

Addendum to the Stakeholder Update

French Supreme Court refers UBS legacy matter to Appeals Court

On 15 November 2023, the French Supreme Court issued a judgement on a legacy matter related to UBS's cross-border business activities in France between 2004 and 2012.

The Supreme Court upheld the previous court decision regarding unlawful client solicitation and aggravated laundering of the proceeds of tax fraud, while overturning the confiscation of EUR 1bn, the fine of EUR 3.75m and EUR 800m in civil damages awarded to the French state. The case is now being referred back to the Paris Court of Appeal, which will reconsider the overturned elements and deliver its judgement after a new trial.

While UBS is pleased that the highest court in France agrees with its position on these important aspects of the legal case, UBS is disappointed that the French Supreme Court has confirmed the previous court decision regarding unlawful client solicitation and aggravated laundering of the proceeds of tax fraud despite the treaty between the European Union and Switzerland on the taxation of savings income and a lack of specific evidence for the alleged facts. UBS continues to maintain that it acted in accordance with all applicable laws and regulations at all times. UBS will defend itself in the forthcoming trial.

UBS appealed the verdict on 20 December 2021

UBS AG has filed an appeal with the French Supreme Court ("Cour de Cassation") regarding the decision of the Court of Appeal.

The notice of appeal was filed within the statutory five-day notice period to preserve UBS AG's rights. This enables UBS AG to thoroughly assess the verdict of the Court of Appeal and to determine next steps in the best interest of its stakeholders.

UBS (France) SA has not appealed the verdict and paid the ordered fine of EUR 1.875m.

Verdict from 13 December 2021

A French appeal court issued a guilty verdict against UBS AG for unlawful solicitation and aggravated laundering of the proceeds of tax fraud relating to the bank's cross-border business activities in France between 2004 and 2012. The court imposed a fine of EUR 3.75m, corrected downward from EUR 3.7bn from the first instance. In addition, the court has ordered the confiscation of EUR 1bn. The court also awarded civil damages to the French state of EUR 800m, unchanged from the first instance.

UBS (France) SA was acquitted of charges of aiding and abetting of laundering the proceeds of tax fraud and was found guilty of aiding and abetting of unlawful solicitation. The court has ordered a fine of EUR 1.875m.

UBS provisions for this matter

As disclosed at its full-year 2021 results presentation on 1 February 2022, UBS has increased the litigation provisions for this matter by EUR 650m (USD 740m) to a total of EUR 1.1bn.

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