and line manager objectives to drive awareness, benchmarking, thought leadership and feedback to inform the strategy, and data monitoring with respective characteristics, including management dashboards and toolkits, to support our entire workforce

Hire

- We aim to hire the best people for the right roles with meritocracy at the forefront of any decision we make, to deliver for our clients, our businesses, our shareholders and the communities we serve
- We offer a wide range of programs to attract a diverse talent slate to UBS

Develop

- Provide employees the visibility and opportunities to enable successful and thriving careers. Mentorship and sponsorship, embedded in (and supplemental to) talent development programs help ensure employees have a range of development opportunities
- Through a mix of online and in-person training, self-directed learning, and coaching, we further support our employees' career journeys and aspirations

Belong

- A sense of belonging helps drive engagement and is important for overall well-being
- Inclusive leadership and fair and transparent policies and practices provide organizational support for belonging, and vital to these efforts are our various employee network chapters across the firm that connect employees on a variety of employee-led topics

| 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>
Oil and gas	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.
	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	<p>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).</p> <p>The carbon intensity and climate alignment of the ship financing portfolio are measured and reported in accordance with the Poseidon Principles.</p>	

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

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
- Diamonds

Others:

- Project finance
- Shipping



Overview of 2030 lending sector decarbonization targets and progress

For the year ended 31.12.23

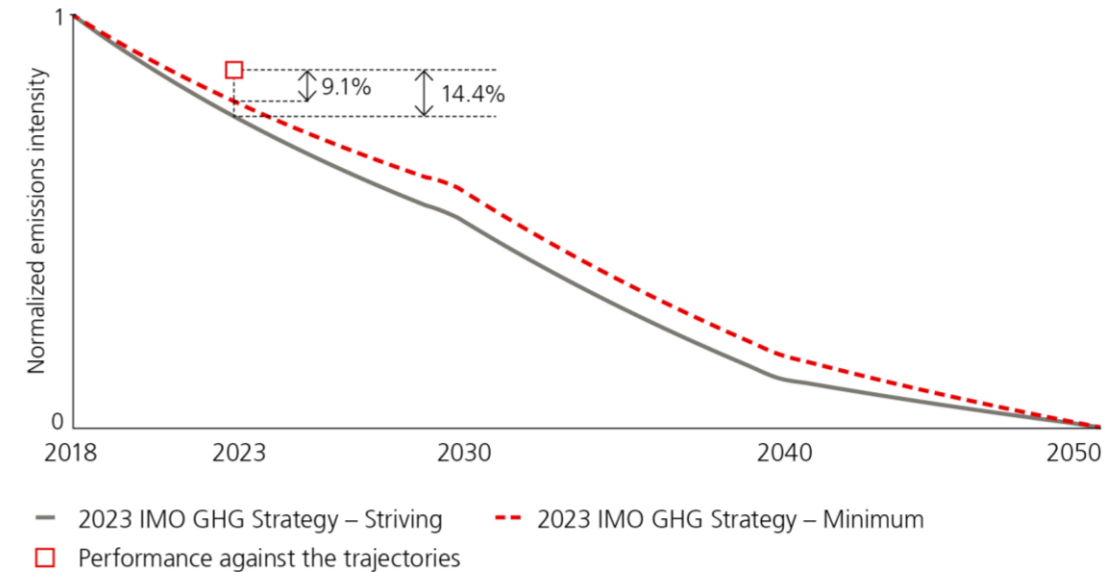
Sectors	Gross lending exposure		Target scope	GHG emissions scope	Targets Scenario	Target value	2021–2030 target	Unit	Progress ⁸		
	Full value chain (USD bn) ¹	Covered with targets (USD bn) ¹							2021 baseline	2023 actuals	% change
Residential real estate ³	384.7	242.4	Region Switzerland	1,2 ⁵	Energy Perspectives 2050+ ZERO basis (below 2°C)	21.1	(45%)	kg CO ₂ e / m ² ERA ²	38.7	34.4	(11%)
Commercial real estate ³		102.1	Region Switzerland	1,2 ⁵	Energy Perspectives 2050+ ZERO basis (below 2°C)	16.2	(48%)	kg CO ₂ e / m ² ERA ²	31.3	28.5	(9%)
Fossil fuels (coal, oil and gas) ⁴	10.6	2.8	B.05, B.06, C.19 ⁶	1,2,3	IEA NZE 2050 - WEO 2023 (1.5°C) ⁷	19.4	(70%)	million metric t CO ₂ e	64.7	12.9	(80%)
Power generation	5.0	3.9	D.35.1.1, D.35.1.3 ⁶	1	IEA NZE 2050 - WEO 2023 (1.5°C)	136	(60%)	kg CO ₂ e / MWh	339	227	(33%)
Iron and steel	0.7	0.5	C.24.1 ⁶	1,2	IEA NZE 2050 - WEO 2023 (1.5°C)	1.28	(27%)	metric t CO ₂ / metric t steel	1.75	1.41	(20%)
Cement	1.1	1.0	C.23.5.1 ⁶	1,2	IEA NZE 2050 - WEO 2023 (1.5°C)	0.48	(24%)	metric t CO ₂ / metric t cementitious	0.64	0.62	(3%)

Climate-related lending metrics – shipping / Poseidon Principles disclosure

Shipping – Portfolio Climate Alignment Score (UBS AG – Credit Suisse AG portfolio)^{1,2}

Poseidon Principles disclosure (UBS AG – Credit Suisse AG portfolio)	31.12.2023	31.12.2022
Shipping (delta alignment to “IMO 2023 minimum trajectory”) ¹	9.1%	11.5%
Shipping (delta alignment to “IMO 2023 striving for trajectory”) ¹	14.4%	15.7%

