Supplement No. 3 pursuant to Articles 10 (1) and 23 (5) of Regulation (EU) 2017/1129

dated 22 May 2020 to the Registration Document dated 21 November 2019 of UBS AG, as approved by the *Commission de Surveillance du Secteur Financier* (the (the "**CSSF**") (thereafter the "**Registration Document**"), which is a constituent part of the following prospectus:

- bipartite base prospectus (the "**Base Prospectus**") of UBS AG consisting as well of a securities note dated 26 February 2020 (the "**Securities Note**") as approved by the Swedish Financial Supervisory Authority (*Finansinspektionen* – the "**SFSA**"), as supplemented from time to time, and the Registration Document, as supplemented from time to time.

This supplement serves as update to the Registration Document as mentioned above in connection to the following occurrence:

The publication of the first quarter 2020 report as per 31 March 2020 of UBS Group AG (further the "**UBS Group First Quarter 2020 Report**") on 28 April 2020 and UBS AG (further the "**UBS AG First Quarter 2020 Report**") on 4 May 2020 (please refer to the table below).

The following table shows the updated information and reason for the update of the Registration Document, as mentioned above, and the revisions that have been made as a result thereof.

This Supplement has been approved by the CSSF in its capacity as competent authority under the Prospectus Regulation.

This Supplement must be read in conjunction with any information already supplemented by the Supplement dated 13 February 2020 and the Supplement dated 7 April 2020 to the Registration Document in accordance with Article 12 (1) od Regulation (EU) 2017/1129.

Updated information and reason for the update	**Revisions**
Information regarding UBS AG have been updated pursuant to the above mentioned UBS Group First Quarter 2020 Report and the UBS AG First Quarter 2020 Report.	1. Update of the information regarding UBS AG in the Registration Document. Please refer to the following sections of this Supplement: Risk Factors; Information about UBS AG; Business Overview; Trend Information; Administrative, Management and Supervisory Bodies of UBS AG; Financial Information concerning the Issuer's Assets and Libailities; Financial Position and Profits and Losses; Litigation, Regulatory and Similar Matters; Additional Information; 2. Update of the Appendix 1 – INFORMATION FOR THE PURPOSES OF ART. 26 (4) OF THE REGULATION (EU) 2017/1129. Please refer to the following section of this Supplement: Update of the Appendix 1 of the Registration Document

Investors who have already agreed to purchase or subscribe for the Notes, Certificates, Bonds or Securities before this Supplement is published shall have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in Article 23 paragraph 1 of Regulation (EU) 2017/1129 arose or was noted before the closing of the offer period or the delivery of the Notes, Certificates, Bonds or Securities, whichever occurs first.
A withdrawal, if any, of an order must be communicated on or before 27 May 2020 in writing to the Issuer at its Registered Head Office specified in the address list which can be found on page 39 of this supplement.

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Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy since the publication of the Registration Document and/or the Securities Note.

If there has been an inconsistency between any information included in this Supplement and information included in the Registration Document and/or the Securities Note, the information included in the Supplement should prevail.

The Issuer accepts responsibility for the information contained in this Supplement.

To the best of the knowledge and belief of the Issuer (each having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. Registration Document

In the section headed "3. Risk Factors" (page 4 et seq. of the Registration Document), the subsection "3.2 Market and macroeconomic risks" shall be completely replaced as follows:

"**3.2 Market and macroeconomic risks**

UBS AG's results of operations and financial condition have been, and will likely continue to be, adversely affected by the COVID-19 pandemic.

The spread of the coronavirus disease (COVID-19) pandemic and the governmental measures taken to contain the pandemic have significantly adversely affected, and will likely continue to adversely affect, global economic conditions, resulting in meaningful contraction in the global economy, substantial volatility in the financial markets, increased unemployment, increased credit and counterparty risk, and operational challenges such as the temporary closures of businesses, sheltering-in-place directives and increased remote work protocols. Governments and central banks around the world have reacted to the economic crisis caused by the pandemic by implementing stimulus and liquidity programs and cutting interest rates, though it is unclear whether these or future actions will be successful in countering the economic disruption. If the pandemic is prolonged or the actions of governments and central banks are unsuccessful, the adverse impact on the global economy will deepen, and our results of operations and financial condition in future quarters will be adversely affected.

As of April 2020, the COVID-19 pandemic has affected all of UBS AG's businesses, and these effects will likely be greater in future quarters if adverse conditions persist. These effects have included declines in asset prices, significantly increased volatility, lower or negative interest rates, widening of credit spreads and credit deterioration. These effects have resulted in decreases in the valuation of loans and commitments, an increase in the allowance for credit losses, lower valuations of certain classes of trading assets, and reduced net interest income due to lower interest rates. While these effects were offset by high levels of client trading activity in the first quarter of 2020, this level of activity may not persist in future quarters.

Should these global market conditions be prolonged or worsen, or the pandemic lead to additional market disruptions, UBS AG may experience reduced client activity and demand for its products and services, increased utilization of lending commitments, more client defaults, higher credit and valuation losses in our loan portfolios, loan commitments and other assets, and impairments of other financial assets. In addition, the sharp decline in interest rates will further decrease net interest margins. A decline in invested assets will also reduce recurring fee income in the Global Wealth Management and Asset Management businesses. These factors and other consequences of the COVID-19 pandemic may negatively affect UBS AG's financial condition, including possible constraints on capital and liquidity, as well as a higher cost of capital, and possible changes or downgrades to our credit ratings

Although UBS AG has moved a substantial portion of its workforce to work-from-home solutions, including client-facing and trading staff, if significant portions of its workforce, including key personnel, are unable to work effectively because of illness, government actions, or other restrictions in connection with the pandemic, the adverse effects of the pandemic on its businesses could be exacerbated. In addition, with most of its staff working from outside the offices, UBSAG faces new challenges and operational risks, including maintenance of supervisory and surveillance controls, as well as increased fraud and data security risks. While UBS AG has taken measures to manage these risks, such measures have never been tested on the scale or duration that UBS AG is currently experiencing, and there is risk that these measures will not be effective in the current unprecedented operating environment.

The extent to which the pandemic, and the related economic distress, affect UBS AG's businesses, results of operations and financial condition, as well as its regulatory capital and liquidity ratios, will depend on future developments that are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and any recovery period, future actions taken by governmental authorities, central banks and other third parties in response to the pandemic, and the effects on UBS AG's customers, counterparties, employees and third-party service providers.

Performance in the financial services industry is affected by market conditions and the macroeconomic climate

UBS AG's businesses are materially affected by market and macroeconomic conditions. Adverse changes in interest rates, credit spreads, securities prices, market volatility and liquidity, foreign exchange rates, commodity prices, and other market fluctuations, as well as changes in investor sentiment, can affect UBS AG's earnings and ultimately its financial and capital positions.

A market downturn and weak macroeconomic conditions can be precipitated by a number of factors, including geopolitical events, global trade disruption, changes in monetary or fiscal policy, changes in trade policies, natu-ral disasters, pandemics, civil unrest, acts of violence, war or terrorism. Such developments can have unpredicta-ble and destabilising effects and, because financial markets are global and highly interconnected, even local and regional events can have widespread effects well beyond the countries in which they occur. Any of these devel-opments may adversely affect UBS AG's business or financial results.

If individual countries impose restrictions on cross-border payments, trade, or other exchange or capital controls, or change their currency (for example, if one or more countries should leave the eurozone), UBS AG could suffer losses from enforced default by counterparties, be unable to access its own assets, or be unable to effectively manage its risks.

Should the market experience significant volatility, a decrease in business and client activity and market volumes could result, which would adversely affect UBS AG's ability to generate transaction fees, commissions and margins, particularly in Global Wealth Management and the Investment Bank, as UBS AG experienced in the fourth quarter of 2018. A market downturn would likely reduce the volume and valuation of assets that UBS AG manages on behalf of clients, which would reduce recurring fee income that is charged based on invested assets in Global Wealth Management and Asset Management and performance-based fees in Asset Management. Such a downturn could also cause a decline in the value of assets that UBS AG owns and account for as investments or trading positions. In addition, reduced market liquidity or volatility may limit trading opportunities and may therefore reduce transaction-based income and may also impede UBS AG's ability to manage risks.

UBS AG could be materially affected if a crisis develops, regionally or globally, as a result of disruptions in markets due to macroeconomic or political developments, or as a result of the failure of a major market partici-pant. Over time, UBS AG's strategic plans have become more heavily dependent on its ability to generate growth and revenue in emerging markets, including China, causing it to be more exposed to the risks associated with such markets.

Global Wealth Management derives revenues from all the principal regions, but has a greater concentration in Asia than many peers and a substantial presence in the US, unlike many European peers. The Investment Bank’s business is more heavily weighted to Europe and Asia than its peers, while its derivatives business is more heavily weighted to structured products for wealth management clients, in particular with European and Asian underlyings. UBS AG's performance may therefore be more affected by political, economic and market developments in these regions and businesses, including the effects of the Covid-19 outbreak, than some other financial service providers.

UBS AG's credit risk exposure to clients, trading counterparties and other financial institutions would increase under adverse economic conditions

Credit risk is an integral part of many of UBS AG's activities, including lending, underwriting and derivatives activities. Adverse economic or market conditions may lead to impairments and defaults on these credit exposures. Losses may be exacerbated by declines in the value of collateral securing loans and other exposures. In UBS AG's prime brokerage, securities finance and Lombard lending businesses, UBS AG extends substantial amounts of credit against securities collateral, the value or liquidity of which may decline rapidly. UBS AG's Swiss mortgage and corporate lending portfolios are a large part of its overall lending. UBS AG is therefore exposed to the risk of adverse economic developments in Switzerland, including the strength of the Swiss franc and its effect on Swiss exports, prevailing negative interest rates by the Swiss National Bank, economic conditions within the eurozone or the EU, and the evolution of agreements between Switzerland and the EU or European Economic Area, which represent Switzerland’s largest export market. In addition, under the IFRS 9 expected credit loss ("ECL") regime, credit loss expenses may increase rapidly at the onset of an economic downturn as a result of higher levels of credit impairments (stage 3), as well as higher ECL from stages 1 and 2, only gradually diminishing once the economic outlook improves. Substantial increases in ECL could exceed expected loss for regulatory capital purposes and adversely affect UBS AG's CET1 capital and regulatory capital ratios.

Low and negative interest rates in Switzerland and the eurozone could continue to negatively affect UBS AG's net interest income

The continuing low or negative interest rate environment may further erode interest margins and adversely affect the net interest income generated by the Personal & Corporate Banking and Global Wealth Management businesses. The Swiss National Bank permits Swiss banks to make deposits up to a threshold at zero interest and has recently increased this threshold. Any reduction in or limitation on the use of this exemption from the otherwise applicable negative interest rates could exacerbate the effect of negative interest rates in Switzerland on UBS AG's business.

Low and negative interest rates may also affect customer behavior and hence UBS AG's overall balance sheet structure. Mitigating actions that UBS AG has taken, or may take in the future, such as the introduction of selec-tive deposit fees or minimum lending rates, have resulted and may further result in the loss of customer deposits (a key source of funding for UBS AG), net new money outflows and a declining market share in UBS AG's Swiss lending business.

UBS's shareholders' equity and capital are also affected by changes in interest rates. In particular, the calculation of UBS's Swiss pension plan's net defined benefit assets and liabilities is sensitive to the applied discount rate and to fluctuations in the value of pension plan assets. Any further reduction in interest rates may lower the discount rates and result in pension plan deficits as a result of the long duration of corresponding liabilities. This could lead to a corresponding reduction in UBS AG's equity and common equity tier 1 ("CET1") capital.

UBS AG's plans to ensure uninterrupted business dealings as the UK withdraws from the EU may not be effective

Plans that UBS has taken to ensure uninterrupted business dealings as the UK withdraws from the EU may not be effective if the UK and the EU do not reach a deal by the end of the transition period, scheduled to end on 31 December, 2020, resulting in disruptions across the financial sector.

To prepare UBS AG's business for the UK withdrawal from the EU, UBS completed a merger of UBS Limited, its UK-based subsidiary, into UBS Europe SE, its Germany-headquartered European subsidiary, which is under the direct supervision of the European Central Bank. All clients and counterparties of UBS Limited who would not be able to be serviced by UBS AG, London Branch following the exit of the UK from the EU have been transferred to UBS Europe SE.

Regulators in both the UK and Europe have taken measures to minimize business disruption in the financial sector in the event of a no-deal scenario, including the UK implementation of a temporary permissions regime so that firms currently using an EU passport for business into the UK can continue operating within the scope of their existing permissions, as well as the recognition by EU authorities of three UK-authorised central counter-parties. However, the pace of the negotiations has been affected by the COVID-19 pandemic. An extension of the transition period is possible under the terms of the Withdrawal Agreement until 31 December 2021 or 31 December 2022 if the UK requests an extension before 30 June 2020. Nevertheless, significant risk of a disorder-ly exit of the UK from the EU remains and, should this risk materialize, it could cause significant disruption across the financial industry and, under extreme conditions, contribute to a weakening of the global economy.

