



Capital instruments of UBS Group AG (consolidated) and  
UBS AG (consolidated and standalone) as of 31 December 2016 – Key features

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
Published on 14 March 2017

|                             |   | Share capital  |  |
|-----------------------------|---|--|--|
| 1                           | Issuer (country of incorporation; if applicable, branch)  | UBS Group AG, Switzerland  | UBS AG, Switzerland  |
| 1a                          | Instrument number   | 001  | 002  |
| 2                           | Unique identifier (e.g. ISIN)   | ISIN: CH0244767585   | -  |
| 3                           | Governing law(s) of the instrument  | Swiss  | Swiss  |
| <b>Regulatory treatment</b> |   |  |  |
| 4                           | Transitional Basel III rules (1)  | CET1 - Going concern capital   | CET1 - Going concern capital   |
| 5                           | Post-transitional Basel III rules (2)   | CET1 - Going concern capital   | CET1 - Going concern capital   |
| 6                           | Eligible at solo/group/group&solo   | UBS Group AG (consolidated)  | UBS AG (consolidated), UBS AG (standalone)   |
| 7                           | Instrument type   | Ordinary shares  | Ordinary shares  |
| 8                           | Amount recognized in regulatory capital (million) (1)   | CHF 385.1  | CHF 385.8  |
| 9                           | Outstanding amount (par value, million)   | CHF 385.1  | CHF 385.8  |
| 10                          | Accounting classification (3)   | Equity attributable to UBS Group AG shareholders   | Equity attributable to UBS AG shareholders   |
| 11                          | Original date of issuance   | -  | -  |
| 12                          | Perpetual or dated  | -  | -  |
| 13                          | Original maturity date  | -  | -  |
| 14                          | Issuer call subject to prior supervisory approval   | -  | -  |
| 15                          | Optional call date, subsequent call dates, if applicable, and redemption amount                               | -  | -  |
| 16                          | Contingent call dates and redemption amount   | -  | -  |
| <b>Coupons / dividend</b>   |   |  |  |
| 17                          | Fixed or floating dividend / coupon   | -  | -  |
| 18                          | Coupon rate and any related index; frequency of payment   | -  | -  |
| 19                          | Existence of a dividend stopper   | -  | -  |
| 20                          | Fully discretionary, partially discretionary, or mandatory  | Fully discretionary  | Fully discretionary  |
| 21                          | Existence of step up or other incentive to redeem   | -  | -  |
| 22                          | Noncumulative or cumulative   | Noncumulative  | Noncumulative  |
| 23                          | Convertible or non-convertible  | -  | -  |
| 24                          | If convertible, conversion trigger(s)   | -  | -  |
| 25                          | If convertible, fully or partially  | -  | -  |
| 26                          | If convertible, conversion rate   | -  | -  |
| 27                          | If convertible, mandatory or optional conversion  | -  | -  |
| 28                          | If convertible, specify instrument type convertible into  | -  | -  |
| 29                          | If convertible, specify issuer of instrument it converts into   | -  | -  |
| 30                          | Write-down feature  | -  | -  |
| 31                          | If write-down, write-down trigger(s)  | -  | -  |
| 32                          | If write-down, full or partial  | -  | -  |
| 33                          | If write-down, permanent or temporary   | -  | -  |
| 34                          | If temporary write-down, description of write-up mechanism  | -  | -  |
| 35                          | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Unless otherwise stated in the articles of association, once debts are paid back the assets of the liquidated company are divided between the shareholders pro rata based on their contributions and considering the preferences attached to certain categories of shares (section 745, Swiss Civil Code of Obligations) | Unless otherwise stated in the articles of association, once debts are paid back the assets of the liquidated company are divided between the shareholders pro rata based on their contributions and considering the preferences attached to certain categories of shares (section 745, Swiss Civil Code of Obligations) |
| 36                          | Existence of features, which prevent full recognition under Basel III   | -  | -  |
| 37                          | If yes, specify non-compliant features  | -  | -  |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated.