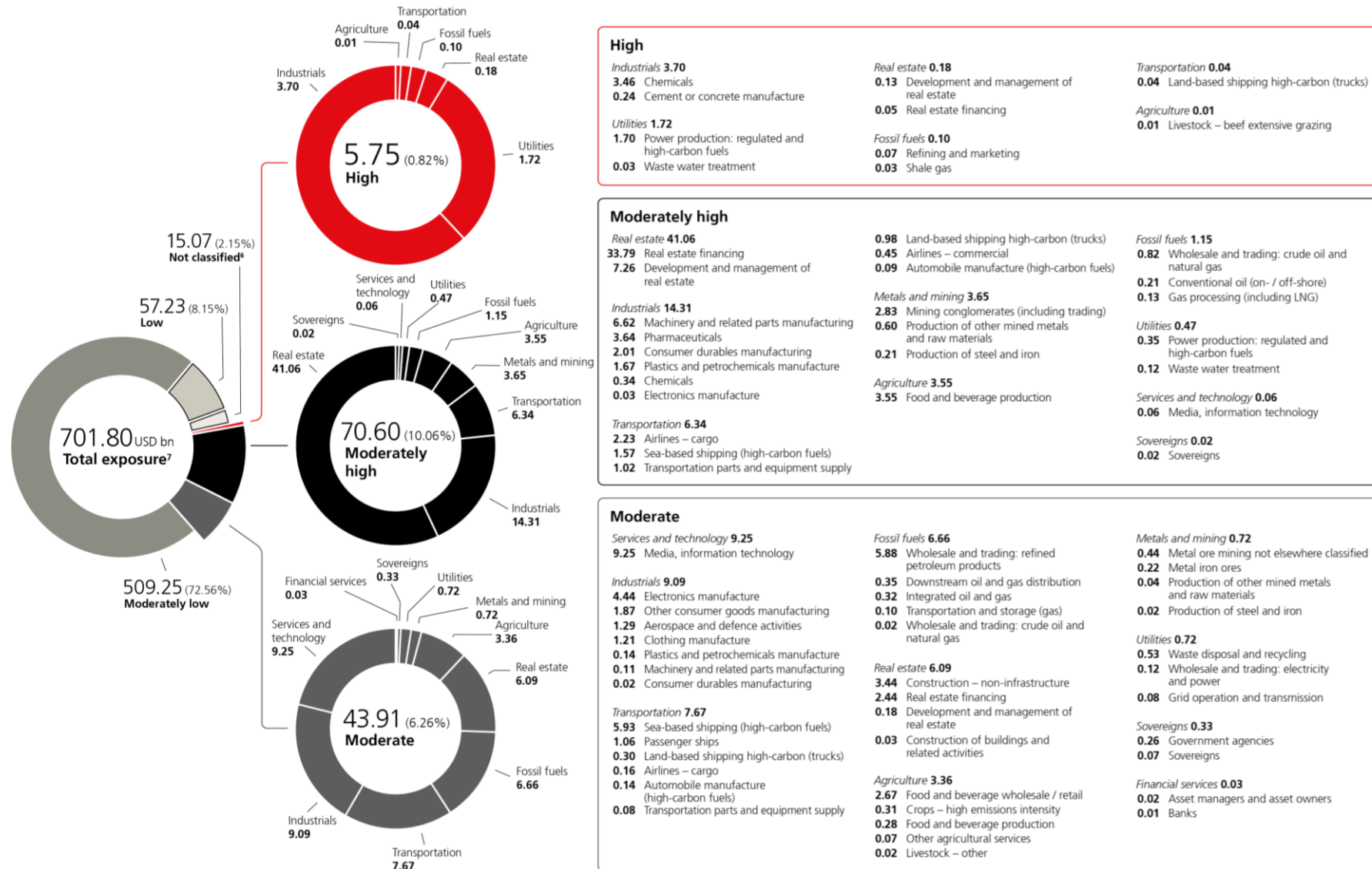
2023 IMO GHG Strategy
 (“IMO Revised GHG Strategy”)



