



# ANNUAL REPORT 2020



UNION BANCAIRE PRIVÉE

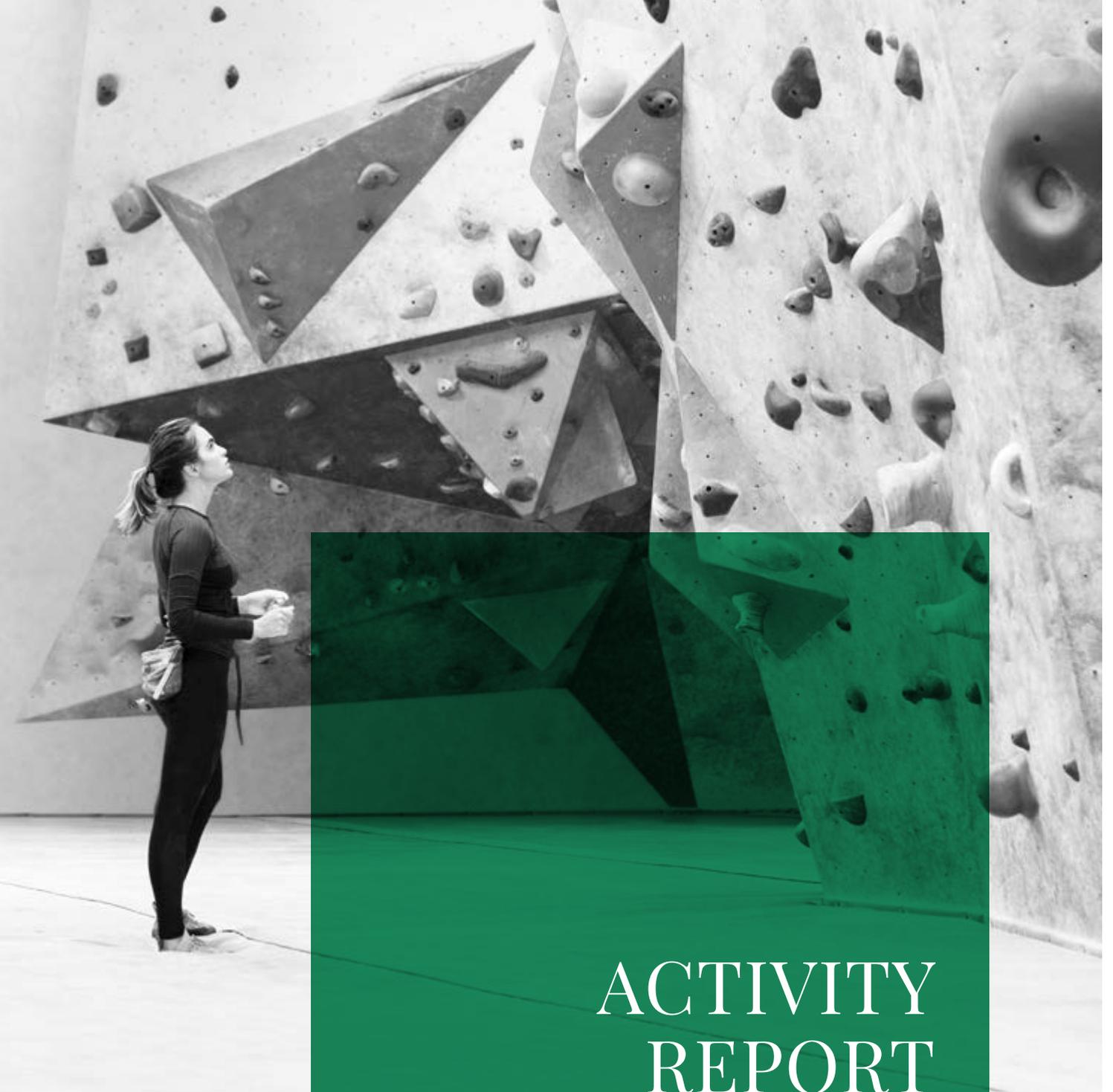




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# ACTIVITY REPORT

## KEY FIGURES

in CHF millions, unless otherwise stated

	As at 31.12.2020	As at 31.12.2019	Variation in %
Assets under management (in CHF billions)	147.4	140.3	5.1%
Total operating income	1,071	1,067	0.4%
Total operating expenses	718	725	(0.9%)
Operating result	220	202	8.7%
Net profit	181	188	(3.4%)
Total assets	37,809	32,756	15.4%
Shareholders' equity	2,407	2,355	2.2%
Staff headcount (FTE)	1,812	1,743	4.0%
Operating cost/income ratio	67.1%	67.9%	-
Return on equity	7.7%	8.2%	-
Shareholders' equity / total assets ratio	6.4%	7.2%	-
Tier 1 equity ratio	27.7%	25.6%	-
Liquidity coverage ratio	307.5%	316.4%	-
Leverage ratio	6.6%	5.8%	-
Moody's long-term deposit rating	Aa2	Aa2	-

# AGILITY IN THE FACE OF RAPID CHANGE

## Exceptional conditions required adaptability

2020's two major crises – Covid-19 and the global recession – meant that investors had to deal with an exceptional financial environment. Equity markets in particular saw their most sudden and brutal correction of all time, before staging an impressive rebound correlated with progress in developing coronavirus vaccines.

At the same time, to ease the pandemic-related shock to the global economy, and to try to pull it out of the worst recession since the Great Depression, central bank officials and politicians deployed the largest stimulus programme the world has ever seen. Unprecedented monetary easing averted a liquidity crisis and allowed the markets to continue functioning. Fiscal policy then took up the reins, with plans intended to protect the public's health, as well as jobs and struggling industries. Overall, fiscal stimulus packages amounted to more than 12% of the world's GDP.

The new macroeconomic situation prompted sector rotation among investors. This was clearly shown by large investment flows into the healthcare and technology sectors, and we expect the themes of fintech, sustainability and economic recovery, particularly in China, to be in the spotlight in 2021.

In the bond market, the search for yield should encourage investors to explore less familiar markets, such as emerging-market and European bank debt, and to exploit opportunities in the private debt and forex markets.

After a decade-long decline in interest rates, the industrial transition now taking place, supported by economic growth in Asia, should underpin demand for industrial commodities, gold and certain other precious metals.

Overall, as in 2020, active risk management will be a vital tool in helping investors protect themselves against any disruption caused by the current transformation of the global economy.

## Limiting the pandemic's impact on our business

UBP's proven qualities of adaptability and resilience came to the fore in dealing with the challenges created by the pandemic that broke out in early 2020.

As soon as the authorities first raised the alarm, we activated our business continuity plans (BCP) and set up a dedicated task force to assess health risks, adjust our systems in line with new public health rules, and protect our operations in all circumstances.

This early preparation work allowed us to deploy our BCP across all our locations in mid-March, and to organise an orderly changeover to working from home for most of our staff members.

By adapting this plan as the Covid-19 crisis developed, we were able to limit the pandemic's impact on our business with the support of all of our people, who remained highly responsive and committed throughout. We maintained the quality of our services and remained close to our clients, showing them that they had a solid and reliable partner at their side.

We adjusted our day-to-day operations in response to the unfolding crisis and maintained our entrepreneurial, innovative approach. We also continued to invest and to expand our range of products and services, without slowing the pace or losing sight of our medium- and long-term targets.

In geographical terms, we strengthened our capabilities further in Europe, acquiring the wealth management business of Jefferies in the United Kingdom, setting up a Frankfurt branch of our Luxembourg subsidiary and doubling the size of our Monaco office. We also expanded our footprint in Asia-Pacific by opening in Melbourne, Australia.

### **An increasingly comprehensive and distinctive offering**

In terms of the UBP offering, our Asset Management division launched no fewer than 15 new strategies last year, with a theme-based approach that reflects our investment convictions in areas such as fintech, smart data and distressed investments. These strategies are already showing very promising return profiles.

Buoyed by the success of our Positive Impact Equity strategy launched in late 2018, we also continued to develop our Impact Investing franchise, introducing a new Impact fund focusing on emerging-market equities. Our unique expertise marks UBP out as a pioneer in this asset class, clearly demonstrating our desire, as a financial intermediary, to guide investments towards industries and companies that have a positive impact on our planet and our society.

Our European and emerging-market equity teams started to work more closely together, with the intention of making greater use of our proprietary IMAP scoring system and continuing to develop new positive-impact solutions. We also expanded our range of responsible investments in 2020 with a new sustainability fund focusing on Japanese equities.

An increasing number of investors recognised private-market investments as a possible alternative to fixed income. This continued to work in favour of our unlisted-asset activities, which saw annual growth of around 25%. In 2020, we decided to combine all these activities within a single entity called the Private Markets Group (PMG), which mainly covers real estate, private equity, private debt and infrastructure financing. These investments are intended for both private and institutional clients,

who now regard them as an important component of their portfolios. Our PMG team, based in Europe, the Middle East and Asia, has more than 20 private-market experts who have a high level of expertise in legal and regulatory matters.

Structured product issuance also grew substantially, rewarding our efforts to be competitive in terms of both pricing and service quality, both before and after issue. Our Actively Managed Certificates (AMC) business saw greater demand in the primary as well as the secondary markets, resulting in record volumes.

Our Direct Access Client (DAC) service was again busy, with further growth in demand from clients wanting direct access to our trading room. We are supporting increasing numbers of clients with their plans through a credit offering tailored to each region's specific features and including mortgages and Lombard loans.

