

Our employees

Our employees' drive, ability, insight and experience are key to meeting the needs of our clients and building our businesses. We are committed to attracting, developing and retaining the best in their field of expertise and to furthering our reputation as a leading employer. We promote a culture that is centered around our principles of client focus, excellence and sustainable performance. This helps maximize opportunities to create value for all of our stakeholders on the basis of our employees' development and success.

Our workforce

Our competitive strength depends on the quality of our people. We want to be the best in all the businesses that we choose to be in. Therefore, hiring, developing and retaining high-caliber employees are fundamental priorities. On 30 October 2012, we announced a significant acceleration in the implementation of our strategy to transform the firm. This involves further sharpening our focus in the Investment Bank, reducing costs significantly and implementing further efficiencies more rapidly. Specifically, we announced that we would concentrate on our core strengths in advisory, research, equities and foreign exchange and that we would exit uneconomical business lines, predominantly in fixed income. As a result, by 2015, we are likely to have a full-time equivalent headcount of around 54,000 compared with 62,628

at the end of 2012. We will continue to act as a responsible employer during the process of reducing headcount, making use of our internal labor market and career transition support services.

As of 31 December 2012, we employed 62,628 people, 2,192 fewer than a year earlier. In 2012, our employees worked in 56 countries, with approximately 36% of our staff employed in Switzerland, 35% in the Americas, 17% in Europe, Middle East and Africa and 12% in Asia Pacific. Employee turnover, as a percentage of average overall headcount, was 12.9% in 2012 compared with 13.2% in 2011. Employee-initiated turnover was 6.7%, down 1.1% from 2011.

Internal mobility encourages cross-divisional collaboration and innovation, as well as individual career development. In 2012, we supported employee mobility across business divisions and regions. Opportunities for internal movement declined in 2012 due

Personnel by region

	As of	% change from		
	31.12.12	31.12.11	31.12.10	31.12.11
<i>Full-time equivalents</i>	31,122			
Americas	21,995	22,924	23,178	(4)
<i>of which: USA</i>	20,833	21,746	22,031	(4)
Asia Pacific	7,426	7,690	7,263	(3)
Europe, Middle East and Africa	10,829	11,019	10,892	(2)
<i>of which: UK</i>	6,459	6,674	6,634	(3)
<i>of which: Rest of Europe</i>	4,202	4,182	4,122	0
<i>of which: Middle East and Africa</i>	167	162	137	3
Switzerland	22,378	23,188	23,284	(3)
Total	62,628	64,820	64,617	(3)

Personnel by business divisions and Corporate Center

	As of	% change from		
	31.12.12	31.12.11	31.12.10	31.12.11
<i>Full-time equivalents</i>	31,122			
Wealth Management	16,210	15,904	15,663	2
Wealth Management Americas	16,094	16,207	16,330	(1)
Investment Bank	15,866	17,007	16,488	(7)
Global Asset Management	3,781	3,750	3,481	1
Retail & Corporate	10,156	11,430	12,089	(11)
Corporate Center	522	523	566	0
Total	62,628	64,820	64,617	(3)
<i>of which: Corporate Center personnel (before allocations)¹</i>	25,255	26,269	26,565	(4)

¹ Comparative figures in this table may differ from those published in quarterly and annual reports (for example due to adjustments following organizational changes).

to personnel reductions and cost focus. However, 906 employees still transferred between business divisions compared with 1,228 in 2011 and 366 moved to roles in a different region compared with 472 in 2011.

Recruiting new employees

Our recruitment of new talent in 2012 generally was more restrained than in 2011. Ongoing challenges in our operating environment dampened demand in several business areas throughout 2012, and our announcement in October of a significant acceleration of the implementation of our strategy curbed recruitment further. While one of our primary goals in 2012 was to retain and, where necessary, redeploy employees to other functions, we were still committed to hiring the best available talent to sustain and grow our core businesses. One priority was to continue recruiting experienced client advisors in our asset-gathering businesses. We also invested in our future by hiring graduates and interns in each of our operating regions, as well as apprentices in Switzerland. Existing staff were a key source of hiring in 2012, with 41% of all positions being filled by internal talent compared with 28% in 2011. Recruitment using agencies was reduced to 9% in 2012 from 16% in the previous year.