Currency fluctuation

UBS AG is subject to currency fluctuation risks. Although UBS AG's change from the Swiss franc to the US dollar as its functional and presentation currency in 2018 reduces its exposure to currency fluctuation risks with respect to the Swiss franc, a substantial portion of its assets and liabilities are denominated in currencies other than the US dollar. Additionally, in order to hedge UBS AG's CET1 capital ratio, its CET1 capital must have foreign currency exposure, which leads to currency sensitivity. As a consequence, it is not possible to simultane-ously fully hedge both the amount of capital and the capital ratio. Accordingly, changes in foreign exchange rates may continue to adversely affect UBS AG's profits, balance sheet and capital leverage and liquidity coverage ratios."

In the the subsection "3.3 Regulatory and legal risks" of the section headed "3. Risk Factors" (page 4 et seq. of the Registration Document), the risks factor "*Substantial changes in regulation may adversely affect UBS AG's businesses and its ability to execute its strategic plans*" shall be completely replaced as follows:

"Substantial changes in regulation may adversely affect UBS AG's businesses and its ability to execute its strategic plans

UBS AG is subject to significant new regulatory requirements, including recovery and resolution planning, changes in capital and prudential standards, as well as new and revised market standards and fiduciary duties. Notwithstanding attempts by regulators to align their efforts, the measures adopted or proposed for banking regulation differ significantly across the major jurisdictions, making it increasingly difficult to manage a global institution. In addition, Swiss regulatory changes with regard to such matters as capital and liquidity have often proceeded more quickly than those in other major jurisdictions, and Switzerland's requirements for major international banks are among the strictest of the major financial centers. This could put Swiss banks, such as UBS AG, at a disadvantage when competing with peer financial institutions subject to more lenient regulation or with unregulated non-bank competitors.

UBS AG's implementation of additional regulatory requirements and changes in supervisory standards, as well as its compliance with existing laws and regulations, continue to receive heightened scrutiny from supervisors. If UBS AG does not meet supervisory expectations in relation to these or other matters, or if additional supervisory or regulatory issues arise, it would likely be subject to further regulatory scrutiny as well as measures that might further constrain its strategic flexibility.

Resolvability and resolution and recovery planning: UBS AG has moved significant operations into subsidiaries to improve resolvability and meet other regulatory requirements, and this has resulted in substantial implementation costs, increased its capital and funding costs and reduced operational flexibility. For example, UBS AG has transferred all of its US subsidiaries under a US intermediate holding company to meet US regulatory requirements, and have transferred substantially all the operations of Personal & Corporate Banking and Global Wealth Management booked in Switzerland to UBS Switzerland AG to improve resolvability.

These changes, particularly the transfer of operations to subsidiaries, require significant time and resources to implement, and create operational, capital, liquidity, funding and tax inefficiencies. In addition, they may in-crease UBS AG's aggregate credit exposure to counterparties as they transact with multiple entities within the Group. Furthermore, UBS AG's operations in subsidiaries are subject to local capital, liquidity, stable funding, capital planning and stress testing requirements. These requirements have resulted in increased capital and li-quidity requirements in affected subsidiaries, which limit UBS AG's operational flexibility and negatively affect its ability to benefit from synergies between business units and to distribute earnings to the Group.

Under the Swiss too-big-to-fail ("TBTF") framework, UBS is required to put in place viable emergency plans to preserve the operation of systemically important functions in the event of a failure. Moreover, under this frame-work and similar regulations in the US, the UK, the EU and other jurisdictions in which UBS operates, it is re-quired to prepare credible recovery and resolution plans detailing the measures that would be taken to recover in a significant adverse event or in the event of winding down the Group or the operations in a host country through resolution or insolvency proceedings. If a recovery or resolution plan that UBS produces is determined by the relevant authority to be inadequate or not credible, relevant regulation may permit the authority to place limitations on the scope or size of its business in that jurisdiction, or oblige it to hold higher amounts of capital or liquidity or to change its legal structure or business in order to remove the relevant impediments to resolution. In February 2020, FINMA published its assessment of the recovery and resolution plans and emergency plans for Swiss SRBs. FINMA confirmed that UBS's Swiss emergency plan is effective, subject to a further reduction of its joint and several liabilities. In addition, FINMA confirmed that UBS has completed important measures and made considerable progress with respect to its global resolvability. Refer to "Recovery and resolution" in the "Regulation and supervision" section of the Annual Report 2019 for more information regarding UBS's Swiss emergency plan.

Capital and prudential standards: As an internationally active Swiss systemically relevant bank (an "SRB"), UBS AG is subject to capital and total loss-absorbing capacity ("TLAC") requirements that are among the most stringent in the world. Moreover, many of UBS AG's subsidiaries must comply with minimum capital, liquidity and similar requirements and, as a result, UBS AG has contributed a significant portion of its capital and pro-vides substantial liquidity to these subsidiaries. These funds are available to meet funding and collateral needs in the relevant entities, but are generally not readily available for use by the Group as a whole.

UBS AG expects its risk-weighted assets ("RWA") to further increase as the effective date for capital standards promulgated by the Basel Committee on Banking Supervision (the "BCBS") draws nearer. However, in response to the economic disruption caused by the COVID-19 pandemic, the BCBS has delayed the implementation deadline of Basel III rules by one year, to 1 January 2023. The accompanying transitional arrangement for the output floor has also been extended by one year, to 1 January 2028. Separately, the BCBS and the International Organization of Securities Commissions (IOSCO) have extended the final two implementation phases of the framework for margin requirements for non-centrally cleared derivatives by one year, to 1 September 2022. In addition, the Board of Governors of the Federal Reserve System had adopted two proposals previously regard-ing certain capital and liquidity requirements and enhanced prudential standards applicable to foreign banking organisations ("FBOs") with significant US operations. Under the proposal, it is expected that UBS Americas Holding LLC would continue to be subject to annual assessments of its capital plan through the Comprehensive Capital Analysis and Review ("CCAR") process, a supplementary leverage ratio, newly applicable liquidity coverage ratio requirements and new net stable funding ratio requirements. These additional increases in capital and liquidity standards could significantly curtail UBS AG's ability to pursue strategic opportunities and to dis-tribute risk.

Market regulation and fiduciary standards: UBS AG's wealth and asset management businesses operate in an environment of increasing regulatory scrutiny and changing standards with respect to fiduciary and other stand-ards of care and the focus on mitigating or eliminating conflicts of interest between a manager or advisor and the client, which require effective implementation across the global systems and processes of investment managers and other industry participants. For example, the SEC has adopted a new Regulation Best Interest that is intended to enhance and clarify the duties of brokers and investment advisers to retail customers. Regulation Best Interest will apply to a large portion of Global Wealth Management's business in the US, and UBS AG will likely be required to materially change business processes, policies and the terms on which it interacts with these clients in order to comply with these rules.

Previously, UBS AG has incurred substantial costs in implementing a compliance and monitoring framework in connection with the Volcker Rule under the Dodd–Frank Act and has modified its business activities both inside and outside the US to conform to the Volcker Rule's activity limitations. In 2019, US regulators have adopted amendments (the "2019 Final Rule") to their regulations implementing the Volcker Rule prohibitions on proprie-tary trading and limitations on covered fund activities. The amendments were effective as of 1 January 2020 and compliance is mandatory from 1 January 2021. UBS AG may incur additional costs in the short term to implement the changes to the operation of its Volcker compliance program, required by the 2019 Final Rule. However, these changes may reduce the long-term burden on UBS AG's operations. UBS AG may also become subject to other similar regulations substantively limiting the types of activities in which it may engage or the way it conducts its operations.

Some of the regulations applicable to UBS AG as a registered swap dealer with the Commodity Futures Trading Commission ("CFTC") in the US, and certain regulations that will be applicable when UBS AG registers as a security-based swap dealer with the US Securities and Exchange Commission (the "SEC"), apply to UBS AG globally, including those relating to swap data reporting, record-keeping, compliance and supervision. As a result, in some cases, US rules duplicate or may conflict with legal requirements applicable to UBS AG elsewhere, including in Switzerland, and may place it at a competitive disadvantage to firms that are not required to register in the US with the SEC or CFTC.

In many instances, UBS AG provides services on a cross-border basis, and it is therefore sensitive to barriers restricting market access for third-country firms. In particular, efforts in the EU to harmonise the regime for third-country firms to access the European market may have the effect of creating new barriers that adversely affect its ability to conduct business in these jurisdictions from Switzerland. In addition, a number of jurisdic-tions are increasingly regulating cross-border activities based on determinations of equivalence of home country regulation, substituted compliance or similar principles of comity. A negative determination with respect to Swiss equivalence could limit UBS AG's access to the market in those jurisdictions and may negatively influence its ability to act as a global firm. For example, the EU declined to extend the equivalence determination for Swiss exchanges, which lapsed as of 30 June 2019. Reciprocally, the regulations that Switzerland adopted to prohibit trading of shares issued by Swiss incorporated companies on EU venues came into effect on 1 July 2019.

UBS AG experienced cross-border outflows over a number of years as a result of heightened focus by fiscal authorities on cross-border investment and fiscal amnesty programs, in anticipation of the implementation in Switzerland of the global automatic exchange of tax information, and as a result of the measures UBS AG has implemented in response to these changes. Further changes in local tax laws or regulations and their enforce-ment, the implementation of cross-border tax information exchange regimes, national tax amnesty or enforce-ment programs or similar actions may affect UBS AG's clients' ability or willingness to do business with it and could result in additional cross-border outflows."

In the section headed "4. Information about UBS AG" (page 19 of the Registration Document) the subsection "4.1 Introduction" shall be completely replaced as follows:

"UBS AG Group provides financial advice and solutions to private, institutional and corporate clients worldwide, as well as private clients in Switzerland. The operational structure of the Group is comprised of the Group Functions and four business divisions: Global Wealth Management, Personal & Corporate Banking, Asset Management and the Investment Bank. UBS concentrates on capital-efficient businesses in its targeted markets, where UBS has a strong competitive position and an attractive long-term growth or profitability outlook. UBS views capital strength as the foundation of its strategy. In delivering all of UBS as one firm to its clients, UBS intends to: strengthen its leading client franchises and grow share; position UBS for growth by expanding its services and capabilities; drive greater efficiencies and scale; and further intensify collaboration for the benefit of its clients.

On 31 March 2020, UBS Group's common equity tier 1 ("CET1") capital ratio was 12.8%, the CET1 leverage ratio was 3.84% (CET1 leverage ratio with temporary FINMA exemption was 4.18%) , the total loss-absorbing capacity ratio was 32.7%, and the total loss-absorbing capacity leverage ratio was 9.8%. On the same date, invested assets stood at USD 3,236 billion, equity attributable to shareholders was USD 57,949 million and market capitalisation was USD 33,649 million. On the same date, UBS employed 69,437 people .

On 31 March 2020, UBS AG consolidated CET1 capital ratio was 12.7%, the CET1 leverage ratio was 3.78% (CET1 leverage ratio with temporary FINMA exemption was 4.00%), the total loss-absorbing capacity ratio was 32.1%, and the total loss-absorbing capacity leverage ratio was 9.5%. On the same date, invested assets stood at USD 3,236 billion and equity attributable to UBS AG shareholders was USD 57,814 million. On the same date, UBS AG Group employed 47,182 people."

In the subsection "4.3 Information incorporated by Reference" (page 20 et seq. of the Registration Document) of the section headed "4. Information about UBS AG" the following points shall be added at the end of the list of documents incorporated by reference to this Registration Document:

"

(k) the UBS AG first quarter 2020 report (published on the UBS website, at https://www.ubs.com/global/en/investor-relations/financial-information/quarterly-reporting/qr-shared/2020/1q20/_jcr_content/mainpar/toplevelgrid_1745307668/col1/linklist/link.0891574008.file/bGluay9wYXRoPS9jb250ZW50L2RhbS9hc3NldHMvY2MvaW52ZXN0b3ItcmVsYXRpb25zL3F1YXJ0ZXJsaWVzLzIwMjAvMXEyMC9mdWxsLXJlcG9ydC11YnMtYWctY29uc29saWRhdGVkLTFxMjAucGRm/full-report-ubs-ag-consolidated-1q20.pdf , the "**UBS AG First Quarter 2020 Report**");

(l) the UBS Group AG first quarter 2020 report (published on the UBS website, at https://www.ubs.com/global/en/investor-relations/financial-information/quarterly-reporting/qr-shared/2020/1q20/_jcr_content/mainpar/toplevelgrid_1745307668/col1/teaser/linklist/link.0467020734.file/bGluay9wYXRoPS9jb250ZW50L2RhbS9hc3NldHMvY2MvaW52ZXN0b3ItcmVsYXRpb25zL3F1YXJ0ZXJsaWVzLzIwMjAvMXEyMC9mdWxsLXJlcG9ydC11YnMtZ3JvdXAtYWctY29uc29saWRhdGVkLTFxMjAucGRm/full-report-ubs-group-ag-consolidated-1q20.pdf , the the "**UBS Group First Quarter 2020 Report**")."

In the subsection "4.3 Information incorporated by Reference" (page 20 et seq. of the Registration Document) of the section headed "4. Information about UBS AG" the following information shall be added at the end of the cross-reference table:

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"

In the section headed "4. Information about UBS AG" (page 26 of the Registration Document) the first paragraph of the the subsection "4.4 Credit Ratings assigned to UBS AG" shall be completely replaced as follows:

"The rating agencies S&P Global Ratings Europe Limited ("Standard & Poor's"), Moody's Deutschland GmbH ("Moody's"), and Fitch Ratings Limited ("Fitch Ratings") have published solicited credit ratings reflecting their assessment of the creditworthiness of UBS AG, i.e. its ability to fulfil in a timely manner payment obligations, such as principal or interest payments on long-term loans, also known as debt servicing. The ratings from Fitch Ratings and Standard & Poor's may be attributed a plus or minus sign, and those from Moody's a number. These supplementary attributes indicate the relative position within the respective rating class. UBS AG has a long-term counterparty credit rating of A+ (outlook: stable) from Standard & Poor's, long-term senior debt rating of Aa3 (outlook: stable) from Moody's, and long-term issuer default rating of AA- (outlook: negative) from Fitch Ratings."

