

11 March 2022

# News Release

## UBS publishes net zero approach – from commitment to action

### UBS has today published its 2021 Sustainability and Climate Reports

- **UBS Climate Roadmap sets out key milestones to deliver on our net zero commitments by 2050**
- **An advisory vote on our Climate Roadmap will take place at the UBS AGM on 6 April 2022**
- **UBS sets decarbonization targets for the reduction of greenhouse gas emissions across three priority sectors by 2030: fossil fuels, power generation and real estate**

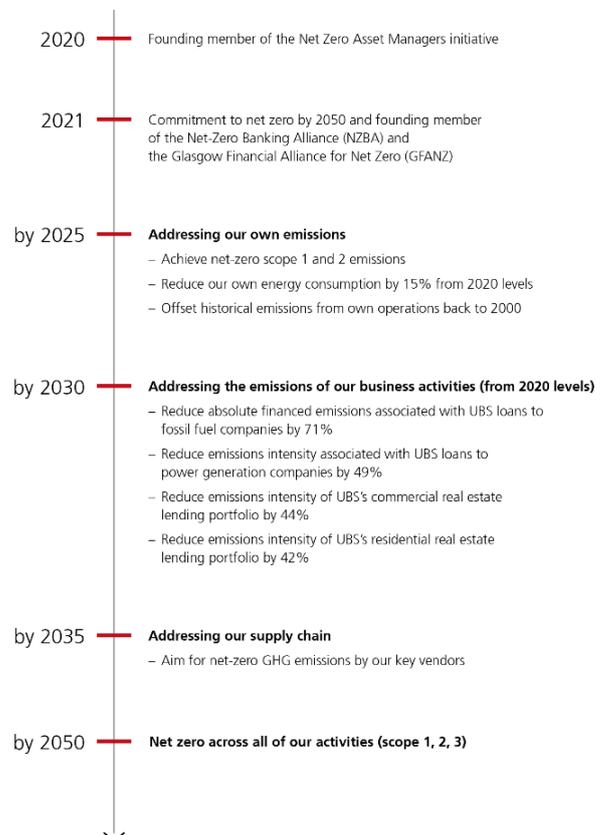
Zurich/Basel, 11 March 2022 – UBS today published its Sustainability Report and Climate Report providing more information on its Climate Roadmap which will be put to an advisory vote at the AGM on 6 April. This reflects the firm’s commitment to shareholders having their say on the firm’s climate strategy.

### Climate roadmap

The Climate Roadmap includes areas where UBS is already taking climate action as well as our ambitions for the future.

As a founding member of the Net-Zero Banking Alliance (NZBA), UBS has committed to publish interim financing targets for 2030 with a focus on reducing our greenhouse gas emissions in priority sectors where the bank can have the most significant impact. In line with this commitment, UBS will reduce the carbon footprint of its loan book across three sectors that account for a sizable share (c. 43%) of its credit portfolio and financed emissions: fossil fuels, power generation and real estate.

The Climate Report provides details on the framework, governance, strategy, risk management, targets and metrics to deliver on its net zero commitments by 2050. It will inform every aspect of UBS’s business including reducing its own climate impact, supporting the transition of our financing clients and protecting investing clients’ assets.



Group CEO **Ralph Hamers**: “We aspire to lead by example in our own transition journey. We know that to reach our long-term goal it’s crucial to identify and deliver on critical targets along the way. These are ambitious plans that will require us to act decisively.”

**Suni Harford**, UBS Group Executive Board lead for Sustainability and Impact added: “We will turn our words into action by working in partnership with our clients by providing the advice, products and solutions they need to achieve their goals as the world moves toward a low-carbon future.”

The Climate Report, which follows the recommendations of the Task Force on Climate-Related Financial Disclosures, is published annually making transparent the progress toward our ambitions.

## Strategy and governance

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Earlier this week UBS received a strong rating in the S&P Global Ratings' environmental, social, and governance (ESG) Evaluation. This reflects both UBS’s comprehensive efforts to integrate sustainability across the firm and its commitment to being transparent about its performance.

UBS climate strategy and activities are overseen at the highest level of our firm. The Corporate Culture and Responsibility Committee of UBS Group AG’s Board of Directors oversees UBS’s climate strategy, including our appetite for climate risks, as set by our firm’s Group Executive Board (the GEB).

We have further enhanced the link between ESG and compensation by introducing explicit sustainability objectives for all members of the GEB. These sustainability objectives are linked to our sustainability priorities, and their progress is measured via robust quantitative metrics and qualitative criteria.

## 2021 highlights

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Key achievements highlighted in our Sustainability Report include:



USD 251 billion of sustainability-focus and impact investments (78% increase)



103 green, social, sustainability or sustainability-linked bond transactions supported



Almost 70% of new mandates in Personal Banking being UBS Manage Sustainable Investment



92% less greenhouse gas emissions in our own operations since 2004



Out of nearly 12,000 companies ranked by the global environmental non-profit CDP, we were one of only 200 that were A-listed for environmental transparency and action to cut emissions, mitigate climate risks and develop the low-carbon economy.