In 2012, we filled 5,381 positions across the firm, with lower than usual hiring in the Investment Bank. Our wealth management businesses continued to hire steadily, with UBS Wealth Management recruiting 275 client advisors and Wealth Management Americas hiring 620 financial advisors.

Throughout 2012 we worked to ensure that we had a continuous and visible presence on our target campuses, consistent with our commitment to graduate hiring. Senior leaders from across the firm were actively present on campus and at UBS recruiting events, underscoring UBS's commitment to recruiting and developing young talent. Furthermore, targeted programs such as "Unlock Your Potential" were held globally to attract diverse

graduate talent. Our graduate trainees continued to benefit from unique educational opportunities and business-specific activities as part of a structured Graduate Training Program. In 2012, 782 university graduates were hired into one of UBS's undergraduate or MBA graduate training programs. An additional 968 interns were hired globally over the course of the year. Our apprenticeship program in Switzerland continued to be strong in 2012, hiring 247 business and 38 IT apprentices.

Despite the relatively challenging conditions, we continued to be seen as an attractive employer. Globally, 95% of candidates accepted our offer of employment in 2012, with 97% of individuals in Switzerland accepting. Notably, UBS ranked fourth, among both business students and experienced business professionals, in global employer branding firm Universum's 2012 Ideal Employer surveys in Switzerland. Globally, UBS ranked in the top 50 in Universum's 2012 World's Most Attractive Employers list.

→ Refer to "www.ubs.com/awards" for additional information regarding UBS's standing as an employer

Strengthening and sustaining our diverse workforce and inclusive work environment

We believe it is essential to have a workforce of individuals from widely diverse backgrounds, cultures and life experiences. A varied and inclusive workforce results in a more innovative, dynamic and, ultimately, more successful company. Additionally, diversity in elements such as gender, ethnicity, business experience, education, nationality, religion, age, disability and sexual orientation help us to further understand and meet the needs of our diverse client base.

We are committed to increasing the diversity of our workforce by attracting, developing and retaining employees who promote the diverse culture we seek. At the same time, we are building an inclusive work environment that encourages development and collaboration and is focused on enhancing client relationships.

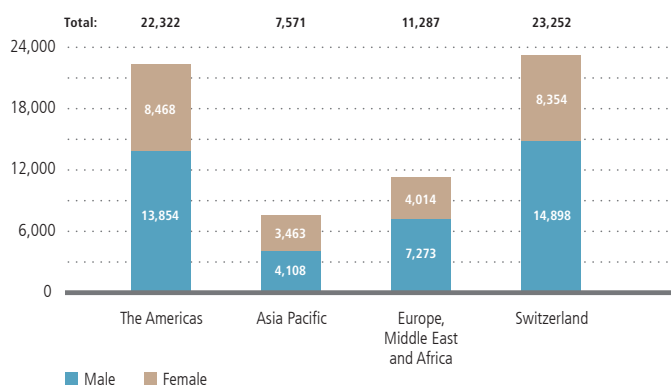
Our workforce is truly global. We have 891 offices in 56 countries, and our employees are citizens of 145 countries. In 2012, the average age of our employees was 39 years and the average length of employment with the firm was 8.9 years. In Switzerland, more than 51% of employees have worked at UBS for more than 10 years.

Our global diversity strategy is realized through action plans for each business division, integration into all our people processes and a range of regional initiatives. In 2012, we expanded our strategy to focus on new business development, particularly among underserved client groups. For example, Wealth Management Americas launched a program called "Elevating Entrepreneurs". This program matches small business owners in underserved communities with a UBS financial advisor and a client who mentor the entrepreneur, providing strategic financial and business advice.

We continued to integrate diversity aspects into our workforce management and development processes during 2012, incorporating concepts like recognizing and avoiding unconscious bias into our leadership development offering. Business areas such as

Gender distribution by geographical region¹

On 31.12.12



¹ Calculated on the basis that a person (working full-time or part-time) is considered one headcount in this graph only. Looking at sub-regional data, the Americas consists of the USA at 21,109 and the rest of the Americas at 1,213. EMEA consists of the UK at 6,659, the rest of Europe at 4,421 and Middle East and Africa at 207. This accounts for the total UBS end-2012 employee number of 64,432, which excludes staff from UBS Card Center, Hotel Seepark Thun, Wolfsberg and Widder Hotel.

