



PRB Reporting and Self-Assessment

The Principles for Responsible Banking (PRB) provide a framework for a sustainable banking system with the aim of aligning the industry with the United Nations (UN) Sustainable Development Goals (SDGs) and the Paris Agreement. The PRB will embed sustainability at the strategic, portfolio and transactional levels, across all business areas. As a founding signatory of the PRB we have committed to continuously improving our firm's impact and contribution to society in accordance with the Principles.

All references to the UBS Annual Report 2021 (referenced as AR 2021) refer to the combined UBS Group AG and UBS AG Annual Report 2021 available at www.ubs.com/investors. The UBS Sustainability Report 2021 (referenced as SR 2021) is available both at www.ubs.com/investors and www.ubs.com/gri.

Principle 1: Alignment: We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>UBS provides financial advice and solutions to wealthy, institutional and corporate clients worldwide, as well as private clients in Switzerland. UBS is the largest truly global wealth manager, and a leading personal and corporate bank in Switzerland, with a large-scale and diversified global asset manager and a focused investment bank. The bank focuses on businesses that have a strong competitive position in their targeted markets, are capital efficient, and have an attractive long-term structural growth or profitability outlook.</p> <p>UBS is present in all major financial centers worldwide. It has offices in more than 50 regions and locations, with about 30% of its employees working in the Americas, 29% in Switzerland, 20% in the rest of Europe, the Middle East and Africa and 21% in Asia Pacific. UBS Group AG employs more than 72,000 people around the world. Its shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).</p>	<p>AR 2021</p> <ul style="list-style-type: none"> – Our strategy (16–19) – Our businesses (21–32) – How we create value for our stakeholders (38–55)
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>Our ambition is to be the financial provider of choice for clients who wish to mobilize capital toward the achievement of the 17 Sustainable Development Goals and the orderly transition to a low-carbon economy. Our commitment to sustainability starts with our purpose, as we know finance has a powerful influence on the world. That is why we partner with our clients to help them mobilize their capital toward a more sustainable world. It is why we have put sustainability at the heart of our own business, too. To help us maximize our impact and direct capital to where it is needed most, we are focusing on three key areas to drive the sustainability transition: planet, people, partnerships.</p> <ul style="list-style-type: none"> – Planet: Climate is a clear focus for us as we shift toward a lower-carbon future. We have committed to achieving net-zero greenhouse gas emissions resulting from all aspects of our business by 2050. – People: We believe in a diverse, equitable and inclusive society. We are taking action to get there, within our own workplace and beyond. – Partnerships: By working in partnership with other thought leaders and standard setters, our goal is to achieve impact on a truly global scale. <p>Our governance framework on sustainability supports the creation of long-term value. Sustainability activities, including sustainable finance, are overseen at the highest level of UBS (the Board of Directors (BoD) and Group Executive Board (GEB)) and are grounded in our Code of Conduct and Ethics. In 2021, the Group Sustainability and Impact (GSI) organization was created to support the GEB lead for sustainability and impact with carrying out her responsibilities. GSI comprises of the Chief Sustainability and Social Impact offices, headed by the Chief Sustainability Officer (CSO) and the Head Social Impact. The CSO is responsible for driving the implementation of the Group-wide sustainability and impact strategy, including reporting on our progress toward net zero, and the execution thereof by the business divisions and Group Functions. The Head Social Impact is responsible for driving and implementing our social impact strategy, including community impact, philanthropy services, and UBS Global Visionaries. Progress against the strategy and associated targets is reviewed at least annually by the GEB and Corporate Culture and Responsibility Committee (the CCRC).</p>	<p>AR 2021</p> <ul style="list-style-type: none"> – Our strategy (16–19) – How we create value for our stakeholders (38–55) <p>SR 2021</p> <ul style="list-style-type: none"> – Interview, Why sustainability is important to UBS (6–7) – A firm driven by purpose (10) – Our commitment to sustainability (11–12) – How we monitor our actions (82–83) – Taking action on a net-zero future – our climate report (36–71) – What we do for societies and the environment (72–77)

Principle 2: Impact and Target Setting: We will work to continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- a) Scope: The bank’s core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.
- b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.
- d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank’s activities and provision of products and services.

(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))

Show that building on this analysis, the bank has

- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

Impact analysis is an integral part of UBS’s overall sustainability strategy and has been for many years. As a firm, we take a comprehensive approach to identifying and managing the sustainability and climate impacts as a result of our client lending, financing and investment activities.

