Americas Region
Diversity & Inclusion

Being the change
I’m pleased to share UBS’s inaugural Diversity & Inclusion (D&I) Impact Report for the Americas region. On the following pages, you’ll learn more about where we are as a company, and where we aspire to be in the future. The report details our D&I priority areas of focus, our strategic goals and our approach to achieving them in the region, with a particular emphasis on the United States.

Across our businesses, our clients look to UBS to provide the best possible advice, capabilities and solutions based on our ability to synthesize a range of views and perspectives. Fully delivering on those expectations requires high-performing, diverse teams at all levels of our company. Creating a workplace where colleagues with varied backgrounds and experiences can all grow and contribute is the right thing to do—for our clients, our shareholders and our communities.

As a company, we will only succeed when we know where we’re heading, and when we hold ourselves collectively accountable to get there. And because we believe in transparency and the power of data, we’ve established and are now measuring a range of benchmarks that will help us to gauge our progress relative to our ambitions. While UBS is committed to improving in all dimensions of diversity, we’re starting with what we can measure today: gender and racial/ethnic diversity. In 2020, we will also add the ability for employees to self-identify as a member of the LGBTQ+ community, and in the future we expect to add additional self-identification dimensions to deepen our understanding of our workforce.

To help drive progress, I am pleased to announce that this year we will establish the UBS Americas D&I Council, chaired by and composed of leaders from across the company who represent a range of diverse employee groups. The Council’s mandate will be identifying common firm-wide needs and opportunities, as well as driving solutions across all of our regional business divisions. Underscoring the importance of our D&I efforts to our broader business strategy, UBS Asset Management President Suni Harford, UBS Investment Bank Co-President Rob Karofsky and I will serve as the Council’s Executive Sponsors.

We hope this report is informative, and we also recognize that it may raise some questions. If we’re going to be proud of what we’re achieving, we also have to be candid about how we can improve. This report serves both of those purposes, and we believe it reaffirms our mission to create an even more inclusive culture and an even more diverse UBS.

To

Tom Naratil
President UBS Americas
Co-President UBS Global Wealth Management
An overview of our D&I strategy

UBS’s D&I-focused mission is to create a diverse workforce and inclusive culture that is more innovative, provides better service to clients and makes our company the best place for all of our colleagues to grow and succeed.

To achieve this, we’ve established five priority areas of focus and three strategic goals. These span a multi-year time horizon, and each of our business divisions and regions may pursue these goals in different ways.

**Five priority areas of focus**

1. **Inclusion**: All employees feel known, valued and appreciated, have equal access to opportunities and can achieve their career aspirations.

2. **Gender diversity**: More women in visible senior leadership and Financial Advisor roles.


4. **Brand and reputation**: Showcase UBS as a best practice employer in terms of our D&I policies and practices.

5. **Governance**: Leaders and Line Managers are engaged, have responsibility for execution and accountability for progress.

**Three strategic goals**

1. **Hire** more women and people of color [50% parity]

2. **Develop/promote** more women and people of color [50% parity]

3. **Retain** more women and people of color—an inclusive culture for all employees [50% parity]

Parity—50% diverse talent in hiring, promotion and retention—is our aspirational goal, and we’ve put processes and measurements in place to help us move toward that.

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* In the US, we define people of color as Asian, Black or African American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or Pacific Islander, and two or more races.
Our framework for making progress on our strategic goals

We measure ourselves
Our core talent processes in the US—sourcing, hiring, developing, promoting and retaining the industry’s best people—now have specific D&I targets: At least 50% of those hired and promoted are diverse. Reaching parity is both aspirational and possible. Our strategic goals don’t guarantee success, but they keep us accountable.

We believe D&I is everyone’s job
Creating a firm that’s diverse and inclusive is the responsibility of everyone at UBS. That means all employees have a part to play in helping us achieve our strategic goals—in the way we attract diverse talent to UBS, in how we coach and elevate our colleagues and in the way we each contribute to strengthening an inclusive culture.

We have dedicated D&I leaders in each region
Senior Human Resources leaders have a sole focus to advise on our D&I strategy and execution in each of our regions. These professionals work with leaders across each business and function to ensure UBS’s strategic D&I goals are reflected in our policies, programs, processes and practices.

Brand and reputation
How we’re perceived in the marketplace is important to our current and prospective employees as well as to our individual and institutional clients. To better understand our positioning and progress relative to peer companies and other organizations, we engage in benchmarking, studies and public recognition.

