

UBS 2001: environmental performance in figures

Validation by SGS International Certification Services AG

“We have verified the correctness of the statements in the 2001 Environmental Report of UBS AG and, where necessary, have requested that proof be presented. We hereby confirm that the report has been prepared with the necessary care, that its contents are correct with regard to environmental performance, that it describes the essential aspects of the environmental management system at UBS AG and that it reflects the actual practices and procedures at UBS AG.”

Dr. Erhard Hug
Zurich, April 2002

The following extract is supplemented by further specific information available on the Internet (www.ubs.com/environment).

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This environmentally-friendly paper has been produced using pulp bleached without chlorine.

UBS has been tracking comprehensive quantitative indicators since 1999, to help measure the performance of the environmental management system. The indicators are a means of monitoring and improving the environmental management system.

The selection of environmental performance indicators (EPIs) published here is based on the EPI-Finance 2000 standard (see also www.epifinance.com). This standard was jointly developed by eleven finance and insurance companies.

Group

Employees	Unit	2001	2000	1999
Employees UBS Group ¹	Jobs (part-time jobs converted to 100%)	69,985	71,076	49,058
Employees in specialized environmental functional units ²	Jobs (part-time jobs converted to 100%)	16.7	22	31.1
Training				
Environmental awareness raising	Employees trained	1,907	n.a.	n.a.
Training time	h (number of courses × average training time)	4,642	n.a.	n.a.
Specialized environmental training	Employees trained	1,620	1,958	1,787
Training time	h (number of courses × average training time)	2,534	2,916.5	1,216
External audits				
External audits covering environmental aspects ³	Audits carried out	11	9	69
Number of employees audited	Employees	17	14	82
Auditing time	h (number of audits × average auditing time)	12	15	68
Internal audits				
Internal Audits covering environmental aspects	Employees audited	129	0	64
Auditing time	h (number of audits × average auditing time)	192	0	81.75

Corporate Center

Employees	Unit	2001	2000	1999
Employees UBS Corporate Center	Jobs (part-time jobs converted to 100%)	1,132	986	n.a.
Employees in specialized environmental functional units	Jobs (part-time jobs converted to 100%)	1	3	2.5
Training				
Specialized environmental training	Employees trained	19	n.a.	n.a.
Training time	h (employees trained × average training period)	211.5	n.a.	n.a.

¹ All employment figures represent the state as of December 31, 2001. ² In 2001: 10.6 UBS and 6.1 external employees. ³ Audits carried out by SGS International Certification Services AG.

Banking

Asset Management

Employees	Unit	2001	2000	1999
Employees in UBS Asset Management and UBS Switzerland, Private Banking ¹	Jobs (part-time jobs converted to 100%)	12,547	10,545	9,832
Employees in specialized environmental units ²	Jobs (part-time jobs converted to 100%)	7	7	7
Training				
Specialized environmental training	Employees trained	420	926	266
Training time	h (employees trained × average training period)	583.5	475	n.a.
Internal audits				
Environmental audits	Employees audited	29	0	11
Auditing time	h (number of audits × average auditing time)	20	0	n.a.
Assets under management				
UBS Group	Billion CHF	2,457	2,469	1,744
Assets managed with environmental and social criteria	Million CHF	776	901	627
Products with environmental and social screening	Number of Products	10	6	3
Investments in innovators				
Unlisted companies with innovative products or services	Number of companies in which invested	1	1	1
Investment volume	Million CHF	1.1	2.25	1.5
Performance of environmental products				
Performance	%	Eco Perf. ³ : -19.5 Eco JPN ⁴ : -21.4	Eco Perf.: 1.7 Eco JPN: -18.6	Eco Perf.: 47.7 Eco JPN: 10
Relative performance versus relevant index	%	Eco Perf. vs. MSCI: -4.1 Eco JPN vs. TOPIX: -1.8	Eco Perf. vs. MSCI: +15.7 Eco JPN vs. TOPIX: +8.7	Eco Perf. vs. MSCI: +1.7 Eco JPN vs. TOPIX: -0.1

Investment Banking and Securities

Employees	Unit	2001	2000	1999
Employees in UBS Warburg	Jobs (part-time jobs converted to 100%)	15,690	16,955	14,266
Employees in specialized environmental units	Jobs (part-time jobs converted to 100%)	1.5	0	0.5
Training				
Specialized environmental training	Employees trained	428	39	341
Training time	h (employees trained × average training period)	294.5	58.5	516
Internal audits				
Environmental audits ⁵	Employees audited	0	0	9
Auditing time	h (number of audits × average auditing time)	0	0	6.75

¹ All employment figures represent the state as of December 31, 2001. ² In 2001: 2.7 UBS and 4.3 external employees. ³ Eco Perf. = UBS (Lux) Equity Fund – Eco Performance. ⁴ Eco JPN = UBS (JPN) Equity Fund – Eco Japan. ⁵ The implementation of environmental policies in UBS Warburg is audited additionally by Group Internal Audit.