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
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| High-trigger additional tier 1 capital instruments |   |   |  |  |  |
|--|---|---|--|--|--|
| 1  | Issuer (country of incorporation; if applicable, branch)  | UBS Group AG, Switzerland, or other employing entities of the Group   | UBS Group AG, Switzerland  | UBS Group AG, Switzerland  | UBS AG, Switzerland  |
| 1a   | Instrument number   | 003   | 004  | 005  | 006  |
| 2  | Unique identifier (e.g. ISIN)   | -   | ISIN: CH0271428317   | -  | -  |
| 3  | Governing law(s) of the instrument  | Swiss / NY, US  | Swiss law  | Swiss law  | Swiss law  |
| <b>Regulatory treatment</b>                        |   |   |  |  |  |
| 4  | Transitional Basel III rules (1)  | Additional tier 1 - Going concern capital   | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  |
| 5  | Post-transitional Basel III rules (2)   | Additional tier 1 - Going concern capital   | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  |
| 6  | Eligible at solo/group/group&solo   | UBS Group AG (consolidated)   | UBS Group AG (consolidated)  | UBS Group AG (consolidated)  | UBS AG (consolidated and standalone)   |
| 7  | Instrument type   | Contingent cash payment / security delivery obligation towards employees (DCCP)   | Tier 1 Capital Notes   | Tier 1 Capital Notes   | Loan (6)   |
| 8  | Amount recognized in regulatory capital (million) (1)   | CHF 463.1   | CHF 1,266.3  | CHF 1,598.1  | CHF 1,272.2  |
| 9  | Outstanding amount (par value, million)   | CHF 463.1 (4)   | USD 1,250  | USD 1,575  | USD 1,250  |
| 10   | Accounting classification (3)   | Other liabilities   | Debt issued held at amortized cost   | Debt issued held at amortized cost   | Due to customers   |
| 11   | Original date of issuance   | 31 December 2014 (5)  | 19 February 2015   | 7 August 2015  | 26 November 2015 (7)   |
| 12   | Perpetual or dated  | Perpetual (4)   | Perpetual  | Perpetual  | Perpetual  |
| 13   | Original maturity date  | -   | -  | -  | -  |
| 14   | Issuer call subject to prior supervisory approval   | Yes   | Yes  | Yes  | Yes  |
| 15   | Optional call date, subsequent call dates, if applicable, and redemption amount                               | First call date: 1 March 2020 At the issuer's sole and absolute discretion, settlement by means of either (i) payment of a cash amount equal to the value of the Notional Bond, or (ii) transfer of perpetual AT1 instruments in such amount equivalent to the value of, and on substantially the same terms and conditions of, the Notional Bond (in both cases, net of applicable taxes and social securities contributions)  | First optional redemption date: 19 February 2020 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon   | First optional redemption date: 7 August 2025 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon  | First optional redemption date: 19 February 2020 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon                                     |
| 16   | Contingent call dates and redemption amount   | -   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   |
| <b>Coupons / dividend</b>                          |   |   |  |  |  |
| 17   | Fixed or floating dividend / coupon   | Fixed   | Fixed / Floating from 19 February 2020   | Fixed / Floating from 7 August 2025  | Fixed / Floating from 19 February 2020   |
| 18   | Coupon rate and any related index; frequency of payment   | Issues in CHF: 4%; issues in USD: 7.125%; annually  | 7.125% / Reset Interest Rate; annually   | 6.875% / Reset Interest Rate; annually   | 7.125% / Reset Interest Rate, in each case plus 0.255%; annually   |
| 19   | Existence of a dividend stopper   | No  | Yes  | Yes  | Yes  |
| 20   | Fully discretionary, partially discretionary, or mandatory  | Fully discretionary   | Fully discretionary  | Fully discretionary  | Fully discretionary  |
| 21   | Existence of step up or other incentive to redeem   | No  | No   | No   | No   |
| 22   | Noncumulative or cumulative   | Noncumulative   | Noncumulative  | Noncumulative  | Noncumulative  |
| 23   | Convertible or non-convertible  | Nonconvertible  | Nonconvertible   | Nonconvertible   | Nonconvertible   |
| 24   | If convertible, conversion trigger(s)   | -   | -  | -  | -  |
| 25   | If convertible, fully or partially  | -   | -  | -  | -  |
| 26   | If convertible, conversion rate   | -   | -  | -  | -  |
| 27   | If convertible, mandatory or optional conversion  | -   | -  | -  | -  |
| 28   | If convertible, specify instrument type convertible into  | -   | -  | -  | -  |
| 29   | If convertible, specify issuer of instrument it converts into   | -   | -  | -  | -  |
| 30   | Write-down feature  | Yes   | Yes  | Yes  | Yes  |
| 31   | If write-down, write-down trigger(s)  | Reported phase-in Basel III CET1 ratio of the Group is less than 7% / 10%; or FINMA determines a write-down is required to prevent UBS Group AG's insolvency, bankruptcy or failure; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to prevent UBS Group AG's insolvency, bankruptcy or failure. Subject to applicable conditions.   | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS Group AG's viability; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS Group AG's viability (see definition of Viability Event). Subject to applicable conditions. | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS Group AG's viability; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS Group AG's viability (see definition of Viability Event). Subject to applicable conditions. | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions. |
| 32   | If write-down, full or partial  | Full  | Full   | Full   | Full   |
| 33   | If write-down, permanent or temporary   | Permanent   | Permanent  | Permanent  | Permanent  |
| 34   | If temporary write-down, description of write-up mechanism  | -   | -  | -  | -  |
| 35   | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Outside the occurrence of a Trigger Event or Viability Event, the holder under DCCP will have a claim ranking junior to all rights and claims of priority creditors of the issuer (i.e. claims in respect of obligations of the issuer (i) that are unsubordinated, or (ii) that are subordinated (including Tier 2 instruments) and do not, or are expressly not stated to, rank pari passu with, or junior to, the issuer's obligations under DCCP or any of the issuer's obligations ranking pari passu with the issuer's obligations under DCCP). | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   |
| 36   | Existence of features, which prevent full recognition under Basel III   | -   | -  | -  | -  |
| 37   | If yes, specify non-compliant features  | -   | -  | -  | -  |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Comprised of Deferred Contingent Capital Plan (DCCP) issuances. Subject to forfeiture and vesting provisions. (5) Original date of issuance from a capital perspective. It does not correspond to grant date for employees. (6) Loan granted by UBS Group AG. (7) The relevant loan agreement with UBS Group AG has been entered into on 19 February 2015; however, the loan started counting as AT1 capital as of 26 November 2015 (instrument #006) or 11 October 2016 (instrument #015).

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
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| High-trigger additional tier 1 capital instruments (continued) |   |   |  |  |  |
|--|---|---|--|--|--|
| 1  | Issuer (country of incorporation; if applicable, branch)  | UBS Group AG, Switzerland, or other employing entities of the Group   | UBS Group AG, Switzerland  | UBS AG, Switzerland  | UBS Group AG, Switzerland  |
| 1a   | Instrument number   | 007   | 008  | 009  | 010  |
| 2  | Unique identifier (e.g. ISIN)   | -   | ISIN: CH0317921697   | -  | CH0331455318   |
| 3  | Governing law(s) of the instrument  | Swiss / NY, US  | Swiss law  | Swiss law  | Swiss law  |
| <b>Regulatory treatment</b>                                    |   |   |  |  |  |
| 4  | Transitional Basel III rules (1)  | Additional tier 1 - Going concern capital   | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  |
| 5  | Post-transitional Basel III rules (2)   | Additional tier 1 - Going concern capital   | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital  |
| 6  | Eligible at solo/group/group&solo   | UBS Group AG (consolidated)   | UBS Group AG (consolidated)  | UBS AG (consolidated and standalone)   | UBS Group AG (consolidated)  |
| 7  | Instrument type   | Contingent cash payment / security delivery obligation towards employees (DCCP)   | Tier 1 Capital Notes   | Loan (6)   | Tier 1 Capital Notes   |
| 8  | Amount recognized in regulatory capital (million) (1)   | CHF 517.3   | CHF 1,489.2  | CHF 1,526.7  | CHF 1,075.2  |
| 9  | Outstanding amount (par value, million)   | CHF 517.3 (4)   | USD 1,500  | USD 1,500  | USD 1,100  |
| 10   | Accounting classification (3)   | Other liabilities   | Debt issued held at amortized cost   | Due to customers   | Debt issued held at amortized cost   |
| 11   | Original date of issuance   | 31 December 2015 (5)  | 21 March 2016  | 21 March 2016  | 10 August 2016   |
| 12   | Perpetual or dated  | Perpetual (4)   | Perpetual  | Perpetual  | Perpetual  |
| 13   | Original maturity date  | -   | -  | -  | -  |
| 14   | Issuer call subject to prior supervisory approval   | Yes   | Yes  | Yes  | Yes  |
| 15   | Optional call date, subsequent call dates, if applicable, and redemption amount                               | First call date: 1 March 2021 At the issuer's sole and absolute discretion, settlement by means of either (i) payment of a cash amount equal to the value of the Notional Bond, or (ii) transfer of perpetual AT1 instruments in such amount equivalent to the value of, and on substantially the same terms and conditions of, the Notional Bond (in both cases, net of applicable taxes and social securities contributions)  | First optional redemption date: 22 March 2021 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon  | First optional redemption date: 22 March 2021 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon  | First optional redemption date: 10 August 2021 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon   |
| 16   | Contingent call dates and redemption amount   | -   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   |
| <b>Coupons / dividend</b>                                      |   |   |  |  |  |
| 17   | Fixed or floating dividend / coupon   | Fixed   | Fixed / Floating from 22 March 2021  | Fixed / Floating from 22 March 2021  | Fixed / Floating from 10 August 2021   |
| 18   | Coupon rate and any related index; frequency of payment   | Issues in CHF: 4.15%; issues in USD: 7.35%; annually  | 6.875% / Reset Interest Rate; annually   | 6.875% / Reset Interest Rate, in each case plus 0.25%; annually  | 7.125% / Reset Interest Rate; annually   |
| 19   | Existence of a dividend stopper   | No  | Yes  | Yes  | Yes  |
| 20   | Fully discretionary, partially discretionary, or mandatory  | Fully discretionary   | Fully discretionary  | Fully discretionary  | Fully discretionary  |
| 21   | Existence of step up or other incentive to redeem   | No  | No   | No   | No   |
| 22   | Noncumulative or cumulative   | Noncumulative   | Noncumulative  | Noncumulative  | Noncumulative  |
| 23   | Convertible or non-convertible  | Nonconvertible  | Nonconvertible   | Nonconvertible   | Nonconvertible   |
| 24   | If convertible, conversion trigger(s)   | -   | -  | -  | -  |
| 25   | If convertible, fully or partially  | -   | -  | -  | -  |
| 26   | If convertible, conversion rate   | -   | -  | -  | -  |
| 27   | If convertible, mandatory or optional conversion  | -   | -  | -  | -  |
| 28   | If convertible, specify instrument type convertible into  | -   | -  | -  | -  |
| 29   | If convertible, specify issuer of instrument it converts into   | -   | -  | -  | -  |
| 30   | Write-down feature  | Yes   | Yes  | Yes  | Yes  |
| 31   | If write-down, write-down trigger(s)  | Reported phase-in Basel III CET1 ratio of the Group is less than 7% / 10%; or FINMA determines a write-down is required to prevent UBS Group AG's insolvency, bankruptcy or failure; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to prevent UBS Group AG's insolvency, bankruptcy or failure. Subject to applicable conditions.   | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS Group AG's viability; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS Group AG's viability (see definition of Viability Event). Subject to applicable conditions. | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions. | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS Group AG's viability; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS Group AG's viability (see definition of Viability Event). Subject to applicable conditions. |
| 32   | If write-down, full or partial  | Full  | Full   | Full   | Full   |
| 33   | If write-down, permanent or temporary   | Permanent   | Permanent  | Permanent  | Permanent  |
| 34   | If temporary write-down, description of write-up mechanism  | -   | -  | -  | -  |
| 35   | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Outside the occurrence of a Trigger Event or Viability Event, the holder under DCCP will have a claim ranking junior to all rights and claims of priority creditors of the issuer (i.e. claims in respect of obligations of the issuer (i) that are unsubordinated, or (ii) that are subordinated (including Tier 2 instruments) and do not, or are expressly not stated to, rank pari passu with, or junior to, the issuer's obligations under DCCP or any of the issuer's obligations ranking pari passu with the issuer's obligations under DCCP). | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   |
| 36   | Existence of features, which prevent full recognition under Basel III   | -   | -  | -  | -  |
| 37   | If yes, specify non-compliant features  | -   | -  | -  | -  |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Comprised of Deferred Contingent Capital Plan (DCCP) issuances. Subject to forfeiture and vesting provisions. (5) Original date of issuance from a capital perspective. It does not correspond to grant date for employees. (6) Loan granted by UBS Group AG.