Organizations that we use for benchmarking and that we are proud to be recognized by include:

- McKinsey Women in the Workplace
- Working Mother Top 100 Companies
- Bloomberg Gender Equality Index
- Human Rights Campaign Corporate Equality Index
- These provide us with best practices and insight into how our programs and polices compare to our peers, and recognize leadership in D&I through published rankings and scores.

We also participate in several public recognition programs, including, but not limited to, MAKERS@ and 100 Women in Finance. These platforms provide women at UBS with external visibility, networking and professional development opportunities.

- MAKERS@
- 100 Women in Finance
Progress on our D&I objectives

All UBS Group Executive Board (GEB) members and divisional Executive Committee members are evaluated on their efforts to improve the representation of women and underrepresented talent in our senior ranks, year over year. Annual improvement goals are specific to each division’s overall growth plan. Progress is reviewed on a quarterly basis, side by side with business performance.

In 2019 we made important changes to our diversity recruiting, development and retention strategies in the US. Many of the steps we took were informed by learnings from peer institutions and best practices at other organizations, but the most significant source of ideas has been our own people. Both formal and informal feedback about what our colleagues see as our greatest opportunities are key to developing a concrete and results-oriented action plan.

Our new Multicultural Senior Talent Retention Program is a great example of our commitment to solicit perspectives and recommendations from our existing diverse talent about how we can better support them and also attract additional diverse talent to UBS. In a series of gatherings at the beginning of 2019, we brought together rising and established leaders who self-identify as Black or African-American, Hispanic/Latino or Asian-American with many of the firm’s senior executives. The conversations at those events and the ongoing dialogue that followed throughout the year yielded valuable insights and ideas about how to move our D&I talent strategy forward.
Progress on goal #1: Hire more diverse talent

We are focused on building a robust, diverse pipeline of talent. Because we are able to measure them, gender and race/ethnicity are our priority areas of focus. Below are some of the changes and programs we’ve instituted to help us achieve our aspirational goal of hiring 50% women and/or people of color as well as address other dimensions of diversity.

Our efforts to date

• We created six new recruiting roles to ensure a dedicated focus on sourcing and hiring diverse talent at various levels. These HR specialists include: an internal diversity researcher to map the market for diverse talent;* a diversity coordinator for college/university recruiting; two internal diversity recruiters for Financial Advisors and two other recruiters for non-Financial Advisor positions.

• We updated all of our recruiting agency contracts to require them to deliver multiple diverse candidates for all open roles they are helping us to fill.

• We created metrics to track and measure the diversity of candidate slates and new hires across all major entry points and programs. We now require that, wherever possible, half of the candidates interviewed for a role must be either women, people of color or both. Our Human Resources team tracks this via candidate disclosure, and addresses shortfalls directly with the business doing the hiring.

• We created new relationships with historically black colleges and universities (HBCUs), women-only higher education institutions, and other pipelines that offer a broader pool of talent than where we’ve typically looked for interns and early career professionals.

• We deepened our relationships with various external diversity organizations to expand the pipeline of talent. For example, our Investment Bank created the Futures in Finance program with Knowledge is Power Program (KIPP) schools. The high school level program introduces students to careers in finance and the road to get there, which includes developing a network of UBS bankers. [For examples of other organizations we work with regularly, see footnote.**]

• Our Investment Bank sponsored both Out 4 Undergraduate Business and Reaching Out MBA, conferences for LGBTQ+ MBA students and undergrads interested in pursuing careers in business.

• In Brazil, in partnership with Goldman Sachs, BNP Paribas and Deutsche Bank, we introduced Dn’A Women. In its initial launch, the program received 1,318 applications and offered over 900 mentoring hours to underprivileged, high-potential female students.

• We launched Tomorrow’s Leaders Program (TLP) to identify college students of color in their sophomore year. The program offers summer internships for these students between their sophomore and junior year. Our expectation is that TLP participants will over time broaden the diversity of our Graduate Talent Program (GTP) for new college graduates.

• We continued to hire via our Career Comeback Program, which focuses on senior talent (Director and above) returning to the workforce after a break of two or more years. Since its inception in 2016, the program has hired 150 women globally, including 39 in the US, with a retention rate of 85%.

• Our Veterans Associate Program, a US-based 20-week internship for military officers looking to transition to civilian life, has placed 18 veterans in permanent roles in the US over the past three years, with a retention rate of 85%. These men and women join an expansive network of reservists and former service members, as well as military family members, at UBS.