Climate-driven transition risk heatmap

Climate-driven transition risk profile chart for UBS Group AG^{1,2, 3, 4, 5,6}

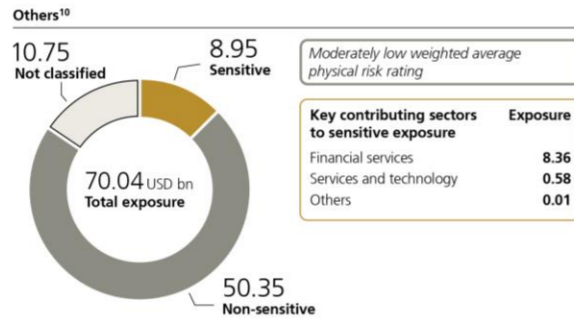
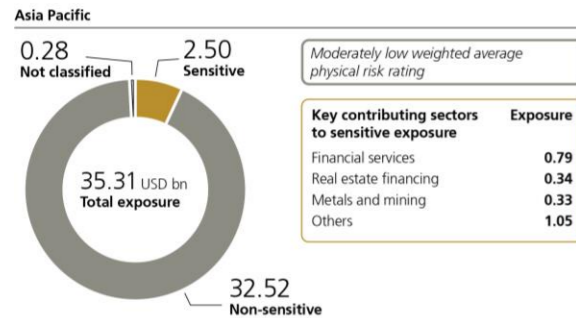
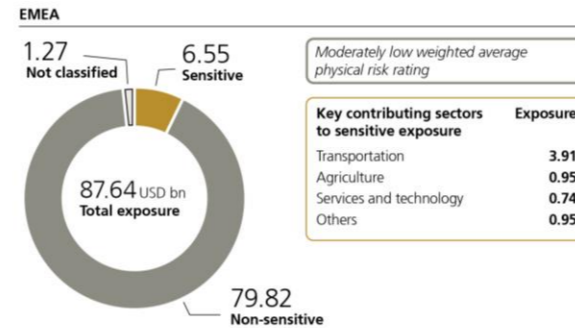
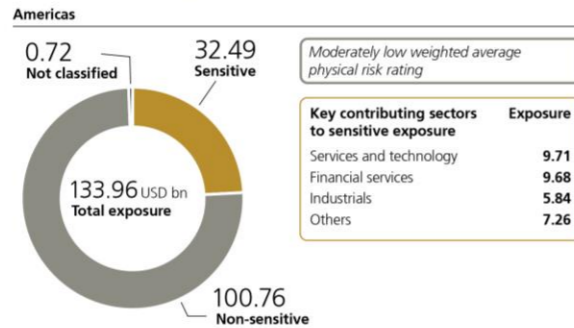
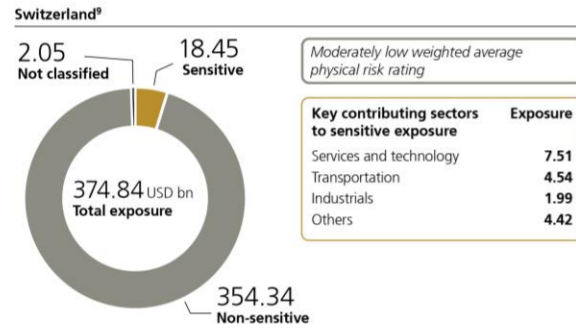
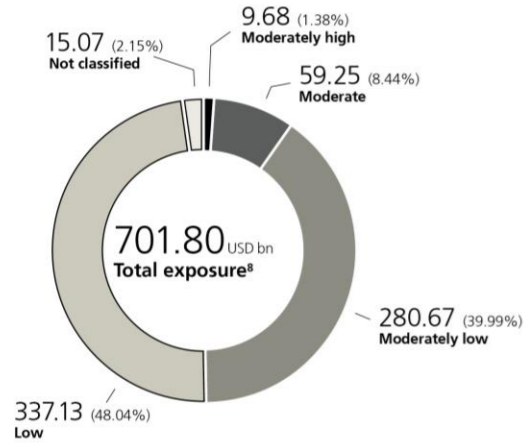
USD bn