## Links

[www.ubs.com/sustainability](http://www.ubs.com/sustainability)

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**Cautionary Statement Regarding Forward-Looking Statements** | This announcement contains statements that constitute “forward-looking statements,” including but not limited to management’s outlook for UBS’s financial performance, statements relating to the anticipated effect of transactions and strategic initiatives on UBS’s business and future development and goals or intentions to achieve climate, sustainability and other social objectives. While these forward-looking statements represent UBS’s judgments, expectations and objectives concerning the matters described, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from UBS’s expectations. Russia’s invasion of Ukraine has led to heightened volatility across global markets and to the coordinated implementation of sanctions on Russia, Russian entities and nationals. Russia’s invasion of Ukraine already has caused significant population displacement, and as the conflict continues, the disruption will likely increase. The scale of the conflict and the speed and extent of sanctions, as well as the uncertainty as to how the situation will develop, may have significant adverse effects to the market and macroeconomic conditions, including in ways that cannot be anticipated. This creates significantly greater uncertainty about forward-looking statements. The COVID-19 pandemic and the measures taken to manage it have had and may also continue to have a significant adverse effect on global and regional economic activity, including disruptions to global supply chains, inflationary pressures, and labor market displacements. Factors that may affect our performance and ability to achieve our plans, outlook and other objectives also include, but are not limited to: (i) the degree to which UBS is successful in the ongoing execution of its strategic plans, including its cost reduction and efficiency initiatives and its ability to manage its levels of risk-weighted assets (RWA) and leverage ratio denominator (LRD), liquidity coverage ratio and other financial resources, including changes in RWA assets and liabilities arising from higher market volatility; (ii) the degree to which UBS is successful in implementing changes to its businesses to meet changing market, regulatory and other conditions; (iii) the continuing low or negative interest rate environment in Switzerland and other jurisdictions; (iv) developments in the macroeconomic climate and in the markets in which UBS operates or to which it is exposed, including movements in securities prices or liquidity, credit spreads, and currency exchange rates, and the effects of economic conditions, market developments, and increasing geopolitical tensions, and changes to national trade policies on the financial position or creditworthiness of UBS’s clients and counterparties, as well as on client sentiment and levels of activity; (v) changes in the availability of capital and funding, including any changes in UBS’s credit spreads and ratings, as well as availability and cost of funding to meet requirements for debt eligible for total loss-absorbing capacity (TLAC); (vi) changes in central bank policies or the implementation of financial legislation and regulation in Switzerland, the US, the UK, the European Union and other financial centers that have imposed, or resulted in, or may do so in the future, more stringent or entity-specific capital, TLAC, leverage ratio, net stable funding ratio, liquidity and funding requirements, heightened operational resilience requirements, incremental tax requirements, additional levies, limitations on permitted activities, constraints on remuneration, constraints on transfers of capital and liquidity and sharing of operational costs across the Group or other measures, and the effect these will or would have on UBS’s business activities; (vii) UBS’s ability to successfully implement resolvability and related regulatory requirements and the potential need to make further changes to the legal structure or booking model of UBS Group in response to legal and regulatory requirements, or other external developments; (viii) UBS’s ability to maintain and improve its systems and controls for complying with sanctions and for the detection and prevention of money laundering to meet evolving regulatory requirements and expectations, in particular in current geopolitical turmoil; (ix) the uncertainty arising from domestic stresses in certain major economies; (x) changes in UBS’s competitive position, including whether differences in regulatory capital and other requirements among the major financial centers adversely affect UBS’s ability to compete in certain lines of business; (xi) changes in the standards of conduct applicable to our businesses that may result from new regulations or new enforcement of existing standards, including measures to impose new and enhanced duties when interacting with customers and in the execution and handling of customer transactions; (xii) the liability to which UBS may be exposed, or possible constraints or sanctions that regulatory authorities might impose on UBS, due to litigation, contractual claims and regulatory investigations, including the potential for disqualification from certain businesses, potentially large fines or monetary penalties, or the loss of licenses or privileges as a result of regulatory or other governmental sanctions, as well as the effect that litigation, regulatory and similar matters have on the operational risk component of our RWA, as well as the amount of capital available for return to shareholders; (xiii) the effects on UBS’s cross-border banking business of sanctions, tax or regulatory developments and of possible changes in UBS’s policies and practices relating to this business; (xiv) UBS’s ability to retain and attract the employees necessary to generate revenues and to manage, support and control its businesses, which may be affected by competitive factors; (xv) changes in accounting or tax standards or policies, and determinations or interpretations affecting the recognition of gain or loss, the valuation of goodwill, the recognition of deferred tax assets and other matters; (xvi) UBS’s ability to implement new technologies and business methods, including digital services and technologies, and ability to successfully compete with both existing and new financial service providers, some of which may not be regulated to the same extent; (xvii) limitations on the effectiveness of UBS’s internal processes for risk management, risk control, measurement and modeling, and of financial models generally; (xviii) the occurrence of operational failures, such as fraud, misconduct, unauthorized trading, financial crime, cyberattacks, data leakage and systems failures, the risk of which is increased with cyberattack threats from nation states and while COVID-19 control measures require large portions of the staff of both UBS and its service providers to work remotely; (xix) restrictions on the ability of UBS Group AG to make payments or distributions, including due to restrictions on the ability of its subsidiaries to make loans or distributions, directly or indirectly, or, in the case of financial difficulties, due to the exercise by FINMA or the regulators of UBS’s operations in other countries of their broad statutory powers in relation to protective measures, restructuring and liquidation proceedings; (xx) the degree to which changes in regulation, capital or legal structure, financial results or other factors may affect UBS’s ability to maintain its stated capital return objective; (xxi) uncertainty over the scope of actions that may be required by UBS, governments and others to achieve goals relating to climate, environmental and social matters, as well as the evolving nature of underlying science and industry and governmental standards; and (xxii) the effect that these or other factors or unanticipated events may have on our reputation and the additional consequences that this may have on our business and performance. The sequence in which the factors above are presented is not indicative of their likelihood of occurrence or the potential magnitude of their consequences. Our business and financial performance could be affected by other factors identified in our past and future filings and reports, including those filed with the SEC. More detailed information about those factors is set forth in documents furnished by UBS and filings made by UBS with the SEC, including UBS’s Annual Report on Form 20-F for the year ended 31 December 2021. UBS is not under any obligation to (and expressly disclaims any obligation to) update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.