Graduate Talent Program

<table>
<thead>
<tr>
<th>Women</th>
<th>People of color***</th>
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<tbody>
<tr>
<td>40%</td>
<td>38%</td>
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Summer interns: Class of 2019

<table>
<thead>
<tr>
<th>Women</th>
<th>People of color***</th>
</tr>
</thead>
<tbody>
<tr>
<td>42%</td>
<td>40%</td>
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</table>

* Market mapping tells us the available pool of diverse financial services talent in any given market.
*** People of color is US only and includes Asian, Black or African-American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or Pacific Islander and Two or More Races.
Progress on goal #2: Develop and promote more diverse talent

We are focused on building a diverse workforce across ranks. A key part of that is making sure people of color and women at the firm have access to training, networking, mentoring and development opportunities that help them envision and realize successful careers at UBS. Importantly, we’re holding senior managers accountable for progress.

Our efforts to date

- Businesses and functions are now expected, wherever possible, to have 50% diverse promotion candidates as part of their annual talent review. When a promotion slate is less than 50% women and/or people of color, Human Resources will work with the unit on how to diversify the future pipeline.

- In the fourth quarter of 2019, our Investment Bank launched a new targeted global sponsorship program for all “high potential” Managing Directors, Executive Directors, Directors and women or people of color being considered for promotion. The program pairs employees with a senior Managing Director leader as their sponsor for a year and educates all participants on their roles and responsibilities. For sponsors, that includes using their influence to advocate for their paired employees, to gain visibility for them and to help them rise to the next level. The program’s goal is, over time, to increase retention and advancement of diverse talent, increase senior awareness of diverse talent, and help foster an inclusive leadership culture.

- Our Asset Management division, following the success the Investment Bank generated through a similar program, launched a digital ad hoc mentoring tool via Rungway. This internal online tool enables employees to get advice from senior leaders and peers on sensitive subjects, to ask questions or share experiences—openly or anonymously.

- As part of our commitment to the growth of diverse talent, we’ve launched division-specific key talent programs for women, which prepare high-potential female colleagues to either move into a new or expanded role within the organization in the next one to two years, or to become an enterprise-wide leader.

- In Global Wealth Management, participants in the division’s primary development program, Leading the Future, have been 34.3% women and 15.9% people of color.

- In the fourth quarter of 2019, our Wealth Management USA Divisional Directors launched tactical action plans focused on hiring, developing, promoting and retaining diversity in branch office leadership positions and among Financial Advisors.
Progress on goal #3: Retain more diverse talent

We are committed to ensuring that our diverse talent recognizes and feels valued, appreciated and that UBS is the best place for them to achieve their professional ambitions. We focus on providing resources and support that enable them to thrive, that foster a sense of belonging, that inspire loyalty and that strengthen a culture of inclusion.

Our efforts to date

- Managed by employees for employees, our Employee Networks help colleagues connect with each other, expand their professional networks and contribute to the advancement of UBS’s policies and practices.

  Employee Network Membership

  ![Network Members](image)

  6,704 employees

  Up 35% from 2018

At UBS we have seven employee networks in the US and membership for each is open to all employees:

- **All Bar None (women)**
- **MOSAIC (multicultural)**
- **PRIDE (LGBTQ+)**
- **Veterans**
- **Family Connections**
- **Young Professionals**
- **Headscape (mental health)**

- Our divisions also support affinity networks specific to their employees’ D&I needs, profiles and interests. For example, the Women in Technology network in our Corporate Center division focuses on engaging, empowering and enabling women in UBS Technology to help increase their impact and the firm’s competitiveness in a digitized world.

- Pioneered in our Investment Bank, Dads4Daughters, Brothers4Sisters (D4D, B4S) is now rolled out globally across the Investment Bank with content accessible to all employees. D4D, B4S at UBS is part of a global movement that advocates for workplace gender equality and making financial services a desirable, accessible career choice for young women. It aims to achieve this by: (a) actively advocating for everyone to speak up against non-inclusive workplace behaviors; and (b) building partnership with local schools and other financial industry companies to address gender diversity at an early age.

- Our Investment Bank is currently piloting a new D&I ambassadorship program, which challenges senior leaders to be more visible, active advocates for inclusive behavior and to promote an open door policy for conversations. Participating leaders receive training to develop a deeper understanding of professional conduct and escalation channels for potential policy violations. They also learn how to provide a safe, confidential space for their colleagues to seek advice or discuss sensitive issues.

