

EFG – Swiss by origin, global by design

Swiss private bank EFG began life in 1995 in Zurich and ten years later listed on the SIX Swiss Exchange. In 2016 the bank took another leap forward by combining forces with one of the oldest private banks in Switzerland, BSI, in a nearly 1 billion Swiss francs (CHF) deal. Today, the combined entity has a growing global footprint with 40 locations worldwide, and through offices in Hong Kong and Singapore is on an ambitious expansion trail in Asia.



JOHN WILLIAMSON
EFG

JOHN WILLIAMSON AND ALBERT CHIU are private bankers on a mission. Williamson as Chairman is on a drive to communicate EFG's enhanced financial, managerial and logistical strengths, which the firm believes are ideally suited to exploit the private banking and wealth management potential they see worldwide. And Chiu as head of the Asia region is working enthusiastically to further build on the firm's solid base and immense potential in the region.

"EFG had already built a fine reputation in private banking and the BSI acquisition has been a truly transformational step for our business," says Williamson, "We have significantly enlarged our business and strengthened our market presence. As size matters in today's private banking landscape, it is our clear ambition to leverage our bigger international network and our strong Swiss hub in all regions."

EFG + BSI = An ideal formula EFG is one of the largest Swiss private banks with a growing global presence. "The combination of EFG and BSI, which is still

in process, is creating for us a larger, more solid and certainly more dynamic platform,” Williamson adds.

EFG completed the acquisition of BSI on 31 October 2016, a landmark deal that amounted to approximately CHF971 million. Amongst other advantages, EFG targets CHF240 million in synergies by 2019 as well as many other advantages for the group’s financial performance as well as to the client coverage.

“Thanks to a very good collaboration across teams, we have already made substantial progress in little over a year since the deal took place,” Williamson reports. “Over the past months, we have completed the legal integration of all BSI entities worldwide, and at an accelerated pace. We are well underway to reach our cost synergy targets, especially once the technology migration in Switzerland is completed.”

WE NOW HAVE THE SCALE, REINFORCED POSITION, ENLARGED MARKET COVERAGE AND IMPROVED PLATFORM TO FURTHER SUSTAIN OUR GROWTH IN ASIA

Enhanced global presence Following the combination with BSI, EFG today has a broader and more diversified international presence, with the ability to serve clients from 40 locations across all time zones. “We also plan to strengthen our presence in existing locations as part of the enhanced global network, with a stronger presence in main financial centres and in target growth regions, notably Switzerland, Europe, Latin America and Asia. “We are both global in reach and local in expertise and understanding,” Williamson adds.

All this is having a significant positive impact on EFG’s Asian business. “We successfully completed the integration of BSI into EFG here in Asia in the first quarter of this year and we are immediately seeing the strength and depth of our business improve in Asia,” reports Chiu.

In addition to EFG’s core market regions of Europe, Asia and Latin America, Williamson adds that EFG has built two global units for the group. One is Investment Solutions, where all asset management activities are combined, the other is Global Markets, for the diversified trading business.



ALBERT CHIU
EFG

Asian growth in good hands Chiu was appointed Head of Asia Region in June 2016, having joined the Executive Committee in July 2015. He is also Chief Executive of EFG Bank’s Asia Pacific Region. Chiu joined EFG Bank in 2000 and established EFG Bank’s private banking activities in Asia and opened the two branches in Hong Kong and Singapore.

Prior to joining EFG, Chiu was Treasury Manager at HSBC Bank USA Hong Kong Branch from 1993 and prior to that was a Vice President with Citibank in Hong Kong.

A Hong Kong citizen, Chiu holds a BA Honours in Business Administration from the Chinese University of Hong Kong and completed the Advanced Management Program of Harvard Business School as well as holding a Diploma from the Sophia University in Japan.

He is enthused about the enhanced potential in Asia. “We now have the scale, reinforced position, enlarged market coverage and improved platform to further sustain our growth in Asia and we aim at growing through additional hiring in the region.”