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category

Published on 14 March 2017

|                             |   | High-trigger additional tier 1 capital instruments (continued)   |   |
|-----------------------------|---|--|---|
| 1                           | Issuer (country of incorporation; if applicable, branch)  | UBS AG, Switzerland  | UBS Group AG, Switzerland, or other employing entities of the Group   |
| 1a                          | Instrument number   | 011  | 012   |
| 2                           | Unique identifier (e.g. ISIN)   | -  | -   |
| 3                           | Governing law(s) of the instrument  | Swiss law  | Swiss / NY, US  |
| <b>Regulatory treatment</b> |   |  |   |
| 4                           | Transitional Basel III rules (1)  | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital   |
| 5                           | Post-transitional Basel III rules (2)   | Additional tier 1 - Going concern capital  | Additional tier 1 - Going concern capital   |
| 6                           | Eligible at solo/group/group&solo   | UBS AG (consolidated and standalone)   | UBS Group AG (consolidated)   |
| 7                           | Instrument type   | Loan (6)   | Contingent cash payment / security delivery obligation towards employees (DCCP)   |
| 8                           | Amount recognized in regulatory capital (million) (1)   | CHF 1,119.6  | CHF 399.4   |
| 9                           | Outstanding amount (par value, million)   | USD 1,100  | CHF 399.4 (4)   |
| 10                          | Accounting classification (3)   | Due to customers   | Other liabilities   |
| 11                          | Original date of issuance   | 10 August 2016   | 31 December 2016 (5)  |
| 12                          | Perpetual or dated  | Perpetual  | Perpetual (4)   |
| 13                          | Original maturity date  | -  | -   |
| 14                          | Issuer call subject to prior supervisory approval   | Yes  | Yes   |
| 15                          | Optional call date, subsequent call dates, if applicable, and redemption amount                               | First optional redemption date: 10 August 2021 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon                                       | First call date: 1 March 2022 At the issuer's sole and absolute discretion, settlement by means of either (i) payment of a cash amount equal to the value of the Notional Bond, or (ii) transfer of perpetual AT1 instruments in such amount equivalent to the value of, and on substantially the same terms and conditions of, the Notional Bond (in both cases, net of applicable taxes and social securities contributions)  |
| 16                          | Contingent call dates and redemption amount   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest   | -   |
| <b>Coupons / dividend</b>   |   |  |   |
| 17                          | Fixed or floating dividend / coupon   | Fixed / Floating from 10 August 2021   | Fixed   |
| 18                          | Coupon rate and any related index; frequency of payment   | 7.125% / Reset Interest Rate, in each case plus 0.25%; annually  | Issues in CHF: 2.55%; issues in USD: 5.95%; annually  |
| 19                          | Existence of a dividend stopper   | Yes  | No  |
| 20                          | Fully discretionary, partially discretionary, or mandatory  | Fully discretionary  | Fully discretionary   |
| 21                          | Existence of step up or other incentive to redeem   | No   | No  |
| 22                          | Noncumulative or cumulative   | Noncumulative  | Noncumulative   |
| 23                          | Convertible or non-convertible  | Nonconvertible   | Nonconvertible  |
| 24                          | If convertible, conversion trigger(s)   | -  | -   |
| 25                          | If convertible, fully or partially  | -  | -   |
| 26                          | If convertible, conversion rate   | -  | -   |
| 27                          | If convertible, mandatory or optional conversion  | -  | -   |
| 28                          | If convertible, specify instrument type convertible into  | -  | -   |
| 29                          | If convertible, specify issuer of instrument it converts into   | -  | -   |
| 30                          | Write-down feature  | Yes  | Yes   |
| 31                          | If write-down, write-down trigger(s)  | With respect to any Publication Date, Trigger CET1 Ratio is less than 7%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions. | Reported CET1 ratio of the Group is less than 7% / 10%; or FINMA determines a write-down is required to prevent UBS Group AG's insolvency, bankruptcy or failure; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to prevent UBS Group AG's insolvency, bankruptcy or failure. Subject to applicable conditions.  |
| 32                          | If write-down, full or partial  | Full   | Full  |
| 33                          | If write-down, permanent or temporary   | Permanent  | Permanent   |
| 34                          | If temporary write-down, description of write-up mechanism  | -  | -   |
| 35                          | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law   | Outside the occurrence of a Trigger Event or Viability Event, the holder under DCCP will have a claim ranking junior to all rights and claims of priority creditors of the issuer (i.e. claims in respect of obligations of the issuer (i) that are unsubordinated, or (ii) that are subordinated (including Tier 2 instruments) and do not, or are expressly not stated to, rank pari passu with, or junior to, the issuer's obligations under DCCP or any of the issuer's obligations ranking pari passu with the issuer's obligations under DCCP). |
| 36                          | Existence of features, which prevent full recognition under Basel III   | -  | -   |
| 37                          | If yes, specify non-compliant features  | -  | -   |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Comprised of Deferred Contingent Capital Plan (DCCP) issuances. Subject to forfeiture and vesting provisions. (5) Original date of issuance from a capital perspective. It does not correspond to grant date for employees.