We recognize that impact is multi-faceted and understanding client impacts remains an ongoing challenge across our industry. As a result, we continue to expand upon our existing methodologies and impact analyses. Through our partnerships with UNEP FI, standard setters, and the broader industry, we seek to bring comparability and convergence across the evolving landscape.

We have done and continue to do a series of impact analyses to assess UBS’s contribution to sustainability and climate impacts. In addition, we consider the proximity of our product and service offering when assessing materiality.

At a Group level, UBS’s Sustainability and Climate Risk (SCR) Policy Framework is applied across all products, services, transactions, and business lines to identify and manage potentially adverse environmental and human rights impacts, as well as the associated risks our clients’ and our own assets are exposed to.

Within our business lines, we identify positive and negative impacts in our client segments:

- Our Global Wealth Management (GWM) and Asset Management (AM) divisions have adopted robust impact assessment frameworks in line with the IFC Operating Principles for Impact Management and the Impact Management Project.
- Leveraging UNEP FI’s Portfolio Impact Identification Tool, we analysed sector impacts of in-scope lending and financing activities within Personal & Corporate Banking (P&C) and the Investment Bank (IB).

UBS Optimus Foundation (UBS OF) takes an evidence-based funding approach focused on results to maximize the effectiveness of philanthropic programs in the areas of health, education, and child protection. In addition, UBS OF helps to generate methods for measuring impact where evidence may not exist.

Given the complexity of assessing externalities in the financial sector, in 2021 UBS played a leading role in several industry efforts to advance this work:

- UNEP FI’s development of the Investment Portfolio Impact Analysis Tool – of which a beta version was launched mid 2021
- Banking for Impact consortium which will create a standardized industry approach to impact measurement and valuation

Our work to understand the impacts of in-scope business areas and key activities confirmed **SDG 13: Climate Action** as a significant area of opportunity. UBS became a founding member of both the Net Zero Asset Managers initiative (NZAMi) in 2020 and the Net-Zero Banking Alliance (NZBA) in 2021. We also published our commitment to net zero in April 2021, reinforcing our dedication to climate action. Further details including

SR 2021

- Why (10– 13)
- Taking action on a net-zero future – our climate report (36–71)
- How we engage in partnerships (80–81)
- Appendix 6 – Governance and policies, Sustainability and Climate Risk Policy Framework (115-131)

Other

- Climate Report 2021 Operating Principles for Impact Management, July 2021 [\[Link\]](#)
- Impactful Philanthropy, UBS Optimus Foundation whitepaper, 2021 [\[Link\]](#)
- Banking for Impact partnership [\[Link\]](#)
- Scaling up impact measurement and management for banks, Banking for Impact [\[Link\]](#)

Principle 2: Impact and Target Setting: We will work to continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

interim targets, baselines and methodologies can be found in the UBS Climate Report 2021. In addition to the UNEP FI TCFD working group for banks, between 2019 and 2020, UBS was one of the pilot banks testing the PACTA methodology.

In addition, **SDG 5: Gender Equality** and **SDG 10: Reduced Inequalities** were identified as priority areas for further analysis. In 2022, we will explore how we can enhance our contribution to a diverse, equitable and inclusive society.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.

UBS continues to make progress in understanding the significant positive and negative impacts of our core business activities. We are advanced in analysing the impacts of our business practices, products and services. Impact analysis of our clients and externalities has begun and results will inform our sustainability strategy and goals.

2.2 Target Setting

Show that the bank has set and published a minimum of two **S**pecific, **M**easurable (can be qualitative or quantitative), **A**chievable, **R**elevant and **T**ime-bound (SMART) targets, which address at least two of the identified “areas of most significant impact”, resulting from the bank’s activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society’s goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

We work with a long-term focus on providing appropriate returns to all of our stakeholders in a responsible manner. To underline our commitment, we provide transparent targets and report on progress made against them wherever possible. In 2021, we included new targets, in particular pertaining to our commitment to becoming a net-zero bank. Our targets, as set out below, can therefore only partly be compared with what we set out in previous years.

Our key targets

Planet, people, partnerships

- USD 400 billion invested assets in sustainable investments by 2025.