The section headed "5. Business Overview" (page 29 of the Registration Document) shall be completely replaced as follows:

"**5.1 Strategy, management and operations risks**

UBS operates as a group with four business divisions (Global Wealth Management, Personal & Corporate Banking, Asset Management, and the Investment Bank) and a Group Functions. Each of the business divisions and the Group Functions are described below. A description of the Group's strategy can be found under "Our strategy" in the "Our strategy, business model and environment" section of the Annual Report 2019; a description of the businesses, strategies, clients, organisational structures, products and services of the business divisions and the Corporate Center (now referred to as Group Functions) can also be found in the "Our strategy, business model and environment" section of the Annual Report 2019.

5.2 Global Wealth Management

Global Wealth Management provides investment advice and solutions to private clients, in particular in the ultra high net worth and high net worth segments. Clients benefit from Global Wealth Management's comprehensive set of capabilities, including wealth planning, investing, lending, asset protection, philanthropy, corporate and banking services, as well as family office services in collaboration with the Investment Bank and Asset Management. Global Wealth Management has a global footprint, with the US representing its largest market. Clients are served through local offices and dedicated advisors.

Effective 1 January 2020, UBS implemented organizational changes in its Global Wealth Management division. UBS created three distinct business units within EMEA: Europe; Central and Eastern Europe, Greece and Israel; and Middle East and Africa. UBS is also making its Global Family Office capabilities available to more clients. Refer to "Recent Developments" in the UBS Group First Quarter 2020 Report for more information.

5.3 Personal & Corporate Banking

Personal & Corporate Banking provides comprehensive financial products and services to private, corporate and institutional clients and operates in Switzerland in the private and corporate loan market. Personal & Corporate Banking is central to UBS's universal bank model in Switzerland and it works with Global Wealth Management, the Investment Bank and Asset Management to help clients receive the best products and solutions for their specific financial needs. While Personal & Corporate Banking operates primarily in its home market of Switzerland, it also provides capabilities to support the growth of the international business activities of UBS's corporate and institutional clients through local hubs in Frankfurt, New York, Hong Kong and Singapore. The business is divided into Personal Banking and Corporate & Institutional Clients (CIC).

5.4 Asset Management

Asset Management is a large-scale and diversified global asset manager. It offers investment capabilities and styles across all major traditional and alternative asset classes, as well as advisory support to institutions, wholesale intermediaries and Global Wealth Management clients around the world. Asset Management offers clients a wide range of investment products and services in different asset classes in the form of segregated, pooled or advisory mandates, as well as registered investment funds in various jurisdictions. It covers the main asset management markets globally, and has a local presence in 22 markets, grouped in four regions: the Americas; Europe, Middle East and Africa; Switzerland; and Asia Pacific.

5.5 Investment Bank

The Investment Bank provides a range of services to institutional, corporate and wealth management clients to help them raise capital, grow their businesses, invest and manage risks. It is focused on its traditional strengths in advisory services, capital markets, equities and foreign exchange, complemented by a targeted rates and credit platform. The Investment Bank uses its research and technology capabilities to support its clients as they adapt to the evolving market structures and changes in the regulatory, technological, economic and competitive landscapes. The Investment Bank delivers solutions to clients, using its intellectual capital and electronic platforms. It also provides services to Global Wealth Management, Personal & Corporate Banking and Asset Management. It has a global reach, with a presence in more than 30 countries and principal offices in the major financial hubs.

Structural changes made in UBS's Investment Bank came into effect on 1 January 2020. Corporate Client Solutions and Investor Client Services were renamed Global Banking and Global Markets, respectively. Global Banking has two product verticals – Capital Markets and Advisory – consistent with its global coverage model, and including corporate lending and associated hedging activities. Global Markets combines Equities and Foreign Exchange, Rates and Credit (FRC), into three product verticals: Execution & Platform, Derivatives & Solutions, and Financing.

5.6 Group Functions

Corporate Center has been renamed Group Functions and includes Group Treasury, Non-core and Legacy Portfolio ("NCL"), and Group services and other. Over recent years, UBS has progressively aligned its support functions with the business divisions. The majority of these functions are either fully aligned or shared among business divisions, where they have full management responsibility. Group Treasury manages the structural risk of UBS’s balance sheet, including interest rate risk, structural foreign exchange risk and collateral risk, as well as the risks associated with the Group’s liquidity and funding portfolios. Group Treasury serves all business divisions through two main risk management areas, and its risk management is fully integrated into the Group’s risk governance framework. NCL manages legacy positions from businesses exited by the Investment Bank. It is overseen by a committee chaired by the Group Chief Risk Officer. The portfolio also includes positions relating to legal matters arising from businesses that were transferred to it at the time of its formation.

5.7 Competition

The financial services industry is characterised by intense competition, continuous innovation, restrictive, detailed, and sometimes fragmented regulation and ongoing consolidation. UBS faces competition at the level of local markets and individual business lines, and from global financial institutions that are comparable to UBS in their size and breadth. Barriers to entry in individual markets and pricing levels are being eroded by new technology. UBS expects these trends to continue and competition to increase.

Any statements regarding the competitive position of UBS AG, UBS AG Group or the Group contained in this document are made on the basis of the opinion of UBS AG or the Group.

5.8 UBS AG consolidated key figures

UBS AG derived the selected consolidated financial information included in the table below for the years ended 31 December 2019, 2018 and 2017 from the Annual Report 2019, except where noted. The selected consolidated financial information included in the table below for the quarter ended 31 March 2020 and 31 March 2019 was derived from the UBS AG First Quarter 2020 Report.

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

	As of or for the quarter ended		As of or for the year ended		
USD million, except where indicated	31.3.20	31.3.19	31.12.19	31.12.18	31.12.17
	unaudited		*audited, except where indicated*		
Results					
Income statement					
Operating income	8,009	7,343	29,307	30,642	30,044

Net interest income [1]	1,313	1,101	4,415	4,971	6,021
Net fee and commission income	5,025	4,157	17,460	17,930	17,550
Credit loss (expense) / recovery	(268)	(20)	(78)	(117)	(131)
Other net income from financial instruments measured at fair value through profit or loss [1]	1,775	1,936	6,833	6,953	5,640
Operating expenses	6,210	5,890	24,138	25,184	24,969
Operating profit / (loss) before tax	1,799	1,454	5,169	5,458	5,076
Net profit / (loss) attributable to shareholders	1,421	1,069	3,965	4,107	758
Balance sheet [2]					
Total assets	1,099,185		971,916	958,055	940,020
Total financial liabilities measured at amortized cost	671,893		617,429	612,174	660,498
of which: customer deposits	468,422		450,591	421,986	423,058
of which: debt issued measured at amortized cost	66,479		62,835	91,245	107,458
of which: subordinated debt	7,551		7,431	7,511	9,217
Total financial liabilities measured at fair value through profit or loss	361,713		291,452	283,717	217,814
of which: debt issued designated at fair value	53,040		66,592	57,031	50,782
Loans and advances to customers	339,946		327,992	321,482	328,952
Total equity	57,983		53,928	52,432	52,046
Equity attributable to shareholders	57,814		53,754	52,256	51,987
Profitability and growth					
Return on equity (%)	10.2	8.1	7.4*	7.9*	1.4*
Return on tangible equity (%)	11.5	9.3	8.5*	9.1*	1.6*
Return on common equity tier 1 capital (%)	15.9	12.3	11.3*	11.9*	2.3*
Return on risk-weighted assets, gross (%)	12.2	11.1	11.2*	12.0*	12.8*
Return on leverage ratio denominator, gross (%) [3]	3.5	3.2	3.2*	3.4*	3.4*
Cost / income ratio (%)	75.0	80.0	82.1*	81.9*	82.7*
Net profit growth (%)	33.0	(24.3)	(3.4)*	441.9*	(77.4)*
Resources					
Common equity tier 1 capital [4,5]	36,194	34,933	35,280	34,608	34,100*
Risk-weighted assets [4]	284,706	266,581	257,831*	262,840*	242,725*
Common equity tier 1 capital ratio (%) [4]	12.7	13.1	13.7*	13.2*	14.0*
Going concern capital ratio (%) [4]	16.5	17.0	18.3*	16.1*	15.6*
Total loss-absorbing capacity ratio (%) [4]	32.1	32.2	33.9*	31.3*	31.4*
Leverage ratio denominator [4]	957,199	911,410	911,232*	904,458*	910,133*
Leverage ratio denominator (with temporary FINMA exemption)[6]	903,756	-	-	-	-
Common equity tier 1 leverage ratio (%) [4]	3.78	3.83	3.87*	3.83*	3.75*
Common equity tier 1 leverage ratio (%) (with temporary FINMA exemption) [6]	4.00	-	-	-	-
Going concern leverage ratio (%) [4]	4.9	5.0	5.2*	4.7*	4.2*
Going concern leverage ratio (%) (with temporary FINMA exemption) [6]	5.2	-	-	-	-
Total loss-absorbing capacity leverage ratio (%) [4]	9.5	9.4	9.6*	9.1*	8.4*
Other					
Invested assets (USD billion) [7]	3,236	3,318	3,607	3,101	3,262
Personnel (full-time equivalents)	47,182	47,773	47,005*	47,643*	46,009*

* unaudited

[1] Effective 1 January 2019, UBS AG refined the presentation of dividend income and expense. This resulted in a reclassification of dividends from *Interest income (expense) from financial instruments measured at fair value through profit or loss* into *Other net income from financial instruments measured at fair value through profit or loss* (prior to 1 January 2019: *Other net income from fair value changes on financial instruments*). *Net Interest Income* and *Other net income from financial instruments measured at fair value through profit or loss* for prior-year comparative was restated accordingly.

[2] Balance sheet information for year ended 31 December 2017 is derived from the Annual Report 2018.

[3] The leverage ratio denominator as of 31 March 2020, used for the return calculation, does not reflect the effect of the temporary exemption granted by FINMA in connection with COVID-19. Refer to the "*Recent developments*" section of the UBS Group First Quarter 2020 Report for more information.

[4] Based on the Swiss systemically relevant bank framework as of 1 January 2020.

[5] The information as published in Swiss francs in the Annual Report 2017 for the period ended on 31 December 2017 (CHF 33,240 million) was audited.

[6] Within the context of the current COVID-19 pandemic and related measures adopted by governments and regulators, FINMA has permitted banks to temporarily exclude central bank sight deposits from the leverage ratio denominator for the purpose of calculating going concern ratios until 1 July 2020.

[7] Includes invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. Calculated as the sum of managed fund assets, managed institutional assets, discretionary and advisory wealth management portfolios, fiduciary deposits, time deposits, savings accounts, and wealth management securities or brokerage accounts. This measure provides information about the volume of client assets managed by or deposited with UBS for investment purposes.

"

The section headed "7. Trend Information" (page 33 et seq. of the Registration Document) shall be completely replaced as follows:

"7.1 Material Adverse Change in the Prospects of UBS AG

There has been no material adverse change in the prospects of UBS AG or UBS AG Group since 31 December 2019.

7.2 Significant Changes in the Financial Performance of the UBS AG Group

There has been no significant change in the financial performance of UBS AG Group since 31 March 2020, which is the end of the last financial period for which financial information has been published.

7.3 Recent Developments

UBS's response to COVID-19

COVID-19 has introduced an unprecedented situation for UBS and its employees. UBS's key priorities are safeguarding the wellbeing of its employees and their families, serving its clients and ensuring operational continuity.

In response to the global spread of the COVID-19 pandemic governments have taken measures to severely constrain movement, prohibiting public gatherings, requiring working from home where possible, and closing down or limiting non-essential retail and business activity. These measures have had and are expected to continue to have a significantly adverse effect on global economic activity. The global economy is expected to show a meaningful contraction as a result, with the timing and strength of recovery uncertain and dependent on containment of the COVID-19 pandemic and the lifting of measures to contain it. In March 2020, markets experienced substantial decreases in asset values, very high levels of volatility and, in some cases, limited liquidity.

Operational resilience: To reduce the risk of contagion in its workforce, and to support its employees and external staff, UBS has moved a substantial part of its workforce to work-from-home solutions. Around ninety thousand internal and external staff are able to access UBS systems remotely, including a substantial portion of client-facing and trading staff. With the bulk of UBS's workforce now working outside of its offices, UBS faces new challenges and operational risks, including maintenance of supervisory and surveillance controls, as well as increased fraud and data security risks. UBS has taken measures that it believes are appropriate to manage these risks, although such measures have never been tested on the scale or duration that UBS is currently experiencing.

While implementing these measures, UBS experienced record transaction volumes in March along with extreme spikes in volatility and limited liquidity in some markets. As a result of its prior investments in infrastructure and execution of its established business continuity management frameworks, UBS has managed the transition to remote working and the spikes in volumes without material disruption in UBS's service to clients. UBS has experienced some operational risk incidents, none of which resulted in a material loss.