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
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|  | Low-trigger additional tier 1 capital instruments   |   |   |
|--|---|---|---|
| 1 Issuer (country of incorporation; if applicable, branch)   | UBS Group AG, Switzerland   | UBS Group AG, Switzerland   | UBS AG, Switzerland   |
| 1a Instrument number   | 013   | 014   | 015   |
| 2 Unique identifier (e.g. ISIN)  | ISIN: CH0271428309  | ISIN: CH0271428333  | -   |
| 3 Governing law(s) of the instrument   | Swiss law   | Swiss law   | Swiss law   |
| <b>Regulatory treatment</b>  |   |   |   |
| 4 Transitional Basel III rules (1)   | Additional tier 1 - Going concern capital (4)   | Additional tier 1 - Going concern capital (4)   | Additional Tier 1 - Gone concern capital (4)  |
| 5 Post-transitional Basel III rules (2)  | Additional tier 1 - Going concern capital (4)   | Additional tier 1 - Going concern capital (4)   | Additional Tier 1 - Gone concern capital (4)  |
| 6 Eligible at solo/group/group&solo  | UBS Group AG (consolidated)   | UBS Group AG (consolidated)   | UBS AG (consolidated and standalone)  |
| 7 Instrument type  | Tier 1 Capital Notes  | Tier 1 Capital Notes  | Loan (5)  |
| 8 Amount recognized in regulatory capital (million) (1)  | CHF 1,086.8   | CHF 1,255.6   | CHF 1,071.3   |
| 9 Outstanding amount (par value, million)  | EUR 1,000   | USD 1,250   | EUR 1,000   |
| 10 Accounting classification (3)   | Debt issued held at amortized cost  | Debt issued held at amortized cost  | Due to customers  |
| 11 Original date of issuance   | 19 February 2015  | 19 February 2015  | 11 October 2016 (6)   |
| 12 Perpetual or dated  | Perpetual   | Perpetual   | Perpetual   |
| 13 Original maturity date  | -   | -   | -   |
| 14 Issuer call subject to prior supervisory approval   | Yes   | Yes   | Yes   |
| 15 Optional call date, subsequent call dates, if applicable, and redemption amount                               | First optional redemption date: 19 February 2022 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon  | First optional redemption date: 19 February 2025 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon  | First optional redemption date: 19 February 2022 Subsequent optional redemption dates: Any other Interest Payment Date after the First Call Date Subject to satisfaction of Conditions for Redemption Redemption amount: Aggregate principal amount, together with any accrued and unpaid interest thereon  |
| 16 Contingent call dates and redemption amount   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement. Subject to satisfaction of Conditions for Redemption. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement. Subject to satisfaction of Conditions for Redemption. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of Conditions for Redemption. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement. Subject to satisfaction of Conditions for Redemption. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest |
| <b>Coupons / dividend</b>  |   |   |   |
| 17 Fixed or floating dividend / coupon   | Fixed / Floating from 19 February 2022  | Fixed / Floating from 19 February 2025  | Fixed / Floating from 19 February 2022  |
| 18 Coupon rate and any related index; frequency of payment   | 5.75% / Reset Interest Rate; annually   | 7.00% / Reset Interest Rate; annually   | 5.75% / Reset Interest Rate, in each case plus 0.18%; annually  |
| 19 Existence of a dividend stopper   | Yes   | Yes   | Yes   |
| 20 Fully discretionary, partially discretionary, or mandatory  | Fully discretionary   | Fully discretionary   | Fully discretionary   |
| 21 Existence of step up or other incentive to redeem   | No  | No  | No  |
| 22 Noncumulative or cumulative   | Noncumulative   | Noncumulative   | Noncumulative   |
| 23 Convertible or non-convertible  | Nonconvertible  | Nonconvertible  | Nonconvertible  |
| 24 If convertible, conversion trigger(s)   | -   | -   | -   |
| 25 If convertible, fully or partially  | -   | -   | -   |
| 26 If convertible, conversion rate   | -   | -   | -   |
| 27 If convertible, mandatory or optional conversion  | -   | -   | -   |
| 28 If convertible, specify instrument type convertible into  | -   | -   | -   |
| 29 If convertible, specify issuer of instrument it converts into   | -   | -   | -   |
| 30 Write-down feature  | Yes   | Yes   | Yes   |
| 31 If write-down, write-down trigger(s)  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5.125%; or FINMA determines a write-down necessary to ensure UBS Group AG's viability; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS Group AG's viability (see definition of Viability Event). Subject to applicable conditions.  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5.125%; or FINMA determines a write-down necessary to ensure UBS Group AG's viability; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS Group AG's viability (see definition of Viability Event). Subject to applicable conditions.  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5.125%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions.  |
| 32 If write-down, full or partial  | Full  | Full  | Full  |
| 33 If write-down, permanent or temporary   | Permanent   | Permanent   | Permanent   |
| 34 If temporary write-down, description of write-up mechanism  | -   | -   | -   |
| 35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  |
| 36 Existence of features, which prevent full recognition under Basel III   | -   | -   | -   |
| 37 If yes, specify non-compliant features  | -   | -   | -   |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Outstanding low-trigger loss-absorbing additional tier 1 capital instruments will remain available to meet the going concern requirements under the transitional rules of the Swiss SRB framework until their call date, even if the first call date is after 31 December 2019. From their first call date, they may be used to meet the gone concern requirements. However, the low-trigger loss-absorbing additional tier 1 capital instrument # 015 was issued after the new Swiss SRB framework was implemented and therefore qualifies as gone concern loss-absorbing capacity. However, the instrument #015 was issued after the new Swiss SRB framework was implemented and therefore qualifies as gone concern loss-absorbing capacity at UBS Group AG (consolidated) level. At UBS AG (standalone) level, the instrument #015 qualifies as low-trigger loss-absorbing additional tier 1 capital both under transitional and post-transitional Basel III rules. (5) Loan granted by UBS Group AG. (6) The relevant loan agreement with UBS Group AG has been entered into on 19 February 2015; however, the loan started counting as AT1 capital as of 26 November 2015 (instrument #006) or 11 October 2016 (instrument #015).

