



Bank of America Merrill Lynch Annual Financials CEO Conference 2020

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Basel III RWA, LRD and capital: Basel III numbers are based on the BIS Basel III framework, as applicable for Swiss Systemically relevant banks (SRB). Numbers in the presentation are based on the revised Swiss SRB rules as of 1.1.20 that became effective on 1.7.16, unless otherwise stated. Basel III risk-weighted assets in this presentation are calculated on the basis of Swiss SRB rules as of 1.1.20 unless otherwise stated. Our RWA under BIS Basel III are the same as under Swiss SRB Basel III. Leverage ratio and leverage ratio denominator in this presentation are calculated on the basis of Swiss SRB rules as of 1.1.20, unless otherwise stated. Refer to the “Capital management” section in the 2Q20 report for more information.

Currency translation of monthly income statement items of operations with a functional currency other than the US dollar are translated with month-end rates into US dollar.

Definitions: “Earnings per share” refers to diluted earnings per share. “Litigation” refers to net additions/releases to provisions for litigation regulatory and similar matters reflected in the income statement for the relevant period. “Net profit” refers to net profit attributable to shareholders.

Rounding: Numbers presented throughout this report may not add up precisely to the totals provided in the tables and text. Percentages and percent changes are calculated on the basis of unrounded figures. Information about absolute changes between reporting periods, which is provided in text and which can be derived from figures displayed in the tables, is calculated on a rounded basis.

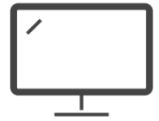
Tables: Within tables, blank fields generally indicate that the field is not applicable or not meaningful, or that information is not available as of the relevant date or for the relevant period. Zero values generally indicate that the respective figure is zero on an actual or rounded basis. Percentage changes are presented as a mathematical calculation of the change between periods.

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Winning strategy, delivering for clients

From resilience to adaptability – leveraging our successful business model and capabilities

Strong business model built over the years



Attractive and integrated model with diversified business and geographical mix



Consistently **investing >10% of revenues in technology** for flexibility and uninterrupted connectivity



Resilience built on disciplined and dynamic **risk and resource management**



Strong financial performance and high **capital generation** capacity



Delivering for clients in all conditions



Providing **resources, advice** and **solutions**, every day



Innovating to meet clients' fast-changing needs and behaviors



Building on our momentum to intensify **client interactions** and accelerate change



Thinking ahead to benefit clients now and across generations

Fast-changing client needs play to our strengths

Momentum supported by build up of operational and product capabilities



Accelerated digital adoption

+41% YoY in 2Q20
online P&C account openings

#1
Best Private Bank for Technology
(2020 PWM¹ Wealth Tech Awards)



