



UBS Human Rights Statement

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What is the UBS Human Rights Statement

Our Human Rights Statement shows UBS's commitment to respecting internationally recognized human rights¹ across our firm globally. It shows the structures (governance, policies) and mechanisms (procedures, processes) UBS has in place to support its commitment.

The purpose of our Human Rights Statement

Our Human Rights Statement demonstrates our desire to maximize positive impacts on society and reducing as far as possible potentially negative impacts. This is in line with key pledges of our firm, notably to the [Principles for Responsible Banking \(PRB\)](#)² and the [UN Global Compact \(UNGC\)](#)³. The Statement also reflects the elements of the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#)⁴. In this Statement we outline what we do and what we avoid in order to ensure respect for human rights.

Who looks after our Human Rights Statement

Our approach to human rights is overseen by the Board of Directors, notably by the Corporate Culture and Responsibility Committee (CCRC). Our firm's Group Executive Board drives our efforts pertaining to human rights. Other management bodies ensure the implementation of our approach to human rights.

We regularly review our Human Rights Statement

Our Human Rights Statement is not set in stone. In the spirit of continuous improvement, it is subject to a regular review process. As part of the process, we consider developments and challenges pertaining to human rights. Where we deem it necessary, we amend the Statement accordingly.

¹ The responsibility of business enterprises to respect human rights refers to internationally recognized human rights – understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work (*Guiding Principles on Business and Human Rights – Implementing the United Nations "Protect, Respect and Remedy" Framework*).

² The Principles for Responsible Banking (PRB) are a framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement.

³ The UNGC is founded in the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the UN Convention Against Corruption.

⁴ The UNGPs are grounded in recognition of: (a) States' existing obligations to respect, protect and fulfil human rights and fundamental freedoms; (b) The role of business enterprises as specialized organs of society performing specialized functions, required to comply with all applicable laws and to respect human rights; (c) The need for rights and obligations to be matched to appropriate and effective remedies when breached. The UNGPs apply to all States and to all business enterprises, both transnational and others, regardless of their size, sector, location, ownership and structure.

What guides us

We're committed to respecting human rights, as set out in the UN Guiding Principles on Business and Human Rights (UNGPs), in our business activities. Our commitment in this important area is long standing. In 2000, we were among the first companies that pledged to adhere to the UN Global Compact Principles, including on human rights. In 2011, the UN took a significant step by endorsing the UNGPs. At this point, UBS together with other banks formed the Thun Group of Banks to jointly consider these developments and conclusions and to share experiences and ideas regarding the implementation of the UNGPs by banks.

We recognize that respect of human rights is essential to achieving sustainable development globally. They are integral to the United Nations Sustainable Development Goals (SDGs), which guide our concept of sustainability. The 17 SDGs bring together the enormous societal and environmental challenges the world faces. We are committed to play a leading role in providing both finance and expertise to meet these ambitious global Goals. As human rights standards are embedded in the SDGs, respecting human rights is a key consideration in our business practices.

Who we're looking at

As a global bank we recognize our impact as investor, employer, vendee, tax payer and protector of our clients' assets. In assessing UBS's potential human rights impacts we focus in particular on three key stakeholder groups (employees, clients, vendors) and on society at large.

With regard to employees we commit to ...

... respect human rights standards through our human resources policies and practices. We review these policies and practices on a regular basis to ensure that human rights and labor rights continue to be respected. We are committed to meeting the obligations that a responsible company is expected to comply with. This includes our commitment to a diverse and inclusive workplace, with equal opportunities for all employees and a strong commitment to pay fairness that is embedded in all compensation policies and practices.

Our Total Reward Principles (TRP) approach includes supporting the health and wellbeing of our employees by providing certain benefits such as insurance and retirement benefits, that are intended to be marked aligned in each of the locations in which we operate.

With regard to clients we commit to ...

... provide them with innovative investment solutions in themes related to human rights such as health, education, gender or and equality, in addition to taking human rights risks into account in solutions that address a broader range of sustainability issues. We offer a range of sustainable and impact investments to meet different client interests, values, risk profiles, return expectations and regional needs.