Gender distribution by employee category¹

	Officers (Director and above)		Officers (other officers)		Non-officers		Total	
	Number	%	Number	%	Number	%	Number	%
As of 31.12.12								
Male	18,189	78.5	13,724	62.9	8,220	42.3	40,133	62.3
Female	4,974	21.5	8,108	37.1	11,217	57.7	24,299	37.7
Total	23,163	100.0	21,832	100.0	19,437	100.0	64,432	100.0

¹ Calculated on the basis that a person (working full-time or part-time) is considered one headcount (in this table only). This accounts for the total UBS end-2012 employee number of 64,432, which excludes staff from UBS Card Center, Hotel Seepark Thun, Wolfsberg and Hotel Widder.

Finance sponsored training sessions for all of their employees aimed at avoiding unconscious bias.

In 2012, regional diversity teams worked with business and human resource leaders on diversity initiatives that were closely linked to regional talent strategies. As examples, a mentoring program in Switzerland that helps women Associate Directors and Directors focus on career progression was extended to include more women in our IT organization. Several business areas in Switzerland piloted "TeilzeitMann", a federally-funded project promoting gender equality and helping to remove barriers to part-time roles for men. The UK hosted its third annual Diversity & Inclusion Week to raise awareness among employees about the value of a diverse and inclusive workplace. We piloted mentoring programs for senior-level women in Hong Kong and Japan during 2012 to increase their career development and networking opportunities. In Singapore and Beijing, we held a series of events for female undergraduates to help them prepare for a successful job search upon graduation. In the US, an ongoing recruitment initiative hired diverse financial advisors to provide access to underserved markets. We also engaged with a number of colleges and workforce development programs like "Year Up" and "NPower" to give diverse talent from underserved communities professional experience. In 2012, 20 of these students were hired as UBS interns, enabling them to be coached and mentored while gaining work experience in a financial services organization.

In 2012, approximately 14,000 employees across UBS were members of 21 employee networks. These networks, representing affinities such as gender, culture, life stage or sexual orientation, help build relationships across our businesses and an open climate where employees feel their values are welcomed in a professional capacity. Our global network guidelines enable employees to set up or join employee networks/affinity groups in all our operating regions. Additionally, our human resource policies and processes have global coverage and outline our commitment to a non-discriminating, harassment-free workplace and equal opportunities for all employees.

Managing performance

We are committed to ensuring that employees are clear on their goals, and we provide the support they need to be effective in their jobs as well as to advance their careers. Our performance management framework features regular opportunities for employee-manager dialogue throughout the yearly cycle, consistent and transparent assessment processes, and a clear link between

performance, demonstrated achievements and compensation.

In 2012, we streamlined our performance management process and timetable considerably. This helped employees and managers focus on it appropriately during an extremely active part of their business cycle. Our overarching goal for performance management remains the same: to strengthen our performance culture and focus on our strategy so we can achieve long-term, sustainable profitability.

Employees' performance reviews are based on their contribution and whether their individual performance appropriately reflects factors like leadership, collaboration and teamwork, client focus and professional behavior. Risk objectives were integrated for all employees in 2012 as part of a concerted effort to raise risk awareness and incorporate it into performance and reward decisions. In 2012, 99% of the employees eligible to participate in the firm's global performance assessment cycle received a performance review.

Performance management for our senior executives and certain other key employees is especially rigorous. Senior leaders receive a comprehensive evaluation based on key achievements relative to their objectives, including business performance, risk management, leadership and change impact. A thorough assessment includes feedback from peers as well as direct reports.

Employees identified as "Key Risk Takers" continue to be subject to extended performance management procedures. These individuals may work in front-office, logistics or control functions.

Our approach to people management

Focusing on business priorities, rigorous risk management and building leadership strength



Due to their role, they are able to materially commit, use or control the firm's resources and exert significant influence over our risk profile. In addition to self, manager and relevant 360-degree reviews, at least one person in a control function such as risk, finance or compliance must critically review the Key Risk Taker's performance to attest to the person's attitudes and actions toward managing risk.

As part of our overarching people management processes, we have Group-wide ranks and salary ranges that are applicable to all employees, as well as a standardized role classification model. Many human resource processes are based on these global role profiles that provide a foundation for more clearly defined career paths and development plans for all employees.

