
Revised version of 8 April 2020

Invitation to the Annual General Meeting

UBS Group AG

Wednesday, 29 April 2020, 10:30 a.m.

UBS Conference Center Grünenhof, 8001 Zurich

The developments around the coronavirus and the measures put in place by the Swiss authorities have a profound impact on the conducting of the 2020 Annual General Meeting.

Protecting the health of our shareholders and employees is our number one priority. UBS Group AG has therefore decided that voting rights can only be exercised through the independent proxy. It will not be possible to physically participate in the Annual General Meeting.

Following a request of FINMA, the Board of Directors of UBS Group AG proposes a dividend distribution of USD 0.365 per share and a special dividend reserve of USD 0.365 per share. This invitation contains the revised motion on agenda item 3.

Dear shareholders,

The Annual General Meeting of UBS Group AG (AGM) will take place as announced on Wednesday, 29 April 2020, at 10:30 a.m.

The UBS Group AG Annual Report, including the UBS Group AG Compensation Report and the auditors' reports for the financial year 2019 (as revised in relation to appropriation of profit and distribution of dividends), is available for inspection at UBS Group AG's head office, at Bahnhofstrasse 45, 8001 Zurich. We kindly ask you to contact us early so that we can take the appropriate measures. The UBS Group AG Annual Report 2019 and the Compensation Report are available electronically, at www.ubs.com/annualreport.

On 31 January 2020, UBS Group AG published a notice in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) and on its website, at www.ubs.com/agm, inviting qualifying shareholders to submit their requests for the inclusion of individual items on the agenda by 10 March 2020. No requests were submitted. Further, on 27 March 2020, UBS Group AG published the invitation to the AGM.

Following a request of FINMA, UBS has revised the motion on the appropriation of total profit and dividend distribution to be approved by shareholders at the AGM on 29 April 2020. In light of UBS's financial strength and business model, the Board of Directors intends to propose the full dividend amount. However, in response to this regulatory request, the Board of Directors is now proposing a pay-out in two tranches and hereby submits a revised motion on the appropriation of profit and the dividend distribution (agenda item 3). The revised proposal consists of a dividend distribution of USD 0.365 per share, with the remaining amount of USD 0.365 per share apportioned to a special dividend reserve. This reserve is earmarked for distribution by a decision to be taken at an extraordinary general meeting planned for 19 November 2020.


Zurich, 8 April 2020

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 2019

Motion

The Board of Directors proposes that the management report for the financial year 2019 and the UBS Group AG consolidated and standalone financial statements for the financial year 2019 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 2019

Motion

The Board of Directors proposes that the UBS Group AG Compensation Report 2019 be ratified in an advisory vote.

The UBS Group AG Compensation Report 2019 is a chapter in the UBS Group AG Annual Report 2019. 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 2019 and the enclosed "Say-on-pay" brochure set out further details in relation to the proposed vote.

The vote on the UBS Group AG Compensation Report 2019 is advisory in nature.

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

Motion

The Board of Directors proposes the appropriation of total profit and an ordinary dividend distribution of USD 0.365 (gross) in cash per share of CHF 0.10 par value under the terms set out in the table below. Further, the Board of Directors proposes the appropriation of an amount of USD 0.365 (gross) per share of CHF 0.10 par value to a special dividend reserve.

The ordinary dividend distribution is declared in US dollars. Shareholders whose shares are held through SIX SIS AG will receive dividends in Swiss francs, based on a published exchange rate calculated up to five decimal places on the day prior to the ex-dividend date. Shareholders holding shares through the Depository Trust Company or directly registered in the US share register with Computershare will be paid dividends in US dollars. The total amount of the dividend distribution will be capped at CHF 2,628 million (the Cap). To the extent that the Swiss franc equivalent of the total dividend distribution would exceed the Cap on the day of the AGM, based on the exchange rate determined by the Board of Directors in its reasonable opinion, the US dollar per share amount of the dividend will be reduced on a pro rata basis so that the total Swiss franc amount does not exceed the Cap.