2020 was the year in which we launched our new Bespoke Discretionary Portfolio Management service – a core business and area of expertise at UBP – in response to growing demand for customised solutions. We reviewed all of our clients' profiles according to their objectives, constraints, risk appetite and interest in responsible investment, in order to be able to offer a discretionary management service that specifically addresses each client's individual needs.

### **Faster shift to digital transformation**

In the last few years, UBP has devoted significant resources to digital transformation, constantly integrating the latest advances in this area. Of course, we had no way of knowing that 2020 would speed up that transformation and boost the take-up of digital tools in such a spectacular way. Our digital investments gave us the technical resources we needed to remain operational despite the challenges posed by working from home and the travel ban.

The unprecedented conditions in 2020 quickly gave rise to new requirements in terms of digitising our processes and

communication, both internally and with our clients. To cite just one aspect of the irreversible changes that took place last year, we started to host a number of highly successful webinars for our staff and clients.

A surge in cyberattacks across all industries made it even more important to ensure the security of our data and communications. In the circumstances, our UBP Mobile e-banking service was naturally vital in helping us maintain seamless contact with our clients, while guaranteeing that we handled transactions and processed data in a fully secure way.

We also made rapid progress with three other major projects in 2020. Our partnership with IBM for the development and maintenance of our core banking applications continued in accordance with our roadmap, while our IT teams successfully deployed the Aladdin portfolio management tool for our Asset Management division, along with a portfolio management system for our discretionary asset management teams.

### Significant growth across all of our priority markets

A year after we overhauled the governance structure of our Wealth Management division, it achieved outstanding growth in net new money and a significant increase in trading volumes in 2020. That strong momentum was largely down to the close ties and high-quality relationships we have with our clients, fostered by our relationship managers. It was also the result of the attractive new products and services launched by Asset Management's Investment Services teams, who work hand-in-hand with Wealth Management to develop a distinctive offering tailored to each region.

Our private-markets offering was enhanced with the launch of various co-investment deals, in areas including commercial real estate in Germany, motorways in Spain and financing for small and medium-sized enterprises in Asia-Pacific. Our alternative investment solutions and the theme-based approaches developed by our Advisory teams also attracted a great deal

of interest among our clients. The positive trend was driven partly by the success of our customised "institutional grade" solutions for ultra-high net worth clients, who represent an increasing proportion of our client base in certain markets such as the Middle East and Asia.

Alongside these activities, we continued our recruitment policy intended to broaden our skills and attract new talent. As part of this policy, our London branch grew in 2020 with the acquisition of Jefferies' Wealth Management business in the United Kingdom. In terms of clientele, the 13 professionals joining UBP have developed great expertise in serving entrepreneurs and family offices. This business therefore represents a useful addition to UBP's range of services for high net worth clients and fits perfectly with our determination to bolster our position in the City and to promote our London office as a strategic booking centre. With these teams, we now have the right structure in place in the United Kingdom to offer a comprehensive range of services and solutions to both domestic and international clients.

UBP Luxembourg was strengthened by the arrival of a number of experienced people in 2020, covering the Nordic markets (Sweden and Denmark) in particular. The subsidiary is now a major player in Luxembourg's financial centre, focusing on three main areas: domestic business, the Nordic market and the Southern European market.

From the regional point of view, the Developing Markets segment (Eastern Europe, Latin America, Israel, Middle East, Africa and Turkey) saw excellent growth in assets under management and brokerage revenue. It was a key driver of Wealth Management's growth in 2020, with net new money exceeding expectations. Growth was particularly strong in the Middle East, Eastern Europe and Turkey. In those markets, the tactical and carefully managed onboarding of several wealth management teams also boosted assets under management, counterbalancing the negative impact of travel bans. Another positive factor was the specific appeal of several of our booking centres (including Switzerland and Monaco) for these clients, most of whom are high net worth individuals. Although they are looking for political and economic stability, these clients place at least as much

value on the high quality of our service, our competitiveness and our leading expertise in wealth planning across a broad variety of jurisdictions.

In Asia, we maintained our targeted efforts to recruit experienced relationship managers, and this helped us generate large net inflows, particularly in the north of the continent.

Once again, we won a host of awards, highlighting the quality of the products, services and expertise we offer across several markets. We were named “Best Wealth Management Business Servicing the Central or Eastern Europe Region” in the WealthBriefing European Awards. In Asia, for the second year in a row, we won the awards for “Best Private Bank – Pure Play” and “Best Private Bank – Singapore” at the Asian Private Banker Awards for Distinction, an acknowledgement of the credibility that UBP has achieved within the industry and among our Asian clients. Meanwhile, our Monaco branch was named “Best Private Bank in Monaco” in the PWM/FT The Banker 2020 Global Private Banking Awards, an accolade that acknowledges its excellent reputation only six years after it was set up. Finally, in the WealthBriefing MENA Awards, our Dubai office carried off the prize for “Best Wealth Management Team Offering Family Governance Advice”.

## Success in the institutional business and investment funds

We formed relationships with almost 40 new institutional clients and our assets under management in the Asset Management division remained stable at CHF 43.4 billion at the end of December 2020. Those relationships enabled Asset Management to offset substantial withdrawals by clients wanting to take profits or to reduce risk.

Our new clients were attracted by our innovative approach to alternative investments and impact investing, along with our ability to offer emerging-debt and custom solutions. They entrusted us with large mandates, while our traditional bond funds saw outflows.

Although the pandemic caused significant volatility and major sector rotation in equity markets, almost 60% of all our funds

(22 out of 37) beat their benchmark indices, showing the value added by an asset management approach that is genuinely active and based on strong investment convictions.

UBP pursued its strategy of developing partnerships in Europe. In Milan, we recruited a specialist distributor of investment funds in Italy, a market that is being buoyed by the increasing popularity of the open architecture approach. We also opened a new office in Frankfurt in order to accelerate the growth of our German institutional client base, which we had previously been developing from our Zurich branch. Finally, our strategic partnership with Bell Asset Management in Australia means that we can now promote our expertise and investment solutions in that continent.

## Doubling of net new money and confirmed operational efficiency

The various challenges created by the coronavirus crisis did not stop us bolstering our market share and maintaining our growth. At the end of 2020, assets managed by the Group stood at CHF 147.4 billion, up from CHF 140.3 billion at the end of 2019, a year-on-year rise of 5.1%. Net new money doubled relative to 2019 and equalled CHF 9.0 billion or 6.4% of assets under management. New inflows came mainly from private clients in our main markets of Switzerland, the United Kingdom, the Middle East, Europe and Asia, reflecting the commitment of our front-office teams but also the appeal of our funds and mandates, which are generating solid returns.

Revenues were stable at CHF 1.071 billion in 2020 (an increase of 0.4%), even though the interest margin was adversely affected by lower US interest rates. However, the fall in the interest margin was fully offset by growth in brokerage fees (up CHF 58.8 million or +8.7%), reflecting a healthy level of trading activity among our clients, and by good forex and trading results (up CHF 22.9 million or +27.3%). Operating expenses fell slightly (-0.9%) to CHF 718.4 million, despite large-scale digital investments and the recruitment of new teams in certain key growth markets.

Despite the difficult environment, operating profit rose by 8.7%. Net profit fell by 3.4% to CHF 181.4 million as opposed to CHF 187.8 million in 2019. However, if we adjust the 2019 figure by

deducting the exceptional capital gain realised on the sale of a building in London that year, net profit increased by 1.9%. With a cost/income ratio of 67.1%, our group maintained its solid profitability, attesting to its operational efficiency and strict cost control.

### Prudent balance sheet management and a solid financial position

In 2020, we continued to manage the balance sheet conservatively, as demonstrated by our high regulatory liquidity ratios and available capital. That prudent balance sheet oversight by our Treasury teams is a key characteristic of UBP and is reflected in our short-term liquidity coverage ratio, which stood at 307.5% at the end of 2020. Our Tier 1 ratio, at 27.7%, also remains well above both Basel III and FINMA requirements. High volatility created numerous arbitrage opportunities across all asset classes, which allowed all of our trading desks to generate better results than in 2019 while remaining strictly within defined limits and risk levels.

UBP is still one of the best-capitalised and strongest banks among its peers, as shown by our long-term Aa2 rating (with stable outlook), which was confirmed by Moody's in 2020. This gives our Group the solid financial base it needs to continue its development not only in Switzerland, but also worldwide.

2020 was a milestone in UBP's history. Despite the Covid-19 situation and the exceptional market environment, we were able to keep our people safe, while ensuring operational continuity and maintaining a high-quality service for our clients. This is down to the resilience, agility and forward-thinking nature of UBP's people. Their exemplary efforts allowed us to stand out in the market, and we can now look ahead to the future with confidence and optimism.



**Daniel de Picciotto**  
Chairman of the Board  
of Directors

**Guy de Picciotto**  
Chief Executive Officer





# RESPONSIBILITY

## RESPONSIBILITY: A CORE VALUE FOR UBP

As a family-owned bank, we consider responsible investing (RI) and corporate social responsibility (CSR) to be two sides of the same commitment to creating a sustainable world. In response to the major social and environmental issues we face, we see it as our role, as a financial intermediary, to help channel capital towards responsible investment solutions that offer real potential to generate financial returns.