Climate-driven physical risk heatmap

Climate-driven physical risk profile chart for UBS Group AG^{1,2, 3, 4, 5, 6, 7}

USD bn



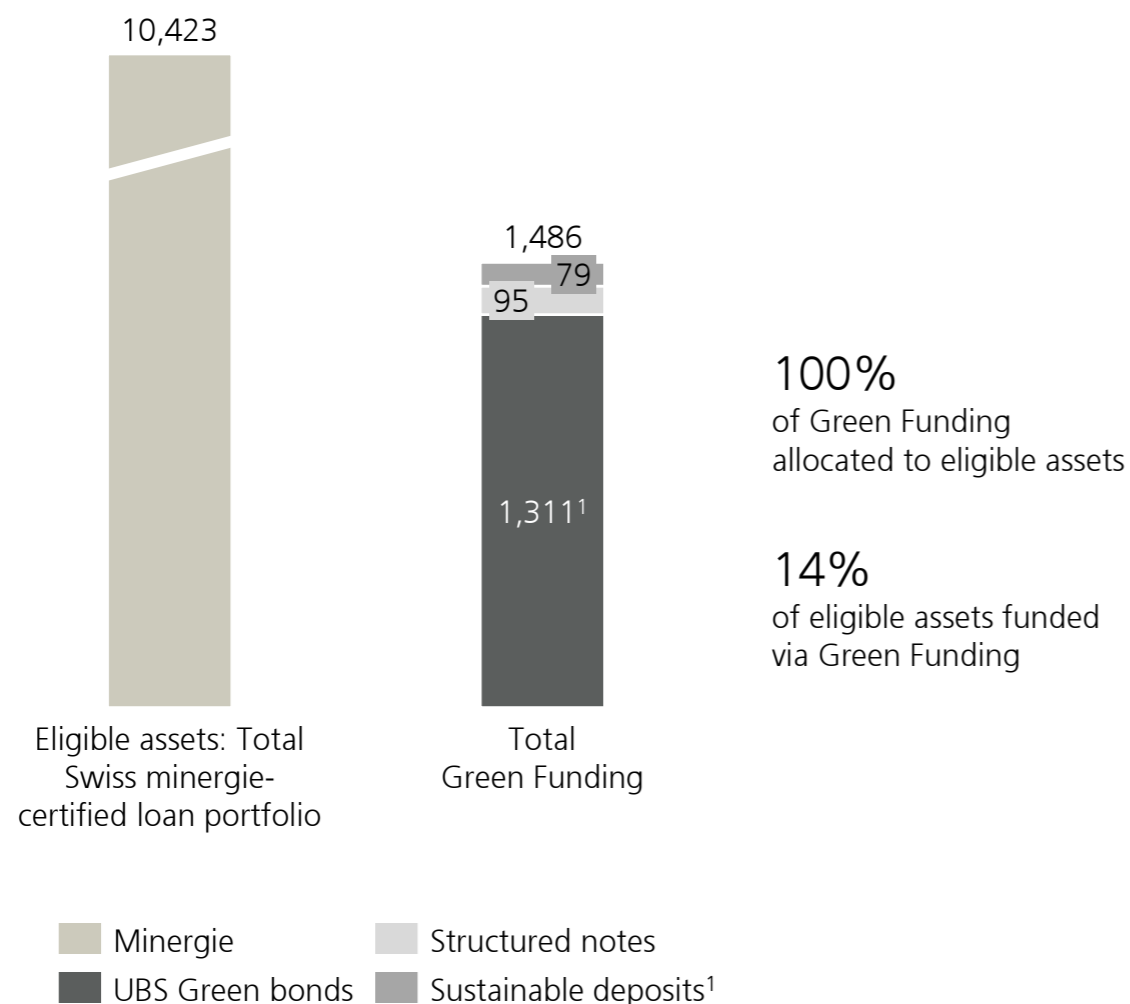
Climate-related metrics

Risk management – Climate-related metrics

	For the year ended		% change from
	31.12.24	31.12.23	31.12.23
Climate-related metrics (USD bn) ^{1, 2, 3, 4}			
Carbon-related assets: UBS Group AG consolidated ^{1, 2, 3, 4, 5, 6}	76.5	93.9	(18.5)
<i>Carbon-related assets proportion of total gross lending exposure, UBS Group AG consolidated (%)^{1, 2, 3, 4, 5, 6}</i>	10.9	12.1	
<i>Carbon-related assets: UBS AG (standalone)^{1, 2, 3, 4, 5, 6}</i>	30.3	9.2	228.3
<i>Carbon-related assets: UBS Switzerland AG (standalone)^{1, 2, 3, 4, 5, 6}</i>	46.6	27.4	69.8
<i>Carbon-related assets: UBS Europe SE (standalone)^{1, 2, 3, 4, 5, 6}</i>	0.0	0.0	0.0
Total exposure to climate-sensitive sectors, transition risk, UBS Group AG consolidated ^{1, 2, 3, 4, 6, 7, 8}	120.3	149.0	(19.3)
<i>Climate-sensitive sectors, transition risk, proportion of total gross lending exposure, UBS Group AG consolidated (%)^{1, 2, 3, 4, 6, 7, 8}</i>	17.1	19.2	
<i>Total exposure to climate-sensitive sectors, transition risk, UBS AG (standalone)^{1, 2, 3, 4, 6, 7, 8}</i>	36.6	12.8	186.4
<i>Total exposure to climate-sensitive sectors, transition risk, UBS Switzerland AG (standalone)^{1, 2, 3, 4, 6, 7, 8}</i>	83.0	49.8	66.6
<i>Total exposure to climate-sensitive sectors, transition risk, UBS Europe SE (standalone)^{1, 2, 3, 4, 6, 7, 8}</i>	0.0	0.0	0.0
Exposure to climate-sensitive sectors, transition risk, Traded products, UBS Group AG consolidated ^{1, 2, 3, 4, 7, 8, 9}	2.1	-	
Exposure to climate-sensitive sectors, transition risk, Issuer risk, UBS Group AG consolidated ^{1, 2, 3, 4, 7, 8, 10}	6.8	-	
Total exposure to climate-sensitive sectors, physical risk, UBS Group AG consolidated ^{1, 2, 3, 4, 6, 7, 8}	68.9	90.7	(24.0)
<i>Climate-sensitive sectors, physical risk, proportion of total gross lending exposure, UBS Group AG consolidated (%)^{1, 2, 3, 4, 6, 7, 8}</i>	9.8	11.7	
<i>Total exposure to climate-sensitive sectors, physical risk, UBS AG (standalone)^{1, 2, 3, 4, 6, 7, 8}</i>	65.7	52.5	25.2
<i>Total exposure to climate-sensitive sectors, physical risk, UBS Switzerland AG (standalone)^{1, 2, 3, 4, 6, 7, 8}</i>	22.6	15.1	50.0
<i>Total exposure to climate-sensitive sectors, physical risk, UBS Europe SE (standalone)^{1, 2, 3, 4, 6, 7, 8}</i>	0.0	0.0	0.0
Exposure to climate-sensitive sectors, physical risk, Traded products, UBS Group AG consolidated ^{1, 2, 3, 4, 7, 8, 9}	3.3	-	
Exposure to climate-sensitive sectors, physical risk, Issuer risk, UBS Group AG consolidated ^{1, 2, 3, 4, 7, 8, 10}	12.6	-	

Green funding update

Eligible assets and Green Funding outstanding
USD m, 31.12.24



UBS's Green Funding Framework key features

Eligible asset criteria:

- 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

Intend to maintain a pool of Eligible Assets **at least equal** to the net proceeds of outstanding Green Funding

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 **ICMA Green Bond Principles**

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 (1/2)

Sustainability

Commonly defined as “meeting the needs of the present without compromising the ability of future generations to meet their own needs” (United Nations (UN) Brundtland Commission, 1987). In this way, we sometimes refer to sustainability to imply a broader scope of resources that may be exhausted beyond those that impact climate change. Our ambition is to conduct business and operations without negatively impacting the environment, society or the economy as a whole and, through our sustainability disclosure, to be transparent about how we are pursuing this.

ESG (Environmental, Social, Governance)

A framework to help stakeholders understand how an organization is managing risks and opportunities related to ESG criteria or factors. It is often used in the context of investing, but – beyond the investment community – clients, suppliers and employees are also increasingly interested in how sustainable an organization’s operations are.

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 and positive sustainability outcomes. Impact generated is attributable to investor action and / or contribution.

Green, social and sustainability loans and bonds are 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.

Sustainability-linked loans and bonds are any types of instruments that incentivize the borrower’s / issuer’s achievement of ambitious, predetermined Sustainable Performance Targets (SPTs) that are measured using predefined sustainability KPIs.

Key terms and definitions (2/2)

Low-carbon economy

Refers to a type of decarbonized economy that is based on low energy consumption and low levels of greenhouse gas (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.

Net zero: refers to cutting GHG emissions to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere.

Sustainability disclosure

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.