Credit Business¹

Employees	Unit	2001	2000	1999
Employees in UBS Switzerland, Private and Corporate Clients (PCC) ²	Jobs (part-time jobs converted to 100%)	19,938	21,100	24,098
Employees dealing with environmental aspects in the business process ³	Jobs (part-time jobs converted to 100%)	2,575	2,727	2,900
Employees in specialized environmental units ⁴	Jobs (part-time jobs converted to 100%)	1.4	1.7	2.5
Training				
Specialized environmental training	Employees trained	446	693	939
Training time	h (employees trained × average training period)	494.5	506	700
Scope of training	% (proportion of trained employees / employees in target group)	17	25	32
Internal Audits				
Environmental audits ⁵	Employees audited	32	0	44
Auditing time	h (number of audits × average auditing time)	65	0	33
Scope of auditing	% (proportion of audited employees, according to activity)	1.2	0	1.5
Credit check				
Total loans of UBS Switzerland, Private and Corporate Clients (PCC)	Billion CHF	152	156	172
Total loans with environmental relevance to private and corporate clients ⁶	Billion CHF	149	152	165
Proportion of environment-relevant loans with preliminary environmental assessment	%	100	47	54
Number of loans with detailed environmental assessment ⁷	Loans	50	35	38

¹ The key figures in the table concern only Switzerland, they thus do not cover the whole credit business of UBS. All figures 2000 are based on the level of knowledge as of the end of March 2002. ² All employment figures represent the state as of December 31, 2001. ³ These are primarily Account Managers, Credit Officers and Recovery Managers. ⁴ External employees. ⁵ The implementation of credit policies in UBS Switzerland, Private and Corporate Clients is additionally audited by Group Internal Audit. ⁶ Total loans of UBS Switzerland, Private and Corporate Clients (PCC) without loans to other banks. ⁷ Loans which were subject to in-depth analysis by specialized environmental units.

In-house Ecology

In addition to environmental performance indicators in banking, UBS also keeps track of environmental indicators for its in-house ecology. While data for banking business includes UBS's world-wide activities, the data for in-house ecology covers only locations in Switzerland. Following the merger of PaineWebber with the

UBS Group, the percentage of employees working in Switzerland fell approximately to 42%, below the necessary level to represent a reasonable measure of UBS's group-wide environmental performance. Therefore, UBS is currently working on implementation of in-house indicators to locations outside Switzerland.

In-house Ecology

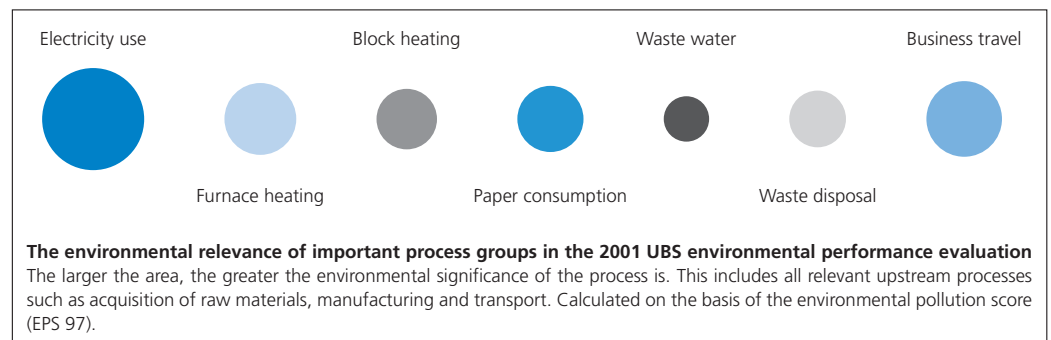
Employees	Unit	2001	2000	1999
Employees in Switzerland (all Business Groups) ¹	Jobs (part-time jobs converted to 100%)	29,163	30,095	32,747
Employees in specialized environmental units ²	Jobs (part-time jobs converted to 100%)	5.8	10.3	18.6
Training				
Specialized environmental training	Employees trained	307	300	241
Training time	h (employees trained × average training period)	950	1,877	n.a.
Internal audits				
Environmental audits	Sites audited	30	0	14
	Employees audited	68	0	n.v.
Auditing time	h (number of audits × average auditing time)	107	0	42

¹ Employees in the Business Region Switzerland according to Financial Report. All employment figures represent the state as of December 31, 2001.
² Energy management and In-house ecology. In 2001: 5.4 UBS and 0.4 external employees.