Until 31 December 2020, our RI and CSR strategy was overseen by UBP's Sustainability Board, which governed the Responsible Investment Committee (RICO) and the Corporate Social Responsibility Committee (CSRCO). These two committees will now report to the Executive Committee, showing our determination to put sustainability at the heart of our business model and our investments.

## RESPONSIBLE INVESTING

UBP believes in the importance of responsible wealth and asset management. The Bank has been a signatory of the United Nations Principles for Responsible Investment (UNPRI) since 2012, and the high "Strategy and Governance" score we obtained in the UNPRI 2020 assessment reflects UBP's efforts to strengthen its ESG (environmental, social and governance) approach across the Group.

In 2020, UBP once again asserted its commitment to responsibility by joining leading industry sustainability initiatives such as the United Nations Global Compact. We showed our determination to address major climate issues by taking the PACTA 2020 climate sustainability test and supporting the Task Force on Climate-related Financial Disclosures (TCFD).

### Expertise and commitment to sustainable investments

UBP's overarching responsible investment policy is applicable to all our assets under management with the exception of

execution-only assets and third-party funds. Furthermore, over the course of 2020, UBP increased assets invested in its actively managed ESG-integration, Sustainable and Impact strategies to over CHF 7.5 billion. Some of our flagship funds – like those invested in European, emerging-market and Japanese equities – now follow a sustainability approach.

Our expertise in responsible investing was once again recognised in 2020, when we obtained the French SRI label for a fund focused on sustainable corporate bonds in emerging markets. This stamp of approval follows that applied to a convertible bond fund in 2018 and two equity funds in 2019: one focusing on companies that have a positive impact on the environment and society and one invested in companies with a limited carbon footprint.

Additionally, in 2020 UBP excluded from its investment universe all tobacco producers and all companies deriving 10% or more of their revenue from tobacco. Not only are new investments in that sector no longer permitted, but existing holdings are gradually being wound down, too.

### Impact investing

We believe that impact investing is an increasingly important element of portfolios, since it aims to find solutions to the world's major problems while delivering attractive long-term returns.

UBP strengthened its sustainable product offering in 2020 by launching a second impact fund, focusing on emerging markets and companies that are helping solve global problems such as scarce resources, climate change and poverty. It complements UBP's established Positive Impact Equity fund for developed markets.

UBP's Impact team uses a proprietary system called IMAP to measure the impact that its investee companies have on the environment and on society. This rating methodology is central to the investment process of both Impact funds and is based on four criteria: Intentionality, Materiality, Additionality and Potential (IMAP). Intentionality reflects a company's ethos and commitment to the sustainability cause, while Materiality measures the proportion of revenue derived from products or services that have a positive impact, net of any potential harmful revenue streams. Additionality refers to a company's position with respect to a given sub-goal of the United Nations

Sustainable Development Goals, and Potential measures the future growth potential of the product or service.

These four scores are added together to obtain an IMAP score, which enables us to make a dispassionate judgement regarding the “impact intensity” of a company in our portfolio. Overseeing the IMAP process and scores forms a substantial part of the work done by the Impact Advisory Board, which meets twice a year and is comprised of four external leading sustainability experts with UBP board member Anne Rotman de Picciotto as chair.

UBP has published a dedicated Impact Report for the past two years, providing a detailed non-financial measurement of our European equity impact fund’s performance while also highlighting key milestones and developments in our Impact platform’s approach.

In 2020, UBP also became a member of the Global Impact Investing Network (GIIN), which is dedicated to increasing the scale and effectiveness of impact investments around the world. The development of impact investing in the listed equity segment is relatively new, and UBP’s membership of GIIN represents a major step forward since collaboration with other experts plays a crucial role.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Our product offering is just one manifestation of our commitment to a sustainable world. Of equal importance to us is the management of UBP’s social and environmental footprint through our CSR policy. In 2020, we made substantial progress in this area.

Our staff members’ interest in sustainability was confirmed by an internal CSR survey, in which a majority of employees revealed that they care about community engagement, working conditions and the environment in equal measure.

### Carbon footprint

In 2020, we embarked on an ambitious programme to renovate some of our buildings in Geneva. This 10-year plan will help

**UBP is a member of:**



**SUSTAINABLE FINANCE GENEVA**  
where finance meets impact



**GIIN**  
GLOBAL IMPACT INVESTING NETWORK



**UBP supports:**



**WE SUPPORT**



**TCFD** | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

reduce our carbon footprint by substantially improving the energy efficiency of our premises, and forms part of our commitment to making our operations more sustainable. In addition to new insulation and liquid crystal glazing, which alone will reduce energy consumption by 40%, gas-fired heating will be replaced by clean energy systems such as reversible heat pumps and high-temperature thermal solar panels. Energy-saving bulbs will replace neon lighting and motion detectors will be integrated into the lighting system to limit energy use. These efforts have already started to be recognised, as shown by the éco21 certification awarded in 2020 by Geneva utility company SIG.

Outside Switzerland, UBP has signed Monaco's National Energy Transition Pact, which encourages all stakeholders established in Monaco to play a hands-on role in the Principality's energy transition and to reduce their greenhouse gas emissions.

At the beginning of 2020, prior to Covid-19, UBP reviewed its travel policy in order to curb travel-related emissions. Teleconferences and video calls were formally recommended for all internal meetings, limiting travel to instances where remote meetings are not feasible. Measures were also taken to encourage people to travel by train, particularly within Switzerland and between Paris and Geneva. Where accommodation is necessary, the travel desk has selected a number of eco-labelled "green hotels" that strive to minimise their impact on the environment.

To use less paper, we have made several administration, finance and procurement operations fully digital. Many internal documents are now available only in digital form. Water use is being curbed with the installation of water-saving taps within our office premises.

We have also reduced our use of plastic. In 2020, UBP Hong Kong relaunched its Envi-U (Environment and You) green initiative, committing to reducing our overall environmental footprint via the "3Rs" principle: Reduce, Reuse and Recycle. The Envi-U initiative includes talks, events and competitions to encourage our staff to reduce waste by developing eco-friendly habits.

Taking the view that a target needs to be measured if it is to be achieved, UBP has started calculating its carbon footprint, with the intention of reducing and offsetting it. The results of these calculations will be published in order to inform the various stakeholders about progress made in this area.

In the same vein, UBP contributed to the WWF/PwC Report "Leading the way to a green and resilient economy", and joined Business for Nature, a global coalition bringing together influential organisations for the purpose of asking governments to adopt ambitious policies for the preservation of nature.

## Recruitment and equality

The pandemic was of particular concern to the Human Resources department in 2020. In order to comply with standards regarding health and safety at work, all our efforts focused on adopting measures to contain the spread of the virus within our premises, as well as dealing with illnesses and quarantines, adapting travel policies and ensuring a smooth transfer to working from home. To that end, UBP set up a dedicated Group Pandemic Taskforce in order to ensure business continuity while protecting the health of staff members. In April 2020, a "UBP@home" series of internal communications was launched to help staff cope with working from home. A survey conducted among employees revealed that 80% of respondents approved of the anti-Covid measures that were put in place.

The well-being of employees remains a key priority for UBP and in 2020 we developed a Health & Learning programme that will be implemented at some sites once a return to regular working conditions can take place.

UBP also pays significant attention to equal treatment, and meritocracy, equal opportunity and non-discrimination are key principles of ours. We make ongoing efforts to uphold equality in the widest sense of the term, including equal treatment of men and women, equal pay and equal career opportunities. In line with the new gender equality legislation in Switzerland applicable to companies with more than 100 employees, UBP

carried out an analysis of its remuneration practices in 2020. UBP will submit the results to an external audit, after which they will be communicated to all staff members. The Group's staff handbooks were updated to include new clauses regarding our diversity and anti-discrimination policies. These changes will come into effect in 2021.

As regards career development, we intensified our focus on offering employment and learning opportunities to young people by launching a Graduate Programme that will start in 2021. The initiative will allow university leavers to join UBP for an 18-month stint, rotating between various departments. This is in addition to the Leadership Development Programme devised in 2020 in partnership with IMD Business School in Lausanne. This executive learning course will bring together managers from multiple UBP locations and is due to begin in November 2021.

## Community engagement and philanthropy

UBP supports the community by contributing to cultural, educational and research projects through donations and sponsorships. In 2020, particular efforts were made in several areas linked to the pandemic. Significant sums usually earmarked for corporate events were reallocated to projects intended to alleviate the effects of the health crisis.

In Switzerland, the de Picciotto family and UBP donated over CHF 2.5 million to various organisations that are helping on the front line of the fight against Covid-19. UBP is also supporting a study by Zurich University Hospital and a clinical trial looking at the impact of prophylactic treatments for Covid-19.

In London, the Bank is supporting 1,500 vulnerable or homeless people who have lost the income they used to derive from selling The Big Issue magazine, and has made a donation to The London Community Foundation.

Although the healthcare sector was dominated by the fight against coronavirus in 2020, UBP did not forget other health-related causes. In Geneva, we raised money by auctioning off artworks to employees and donated the proceeds to the

cancer foundation CANSEARCH, which funds research projects at the Geneva University Hospitals' Paediatric Oncology & Haematology department.

In the educational arena, UBP supported projects to encourage educational attainment in disadvantaged areas in 2020. They included the opening of a school library in a remote part of China by "Philanthropy By U (PBU)", the community engagement programme of UBP's Hong Kong branch.