Footnotes (1/5)

Slide 2: Our ambition is to be a leader in sustainability

1. Reflects our enlarged corporate real estate portfolio following the acquisition of the Credit Suisse Group and considers the latest definition of a “net-zero target” in the Commission Delegated Regulation (EU) 2023/2772 (CSRD).
2. In 2024, we engaged EY to perform agreed-upon procedures on our lending sector decarbonization targets to assist us in determining whether these have been set in line with reference scenarios mentioned and informed by certain requirements taken from pertinent global standards and initiatives.

Slide 3: Our sustainability and impact strategy

1. 90% reduction of scope 1 and net scope 2 emissions by 2035 vs 2023 baseline, neutralizing the remaining 10% with high-quality carbon removals.

Slide 5: Continued to foster a strong culture

1. Based on 2024 line manager effectiveness survey of over 75,000 UBS employees.
2. Including neutral termination which refers to employees who left the bank due to neither bank nor employee-initiated reasons, e.g., end of employment contract, normal retirement, disability or death.

Slide 7: Protect – our aspirations, goals or targets and progress in 2024

1. Our climate transition plan does not cover all our business activities. We may add ambitions for additional scope 3 activities over time and on a best-efforts basis based on the availability of appropriate measurement frameworks and data, and the materiality of the relevant activity to UBS. We will continue to publicly disclose our progress on an annual basis and, while we continue to take steps to align our in-scope business activities with the ambitions set out above, it is important to note that progress toward our targets may not be linear. We regularly review our targets and update our disclosures in line with new or enhanced regulatory developments, evolving best practices for the financial sector and climate science. Such reviews may lead us to revise previously agreed voluntary commitments, metrics and methodologies. Metrics are based on gross lending exposure consisting of total on-balance sheet loans and advances to customers and off-balance sheet guarantees and irrevocable loan commitments. Refer to the “Basis of preparation” section of the Supplement to the UBS Group Sustainability Report 2024, available at ubs.com/sustainability-reporting for more information about exclusions and parts of the value chain within sectors covered by metrics and targets.
2. Refer to the “Environment” section of the 2024 Sustainability Report 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 between 12 and 18 months to collect disclosed data and make it available to data users. Consequently, the baselines for our decarbonization targets are calculated based on year-end 2021 lending exposure and 2020 emissions data. Our 2023 emissions actuals are based on year-end 2023 lending exposure and 2022 emissions data. For asset financing (i.e. real estate) there is no time lag, and exposure and emissions actuals refer to the same year.

Slide 9: Our climate roadmap

1. While we continue to take steps to align our in-scope business activities to our targets, it is important to note that progress toward our targets may not be linear and that the realization of our own targets and ambitions is dependent on various factors that are outside our direct influence. We regularly review our targets and update our disclosures in line with new or enhanced regulatory developments, evolving best practices for the financial sector and climate science. Refer to the “Climate-related methodologies – decarbonization approach for our financing activities” section of the Supplement to the UBS Group Sustainability Report 2024, 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, guarantees and irrevocable loan commitments. Refer to the “Basis of Preparation” section of the Supplement to the UBS Group Sustainability Report 2024, available at ubs.com/sustainability-reporting, for more information about the exclusions from the scope of the analysis.
2. As part of our ship finance strategy, ships within the scope of the Poseidon Principles (PP) are assessed based on criteria that aim at aligning the portfolio 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 with interim targets in 2030 and 2040 on a well-to-wake (WTW) basis (compared with 2008 levels).

Slide 10: Progress on our direct environmental footprint

1. Reduction target relates to 2023 baseline.
2. Reduction target relates to 2019 baseline.

Slide 11: Our lending sector decarbonization targets

1. Residential real estate includes owner-occupied properties and properties rented out on a non-commercial scale. Commercial real estate includes rented-out properties in multi-family homes, any other income-producing real estate, and own-use commercial real estate. For Swiss real estate lending (residential and commercial), our 2030 targets are using the percentage decarbonization rate implied by the Energy Perspectives 2050+ (EP2050+) ZERO Basis scenario (below 2°C scenario) as a minimum reference rate. This scenario is a representative, country-specific pathway, reflective of the government’s climate strategy. It also informs Switzerland’s decarbonization ambitions for real estate as set out in the Swiss Climate and Innovation Act.
2. ERA: Energy Reference Area.
3. For fossil fuels (oil, gas and coal), we defined an absolute emissions reduction target and applied the Absolute Contraction Approach, which means the use of contraction of absolute emissions to get to net zero. We selected the scenario IEA NZE by 2050 (IEA’s World Energy Outlook of October 2023 update) as a reference to base our 2030 target. This scenario is one of the most recent and widely accepted models that achieves a temperature increase of 1.5°C by the end of the century (1.5°C-aligned scenario). Our 2030 target is more ambitious than the reduction implied by this scenario.
4. For corporate sectors with intensity-based targets (power generation, iron and steel and cement) we have used the Sectoral 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 use the percentage decarbonization rate implied by the scenario IEA NZE by 2050 (IEA’s World Energy Outlook of October 2023 update) as a reference to base our 2030 target.

Footnotes (2/5)

Slide 12: Measuring facilitated emissions from our capital markets business

1. Selected carbon-intensive sectors are the following: fossil fuels (coal, oil and gas), power generation, iron and steel, aluminum, cement, automotive and air transportation. Agriculture and real estate are excluded due to the limited data availability. Refer to the sector approach in the “Climate-related methodologies – decarbonization approach for our financing activities” section of the Supplement to the UBS Group Sustainability Report 2024, available at ubs.com/sustainability-reporting, for more information about the parts of the value chain within scope.
2. The PCAF data quality score has been combined for the key sectors and weighted by the facilitated amount.
3. Includes all sectors.
4. Facilitated intensity is reported to two decimal places and may therefore differ from the values presented in the UBS Group Sustainability Report 2023.