- We’ve embedded the fundamentals of unconscious bias and inclusive leadership/management into two key development programs: the UBS House View on Leadership 2.0 for senior leaders, and Line Manager Effectiveness for leaders of any rank.

- We’ve launched more than 25 online training courses on inclusive leadership, unconscious bias and D&I topics through UBS University, our internal learning platform.
In early 2019, we launched the Multicultural Senior Talent Retention Program, which serves as a forum for senior business leaders to hear the unique issues and opportunities of our underrepresented talent directly from these diverse senior employees. The program significantly opened up critical communication pathways and the ongoing dialogue is shaping how we define and address many of our D&I priorities.

In May 2019, we held our inaugural Women of Wealth Management US Summit, a three-day event that gathered 400 women from across Global Wealth Management in the US for networking and professional and personal development. The goal of the Summit was to provide inspiration and motivation to attract, retain and continue to empower the best female employees at UBS.

Our 2020 benefits package for eligible employees, introduced in fall 2019, includes several existing offerings and new enhancements, all of which were informed by feedback from colleagues. Supportive policies and offerings include:
- 20 weeks gender-neutral parental care leave, which can be taken in two blocks if desired (no primary/secondary caregiver designation requirement)*
- Two weeks phase-back-to-work program following parental leave
- New parent coaching to support the transition back to work
- New grandparents leave
- Milk storage and shipping**
- Full suite of flexible work arrangements
- Elective egg freezing coverage (in addition to medically indicated)**
- Transgender reassignment coverage
- Adoption financial support

* In the US, UBS has offered 20 weeks parental care leave since 2017. In 2019, we expanded this offering to non-primary caregivers as well.
** Indicates new benefit in 2020. More information is available on ubs.com/usbenefits.
Our performance in 2019

The decisions we make around hiring and talent development are our most direct indicators of progress on our D&I goals. The full-year 2019 data below establishes a number of baselines against which future progress will be measured.

Key Measures
Americas unless otherwise noted

<table>
<thead>
<tr>
<th>Category</th>
<th>All employees including Financial Advisors</th>
<th>All employees excluding Financial Advisors</th>
<th>Senior Leaders* excluding Financial Advisors</th>
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</thead>
<tbody>
<tr>
<td>Hires</td>
<td>42%</td>
<td>43%</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>38%</td>
<td>40%</td>
<td>35%</td>
</tr>
<tr>
<td>Promotions</td>
<td>30%</td>
<td>41%</td>
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</tr>
<tr>
<td></td>
<td>21%</td>
<td>28%</td>
<td>33%</td>
</tr>
<tr>
<td>Internal mobility**</td>
<td>43%</td>
<td>45%</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>36%</td>
<td>29%</td>
</tr>
<tr>
<td>Retention**</td>
<td>88%</td>
<td>87%</td>
<td>89%</td>
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<tr>
<td></td>
<td>87%</td>
<td>86%</td>
<td>88%</td>
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</tbody>
</table>

* Senior Leaders are defined as those ranked Director and higher and excludes Financial Advisors.
** Internal Mobility is the percentage of roles filled by internal candidates versus those filled by external hires; retention is the percentage of employees who stayed with UBS through the entire year.
*** People of color is US only and includes Asian, Black or African-American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or Pacific Islander and Two or More Races.
2019 year end snapshot

We are optimistic that our targets around hiring, promotion and retention, as well as the supportive resources and programs we’re implementing, will help us to increase our demographic diversity.

We do recognize, however, that progress is rarely linear. In fact, there are likely to be year-over-year fluctuations. But if we can sustain gains across hiring, promotion and retention, we would expect to see improvement in the demographic representation of women and people of color over the coming years.

Here’s how UBS in the Americas looked at the end of 2019.

Demographic representation
Americas unless otherwise noted

All employees including Financial Advisors

- **Women**: 38%
- **People of color**: 25%

All employees excluding Financial Advisors

- **Women**: 49%
- **People of color**: 31%

Senior Leaders* excluding Financial Advisors

- **Women**: 31%
- **People of color**: 27%

* Senior Leaders are defined as those ranked Director and higher and excludes Financial Advisors.
** People of color is US only and includes Asian, Black or African-American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or Pacific Islander and Two or More Races.