In conclusion, UBP reached some major new milestones in the sustainability field in 2020, both by developing its sustainable product offering and reducing its environmental footprint. The progress we have made in this regard represents a solid base on which to build in the years to come.





# RISK MANAGEMENT



Risk management at UBP goes beyond the requirements that arise from being a bank – it is part of our corporate culture and has been since UBP was founded. At all levels of the Bank, we regard anticipating, analysing, managing and monitoring risk as fundamental activities, and our governing bodies have always paid the closest attention to them. The aim is to look out for our clients, ensure the development and long-term future of our business in a controlled manner, and maintain both our own reputation and that of the financial centre to which we belong.

UBP's approach to risk management is that it should be independent, rigorous and an integral part of all our processes. Accordingly, we achieve effective risk management by examining risks, assessing them in regulatory terms and providing appropriate supervision and control resources. Other key aspects are communication and training for employees at all levels, enabling each of them to play an active role in ensuring that risk management is consistent across the Group. This rigorous approach has been adopted by all our staff, and it is a key factor underpinning our success.

## Overall risk

At UBP we consider risk management an essential part of our strategy, not only because it is required by law and responds to political, social, economic and market trends, but also as a distinctive feature of our service offering.

The risk management mandate determined by the Board of Directors through its Risk Committee and by the Executive Committee aims to ensure that all risks associated with the Group's activities are identified, assessed and controlled. It is embodied by in-house directives and procedures designed to ensure maximum safety for both clients and shareholders. Our approach is very demanding in terms of employee skills and the quality of our procedures and IT infrastructure, and we actively promote an internal cross-functional risk management culture.

The Risks & Compliance division's main role is to detect, check and report on all risks that are material or require attention from the Bank's business operations, as well as supporting business lines and adopting the rules and measures needed to ensure that we can operate effectively within a secure setting. In terms of organisational structure, we have four levels of governance and main responsibilities in terms of managing and controlling risk:

- The Board of Directors, through the Board's Risk Committee, determines the general risk management policy and strategy (identifying risks, defining risk appetite, determining control standards, setting limits) and oversees them at global level.
- The Executive Committee and Risk Committee ensure that the risk policy is implemented operationally and makes recommendations in that area.
- Risk Management independently carries out second-level risk checks on a daily basis, working closely with the Compliance and Credit departments.
- Our divisions' business segments carry out first-level checks: Treasury & Trading, Wealth Management, Asset Management and COO.

As a whole, our system aims to manage the various risk categories described below. It covers market, credit, suitability, operating, reputational, as well as regulatory risk.

## Market risk

Management of the market risks inherent in treasury and trading activities involves setting limits in terms of positions, sensitivity, value at risk (VaR), maximum losses, primary market exposure, issuers and countries. That approach is supplemented by stress scenario simulations and risk-adjusted performance measurement (RAPM) including VaR

backtesting. Specific and daily reports are produced to allow detailed management of these risks.

## Credit risk

Credit risk concerns the risk of loss, should a counterparty fail to honour its contractual obligations to repay a loan or fulfil any other predetermined financial obligation.

To deal with those possibilities, the Group has a clearly defined system for managing counterparty, regulatory, and country risk.

### Credit risks concerning Wealth Management clients

Credit risks include current account loans and advances and risks arising from guarantees and transactions on derivatives, on forex, on securities, and on any other financial instruments. In general, loans granted to private banking clients are secured by pledged collateral (Lombard loans). This type of loan comprises over 90% of the client loan book.

The pledged portfolios are appraised individually and monitored on an ongoing basis by the Credit Risk Control unit. A loan rate is assigned to each position, based on factors such as the type of instrument, its credit rating where applicable, country risk, default risk, and its liquidity, together with the diversification of the investments. The assets are also valued daily at the spot price. Daily supervision and management of loan rates is based on predefined safety thresholds (additional margin calls and realisation of pledged assets).

### Credit risks concerning professional counterparties and country risk

Exposure to professional counterparty risk is assumed only with counterparties who have very high credit ratings. Risk is limited by the use of an adequate, flexible system of limits

adapted to each category of product and counterparty and to the settlement period. Operational limits are set according to counterparty credit risk exposure using a dynamic model based on CDS spreads and ratings. Generally the Group grants credit facilities only to those counterparties that have an S&P long-term credit rating of A (or the Moody's or Fitch equivalent) or higher and whose registered office is in an OECD country.

We monitor and manage counterparty and country risk for market and Treasury activities on an ongoing basis and centrally, using a real-time system.

## Operating risk

Operating risk is an inherent part of our business and may result from errors, failures to comply with internal procedures, exogenous events and human actions.

To manage and monitor operating risk, we have set up a comprehensive system based on different methods to identify, assess, monitor, control and mitigate that risk, including self-assessment, mapping, key indicators, scenario analysis and other risk management and assessment tools. We place a particular focus on the introduction and operation of new products, activities, processes and systems, and on services outsourced to third parties. Data protection and strengthening information technology systems to preserve them against fraud and other cyber-attacks is also a high priority at UBP. Measures are in place to preserve data relating to clients, counterparties, the Bank and its staff in a secure environment, ensuring our systems continue to function in the event of external breaches, in order to maintain sound management, process development and the Group's expansion.

Operating risk is monitored continuously, using risk mapping and indicators, and is covered by specific procedures – e.g. emergency and business continuity plans, supplier and contractor management, and IT and fraud risk management – to ensure that our activities may proceed uninterrupted.

We use continuous professional development as a way of instilling a deep-seated awareness of operating risk, but also of regulatory requirements, conduct and ethical rules, and sector best practices within the Group. Specific training programmes are also provided for new staff joining through acquisitions.

### Reputational risk

Our reputation is one of our most precious assets. Damage to the Bank's reputation, for example as a result of negative publicity, could adversely affect our business development and our position in the financial markets. The potential effects could include loss of revenue, litigation, sanctions or increased supervision by the regulatory authorities, and a loss of client trust and loyalty.

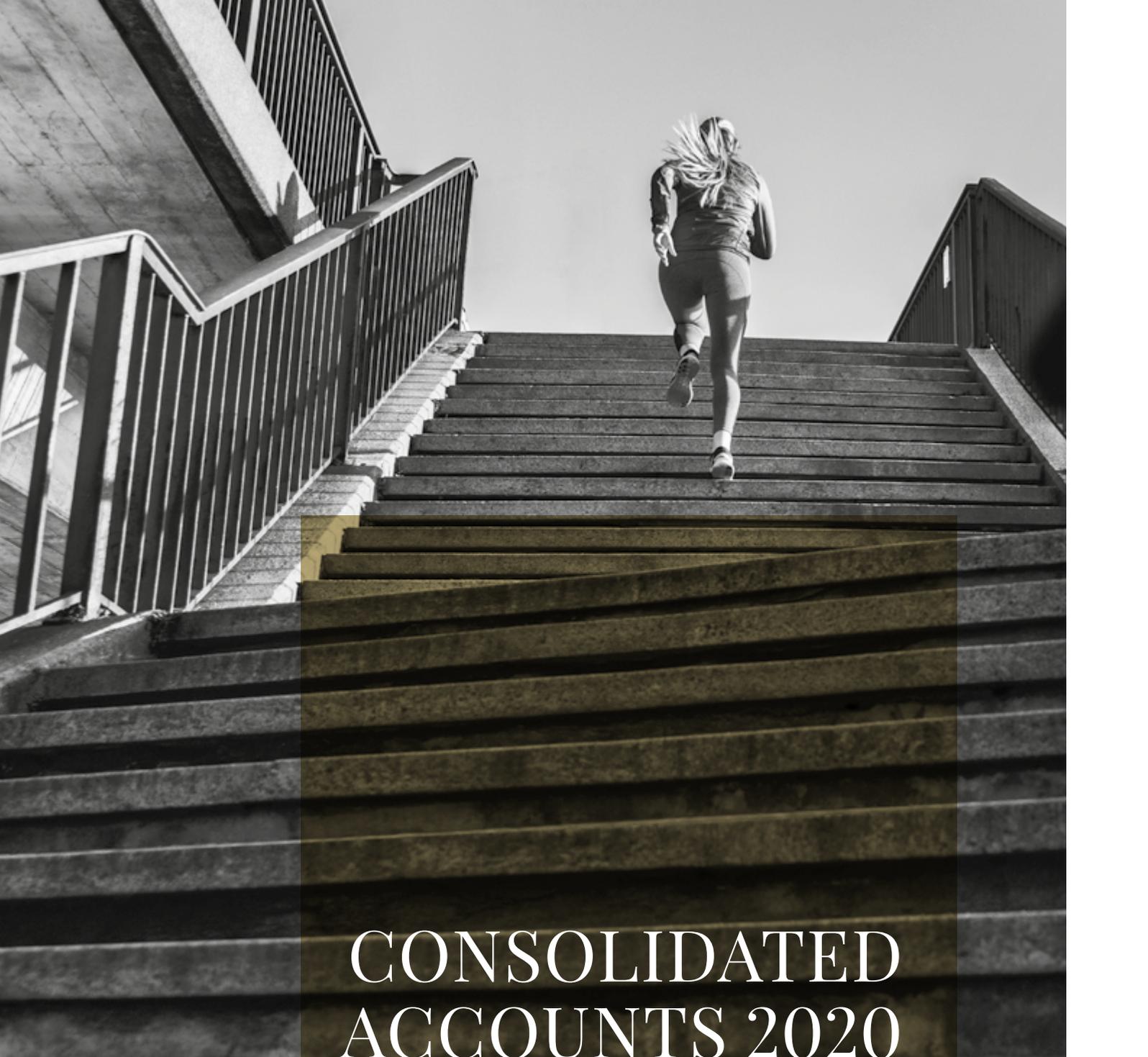
We therefore do our utmost to protect our reputation with constant vigilance and by applying the overall risk management approach described above, which enables us to ensure a standard of activity that is beyond reproach. This comes with precise rules governing reporting, conflict of interest management, code of conduct, and ethics. These are supplemented by training sessions to strengthen the business culture and ensure that the Bank's fundamental values are respected and preserved.

