

## Drivers I: UBS, capital and the location question

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The first and most consequential uncertainty is the future of UBS in Switzerland. The bank's management has argued repeatedly since 2025 that the capital requirements proposed by the Federal Council would place it at a lasting competitive disadvantage. Press reports in 2025 and 2026 stated that the bank was examining options that included moving its headquarters or parts of its group structure abroad, with the United States and the United Kingdom most often mentioned. The bank itself described such reports as speculation or did not comment on them in detail.<sup>1</sup> Whether such options were seriously pursued or used as arguments in a political negotiation cannot be assessed from the outside.

A relocation would raise complex legal questions. UBS Group AG is a Swiss company listed in Zurich and New York. Its main operating entity, UBS AG, is a Swiss bank with registered offices in Zurich and Basel, as Part F, Chapter III recalled. Moving the headquarters would involve a cross-border transfer of the holding company, the consent of the shareholders, approvals from FINMA and foreign supervisors, and a restructuring of the Swiss business into a subsidiary.<sup>2</sup> The Swiss business would remain under Swiss supervision and probably subject to Swiss capital rules for domestic systemically important banks. The tax consequences, the reaction of clients and the attitude of the receiving jurisdiction would be uncertain.

The capital question is closely linked with the location question. A higher requirement increases the cost of operating from Switzerland and therefore the incentive to leave. A lower requirement reduces that incentive but increases the risk borne by the Swiss state. Parliament's choice between these positions will be one of the clearest signposts for the scenarios of this chapter. The decision is also subject to the optional referendum, which means that the electorate could have the final word.<sup>3</sup> The chapter does not speculate on the outcome.

Other regulatory decisions belong to the same complex. They include the introduction of a public liquidity backstop, the extension of FINMA's powers, including the power to impose fines, and a regime of individual accountability for senior managers. Each of them would change the cost and the risk of banking in Switzerland. The direction of these reforms is clear, even if their detail is not: the Swiss regulatory regime for systemically important banks will be stricter in 2035 than in 2022.<sup>4</sup> The critical uncertainty concerns the degree, and the reaction of the banks to it.

## 1 Notes

1. On reports in 2025 and 2026 that UBS was examining a relocation of its headquarters or a change of its group structure in response to the proposed capital requirements, and on the statements of the bank's chairman and chief executive, see the international and Swiss financial press. Status to be verified. ↩
2. On the legal requirements for a cross-border transfer of seat of a Swiss company (Art. 163b ff. Federal Act on Private International Law) and the supervisory approvals required for the restructuring of a systemically important banking group, see the relevant legislation and FINMA's practice. To be verified. ↩
3. On the optional referendum against federal acts (Art. 141 para. 1 lit. a Federal Constitution) and its application to the amendment of the Banking Act, see the Federal Constitution and Part F, Chapter III. To be verified. ↩
4. On the further elements of the reform package after Credit Suisse (public liquidity backstop, FINMA fining powers, senior managers regime, early intervention), see Part E, Chapter II, and the publications of the Federal Department of Finance. Status to be verified. ↩

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*For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.*

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