... identify and manage potential adverse impacts to human rights that our clients' and our own assets are exposed to. We aim to avoid, identify and manage potential contributions to human rights violations. Our environmental and social risk function conducts ongoing reviews of our business relationships and portfolio underlying assets to assess whether they might lead to or be exposed to potential negative impacts. We have identified certain controversial activities we will not engage in, or will only engage in under stringent criteria.

With regard to vendors we commit to ...

... reduce negative social effects of the goods and services UBS purchases. To do so we identify high-risk vendors when establishing new contracts or renewals, based on the vendors' provision of goods and services that have either a substantial social impact, or are sourced in markets with potentially high social risks. Vendors associated with potential human rights risks that do not fulfill the minimum applicable standards have to agree and comply with a remediation plan before contract signature.

Which key policies and procedures do we have in place

Overarching

It is our goal to be the financial provider of choice for clients wishing to mobilize capital towards the SDGs. The *UBS in Society constitutional document* defines the principles and responsibilities for promoting this commitment systematically across all relevant businesses and for implementing the ethical standards defined in our *Code of Conduct and Ethics* (Code) that govern our interactions with society and the environment.

Employees

In our Code we commit to diversity and equal opportunities regardless of ethnicity, gender, nationality, age, ability, sexual orientation or religion. This includes zero-tolerance of any kind of discrimination, bullying or harassment. To achieve this we encourage employees to speak up and report any concerns, without fear of reprisals. And we ask all employees annually to confirm that they have read and will adhere to the Code.

We have a whistleblowing policy and respective procedures and offer multiple channels (including a whistleblowing and sexual misconduct hotline) for staff to raise concerns about any suspected breaches of laws, regulations, rules or other legal requirements, sexual misconduct or harassment, or any infringement of our Code, policies or professional standards.

Regionally we complement this with strong procedures to help us resolve employee grievances.

In addition, our TRP underpin our approach to compensation by establishing a compensation framework that balances sustainable performance and appropriate risk-taking with a focus on conduct and sound risk management practices. This includes providing employees with pay that is fair, reflecting equal treatment of employees.

Clients

We apply an [environmental and social risk policy framework](#) to all our activities. This helps us identify and manage potential adverse impacts to the environment and to human rights, as well as the associated business or investment risks affecting our clients and us. We have set standards in product development, investments, financing and for supply chain management decisions. We have identified certain controversial activities we will not engage in, or will only engage in under stringent criteria. As part of this process, we engage with clients and suppliers to better understand their processes and policies and to explore how any environmental and social risks may be mitigated.

This means we apply checks beyond our clients on all relevant counterparties in a transaction. We may ask additional questions to clarify the origin or the final use of the goods and we may approve or decline. We also commit to perform enhanced due diligence during periodic reviews or with separate deep-dive reviews in between transactions.

Our Asset Management (AM) division applies a responsible investment approach, which guides processes in integrating environmental, social (including human rights) and governance factors in investment decisions. It also regards stewardship, in the form of proxy voting and engagement, as an integral part of our fiduciary duty. AM has set expectations on management of investee companies regarding human capital management and human rights which guide its stewardship activities. These expectations are included in AM's annual stewardship report.

Vendors

Our firm-wide Responsible Supply Chain Standard Management (RSCM) framework is based on identifying, assessing and monitoring vendor practices in the areas of human and labor rights, the environment, health and safety and anticorruption.

We aim to reduce negative environmental and social effects of the goods and services UBS purchases and we engage with vendors to promote responsible practices. We have embedded environmental and social (incl. human rights) standards into our sourcing and procurement activities and to bind our vendors to our standards. Our [RSCM standard](#) defines our expectations towards vendors and their subcontractors regarding legal compliance, environmental protection, avoidance of child and forced labor, nondiscrimination, remuneration, hours of work, freedom of association, humane treatment, health and safety and anticorruption issues.

We're committed to continuous improvements – and to transparency

We engage with our key stakeholders and other pertinent societal groups, including civil society organizations, seeking out their input and insight, as it helps us consider our approach to, and understanding of, societal issues and concerns. Annually, we undertake a review of this Statement and update it with any changes deemed necessary.

We're committed to reporting on the focus areas of this statement. To enable our stakeholder groups to review our progress we provide transparency on our commitments and actions on www.ubs.com/gri.

Please contact us for any concerns, feedback, comments by sending an email to cr@ubs.com.