### Regulatory risk

Banks around the world are subject to a large number of new rules, including rules governing cross-border and advisory activities and relating to capital markets activities (proper execution and market abuse). In response to those rules we have strengthened our general control and compliance framework to ensure that our activities meet all new requirements. A regulatory oversight service ensuring new rules are correctly implemented is in place and is complemented by clear security instructions to business lines. As part of our digital transformation efforts, we use IT

tools to strengthen controls, in order to optimise the way we process information from the regulatory point of view and carry out oversight activities. In addition to strengthening controls and ensuring compliance by adopting new in-house directives and procedures, we have introduced training programmes to make sure staff properly understand new regulations. The purpose of such courses is also to define who is to run controls, and where and how to apply them, in order to ensure each staff member acts beyond reproach and the Bank's organisation runs smoothly and efficiently.





# CONSOLIDATED ACCOUNTS 2020

# CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER

(in CHF thousands)

	2020	2019	Variation in %
<b>Assets</b>			
Cash and cash equivalents	7,043,041	7,099,857	(0.8%)
Due from banks	2,538,863	2,057,494	23.4%
Due from securities financing transactions	95,587	454,151	(79.0%)
Due from clients	9,587,854	9,418,196	1.8%
Mortgages	1,957,788	1,686,248	16.1%
Trading portfolio assets	1,590,107	688,044	131.1%
Positive replacement values of derivative financial instruments	625,442	382,284	63.6%
Other financial instruments at fair value	1,454,014	957,917	51.8%
Financial investments	11,795,932	9,091,438	29.7%
Accrued income and prepaid expenses	157,875	147,737	6.9%
Non-consolidated participations	2,755	3,173	(13.2%)
Tangible fixed assets	317,643	306,436	3.7%
Intangible assets	223,433	286,361	(22.0%)
Other assets	418,395	176,264	137.4%
<b>Total assets</b>	<b>37,808,729</b>	<b>32,755,600</b>	<b>15.4%</b>
<b>Total subordinated claims</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Consolidated balance sheet as at 31 December

(in CHF thousands)

	2020	2019	Variation in %
<b>Liabilities</b>			
Due to banks	592,670	722,431	(18.0%)
Liabilities from securities financing transactions	6,403,239	2,963,872	116.0%
Due in respect of client deposits	24,894,302	24,326,892	2.3%
Liabilities from trading portfolios	241	521	(53.7%)
Negative replacement values of derivative financial instruments	1,317,827	571,338	130.7%
Liabilities from other financial instruments at fair value	1,792,661	1,378,138	30.1%
Accrued expenses and deferred income	295,309	333,619	(11.5%)
Other liabilities	78,251	60,652	29.0%
Provisions	27,306	42,913	(36.4%)
<b>Total liabilities</b>	<b>35,401,806</b>	<b>30,400,376</b>	<b>16.5%</b>
Reserves for general banking risks	215,375	215,375	0.0%
Share capital	300,000	300,000	0.0%
Capital reserves	867,336	867,336	0.0%
Reserves and retained earnings	842,847	785,067	7.4%
Minority interests in equity	(77)	(323)	(76.2%)
Group profit	181,442	187,769	(3.4%)
of which minority interests in Group profit	248	82	202.4%
<b>Total equity</b>	<b>2,406,923</b>	<b>2,355,224</b>	<b>2.2%</b>
<b>Total liabilities and equity</b>	<b>37,808,729</b>	<b>32,755,600</b>	<b>15.4%</b>
<b>Total subordinated liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Off-balance sheet transactions as at 31 December

Contingent liabilities	403,902	422,196	(4.3%)
Irrevocable commitments	72,126	146,925	(50.9%)
Liabilities to pay up shares and to make additional payments	833,278	322,929	158.0%
Credit commitments (deferred payments)	1,903	872	118.2%

# CONSOLIDATED STATEMENT OF INCOME

(in CHF thousands)

	2020	2019	Variation in %
<b>Consolidated statement of ordinary income and expenses on banking operations</b>			
<b>Result from interest operations</b>			
Interest and discount income	318,805	592,215	(46.2%)
Interest and dividends from financial investments	66,118	93,602	(29.4%)
Interest expense	(161,307)	(383,390)	(57.9%)
<b>Gross result from interest operations</b>	<b>223,616</b>	<b>302,427</b>	<b>(26.1%)</b>
Changes in value adjustments and provisions for default risks and losses from interest operations	13	(4,270)	100.3%
<b>Net result from interest operations</b>	<b>223,629</b>	<b>298,157</b>	<b>(25.0%)</b>
<b>Fees and commissions</b>			
Commission income on securities trading and investment transactions	746,875	689,466	8.3%
Credit-related fees and commissions	2,748	2,833	(3.0%)
Other fees and commissions income	3,479	4,182	(16.8%)
Commission expense	(16,381)	(18,591)	(11.9%)
<b>Fees and commissions</b>	<b>736,721</b>	<b>677,890</b>	<b>8.7%</b>
<b>Result from trading activities and the fair value option</b>	<b>106,660</b>	<b>83,806</b>	<b>27.3%</b>
<b>Other result from ordinary activities</b>			
Result from the disposal of financial investments	1,867	(524)	456.3%
Income from participations	706	5,726	(87.7%)
of which, from participations reported using the equity method	(415)	(322)	28.9%
of which, from other non-consolidated participations	1,121	6,048	(81.5%)
Result from real estate	576	663	(13.1%)
Other ordinary income	1,030	1,643	(37.3%)
<b>Other result from ordinary activities</b>	<b>4,179</b>	<b>7,508</b>	<b>(44.3%)</b>
<b>Total income</b>	<b>1,071,189</b>	<b>1,067,361</b>	<b>0.4%</b>

(in CHF thousands)

	2020	2019	Variation in %
<b>Operating expenses</b>			
Personnel expenses	(529,811)	(524,175)	1.1%
General and administrative expenses	(188,618)	(201,069)	(6.2%)
<b>Total operating expenses</b>	<b>(718,429)</b>	<b>(725,244)</b>	<b>(0.9%)</b>
Value adjustments on participations and depreciation of tangible and intangible fixed assets	(129,601)	(123,742)	4.7%
Changes to provisions and other value adjustments, and losses*	(3,148)	(16,010)	(80.3%)
<b>Operating result</b>	<b>220,011</b>	<b>202,365</b>	<b>8.7%</b>
Extraordinary income	1	34,361	(100.0%)
Taxes	(38,570)	(48,957)	(21.2%)
<b>Group profit</b>	<b>181,442</b>	<b>187,769</b>	<b>(3.4%)</b>
of which minority interests in Group profit	248	82	202.4%

\* The US Program provision was stated separately in 2019. The 2019 comparative figure has been reclassified to conform with the 2020 financial statement presentation.

