Lucerne University of Applied Sciences and Arts

ASSET MANAGEMENT ASSOCIATION

Swiss Asset Management Study 2023

Asset Management contributes to the Swiss economy and is the backbone of the second pillar pension system

Tatiana Agnesens, Karsten Döhnert, Jürg Fausch, Moreno Frigg

FH Zentralschweiz

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Preface

Asset management is an essential part of the Swiss financial sector. Approximately one-third of domestic asset management services are provided to clients abroad and since 2017, this share has witnessed an increase of about 8 percentage points. Asset management can thus be considered an export industry. Moreover, the annual contribution to Swiss GDP is estimated to range between 0.94 and 1.19 percent, which corresponds to about 11 to 13 percent of the value added generated by the Swiss financial sector.

However, the year 2022 was challenging for the asset management industry, both globally and in Switzerland. Strong inflation dynamics and contractionary monetary policy, resulting in interest rates rising faster than expected, led to a simultaneous decline in equity and bond market valuations. By the end of 2022, the total AuM managed by asset management companies in Switzerland amounted to CHF 2.9 trillion which corresponds to a negative year-on-year growth of 13.2 percent. Despite this substantial decrease in AuM, since 2016, the volume of domestically managed assets grew with an average annual growth rate (CAGR) of 6.5 percent. Furthermore, more recent estimates indicate that in the first half of 2023, the volume of AuM managed in Switzerland grew by roughly 2.9 percent and reached the CHF 3.0 trillion threshold again by the end of June 2023.

Capital markets and thus the asset management industry are important contributors to the occupational pension system. In the last two decades, approximately 32 percent of pension fund assets have been accumulated through net investment income (the third contributor).

Artificial intelligence (AI) and machine learning (ML) are also about to take center stage in asset management. About two-thirds of the surveyed asset management firms operating in Switzerland state that these technologies will have the greatest impact on the industry over the next decade. Moreover, sustainability is still evaluated as the most promising opportunity and Switzerland is in a good position to further develop a strong footprint in this segment.

However, the industry is also facing several challenges. In this context, for the first time since the launch of this study in 2018, finding customers is seen as the most pressing challenge, followed by regulation and competition. Creating new growth opportunities in markets abroad is thus of vital importance for future growth. A further increase in competitiveness could also be achieved by building on existing strengths and providing innovation in the area of alternative investments or by further establishing Switzerland as a leading international hub for sustainability.

The findings of this annual study should build the foundation for dialog within the industry but also facilitate an exchange between investors, policy makers and the general public. A strong asset management industry is in the interest of many stakeholders as it provides jobs, contributes to federal, cantonal and municipal tax revenues and last but not least, generates income for the pension system.

At this point, we would like to express our appreciation and thank all the parties who contributed to this study. Our very special thanks go to all asset management companies in Switzerland that took part in our survey and provided valuable data and information. This study would not have been possible without their relentless support.

Finally, we hope that you, dear reader, find the study informative and gain important insights. We wish you an enjoyable and stimulating read.

Iwan Deplazes
President

Asset Management Association Switzerland

Adrian Schatzmann
CEO

Asset Management Association Switzerland

Thomas Ankenbrand
Head Competence Center Investments

Institute of Financial Services Zug IFZ

Jürg Fausch
Lecturer & Project Leader

Institute of Financial Services Zug IFZ

Study Results 2023 – At a Glance

Asset management matters for the economy
Estimates indicate that the asset management industry contributes in the range of 0.95 to 1.2 percent to Switzerland's annual GDP. This corresponds to about 11 to 13 percent of the value added generated by the Swiss financial sector. Moreover, in the period 2018 to 2022, Swiss based asset managers paid a total of about CHF 3.5 billion in taxes at the federal, cantonal and municipal level.

Despite a challenging market environment, Swiss asset management shows a strong business performance due to higher cost-efficiency
The net revenue pool of the Swiss asset management industry is estimated to be CHF 14.4 billion (CHF 16.5 bn in 2021) with profits of CHF 4.89 billion (CHF 4.95 bn in 2021) by the end of 2022. The cost-income ratio fell from 70 percent in 2021 to 66 percent in 2022.