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

For the year ended 31.12.19	USD million	CHF million
Net profit for the period	3,320	3,384
Profit/(loss) carried forward	0	0
Total profit available for appropriation	3,320	3,384

Appropriation of total profit

Appropriation to voluntary earnings reserve	(1,911)	(2,020)
Dividend distribution: USD 0.365 (gross) per dividend-bearing share, USD 0.1825 of which out of total profit ¹	(705)	(682) ²
Appropriation to special dividend reserve: USD 0.365 (gross) per dividend-bearing share, USD 0.1825 of which out of total profit ¹	(705)	(682) ²
Profit/(loss) carried forward	0	0

¹ Dividend-bearing shares are all shares issued except for treasury shares held by UBS Group AG as of the record date. The amount of USD 705 million presented is based on the total number of shares issued as of 31 December 2019. If the final total amount of the dividend is higher/lower, the difference will be balanced through the appropriation to the voluntary earnings reserve. ² For illustrative purposes, translated at closing exchange rate as of 31 December 2019 (CHF/USD 1.03).

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

For the year ended 31.12.19	USD million	CHF million
Total statutory capital reserve: capital contribution reserve before proposed distribution ¹	28,352	27,730
Dividend distribution: USD 0.365 (gross) per dividend-bearing share, USD 0.1825 of which out of capital contribution reserve ²	(705)	(682) ³
Appropriation to special dividend reserve within capital contribution reserve: USD 0.365 (gross) per dividend-bearing share, USD 0.1825 of which within capital contribution reserve ²	705	682 ³
Total statutory capital reserve: capital contribution reserve after proposed distribution, including special dividend reserve	27,648	27,048

¹ The Swiss Federal Tax Administration's current position is that, of the CHF 27.7 billion capital contribution reserve available as of 31 December 2019, an amount limited to CHF 13.1 billion is available from which dividends may be paid without a Swiss withholding tax deduction. ² Dividend-bearing shares are all shares issued except for treasury shares held by UBS Group AG as of the record date. The amount of USD 705 million presented is based on the total number of shares issued as of 31 December 2019. ³ For illustrative purposes, translated at closing exchange rate as of 31 December 2019 (CHF/USD 1.03).

Provided that the proposed dividend distribution is approved, the payment of the dividend will be made on 7 May 2020 to holders of shares on the record date 6 May 2020. The shares will be traded ex-dividend as of 5 May 2020 and, accordingly, the last day on which the shares may be traded with entitlement to receive the dividend will be 4 May 2020.

Explanation

Following a request of FINMA, UBS has revised the motion on the appropriation of total profit and dividend distribution to be approved by shareholders at the AGM on 29 April 2020. In light of UBS's financial strength and business model, the Board of Directors intends to propose the full dividend amount. However, in response to this regulatory request, the Board of Directors is now proposing a pay-out in two tranches and hereby submits a revised motion on the appropriation of profit and the dividend distribution. The revised proposal consists of a dividend distribution of USD 0.365 per share, with the remaining amount of USD 0.365 per share apportioned to a special dividend reserve. This reserve is earmarked for distribution by a decision to be taken at an extraordinary general meeting planned for 19 November 2020. In its report to the AGM, Ernst & Young Ltd, Basel, as statutory auditor of UBS Group AG confirms that the proposed appropriation of available earnings complies with Swiss law and the company's articles of association.

As a result of the change in the presentation currency from the Swiss franc to the US dollar, UBS Group AG has also changed the currency in which it declares its dividend to the US dollar. However, shareholders whose shares are held through SIX SIS AG will still receive their dividends converted into Swiss francs.

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

As set out above, half of the ordinary dividend distribution of USD 0.365 (gross) in cash per share is payable out of total profit and the other half is payable out of the capital contribution reserve due to a change in Swiss tax law. The portion of the dividend paid out of total profit will be subject to a 35% Swiss withholding tax.

4. Discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2019

Motion

The Board of Directors proposes that discharge of the members of the Board of Directors and the Group Executive Board for the financial year 2019 be granted, excluding all issues related to the French cross-border matter.

Explanation

The Board of Directors acknowledges that the judgment in the French cross-border matter issued in February 2019 contributed to shareholders not granting the discharge at the 2019 AGM. UBS has appealed the decision of the Court of First Instance and the ongoing proceedings in France may still be considered too much of an uncertainty in the context of the grant of

discharge. Therefore the Board of Directors proposes that discharge for the financial year 2019 be granted with the explicit exclusion of all issues related to the French cross-border matter.

UBS has compiled and published a report on the French cross-border matter to answer some of the most common questions that its shareholders, clients and employees have asked after the judgment was issued. The report was published on 21 January 2020 and is available for download at www.ubs.com/investors.