Planet (addresses SDG 13)

- Set decarbonization targets for 2030 for financing of the fossil fuel, power generation and real estate sectors (from 2020 levels):
 - reduce absolute financed emissions associated with UBS loans to fossil fuel companies by 71%;
 - reduce emissions intensity associated with UBS loans to power generation companies by 49%;
 - reduce emissions intensity of UBS’s commercial real estate lending portfolio by 44%; and
 - reduce emissions intensity of UBS’s residential real estate lending portfolio by 42%.
- Align USD 235 billion of invested assets to net zero by 2030 (Asset Management).
- Achieve net-zero emissions across discretionary client portfolios by 2050.
- Achieve net-zero emissions resulting from our own operations (scopes 1 and 2) by 2025; cut energy consumption by 15% by 2025 (compared with 2020).
- Offset historical emissions back to the year 2000 by sourcing carbon offsets (achieved by the end of 2021) and by offsetting credit delivery and full retirement in registry (by the end of 2025).
- Engage with our key vendors on targeting net zero by 2035.

People (supports SDG 5 and SDG 10)

AR 2021

- How we create value for our stakeholders (38–55)

SR 2021

- Why (10–13)
- What we do for our employees, Our commitment to diversity, equity and inclusion (DE&I) (26–35)
- How we monitor our actions (82–83)
- Taking action on a net-zero future – our climate report (36–71)
- Appendix 8 – Objectives and achievements (146–155)

Other

- Americas DE&I Impact Report 2021 [\[Link\]](#)
- UK DE&I Impact Report 2021 [\[Link\]](#)

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- 30% global female representation at Director level and above by 2025.
- 26% US ethnic minority representation at Director level and above by 2025. (additional targets can be found in our Americas DE&I Impact Report 2021)
- 26% UK ethnic minority representation at Director level and above by 2025. (additional targets can be found in our UK DE&I Impact Report, 2021)
- Raise USD 1 billion in donations to our client philanthropy foundations and funds and reach 25 million beneficiaries by 2025 (cumulative for 2021–2025).
- Support one million beneficiaries through our community impact activities by 2025 (cumulative for 2020–2024).

Partnerships

- Establish UBS as a leading facilitator of discussion, debate and idea generation.
- Drive standards, research and development, and product development through partnerships across the financial ecosystem.

Please provide your bank’s conclusion/statement if it has fulfilled the requirements regarding Target Setting.

UBS has set and disclosed SMART targets relevant to our business for decades and to SDGs specifically since 2017. In 2021, we defined new goals to 2025 replacing our older set of mid-term goals achieved. As our impact areas and our understanding of them continues to evolve, we will continue to review our targets.

<p>2.3 Plans for Target Implementation and Monitoring <i>Show that your bank has defined actions and milestones to meet the set targets.</i></p> <p><i>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</i></p>	<p>Our long-/medium-term goals are supported by short-term targets (see objectives 2022 referenced on the right).</p> <p>To implement our sustainability and impact strategy, we have defined firm-wide mid- and long-term targets. As of 2021 this also includes interim emissions targets for our financed emissions as well as emissions resulting from our own activities.</p> <p>Our firm’s sustainability and corporate culture activities are overseen at the highest level of our firm and are founded in our Principles and Behaviors. The Board of Directors (the BoD) of UBS Group AG decides on the strategy of the Group, upon recommendation by the Group Chief Executive Officer (the Group CEO), and has ultimate oversight for the overall direction, supervision and control of the Group and its management, as well as for supervising compliance with applicable laws, rules and regulations.</p> <p>Progress made in implementing Group Sustainability and Impact objectives are reported as part of UBS’s annual reporting. This reporting is reviewed and assured externally according to the requirements of the Global Reporting Initiative’s (GRI) Sustainability Reporting Guideline. The CCRC also reviews the alignment of our climate disclosures with the recommendations of the TCFD. We manage these annual plans and goals through our ISO 14001-certified environmental management system (the EMS) and management accountabilities across UBS Group AG. The EMS helps us reduce environmental risks, seize market opportunities and continually improve our environmental, climate and resource-efficiency performance.</p>	<p>SR 2021</p> <ul style="list-style-type: none"> – Banking on sustainability (2– 3) – Taking action on a net-zero future – our climate report (36–71) – What we do for societies and the environment (72–77) – How we monitor our actions (82– 83) – Appendix 6 – Governance and policies (115–131) – Appendix 8 – Objectives and achievements (146–155)
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Principle 2: Impact and Target Setting: We will work to continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

UBS externally verifies our greenhouse gas reporting according to ISO 14064 and is certified according to the ISO 50001 international energy management standard.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

UBS has defined actions and milestones to meet our published targets. Structures and robust processes are in place to make sure that progress will be monitored. These processes are externally audited twice annually (GRI and ISO 14001).