Asset management contributes substantially to the pension system
With respect to the occupational pension system, capital markets and thus the asset management industry are important contributors. Since 2004, approximately 32 percent of pension fund assets have been accumulated through net investment income (the third contributor), which amounts to CHF 452 billion. This finding highlights the fact that asset management assumes a key role in contributing to the second pillar in Switzerland.

Asset managers see sustainable investments as the most important opportunity for Switzerland as an asset management hub for the third consecutive year
The most important motive for asset managers to integrate ESG criteria is to contribute to positive economic, social and environmental change (positive change goal). Moreover, the integration of ESG into the investment process is seen as part of their fiduciary duty to their clients.

2022 was a very challenging year for the asset management industry but prospects are brighter for 2023
AuM managed in Switzerland fell by 12.7 percent in 2022 to CHF 2.9 trillion. A decomposition of this negative growth rate shows that –14.3 percentage points are attributed to performance and +1.6 percentage points to net new asset inflows. However, more recent estimates indicate that in the first half of 2023, the volume of AuM managed in Switzerland grew by roughly 2.9 percent (~1.5 % is attributed to investment performance, and ~1.4 % to net new asset inflows) and reached the CHF 3.0 trillion threshold again by the end of June 2023.

Artificial intelligence is about to enter center stage in asset management
Two-thirds of the surveyed asset managers believe that artificial intelligence (machine learning, analytics) and big data will have the biggest technological impact on the asset management industry over the next decade.

Asset management is an export industry
About 33 % of the AuM managed in Switzerland are managed on behalf of contracting clients abroad. This corresponds to about CHF 1.0 trillion in AuM. Since 2017, this export share witnessed an increase of approximately 8 percentage points, rising from 25.4 percent to 33.0 percent in 2022.

Finding customers is evaluated as the biggest challenge for asset management firms operating in Switzerland
For the first time since the launch of this study in 2018, finding customers is seen as the most pressing challenge, followed by regulation and competition.

1. Asset Management Survey 2023

1.1. Introduction

In the first chapter of this study, a comprehensive overview of Switzerland's asset management industry is given, by presenting the results of our annual asset management survey. In the context of this study, asset management is defined as follows:

Asset management is the production and management of investment solutions in the form of collective investment schemes or individual, institutional mandates.

This definition has a clear institutional focus and implies that wealth managers and private banks without an asset management unit are not considered.

Asset managers have an intermediary function with a fiduciary responsibility and manage collective investments schemes and institutional discretionary mandates in exchange for a fee, on behalf and in the best interest of their clients.

This study analyzes the production side of the industry which goes beyond the simple booking view of assets. This perspective requires that Switzerland is the physical location where investment decisions are made and portfolios are managed. In this context, the assets under management (AuM) may not necessarily be held at a custodian bank in Switzerland, but are delegated to an asset manager in Switzerland for management purposes.

1.2. Scope and Methodology

The data request for the Swiss Asset Management Study 2023 is based on a survey among FINMA-authorized banks and securities dealers, fund management companies and FINMA-authorized asset managers of collective investment schemes. We identified 326 Swiss-based companies that are consistent with our definition of asset management and consider asset management as their main value proposition. All firms are domiciled or operate in Switzerland. The collected data is from December 31, 2022 and was provided voluntarily by the asset management firms participating in the survey. The data collection, which is based on two questionnaires, took place from March to June 2023. The quantitative questionnaire serves as the foundation for the market sizing and in-depth industry analysis, while the qualitative questionnaire includes the sentiment survey and information on various operational data to be included in the company factsheet of each participating asset management firm. All surveyed asset managers were provided with guidelines on how to complete the questionnaires. To ensure accuracy, all data and information were thoroughly validated and checked for consistency. If any inconsistencies were found, the relevant survey participants were contacted to resolve the issue.

