

Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion
The Chair

D 303038 24.02.2017

Sergio P. Ermotti, Group Chief Executive Officer

UBS AG
Group External Communications
Pelikanstrasse 6/8, CH-8001 Zürich
Switzerland

Dear Mr Ermotti,

It is with regret that I learned that UBS declines to participate in the work of the European Parliament's Inquiry Committee into Money Laundering, Tax Evasion and Tax Avoidance.

The reason your staff gave to our secretariat is that *"UBS's Head of Group Tax participated in a very similar hearing last spring and comprehensively laid out the UBS perspective on related matters back then"*.

I would like to clarify for you that the Committee of Inquiry that I preside over is rather different from the Special Committee (TAXE) that was tasked to look into corporate tax rulings and other forms of aggressive tax planning and in which your bank participated in March 2016. You were then invited to the TAXE committee to explain your own corporate tax policies and possible rulings you agreed to with tax administrations.

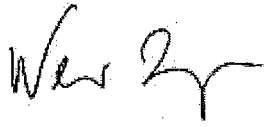
The main difference is that apart from tax avoidance, this committee also looks into money laundering and tax evasion, which as you certainly know are illegal activities.

The reason for our current invitation is that we would like to hear from your bank - being an obliged entity that featured prominently in the Panama Papers and Bahama leaks revelations - what policies it has put in place to avoid money laundering and tax evasion. I am thinking especially about 'know your client' policies, suspicious transaction reporting and policies related to politically exposed persons. We would also like to welcome suggestions from your bank on how to better prevent money laundering and tax evasion through obscure offshore constructions in special tax jurisdictions.

Taking this into account I would kindly ask you to reconsider your position and accept my invitation.

Of course the decision whether or not to cooperate with our Committee is entirely up to UBS, but nevertheless, I would like to inform you that I would regret it if UBS would stick to its decline.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Werner Langen', with a stylized flourish at the end.

Dr. Werner LANGEN

cc. Thomas Pohl, Managing Director, Head GGA International, Group Governmental Affairs