



# WEF Stakeholder Capitalism Metrics Index 2021

In 2020, the World Economic Forum (WEF) International Business Council (IBC) published Stakeholder Capitalism Metrics (SCM) with the themes of Principles of Governance, Planet, People and Prosperity. UBS committed to the WEF's SCM in January 2021, and this is therefore our first SCM reporting cycle. As the 21 core SCM metrics are broadly-based and not industry-specific, we have not reported against some of the metrics as they are not relevant to our business model as a financial institution. We will strive to further develop our future SCM reporting in line with best practices.

**Note**

All references to the UBS Annual Report 2021 (UBS AR 2021) are referring to the combined UBS Group AG and UBS AG Annual Report 2021 available on [www.ubs.com/investors](http://www.ubs.com/investors). The UBS Sustainability Report 2021 (UBS SR 2021) is available on [www.ubs.com/gri](http://www.ubs.com/gri) and [www.ubs.com/investors](http://www.ubs.com/investors).

## Principles of Governance

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|---------------------------|--|--|---|
| Governing purpose         | <p><b>Setting purpose</b></p> <p>The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.</p>   | <p>Our Code of Conduct and Ethics</p> <p>A firm driven by purpose</p> <p>Our purpose drives our strategy and culture and is the basis for our sustainable success</p>  | <p>UBS SR 2021 / 118–120</p> <p>UBS SR 2021 / 10</p> <p>UBS SR 2021 / 27–29</p>   |
| Quality of governing body | <p><b>Governance body composition</b></p> <p>Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.</p>   | <p>Board of Directors</p> <p>Group Executive Board</p> <p>How we monitor our actions</p>   | <p>UBS AR 2021 / 199–215</p> <p>UBS AR 2021 / 216–222</p> <p>UBS SR 2021 / 82–83</p>  |
| Stakeholder engagement    | <p><b>Material issues impacting stakeholders</b></p> <p>A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.</p>  | <p>How we create value for our stakeholders</p> <p>Stakeholder engagement</p> <p>How we include our stakeholders' views</p> <p>Charter of the Corporate Culture and Responsibility Committee</p> <p>Shareholders' participation rights</p> <p>Materiality assessment: material GRI topics 2021</p>   | <p>UBS AR 2021 / 38–55</p> <p>UBS SR 2021 / 156–157</p> <p>UBS SR 2021 / 88–89</p> <p>UBS SR 2021 / 117</p> <p>UBS AR 2021 / 197–198</p> <p>UBS SR 2021 / 158–159</p>   |
| Ethical behaviour         | <p><b>Anti-corruption</b></p> <p>1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region.</p> <p>2.</p> <p>a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years.</p> <p>b) Total number and nature of incidents of corruption confirmed during the current year, related to this year.</p> <p>3. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.</p> <p><b>Protected ethics advice and reporting mechanisms</b></p> <p>A description of internal and external mechanisms for:</p> <p>1. Seeking advice about ethical and lawful behaviour and organizational integrity; and</p> <p>2. Reporting concerns about unethical or unlawful behaviour and lack of organizational integrity.</p> | <p>1. Combating financial crime</p> <p>Managing our supply chain responsibly</p> <p>2. Omitted due to confidentiality constraints. Significant cases would be discussed in Note 18 b) "Litigation, regulatory and similar matters" of the UBS Annual Report</p> <p>3. Combating financial crime</p> <p>Our Code of Conduct and Ethics</p> <p>Key policies and principles</p> <p>Equal opportunity, grievances and whistleblowing protections</p> <p>Grievance mechanisms</p> | <p>UBS SR 2021 / 85</p> <p>UBS SR 2021 / 75</p> <p>UBS AR 2021 / 338–343</p> <p>UBS AR 2021 / 105–108</p> <p>UBS AR 2021 / 147–149</p> <p>UBS SR 2021 / 118–120</p> <p>UBS SR 2021 / 115–116</p> <p>UBS SR 2021 / 32</p> <p>UBS SR 2021 / 161</p> |