Slide 13: Company Transition Assessment Scorecard (CTAS)

1. Note that the categories from “Unaware” to “Achieving net zero” reflect a company’s progress toward reducing its negative impact on the environment. On the other hand, the category “Climate solution” is an overarching category that goes beyond this and includes companies enabling the transition through their business model by generating green revenues and aligning their capital expenditures accordingly.

Slide 14: Grow – our aspirations, goals or targets and progress in 2024

1. The figures do not include invested assets classified under the Credit Suisse sustainable investment framework but include invested assets of Credit Suisse portfolios, which have been migrated onto UBS platforms and vetted against UBS’s sustainable investing policies or merged with existing UBS sustainable investing portfolios. This process is being carried out in waves and will continue until at least the end of 2025. The 2023 figure has been restated. For more information, see the “Supporting Opportunities” section of the 2024 Sustainability Report.
2. These metrics include transactions meeting the UBS Sustainable Finance Guideline, as described in the “Sustainability and climate risk policy framework” section of the Supplement to the 2024 Sustainability Report, available at ubs.com/sustainability-reporting.
3. Loans booked on the Credit Suisse platform are not in scope of this metric. As Credit Suisse loans migrate to the UBS infrastructure, a due diligence against the UBS Sustainable Product Guidelines framework will be performed.
4. Measured over a three-year rolling period. The scope includes UBS Asset Management sponsored and managed traditional and alternative funds. Mandates, White Label, UBS Asset Management single investor and feeder funds are excluded. As of 2024, products managed by Credit Suisse Asset Management that are categorized in accordance with the legacy Credit Suisse sustainable investing framework are within the scope of the total number of funds but not the total number of UBS Asset Management sustainable investing funds. They will only be included once migrated onto UBS Asset Management product shelves, i.e. once corresponding data has been onboarded to UBS systems, they are fully meeting the requirements of UBS’s Group Sustainable Investing Policy, and are classified as a UBS sustainable investing product. This process is being carried out in waves and will continue at least until the end of 2025.
5. Figures provided for the UBS Optimus Foundation are based on unaudited management accounts and information available as of January 2025. Audited financial statements for UBS Optimus Foundation entities are produced and available per local market regulatory guideline.
6. Figures prior to 2024 exclude beneficiaries reached through Credit Suisse-led programs.
7. Some of the beneficiaries reached were due to activities funded through mandatory contributions required in India and South Africa due to respective corporate social responsibility laws. The cumulative reported figure does not represent unique beneficiaries. Where the same individual was enrolled in a program in the previous year, they are still counted in the following year as they are considered to have received different levels of support over the period.

Slide 15: Sustainable investing invested assets increased by 5% to 296bn

1. The chart details UBS Group’s sustainable investing invested assets and the evolution thereof. This does not contain invested assets classified under the Credit Suisse SIF. UBS sustainable investing invested assets contain invested assets of Credit Suisse portfolios which have been migrated onto UBS platforms and vetted against UBS’s sustainable investing policies or merged with existing UBS SI portfolios. This process is being carried out in waves and will continue until at least the end of 2025. The Credit Suisse integration-related impact to sustainable investing invested assets in 2024 was approximately USD 9bn, of which USD 8.2bn in Asset Management and USD 0.7bn in Global Wealth Management.
2. For additional detail on UBS’s sustainable investment definition and categories, see section “Our approach to sustainable finance” in the 2024 Sustainability Report.
3. Certain products have been reclassified during 2024 for reasons including, but not limited to, an evolving regulatory environment, periodic monitoring of the product shelf, and developing internal classification standards. The impact of these reclassifications on sustainable investing invested assets was immaterial in 2024.
4. Invested assets reported as sustainable investing include limited amounts of instruments not classified as sustainable investments. This includes cash and cash-like instruments that each fund and portfolio holds for liquidity management purposes, as well as client-directed investments included in sustainable investing mandates managed by UBS Asset Management.
5. 2024 figures exclude USD 13.2bn of invested assets relating to Global Wealth Management’s US business that are undergoing additional validation procedures to ensure alignment with internal UBS frameworks and standards. Prior periods have been restated to exclude USD 10.6bn and USD 12.9bn as of 31 December 2023 and 31 December 2022, respectively.
6. In line with the progressing integration, for 2024 we report the share of sustainable investing assets as a percentage of UBS Group total invested assets. For 2023, we report the sustainable investing proportion of UBS AG total invested assets, excluding any invested assets booked by and for Credit Suisse AG.

Footnotes (3/5)

Slide 16: Supporting opportunities across sustainable investing and finance

1. Figures do not include invested assets classified under the Credit Suisse SIF but include invested assets of Credit Suisse portfolios that have been migrated onto UBS platforms and vetted against UBS's sustainable investing policies or merged with existing UBS sustainable investing portfolios. This process is being carried out in waves and will continue until at least the end of 2025. The impact on the 2024 changes is negligible. 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.
2. Figures include some Credit Suisse discretionary mandates that are managed according to the sustainable investing SAA and are included in the UBS Global Product Catalogue (GPC) while still being booked in the Credit Suisse systems. The amount attributed to these products in 2024 was USD 1.7bn. 2024 figures exclude USD 0.6bn of invested assets relating to Global Wealth Management's US business that are undergoing additional validation procedures to ensure alignment with internal UBS frameworks and standards. Year-end 2023 values have been restated to exclude USD 0.7bn. 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 client-directed investments included in sustainable investing mandates.
3. Products booked on Credit Suisse platforms are not included as they have not been migrated onto UBS platforms and vetted against UBS sustainable investing policies or merged with existing UBS sustainable investing portfolios.
4. Loans booked on the Credit Suisse platform are not within the scope of this metric. As Credit Suisse loans migrate to the UBS infrastructure, due diligence against the UBS sustainable product guidelines framework will be performed.
5. Figures do not include invested assets classified under the Credit Suisse SIF but include invested assets of Credit Suisse portfolios that have been migrated onto UBS platforms and vetted against UBS's sustainable investing policies or merged with existing UBS sustainable investing portfolios. This process is being carried out in waves and will continue at least until the end of 2025. The Credit Suisse integration-related impact to sustainable investing invested assets in 2024 was USD 8.2bn. Invested assets reported as sustainable investing include limited amounts of instruments not classified as sustainable investments. This includes cash and cash-like instruments that each fund and portfolio holds for liquidity management purposes, as well as client-directed investments included in sustainable investing mandates.
6. These metrics include transactions meeting the UBS Sustainable Finance Guideline, as described in the "Sustainability and climate risk policy framework" section of the Supplement to the Sustainability Report 2024, available at ubs.com/sustainability-reporting.
7. Bloomberg.