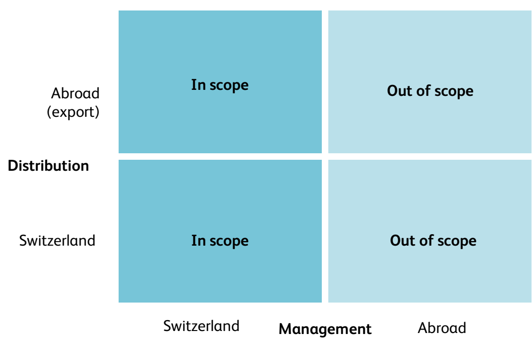


Figure 1.1: Switzerland as an asset management production location

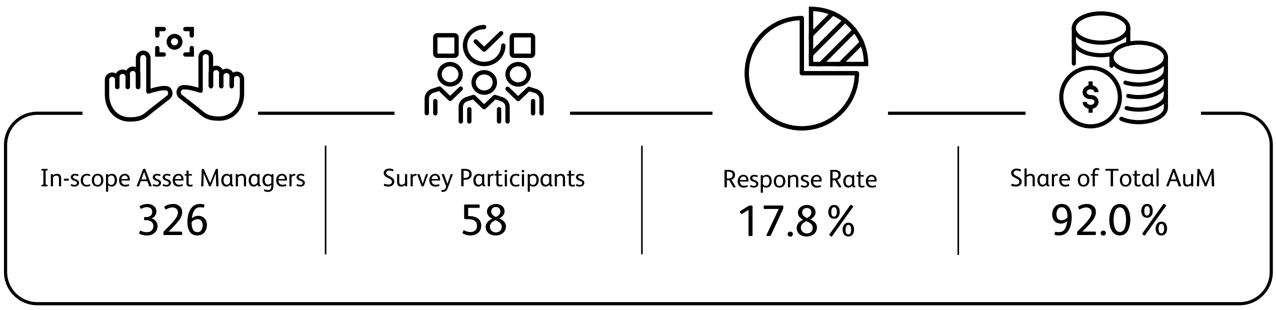
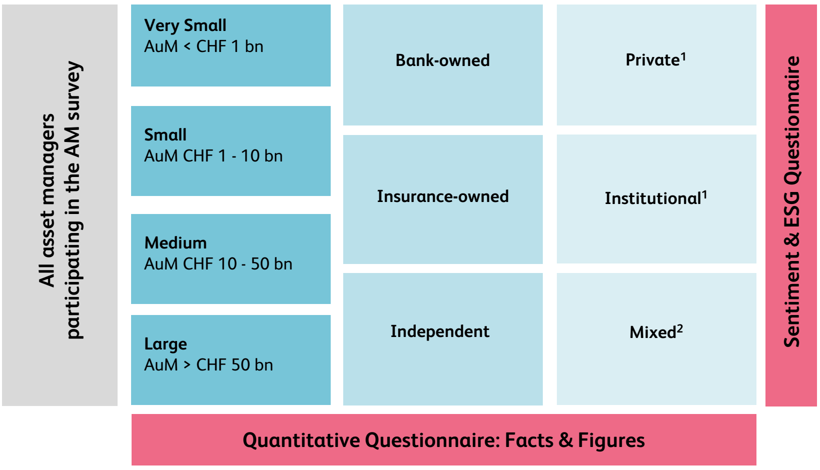


Figure 1.2: In-scope asset management firms and survey participants

The 2023 survey received a response from 58 asset management firms, each submitting at least one questionnaire (quantitative, qualitative) and the company factsheet.[1] This corresponds to an overall response rate of about 18 percent. Moreover, it should be emphasized that the survey participants are among the largest and most well-known asset management firms in Switzerland.

[1] Note that one asset manager participated in the survey by providing data, but is not depicted in the study with a factsheet.



1 Asset Managers with more than two thirds of total AuM in Private or Institutional.
2 If Institutional AuM between 35 % and 65 % of total AuM.

Figure 1.3: Segmentation of Swiss-based asset management firms

In order to gain more comprehensive insights, we have segmented all asset management firms that provided data according to the grid structure illustrated in Figure 1.3. Since all surveyed asset managers have a focus on institutional clients, we focus our analysis on segment sizes (measured by AuM) and ownership (bank-owned, insurance-owned, independent) due to the lack of client variability. As such, we do not provide further insights regarding client focus. The number of participating firms in this year's survey, segmented by size and ownership, is shown in Figure 1.4.

