Important information

Forward Looking Statements: This presentation contains statements that constitute “forward-looking statements,” including but not limited to performance targets, expectations and ambitions, as well as management’s outlook for UBS’s financial performance and statements relating to the anticipated effect of transactions and strategic or business initiatives on UBS’s business and future development. While these forward-looking statements represent UBS’s judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially. For a discussion of the risks and uncertainties that may affect UBS’s future results please refer to the “Risk Factors” and other sections of UBS’s most recent Annual Report on Form 20-F, quarterly reports and other information furnished to or filed with the US Securities and Exchange Commission Form 6-K, and the cautionary statement on the last page of this presentation. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

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Basel III RWA, LRD and capital: Basel III numbers are based on the BIS Basel III framework, as applicable for Swiss Systemically relevant banks (SRB). Numbers in the presentation are based on the revised Swiss SRB rules as of 1.1.20 that became effective on 1.7.16, unless otherwise stated. Basel III risk-weighted assets in this presentation are calculated on the basis of Swiss SRB rules as of 1.1.20 unless otherwise stated. Our RWA under BIS Basel III are the same as under Swiss SRB Basel III. Leverage ratio and leverage ratio denominator in this presentation are calculated on the basis of Swiss SRB rules as of 1.1.20, unless otherwise stated. Refer to the “Capital management” section in the 3Q19 report for more information.

Currency translation of monthly income statement items of operations with a functional currency other than the US dollar are translated with month-end rates into US dollar.

Definitions: Earnings per share” refers to diluted earnings per share. “Litigation” refers to net additions/releases to provisions for litigation regulatory and similar matters reflected in the income statement for the relevant period. “Net profit” refers to net profit attributable to shareholders.

Rounding: Numbers presented throughout this presentation may not add up precisely to the totals provided in the tables and text. Percentages, percent changes, and adjusted results are calculated on the basis of unrounded figures. Information on absolute changes between reporting periods, which is provided in text that can be derived from figures displayed in the tables, is calculated on a rounded basis.

Tables: Within tables, blank fields generally indicate that the field is not applicable or not meaningful, or that information is not available as of the relevant date or for the relevant period. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Percentage changes are presented as a mathematical calculation of the change between periods.

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COVID-19 – an update

Priorities

Our key priorities are to safeguard the wellbeing of our employees, serve our clients and ensure operational continuity

› Staff working remotely where possible. We have drawn upon early lessons learned from our operations in Asia where we implemented home working and split teams early on

› Prior investments in technology infrastructure are paying off; we have further increased our tech infrastructure capacity to support our new working arrangements and can react quickly to changes in demand

› Our AGM will be held on 29 April 2020 and broadcast via livestream

We are looking to use our resources to provide support to individuals, Swiss small businesses and our clients globally at this difficult time - all within our broader responsibility to stakeholders

Business impact

› We have seen little to no disruptions in service to our clients and have successfully managed very high volumes across our businesses, particularly in our trading operations

› Our business model is highly capital-generative and delivered nearly 5 billion in CET1 capital last year\(^1\). What’s more, our strong capital, liquidity and funding positions mean we are able to withstand even a severe stressed scenario

› While previous economic growth projections are clearly no longer valid, it is too early to forecast the impact and much depends on the response of public health, fiscal, monetary and other policy reactions

› UBS has repeatedly passed stress tests and continues to lend to individuals and businesses across its businesses, as well as to facilitate investments to support the economy. Financial services will be critical to support the economy as we pass through this emerging public health crisis and economic shock

Numbers in USD unless otherwise indicated; \(^1\) Before dividends and buybacks
Drive higher and superior returns by growing and leveraging our unique, integrated and complementary business portfolio and geographic footprint

1. Elevate our world leading **Global Wealth Management** franchise to drive higher margins and **10-15% PBT growth p.a.**

2. **Improve returns** in the **Investment Bank** by further optimizing resources and collaboration

3. Capitalize on our differentiated client offering in **Asset Management** for further growth, **performance** and **scale**

