

Check against delivery.

Jörg Gasser, CEO, SBA

Our mission: finding solutions!

Esteemed Members of the Press

The decisions we make today shape the world of tomorrow. And good decisions require good foundations. These seldom emerge simply by conducting day-to-day business. Instead, what is required is the strength found in numbers, which brings together a broad range of competencies and therefore offers solutions for the increasingly complex problems of today.

Our vision of a centre of expertise

Over the last few months, I have gotten to know the Bankers Association “from the inside” and have been able to ascertain that the association has an enormous amount of banking and specialist knowledge. 500 experts from across all the banks bring their knowledge to numerous different commissions and work groups. Our head office pools this knowledge and shares it with the authorities, government and you. This pooled industry knowledge is our key “asset” – or in other words, the Bankers Association’s USP. In the future, we will consolidate, interlink and disseminate this specialist and banking knowledge to an even greater extent – using both human and artificial intelligence. In this way, we are creating a centre of expertise that offers indispensable added value for all stakeholders. Added value that facilitates well-founded and good decisions.

Alongside this, my goal is that we will be able to present solutions, even in areas where awareness of a problem is perhaps just beginning to emerge. We want to focus on anticipating industry trends early on. And we want to offer the sector, the government and the public meaningful aids for interpretation and for the implementation of measures relating to upcoming challenges. We were very successful in doing this with the cloud guidelines. And we want to do more of that!

To do so, we need to bring together the best minds. We will only have the foresight to identify relevant trends, draw the right conclusions and create the optimal framework conditions for the financial centre if we pool together a broad range of opinions, ideas, talents and competencies.

Our knowledge centre is to be a place that offers a platform for dialogue on key topics that affect the entire industry. We want to have this dialogue with all the relevant stakeholders. This is important because our financial centre is becoming increasingly colourful and diverse and competition is becoming more intense. I am convinced that the more interconnected the financial centre and its stakeholders are, the more competitive it will be. Our perspective is therefore a locational one. Where it makes sense, we institutionalise the dialogue and integrate the various stakeholders into our

committees and work groups. For example, we have integrated the voices of relevant fintech associations and the scientific community into an expert commission for digitalisation. Through this collaboration, guidelines such as the ones for blockchain/DLT gain in quality and relevance. Just as important as the dialogue with all market participants and the scientific community is the dialogue with politicians and the authorities. We must continue to pursue this path systematically.

Esteemed Members of the Press, the knowledge we generate is not an end in itself. It is to be used actively to optimally shape the future framework conditions of the financial centre – and ultimately of Switzerland. With the help of facts, expertise and a far-reaching view, we want to be convincing. And to do so, we must be successful in a dynamic ecosystem. Because in our increasingly complex world, we need reliable institutions that can provide orientation. All long-standing industry associations must be on board. In order to have a future, it is necessary to succeed in providing clear added value. In order to have good prospects, it is necessary to combine competence, talent and a strong network.

Topic of the future: sustainable finance

I would like to talk for a moment about a complex matter for which we must find good solutions. No other topic is currently being discussed, protested and demonstrated as emotionally as climate change. Sustainability requires a systematic approach! We must think and act in a holistic manner. There is no simple solution to these complex challenges, we will have to find many partial solutions together. As we do so, we want to work closely with all of the relevant stakeholders. We are convinced that together, we will find the best solutions.

When we talk about solutions, we must follow a clear path: we want to find market-based solutions. By taking a market-based approach, we create not only attractive framework conditions but also the right incentives.

What do we mean by that exactly? As the Bankers Association, we have five clear demands.

- **An internationally coordinated, holistic approach:** We reject one-sided regulation for banks. We are convinced that good incentives are more expedient than limitations and rules. In addition, relevant standards must be coordinated globally if they are to be effective. It must be avoided that other financial centres with lax rules attract certain non-sustainable types of business and therefore steer away from the path to our goal. Because this would not only harm the climate but also diminish our competitiveness.

Also crucial for us is a holistic approach that encompasses all stakeholders, namely investors such as pension funds, intermediaries such as banks and all products in the investment universe. We are speaking here of the so-called "triad" – consisting of investors, intermediaries and the investment universe. I will say more about this in the points that follow.

- **No restrictions for sustainable investing:** The investment guidelines for occupational

pension funds are one current misguided incentive. It is troubling that pension funds are subject to restrictions for certain investment categories. Unfortunately, many sustainable investments, for example in the area of infrastructure or in the bond segment, today also fall into that category. We call for restrictions and limits to be removed for all sustainable investments – whether traditional or alternative. Institutional investors need room for manoeuvre. From a liberal perspective, incentives are the primary way to change behaviour. To this end, we call for an update of the investment guidelines. It is disappointing to see that the Federal Council has rejected a corresponding postulate by the Council of States' environmental commission. Particularly in light of the negative interest rate curve, an overly narrow view of investment guidelines is fatal for the pension benefits of us all. It will be our task to continue our efforts of persuasion in this area in a manner that is fact-based.

- **Guidelines for relationship managers in the sustainable finance space:** As intermediaries, banks are called upon to consistently incorporate sustainability into their advisory processes for customers. Ultimately, it is of course up to the customer how sustainable they want their investments to be. As intermediaries, the banks can, however, make an important contribution to making sustainable investments the new norm. Orientation in the sustainable finance space is helpful in order for our sector as a whole to make progress on this front. The Bankers Association is active and on the ball in this area. We are planning to publish guidelines and recommendations for this segment for our members in the first half of next year.
- **Attractive sustainable products – without fiscal hurdles:** Today, investments – not only sustainable ones – are subject to a number of fiscal hurdles. In consequence, we as a financial centre are at a competitive disadvantage in international comparison. For this reason, and especially in the context of the debate surrounding sustainability, we call for a reform of withholding tax and the gradual abolition of stamp duties. If we release these brakes, I am convinced that we will gain huge leverage for more growth, especially also in terms of sustainable financial investments.
- **Increasing the exportability of Swiss sustainable finance through market access:** The Swiss financial centre stakeholders have a lot of know-how and expertise in the area of sustainable finance – but we cannot export it, or only to a limited extent. Why? Because the Swiss financial centre lacks market access, especially to the European market. We are therefore advocating, particularly also from a sustainable finance perspective, for improved market access around the world.

In our view, an important factor in how sustainable investments will further develop is how quickly we create attractive framework conditions for investors, banks as intermediaries and the investment universe. Recent figures highlight the enormous potential that exists in the sustainable finance segment: sustainable investments increased by 83 percent last year and reached a new record of CHF 717 bn. (Source: Swiss Sustainable Finance market study). The share of sustainable investments in Switzerland is significantly higher than the international average. There is still,

however, significant potential in this area for the financial centre and Switzerland as a whole, especially if we can grow internationally. Switzerland as a leading international hub for sustainable finance – that is our vision. Let's make it happen!

Esteemed Members of the Press, I will now hand over to Serge Steiner and look forward to taking your questions.