Greater interest in sustainable finance

2bn inflows into GWM
100% SI mandates

+10bn AuM in AM's
SI-focused funds

Preferred
Sustainable solutions now
preferred option for
GWM clients

UBS's Hub for
Sustainable Finance
ubs.com/sustainablefinance



Intensified search for returns

+25% YoY
Private Markets commitments by
GWM clients²

14%
of GWM's invested assets held in cash or
money market instruments³

Rising profits and high capital ratios

Driving operating leverage through cost discipline and revenue momentum

2,827m
net profit
+12% YoY

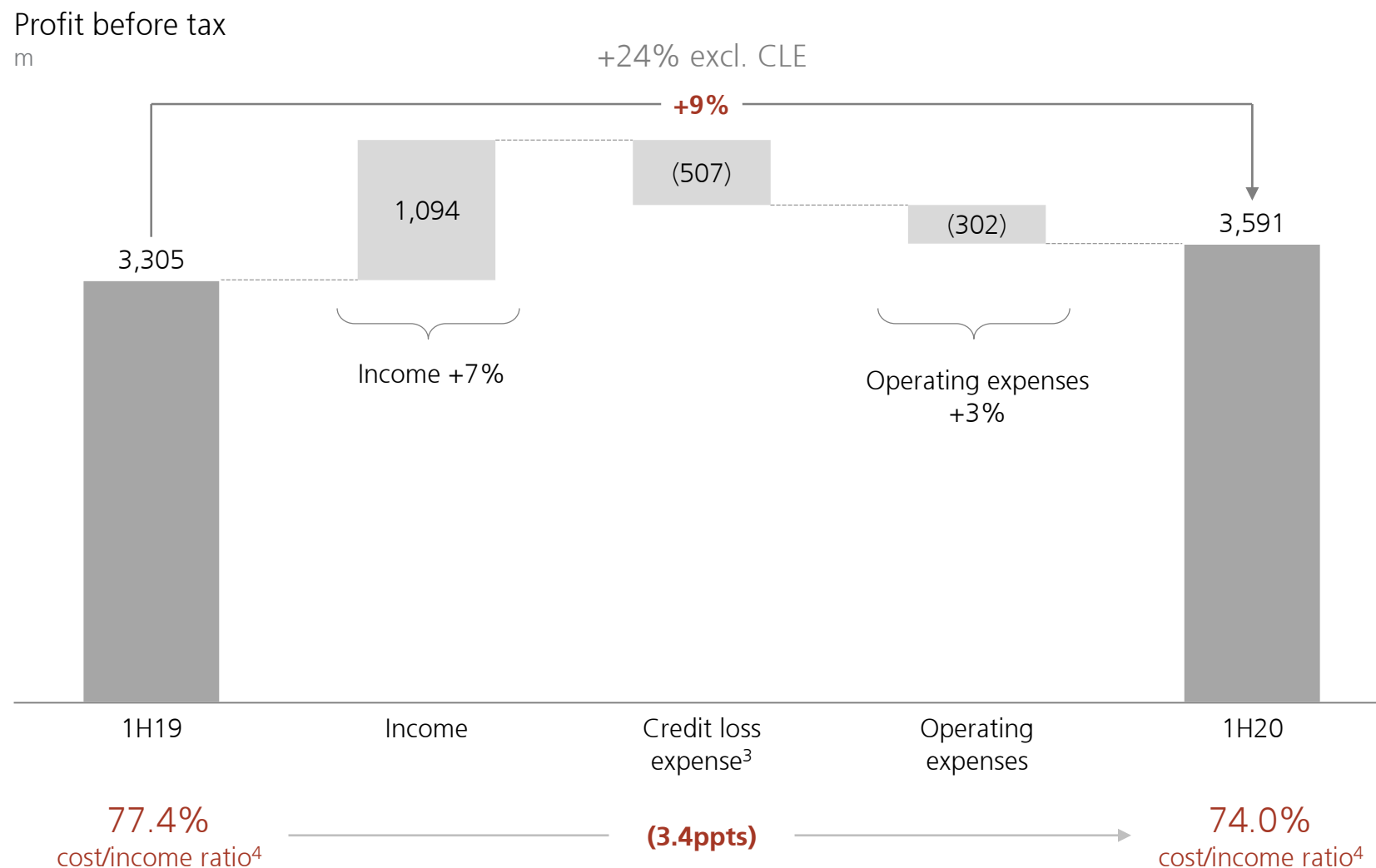
0.76
diluted EPS

15.4%
return on
CET1 capital

3.6bn
capital
generated¹

13.3%
CET1 capital ratio

3.92%
CET1 leverage ratio²

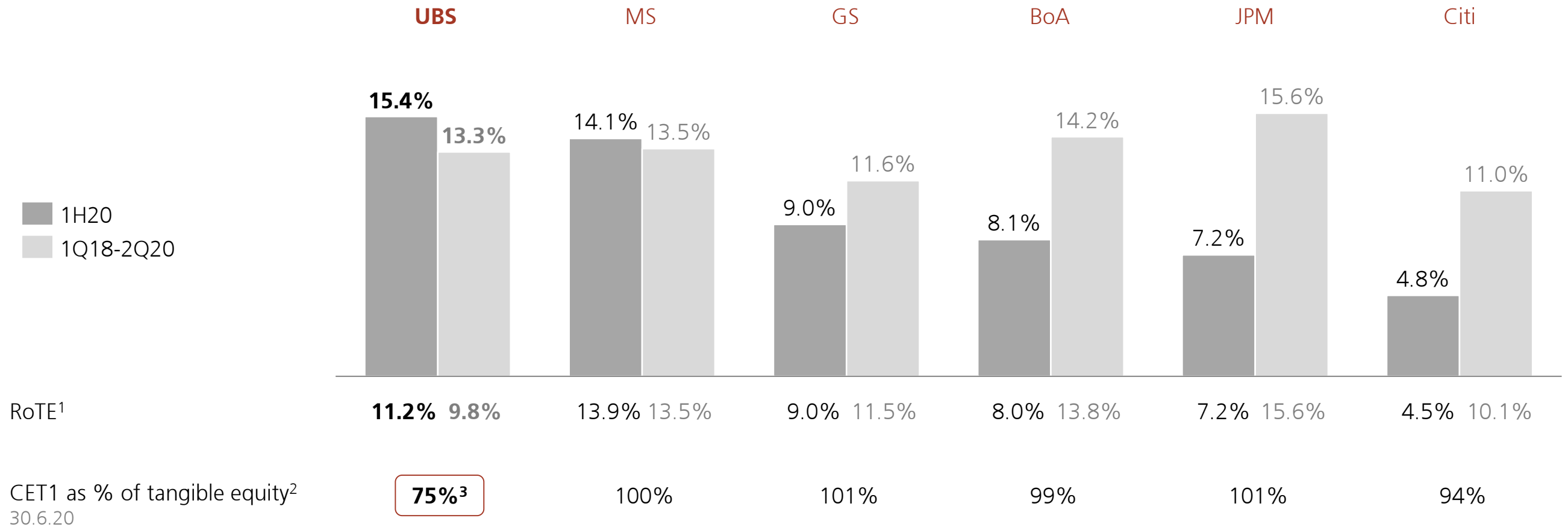


Numbers in USD unless otherwise indicated; **1** Including CHF 350m of buybacks in 1Q20 and 1H20 dividend accruals; **2** Does not