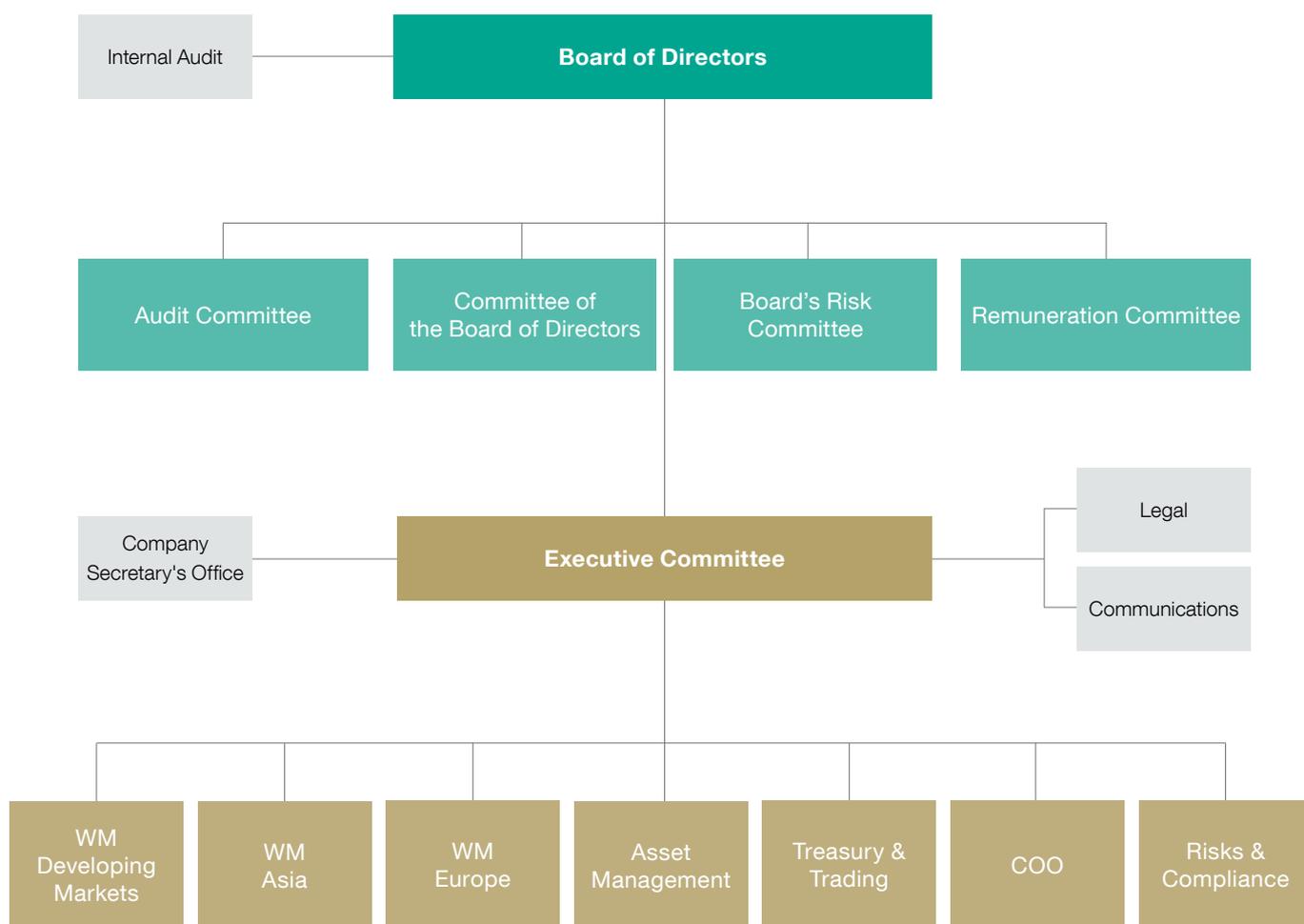




# GOVERNANCE



# ORGANISATIONAL STRUCTURE



UBP's organisation reflects our drive to offer the best combination of skills for institutional and private clients alike. We have an integrated model that brings together all of our investment expertise within our Asset Management division, while all capital market activities are run by the Treasury & Trading division. These two divisions complement each other, with no silo mentality, which makes our model unique in the market. We are constantly seeking to develop custom solutions for our private clients, and this structure allows us to give them access to know-how that is traditionally available only to institutional investors.

# ROLES AND RESPONSIBILITIES

## BOARD OF DIRECTORS

The Board of Directors defines our long-term vision, strategy and general policy. In particular, it determines our structure and governance rules. It has top-level oversight over the management of Group business operations and takes all strategically important decisions regarding the management of business operations and appointments in key positions.

The Board of Directors meets at least four times per year.

The Chairman of the Executive Committee sits in on the Board of Directors' meetings as a permanent guest, and presents an activity report on a quarterly basis.

### Chairman

Daniel de Picciotto

### Vice-Chairman

Marcel Rohner<sup>(1)</sup>

### General Counsel

Olivier Vodoz<sup>(1)</sup>

### Members

Pierre-Alain Blum<sup>(1)(2)</sup>

Nicolas Brunschwig<sup>(1)</sup>

Anne Rotman de Picciotto

Eftychia (La) Fischer<sup>(1)</sup>

Richard Katz<sup>(1)</sup>

John Manser<sup>(1)</sup>

### Company Secretary

Claudio Rollini

## COMMITTEE OF THE BOARD OF DIRECTORS

The Committee of the Board acts as an interface between the Board of Directors and the Executive Committee. It determines the framework for delivering our strategy, approves our communication strategy, directly oversees the management of day-to-day operations, checks that decisions by the Board of Directors are properly implemented and monitors the Executive Committee's activities.

The Committee of the Board meets once a month.

The Chairman and the members of the Executive Committee sit in on the Committee of the Board of Directors' meetings as permanent guests, and present an activity report on a monthly basis.

### Chairman

Marcel Rohner<sup>(1)</sup>

### Members

Anne Rotman de Picciotto

Daniel de Picciotto

Eftychia (La) Fischer<sup>(1)</sup>

John Manser<sup>(1)</sup>

Olivier Vodoz<sup>(1)</sup>

<sup>(1)</sup> Independent members

<sup>(2)</sup> Until 19 March 2020

### Changes in 2021

Eftychia (La) Fischer and Richard Katz left the Board of Directors at the end of the Shareholders' General Meeting of 25 March 2021. We would like to offer them our sincere thanks for the major contribution they have made to UBP since their arrival, in 2015 and 2009 respectively.

# BOARD'S RISK COMMITTEE

The BRC analyses, supervises and assesses the Bank-wide implementation and oversight of an effective global risk-management and -steering process. It meets monthly.

The CEO and the Heads of the COO, Treasury & Trading, and Risks & Compliance divisions attend meetings as permanent guests.

### Chairman

Marcel Rohner<sup>(1)</sup>

### Members

- Anne Rotman de Picciotto
- Daniel de Picciotto
- Eftychia (La) Fischer<sup>(1)</sup>
- John Manser<sup>(1)</sup>
- Olivier Vodoz<sup>(1)</sup>



### Committee of the Board of Directors / Board's Risk Committee

From left to right: John Manser, Eftychia (La) Fischer, Olivier Vodoz, Anne Rotman de Picciotto, Marcel Rohner, Daniel de Picciotto.

## AUDIT COMMITTEE

The Audit Committee supervises work done by Internal Audit, ensures that Internal Audit has the resources and skills it needs to fulfil its duties, and acts as an interface between the Board of Directors and the external auditor.

The Audit Committee meets at least five times per year.

At every Committee meeting, the reports and matters listed on the agenda are presented and discussed in the presence of the Executive Committee members concerned.

### **Chairman**

Olivier Vodoz<sup>(1)</sup>

### **Members**

Anne Rotman de Picciotto

Marcel Rohner<sup>(1)</sup>

## REMUNERATION COMMITTEE

The Remuneration Committee annually determines and assesses our remuneration policy, as approved by the Board of Directors, and considers the recruitment and appointment of Executive Committee members and senior managerial staff. It also oversees the implementation of our agreed policy regarding the promotion, development, retention and succession of senior managerial staff, whose performance it reviews regularly.

The Remuneration Committee meets at least twice per year.

The remuneration of the members of UBP's managing bodies (Board of Directors and Executive Committee) is based on their qualifications, experience, and responsibilities, taking into account the labour market and competition. It is in line with the Bank's strategy and risk management policy. The members of the Board of Directors are paid fees the amount of which is set annually. As for the members of the Executive Committee, their remuneration has a fixed and a variable component. The variable portion depends upon the results of the Bank and of the division concerned, as well as on the person's individual performance, and the potential of both the division and the person is also taken into account. Part of this variable pay is deferred (spread over three years).

### **Chairman**

John Manser<sup>(1)</sup>

### **Members**

Anne Rotman de Picciotto

Nicolas Brunschwig<sup>(1)</sup>

<sup>(1)</sup>Independent members

# EXECUTIVE COMMITTEE

The Executive Committee's role is to implement our strategy and objectives, as defined by the Board of Directors, and is in charge of running and managing day-to-day business operations. It also co-ordinates our administrative organisation, checks that statutory and regulatory rules and the risk management policy are properly applied, and seeks to ensure that secure, profitable business relationships are established and developed, with and for clients.

The Executive Committee meets once a week.

**Chairman**

Guy de Picciotto  
CEO

**Company Secretary**

Claudio Rollini

**Members**

Ian Cramb  
COO

Nadège Lesueur-Pène  
WM Developing Markets

Michael Blake  
WM Asia

Nicolas Faller  
Co-CEO Asset Management

Michaël Lok  
Co-CEO Asset Management

Philip Adler  
Treasury & Trading

Raoul Jacot-Descombes  
Risks & Compliance



**Executive Committee**

From left to right: Michael Blake, Ian Cramb, Nadège Lesueur-Pène, Michaël Lok, Guy de Picciotto, Nicolas Faller, Raoul Jacot-Descombes, Claudio Rollini (Company Secretary), Philip Adler.

# PROFILES AND BACKGROUNDS

## BOARD OF DIRECTORS

### Daniel de Picciotto

Daniel de Picciotto has been Chairman of UBP's Board since 2016. He has been a member of the Board since 2010, before which he spent ten years on the Executive Committee. He joined the Bank in 1985 as Head of the Private Banking division's Research Department, before becoming Head of Private Banking in 1990 and then Head of Asset Management in 1996.

As at 31 December 2020, Daniel de Picciotto was also a member of CBI Holding SA's board of directors.

### Marcel Rohner

Marcel Rohner has been a member of UBP's Board since 2010 and its Vice-Chairman since 2016 and has chaired the Committee of the Board since 2015. He has a wealth of experience in the fields of banking, finance and risk management. He worked for almost 20 years at UBS AG, holding roles including Chairman and CEO of Global Wealth Management & Business Banking in 2005, Member of the Executive Committee from 2002 to 2009 and CEO of UBS Group from 2007 to 2009. Marcel Rohner has a PhD in economics from the University of Zurich.

As at 31 December 2020, he was also a member of the boards of the following companies: Löwenfeld AG, Löwenfeld Beteiligungen AG, Warteck Invest AG, Armada Investment AG, Helvetische Bank AG, Acoro Asset Management AG. He was also a member of the Advisory Board of the University of Zurich's Department of Economics and of the Board of Directors of the Swiss Bankers' Association. In 2018 he became Chairman of the Association of Swiss Asset and Wealth Management Banks.