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| Risk and opportunity oversight | <b>Integrating risk and opportunity into business process</b><br>Company risk factor and opportunity disclosures that clearly identify the principal material risks and opportunities facing the company specifically (as opposed to generic sector risks), the company appetite in respect of these risks, how these risks and opportunities have moved over time and the response to those changes. These opportunities and risks should integrate material economic, environmental and social issues, including climate change and data stewardship. | Why  | UBS SR 2021 / 9–13    |
|                                |   | Our strategy, business model and environment | UBS AR 2021 / 15–73   |
|                                |   | Risk management and control                  | UBS AR 2021 / 98–149  |
|                                |   | Risk evaluation                              | UBS SR 2021 / 166     |
|                                |   | How we monitor our actions                   | UBS SR 2021 / 82–83   |
|                                |   | Key policies and principles                  | UBS SR 2021 / 115–116 |
|                                |   | Objectives and achievements 2021             | UBS SR 2021 / 146–152 |
|                                |   | Objectives 2022                              | UBS SR 2021 / 153–155 |

## Planet

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| Climate change          | <p><b>Greenhouse gas (GHG) emissions</b><br/>           For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) GHG Protocol Scope 1 and Scope 2 emissions.<br/>           Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.</p>  | <p>Environmental indicators<br/>           Climate strategy and GHG emissions<br/>           Reporting standards and methodologies<br/>           Taking action on a net-zero future – our climate report</p> | <p>UBS SR 2021 / 111<br/>           UBS SR 2021 / 103<br/>           UBS SR 2021 / 110<br/>           UBS SR 2021 / 36–71</p> |
|                         | <p><b>TCFD implementation</b><br/>           Fully implement the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). If necessary, disclose a timeline of at most three years for full implementation. Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.</p> | <p>Taking action on a net-zero future – our climate report</p>  | <p>UBS SR 2021 / 36–71</p>  |
| Nature loss             | <p><b>Land use and ecological sensitivity</b><br/>           Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA).</p>  | <p>Not relevant. UBS buildings, both operated and owned, are primarily based in major urban centers and thus neither their number nor their area are relevant in terms of ecological impact.</p>              |   |
| Freshwater availability | <p><b>Water consumption and withdrawal in water-stressed areas</b><br/>           Report for operations where material: megalitres of water withdrawn, megalitres of water consumed and the percentage of each in regions with high or extremely high baseline water stress, according to WRI Aqueduct water risk atlas tool.<br/>           Estimate and report the same information for the full value chain (upstream and downstream) where appropriate.</p>   | <p>Appendix 4 – Environmental footprint</p>   | <p>UBS SR 2021 / 102–112</p>  |

## People

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|---|--|--|--|
| Dignity and equality  | <b>Diversity and inclusion (%)</b><br>Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).  | Our commitment to diversity, equity and inclusion (DE&I)   | UBS SR 2021 / 31–32                      |
|   |  | Appendix 3 – Workforce by the numbers  | UBS SR 2021 / 96–101                     |
|   |  | Members of the Board of Directors  | UBS AR 2021 / 199–206                    |
|   |  | Skills, expertise and training of the Board of Directors   | UBS AR 2021 / 213                        |
|   |  | Group Executive Board  | UBS AR 2021 / 216–222                    |
|   | <b>Pay equality (%)</b><br>Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas.  | Fair pay and pay for performance   | UBS AR 2021 / 238                        |
|   |  | Our commitment to diversity, equity and inclusion  | UBS AR 2021 / 240                        |
|   |  | Our commitment to diversity, equity and inclusion (DE&I)   | UBS SR 2021 / 31–32                      |
|   |  | Practices that help us remain an employer of choice  | UBS SR 2021 / 32                         |
|   | <b>Wage level (%)</b><br>1. Ratios of standard entry level wage by gender compared to local minimum wage.<br><br>2. Ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO.   | Total Reward Principles  | UBS AR 2021 / 235                        |
| 1. Not relevant for a financial sector firm with our profile.<br><br>2. We calculate the ratio figure based on total annual compensation of the CEO as disclosed on page 249, with average annual total compensation of the UBS employees considering salaries, social security, pension and other post-employment benefit plans as disclosed on page 265, variable compensation as disclosed on page 257 and number of full time equivalent employees on page 265. The calculation leads to a ratio of the annual total compensation of the CEO to the average of the annual total compensation of all employees of 49 to 1. |  | UBS AR 2021 / 249, 257, 265  |  |
|   | <b>Risk for incidents of child, forced or compulsory labour</b><br>An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to:<br>a) type of operation (such as manufacturing plant) and type of supplier; and<br>b) countries or geographic areas with operations and suppliers considered at risk.                                      | Sustainability and climate risk policy framework   | UBS SR 2021 / 121–126                    |
|   |  | Managing sustainability and climate risks (SCR)  | UBS SR 2021 / 84                         |
|   |  | What we do for societies and the environment   | UBS SR 2021 / 72–77                      |
| Health and well-being   | <b>Health and safety (%)</b><br>The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked.<br><br>An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers. | UBS does not report on the number and rate of work-related injuries or fatalities given the lack of applicability to our business. |  |
|   |  | What we do for our employees Health and safety   | UBS SR 2021 / 26–35<br>UBS SR 2021 / 130 |