Effects of the COVID-19 pandemic on UBS's financial and capital position: UBS has experienced an increase in credit impairments and expected credit losses under IFRS 9 as a result of the adverse economic developments, the sharp decline in market valuations and the increase in volatility in the first quarter. UBS's higher expected credit losses primarily resulted from certain lending exposures to industries and sectors that were adversely affected by COVID-19 and other market decreases. In addition, increases in credit impairments were recognized across all business divisions, in particular from counterparties that were already credit-impaired at year-end and from some new defaults during the quarter.

UBS expects elevated credit loss expenses to persist for at least as long as the COVID-19 containment measures continue. However, given the credit quality of its portfolio, UBS remains confident in its ability to maintain overall strength and stability as well as continue to support its clients.

The increases in credit impairments and expected credit losses were offset as UBS's businesses benefited from increased transaction volumes by clients in the first quarter of 2020, but it is uncertain whether volatility and transaction volumes will remain at elevated levels in the future.

UBS's RWA increased substantially in the first quarter, driven by increases in credit risk and market risk RWA. UBS expects the increased level of RWA to persist at least into the next quarter anticipating additional drawdowns of credit facilities and increased market volatility impacting VaR.

Key developments in UBS's risk management and control – credit risk

Credit loss expenses – Total net credit loss expenses in the first quarter of 2020 were USD 268 million, compared with the very low levels seen in previous quarters, reflecting net expenses of USD 89 million related to stage 1 and stage 2 positions and net expenses of USD 179 million related to credit-impaired (stage 3) positions.

Stage 1 and 2 net credit loss expenses of USD 89 million include: (i) USD 63 million of expenses that result from certain lending positions to industries and sectors that were adversely affected by COVID-19 and other market effects, in particular from energy-related exposures (USD 26 million) and securities financing transactions with a number of real estate investment trusts (USD 15 million) and (ii) USD 26 million of net credit loss expenses from systemic changes in scenarios and scenario weights.

Stage 3 net credit loss expenses of USD 179 million were recognized across Personal & Corporate Banking (USD 62 million), the Investment Bank (USD 60 million), Global Wealth Management (USD 41 million) and Group Functions (USD 16 million). Stage 3 expenses in Personal & Corporate Banking predominantly stem from a deterioration in the recoveries expected from loans to corporate counterparties that were already credit-impaired at year-end 2019. Stage 3 expenses in the Investment Bank include a number of credit-impaired positions from energy-related exposures (USD 44 million) and securities financing transactions with a number of real estate investment trusts (USD 16 million). Stage 3 expenses in Global Wealth Management primarily relate to a small number of collateralized lending positions. Stage 3 expenses in Group Functions (USD 16 million) arose from an energy-related exposure in the Non-core and Legacy Portfolio.

Committed credit facilities – Borrowings under committed credit facilities increased as corporate clients sought to increase liquidity. The largest increases in utilization have been from borrowers in the consumer cyclical, health care, and real estate and construction sectors. UBS manages its credit risk on the aggregate of drawn and committed undrawn credit facilities and model full drawing of committed facilities in its stress testing framework. Therefore, increased drawing of these facilities is captured in UBS's overall risk appetite.

Loan underwriting – Within the Investment Bank, loan underwriting saw an increased level of activity during the first two months of the quarter, before market activity deteriorated in March. As of 31 March 2020, loan underwriting commitments totaled USD 10.8 billion on a notional basis (of which USD 3.4 billion was investment grade). The majority of the loan underwriting commitments were mandated and planned for de-risking through syndication prior to transaction closing. As of 31 March 2020 USD 0.9 billion of the USD 10.8 billion exposure was not distributed as originally planned, reflecting recent market conditions. Loan underwriting exposures are held for trading, with fair values reflecting the market conditions at the end of the quarter. The current portfolio includes a few large transactions supporting core clients in Switzerland, Western Europe and Asia, with these companies having good credit fundamentals. Distribution of the risk continues, despite the volatile market conditions. As of 24 April 2020, UBS has syndicated USD 3.5 billion of UBS's commitments (of which USD 3 billion was sub-investment grade), reducing its outstanding loan underwriting commitments to USD 7.3 billion.

Exposures to the oil and gas sector – During the first quarter of 2020, oil prices declined significantly following failed OPEC talks, anticipation of increased supply, and concerns regarding the decline in global demand. UBS has significantly reduced its exposure to the oil and gas sector in recent years. As of 31 March 2020, total net lending exposure directly related to the production and supply of oil and gas, totaled USD 1.5 billion, all of which is in the Investment Bank and Non-core and Legacy Portfolio. More than 60% of UBS's net exposure of USD 1.5 billion was with investment grade-rated counterparties and less than USD 0.2 billion with counterparties rated with an equivalent of single B– or lower. In addition, UBS closely monitors its exposures related to its commodity trade finance activities within Personal & Corporate Banking.

Overall banking products exposures – Overall banking products exposure increased by USD 49 billion to USD 564 billion as of 31 March 2020. USD 32 billion of this increase related to balances at central banks and USD 11 billion to loans and advances to customers. The credit-impaired gross exposure increased by USD 1,094 million to USD 4,207 million as of 31 March 2020 and related to stage 3 net credit loss expenses of USD 179 million in the first quarter of 2020. The increase stems mainly from securities financing transactions with a number of real estate investment trusts in the Investment Bank. Within the Investment Bank, loans and advances to customers increased by USD 4.7 billion, mainly reflecting the increased drawings of committed credit lines. The USD 5.2 billion increase of loans and advances to customers in Global Wealth Management was predominantly driven by business growth and by the transfer of the USD 1.6 billion aircraft leasing business from Personal & Corporate Banking (net neutral for the Group). Exposure related to traded products increased by USD 11.8 billion over the quarter, mainly driven by increased market volatility.

Lombard and securities-based lending – The number of margin calls in Global Wealth Management for Lombard and securities-based loans increased significantly in March 2020 with the market turmoil and returned to normal levels again in April 2020. In general, these margin calls were resolved by applying standard procedures, but the extraordinary magnitude of market moves on some days resulted in a few cases where collateralized positions needed to be closed out or remained in margin call, resulting in USD 41 million of credit loss expenses. The average LTV for the portfolio was approximately 50% as of 31 March 2020.

Swiss mortgage portfolio – Of UBS's total Swiss real estate portfolio of USD 151 billion, USD 137 billion related to UBS's Swiss residential real estate portfolio, which remained stable. It is split into USD 113 billion for single-family homes (average LTV of 55%) and USD 24 billion in residential income-producing real estate (average LTV of 53%). However, the level of risk in UBS's Swiss commercial retail and office real estate portfolio of USD 6 billion (average LTV of 47%) is likely to increase if the measures to contain COVID-19 remain in place for a prolonged period.

Exposure to the Swiss economy and Swiss corporates – Within Personal & Corporate Banking, risks related to UBS's exposures to certain industry sectors has increased. UBS's exposure to the tourism sector (including hotels, restaurants and transport) totals USD 1.6 billion, with hotels accounting for about half of this exposure as of 31 March 2020. Within Personal & Corporate Banking, UBS's exposure to the retail sector was USD 1.2 billion as of 31 March 2020. Apart from a few large counterparties, UBS's exposures to the tourism and the retail sectors are highly diversified across Switzerland, with a high share of collateralized exposure.

Regulatory and legal developments related to COVID-19

The Swiss Federal Council has established a loan guarantee scheme of up to CHF 40 billion, increased from the initially announced amount of up to CHF 20 billion, to support small and medium-sized Swiss companies suffering from substantial reductions in revenue due to the current COVID-19 pandemic. Affected companies can apply through their banks for emergency loans amounting to a maximum of 10% of their annual turnover, with a ceiling of CHF 20 million. Loans up to CHF 0.5 million are 100% guaranteed by the Swiss government and carry a 0% interest rate. Loans of between CHF 0.5 million and CHF 20 million are 85% government-guaranteed; for these loans the portion that is guaranteed by the government carries a 0.5% interest rate and banks are free to determine the interest rate for the remaining portion.

To support the lending capacity of banks, the Swiss Federal Council has deactivated the countercyclical buffer on residential real estate loans at the request of the Swiss National Bank ("SNB") and several other countries similarly reduced their countercyclical buffers. This led to a reduction of 29 basis points of UBS’s CET1 capital requirement, with no impact on UBS’s capital ratios.

Banks that have model-based market risk RWA calculations, such as UBS, are experiencing an increased number of backtesting exceptions driven by the higher volatility in the markets. These exceptions could ultimately result in higher bank-specific minimum capital requirements. FINMA has introduced a temporary exemption freezing the number of backtesting exceptions from 1 February 2020 until 1 July 2020. As of 31 March 2020, UBS did not benefit from this measure, as the number of backtesting exceptions it experienced would not have led to an increase in market risk RWA.

In addition, FINMA has permitted banks to temporarily exclude central bank sight deposits from the LRD for the purpose of calculating going concern ratios. This exemption applies until 1 July 2020 and may be extended. Applicable dividends or similar distributions approved by shareholders after 25 March 2020 reduce the relief by the LRD equivalent of the capital distribution. As of 31 March 2020, these exclusions resulted in a temporary reduction of UBS's LRD for going concern requirement purposes of USD 78 billion. Given its existing buffers to capital requirements and the temporary nature of this measure, this had no impact on UBS's capacity to provide funding to its clients or the Swiss economy.

Regulators in key jurisdictions outside of Switzerland have taken measures intended to encourage banks to take an accommodative stance when dealing with customers facing financial stress, and also to support liquidity in markets. These measures include a temporary relaxation of capital buffer and Pillar 2 capital requirements, temporary modifications to the LRD and the establishment of special lending or financing facilities.

Furthermore, the Basel Committee on Banking Supervision ("BCBS") has delayed the implementation deadline of Basel III rules by one year, to 1 January 2023. The accompanying transitional arrangement for the output floor has also been extended by one year, to 1 January 2028. Separately, the BCBS and the International Organization of Securities Commissions (IOSCO) have extended the final two implementation phases of the framework for margin requirements for non-centrally cleared derivatives by one year, to 1 September 2022. These measures have no impact on UBS’s capital position.

In the US, the Federal Reserve Board (the Federal Reserve), the Federal Deposit Insurance Corporation (the FDIC) and the Office of the Comptroller of the Currency (the OCC) have encouraged, in a joint statement, banking organizations to use capital and liquidity buffers in a prudent manner to support the economy. Furthermore, the Federal Reserve has made a temporary change to permit the exclusion of US Treasury securities and deposits at Federal Reserve Banks from the calculation of the supplementary leverage ratio for bank holding companies (BHCs) and intermediate holding companies (IHCs), including UBS Americas Holding LLC; this temporary change will be in effect until 31 March 2021.

The EU and the European Central Bank (the ECB) have also communicated a series of regulatory measures to stabilize the economy in Europe. None of those measures are expected to have a significant impact on UBS Group.

<u>IFRS 9 and COVID-19: Accounting for expected credit losses</u>

In March 2020, the International Accounting Standards Board (the IASB) emphasized that entities should apply appropriate judgment when determining the effects of COVID-19 on expected credit losses under IFRS 9, given the significant uncertainty that exists, in particular when assessing future macroeconomic conditions and whether a significant increase in credit risk has occurred.

FINMA, the ECB and other banking regulators have also issued statements emphasizing the need for judgment.

Notwithstanding the measures taken by regulators and clarifying statements, deteriorating economic forecasts have caused and are likely to continue to cause an increase in expected credit losses and hence greater volatility in the income statement.

<u>Brexit</u>

Following its withdrawal from the EU on 31 January 2020, the UK has entered a transition period that is scheduled to end on 31 December 2020. The negotiations on the future EU–UK relationship have commenced and both sides have committed to completing all necessary equivalence assessments under existing EU financial services legislation by June 2020. However, the pace of the negotiations has been affected by the COVID-19 pandemic. An extension of the transition period is possible under the terms of the Withdrawal Agreement until 31 December 2021 or 31 December 2022 if the UK requests an extension before 30 June 2020.

Proposed abolition of Swiss stamp duty and reform of the Withholding Tax Act

In January 2020, the Economic Affairs and Taxation Committee of the Swiss National Council launched a consultation on a step-by-step abolition of Swiss stamp duties. The proposed bill is expected to strengthen the Swiss capital markets and have a positive effect on national and international investors. Also, in April 2020, the Swiss Federal Council commenced a consultation process regarding amendments to the Withholding Tax Act, proposing to exempt domestic legal entities and foreign investors from withholding tax on interest-bearing investments.

Adoption of hedge accounting of IFRS 9, Financial instruments
Effective 1 January 2020, UBS has adopted the hedge accounting requirements of IFRS 9, Financial instruments, for all UBS's existing hedge accounting programs except for fair value hedges of portfolio interest rate risk related to loans, which, as permitted under IFRS 9, continue to be accounted for under IAS 39, Financial Instruments: Recognition and Measurement. The adoption of these requirements as of 1 January 2020 had no effect on UBS's financial statements.

Under the new guidance, and to reduce income statement volatility, UBS has designated cross-currency swaps and foreign currency debt in fair value hedge relationships, applying the cost of hedging approach to the foreign currency basis spread.