### Olivier Vodoz

Olivier Vodoz was first elected to UBP's Board in 1998, a position he currently occupies as General Counsel as well as being the Chairman of the Audit Committee. Between 1989 and 1997 he was in government in Geneva canton, holding the positions of President of the Department of Finance and President of

the Department of Defence, prior to which he was a member of Geneva's cantonal parliament. Olivier Vodoz has a degree in law from the University of Geneva and is a licensed legal practitioner in Geneva. Earlier in his career, he spent 20 years as a lawyer and partner at Geneva law firm Haissly & Vodoz. He has also worked as Ethics Commissioner at the Geneva police department, as well as being a member of the Assembly of the International Committee of the Red Cross from 1998 to 2013 and its Vice-Chairman from 2006 to 2013.

As at 31 December 2020, he was a member of the boards of the following companies, among others: Parkgest Holding, SIX Exchange Regulation, Swiss Risk and Care SA, Opsion – Open Pension collective fund.

### Pierre-Alain Blum (until 19 March 2020)

Pierre-Alain Blum was a member of UBP's Board from 1990. His background is in the high-end watch industry, where his roles have included managing luxury watchmaker Ebel for 25 years. He left that company in 1994 to set up IKF Holdings SA. At the start of his career, Pierre-Alain Blum served his apprenticeship with a New York watch and jewellery distribution company.

As at 19 March 2020, he was a member of the boards of the following companies, among others: IKF Holding SA, IKF Management SA, Sored SA, Swiss Madeness Solutions Group SA, Team Partner SA, Parkview AG, Madeness Solutions Lab SA, Swiss Luxe Technology SA, Golay Fils & Stahl SA.

### Nicolas Brunschwig

Nicolas Brunschwig has been a member of UBP's Board since 1998. He is a partner of the Brunschwig Holding group, which owns retailer Bongénie Grieder. Having joined that company in 1981, he is now in charge of central services and partnerships. Between 1989 and 2001, he was a member of the Geneva cantonal parliament, where his roles included chairing the Finance and Tax Committees. He was also chairman of the Fédération des Entreprises Romandes (employers' association

for companies in French-speaking Switzerland) for seven years. Nicolas Brunschwig graduated with a diploma in Economics from the University of Geneva.

As at 31 December 2020, he was a member of the boards of the following companies, among others: Brunschwig (Holding) SA, Brunschwig & Cie SA, Loyco SA, Scrasa SA, Soreval SA, Parkgest Holding Genève SA, Rolex SA, Rolex Holding SA, and Viu Ventures AG. At that date he also sat on the Wilsdorf Foundation board.

### Anne Rotman de Picciotto

Anne Rotman de Picciotto has been a member of UBP's Board since 2006. She is also a member of the Bank's Audit Committee and Remuneration Committee. After spending several years in Goldman Sachs' Asset Management division, she joined UBP's London branch management team in 2002, where she was responsible for business development with a focus on high net worth individuals and institutional relationships. Anne Rotman de Picciotto holds a BA in Business Administration from HEC in Lausanne, as well as an MBA from the INSEAD business school.

As at 31 December 2020, she was Chairwoman of the Board of CBI Holding SA, and sat on several other boards, including that of Dagnar Ltd.

### Eftychia (La) Fischer

Eftychia Fischer has been a member of UBP's Board and Committee of the Board since 2015. She joined the Bank in 2010 as Head of the Treasury & Trading division and was also joint-Head of the Asset Management division until 2015. Before joining UBP, she held various high-level roles at EFG International, Julius Baer, JP Morgan and UBS, and ran her own asset management company in Zurich. Eftychia Fischer holds a BSc from Imperial College, London and has completed the AMP (Advanced Management Program) run by Wharton University in

the United States. She holds both Chartered Financial Analyst (CFA) and Financial Risk Management (FRM) qualifications.

As at 31 December 2020, she was also a member of the boards of the following companies: Alberca Foundation, Banque Cantonale Vaudoise, Sherpa Asset Management, Vaudoise Assurances Holding, and Mutuelle Vaudoise.

### Richard Katz

Richard Katz has been a member of UBP's Board of Directors since 2009. He has been involved in investment management and investment banking for over forty years and worked for N M Rothschild & Sons Limited (London) from 1969 until 1993. He has advised governments, central banks and similar institutions. Richard Katz was a Supervisory Director of the Quantum Endowment Fund and one of its subsidiaries between 1986 and 2014.

### John Manser

John Manser has been a member of UBP's Board since 2008. He gained a solid grounding in finance in his early career working for the Cantonal Bank of St. Gallen, UBS in Geneva and Citibank in Geneva, London, New York and São Paulo. In the 1980s he became the head of the finance department at Ciba-Geigy AG in Basel. That company's merger with Sandoz in 1996 gave rise to Novartis, where he was Group Treasurer until 2007. John Manser holds MBAs from the Alexander Hamilton Institute and the University of Columbia (New York). He also holds the Swiss Federal Banking diploma.

As at 31 December 2020, he was also a member of the investment committee of the University of Basel.

## EXECUTIVE COMMITTEE

### Guy de Picciotto

Guy de Picciotto has been UBP's CEO and Chairman of the Group's Executive Committee since 1998. He began his career as a management consultant in Switzerland and Belgium, before focusing on the banking sector with roles at UBS, Morgan Stanley, Bear Stearns and Sanyo Securities in Tokyo and New York. He joined the Bank in 1988, where he occupied various executive roles before being appointed Chairman of the Executive Committee. He holds a degree in economics and business management and has completed advanced Executive Management courses at IMD in Lausanne and INSEAD in Fontainebleau.

As at 31 December 2020, Guy de Picciotto was also a director of CBI Holding SA, among others.

### Ian Cramb

Ian Cramb has been UBP's Chief Operating Officer and a member of its Executive Committee since 2009. Before joining UBP, he was EMEA Consumer Chief Operating Officer at Citigroup, where he had previously held other high-level roles including those of Risk Manager, Head of HR, Chief of Staff and COO. He holds a modern languages degree from Durham University.

### Nadège Lesueur-Pène

Nadège Lesueur-Pène is Head of Wealth Management Developing Markets. She has been a member of the Executive Committee since 2019. Before joining UBP in 2015 she was

head of emerging markets within wealth management at BNP Paribas (Switzerland). She has also held high-level investment management roles at HSBC in Paris and Paribas in Moscow. Nadège Lesueur-Pène holds a DEA in Russian philology from Langues'O and a double Master's in international management from ESCP-EAP (Paris), and studied political science at IEP (Paris).

### Michael Blake

Michael Blake is Head of Wealth Management Asia, a post he holds alongside his role as CEO Asia. He became a member of the Executive Committee in 2019. Prior to joining the Bank in 2016, he was Chief Executive of Coutts International, and before that Head of Asia Pacific Management Office at UBS. He has lived and worked in Asia, Switzerland and London over the past fifteen years and is active in various international affairs forums. Michael Blake read Philosophy, Politics and Economics at Oxford University.

### Nicolas Faller

Nicolas Faller has been Co-CEO of UBP's Asset Management division and a member of its Executive Committee since 2015. He joined UBP in 2010 as Head of Sales Europe and was appointed Head of Global Sales in 2011, then Head of Institutional Clients in 2013. Before joining UBP, he was Global Head of Distribution at BNP Paribas Investment Partners, after holding several high-level roles at Fortis Investments. Nicolas Faller is a graduate of the University of Mulhouse and France's Ecole Supérieure de Gestion.

### Michaël Lok

Michaël Lok has been Co-CEO of UBP's Asset Management division since 2015 and a member of its Executive Committee since 2016. Before joining UBP, he worked at Indosuez Wealth Management (Crédit Agricole group) as Global Head of Asset Management, after holding roles as Head of Investment and Head of Risk & Quantitative Portfolio Management. Before that, he was a portfolio and fund manager at Banque Martin Maurel and HSBC France. Michaël Lok holds two Master's degrees, one in Finance (DESS) and one in Banking and Finance (DEA), from the University of Aix-en-Provence.

### Philip Adler

Philip Adler has been UBP's Head of Treasury & Trading since 2016 and a member of its Executive Committee since 2017. Before joining UBP, he had been a member of the Executive Committee and Head of Capital Markets at Crédit Agricole Indosuez (Switzerland) SA since 2008. He previously worked at UBS SA, Commerzbank AG and the Crédit Agricole group. Philip Adler has more than 30 years of experience in banking.