Slide 17: Driving social impact and philanthropy

1. Excludes in time and in kind

Slide 19: ESG ratings overview

1. S&P Global, UBS Group AG 2024 CSA Score as of March 2025, out of a maximum of 100.
2. As at 31.12.24.

Slide 22: Sustainability and climate risk policy framework (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 24: Overview of 2030 lending sector decarbonization targets and progress

1. Full value chain includes all activities within each sector. Refer to target scope for details on sector coverage. Exposures are shown on a gross basis; gross lending exposure includes total on-balance sheet loans and advances to customers and off-balance sheet guarantees, and irrevocable loan commitments (within the scope of expected credit loss) and is based on consolidated IFRS numbers (inclusive of purchase price allocation adjustments recorded in UBS Group AG as a result of the acquisition of Credit Suisse Group AG in compliance with IFRS 3, Business Combinations). Refer to the "Basis of preparation" in "Other supplemental information" of the Sustainability Report 2024 for more information about exclusions and parts of the value chain within sectors covered by metrics and targets.
2. ERA: Energy Reference Area.
3. Residential real estate includes owner-occupied properties and properties rented out on a non-commercial scale. Commercial real estate includes rented-out properties in multi-family homes, any other income-producing real estate, and own-use commercial real estate. The reported figures reflect the exposure linked to loans that are secured by real estate collateral.
4. For fossil fuels, a significant share of our gross lending exposure not covered by this target is commodity trade financing for which guidelines and methodologies have yet to be developed.
5. Residential real estate emissions scope covers owners' energy consumption only, Commercial real estate emissions scope covers owners' or tenants' energy consumption only.
6. For corporate sectors, NACE codes are referenced, the following parts of the value chain are included in the targets scope: fossil fuels: coal extraction, oil and gas upstream, refining and integrated companies; power generation: power generation and integrated electric utility companies; iron and steel: production of iron and steel, hot rolling and coking coal manufacturing; cement: production of cement and clinker.
7. For fossil fuels (oil, gas and coal), we selected the scenario IEA NZE by 2050 as a reference to base our 2030 target. Our 2030 target is more ambitious than the percentage reduction implied by this scenario.
8. Metrics are calculated based on gross lending exposures.

Slide 25: Climate-related lending metrics – shipping / Poseidon Principles disclosure

1. 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 (the Poseidon Principles trajectories are based on a net zero by 2050 consideration); 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 accounts for the impact of methane (CH4) and nitrous oxide (N2O). The updated IMO trajectories are not 1.5°C-aligned.
2. The Poseidon Principles Annual Disclosure Reports are published under <https://www.poseidonprinciples.org/finance/resources>. For the 2024 reporting cycle (based on 2023 data), the Poseidon Principles Technical Guidance v.5.1 was used.

Footnotes (4/5)

Slide 26: Climate-driven transition risk heatmap

1. Gross lending exposure consists of total on-balance sheet loans and advances to customers and off-balance sheet guarantees and irrevocable loan commitments (within the scope of expected credit loss) and is based on consolidated IFRS numbers (inclusive of purchase price allocation adjustments recorded in the UBS Group as a result of the acquisition of Credit Suisse in compliance with IFRS 3, Business Combinations).
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 risks are scored between 0 and 1, based on sustainability and climate risk transmission channels. Risk ratings represent a range of scores across five rating categories: low, moderately low, moderate, moderately high, and high. The climate-sensitive exposure metrics are determined based upon the top three of the five rated categories i.e. moderate to high.
4. Methodologies for assessing climate-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. The Lombard lending rating is assigned based on the average riskiness of collateral.
5. Over the last year, the UBS Group continued its efforts to integrate Credit Suisse systems and data. As a result, the metric calculation process benefits from data enhancement even when the methodology remains the same year-on-year. At the same time, integration work is ongoing and expected to bring in further data alignment in future which may require restatement of reported metrics.
6. As Transition and Physical Risk Rating Models and Physical Risk Heatmap Model are embedded further into the risk management framework, we may identify new use cases that could trigger validation of the model for identified use cases and associated enhancements.
7. Not classified represents the portion of UBS's business activities where methodologies and data are not yet able to provide a rating.