7.4 Trend Information

As indicated in the UBS Group First Quarter 2020 Report, the COVID-19 pandemic and the measures taken to contain it have dramatically changed the global economic outlook for the foreseeable future. Global GDP is expected to contract in the near term. The disruption to many businesses and rising unemployment as a result of the pandemic are expected to lead to elevated levels of credit loss expenses for the industry. The majority of UBS's credit exposures are either with its Global Wealth Management clients or within Switzerland, and are of high quality. UBS is confident that Switzerland's proven ability to deploy effective crisis management measures will help it withstand this shock to the economy. Looking ahead, the range of possible outcomes remains very wide, and it is too early to make reliable predictions about the timing and shape of any potential economic recovery. Lower asset prices will reduce UBS's recurring fee income, lower interest rates will present a headwind to net interest income, and client activity levels will likely decrease, affecting transaction-based income. The continued disciplined execution of UBS's strategic plans will help to mitigate this. UBS is focused on supporting its employees, clients and the economies in which UBS operates while executing on its strategic plans, and maintaining its disciplined approach to managing risks across the firm."

In the section headed "9 Administrative, Management and Supervisory Bodies of UBS AG" (page 36 et seq.of the Registration Document) the subsection "9.2 Members of the Board of Directors" shall be completely replaced as follows:

"9.2 Members of the Board of Directors

Member and business address	Title	Term of office	Current principal activities outside UBS AG
Axel A. Weber UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Chairman	2021	Chairman of the Board of Directors of UBS Group AG; board member of the Swiss Bankers Association; Trustees Board member of Avenir Suisse; board member of the Swiss Finance Council; Chairman of the board of the Institute of International Finance; member of the European Financial Services Round Table; member of the European Banking Group; member of the International Advisory Councils of the China Banking and Insurance Regulatory Commission and the China Securities Regulatory Commission; member of the International Advisory Panel, Monetary Authority of Singapore; member of the Group of Thirty, Washington, D.C.; Chairman of the Board of Trustees of DIW Berlin; Advisory Board member of the Department of Economics, University of Zurich; member of the Trilateral Commission.
Jeremy Anderson UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; board member of Prudential plc; trustee of the UK's Productivity Leadership Group; trustee of Kingham Hill Trust; trustee of St. Helen Bishopsgate.
William C. Dudley UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; senior research scholar at the Griswold Center for Economic Policy Studies at Princeton University; member of the Board of Treliant LLC; member of the Group of Thirty; member of the Council on Foreign Relations; member of the Bretton Woods Committee's Advisory Council.
Reto Francioni UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; professor at the University of Basel; board member of Coca-Cola HBC AG (Senior Independent Non-Executive Director, chair of the nomination committee); Chairman of the board of Swiss International Air Lines AG; board member of MedTech Innovation Partners AG; executive director and member of my TAMAR GmBH.
Fred Hu UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; non-executive chairman of the board of Yum China Holdings (chair of the nomination and governance committee); board member of Industrial and Commercial Bank of China; board member of Hong Kong Exchanges and Clearing Ltd.; founder and chairman of Primavera Capital Group; board member of China Asset Management; board member of Minsheng Financial Leasing Co.; trustee of the China Medical Board; Governor of the Chinese International School in Hong Kong; co-chairman of the Nature Conservancy Asia Pacific Council; director and member of the Executive Committee of China Venture Capital and Private Equity Association Ltd.; Global Advisory Board member of the Council on Foreign Relations.
Mark Hughes UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; chair of the Board of Directors of the Global Risk Institute; visiting lecturer at the University of Leeds; senior advisor to McKinsey & Company.
Nathalie Rachou UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; member of the Board of Société Générale (stepping down from that function in May 2020); member of the Board of Euronext N.V.; member of the Board of Veolia Environnement SA.
Julie G. Richardson UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; member of the board of Yext (chair of the audit committee); member of the board of Vereit, Inc. (chair of the compensation committee); member of the board of Datalog (chair of the audit committee); member of the board of The Hartford Financial Services Group, Inc. (resignation effective 1 April 2020).
Beatrice Weder di	Member	2021	Member of the Board of Directors of UBS Group AG; professor of

Mauro UBS AG, Bahnhofstrasse 45, CH-8001 Zurich			international economics at the Graduate Institute Geneva (IHEID); president of the Centre for Economic Policy Research in London; Research Professor and Distinguished Fellow at INSEAD in Singapore; Supervisory Board member of Robert Bosch GmbH; board member of Bombardier Inc.; member of the Foundation Board of the International Center for Monetary and Banking Studies (ICMB).
Dieter Wemmer UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; board member of Ørsted A/S (chair of the audit and risk committee); member of the Berlin Center of Corporate Governance.
Jeanette Wong UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Member	2021	Member of the Board of Directors of UBS Group AG; board member of EssilorLuxottica; board member of Jurong Town Corporation; board member of PSA International; board member of FFMC Holdings Pte. Ltd.and of Fullerton Fund Management Company Ltd.; member of the Management Advisory Board of NUS Business School; member of the Global Advisory Board, Asia, University of Chicago Booth School of Business; member of the Securities Industry Council; member of the Board of Trustees of the National University of Singapore.

"

In the section headed "9 Administrative, Management and Supervisory Bodies of UBS AG" (page 37 et seq. of the Registration Document) the subsection "9.5 Members of the Executive Board (as of the date of this Registration Document)" shall be completely replaced as follows:

"9.4 Executive Board ("EB")

The current members of the EB are listed below. In addition, UBS announced Ralph Hamers will join the EB as of 1 September 2020 and will succeed Sergio P. Ermotti as President of the EB effective 1 November 2020.

Member and business address	Function	Current principal activities outside UBS AG
Sergio P. Ermotti UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	President of the Executive Board	Member of the Group Executive Board and Group Chief Executive Officer of UBS Group AG; board member of UBS Switzerland AG; Chairman of the UBS Optimus Foundation board; member of the Board of Swiss Re Ltd.; Chairman of the Fondazione Ermotti, Lugano; board member of the Swiss-American Chamber of Commerce; board member of the Global Apprenticeship Network; member of the Institut International D'Etudes Bancaires; member of the Saïd Business School Global Leadership Council, University of Oxford.
Christian Bluhm UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Chief Risk Officer	Member of the Group Executive Board and Group Chief Risk Officer of UBS Group AG; board member of UBS Switzerland AG; chairman of the Foundation Board – International Financial Risk Institute.
Markus U. Diethelm UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	General Counsel	Member of the Group Executive Board and Group General Counsel of UBS Group AG; chairman of the Swiss-American Chamber of Commerce's legal committee; Chairman of the Swiss Advisory Council of the American Swiss Foundation; member of the Foundation Council of the UBS International Center of Economics in Society; member of the Supervisory Board of the Fonds de Dotation LUMA / Arles.
Kirt Gardner UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Chief Financial Officer	Member of the Group Executive Board and Group Chief Financial Officer of UBS Group AG; board member of UBS Business Solutions AG.
Suni Harford UBS AG, 1285 Avenue of the Americas, New York, NY 10019 USA	President Asset Management	Member of the Executive Board, President Asset Management of UBS Group AG; chairman of the Board of Directors of UBS Asset Management AG; member of the Leadership Council of the Bob Woodruff Foundation; member of the Board of UBS Optimus Foundation.

Robert Karofsky UBS AG, 1285 Avenue of the Americas, New York, NY 10019, USA	Co-President Investment Bank	Member of the Group Executive Board and co-President Investment Bank of UBS Group AG; president and board member of UBS Securities LLC; trustee of the UBS Americas Inc. Political Action Committee.
Sabine Keller-Busse UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Chief Operating Officer and President UBS Europe, Middle East and Africa	Member of the Group Executive Board, Group Chief Operating Officer and President UBS Europe, Middle East and Africa of UBS Group AG; member of the Supervisory Board of UBS Europe SE; board member of UBS Business Solutions AG; vice-chairman of the Board of Directors of SIX Group (Chairman of the nomination & compensation committee); Foundation Board member of the UBS Pension Fund; board member of the University Hospital Zurich Foundation.
Iqbal Khan UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Co-President Global Wealth Management	Member of the Executive Board and co-President Global Wealth Management of UBS Group AG; board member of Room To Read Switzerland.
Edmund Koh UBS AG, One Raffles Quay North Tower, Singapore 048583	President UBS Asia Pacific	Member of the Group Executive Board and President UBS Asia Pacific of UBS Group AG; member of the Wealth Management Institute at Nanyang Technological University, Singapore; member of the Singapore Ministry of Finance's Committee on the Future Economy Sub-Committees; member of the Financial Centre Advisory Panel; board member of Next50 Limited; trustee of the Cultural Matching Fund; board member of Medico Suites (S) Pte Ltd; board member of Medico Republic (S) Pte Ltd; Council member of the Asian Bureau of Finance and Economic Research.
Tom Naratil UBS AG, 1285 Avenue of the Americas, New York, NY 10019 USA	Co-President Global Wealth Management and President UBS Americas	Member of the Group Executive Board and co-President Global Wealth Management and President UBS Americas of UBS Group AG; CEO and board member of UBS Americas Holding LLC; board member of the American Swiss Foundation; member of the Board of Consultors for the College of Nursing at Villanova University.
Piero Novelli UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Co-President Investment Bank	Member of the Group Executive Board and co-President Investment Bank of UBS Group AG.
Markus Ronner UBS AG, Bahnhofstrasse 45, CH-8001 Zurich	Chief Compliance and Governance Officer	Member of the Group Executive Board and Group Chief Compliance and Governance Officer of UBS Group AG.

"

The section headed "11. Financial Information concerning the Issuer`s Assets and Liabilites, Financial Position and Profits and Losses" (page 39 et seq. of the Registration Document) shall be completely replaced as follows:

"**11.1 Historical Annual Financial Information**

Detailed information about UBS AG consolidated and UBS AG assets and liabilities, financial position and profits and losses for financial year 2019 is available in the section "UBS AG consolidated financial statements" of the Annual Report 2019 and in the UBS AG's standalone financial statements for the year ended 31 December 2019 (the "Standalone Financial Statements 2019"), respectively; and for financial year 2018 it is available in the "UBS AG consolidated financial statements" section of the UBS Group AG and UBS AG annual report 2018, published on 15 March 2019 ("Annual Report 2018") and in the UBS AG's standalone financial statements for the year ended 31 December 2018 (the "Standalone Financial Statements 2018"). The consolidated and standalone financial accounts are closed on 31 December of each year.

With respect to the financial year 2019, reference is made to:

(i) the following parts of the Annual Report 2019: the UBS AG consolidated financial statements, in particular to the Income statement on page 498, the Balance sheet on page 501, the Statement of changes in equity on pages 502-505 (inclusive), the Statement of cash flows on pages 507-508 (inclusive) and the Notes to the consolidated financial statements on pages 510-685 (inclusive); and

(ii) the following parts of the Standalone Financial Statements 2019: the Income statement on page 2, the Balance sheet on pages 3-4, the Statement of proposed appropriation of total profit and dividend distribution on page 6, and the Notes to the UBS AG standalone financial statements on pages 7-29 (inclusive).

With respect to the financial year 2018, reference is made to:

(i) the following parts of the Annual Report 2018: the UBS AG consolidated financial statements, in particular to the Income statement on page 524, the Balance sheet on page 527, the Statement of changes in equity on pages 528-531 (inclusive), the Statement of cash flows on pages 533-534 (inclusive) and the Notes to the consolidated financial statements on pages 535-722 (inclusive); and

(ii) the following parts of the Standalone Financial Statements 2018: the Income statement on page 1, the Balance sheet on pages 2-3 (inclusive), the Statement of appropriation of total profit / (loss) carried forward on page 5, and the Notes to the UBS AG standalone financial statements on pages 6-28 (inclusive).

The annual financial reports form an essential part of UBS AG's reporting. They include the audited consolidated financial statements of UBS AG, prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board. The annual reports also include discussions and analysis of the consolidated financial and business results of UBS, its business divisions and the Group Functions. In addition, UBS AG prepares and publishes standalone financial statements in accordance with Swiss GAAP, as well as certain additional disclosures required under US Securities and Exchange Commission regulations.

11.2. Auditing of Historical Annual Financial Information

The consolidated financial statements and the standalone financial statements of UBS AG for financial years 2019 and 2018 were audited by Ernst & Young. The reports of the auditors on the consolidated financial statements can be found on pages 487-497 (inclusive) of the Annual Report 2019 and on pages 514-523 (inclusive) of the Annual Report 2018. The reports of the auditors on the standalone financial statements of UBS AG can be found on pages 30-33 (inclusive) of the Standalone Financial Statements 2019 and on pages 29-33 (inclusive) of the Standalone Financial Statements 2018.

There are no qualifications in the auditors' reports on the consolidated financial statements of UBS AG and the standalone financial statements of UBS AG for the years ended on 31 December 2019 and 31 December 2018, which are incorporated by reference into this document.

11.3 Interim Financial Information

Reference is also made to the UBS Group AG first quarter 2020 report published on 28 April 2020 ("UBS Group First Quarter 2020 Report"), and the UBS AG first quarter 2020 report published on 4 May 2020 ("UBS AG First Quarter 2020 Report"), which contain information on the financial condition and results of operations, including the interim financial statements, of UBS Group AG consolidated and UBS AG consolidated, respectively, as of and for the period ended 31 March 2020. The interim consolidated financial statements are not audited.

11.4 Incorporation by Reference

The Annual Report 2019, the Standalone Financial Statements 2019, the Annual Report 2018, the Standalone Financial Statements 2018, the UBS Group First Quarter 2020 Report and the UBS AG First Quarter 2020 Report are fully incorporated in, and form an integral part of, this document."