reflect FINMA's temporary LRD exemption (net LRD reduction of 89bn), valid until 1.1.21 and only applicable to going concern leverage ratios; refer to page 46 of the 2Q20 report for more information; **3** 1H19: 33m; 1H20: 540m; **4** Calculated as operating expenses divided by income

Delivering competitive returns

Balancing growth, cost and capital efficiency to deliver attractive returns on deployable equity

Return on CET1 capital

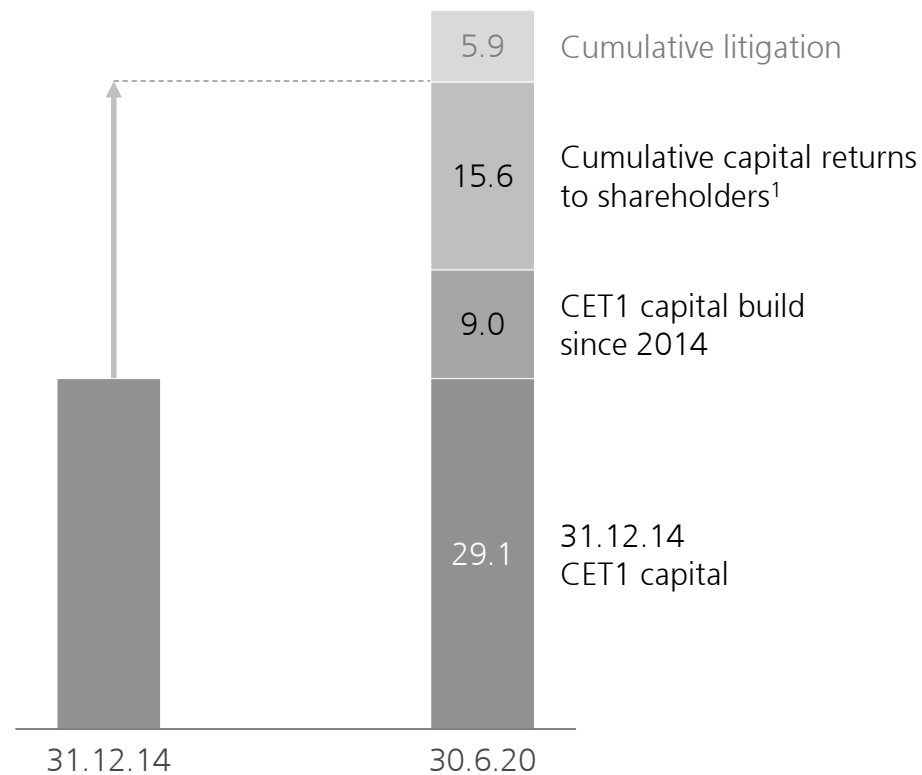


Figures in reporting currency with data based on peer reporting; **1** Return on tangible equity attributable to shareholders; **2** Tangible equity attributable to shareholders; **3** The difference between UBS's 51bn tangible equity and 38bn CET1 capital as of 30.6.20 mainly reflects 6.1bn tax loss DTAs, 2.9bn unrealized gains from cash flow hedges, dividend accruals and 1.1bn compensation-related components