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| Skills for the future | <b>Training provided (#, \$)</b><br>Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). | UBS reports in training days instead of training hours. One training day equals eight training hours. |   |
|                       | Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).  | Attracting, developing and retaining the best talent<br>Appendix 3 – Workforce by the numbers         | UBS SR 2021 / 33–34<br>UBS SR 2021 / 96–101 |

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| Employment and wealth generation           | <b>Absolute number and rate of employment</b><br>1. Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region.<br><br>2. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.  | Attracting, developing and retaining the best talent   | UBS SR 2021 / 33–34   |
|  |   | Appendix 3 – Workforce by the numbers  | UBS SR 2021 / 96–101  |
|  | <b>Economic contribution</b><br>1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization’s global operations, ideally split out by:<br>– Revenues<br>– Operating costs<br>– Employee wages and benefits<br>– Payments to providers of capital<br>– Payments to government<br>– Community investment<br><br>2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period. | 1. Direct economic value generated and distributed by UBS Group AG consolidated in 2021  | UBS SR 2021 / 163   |
|  |   | Income statement<br>Statement of cash flows<br>Note 6 Personnel expenses<br>Note 7 General and administrative expenses<br>Note 8 Income taxes<br>UBS’s charitable contributions<br>Vendors (total purchase amount) | UBS AR 2021 / 291<br>UBS AR 2021 / 297–298<br>UBS AR 2021 / 321<br>UBS AR 2021 / 321<br>UBS AR 2021 / 322–324<br>UBS SR 2021 / 76–77<br>UBS SR 2021 / 157 |
| Innovation of better products and services | <b>Financial investment contribution</b><br>1. Total capital expenditures (CapEx) minus depreciation, supported by narrative to describe the company’s investment strategy.<br><br>2. Share buybacks plus dividend payments, supported by narrative to describe the company’s strategy for returns of capital to shareholders.  | 1. / 2.<br>Our approach to long-term value creation  | UBS AR 2021 / 4   |
|  |   | How we create value for our stakeholders, Investors<br>UBS Group AG consolidated financial statements  | UBS AR 2021 / 43<br>UBS AR 2021 / 291   |
|  |   | For more details on buybacks, please see Quarterly Investor Presentation   | ubs.com/investors / Slides 12-23  |
| Community and social vitality              | <b>Total R&amp;D expenses (\$)</b><br>Total costs related to research and development.  | UBS does not consider the total R&D expenses metric to be relevant to its business.  |   |
| Community and social vitality              | <b>Total tax paid</b><br>The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.  | Note 7 General and administrative expenses   | UBS AR 2021 / 321   |
|  |   | Note 8 Income taxes  | UBS AR 2021 / 322–324   |





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