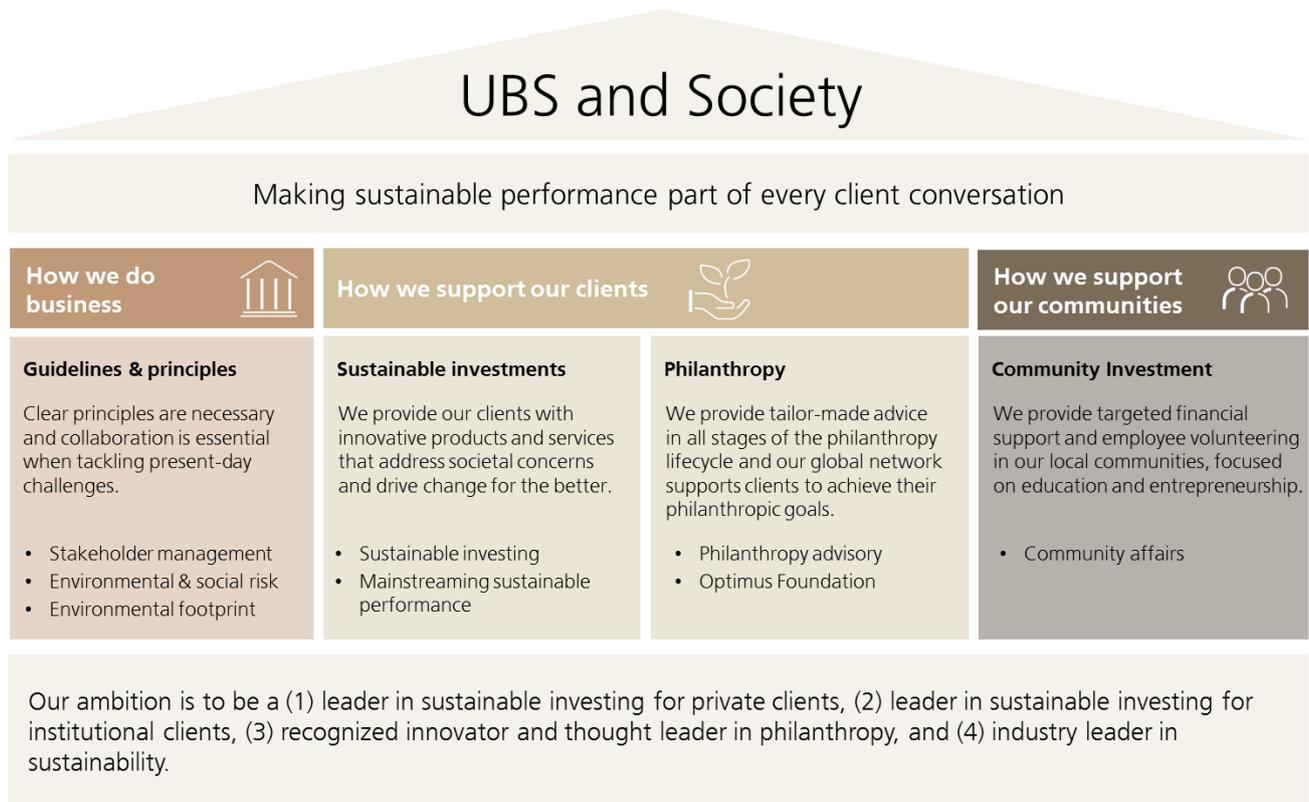


Factsheet

UBS and Society

UBS and Society covers all the activities and capabilities related to sustainable investing, philanthropy, environmental and human rights policies governing client and supplier relationships, our environmental footprint, as well as, community investment.