4. Grow profits in **Personal & Corporate Banking** through **digital** initiatives, **services** and **efficiency**

5. Deliver more as **one firm** for our clients

6. Drive improvements in firmwide **operating efficiency** to fund growth and enhance returns

7. Maintain attractive **capital return profile** through dividends and buybacks
Elevate our Global Wealth Management to new heights

Taking wealth management franchise into the next decade

1. Tailored client coverage
   - Expand GFO further leveraging IB/AM integration
   - Align UHNW to regional business units
   - A more focused and enhanced offering for our HNW franchise
   - Roll out modular solutions tailored to clients with less complex day-to-day needs

2. Get closer to clients
   - Accelerate decision making and time to market
   - Empower our regions while keeping global benefit
   - Increase time spent with clients
   - Relentless focus on client outcomes

3. Expand product offering and become ever more efficient
   - Expand strategic partnerships with IB and AM
   - Extend industry leadership in content and solutions
   - Optimize processes front-to-back to increase client advisor productivity

UBS
# Our sustainability drive

We are a recognized leader in sustainability, delivering in area increasingly important to clients.

## What we doing for our clients

### Strong growth in core sustainable investments

<table>
<thead>
<tr>
<th>Year</th>
<th>Core sustainable investments (as % of total invested assets)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.17</td>
<td>5.6% 182bn</td>
</tr>
<tr>
<td>31.12.18</td>
<td>10.1% 313bn</td>
</tr>
<tr>
<td>31.12.19</td>
<td>13.5% 488bn</td>
</tr>
</tbody>
</table>

## How we are contributing ourselves

### Reduced carbon-related assets

<table>
<thead>
<tr>
<th>Year</th>
<th>Carbon-related assets on balance sheet (bn)</th>
<th>&lt;1% of total banking products exposure</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.17</td>
<td>5.8</td>
<td></td>
</tr>
<tr>
<td>31.12.18</td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td>31.12.19</td>
<td>1.9</td>
<td></td>
</tr>
</tbody>
</table>

## Maintained strong position in key ESG rankings

- **Industry leader** for 5th consecutive year
- **Maintained AA rating**
- **Maintained Industry Leader rank**
- **Rated A- and included in Leadership band**

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Numbers in USD unless otherwise indicated; Source: UBS Sustainability Report 2019
Balance sheet strength

Managing our balance sheet prudently; strong capital, liquidity and funding positions

**Strong capital position**

Total loss-absorbing capacity (TLAC)

<table>
<thead>
<tr>
<th>TLAC eligible debt</th>
<th>AT1</th>
<th>CET1</th>
</tr>
</thead>
<tbody>
<tr>
<td>89.6</td>
<td>37.8</td>
<td>16.3</td>
</tr>
<tr>
<td>31.12.19</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Strong credit ratings**

UBS AG credit ratings

- AA- (stable)  
- Aa3 (stable)  
- A+ (stable)  

Fitch  
Moody’s  
Standard & Poor’s

**Strong capital generation**

<table>
<thead>
<tr>
<th>Buyback</th>
<th>Dividend accrual</th>
<th>CET1 capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.9</td>
<td>2.6</td>
<td>1.5</td>
</tr>
<tr>
<td>FY19</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
UBS at a glance

Outstanding client franchises
› Clients are at the center of everything we do
› Uniquely positioned as the only truly global wealth manager and with a portfolio of leading franchises
› Strong brand, great talent and relevant to our clients

Managing for growth and efficiency
› Investing for growth while remaining disciplined on costs
› Optimize for evolving operating environment
› Digital is central to delivering innovation for clients, growing and efficiency
› Generating greater efficiencies through scale and process optimization
› Delivering UBS as a firm locally

Balance sheet strength for all seasons
› Maintaining a balance sheet for all seasons to support a durable business model and be the partner of choice
› Disciplined resource usage; focus on sustainable growth
› Prudent deployment of risk with a focus on post-stress resilience
› Capital efficient business model
› Attractive capital returns
Appendix
Capital and leverage ratios

- **Total loss-absorbing capacity (TLAC)**: 89.6
- **Gone concern loss-absorbing capacity**: 37.8
- **AT1**: 16.3
- **CET1**: 35.6