The section headed "12. Litigation, Regulatory and Similar Matters" (page 40 et seq. of the Registration Document) shall be replaced as follows:

"UBS operates in a legal and regulatory environment that exposes it to significant litigation and similar risks arising from disputes and regulatory proceedings. As a result, UBS (which for purposes of this section may refer to UBS AG and / or one or more of its subsidiaries, as applicable) is involved in various disputes and legal proceedings, including litigation, arbitration, and regulatory and criminal investigations.

Such matters are subject to many uncertainties, and the outcome and the timing of resolution are often difficult to predict, particularly in the earlier stages of a case. There are also situations where UBS may enter into a settlement agreement. This may occur in order to avoid the expense, management distraction or reputational implications of continuing to contest liability, even for those matters for which UBS believes it should be exonerated. The uncertainties inherent in all such matters affect the amount and timing of any potential outflows for both matters with respect to which provisions have been established and other contingent liabilities. UBS makes provisions for such matters brought against it when, in the opinion of management after seeking legal advice, it is more likely than not that UBS has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required, and the amount can be reliably estimated. Where these factors are otherwise satisfied, a provision may be established for claims that have not yet been asserted against UBS, but are nevertheless expected to be, based on UBS's experience with similar asserted claims. If any of those conditions is not met, such matters result in contingent liabilities. If the amount of an obligation cannot be reliably estimated, a liability exists that is not recognized even if an outflow of resources is probable. Accordingly, no provision is established even if the potential outflow of resources with respect to such matters could be significant. Developments relating to a matter that occur after the relevant reporting period, but prior to the issuance of financial statements, which affect management's assessment of the provision for such matter (because, for example, the developments provide evidence of conditions that existed at the end of the reporting period), are adjusting events after the reporting period under IAS 10 and must be recognized in the financial statements for the reporting period.

Specific litigation, regulatory and other matters are described below, including all such matters that management considers to be material and others that management believes to be of significance due to potential financial, reputational and other effects. The amount of damages claimed, the size of a transaction or other information is provided where available and appropriate in order to assist users in considering the magnitude of potential exposures.

In the case of certain matters below, UBS states that it has established a provision, and for the other matters, it makes no such statement. When UBS makes this statement and it expects disclosure of the amount of a provision to prejudice seriously its position with other parties in the matter because it would reveal what UBS believes to be the probable and reliably estimable outflow, UBS does not disclose that amount. In some cases UBS is subject to confidentiality obligations that preclude such disclosure. With respect to the matters for which UBS does not state whether it has established a provision, either (a) it has not established a provision, in which case the matter is treated as a contingent liability under the applicable accounting standard; or (b) it has established a provision but expects disclosure of that fact to prejudice seriously its position with other parties in the matter because it would reveal the fact that UBS believes an outflow of resources to be probable and reliably estimable.

With respect to certain litigation, regulatory and similar matters for which UBS has established provisions, UBS is able to estimate the expected timing of outflows. However, the aggregate amount of the expected outflows for those matters for which it is able to estimate expected timing is immaterial relative to its current and expected levels of liquidity over the relevant time periods.

The aggregate amount provisioned for litigation, regulatory and similar matters as a class is disclosed in "Note 15a Provisions" of the UBS AG's interim unaudited consolidated financial statements included in the UBS AG First Quarter 2020 Report. It is not practicable to provide an aggregate estimate of liability for UBS's litigation, regulatory and similar matters as a class of contingent liabilities. Doing so would require UBS to provide speculative legal assessments as to claims and proceedings that involve unique fact patterns or novel legal theories, that have not yet been initiated or are at early stages of adjudication, or as to which alleged damages have not been quantified by the claimants. Although it therefore cannot provide a numerical estimate of the future losses that could arise from litigation, regulatory and similar matters, UBS believes that the aggregate amount of possible future losses from this class that are more than remote substantially exceeds the level of current provisions. Litigation, regulatory and similar matters may also result in non-monetary penalties and consequences. For example, the non-prosecution agreement described in item 5 of this section, which UBS entered into with the US Department of Justice ("DOJ"), Criminal Division, Fraud Section in connection with UBS's submissions of benchmark interest rates, including, among others, the British Bankers' Association London Interbank Offered Rate ("LIBOR"), was terminated by the DOJ based on its determination that UBS had committed a US crime in relation to foreign exchange matters. As a consequence, UBS AG pleaded guilty to one count of wire fraud for conduct in the LIBOR matter, paid a fine and was subject to probation, which ended in early January 2020.

A guilty plea to, or conviction of, a crime could have material consequences for UBS. Resolution of regulatory proceedings may require UBS to obtain waivers of regulatory disqualifications to maintain certain operations, may entitle regulatory authorities to limit, suspend or terminate licenses and regulatory authorizations and may permit financial market utilities to limit, suspend or terminate UBS's participation in such utilities. Failure to obtain such waivers, or any limitation, suspension or termination of licenses, authorizations or participations, could have material consequences for UBS.

The risk of loss associated with litigation, regulatory and similar matters is a component of operational risk for purposes of determining UBS's capital requirements. Information concerning UBS's capital requirements and the calculation of operational risk for this purpose is included in the "Capital management" section of UBS Group First Quarter 2020 Report.

Provisions for litigation, regulatory and similar matters by business division and in Group Functions1

USD million	**Global Wealth Management**	**Personal & Corporate Banking**	**Asset Manage-ment**	**Investment Bank**	**Group Functions**	**UBS**
Balance as of 31 December 2019	782	113	0	255	1,325	2,475
Increase in provisions recognized in the income statement	13	0	0	0	1	**13**
Release of provisions recognized in the income statement	(5)	0	0	(1)	(1)	**(6)**
Provisions used in conformity with designated purpose	(34)	0	0	(44)	(394)	**(472)**
Reclassifications	0	0	0	(3)	3	**0**
Foreign currency translation / unwind of discount	(9)	(1)	0	(2)	0	**(12)**
Balance as of 31 March 2020	**747**	**112**	**0**	**205**	**934**	**1,998**

1 Provisions, if any, for matters described in this section are recorded in Global Wealth Management (item 3 and item 4) and Group Functions (item 2). Provisions, if any, for the matters described in items 1 and 6 of this section are allocated between Global Wealth Management and Personal & Corporate Banking, and provisions, if any, for the matters described in this section in item 5 are allocated between the Investment Bank and Group Functions.

12.1 Inquiries regarding cross-border wealth management businesses

Tax and regulatory authorities in a number of countries have made inquiries, served requests for information or examined employees located in their respective jurisdictions relating to the cross-border wealth management services provided by UBS and other financial institutions. It is possible that the implementation of automatic tax information exchange and other measures relating to cross-border provision of financial services could give rise to further inquiries in the future. UBS has received disclosure orders from the Swiss Federal Tax Administration ("FTA") to transfer information based on requests for international administrative assistance in tax matters. The requests concern a number of UBS account numbers pertaining to current and former clients and are based on data from 2006 and 2008. UBS has taken steps to inform affected clients about the administrative assistance proceedings and their procedural rights, including the right to appeal. The requests are based on data received from the German authorities, who seized certain data related to UBS clients booked in Switzerland during their investigations and have apparently shared this data with other European countries. UBS expects additional countries to file similar requests.

The Swiss Federal Administrative Court ruled in 2016 that, in the administrative assistance proceedings related to a French bulk request, UBS has the right to appeal all final FTA client data disclosure orders. On 30 July 2018, the Swiss Federal Administrative Court granted UBS's appeal by holding the French administrative assistance request inadmissible. The FTA filed a final appeal with the Swiss Federal Supreme Court. On 26 July 2019, the Supreme Court reversed the decision of the Federal Administrative Court. In December 2019, the court released its written decision. The decision requires the FTA to obtain confirmation from the French authorities that transmitted data will be used only for the purposes stated in their request before transmitting any data. The stated purpose of the original request was to obtain information relating to taxes owed by account holders. Accordingly, any information transferred to the French authorities must not be passed to criminal authorities or used in connection with the ongoing case against UBS discussed in this item.

Since 2013, UBS (France) S.A., UBS AG and certain former employees have been under investigation in France for alleged complicity in unlawful solicitation of clients on French territory, regarding the laundering of proceeds of tax fraud, and banking and financial solicitation by unauthorized persons. In connection with this investigation, the investigating judges ordered UBS AG to provide bail ("caution") of EUR 1.1 billion and UBS (France) S.A. to post bail of EUR 40 million, which was reduced on appeal to EUR 10 million.

A trial in the court of first instance took place from 8 October 2018 until 15 November 2018. On 20 February 2019, the court announced a verdict finding UBS AG guilty of unlawful solicitation of clients on French territory and aggravated laundering of the proceeds of tax fraud, and UBS (France) S.A. guilty of aiding and abetting unlawful solicitation and laundering the proceeds of tax fraud. The court imposed fines aggregating EUR 3.7 billion on UBS AG and UBS (France) S.A. and awarded EUR 800 million of civil damages to the French state. UBS has appealed the decision. Under French law, the judgment is suspended while the appeal is pending. UBS has been informed that the trial in the Court of Appeal that was scheduled for June 2020 has been postponed and a scheduling conference will be held in early June. The Court of Appeal will retry the case de novo as to both the law and the facts, and the fines and penalties can be greater than or less than those imposed by the court of first instance. A subsequent appeal to the Cour de Cassation, France's highest court, is possible with respect to questions of law.

UBS believes that based on both the law and the facts the judgment of the court of first instance should be reversed. UBS believes it followed its obligations under Swiss and French law as well as the European Savings Tax Directive. Even assuming liability, which it contests, UBS believes the penalties and damage amounts awarded greatly exceed the amounts that could be supported by the law and the facts. In particular, UBS believes the court incorrectly based the penalty on the total regularized assets rather than on any unpaid taxes on those assets for which a fraud has been characterized and further incorrectly awarded damages based on costs that were not proven by the civil party. Notwithstanding that UBS believes it should be acquitted, UBS's balance sheet at 31 March 2020 reflected provisions with respect to this matter in an amount of EUR 450 million (USD 505 million at 31 March 2020). The wide range of possible outcomes in this case contributes to a high degree of estimation uncertainty. The provision reflected on UBS's balance sheet at 31 March 2020 reflects its best estimate of possible financial implications, although it is reasonably possible that actual penalties and civil damages could exceed the provision amount.

In 2016, UBS was notified by the Belgian investigating judge that it is under formal investigation ("inculpé") regarding the laundering of proceeds of tax fraud, of banking and financial solicitation by unauthorized persons, and of serious tax fraud. In 2018, tax authorities and a prosecutor's office in Italy asserted that UBS is potentially liable for taxes and penalties as a result of its activities in Italy from 2012 to 2017. In June 2019, UBS entered into a settlement agreement with the Italian tax authorities under which it paid EUR 101 million to resolve the claims asserted by the authority related to UBS AG's potential permanent establishment in Italy. In October 2019, the Judge of Preliminary Investigations of the Milan Court approved an agreement with the Milan prosecutor under Article 63 of Italian Administrative Law 231 under which UBS AG, UBS Switzerland AG and UBS Monaco have paid an aggregate of EUR 10.3 million to resolve claims premised on the alleged inadequacy of historical internal controls. No admission of wrongdoing was required in connection with this resolution.

UBS's balance sheet at 31 March 2020 reflected provisions with respect to matters described in this item 1 in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognized.

12.2 Claims related to sales of residential mortgage-backed securities and mortgages

From 2002 through 2007, prior to the crisis in the US residential loan market, UBS was a substantial issuer and underwriter of US residential mortgage-backed securities ("RMBS") and was a purchaser and seller of US residential mortgages.

Certain RMBS trusts filed an action in the US District Court for the Southern District of New York seeking to enforce UBS RESI's obligation to repurchase loans in the collateral pools for three RMBS securitizations issued and underwritten by UBS. In the first quarter of 2020 the court approved the settlement UBS agreed with the trustee in July 2018 and UBS paid the USD 850 million settlement amount. A significant portion of this amount was borne by other parties that indemnified UBS. Proceedings to determine how the settlement funds will be distributed to RMBS holders are ongoing. UBS considers claims relating to substantially all loan repurchase demands to be resolved and believes that new demands to repurchase US residential mortgage loans are time-barred under a decision rendered by the New York Court of Appeals.

Mortgage-related regulatory matters: Since 2014, the US Attorney's Office for the Eastern District of New York has sought information from UBS pursuant to the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), related to UBS's RMBS business from 2005 through 2007. On 8 November 2018, the DOJ filed a civil complaint in the District Court for the Eastern District of New York. The complaint seeks unspecified civil monetary penalties under FIRREA related to UBS's issuance, underwriting and sale of 40 RMBS transactions in 2006 and 2007. UBS moved to dismiss the civil complaint on 6 February 2019. On 10 December 2019 the district court denied UBS's motion to dismiss.

UBS's balance sheet at 31 March 2020 reflected a provision with respect to matters described in this item 2 in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of this matter cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognized.

12.3 Madoff

In relation to the Bernard L. Madoff Investment Securities LLC ("BMIS") investment fraud, UBS AG, UBS (Luxembourg) S.A. (now UBS Europe SE, Luxembourg branch) and certain other UBS subsidiaries have been subject to inquiries by a number of regulators, including FINMA and the Luxembourg Commission de Surveillance du Secteur Financier. Those inquiries concerned two third-party funds established under Luxembourg law, substantially all assets of which were with BMIS, as well as certain funds established in offshore jurisdictions with either direct or indirect exposure to BMIS. These funds faced severe losses, and the Luxembourg funds are in liquidation. The documentation establishing both funds identifies UBS entities in various roles, including custodian, administrator, manager, distributor and promoter, and indicates that UBS employees serve as board members.