### Raoul Jacot-Descombes

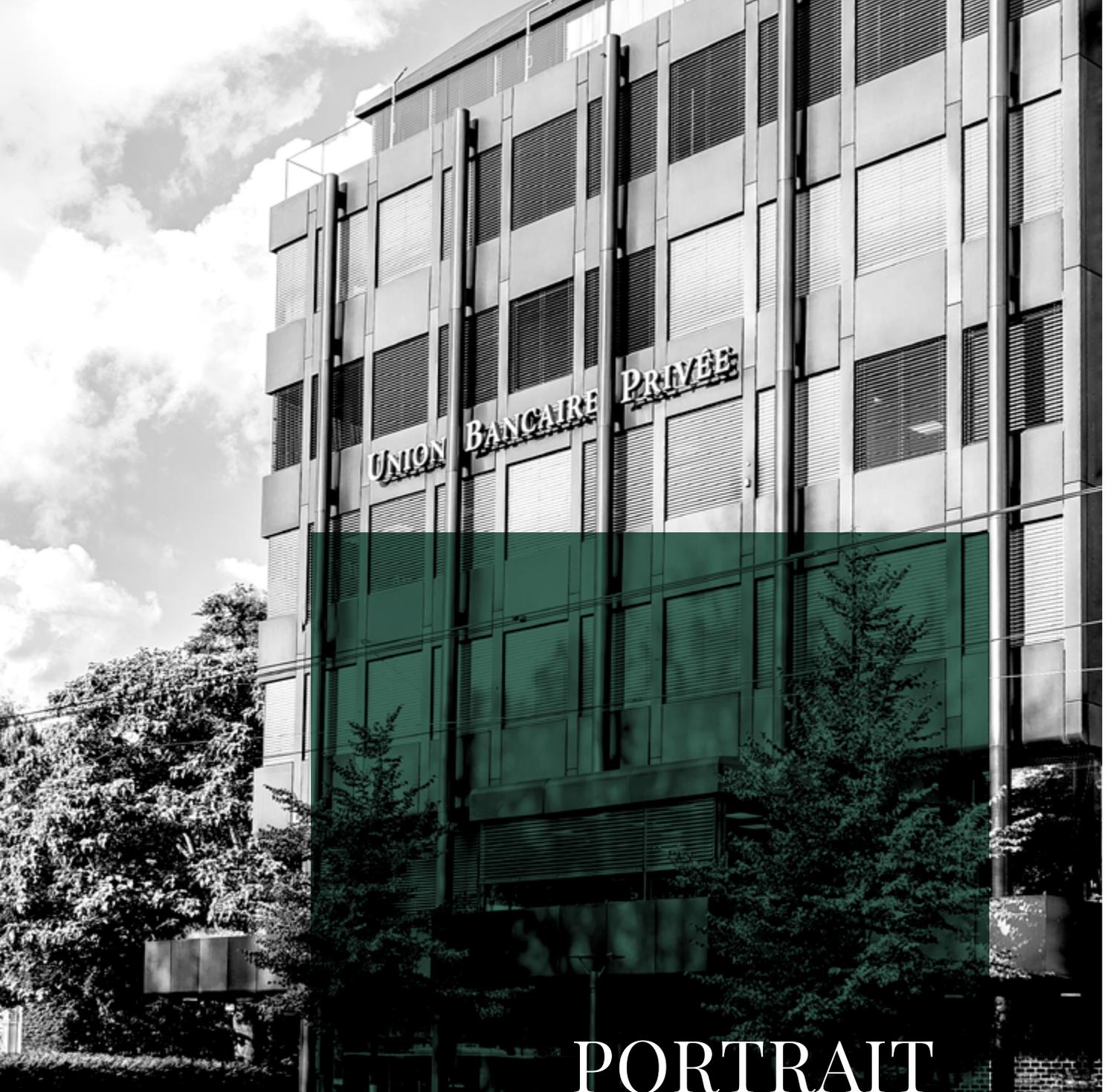
Raoul Jacot-Descombes has been UBP's Group Head of Risks & Compliance and a member of its Executive Committee since he joined the Bank on 1 January 2015. He started his career as a lawyer, before moving to the Swiss Anti-Money-Laundering Authority and then becoming General Counsel & Executive Managing Director at ACM, which was then acquired by Swissquote Bank. He also held

the role of Director in KPMG's Forensic division, in charge of Western Switzerland. Raoul Jacot-Descombes holds a Master's degree in law from the University of Neuchâtel in Switzerland, and is a licensed legal practitioner.

### Claudio Rollini

Claudio Rollini has been UBP's Company Secretary since 2013. He joined the Bank after holding various high-level roles at companies including British American Tobacco in Lausanne and London, and at the Geneva-based Fédération des Entreprises Romandes (employers' association for companies in French-speaking Switzerland). He has more than 25 years of professional experience in corporate governance and communication, devising strategies for negotiation, institutional relations and regulatory affairs. Claudio Rollini initially trained as a lawyer, and holds a Master's degree in Law from the University of Geneva.





UNION BANCAIRE PRIVÉE

# PORTRAIT

# HISTORY

25

offices worldwide

1,812

staff

27.7%

Tier 1 equity ratio

1969

Year created

Union Bancaire Privée is one of the biggest family-owned private banks in the world. But what makes UBP really unique is its corporate culture, which combines modernity and tradition. All the Bank's staff draw their inspiration and drive from the founding family's blend of strong moral values and pragmatism, which has always been and will remain the key to UBP's success.

## A family affair

Having originated in Portugal in the Age of Discovery, the de Picciotto family has been honing its skills over ten generations in both diplomacy and trade. This long line of successful merchants and high-profile consuls continues to this day with the family bank, UBP, which represents both an extension and culmination of this history.

## The birth of a bank

Edgar de Picciotto arrived in Switzerland in 1954 after having finished his studies, and founded his own bank in 1969: Compagnie de Banque et d'Investissements (CBI), which would go on to become Union Bancaire Privée (UBP) in 1990. With just CHF 8 million in start-up capital, the Bank grew considerably in just five decades and today it manages around CHF 147.4 billion in assets for private and institutional clients, and employs 1,812 people in twenty countries.

## A lasting company

Today, just as it always has, UBP belongs to the de Picciotto family, which controls the Bank through CBI Holding SA. Edgar de Picciotto, who founded the Bank, was the Chairman of the Board until he passed away in March 2016, after which his eldest son, Daniel, who had been on the Board since 2010,

took over the position. Edgar's daughter, Anne Rotman de Picciotto, has held a seat on the Board since 2006. Continuity is also embodied by another one of Edgar's sons, Guy de Picciotto, who has served as Chief Executive Officer since 1998, overseeing the Bank's operational management. With the second generation of the family having managed the business for several years, UBP can lay claim to a successful legacy and has ensured its longevity.

### Growth through acquisitions

From the outset, UBP has strived to consolidate its position on its preferred markets while strengthening its financial expertise through targeted acquisitions and partnerships. While the Bank has been able to grow organically since its creation, especially thanks to its reputation and its ability to manage performance for its clients, it also owes its growth to the acquisitions of several major players in wealth management, both in Switzerland and abroad. One example of this was the purchase of the American Express Bank in 1990 – at that point the biggest banking takeover ever seen in Switzerland – which would quadruple its size. Over the last twenty-five years, UBP has carried out close to 20 acquisitions, including some major ones, such as that of the Discount Bank and Trust Company in 2002, the Swiss subsidiary of ABN AMRO in 2011, the international private banking business of Lloyds Banking Group in 2013 and most recently the international wealth management business of Royal Bank of Scotland (RBS), which operated under the name of Coutts, in 2015. In 2018 UBP announced two acquisitions in Europe: that of London-based independent wealth manager ACPI Investments Limited, which was finalised on 31 December 2018, and in Luxembourg, that of Banque Carnegie Luxembourg S.A., which was fully integrated on 25 January 2019. In 2020, UBP continued to expand its footprint in Europe by acquiring the wealth management business of Jefferies International Limited in the United Kingdom.



# CORPORATE CULTURE

UBP's slogan, "The Drive You Demand" pervades every aspect of the firm's values. It sums up our corporate culture, which is one based on dynamism, energy, instinct, dedication and teamwork. The term "drive" expresses the willingness of the Bank and its people to boldly look towards the future with strength, leadership and audacity.

## THE DRIVE YOU DEMAND

As one of the major players in asset management and finance, UBP is recognised today as a solid partner, known both for its expertise and for what it offers. It owes this privileged position, in part, to its talent for anticipation. This advantage, which is based on our ability to think outside the box, forms an integral part of the way we at UBP work: it means understanding movements and trends; forming our own opinion; building convictions without blindly following consensus thinking, and then acting appropriately.

We are bold, but have never abandoned a cautious approach to business management, ensuring the Bank's health and solidity – an attitude that has enabled us to develop a long-term strategy while fostering continual growth. UBP's dynamism and strength are what make the difference today.

# VALUES

Dedication, conviction, agility, responsibility. UBP's four key values express our determination to achieve our aims and to live up to our clients' expectations and safeguard their interests. Every day, all of our people embody these values, and they inspire and guide every single one of us, regardless of our specialisation.

## Dedication

Finding the best solution to every situation demands constant dedication and an exclusively client-oriented approach. With this in mind, our staff work tirelessly, conscientiously, open-mindedly and willingly to satisfy every last detail of our clients' needs. The level of service and performance we demand of our staff is the same as that which clients demand of their bank.

## Agility

Thanks to its size and structure, UBP is very flexible and ensures fast decision-making, enabling it to carry out large-scale operations and seize investment opportunities when they appear on the markets. This unique skill from which our clients benefit as much as the Bank, is one of the key factors in our success.

## Conviction

Our long-term vision enables us to make choices based on strong convictions – an advantage that serves to grow both our own and our clients' businesses. One only has to look at the Bank's rapid growth, which today has earned it the respect and recognition of its peers, and its ability to offer its clients investment solutions that are always innovative and performance-oriented.

## Responsibility

At every level and in everything we do, we ensure that integrity, ethics and fairness take precedence. At UBP, responsibility is an integral value, both for the individual and for the company; it is a prerequisite for ensuring irreproachable business conduct.







- Our offices
- **Our booking centres**

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