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

Motion

The Board of Directors proposes that Axel A. Weber, as Chairman of the Board of Directors, Jeremy Anderson, William C. Dudley, Reto Francioni, Fred Hu, Julie G. Richardson, Beatrice Weder di Mauro, Dieter Wemmer and Jeanette Wong, each of whose term of office expires at the 2020 AGM, be re-elected for a one-year term of office.

Detailed biographies as well as memberships in Board committees can be found in the section "Corporate governance and compensation" of the UBS Group AG Annual Report 2019, 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. Jeremy Anderson

5.3. William C. Dudley

5.4. Reto Francioni

5.5. Fred Hu

5.6. Julie G. Richardson

5.7. Beatrice Weder di Mauro

5.8. Dieter Wemmer

5.9. Jeanette Wong

6. Election of new members to the Board of Directors



6.1. Mark Hughes

Motion

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

Mark Hughes (born 1958) was Group Chief Risk Officer of Royal Bank of Canada (RBC) from 2014 to 2018 and is currently chair of the Global Risk Institute, a visiting lecturer at the University of Leeds and a senior advisor to McKinsey & Company. He joined RBC in 1981 and spent his entire career working for the bank in Canada, the US and the UK. He held various senior leadership positions such as Chief Operating Officer Capital Markets (2008 to 2013) and Head of Global Credit (2001 to 2008). Mr. Hughes served on RBC's subsidiary boards for more than 20 years.

Mr. Hughes received his MBA in finance from Manchester Business School and his Bachelor of Laws from the University of Leeds, both in England. He is a Canadian, UK and US citizen.

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



6.2. Nathalie Rachou

Motion

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

Nathalie Rachou (born 1957) has been a senior advisor for Clartan Associés (formerly Rouvier Associés) since 2015 and is stepping down from that position in April 2020. In 1999, she founded Topiary Finance Ltd, an asset management company based in London, of which she was CEO until its merger with Rouvier Associés in 2014. From 1978 to 1999, Ms. Rachou held a number of positions within Banque Indosuez and Crédit Agricole Indosuez, including roles in capital markets and as Chief Operating Officer of the brokerage subsidiary of Banque Indosuez.

Ms. Rachou graduated from HEC in Paris with a master's degree in management and holds an executive MBA from INSEAD. She is a French citizen.

Ms. Rachou is a member of the board of directors of Société Générale (stepping down from that function in May 2020). She sits on the boards of Altran Technologies, Euronext N.V. and Veolia Environnement SA and was a foreign trade advisor for France from 2001 to 2018.

Ms. Rachou 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, Reto Francioni and Dieter Wemmer be re-elected and Jeanette Wong 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 re-appoint Julie G. Richardson as Chairperson of the Compensation Committee.

7.1. Julie G. Richardson

7.2. Reto Francioni

7.3. Dieter Wemmer

7.4. Jeanette Wong

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

8.1. Approval of the maximum aggregate amount of compensation for the members of the Board of Directors from the 2020 AGM to the 2021 AGM

Motion

The Board of Directors proposes that the maximum aggregate amount of compensation of CHF 13,000,000 for the members of the Board of Directors for the period from the 2020 AGM to the 2021 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 2019

Motion

The Board of Directors proposes that the aggregate amount of variable compensation of CHF 70,250,000 for the members of the Group Executive Board for the financial year 2019 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 2021

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 2021 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 2021.

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 24 April 2020 at 5 p.m. CEST (on 14 April 2020 at 4:30 p.m. EDT with the US transfer agent Computershare) are entitled to vote via the independent proxy.

No trading restriction on UBS Group AG shares

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

Representation

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

Agenda item 3 of the invitation to the AGM dated 27 March 2020 has been revised. If you have already appointed or given instructions to the independent proxy (ADB Altorfer Duss & Beilstein AG), such appointment or voting instruction remains valid, unless you wish to revoke your instructions. In such a case, please contact our hotline: +41-44-235 66 52 **at the latest by 20 April 2020.**

If you have not yet appointed or given instructions to the independent proxy (ADB Altorfer Duss & Beilstein AG), please complete and sign the originally sent "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 24 April 2020.**

Live webcast

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

Due to current developments, we reserve the right to take further measures at short notice. The Internet page www.ubs.com/agm is constantly updated with the latest information, and we are also happy to answer your questions via our hotline: +41-44-235 66 52.

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