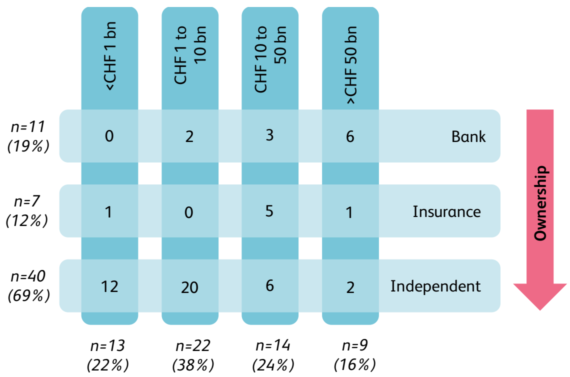


Figure 1.4: Survey participants with respect to size and ownership (n=58)

1.3. The Relative Importance of Asset Management in the Swiss Financial Sector

Financial and insurance services contribute substantially to Switzerland's gross domestic product (GDP) and are an important sector within the Swiss economy. In 2022, 8.9 percent of total economic output, corresponding to about CHF 68.9 billion in value creation, was generated by the financial industry. In terms of employment, about 5.2 percent of overall employment is related to the financial sector, including activities auxiliary to financial services and insurance activities, which correspond to 217,890 full-time equivalents (FTEs) (SIF, 2023). Switzerland is well-known historically for its strong position in private banking. According to the latest edition of the Deloitte International Wealth Management Centre Ranking, Switzerland is evaluated as the leading wealth management center in terms of competitiveness, size and performance (Deloitte, 2021). However, in recent years, asset management has also established itself as an important and strongly growing sector of the Swiss financial center.

In order to determine an estimate regarding the gross value-added contribution of the asset management industry to Switzerland's GDP, we collect data on revenues (management and performance fees) as well as intermediate consumption (revenue deductions and other operating expenses excluding personnel compensation). As the number of listed asset managers in Switzerland is limited, we use a data sample of the 70 largest publicly traded asset management firms across Europe and North America to obtain these metrics. Based on these, we compute the mean and median expense-revenue ratios, multiply them by our estimate of net revenues generated by Swiss-based asset management firms, subtract the intermediate consumption from the net revenues and finally relate the corresponding number to Switzerland's GDP in 2022. Using this approximation, we conclude that the asset management industry's value added to Switzerland's GDP amounts to CHF 7.2 billion (mean) or CHF 9.1 billion (median) depending on whether mean or median values are chosen. In this context, it is important to note that these estimates are subject to a certain degree of estimation uncertainty and thus must be interpreted with care.

We estimate that the asset management industry contributed between **0.94 percent** and **1.19 percent** to Switzerland's GDP in 2022. This corresponds to about eleven to 13 percent of the value generated by the financial sector.

To further evaluate the importance of the asset management industry in Switzerland in relation to private banking and the insurance industry we gather additional data from various third-party sources. In particular, for our analyses, we rely on the volume of AuM, net new assets, performance, full-time equivalents, and various KPIs (profit, profit margin, cost-income ratio (CIR)). The data with respect to private banking are mainly obtained from (KPMG & University of St. Gallen, 2022, 2021, 2020, 2019).[2] The growth rates of AuM in the private banking sector are taken from (PwC, 2022) and (SBVg, 2022). Moreover, estimated tax revenues are based on the average maximum effective pre-tax rate for federal, cantonal and municipal taxes provided by (KPMG, 2023). Finally, the data for the insurance industry are obtained from the annual FINMA insurance market report.

[2] In this context, a private bank is defined as a Swiss private bank that holds a full FINMA bank license and of which a significant proportion of its business is private wealth management.

Table 1.1 depicts AuM and AuM per full-time equivalent (FTE) for both asset management and private banking industry from 2018 to 2021. As of 2021, the assets managed in private banking were roughly 28 percent higher than those managed in the asset management industry. Yet, due to the scalability of the business, the AuM per FTE in the asset management are almost three times higher than in private banking. Comparing the two industries based on growth rates, the AuM in asset management increased by approximately 53 percent during the examined period, while that in private banking increased by only 38 percent. However, the opposite is observed when considering the AuM per FTE, where those in the asset management industry (44 %) grew slightly slower compared to private banking (48 %) over this four-year period.