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
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|  | Non-Basel III-compliant tier 1 instruments and related subordinated notes   |   | High-trigger tier 2 capital instruments   |   |
|--|---|---|---|---|
| 1 Issuer (country of incorporation; if applicable, branch)   | UBS Capital Securities (Jersey) Ltd., Jersey  | UBS AG, Switzerland; Jersey branch  | UBS Group AG, Switzerland, or other employing entities of the Group   | UBS Group AG, Switzerland, or other employing entities of the Group   |
| 1a Instrument number   | 016   | 017   | 018   | 019   |
| 2 Unique identifier (e.g. ISIN)  | ISIN: XS0336744650  | -   | -   | -   |
| 3 Governing law(s) of the instrument   | Jersey  | English   | Swiss / NY, US  | Swiss / NY, US  |
| <b>Regulatory treatment</b>  |   |   |   |   |
| 4 Transitional Basel III rules (1)   | Tier 1 - Gone concern loss-absorbing capacity (4)   | Tier 2 - Gone concern loss-absorbing capacity (4)   | Tier 2 - Going concern capital (5)  | Tier 2 - Going concern capital (5)  |
| 5 Post-transitional Basel III rules (2)  | Gone concern loss-absorbing capacity (4)  | Gone concern loss-absorbing capacity (4)  | Tier 2 - Gone concern loss-absorbing capacity (5)   | Tier 2 - Gone concern loss-absorbing capacity (5)   |
| 6 Eligible at solo/group/group&solo  | UBS Group AG (consolidated) and UBS AG (consolidated)   | UBS AG (standalone)   | UBS Group AG (consolidated)   | UBS Group AG (consolidated)   |
| 7 Instrument type  | Preferred securities (hybrid instruments)   | Subordinated notes  | Cash payment obligation towards employees (DCCP)  | Cash payment obligation towards employees (DCCP)  |
| 8 Amount recognized in regulatory capital (million) (1)  | CHF 642.1   | CHF 642.1   | CHF 423.9   | CHF 467.4   |
| 9 Outstanding amount (par value, million)  | EUR 600   | EUR 600   | CHF 423.9 (7)   | CHF 467.4 (7)   |
| 10 Accounting classification (3)   | Not part of the consolidation scope of UBS Group AG's or UBS AG's financial statements under IFRS (6)   | Equity attributable to preferred noteholders  | Other liabilities   | Other liabilities   |
| 11 Original date of issuance   | 21 December 2007  | 21 December 2007  | 31 December 2012 (8)  | 31 December 2013 (8)  |
| 12 Perpetual or dated  | Perpetual   | Perpetual   | Dated   | Dated   |
| 13 Original maturity date  | -   | -   | 1 March 2018 (7)  | 1 March 2019 (7)  |
| 14 Issuer call subject to prior supervisory approval   | Yes   | Yes   | -   | -   |
| 15 Optional call date, subsequent call dates, if applicable, and redemption amount                               | First optional redemption date: 21 December 2017 Subsequent optional redemption dates: 21 March, 21 June, 21 September, 21 December in each year Subject to satisfaction of Redemption Conditions and to the Law Optional Redemption Price: Liquidation Preference, plus any due and accrued but unpaid Distributions for the then current distribution period to the relevant optional redemption date, and any Additional Amounts | First optional redemption date: 21 December 2017 Subsequent optional redemption dates: 21 March, 21 June, 21 September, 21 December in each year Subject to satisfaction of Redemption Conditions Optional Redemption Amount: Aggregate Nominal Amount, plus any due and accrued but unpaid interest and any Additional Amounts | -   | -   |
| 16 Contingent call dates and redemption amount   | The Preferred Securities will be redeemable at the option of the Issuer following the occurrence of a Tax Event or a Regulatory Event; subject to satisfaction of Redemption Conditions and to the Law Redemption price: Make Whole Redemption Amount; however, in case of a Tax Event resulting from a Change in Tax Law only, the redemption price will be the Optional Redemption Price mentioned above                          | Redeemable if a Preferred Securities Redemption Event has occurred Subject to satisfaction of Redemption Conditions Redemption Amount: an amount equivalent to the amount at which each Preferred Security is to be redeemed  | -   | -   |
| <b>Coupons / dividend</b>  |   |   |   |   |
| 17 Fixed or floating dividend / coupon   | Fixed / Floating from 21 December 2017  | Fixed / Floating from 21 December 2017  | Fixed   | Fixed   |
| 18 Coupon rate and any related index; frequency of payment   | 7.152% / 3-month EURIBOR + 3.45%; annually / quarterly  | 7.152% / 3-month EURIBOR + 3.45%; annually / quarterly  | Issues in CHF: 5.40%; issues in USD: 6.25%; annually  | Issues in CHF: 3.5%; issues in USD: 5.125%; annually  |
| 19 Existence of a dividend stopper   | No  | No  | No  | No  |
| 20 Fully discretionary, partially discretionary, or mandatory  | Partially discretionary   | Partially discretionary   | Partially discretionary (9)   | Partially discretionary (9)   |
| 21 Existence of step up or other incentive to redeem   | Yes   | Yes   | No  | No  |
| 22 Noncumulative or cumulative   | Noncumulative   | Noncumulative   | Cumulative  | Cumulative  |
| 23 Convertible or non-convertible  | Nonconvertible  | Nonconvertible  | Nonconvertible  | Nonconvertible  |
| 24 If convertible, conversion trigger(s)   | -   | -   | -   | -   |
| 25 If convertible, fully or partially  | -   | -   | -   | -   |
| 26 If convertible, conversion rate   | -   | -   | -   | -   |
| 27 If convertible, mandatory or optional conversion  | -   | -   | -   | -   |
| 28 If convertible, specify instrument type convertible into  | -   | -   | -   | -   |
| 29 If convertible, specify issuer of instrument it converts into   | -   | -   | -   | -   |
| 30 Write-down feature  | -   | -   | Yes   | Yes   |
| 31 If write-down, write-down trigger(s)  | -   | -   | Reported phase-in Basel III CET1 ratio of the Group is less than 7%; or FINMA determines a write-down is required to prevent UBS Group AG's insolvency, bankruptcy or failure; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to prevent UBS Group AG's insolvency, bankruptcy or failure. Subject to applicable conditions. | Reported phase-in Basel III CET1 ratio of the Group is less than 7% / 10%; or FINMA determines a write-down is required to prevent UBS Group AG's insolvency, bankruptcy or failure; or UBS Group AG receives a commitment of governmental support that FINMA determines necessary to prevent UBS Group AG's insolvency, bankruptcy or failure. Subject to applicable conditions. |
| 32 If write-down, full or partial  | -   | -   | Full  | Full  |
| 33 If write-down, permanent or temporary   | -   | -   | Permanent   | Permanent   |
| 34 If temporary write-down, description of write-up mechanism  | -   | -   | -   | -   |
| 35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Claims under the Preferred Securities in respect of any Liquidation Distributions rank pari passu with claims of the holders of all other preferred securities issued by the Issuer which rank pari passu with the Preferred Securities.  | All claims in respect of the deposit liabilities of the Issuer and all of its other liabilities, except those which rank pari passu with or are subordinated to the Notes   | Rights to receive payments under DCCP will be subordinate to the rights of any depositors and general creditors of the Group and no greater than the rights of unsecured general creditors.   | Rights to receive payments under DCCP will be subordinate to the rights of any depositors and general creditors of the Group and no greater than the rights of unsecured general creditors.   |
| 36 Existence of features, which prevent full recognition under Basel III   | Yes   | Yes   | -   | -   |
| 37 If yes, specify non-compliant features  | - No point of non-viability provision - Distributions to holders partially discretionary - Existence of a step-up   | Same as for relevant hybrid instrument  | -   | -   |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Non-Basel III-compliant tier 1 and tier 2 capital instruments qualify as gone concern instruments. Under the Swiss SRB rules, these instruments are no longer subject to phase-out. Instruments with a maturity date are eligible to meet the gone concern requirements until one year prior to maturity, with a haircut of 50% applied in the last year of eligibility. At UBS AG (standalone) level, the instrument #017 qualifies as tier 2 capital both under transitional and post-transitional Basel III rules. (5) Outstanding high- and low-trigger loss-absorbing tier 2 capital instruments will remain available to meet the going concern requirements under the transitional rules of the Swiss SRB framework until the earlier of (i) their maturity or first call date or (ii) 31 December 2019. From 1 January 2020, these instruments may be used to meet the gone concern requirements until one year before maturity, with a haircut of 50% applied in the last year of eligibility. (6) The entity which issued this instrument is not consolidated by either UBS Group AG or UBS AG. As a consequence, there is no accounting classification to apply in the consolidated financial statements of UBS Group AG and UBS AG, and in the standalone financial statements of UBS AG. However, UBS AG has issued a preferred note which was purchased by the non-consolidated entity (see instrument described in adjacent column). This preferred note is recognized in UBS Group AG's consolidated financial statements in accordance with IFRS as equity attributable to non-controlling interests, in UBS AG's consolidated financial statements in accordance with IFRS as equity attributable to preferred note holders and in the UBS AG standalone financial statements in accordance with Swiss GAAP as a liability. (7) Comprised of Deferred Contingent Capital Plan (DCCP) issuances. Subject to forfeiture and vesting provisions. (8) Original date of issuance from a capital perspective. It does not correspond to grant date for employees. (9) UBS will only pay interest for the performance years in which the firm generates an adjusted pre-tax profit.