### Guidance:
- CET1 capital ratio expected to stay within a +/- 30bp band around 13% or between 12.7% and 13.3%
- CET1 leverage ratio generally to be above 3.7%

### Numbers in USDbn unless otherwise indicated:
- **CET1 capital ratio**: 3.9%
- **CET1 leverage ratio**: 4.9%
- **AT1**: 1.8%
- **LRD**: 8.6%

- **RWA 259bn**
  - **1.1.20 requirements**: 24.3%
  - **RWA**: 14.6%
  - **TLAC including 2019 rebate and Tier 2-related reduction**: 6.3%
  - **Going concern**: 13.9%
  - **CET1**: 9.6%
  - **Guidance: ~13%**
  - Expect CET1 capital ratio to stay within a +/- 30bp band around 13% or between 12.7% and 13.3%

- **LRD 911bn**
  - **LRD**: 9.8%
  - **Lower add-on for market share applied from 4Q19, leading to a 0.36% lower RWA requirement and a 0.125% lower LRD requirement**

---

**Notes**:
- 1: Excluding countercyclical buffers.
- 2: Refer to the “Recent developments” section in the 4Q19 report for information on rules on gone concern capital in Switzerland, effective 1.1.20.
- 3: Lower add-on for market share applied from 4Q19, leading to a 0.36% lower RWA requirement and a 0.125% lower LRD requirement.
- 4: The nearest call date for public AT1 instrument is March 2021.
Swiss SRB leverage ratio requirements

UBS leverage ratio balance

1.1.20 requirements

8.58% TLAC including 2019 rebate and Tier 2-related reduction

Gone concern 4.9% requirement subject to a rebate of up to 1.9 percentage points based on improved resolvability

- FINMA granted a rebate on the gone concern requirement of 42.5% of the maximum rebate in 2019, equivalent to 0.80 percentage point reduction for the LRD-based requirement
- FINMA also granted a 0.38 percentage point reduction as of 1.1.20 for using Tier 2 instruments to meet the gone concern requirement

4.88% going concern

Going concern requirement of 4.9% must be met with a minimum of 3.4% CET1 capital and a maximum of 1.5% high-trigger AT1 capital

- Any going concern-eligible capital above this limit can be counted towards the gone concern requirement, subject to re-classification of the corresponding instrument(s) to gone concern

TLAC-eligible senior unsecured debt 3.33% (30.3bn)
Non-Basel III-compliant tier 2 capital 0.06% (0.5bn) qualifies as gone concern instruments until one year prior to maturity

Tier 2 instruments 0.76% (6.9bn) qualifies as gone concern instruments until one year prior to maturity, with a haircut of 50% applied to the last year of eligibility

AT1 capital 1.79% (16.3bn) > 0.26% (2.4bn) low-trigger AT1 which can be counted towards going concern capital up to the first call date

AT1 capital 1.79% (16.3bn) > 1.52% (13.9bn) high-trigger AT1, of which 2.0bn employee deferred contingent capital plan (DCCP)

3.39% CET1

3.90% CET1

3.38% CET1

4.14% gone concern

0.76% T2 instruments

1.79% AT1 capital

5.69% going concern

31.12.19

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Cost efficiency

Funding investments with saves to keep total costs flat in 2020

FY18 operating expenses: 24.2

Cost saves net of investments: 0.4

Variable compensation¹: 0.3

Litigation²: 0.5

Regulatory costs: 0.1

FX: 0.1

FY19 operating expenses: 23.3

Gross cost saves: Illustrative

Investments and regulatory costs: ~stable fixed cost base

Variable compensation¹: 0.1

Litigation²: 0.1

Projected FY20 operating expenses: 24.2

Numbers in USDm unless otherwise indicated; 1 Incl. FA variable compensation; 2 165m in FY19
Cautionary statement regarding forward-looking statements