In 2009 and 2010, the liquidators of the two Luxembourg funds filed claims against UBS entities, non-UBS entities and certain individuals, including current and former UBS employees, seeking amounts totalling approximately EUR 2.1 billion, which includes amounts that the funds may be held liable to pay the trustee for the liquidation of BMIS ("BMIS Trustee").

A large number of alleged beneficiaries have filed claims against UBS entities (and non-UBS entities) for purported losses relating to the Madoff fraud. The majority of these cases have been filed in Luxembourg, where decisions that the claims in eight test cases were inadmissible have been affirmed by the Luxembourg Court of Appeal, and the Luxembourg Supreme Court has dismissed a further appeal in one of the test cases.

In the US, the BMIS Trustee filed claims against UBS entities, among others, in relation to the two Luxembourg funds and one of the offshore funds. The total amount claimed against all defendants in these actions was not less than USD 2 billion. In 2014, the US Supreme Court rejected the BMIS Trustee's motion for leave to appeal decisions dismissing all claims except those for the recovery of approximately USD 125 million of payments alleged to be fraudulent conveyances and preference payments. In 2016, the bankruptcy court dismissed these claims against the UBS entities. In February 2019, the Court of Appeals reversed the dismissal of the BMIS Trustee's remaining claims. In August 2019, the defendants, including UBS, filed a petition to the US Supreme Court requesting that it review the Court of Appeals' decision. The bankruptcy proceedings have been stayed pending a decision with respect to the defendants` petition.

12.4 Puerto Rico

Declines since 2013 in the market prices of Puerto Rico municipal bonds and of closed-end funds ("funds") that are sole-managed and co-managed by UBS Trust Company of Puerto Rico and distributed by UBS Financial Services Incorporated of Puerto Rico ("UBS PR") have led to multiple regulatory inquiries, as well as customer complaints and arbitrations with aggregate claimed damages of USD 3.4 billion, of which claims with aggregate claimed damages of USD 2.5 billion have been resolved through settlements, arbitration or withdrawal of the claim. The claims have been filed by clients in Puerto Rico who own the funds or Puerto Rico municipal bonds and / or who used their UBS account assets as collateral for UBS non-purpose loans; customer complaint and arbitration allegations include fraud, misrepresentation and unsuitability of the funds and of the loans.

A shareholder derivative action was filed in 2014 against various UBS entities and current and certain former directors of the funds, alleging hundreds of millions of US dollars in losses in the funds. In 2015, defendants' motion to dismiss was denied and a request for permission to appeal that ruling was denied by the Puerto Rico Supreme Court. In 2014, a federal class action complaint also was filed against various UBS entities, certain members of UBS PR senior management and the co-manager of certain of the funds, seeking damages for investor losses in the funds during the period from May 2008 through May 2014. Following denial of the plaintiffs' motion for class certification, the case was dismissed in October 2018.

In 2014 and 2015, UBS entered into settlements with the Office of the Commissioner of Financial Institutions for the Commonwealth of Puerto Rico, the US Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority in relation to their examinations of UBS's operations.

In 2011, a purported derivative action was filed on behalf of the Employee Retirement System of the Commonwealth of Puerto Rico ("System") against over 40 defendants, including UBS PR, which was named in connection with its underwriting and consulting services. Plaintiffs alleged that defendants violated their purported fiduciary duties and contractual obligations in connection with the issuance and underwriting of USD 3 billion of bonds by the System in 2008 and sought damages of over USD 800 million. In 2016, the court granted the System's request to join the action as a plaintiff, but ordered that plaintiffs must file an amended complaint. In 2017, the court denied defendants' motion to dismiss the amended complaint.

Beginning in 2015, and continuing through 2017, certain agencies and public corporations of the Commonwealth of Puerto Rico ("Commonwealth") defaulted on certain interest payments on Puerto Rico bonds. In 2016, US federal legislation created an oversight board with power to oversee Puerto Rico's finances and to restructure its debt. The oversight board has imposed a stay on the exercise of certain creditors' rights. In 2017, the oversight board placed certain of the bonds into a bankruptcy-like proceeding under the supervision of a Federal District Judge. These events, further defaults or any further legislative action to create a legal means of restructuring Commonwealth obligations or to impose additional oversight on the Commonwealth's finances, or any restructuring of the Commonwealth's obligations, may increase the number of claims against UBS concerning Puerto Rico securities, as well as potential damages sought.

In May 2019, the oversight board filed complaints in Puerto Rico federal district court bringing claims against financial, legal and accounting firms that had participated in Puerto Rico municipal bond offerings, including UBS, seeking a return of underwriting and swap fees paid in connection with those offerings. UBS estimates that it received approximately USD 125 million in fees in the relevant offerings.

In August 2019 and February 2020, three US insurance companies that insured issues of Puerto Rico municipal bonds sued UBS and seven other underwriters of Puerto Rico municipal bonds. The actions collectively seek recovery of an aggregate of USD 955 million in damages from the defendants. The plaintiffs in these cases claim that defendants failed to reasonably investigate financial statements in the offering materials for the insured Puerto Rico bonds issued between 2002 and 2007, which plaintiffs argue they relied upon in agreeing to insure the bonds notwithstanding that they had no contractual relationship with the underwriters.

UBS's balance sheet at 31 March 2020 reflected provisions with respect to matters described in this item 4 in amounts that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provisions that UBS has recognized.

12.5 Foreign exchange, LIBOR and benchmark rates, and other trading practices

Foreign exchange-related regulatory matters: Beginning in 2013, numerous authorities commenced investigations concerning possible manipulation of foreign exchange markets and precious metals prices. As a result of these investigations, UBS entered into resolutions with the UK Financial Conduct Authority ("FCA"), the US Commodity Futures Trading Commission ("CFTC"), FINMA, the Board of Governors of the Federal Reserve System ("Federal Reserve Board") and the Connecticut Department of Banking, the DOJ's Criminal Division and the European Commission. UBS has ongoing obligations under the Cease and Desist Order of the Federal Reserve Board and the Office of the Comptroller of the Currency (as successor to the Connecticut Department of Banking), and to cooperate with relevant authorities and to undertake certain remediation measures. UBS has also been granted conditional immunity by the Antitrust Division of the DOJ and by authorities in other jurisdictions in connection with potential competition law violations relating to foreign exchange and precious metals businesses. Investigations relating to foreign exchange matters by certain authorities remain ongoing notwithstanding these resolutions.

Foreign exchange-related civil litigation: Putative class actions have been filed since 2013 in US federal courts and in other jurisdictions against UBS and other banks on behalf of putative classes of persons who engaged in foreign currency transactions with any of the defendant banks. UBS has resolved US federal court class actions relating to foreign currency transactions with the defendant banks and persons who transacted in foreign exchange futures contracts and options on such futures under a settlement agreement that provides for UBS to pay an aggregate of USD 141 million and provide cooperation to the settlement classes. Certain class members have excluded themselves from that settlement and have filed individual actions in US and English courts against UBS and other banks, alleging violations of US and European competition laws and unjust enrichment.

In 2015, a putative class action was filed in federal court against UBS and numerous other banks on behalf of persons and businesses in the US who directly purchased foreign currency from the defendants and alleged co-conspirators for their own end use. In March 2017, the court granted UBS's (and the other banks') motions to dismiss the complaint. The plaintiffs filed an amended complaint in August 2017. In March 2018, the court denied the defendants' motions to dismiss the amended complaint.

In 2017, two putative class actions were filed in federal court in New York against UBS and numerous other banks on behalf of persons and entities who had indirectly purchased foreign exchange instruments from a defendant or co-conspirator in the US, and a consolidated complaint was filed in June 2017. In March 2018, the court dismissed the consolidated complaint. In October 2018, the court granted plaintiffs' motion seeking leave to file an amended complaint. In January 2020, UBS and 11 other banks agreed in principle with the plaintiffs to settle the class action for a total of USD 10 million. The settlement is subject to final documentation and court approval.

LIBOR and other benchmark-related regulatory matters: Numerous government agencies, including the SEC, the CFTC, the DOJ, the FCA, the UK Serious Fraud Office, the Monetary Authority of Singapore, the Hong Kong Monetary Authority, FINMA, various state attorneys general in the US and competition authorities in various jurisdictions have conducted investigations regarding potential improper attempts by UBS, among others, to manipulate LIBOR and other benchmark rates at certain times. UBS reached settlements or otherwise concluded investigations relating to benchmark interest rates with the investigating authorities. UBS has ongoing obligations to cooperate with the authorities with whom UBS has reached resolutions and to undertake certain remediation measures with respect to benchmark interest rate submissions. UBS has been granted conditional leniency or conditional immunity from authorities in certain jurisdictions, including the Antitrust Division of the DOJ and the Swiss Competition Commission ("WEKO"), in connection with potential antitrust or competition law violations related to certain rates. However, UBS has not reached a final settlement with WEKO, as the Secretariat of WEKO has asserted that UBS does not qualify for full immunity.

LIBOR and other benchmark-related civil litigation: A number of putative class actions and other actions are pending in the federal courts in New York against UBS and numerous other banks on behalf of parties who transacted in certain interest rate benchmark-based derivatives. Also pending in the US and in other jurisdictions are a number of other actions asserting losses related to various products whose interest rates were linked to LIBOR and other benchmarks, including adjustable rate mortgages, preferred and debt securities, bonds pledged as collateral, loans, depository accounts, investments and other interest-bearing instruments. The complaints allege manipulation, through various means, of certain benchmark interest rates, including USD LIBOR, Euroyen TIBOR, Yen LIBOR, EURIBOR, CHF LIBOR, GBP LIBOR, SGD SIBOR and SOR and Australian BBSW, and seek unspecified compensatory and other damages under varying legal theories.

USD LIBOR class and individual actions in the US: In 2013 and 2015, the district court in the USD LIBOR actions dismissed, in whole or in part, certain plaintiffs' antitrust claims, federal racketeering claims, CEA claims, and state common law claims. Although the Second Circuit vacated the district court's judgment dismissing antitrust claims, the district court again dismissed antitrust claims against UBS in 2016. Certain plaintiffs have appealed that decision to the Second Circuit. Separately, in 2018, the Second Circuit reversed in part the district court's 2015 decision dismissing certain individual plaintiffs' claims and certain of these actions are now proceeding. UBS entered into an agreement in 2016 with representatives of a class of bondholders to settle their USD LIBOR class action. The agreement has received preliminary court approval and remains subject to final approval. In 2018, the district court denied plaintiffs' motions for class certification in the USD class actions for claims pending against UBS, and plaintiffs sought permission to appeal that ruling to the Second Circuit. In July 2018, the Second Circuit denied the petition to appeal of the class of USD lenders and in November 2018 denied the petition of the USD exchange class. In December 2019, UBS entered into an agreement with representatives of the class of USD lenders to settle their USD LIBOR class action. The agreement has received preliminary court approval and remains subject to final approval. In January 2019, a putative class action was filed in the District Court for the Southern District of New York against UBS and numerous other banks on behalf of US residents who, since 1 February 2014, directly transacted with a defendant bank in USD LIBOR instruments. The complaint asserts antitrust claims. The defendants moved to dismiss the complaint in August 2019. On 26 March 2020 the court granted defendants` motion to dismiss the complaint in its entirety.

Other benchmark class actions in the US: In 2014, the court in one of the Euroyen TIBOR lawsuits dismissed certain of the plaintiffs' claims, including a federal antitrust claim, for lack of standing. In 2015, this court dismissed the plaintiffs' federal racketeering claims on the same basis and affirmed its previous dismissal of the plaintiffs' antitrust claims against UBS. In 2017, this court also dismissed the other Yen LIBOR / Euroyen TIBOR action in its entirety on standing grounds, as did the court in the CHF LIBOR action. Also in 2017, the court in the EURIBOR lawsuit dismissed the case as to UBS and certain other foreign defendants for lack of personal jurisdiction. Plaintiffs in the other Yen LIBOR, Euroyen TIBOR and the EURIBOR actions have appealed the dismissals. In April 2020, the appeals court reversed the dismissal of the Yen LIBOR / Euroven TIBOR complaint. The other cases remain on appeal. In October 2018, the court in the SIBOR / SOR action dismissed all but one of plaintiffs' claims against UBS. Plaintiffs in the CHF LIBOR and SIBOR / SOR actions filed amended complaints following the dismissals, and the courts granted renewed motions to dismiss in July 2019 (SIBOR / SOR) and in September 2019 (CHF LIBOR). Plaintiffs in both actions have appealed. In November 2018, the court in the BBSW lawsuit dismissed the case as to UBS and certain other foreign defendants for lack of personal jurisdiction. Following that dismissal, plaintiffs in the BBSW action filed an amended complaint in April 2019, which UBS and other defendants named in the amended complaint have moved to dismiss. In February 2020, the court in the BBSW action granted in part and denied in part defendants' motions to dismiss the amended complaint. The court dismissed the GBP LIBOR action in August 2019, and plaintiffs appealed the dismissal in

September 2019Government bonds: Putative class actions have been filed since 2015 in US federal courts against UBS and other banks on behalf of persons who participated in markets for US Treasury securities since 2007. A consolidated complaint was filed in 2017 in the US District Court for the Southern District of New York alleging that the banks colluded with respect to, and manipulated prices of, US Treasury securities sold at auction and in the secondary market and asserting claims under the antitrust laws and for unjust enrichment. Defendants' motions to dismiss the consolidated complaint are pending. Similar class actions have been filed concerning European government bonds and other government bonds.