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
Published on 14 March 2017

| Low-trigger tier 2 capital instruments |   |   |   |   |   |
|--|---|---|---|---|---|
| 1                                      | Issuer (country of incorporation; if applicable, branch)  | UBS AG, Switzerland; Jersey branch  | UBS AG, Switzerland; Stamford branch  | UBS AG, Switzerland   | UBS AG, Switzerland   |
| 1a                                     | Instrument number   | 020   | 021   | 023   | 024   |
| 2                                      | Unique identifier (e.g. ISIN)   | ISIN: XS0747231362  | ISIN: US90261AAB89  | ISIN: CH0214139930  | CH0236733827  |
| 3                                      | Governing law(s) of the instrument  | Swiss   | Swiss   | Swiss   | Swiss   |
| <b>Regulatory treatment</b>            |   |   |   |   |   |
| 4                                      | Transitional Basel III rules (1)  | Tier 2 - Going concern capital (4)  | Tier 2 - Going concern capital (4)  | Tier 2 - Going concern capital (4)  | Tier 2 - Going concern capital (4)  |
| 5                                      | Post-transitional Basel III rules (2)   | Tier 2 - Gone concern loss-absorbing capacity (4)   | Tier 2 - Gone concern loss-absorbing capacity (4)   | Tier 2 - Gone concern loss-absorbing capacity (4)   | Tier 2 - Gone concern loss-absorbing capacity (4)   |
| 6                                      | Eligible at solo/group/group&solo   | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)  | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)  | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)  | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)  |
| 7                                      | Instrument type   | Subordinated notes  | Subordinated notes  | Subordinated notes  | Subordinated notes  |
| 8                                      | Amount recognized in regulatory capital (million) (1)   | CHF 2,034.3   | CHF 1,985.4   | CHF 1,515.4   | CHF 2,253.6   |
| 9                                      | Outstanding amount (par value, million)   | USD 2,000   | USD 2,000   | USD 1,500   | EUR 2,000   |
| 10                                     | Accounting classification (3)   | Debt issued held at amortized cost  | Debt issued held at amortized cost  | Debt issued held at amortized cost  | Debt issued held at amortized cost  |
| 11                                     | Original date of issuance   | 22 February 2012  | 17 August 2012  | 22 May 2013   | 13 February 2014  |
| 12                                     | Perpetual or dated  | Dated   | Dated   | Dated   | Dated   |
| 13                                     | Original maturity date  | 22 February 2022 (5)  | 17 August 2022  | 22 May 2023   | 12 February 2026  |
| 14                                     | Issuer call subject to prior supervisory approval   | Yes   | Yes   | Yes   | Yes   |
| 15                                     | Optional call date, subsequent call dates, if applicable, and redemption amount                               | Call date: 22 February 2017 Subject to satisfaction of applicable conditions and applicable law Redemption price: aggregate principal amount, together with accrued and unpaid interest   | -   | Call date: 22 May 2018 Subject to satisfaction of applicable conditions and applicable law Redemption price: aggregate principal amount, together with accrued and unpaid interest  | Call date: 12 February 2021 Subject to satisfaction of applicable conditions and applicable law Redemption price: aggregate principal amount, together with accrued and unpaid interest   |
| 16                                     | Contingent call dates and redemption amount   | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement or an Alignment Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement or an Alignment Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement or an Alignment Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest | Early redemption possible due to a Tax or Regulatory Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: aggregate principal amount, together with accrued and unpaid interest Early redemption possible upon a Change in Progressive Capital Component Requirement or an Alignment Event. Subject to satisfaction of applicable conditions and applicable law. Redemption amount: 101% of aggregate principal amount, together with accrued and unpaid interest |
| <b>Coupons / dividend</b>              |   |   |   |   |   |
| 17                                     | Fixed or floating dividend / coupon   | Fixed   | Fixed   | Fixed   | Fixed   |
| 18                                     | Coupon rate and any related index; frequency of payment   | 7.25% / 6.061% + Mid Market Swap Rate from 22 February 2017; annually   | 7.625%; semi-annually   | 4.75% / 3.765% + Mid Market Swap Rate from 22 May 2018; annually  | 4.75% / 3.40% + Mid Market Swap Rate from 12 February 2021; annually  |
| 19                                     | Existence of a dividend stopper   | No  | No  | No  | No  |
| 20                                     | Fully discretionary, partially discretionary, or mandatory  | Mandatory   | Mandatory   | Mandatory   | Mandatory   |
| 21                                     | Existence of step up or other incentive to redeem   | No  | No  | No  | No  |
| 22                                     | Noncumulative or cumulative   | Cumulative  | Cumulative  | Cumulative  | Cumulative  |
| 23                                     | Convertible or non-convertible  | Nonconvertible  | Nonconvertible  | Nonconvertible  | Nonconvertible  |
| 24                                     | If convertible, conversion trigger(s)   | -   | -   | -   | -   |
| 25                                     | If convertible, fully or partially  | -   | -   | -   | -   |
| 26                                     | If convertible, conversion rate   | -   | -   | -   | -   |
| 27                                     | If convertible, mandatory or optional conversion  | -   | -   | -   | -   |
| 28                                     | If convertible, specify instrument type convertible into  | -   | -   | -   | -   |
| 29                                     | If convertible, specify issuer of instrument it converts into   | -   | -   | -   | -   |
| 30                                     | Write-down feature  | Yes   | Yes   | Yes   | Yes   |
| 31                                     | If write-down, write-down trigger(s)  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions.  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions.  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions.  | With respect to any Publication Date, Trigger CET1 Ratio is less than 5%; or FINMA determines a write-down necessary to ensure UBS AG's viability; or UBS AG receives a commitment of governmental support that FINMA determines necessary to ensure UBS AG's viability (see definition of Viability Event). Subject to applicable conditions.  |
| 32                                     | If write-down, full or partial  | Full  | Full  | Full  | Full  |
| 33                                     | If write-down, permanent or temporary   | Permanent   | Permanent   | Permanent   | Permanent   |
| 34                                     | If temporary write-down, description of write-up mechanism  | -   | -   | -   | -   |
| 35                                     | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  | Rights and claims of all holders of Senior Obligations, subject to any obligations that are mandatorily preferred by law  |
| 36                                     | Existence of features, which prevent full recognition under Basel III   | -   | -   | -   | -   |
| 37                                     | If yes, specify non-compliant features  | -   | -   | -   | -   |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Outstanding high- and low-trigger loss-absorbing tier 2 capital instruments will remain available to meet the going concern requirements under the transitional rules of the Swiss SRB framework until the earlier of (i) their maturity or first call date or (ii) 31 December 2019. From 1 January 2020, these instruments may be used to meet the gone concern requirements until one year before maturity, with a haircut of 50% applied in the last year of eligibility. At UBS AG (standalone) level, the instruments #020 - #024 qualify as low-trigger loss-absorbing tier 2 capital both under transitional and post-transitional Basel III rules. (5) Instrument #020 has been redeemed at the first optional call date.