2.4 Progress on Implementing Targets
For each target separately:

Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

We transparently report progress against our existing targets (as set in 2021 and previous years). In 2021, we made very good progress in delivering against the Group's ambitions as evidenced in the referenced SR 2021 sections. Highlights include having mobilized USD 11.6 billion of private client money into impact investments related to the SDGs by the end of 2021 as well as supported 103 green, social, sustainability or sustainability-linked bond transactions.

We highlight our key achievements on past goals and roadmap for future goals at the very beginning of the Sustainability Report (SR) 2021, with detailed information provided throughout the Report.

SR 2021

- Banking on sustainability (2–3)
- Our targets and progress (13)
- Taking action on a net-zero future – our climate report (36–71)
- Appendix 8 – Objectives and achievements (146–155)

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets

UBS has implemented the actions defined in 2021 and previous and continues to transparently report progress against existing targets.

Principle 3: Clients and Customers We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

<p>3.1 <i>Provide an overview</i> of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>Clients expect to be provided with products and services that are suitable for them. This is particularly the case in the divisions where we serve personal clients as opposed to institutions. In nearly all of the countries where we do business, this expectation has been turned into a legal or regulatory requirement for banks acting as financial advisors. To meet both client expectations and regulatory requirements, we have established comprehensive rules for assessing the suitability of products and services.</p> <p>Managing sustainability and climate risks (SCR) is a key component of our corporate responsibility. We apply a SCR policy framework to all our activities. This helps us identify and manage potential adverse impacts to the climate, environment and to human rights, as well as the associated risks affecting our clients and us. Our framework is aligned with our GSI organization. It governs client and vendor relationships and is enforced firmwide.</p>	<p>SR 2021</p> <ul style="list-style-type: none">– Taking action on a net-zero future – our climate report (36–71)– What we do for societies and the environment (72–77)– How we manage societal risks (84–87)– Appendix 6 – Governance and policies (115–131)
<p>3.2 <i>Describe</i> how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>The UN estimates the gap in funding needed to achieve the SDGs by 2030 at USD 2.5 trillion to USD 3 trillion annually, with some experts putting the number even higher. We recognize this as both a challenge for society and an opportunity for our clients. As a global financial institution, we have a role in reaching the SDGs, by directing capital to where it is needed the most.</p> <p>Our clients turn to us for advice on how they can help to finance the transition to a low-carbon economy, support sustainable finance, align their investments with their personal values, and better risk manage their portfolios and businesses. They want to take advantage of these opportunities, while also managing the risks associated with this transformational challenge.</p> <p>In September 2020, we became the first major global financial institution to make sustainable investments the preferred solution for private clients investing globally, and in July 2021 we expanded our sustainable investing offering with a new advisory solution that enables clients to align their investments to their personal preferences.</p>	<p>AR 2021</p> <ul style="list-style-type: none">– How we create value for our stakeholders (38–55) <p>SR 2021</p> <ul style="list-style-type: none">– What we do for our clients (18–25)

Principle 4: Stakeholders We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

<p>4.1 <i>Describe</i> which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>We engage with stakeholders across all groups (including in particular clients, investors, employees, regulators and governments, civil society) on a regular basis and on a wide range of topics. This engagement yields important information about their goals, expectations and concerns. It makes a critical contribution to our understanding and management of issues that have a potential impact (whether positive or negative) on our firm and on our stakeholders.</p> <p>Every year, we conduct a materiality assessment following the Global Reporting Initiative (GRI) Standards, and in 2021 we enhanced our approach to identifying our material topics by introducing a five-step approach. This helps us to adequately consider our stakeholders' views on key topics pertaining to our firm's economic, social, and environmental performance and impacts.</p>	<p>AR 2021</p> <ul style="list-style-type: none">– How we create value for our stakeholders (38–55) <p>SR 2021</p> <ul style="list-style-type: none">– How we include our stakeholders' views (88–89)– Stakeholder engagement (156–157)
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Principle 5: Governance & Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking

<p>5.1 <i>Describe</i> the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>Sustainability activities, including sustainable finance, are overseen at the highest level of UBS, by the Board of Directors (BoD) and the Group Executive Board (GEB), and are grounded in our Code of Conduct and Ethics (the Code).</p> <p>It is our goal to be the financial provider of choice for clients wishing to mobilize capital toward the SDGs and the orderly transition to a low-carbon economy. The Group Sustainability and Impact (GSI) governance and framework defines the high-level principles and responsibilities, and our corporate purpose supports further promotion of this commitment systematically across all relevant businesses and for implementing the ethical standards defined in the Code that governs UBS's interactions with society and the environment.</p> <p>Our sustainability and climate risk (SCR) policy framework is embedded in the firm's culture, and applies firm-wide to relevant activities, including client and supplier relationships; is integrated in management practices and control principles and overseen by senior management; and supports transition towards a net-zero future.</p>	<p>AR 2021</p> <ul style="list-style-type: none"> – How we create value for our stakeholders (38–55) <p>SR 2021</p> <ul style="list-style-type: none"> – How we monitor our actions (82–83) – Appendix 6 – Governance and policies (115–131)
<p>5.2 <i>Describe</i> the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>We actively engage in education and awareness raising for employees, staff, clients and our local communities on corporate responsibility and sustainability topics and issues. Through employee onboarding, education and broader awareness-raising activities, we ensure that our employees understand their responsibilities in complying with our policies and the importance of our societal commitments. Better understanding of our firm's sustainability goals and actions is promoted through a wide range of training and awareness-raising activities as well as in our performance management process.</p> <p>ESG objectives are considered in the compensation determination process in objective setting, performance award pool funding, performance assessment and compensation decisions.</p>	<p>AR 2021</p> <ul style="list-style-type: none"> – How we create value for our stakeholder (38–55) – Environmental, Social and Governance considerations (238–240) <p>SR 2021</p> <ul style="list-style-type: none"> – What we do for our employees (26–35) – Sustainability-related training and raising awareness (116) – Group Sustainability and Impact management indicators (160)
<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>UBS's sustainability and impact activities are overseen at the highest level of our firm and are founded in our Principles and Behaviors, as captured in the Code. The BoD of UBS Group AG has ultimate oversight for the overall direction, supervision and control of the Group and its management, as well as for supervising compliance with applicable laws, rules and regulations. The BoD's Corporate Culture and Responsibility Committee (the CCRC) is primarily charged with oversight of our sustainability and impact strategy and activities, and approves Group-wide sustainability and impact objectives. The Group Executive Board (the GEB) develops the strategy for the Group, as outlined in the Organization Regulations of UBS Group AG. The Group CEO has delegated to the GEB lead for sustainability and impact the responsibility for setting the sustainability and impact strategy, and developing Group-wide sustainability and impact objectives, in agreement with fellow GEB members.</p>	<p>AR 2021</p> <ul style="list-style-type: none"> – How we create value for our stakeholders (38–55) <p>SR 2021</p> <ul style="list-style-type: none"> – How we monitor our actions (82–83) – Taking action on a net-zero future – our climate report (36–71) – What we do for societies and the environment (72–75)

Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.

Principle 5: Governance & Culture We will implement our commitment to these Principles through effective governance and a culture of responsible banking

UBS has a solid governance structure in place for the implementation of the PRB, which is overseen at the highest levels of our firm. In the spirit of continuous improvement, we will ensure that, as we are implementing the PRB, we regularly review whether any enhancements to our oversight process are required.

Principle 6: Transparency & Accountability We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Progress on Implementing the Principles for Responsible Banking

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

In 2021, we made very good progress in delivering against previously set ambitions and goals as well as in our implementation of the PRB, specifically through continuing to expand the scope of our impact analyses and improve upon our existing methodologies in partnership with the UN Environment Programme, the industry, and our peers. We have also been building on our work with Banking for Impact, which we joined in late 2020, and aim to create new impact accounting standards for the financial industry, which will provide quantitative information for more comparability, transparency, and holistic decision making.

To further advance our ambitious climate strategy, we became a Founding member of the Net-Zero Banking Alliance and Glasgow Financial Alliance for Net Zero (GFANZ). In addition to our commitment as a founding signatory of the Net Zero Asset Manager initiative. We further refined our TCFD-reporting and made further progress in climate risk management.

We strive to report openly and transparently about our firm's sustainability strategy and activities, consistently applying our firm's information policy and disclosure principles. The core medium for our sustainability disclosure is the SR 2021, supplemented by other relevant information, which can be found in the AR 2021 and on www.ubs.com/gri. Dedicated texts in the SR 2021 reflect our focus on the PRB as well as on the impact topic more broadly.

SR 2021

- Banking on sustainability (2-3)
- How we monitor our actions (82-83)
- What we do for our clients (18-25)
- Taking action on a net-zero future – our climate report (36-71)
- What we do for societies and the environment (72-77)
- How we engage in partnerships, Our commitment to the Principles for Responsible Banking (80-81)

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

We have comprehensively addressed our PRB implementation status, covering our progress against the six Principles. In the spirit of continuous improvement, we are committed to advancing on the current implementation status. This includes collaboration within our industry and UNEP FI to jointly work on bettering practices pertaining to the Principles.