Education and talent development

We take a structured and integrated approach to our talent, leadership and development practices. Our goal is to give our employees and leaders what they need to excel in their roles, progress in their careers, and ultimately create value for our stakeholders.

The UBS Business University manages all of UBS's learning and development activities, aligning them with Group-wide, divisional and regional business strategies. In 2012, our employees participated in a total of 599,763 development activities, averaging 9.6 training experiences per employee (FTE), which equates to an average investment of 2.1 training days.

One of the Business University's primary objectives is to help our senior leaders and key talent to lead people in line with our principles and leadership culture. Our leadership and talent development offerings were enhanced in 2012 to better support them and this training, along with a comprehensive suite of management skills training and new hire programs, provides current and future leaders with the necessary skills to lead UBS forward.

We introduced Client Leadership Experience workshops in 2008 that bring together client-facing employees from all business divisions to build the knowledge, skills and networks needed to deliver the best solutions from across the firm to our clients. In 2012, 25 workshops were held in 10 cities in the Americas, Europe, Asia Pacific and Switzerland and attended by over 800 Directors, Executive Directors and Managing Directors. Since inception, 3,700 employees have participated in a Client Leadership Experience workshop.

A comprehensive business education offering is provided through more than 110 role-specific learning pathways. These pathways, covering topics such as risk, compliance, sales, advisory and markets, are a series of activities, events and experiences that help ensure consistent training across similar job roles worldwide. Client-facing staff participate in tailored advisory and sales training programs. As an example, in 2012, UBS launched a comprehensive certification program for all client advisors in our Private Clients, Wealth Management Switzerland and Corporate & Institutional Clients areas. This rigorous training, examination and certification process has been externally accredited by the State Secretariat for Economic Affairs (SECO) in Switzerland. We expect over 5,000 UBS client advisors in Switzerland to undergo the certification process over the next three years.

All employees can access a broad range of development and training as part of their daily work and through various programs. Our eLearning portfolio consists of more than 2,000 courses. In 2012, around 18,000 employees participated in voluntary online learning on topics such as communication skills, management and leadership, financial markets and IT. As an example, more than 6,000 employees completed one or more Understanding our Business modules in 2012 to broaden their understanding of our business divisions and their primary activities. Other learning modules on risk, general finance and compliance topics help employees develop the skills they need to work effectively in their roles and within the evolving business and regulatory environments. Mandatory online training helps ensure that compliance and regulatory requirements are met by the relevant employees. In 2012, employees across all business divisions completed more than 378,000 mandatory training sessions.

All employees are expected to consider career and skill development opportunities as part of the firm's continuous performance management process. To support this, we give employees an overarching structure, tools and individual development opportunities within an integrated talent management framework. In addition, we invest in talent development and succession planning for the most critical roles across the firm. An annual firm-wide talent review helps to identify and build the skills and competencies of employees who are identified as having leadership potential. Possible successors for senior leadership roles are identified and tracked on a firm-wide basis, and they are offered specialized development opportunities in addition to on-the-job training.

UBS Wealth Management Master

Launched in late 2012, the UBS Wealth Management Master is the highest internal certification available to client-facing staff in Wealth Management. It enables senior professionals to acquire in-depth expertise in account, investment and relationship management. Combining

structured training with on-the-job development, the two-year program enables participants to deepen their skill sets and learn how to accelerate profitable growth for both clients and the firm. The teaching staff comprises notable academics from leading universities and

business schools, senior consultants, industry experts, and UBS subject matter experts. These specialists share cutting-edge business views and financial market expertise, as well as best practices to help participants attain the highest level of professional excellence.

Compensation

We strive to offer our employees competitive pay and incentives, while carefully considering our obligations to shareholders and regulators. Our approach recognizes the need to compensate individuals for their performance within the context of market conditions, a fast-changing commercial environment and evolving regulatory oversight. Our foremost priority is to encourage and reward behavior that contributes to sustainable profitability and the firm's long-term success. In 2012, we continued to actively consider risk and account for risk-adjusted profitability in our compensation approach.

Our compensation structure is designed to be appropriately balanced between fixed and variable elements. We emphasize the variable component as an incentive to excel and to foster a performance-driven culture, while supporting appropriate and controlled risk taking. Employee compensation is viewed within a total reward framework that takes into account base salary, discretionary incentives and benefits.