UBS in-house environmental performance evaluation

UBS conducts in-house environmental performance evaluation for all Swiss locations in terms of amount of energy and materials used. The results

are used to set objectives and take corrective measures, allowing UBS to focus on areas which have significant impact on the Bank's environmental performance.



VfU indicators

These indicators correspond to the guidelines on environmental reporting by financial service providers, issued by the Association for Environmental Management in Banks, Savings Banks, and Insurance Companies (VfU, see also www.vfu.de). The VfU indicators serve as a means of tracing in-house ecological developments and can therefore highlight potential areas for improvement. These

indicators also provide benchmark figures for financial service industry. Nevertheless, it should be noted that among other things the corporate structure and technology employed by a company may restrict such comparisons.

All figures represent UBS in Switzerland (all business groups, not including subsidiaries) and all figures are based on the level of knowledge as of the end of March 2002.

	2001			Data quality ⁷	2000		1999	
	Absolute	Relative ⁵	Trend ⁶		Relative/Absolute	Relative/Absolute		
Employees (EMP) according to VfU ¹	32,453 EMP			good	34,179 EMP		35,696 EMP	
Bank area	1,559,000 m ²			good	1,569,000 m ²		1,612,000 m ²	
Electricity consumption	226 GWh	7.0 MWh/EMP	→	very good	6.7 MWh/EMP		6.9 MWh/EMP	
Percentage computing centers	58.4 GWh	26 %	→	very good	27 %		27 %	
Percentage solar energy	0.27 GWh	1.2 ‰	↑	very good	1.1 ‰		0.9 ‰	
Heat consumption	143 GWh	92 kWh/m ²	→	good	93 kWh/m ²		109 kWh/m ²	
Percentage district heating	5.8 GWh	4 %	↓	good	7 %		7 %	
Water consumption	518,000 m ³	64 l/EMP/Day	→	medium	65 l/EMP/Day		69 l/EMP/Day	
		332 l/m ²	→	medium	360 l/m ²		380 l/m ²	
Paper consumption^{2,3}	8,265 t	255 kg/EMP	↘	very good	260 kg/EMP		260 kg/EMP	
Recycled paper	642 t	7.8 %	→	very good	7.8 %		8 %	
Chlorine-bleached paper	23 t	0.3 %	↓	very good	2.4 %		2 %	
Chlorine-free paper	7,600 t	92 %	→	very good	90 %		90 %	
Copier/printer paper	412 Mio. Sheet A4	12,695 Sheet A4/EMP	↑	very good	11,425 Sheet A4/EMP		12,857 Sheet A4/EMP	
Waste disposal³	7,543 t	232 kg/EMP	→	good	242 kg/EMP		271 kg/EMP	
Refuse	2,495 t	33 %	→	good	33 %		32 %	
Paper	3,536 t	47 %	→	good	48 %		51 %	
Cardboard	576 t	8 %	↑	good	6 %		5 %	
Recyclable materials (misc.)	795 t	11 %	↘	good	12 %		11 %	
Special/hazardous waste	133 t	2 %	→	good	2 %		1 %	
Business travel	77 Mio. km	2,373 km/EMP	↓	very good	2,666 km/EMP		2,717 km/EMP	
Air km	61 Mio. km	79 %	→	very good	76 %		72 %	
Rail km	7.6 Mio. km	10 %	↓	good	15 %		19 %	
Road km	8 Mio. km	11 %	↗	medium	9 %		10 %	
CO₂-Emissions⁴	58,000 t	1.8 t/EMP	→	medium	1.8 t/EMP		1.8 t/EMP	

¹ Employees according to VfU: number of UBS employees (jobs, part-time jobs converted to 100%) including external employees working within the bank. All employment figures represent the state as of December 31, 2001. ² The 1999 figures were used as a basis for calculation of the paper consumption in 2000. ³ Not including building rubble and those company records which in normal circumstances would be disposed of but which, since 1997, have been kept in compliance with the ban on the destruction of archive documents dated on 13 December 1996 and imposed by the Federal decree for the historical and legal investigation of the assets held in Switzerland as a result of events in connection with Germany's Nationalist Socialist regime. Therefore, since 1997, there were approximately 40 kg less of company records per employee disposed of. ⁴ Calculated with the Swiss power mix PSI M4 (48.2 g/kWh). ⁵ Insignificant discrepancies to 100% are possible due to rounding errors. ⁶ Trend: at a very good/good/medium data quality, the respective trend is stable (→) if the variance equals 5/10/15%, low decreasing/increasing (↘/↗) if it equals 10/20/30% and decreasing/increasing if the variance is bigger than 15/30/50% (↓/↑). ⁷ Data quality: specifies the estimated reliability of the aggregated data 2001 and corresponds approximately to the following standard deviation: up to 5% – very good, up to 15% – good, up to 30% – medium.