Building the Asian team Chiu states that “EFG is an attractive employer for professionals in the banking industry - whether an individual is interested in a client-facing role or a support function. EFG offers a stimulating working environment for talented individuals with a strong entrepreneurial spirit and we

encourage our personnel to take a hands-on approach and we give them the freedom to innovate while benefiting from the support of a dynamic and value-creating team culture.”

Hiring the right people is vital to the sustained growth of the Asian business. “EFG is a great employer to work with,” says Williamson, “given our entrepreneurial spirit and our clear and distinctive positioning. We are an excellent vehicle for high-quality relationship managers as we offer a compelling value proposition, a solid platform to serve clients very effectively and a very entrepreneurial approach.”

EFG’s entrepreneurial character Williamson notes that “EFG has a deep history of entrepreneurship that dates right from the firm’s establishment some 22 years ago. A key driver of our success is the fact that our Client Relationship Officers (CROs) have always been viewed by the company as entrepreneurs who are dedicated to serving our clients.

Accordingly, they are passionate about cultivating long-term relationships that are founded on trust and they offer hands-on solutions. This approach is one of the hallmarks of EFG and our understanding of private banking - making us such a reliable partner to our clients.”

Against a backdrop of rapidly evolving economic and financial market conditions, strategies and scenarios in wealth management need to be continuously reviewed and challenged. “We are employing the additional scale, greater international reach and enhanced the first-class expertise of our combined business to reinforce our competitive position as a top-tier Swiss private bank,” says Williamson.

Chiu expands on the character of the combined EFG and BSI model. “One of the core appeals of working with EFG in Asia is the decentralised model the company operates,” he says, “giving team members full empowerment, freedom of entrepreneurial thinking and open architecture.”

Competitive edge Chiu believes that EFG’s entrepreneurial foundations give the bank an extra competitive edge to capture the growth of Asia’s wealthy. “So much of the wealth in this region stems from individual business owners founding and running successful businesses,” he explains.

“Our mindset is totally in tune with these individuals and we are therefore an ideal match for the needs of these business owners. Our client relationship officers also have a deep understanding of the Asian market,



the local business and social culture and practices as well as a great deal of experience in the field.”

Chiu is excited about growth prospects in the region. “With the HNW segment contributing a considerable and increasing proportion of the global wealth growth, and with more and more people entering this segment from the emerging markets and the Asia region, we continue to focus on this important client segment.”

Williamson is confident EFG can also further enlarge its Asian client coverage. “We have all the key elements in place with the newly combined business and we are attracting more and more clients to our new platform.

Hence our current energetic recruitment drive for experienced CROs to join us in this region.”

EFG is highly focused on building close relationships with clients and to understand and predict their needs. “We are passionate about cultivating long-term relationships that are founded on trust and we offer hands-on solutions,” says Chiu. “This approach is especially vital in Asia and is one of the hallmarks of EFG and our understanding of private banking, making us such a reliable partner for our clients.”

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Williamson anticipates robust growth in the firm’s Discretionary Portfolio Management (DPM) offering. “Given the ongoing low interest rate environment,” he says, “markets and portfolio returns are likely to remain subdued, making it a challenging investment environment for clients. Hence our DPM service resonates well with clients, as we give them direct access to our specialists and their recommendations.”

The digital world is also central to the bank’s growth. “Digitalisation continues to be an important topic for the banking industry,” Williamson reports. “With more and more start-ups and fintech companies developing in this field, private banks need to invest in the development of improved technologies in order to most effectively service clients. In the future, we believe technological capabilities will be a key differentiator for private banks.”

With its globally diversified presence and a strong foothold in key growth markets, Williamson believes the future for EFG in Asia is looking increasingly promising. “Local expertise and skills coupled with our global reach and financial power is a compelling combination for our clients, who expect excellent advice, close relationships and optimal solutions.” ■