Our Total Reward Principles are the foundation of our compensation framework, particularly for integrating risk control and managing performance, as well as specifying how we structure our compensation and performance award pool funding. They reflect our long-standing focus on pay for performance, sustained profitability, risk awareness and sound governance.

→ Refer to "Our deferred variable compensation plans" in the "Compensation" section of this report for more information

Employee share ownership

We support employee share ownership because we believe personal accountability for business actions and decisions can be encouraged through equity-based awards. Our employee share purchase plan, Equity Plus, is a voluntary equity-based program whereby eligible employees can purchase UBS shares at market

price and receive one free share for every three shares purchased. These shares vest in three years, subject to continued employment at UBS and retention of the purchased shares. We also use UBS equity as a significant component in our performance award deferral programs. On 31 December 2012, current employees held an estimated 6% of UBS shares outstanding (including approximately 4% in unvested/blocked shares from our compensation programs), based on all known shareholdings from employee participation plans, personal holdings and individual retirement plans. At the end of 2012, an estimated 50% of all employees held UBS shares, while an estimated 36% held UBS stock options.

→ Refer to the "Compensation" section of this report for more information

Our identity and our commitment to being a responsible employer

Relationships based on respect, trust and mutual understanding are the foundation for all of our business activities. The firm's Code of Business Conduct and Ethics demonstrates the importance we place on responsible workplace behavior. This code sets out the principles and practices employees are expected to follow and forms the basis for all UBS employee policies and guidelines.

The UBS Identity outlines what we strive to be – the choice of clients worldwide – and how we intend to fulfill that vision. The firm's guiding principles, confirmed to employees in mid-2012, characterize the way we work together and the promises we make to our clients that shape how we are perceived. Unrivalled client focus is at the heart of our business model, and we strive for excellence in everything we do. We aim to deliver sustainable performance by strengthening our reputation and by delivering consistent returns to our shareholders. These principles are integrated into our corporate decision-making and people management processes, and they are intended to shape the daily actions of our employees.

<p>Our vision</p> <p>We want to become:</p> <p>The choice of clients – worldwide</p>	<p>Our principles</p> <p>To achieve this, our actions are driven by three principles:</p> <table border="1"> <tr> <td data-bbox="438 1596 682 1936"> <p>Client focus</p> <p>We demonstrate an unrivalled client focus at every level of our business, building relationships that create long-term value.</p> </td> <td data-bbox="698 1596 941 1936"> <p>Excellence</p> <p>We strive for excellence in everything we do, from the products and services we develop to the way we collaborate across the firm to deliver the best of what UBS has to offer.</p> </td> <td data-bbox="958 1596 1201 1936"> <p>Sustainable performance</p> <p>We work continuously to strengthen our reputation as a rock-solid firm and provide consistent returns to our shareholders.</p> </td> </tr> </table>	<p>Client focus</p> <p>We demonstrate an unrivalled client focus at every level of our business, building relationships that create long-term value.</p>	<p>Excellence</p> <p>We strive for excellence in everything we do, from the products and services we develop to the way we collaborate across the firm to deliver the best of what UBS has to offer.</p>	<p>Sustainable performance</p> <p>We work continuously to strengthen our reputation as a rock-solid firm and provide consistent returns to our shareholders.</p>	<p>Our attitude</p> <p>And we promise that:</p> <p>"We will not rest, until ..."</p> <p>... we've helped our clients reach their goals.</p> <p>We're relentless in our efforts to do the best for our clients.</p>
<p>Client focus</p> <p>We demonstrate an unrivalled client focus at every level of our business, building relationships that create long-term value.</p>	<p>Excellence</p> <p>We strive for excellence in everything we do, from the products and services we develop to the way we collaborate across the firm to deliver the best of what UBS has to offer.</p>	<p>Sustainable performance</p> <p>We work continuously to strengthen our reputation as a rock-solid firm and provide consistent returns to our shareholders.</p>			

Listening to the voice of our employees

In June and July 2012, we conducted a Group-wide survey to get employees' views on where we stand in relation to living up to our principles, achieving our strategy and providing a work environment where employees can succeed. These elements are prerequisites to achieving our vision to be the choice of clients worldwide. We openly communicated the findings to our employees and will use these year-one results as a benchmark for continuous improvement.