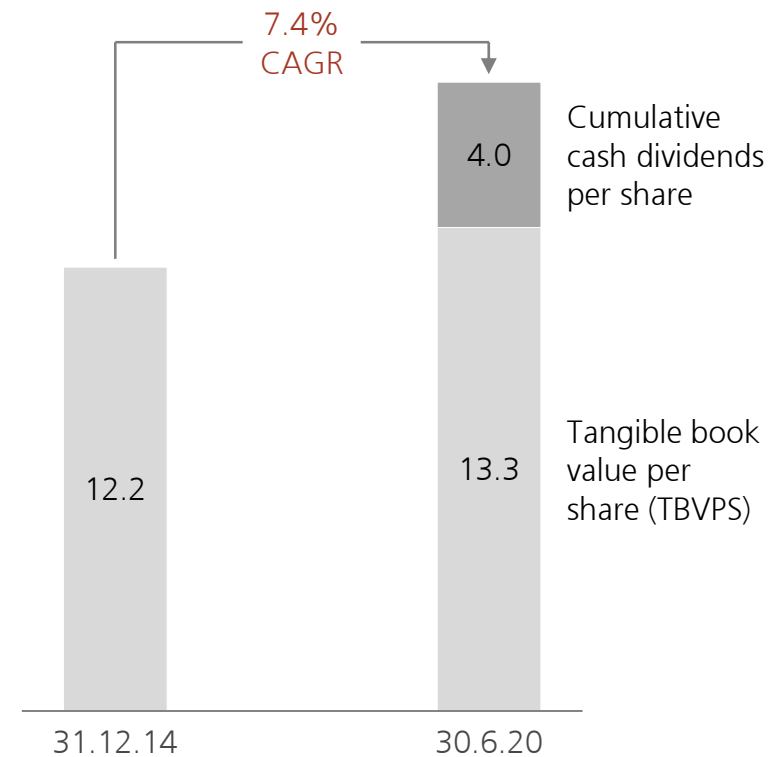
Committed to attractive capital returns

Highly capital-generative business model

Capital generation
bn USD



TBVPS + cumulative cash dividend per share



16bn
capital returned to
shareholders since 2014¹

US peers²: **8% CAGR**
European peers³: **2% CAGR**



Numbers in USD for UBS as of 2Q20 unless otherwise indicated and in local currency for peers; ¹ Includes dividend accrual for second installment of 2019 dividend and dividend accruals and buybacks for FY20; ² Bank of America, Citi, Goldman Sachs, JPMorgan, Morgan Stanley; ³ Barclays, BNP, Credit Suisse, Deutsche Bank, HSBC, Julius Baer and Standard Chartered

Deploying our strengths while executing on our priorities

2020-2022 priorities

Drive higher and superior returns by growing and leveraging our unique, integrated and complementary business portfolio and geographic footprint

- I Elevate our world leading **Global Wealth Management** franchise to drive higher margins and **10-15% PBT growth p.a.**
- II **Improve returns** in the **Investment Bank** by further optimizing resources and collaboration
- III Capitalize on our differentiated client offering in **Asset Management** for further **growth, performance** and **scale**
- IV Grow profits in **Personal & Corporate Banking** through **digital** initiatives, **services** and **efficiency**
 - V Deliver more as **one firm** for our clients
 - VI Drive improvements in firmwide **operating efficiency** to fund growth and enhance returns
 - VII Maintain attractive **capital return profile** through dividends and buybacks

 UBS

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We continue to operate from a position of strength with a clear strategy, operational resilience and a balance sheet for all seasons

We are delivering for our clients by deploying resources, providing advice and solutions to meet their needs

We are executing on our strategy, building on our momentum and adapting to the rapidly evolving environment

From 4Q19 presentation