**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
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|                             |   | Non-Basel III-compliant tier 2 capital instruments   |  |  |
|-----------------------------|---|--|--|--|
| 1                           | Issuer (country of incorporation; if applicable, branch)  | UBS AG, Switzerland; NY branch   | UBS AG, Switzerland; Jersey branch   | UBS AG, Switzerland; NY branch   |
| 1a                          | Instrument number   | 025  | 026  | 027  |
| 2                           | Unique identifier (e.g. ISIN)   | ISIN: US870836AC77   | ISIN: XS0062270581   | ISIN: US870845AC84   |
| 3                           | Governing law(s) of the instrument  | NY, US   | English  | NY, US   |
| <b>Regulatory treatment</b> |   |  |  |  |
| 4                           | Transitional Basel III rules (1)  | Tier 2 - Gone concern loss-absorbing capacity (4)  | Tier 2 - Gone concern loss-absorbing capacity (4)  | Tier 2 - Gone concern loss-absorbing capacity (10)   |
| 5                           | Post-transitional Basel III rules (2)   | Gone concern loss-absorbing capacity (4)   | Gone concern loss-absorbing capacity (4)   | Gone concern loss-absorbing capacity (4)   |
| 6                           | Eligible at solo/group/group&solo   | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)   | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)   | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)   |
| 7                           | Instrument type   | Subordinated debentures  | Subordinated bonds   | Subordinated debentures  |
| 8                           | Amount recognized in regulatory capital (million) (1)   | CHF 255.0  | CHF 76.2   | CHF 203.6  |
| 9                           | Outstanding amount (par value, million)   | USD 250.5  | GBP 61.3   | USD 217.7  |
| 10                          | Accounting classification (3)   | Debt issued held at amortized cost   | Debt issued held at amortized cost   | Debt issued held at amortized cost   |
| 11                          | Original date of issuance   | 21 July 1995   | 18 December 1995   | 3 September 1996   |
| 12                          | Perpetual or dated  | Dated  | Dated  | Dated  |
| 13                          | Original maturity date  | 15 July 2025   | 18 December 2025   | 1 September 2026   |
| 14                          | Issuer call subject to prior supervisory approval   | No   | No   | No   |
| 15                          | Optional call date, subsequent call dates, if applicable, and redemption amount                               | -  | -  | -  |
| 16                          | Contingent call dates and redemption amount   | The Securities will be subject to redemption at par plus accrued interest in the event that payments thereunder become subject to Swiss tax                        | For taxation reasons, the Issuer may redeem the Bonds at 100% of their principal amount (together with accrued interest) | The Securities will be subject to redemption at par plus accrued interest in the event that payments thereunder become subject to Swiss tax                |
| <b>Coupons / dividend</b>   |   |  |  |  |
| 17                          | Fixed or floating dividend / coupon   | Fixed  | Fixed  | Fixed  |
| 18                          | Coupon rate and any related index; frequency of payment   | 7.5%; semi-annually  | 8.75%; annually  | 7.75%; semi-annually   |
| 19                          | Existence of a dividend stopper   | No   | No   | No   |
| 20                          | Fully discretionary, partially discretionary, or mandatory  | Mandatory  | Mandatory  | Mandatory  |
| 21                          | Existence of step up or other incentive to redeem   | No   | No   | No   |
| 22                          | Noncumulative or cumulative   | Cumulative   | Cumulative   | Cumulative   |
| 23                          | Convertible or non-convertible  | Nonconvertible   | Nonconvertible   | Nonconvertible   |
| 24                          | If convertible, conversion trigger(s)   | -  | -  | -  |
| 25                          | If convertible, fully or partially  | -  | -  | -  |
| 26                          | If convertible, conversion rate   | -  | -  | -  |
| 27                          | If convertible, mandatory or optional conversion  | -  | -  | -  |
| 28                          | If convertible, specify instrument type convertible into  | -  | -  | -  |
| 29                          | If convertible, specify issuer of instrument it converts into   | -  | -  | -  |
| 30                          | Write-down feature  | -  | -  | -  |
| 31                          | If write-down, write-down trigger(s)  | -  | -  | -  |
| 32                          | If write-down, full or partial  | -  | -  | -  |
| 33                          | If write-down, permanent or temporary   | -  | -  | -  |
| 34                          | If temporary write-down, description of write-up mechanism  | -  | -  | -  |
| 35                          | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | All deposit liabilities and other liabilities of the Branch and the Bank as a whole, except those which rank pari passu with or are subordinated to the Securities | All unsubordinated creditors of the Issuer   | The deposit liabilities and other liabilities of the Branch and the Bank as a whole, except those which rank equally with or subordinate to the Securities |
| 36                          | Existence of features, which prevent full recognition under Basel III   | Yes  | Yes  | Yes  |
| 37                          | If yes, specify non-compliant features  | - No point of non-viability provision - No prior supervisory approval for early repayment  | - No point of non-viability provision - No prior supervisory approval for early repayment                                | - No point of non-viability provision - No prior supervisory approval for early repayment  |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Non-Basel III-compliant tier 1 and tier 2 capital instruments qualify as gone concern instruments. Under the Swiss SRB rules, these instruments are no longer subject to phase-out. Instruments with a maturity date are eligible to meet the gone concern requirements until one year prior to maturity, with a haircut of 50% applied in the last year of eligibility. At UBS AG (standalone) level, the instruments #025 - #030 qualify as tier 2 capital both under transitional and post-transitional Basel III rules.