This report contains statements that constitute “forward-looking statements,” including but not limited to management's outlook for UBS’s financial performance and statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development. While these forward-looking statements represent UBS's judgments and expectations concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. These factors include, but are not limited to: (i) the degree to which UBS is successful in the ongoing execution of its strategic plans, including its cost reduction and efficiency initiatives and its ability to manage its levels of risk-weighted assets (RWA) and leverage ratio denominator (LRD), including to counteract regulatory-driven increases, liquidity coverage ratio and other financial resources, and the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions; (ii) the continuing low or negative interest rate environment in Switzerland and other jurisdictions, developments in the macroeconomic climate and in the markets in which UBS operates or to which it is exposed, including movements in securities prices or liquidity, credit spreads, and currency exchange rates, and the effects of economic conditions, market developments, and geopolitical tensions, and changes to national trade policies on the financial position or creditworthiness of UBS’s clients and counterparties as well as on client sentiment and levels of activity; (iii) changes in the availability of capital and funding, including any changes in UBS’s credit spreads and ratings, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC); (iv) changes in or the implementation of financial legislation and regulation in Switzerland, the US, the UK, the European Union and other financial centers that have imposed, or resulted in, or may do so in the future, more stringent or entity-specific capital, TLAC, leverage ratio, net stable funding ratio, liquidity and funding requirements, heightened operational resilience requirements, incremental tax requirements, additional levies, limitations on permitted activities, constraints on remuneration, constraints on transfers of capital and liquidity and sharing of operational costs across the Group or other measures, and the effect these will or would have on UBS’s business activities; (v) the degree to which UBS is successful in implementing further changes to its legal structure to improve its resolvability and meet related regulatory requirements and the potential need to make further changes to the legal structure or booking model of UBS Group in response to legal and regulatory requirements, proposals in Switzerland and other jurisdictions for mandatory structural reform of banks or systemically important institutions or to other external developments, and the extent to which such changes will have the intended effects; (vi) UBS’s ability to maintain and improve its systems and controls for the detection and prevention of money laundering and compliance with sanctions to meet evolving regulatory requirements and expectations, in particular in the US; (vii) the uncertainty arising from the UK’s exit from the EU; (viii) changes in UBS’s competitive position, including whether differences in regulatory capital and other requirements among the major financial centers will adversely affect UBS’s ability to compete in certain lines of business; (ix) changes in the standards of conduct applicable to our businesses that may result from new regulations or new enforcement of existing standards, including recently enacted and proposed measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (x) the liability to which UBS may be exposed, or possible constraints or sanctions that regulatory authorities might impose on UBS, due to litigation, contractual claims and regulatory investigations, including the potential for disqualification from certain businesses, potentially large fines or monetary penalties, or the loss of licenses or privileges as a result of regulatory or other governmental sanctions, as well as the effect that litigation, regulatory and similar matters have on the operational risk component of our RWA as well as the amount of capital available for return to shareholders; (xi) the effects on UBS’s cross-border banking business of tax or regulatory developments and of possible changes in UBS’s policies and practices relating to this business; (xii) UBS’s ability to retain and attract the employees necessary to generate revenues and to manage, support and control its businesses, which may be affected by competitive factors; (xiii) changes in accounting or tax standards or policies, and determinations or interpretations affecting the recognition of gain or loss, the valuation of goodwill, the recognition of deferred tax assets and other matters; (xiv) UBS’s ability to implement new technologies and business methods, including digital services and technologies, and ability to successfully compete with both existing and new financial service providers, some of which may not be regulated to the same extent; (xv) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xvi) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks, and systems failures; (xvii) restrictions on the ability of UBS Group AG to make payments or distributions, including due to restrictions on the ability of its subsidiaries to make loans or distributions, directly or indirectly, or, in the case of financial difficulties, due to the exercise by FINMA or the regulators of UBS’s operations in other countries of their broad statutory powers in relation to protective measures, restructuring and liquidation proceedings; (xviii) the degree to which changes in regulation, capital or legal structure, financial results or other factors may affect UBS’s ability to maintain its stated capital return objective; and (xix) the extent that these or other factors or unanticipated events may have on our reputation and the additional consequences that this may have on our business and performance. The sequence in which the factors above are presented is not indicative of their likelihood of occurrence or the potential magnitude of their consequences. Our business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with the SEC. More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including UBS’s Annual Report on Form 20-F for the year ended 31 December 2018. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.