Globally, 39,142 employees participated in the survey. Overall the results conveyed a largely positive picture of the firm relative to our external benchmark, especially around client focus (with an 80% positive rating). UBS outperformed a benchmark of more than 50 banks, mutual fund companies and insurers in overall satisfaction with the firm as a place to work and with regard to opportunities for employees to have challenging and interesting work.

We were encouraged to learn that our employees appreciate the high quality of our solutions and services and the value we place on cross-business collaboration. Results for employee engagement showed that our employees are highly motivated to contribute in their jobs beyond what is expected (significantly higher than the benchmark), but pride in the firm was below ex-

pectations. We fully recognize that we need to rebuild employees' trust and confidence.

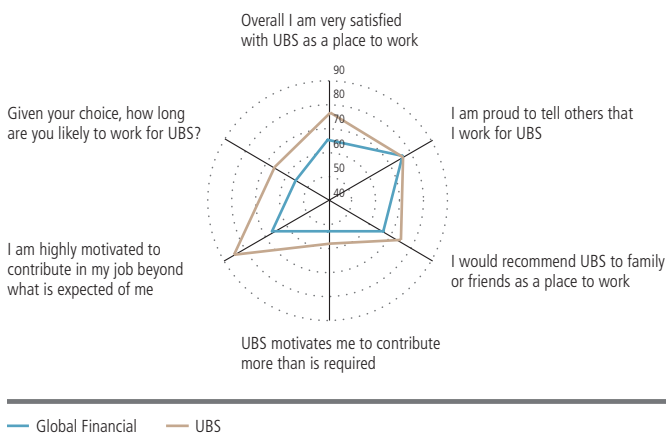
Feedback on measures of respect and recognition were encouraging. These elements are essential for effective cooperation across the firm and they have a positive effect on client service and sustainable results. The survey also provided insights into areas in need of improvement such as the communication of our strategy. We have already taken action to change this view, starting with the announcement in October 2012 of the acceleration of the implementation of our strategy. In addition, we are addressing feedback on our talent management and recruiting processes as well as suggestions of ways to increase efficiency.

Following the conclusion of the survey, the GEB, as well as business divisions and functions, had numerous follow-up discussions and agreed on specific action plans to reinforce our strengths and address the most significant areas of perceived weakness. Regular, targeted "check-in" surveys will help us measure progress and keep us on track as we continue to build our corporate culture.

Benefits and well-being

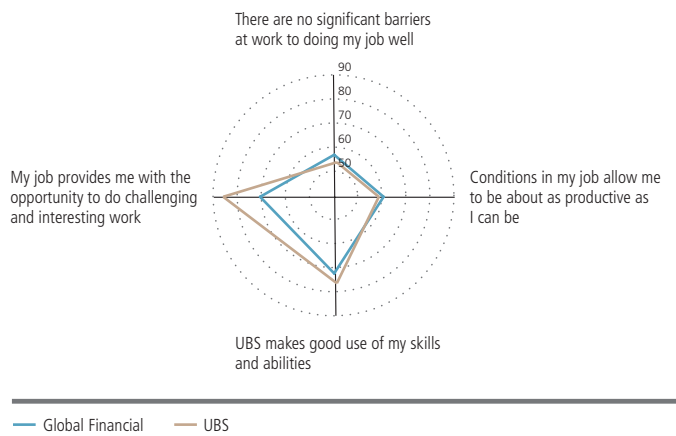
We strive to be a responsible employer and invest in all of our employees, whether full- or part-time, by offering a comprehen-

Engagement¹



¹ The 2012 survey of UBS employees and development of the Global Financial benchmark was conducted by Hay Group. The scale ranges from "strongly agree" to "strongly disagree". The results shown in the graph above are the percentage of responses that were "strongly agree" or "agree". For the question "Given your choice, how long are you likely to work for UBS?", the scale ranges from "less than 1 year", "1-2 years", "3-5 years", and "more than 5 years/until retirement". The graph above shows the percentage of people who answered "more than 5 years/until retirement".