**Capital instruments of UBS Group AG (consolidated) and UBS AG (consolidated and standalone) as of 31 December 2016 – Key features**

Ordered by issuance date within each category  
Published on 14 March 2017

| Non-Basel III-compliant tier 2 capital instruments (continued) |   |  |   |   |
|--|---|--|---|---|
| 1  | Issuer (country of incorporation; if applicable, branch)  | UBS AG, Switzerland; NY branch   | UBS AG, Switzerland; Jersey branch  | UBS AG, Switzerland   |
| 1a   | Instrument number   | 028  | 029   | 030   |
| 2  | Unique identifier (e.g. ISIN)   | ISIN: US87083KAM45   | ISIN: XS0331313055  | ISIN: CH0035789210  |
| 3  | Governing law(s) of the instrument  | NY, US   | English   | Swiss   |
| <b>Regulatory treatment</b>                                    |   |  |   |   |
| 4  | Transitional Basel III rules (1)  | Tier 2 - Gone concern loss-absorbing capacity (4)  | Tier 2 - Gone concern loss-absorbing capacity (4)   | Tier 2 - Gone concern loss-absorbing capacity (4)   |
| 5  | Post-transitional Basel III rules (2)   | Gone concern loss-absorbing capacity (4)   | Gone concern loss-absorbing capacity (4)  | Gone concern loss-absorbing capacity (4)  |
| 6  | Eligible at solo/group/group&solo   | Not applicable (10)  | UBS Group AG (consolidated), UBS AG (consolidated) and UBS AG (standalone)  | Not applicable (10)   |
| 7  | Instrument type   | Subordinated debentures  | Subordinated notes  | Subordinated notes  |
| 8  | Amount recognized in regulatory capital (million) (1)   | CHF 0.0  | CHF 163.0   | CHF 0.0   |
| 9  | Outstanding amount (par value, million)   | USD 220.4  | GBP 130.2   | CHF 192.1   |
| 10   | Accounting classification (3)   | Debt issued held at amortized cost   | Debt issued held at amortized cost  | Debt issued held at amortized cost  |
| 11   | Original date of issuance   | 20 June 1997   | 19 November 2007  | 27 December 2007  |
| 12   | Perpetual or dated  | Dated  | Dated   | Dated   |
| 13   | Original maturity date  | 15 June 2017   | 19 November 2024  | 27 December 2017  |
| 14   | Issuer call subject to prior supervisory approval   | No   | No  | -   |
| 15   | Optional call date, subsequent call dates, if applicable, and redemption amount                               | -  | First optional redemption date: 19 November 2019 Subsequent optional redemption dates: 19 February, 19 May, 19 August and 19 November in each year Redemption at par together with accrued interest | -   |
| 16   | Contingent call dates and redemption amount   | The Debentures will be subject to redemption at par plus accrued interest in the event that payments thereunder become subject to certain taxes            | For taxation reasons the Issuer may redeem the Subordinated Notes at 100% of the Aggregate Nominal Amount together with accrued interest  | -   |
| <b>Coupons / dividend</b>                                      |   |  |   |   |
| 17   | Fixed or floating dividend / coupon   | Fixed  | Fixed / Floating from 19 November 2019  | Fixed   |
| 18   | Coupon rate and any related index; frequency of payment   | 7.375%; semi-annually  | 6.375% / 3-month Sterling LIBOR + 2.10%; annually / quarterly   | 4.125%; annually  |
| 19   | Existence of a dividend stopper   | No   | No  | No  |
| 20   | Fully discretionary, partially discretionary, or mandatory  | Mandatory  | Mandatory   | Mandatory   |
| 21   | Existence of step up or other incentive to redeem   | No   | Yes   | No  |
| 22   | Noncumulative or cumulative   | Cumulative   | Cumulative  | Cumulative  |
| 23   | Convertible or non-convertible  | Nonconvertible   | Nonconvertible  | Nonconvertible  |
| 24   | If convertible, conversion trigger(s)   | -  | -   | -   |
| 25   | If convertible, fully or partially  | -  | -   | -   |
| 26   | If convertible, conversion rate   | -  | -   | -   |
| 27   | If convertible, mandatory or optional conversion  | -  | -   | -   |
| 28   | If convertible, specify instrument type convertible into  | -  | -   | -   |
| 29   | If convertible, specify issuer of instrument it converts into   | -  | -   | -   |
| 30   | Write-down feature  | -  | -   | -   |
| 31   | If write-down, write-down trigger(s)  | -  | -   | -   |
| 32   | If write-down, full or partial  | -  | -   | -   |
| 33   | If write-down, permanent or temporary   | -  | -   | -   |
| 34   | If temporary write-down, description of write-up mechanism  | -  | -   | -   |
| 35   | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | The deposit liabilities and other liabilities of the Branch and the Bank as a whole, except those which rank equally with or subordinate to the Debentures | All claims in respect of the deposit liabilities of the Issuer and all of its other liabilities, except those which rank pari passu with or are subordinated to the Notes                           | All claims in respect of the deposit liabilities of the Issuer and all of its other liabilities, except those which rank pari passu with or are subordinated to the Notes |
| 36   | Existence of features, which prevent full recognition under Basel III   | Yes  | Yes   | Yes   |
| 37   | If yes, specify non-compliant features  | - No point of non-viability provision - No prior supervisory approval for early repayment  | - No point of non-viability provision - No prior supervisory approval for early repayment - Existence of step-up  | No point of non-viability provision   |

(1) Based on Swiss SRB phase-in (incl. transitional arrangement) requirements; information as of most recent financial reporting date. (2) Based on Swiss SRB requirements applicable as of 1 January 2020. (3) As applied in UBS Group AG's or UBS AG financial statements under IFRS, except where indicated. (4) Non-Basel III-compliant tier 1 and tier 2 capital instruments qualify as gone concern instruments. Under the Swiss SRB rules, these instruments are no longer subject to phase-out. Instruments with a maturity date are eligible to meet the gone concern requirements until one year prior to maturity, with a haircut of 50% applied in the last year of eligibility. At UBS AG (standalone) level, the instruments #025 - #030 qualify as tier 2 capital both under transitional and post-transitional Basel III rules.



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