Government bonds: Putative class actions have been filed since 2015 in US federal courts against UBS and other banks on behalf of persons who participated in markets for US Treasury securities since 2007. A consolidated complaint was filed in 2017 in the US District Court for the Southern District of New York alleging that the banks colluded with respect to, and manipulated prices of, US Treasury securities sold at auction and in the secondary market and asserting claims under the antitrust laws and for unjust enrichment. Defendants' motions to dismiss the consolidated complaint are pending. Similar class actions have been filed concerning European government bonds and other government bonds. UBS and reportedly other banks are responding to investigations and requests for information from various authorities regarding government bond trading practices. As a result of its review to date, UBS has taken appropriate action.

Government sponsored entities ("GSE") bonds: Starting in February 2019, class action complaints were filed in the US District Court for the Southern District of New York against UBS and other banks on behalf of plaintiffs who traded GSE bonds. A consolidated complaint was filed alleging collusion in GSE bond trading between 1 January 2009 and 1 January 2016. In December 2019, UBS and eleven other defendants agreed to settle the class action for a total of USD 250 million. The settlement is subject to court approval.

With respect to additional matters and jurisdictions not encompassed by the settlements and orders referred to above, UBS's balance sheet at 31 March 2020 reflected a provision in an amount that UBS believes to be appropriate under the applicable accounting standard. As in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognized.

12.6 Swiss retrocessions

The Federal Supreme Court of Switzerland ruled in 2012, in a test case against UBS, that distribution fees paid to a firm for distributing third-party and intra-group investment funds and structured products must be disclosed and surrendered to clients who have entered into a discretionary mandate agreement with the firm, absent a valid waiver.

FINMA has issued a supervisory note to all Swiss banks in response to the Supreme Court decision. UBS has met the FINMA requirements and has notified all potentially affected clients.

The Supreme Court decision has resulted, and may continue to result, in a number of client requests for UBS to disclose and potentially surrender retrocessions. Client requests are assessed on a case-by-case basis. Considerations taken into account when assessing these cases include, among other things, the existence of a discretionary mandate and whether or not the client documentation contained a valid waiver with respect to distribution fees.

UBS's balance sheet at 31 March 2020 reflected a provision with respect to matters described in this item 6 in an amount that UBS believes to be appropriate under the applicable accounting standard. The ultimate exposure will depend on client requests and the resolution thereof, factors that are difficult to predict and assess. Hence, as in the case of other matters for which UBS has established provisions, the future outflow of resources in respect of such matters cannot be determined with certainty based on currently available information and accordingly may ultimately prove to be substantially greater (or may be less) than the provision that UBS has recognized.

The specific litigation, regulatory and other matters described above under items (1) to (6) include all such matters that management considers to be material and others that management believes to be of significance due to potential financial, reputational and other effects as described in "Note 15a Provisions and contingent liabilities" to the UBS AG's unaudited interim consolidated financial statements included in the UBS AG First Quarter 2020 Report. The proceedings indicated below are matters that have recently been considered material, but are not currently considered material, by UBS. Besides the proceedings described above and below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which UBS AG is aware) that may have, or have had in the recent past, significant effects on UBS AG Group's and/or UBS AG's financial position or profitability and are or have been pending during the last twelve months until the date of this document.

FIFA investigation: UBS, and reportedly numerous other financial institutions, received inquiries from authorities concerning accounts relating to the Fédération Internationale de Football Association ("FIFA") and other constituent soccer associations and related persons and entities. UBS cooperated with authorities in these inquiries.

Securities transaction pricing and disclosure: UBS identified and reported to the relevant authorities instances in which some Global Wealth Management clients booked in Hong Kong and Singapore may have been charged inappropriate spreads on debt securities transactions between 2008 and 2015. In November 2019, UBS AG entered into a settlement with the Hong Kong Securities and Futures Commission (SFC) under which it was reprimanded and fined HKD 400 million (USD 51 million) and a settlement with the Monetary Authority of Singapore (MAS) under which it was fined SGD 11 million (USD 8.3 million). In addition, UBS is reimbursing affected customers an aggregate amount equivalent to USD 47 million, including interest."

In the section headed "13. Additional Information" (page 48 of the Registration Document) end of the the subsection "13.2 Dividends" the last sentence shall be replaced as follows:

"For the financial year ended on 31 December 2019, shareholders approved a dividend distribution of USD 2,550 million."

2. Update of the Appendix 1 of the Registration Document

The "APPENDIX 1 - INFORMATION FOR THE PURPOSES OF ART. 26 (4) OF THE REGULATION (EU) 2017/1129" shall be completely replaced as follows:

Key information on the issuer

Who is the issuer of the securities?

Domicile and legal form of the issuer
UBS AG is incorporated and domiciled in Switzerland and operates under the Swiss Code of Obligations as an Aktiengesellschaft, a corporation limited by shares. UBS AG's Legal Entity Identifier (LEI) code is BFM8T61CT2L1QCEMIK50.

Principal activities of the issuer
The purpose of UBS AG is the operation of a bank. Its scope of operations extends to all types of banking, financial, advisory, trading and service activities in Switzerland and abroad. UBS AG may borrow and invest money on the capital markets. It may provide loans, guarantees and other kinds of financing and security for group companies.

Major shareholders of the issuer
UBS Group AG owns 100% of the outstanding shares of UBS AG.

Identity of the key managing directors of the issuer
The key managing directors of the issuer are the members of the issuer's Executive Board. These are: Sergio P. Ermotti, Christian Bluhm, Markus U. Diethelm, Kirt Gardner, Suni Harford, Robert Karofsky, Sabine Keller-Busse, Iqbal Khan, Edmund Koh, Tom Naratil, Piero Novelli, and Markus Ronner.

Identity of the statutory auditors of the issuer
The statutory auditors of the issuer are Ernst & Young Ltd, Aeschengraben 9, CH-4002 Basel.

What is the key financial information regarding the issuer?

UBS AG derived the selected consolidated financial information included in the table below for the years ended 31 December 2019, 2018 and 2017 from the Annual Report 2019, except where noted. The selected consolidated financial information included in the table below for the quarter ended 31 March 2020 and 31 March 2019 was derived from the UBS AG First Quarter 2020 Report.

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board ("**IASB**").

	As of or for the quarter ended		As of or for the year ended		
USD million, except where indicated	31.3.20	31.3.19	31.12.19	31.12.18	31.12.17
	unaudited		*audited, except where indicated*		
Results					
Income statement					
Operating income	8,009	7,343	29,307	30,642	30,044
Net interest income [1]	1,313	1,101	4,415	4,971	6,021
Net fee and commission income	5,025	4,157	17,460	17,930	17,550
Credit loss (expense) / recovery	(268)	(20)	(78)	(117)	(131)
Other net income from financial instruments measured at fair value through profit or loss [1]	1,775	1,936	6,833	6,953	5,640

Operating expenses	6,210	5,890	24,138	25,184	24,969
Operating profit / (loss) before tax	1,799	1,454	5,169	5,458	5,076
Net profit / (loss) attributable to shareholders	1,421	1,069	3,965	4,107	758
Balance sheet [2]					
Total assets	1,099,185		971,916	958,055	940,020
Total financial liabilities measured at amortized cost	671,893		617,429	612,174	660,498
of which: customer deposits	468,422		450,591	421,986	423,058
of which: debt issued measured at amortized cost	66,479		62,835	91,245	107,458
of which: subordinated debt	7,551		7,431	7,511	9,217
Total financial liabilities measured at fair value through profit or loss	361,713		291,452	283,717	217,814
of which: debt issued designated at fair value	53,040		66,592	57,031	50,782
Loans and advances to customers	339,946		327,992	321,482	328,952
Total equity	57,983		53,928	52,432	52,046
Equity attributable to shareholders	57,814		53,754	52,256	51,987
Profitability and growth					
Return on equity (%)	10.2	8.1	7.4*	7.9*	1.4*
Return on tangible equity (%)	11.5	9.3	8.5*	9.1*	1.6*
Return on common equity tier 1 capital (%)	15.9	12.3	11.3*	11.9*	2.3*
Return on risk-weighted assets, gross (%)	12.2	11.1	11.2*	12.0*	12.8*
Return on leverage ratio denominator, gross (%) [3]	3.5	3.2	3.2*	3.4*	3.4*
Cost / income ratio (%)	75.0	80.0	82.1*	81.9*	82.7*
Net profit growth (%)	33.0	(24.3)	(3.4)*	441.9*	(77.4)*
Resources					
Common equity tier 1 capital [4,5]	36,194	34,933	35,280	34,608	34,100*
Risk-weighted assets [4]	284,706	266,581	257,831*	262,840*	242,725*
Common equity tier 1 capital ratio (%) [4]	12.7	13.1	13.7*	13.2*	14.0*
Going concern capital ratio (%) [4]	16.5	17.0	18.3*	16.1*	15.6*
Total loss-absorbing capacity ratio (%) [4]	32.1	32.2	33.9*	31.3*	31.4*
Leverage ratio denominator [4]	957,199	911,410	911,232*	904,458*	910,133*
Leverage ratio denominator (with temporary FINMA exemption)[6]	903,756	-	-	-	-
Common equity tier 1 leverage ratio (%) [4]	3.78	3.83	3.87*	3.83*	3.75*
Common equity tier 1 leverage ratio (%) (with temporary FINMA exemption) [6]	4.00	-	-	-	-
Going concern leverage ratio (%) [4]	4.9	5.0	5.2*	4.7*	4.2*
Going concern leverage ratio (%) (with temporary FINMA exemption) [6]	5.2	-	-	-	-
Total loss-absorbing capacity leverage ratio (%) [4]	9.5	9.4	9.6*	9.1*	8.4*
Other					
Invested assets (USD billion) [7]	3,236	3,318	3,607	3,101	3,262
Personnel (full-time equivalents)	47,182	47,773	47,005*	47,643*	46,009*

* unaudited

[1] Effective 1 January 2019, UBS AG refined the presentation of dividend income and expense. This resulted in a reclassification of dividends from *Interest income (expense) from financial instruments measured at fair value through profit or loss* into *Other net income from financial instruments measured at fair value through profit or loss* (prior to 1 January 2019: *Other net income from fair value changes on financial instruments*). *Net Interest Income* and *Other net income from financial instruments measured at fair value through profit or loss* for prior-year comparative was restated accordingly.
[2] Balance sheet information for year ended 31 December 2017 is derived from the Annual Report 2018.

[3] The leverage ratio denominator as of 31 March 2020, used for the return calculation, does not reflect the effect of the temporary exemption granted by FINMA in connection with COVID-19. Refer to the "*Recent developments*" section of the UBS Group First Quarter 2020 Report for more information.
[4] Based on the Swiss systemically relevant bank framework as of 1 January 2020.
[5] The information as published in Swiss francs in the Annual Report 2017 for the period ended on 31 December 2017 (CHF 33,240 million) was audited.
[6] Within the context of the current COVID-19 pandemic and related measures adopted by governments and regulators, FINMA has permitted banks to temporarily exclude central bank sight deposits from the leverage ratio denominator for the purpose of calculating going concern ratios until 1 July 2020.
[7] Includes invested assets for Global Wealth Management, Asset Management and Personal & Corporate Banking. Calculated as the sum of managed fund assets, managed institutional assets, discretionary and advisory wealth management portfolios, fiduciary deposits, time deposits, savings accounts, and wealth management securities or brokerage accounts. This measure provides information about the volume of client assets managed by or deposited with UBS for investment purposes.

What are the key risks that are specific to the issuer?

	Credit risk in relation to UBS AG as issuer Each investor in securities issued by UBS AG as Issuer is exposed to the credit risk of UBS AG. The assessment of UBS AG's creditworthiness may be affected by a number of factors and developments. These include changes in market and macroeconomic conditions, credit risk exposure to clients and counterparties, results of claims, disputes, legal proceedings and government investigations, availability of funding sources, changes in the laws and regulations affecting financial institutions, heightened regulatory expectations and regulatory changes, and reputational damage and operational risks. If UBS experiences financial difficulties, FINMA has the power to open restructuring or liquidation proceedings or impose protective measures in relation to UBS Group AG, UBS AG or UBS Switzerland AG, and such proceedings or measures may have a material adverse effect on UBS's shareholders and creditors. If restructuring or liquidation proceedings are instituted against UBS AG, holders of securities may suffer a substantial or total loss on the securities.

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Availability of Documents

The Registration Document dated 21 November 2019,

The Securities Note dated 26 February 2020, and

and all supplements thereto, if any, shall be maintained in printed format, for free distribution, at the offices of the Issuer for a period of twelve months after the publication of this document and are published on the website https://keyinvest-de.ubs.com/rechtliche-dokumentation.

In addition, the annual and quarterly financial reports of UBS AG and UBS Group AG are published on UBS's website, at https://www.ubs.com/global/en/investor-relations.html or any successor address notified by the Issuer to the Securityholders for this purpose by way of publication on http://keyinvest-de.ubs.com/bekanntmachungen.