Slide 27: Climate-driven physical risk heatmap

1. Gross lending exposure consists of total on-balance sheet loans and advances to customers and off-balance sheet guarantees and irrevocable loan commitments (within the scope of expected credit loss) and is based on consolidated IFRS numbers (inclusive of purchase price allocation adjustments recorded in the UBS Group as a result of the acquisition of Credit Suisse in compliance with IFRS 3, Business Combinations).
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 risks are scored between 0 and 1, based on sustainability and climate risk transmission channels. Risk ratings represent a range of scores across five rating categories: low, moderately low, moderate, moderately high, and high. The climate-sensitive exposure metrics are determined based upon the top three of the five rated categories i.e. moderate to high.
4. Methodologies for assessing climate-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. The Lombard lending rating is assigned based on the average riskiness of collateral.
5. The world map is color-coded to reflect the exposure-weighted average physical risk rating of a given region. Countries are grouped into regions according to the UBS Country and Region Data Standard.
6. Over the last year, the UBS Group continued its efforts to integrate Credit Suisse systems and data. As a result, the metric calculation process benefits from data enhancement even when the methodology remains the same year-on-year. At the same time, integration work is ongoing and expected to bring in further data alignment in future which may require restatement of reported metrics.
7. As Transition and Physical Risk Rating Models and Physical Risk Heatmap Model are embedded further into the risk management framework, we may identify new use cases that could trigger validation of the model for identified use cases and associated enhancements.
8. Not classified represents the portion of UBS's business activities where methodologies and data are not yet able to provide a rating.
9. The Switzerland region includes a trivial exposure (<1%) booked in Liechtenstein.
10. "Others" region includes exposure to countries not available, global funds and multilateral institutions.

Footnotes (5/5)

Slide 28: Climate-related metrics

1. Methodologies for assessing climate-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 collateral.
2. Metrics for 2023 are recalculated and restated based on the 2024 methodology for comparison purpose. Percentage change is calculated based on the full underlying exposure, which may result in small deviations when calculated using reported figures that are rounded to one decimal.
3. Over the last year, the UBS Group continued its effort to integrate Credit Suisse systems and data. As a result, the metric calculation process benefits from data enhancement even when the methodology remains the same year on year. At the same time, integration work is ongoing and expected to bring in further data alignment in future, which may require restatement of reported metrics.
4. UBS continues to collaborate to resolve methodological and industry data challenges, and seeks to integrate both impacts to and dependencies on a changing natural and climatic environment, into how UBS evaluates its risks and opportunities.
5. As defined by the Task Force on Climate-related Financial Disclosures (the TCFD), in its expanded definition published in 2021, UBS defines carbon-related assets through industry-identifying attributes of the firm's banking book. UBS further includes the four non-financial sectors addressed by the TCFD, including, but not limited to, fossil fuel extraction, carbon-based power generation, transportation (air, sea, rail, and auto manufacture), metals production and mining, manufacturing industries, real estate development, chemicals, petrochemicals, and pharmaceuticals, building and construction materials and activities, forestry, agriculture, fishing, food and beverage production, including trading companies that may trade any of the above (e.g. oil trading or agricultural commodity trading companies). This metric is agnostic of risk rating, and therefore may include exposures of companies that may be already transitioning or adapting their business models to climate risks, unlike UBS climate-sensitive sectors methodology, which takes a risk-based approach to defining material exposure to climate impacts.
6. Gross lending exposure consists of total on balance sheet loans and advances to customers and off-balance sheet guarantees and irrevocable loan commitments (within the scope of expected credit loss) and is based on consolidated IFRS numbers (inclusive of purchase price allocation adjustments recorded in UBS Group as a result of the acquisition of Credit Suisse in compliance with IFRS 3, Business Combinations).
7. Climate-related risks are scored between 0 and 1, based on sustainability and climate risk transmission channels. Risk ratings represent a range of scores across five rating categories: low, moderately low, moderate, moderately high, and high. The climate-sensitive exposure metrics are determined based upon the top three of the five rated categories, i.e. moderate to high.
8. As the transition and physical risk rating models and physical risk heatmap model are embedded further into the risk management framework, we may identify new use cases that could trigger validation of the model for identified use cases and associated enhancements. As a consequence, restatement of reported metrics may be required.
9. For traded products, the metric is calculated using over-the-counter (OTC) derivatives, exchange-traded derivatives (ETDs) and securities financing transactions (SFTs), consisting of securities borrowing and lending, and repurchase and reverse repurchase agreements.
10. For issuer risk, the metric is calculated upon HQLA assets, debt securities, bonds, liquidity buffer securities. After the parent bank merger, the issuer risk in legacy Credit Suisse entities is less than 4% of overall UBS Group and considered non-material and excluded from reported metrics..

Slide 29: Green funding update

1. UBS Sustainable Savings Account. 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, the global economy may be negatively affected by shifting political circumstances, including increased tension between world powers, conflicts in the Middle East, as well as the continuing Russia–Ukraine war. 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 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 further widen and intensify, may 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 its outlook and strategic direction and introduced new operational challenges. The integration of the Credit Suisse entities into the UBS structure is expected to continue through 2026 and presents significant operational and execution risk, including the risks that UBS may be unable to achieve the cost reductions and business benefits contemplated by the transaction, that it may incur higher costs to execute the integration of Credit Suisse and that the acquired business may have greater risks or liabilities than expected. Following the failure of Credit Suisse, Switzerland is considering significant changes to its capital, resolution and regulatory regime, which, if proposed and adopted, may significantly increase our capital requirements or impose other costs on UBS. These factors create greater uncertainty about forward-looking statements. Other factors that may affect UBS’s performance and ability to achieve its 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; (iii) 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, residential and commercial real estate markets, general economic conditions, 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, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC); (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 the 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 its 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 its RWA; (xiii) 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; (xiv) 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; (xv) UBS’s ability to implement new technologies and business methods, including digital services, artificial intelligence and other 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; (xvi) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xvii) 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 persistently high levels of cyberattack threats; (xviii) restrictions on the ability of UBS Group AG, UBS AG and regulated subsidiaries of 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; (xix) 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; (xx) 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; (xxi) the ability of UBS to access capital markets; (xxii) 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, pandemic, security breach, cyberattack, power loss, telecommunications failure or other natural or man-made event; and (xxiii) the effect that these or other factors or unanticipated events, including media reports and speculations, may have on its reputation and the additional consequences that this may have on its 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. UBS’s business and financial performance could be affected by other factors identified in its 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 2024. 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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