How we do business

Governance and key principle & policies

- We have a clear governing structure that ensures we make sustainable performance part of everything we do.
- Our Board of Directors' (BoD) **Corporate Culture and Responsibility Committee** (CCRC) approves UBS and Society's overall strategy and monitors its implementation.
- The **Group Chief Executive Officer** (Group CEO) proposes the UBS and Society strategy and annual objectives to the CCRC, supervises their execution and informs the Group Executive Board and CCRC as appropriate.
- Reporting to the Group CEO, the **Global Head of UBS and Society** is UBS's senior level representative for sustainability issues.
- UBS and Society **Operating Committee** ensures execution of UBS and Society strategy across divisions and regions.
- Chaired by the Group Chief Risk Officer, the **Global Environmental & Social Risk Committee** defines an environmental and social risk (ESR) framework and independent controls.
- We apply an ESR framework to **identify and manage potential adverse impacts** to the environment and to human rights, as well as, the associated environmental and social risks our clients' and our own assets are exposed to.
- We have in place a **responsible supply chain management framework** to identify, assess and monitor supplier practices in the areas of human and labor rights, the environment, health and safety and anti-corruption.
- We manage our environmental program through an **Environmental Management System** in accordance with ISO 14001.

Key commitments

- We were among the first companies to sign the **UN Global Compact** (in 2000) and are an active member of the Global Compact Network Switzerland.
- We publicly support international, collaborative action against climate change: we signed, in 2015, the **World Economic Forum's open letter from CEOs** to world leaders urging climate action and joined, in 2017, the Alliance of CEO Climate Leaders, including heads of major global businesses in their call on G20 governments to act on the recommendations of the **Financial Stability Board's Task Force on Climate-related Financial Disclosures**.
- Our firm has committed to **RE100**, with the goal of sourcing 100% of our electricity from renewable sources by 2020 and, in doing so, reducing our greenhouse gas footprint by 75% compared with 2004 levels.
- We are conveners of the **Thun Group of Banks**, which has published two discussion papers that seek to establish a framework to facilitate the identification of the key challenges and best practice examples for the banking sector's implementation of the UN Guiding Principles on Business and Human Rights.
- We are members of a range of other organizations including the **UNEP FI**, **Swiss Sustainable Finance**, the **European Venture Philanthropy Association**, and the **Global Impact Investing Network**. UBS Asset Management is a signatory to the **PRI**.

Key achievements

- For the third year running, UBS has been confirmed as the industry group leader in the Diversified Financials Industry Group by the **Dow Jones Sustainability Index (DJSI)**, the most widely recognized sustainability index.
- Other major achievements include **MSCI ESG Research** upgrading UBS to an A rating, and **Sustainalytics** ranking UBS as an industry leader.
- We **further reduced our greenhouse gas emissions** by 1.8% in 2016 (year on year), achieving a 54% reduction from baseline year 2004.

How we support our clients

- Our goal is to be **financial provider of choice** for clients wishing to put capital towards the Sustainable Development Goals (SDGs) and the transition to a low carbon economy.
- In Wealth Management, we aim to **systematically include a sustainable investing (SI) optionality** in our mandate

offerings, and to provide our clients with impact investing products and sustainable mutual fund solutions.

- Asset Management is **committed to integrating sustainability into its entire investment approach**. Like an increasing number of investors, we are convinced that sustainable and impact investing can add value to portfolios within the same risk / return profile.
- Our Investment Bank provide equity or debt capital market services or act as financial advisor for clients that contribute to **climate change mitigation and adaptation**.
- Our Chief Investment Office Wealth Management regularly translates key societal and environmental concerns into investment themes as part of the **Longer Term Investments series** and Wealth Management's global **Research-based Advice**.
- As a **preferred partner for global philanthropists**, we work towards achieving the United Nation's ambitious **SDGs**. Our experts and in house UBS Optimus Foundation offer clients access to social and financial innovation, philanthropic advice, as well as, tailored program design, co-funding and co-development opportunities

Key achievements

- Our **total invested assets according to sustainable investment (SI) criteria** were CHF 976 billion at end of 2016, representing 35% of our total invested assets.
- In 2017, two **impact investment deals** were successfully closed. We raised USD 75 million for the Rethink Impact Fund and USD 325 million for TPG's The Rise Fund, thereby establishing UBS as a key player in this area.
- In 2016, the UBS Optimus Foundation's work helped improve the wellbeing of **1.6 million children globally**.

How we support our communities

- We have a responsibility toward the communities in which we operate. We focus on **Education & Entrepreneurship**.
- We made **direct cash donations** totaling **CHF 30 million** to carefully selected nonprofit partner organizations and charities in 2016.

Key achievements

- In 2016, **117,389 beneficiaries** have been positively impacted globally, from 193 community partners.
- **30% of our employees volunteered a total of 155,325 hours** in social and community engagement projects.