Enablement¹



¹ The 2012 survey of UBS employees and development of the Global Financial benchmark was conducted by Hay Group. The results shown in the graph above are the percentage of responses that were "strongly agree" or "agree".

sive suite of benefits such as insurance, pension, retirement and time off that are competitive in our markets. We also offer additional benefits, such as flexible working arrangements, to employees in many of our major markets. As examples, in Switzerland, employees who are part of a “Workplace for the Future” (WFF) initiative can work at their desk or any other WFF-equipped space in or out of their office building. An open layout and enhanced IT infrastructure increase productivity and collaboration, while desk sharing and standardization reduce the firm’s rental and operating costs. WFF was expanded to the UK in 2012 and is intended to be rolled out worldwide in the coming years. In addition, in 2012 we revised our “teleworking” policy in order to make it easier for employees in Switzerland to work outside UBS premises. We also encourage and support employee volunteering in the many communities in which we operate.

To help employees manage life and work issues, we offer employee assistance programs in a number of locations. In the UK, employee assistance programs provide access to specialist support on topics such as finances, family, bereavement and legal/consumer rights. A health and well-being program provides an on-site general practitioner, physiotherapist and dentist, as well as occupational health services. Emergency child care, emergency home care for elderly or disabled adults and a booking service for out-of-school care are provided by an external provider.

In the US, the Work/Life Assistance Program offers around-the-clock online and telephone counseling and referral services to employees and their families to help resolve issues that may affect their health, personal life, or job performance. Counselors are available to address issues such as emotional conflicts, depression, marital issues, grief and work performance. The program also offers referral services for child care, prenatal care, adoption, academic services and adult care. In addition, UBS provides on-site child care at our Stamford, Connecticut site and emergency/back-up child care in most other US locations.

Employee assistance initiatives in Asia Pacific are generally conducted on a country-by-country basis. In Hong Kong, for example, consultants from an external provider help employees and their immediate family members manage work and life stress, family, mental health, grief or trauma, and other challenges. In Japan, these services are available through another outside team of consultants trained in fields such as counseling, law, accounting and psychology.

In Switzerland, assistance for current and retired employees as well as their family members is provided through our Social Counseling and Retiree Services functions. Services include counseling for personal issues, difficulties in the workplace, sickness or disability, financial difficulties and retirement. Employees also have access to an internal ombudsman’s office and a child-care referral service. An HR Health Care function considers local health and safety matters. In Switzerland, work days lost to ac-

cident or illness are tracked, with 18,619 and 117,226 days respectively in 2012. This amounts to five work days per employee in Switzerland.

Programs are in place in every region to provide transitional support to employees impacted by restructuring exercises. For example, in Switzerland, we have a long-standing initiative called COACH to help redeploy employees within UBS or help them find jobs outside the firm in the event of restructuring. COACH advisors provide support and assistance in finding a new job by working closely with our internal recruitment center and outside employment services. During the process, employees retain full salary and benefits, and financial assistance is available for job-related training, if needed.

In Switzerland, employees below the level of Director participate in a social plan that covers employees whose jobs are subject to the Agreement on Conditions of Employment for Bank Staff. This plan lays out the terms and conditions for any necessary redundancies. It also governs the requirements and procedures for internal hiring, job transfers, and, when needed, severance. The aim is to make any necessary job cuts or operational changes in a responsible manner, making full use of our internal labor market, and to offer support and career advice to these employees.

→ Refer to www.ubs.com/health-safety for our health and safety statement

Employee representation

As part of our commitment to being a responsible employer, we work with all of our employee representation groups to maintain an active dialogue between employees and management.

The UBS Employee Forum was established in 2002 and has representatives from 18 countries across Europe. It facilitates an open exchange of views and information on pan-European issues that can affect our regional performance, prospects or operations. Additionally, local forums address issues such as health and safety, changes to workplace conditions, pension arrangements and consultation on collective redundancies and business transfers. In Switzerland, for example, the Employee Representation Committee partners with UBS management in annual salary negotiations and represents employee interests on specific topics outlined in the collaboration and co-determination clauses of staff policies. Employee Representation Committee representatives are elected to represent employees whose work contracts are governed by Swiss law and the Agreement on Conditions of Employment for Bank Staff. The UK Employee Forum, which is formed by elected representatives from all of our UK businesses and appointed management representatives, focuses on local economic, financial and social activities concerning UK employees. It may also be used to develop workforce agreements affecting UK employees. Collectively, the UBS Employee Forum, including the Employee Representation Committee and UK Employee Forum, represents about 50% of our global workforce.