Table 1.1: Comparison of AuM (in bn CHF) and AuM per FTE (in CHF) between the asset management industry and private banking in Switzerland; Source: AM Survey 2022, 2021, 2020, 2019 (own data), KPMG & University of St. Gallen (2022), KPMG & University of St. Gallen (2021), KPMG & University of St. Gallen (2020), KPMG & University of St. Gallen (2019), annual reports 2018 to 2021 of Credit Suisse and UBS

Year	Industry	AuM in bn CHF	AuM/FTE in mn CHF
2021	Asset Management	3,297	314.00
	Private Banking	4,209	113.42
2020	Asset Management	2,787	270.58
	Private Banking	3,738	93.91
2019	Asset Management	2,519	252.56
	Private Banking	3,420	84.51
2018	Asset Management	2,161	218.28
	Private Banking	3,046	76.71

Figure 1.5 provides an overview of the development of asset growth based on a breakdown into net new assets and performance for both industries. From 2018 to 2021 the growth in AuM in the asset management industry was more pronounced than in the private banking industry. During the observation period, the performance achieved by the asset management sector was higher with a geometric mean of 7.3 percent compared to private banking with 4.6 percent. The same is true for the NNA, which amount to a mean of 3.3 percent in the asset management industry and 2.8 percent in private banking. These differences are also reflected in the average annual growth rate in total AuM, which was about 10.5 percent in the asset management industry and roughly 7.3 percent in the private banking industry over the four-year observation period.

Figure 1.5: Breakdown of AuM growth in net new assets (NNA) and performance and comparison between the asset management and private banking industry in Switzerland from 2018 to 2021. Source: AM Survey 2022, 2021, 2020, 2019 (own data), PwC (2022), SBVg (2022)

In Table 1.2, the asset management, private banking and insurance industries are compared in terms of FTEs and profit per FTE. While the asset management sector has by far the lowest number of FTEs overall, it experienced an increase of around 6.1 percent from 2018 to 2021. While the number of FTEs in the insurance industry also experienced an increase, by around 3.9 percent, the number of FTEs in private banking fell by 2.0 percent. Although the smallest industry measured by FTEs, the profit per FTE in asset management in 2021 was nearly twice as high as in the private banking and insurance industry.[3]

[3] Note that for the year 2018, no survey data on profit margins for the asset management industry are available. In order to approximate the profit for that particular year, we apply the lower bound of the profit margin observed in our time series data, which is 14.7 bps.

Table 1.2: Comparison of employment (FTEs) and profit per FTE (CHF) between the asset management industry, private banking and the insurance industry in Switzerland; Source: AM Survey 2022, 2021, 2020, 2019 (own data), Federal Statistical Office (2022b), KPMG & University of St. Gallen (2022),KPMG & University of St. Gallen (2021), KPMG & University of St. Gallen (2020), KPMG & University of St. Gallen (2019), FINMA (2021), FINMA (2020), FINMA (2019), FINMA (2018)

Year	Industry	Employment in FTE	Profit/FTE in CHF
2021	Asset Management	10,500	471,000
	Private Banking	37,110	207,053
	Insurance	42,272	202,427
2020	Asset Management	10,300	398,058
	Private Banking	37,969	113,751
	Insurance	42,000	178,571
2019	Asset Management	9,970	501,505
	Private Banking	38,592	111,940
	Insurance	41,300	368,039
2018	Asset Management	9,900	320,202
	Private Banking	37,853	119,409
	Insurance	40,700	260,442

Figure 1.6 shows the estimated profits as well as profit tax revenues for the asset management, private banking and insurance industry. Between 2018 and 2021 the combined estimated profit tax revenue collected on the federal, cantonal and municipal level amounts to CHF 13.9 billion. Thereof, the insurance industry contributed nearly half with 49.7 percent, private banking 30.2 percent and the asset management industry 20.1 percent. In addition to the profit tax revenues, the federal government levies various indirect taxes such as value added taxes (VAT), stamp duty or withholding taxes. Finally, the Swiss Confederation, cantons and municipalities alike benefit from the direct taxation of the income of individuals employed in the financial sector.

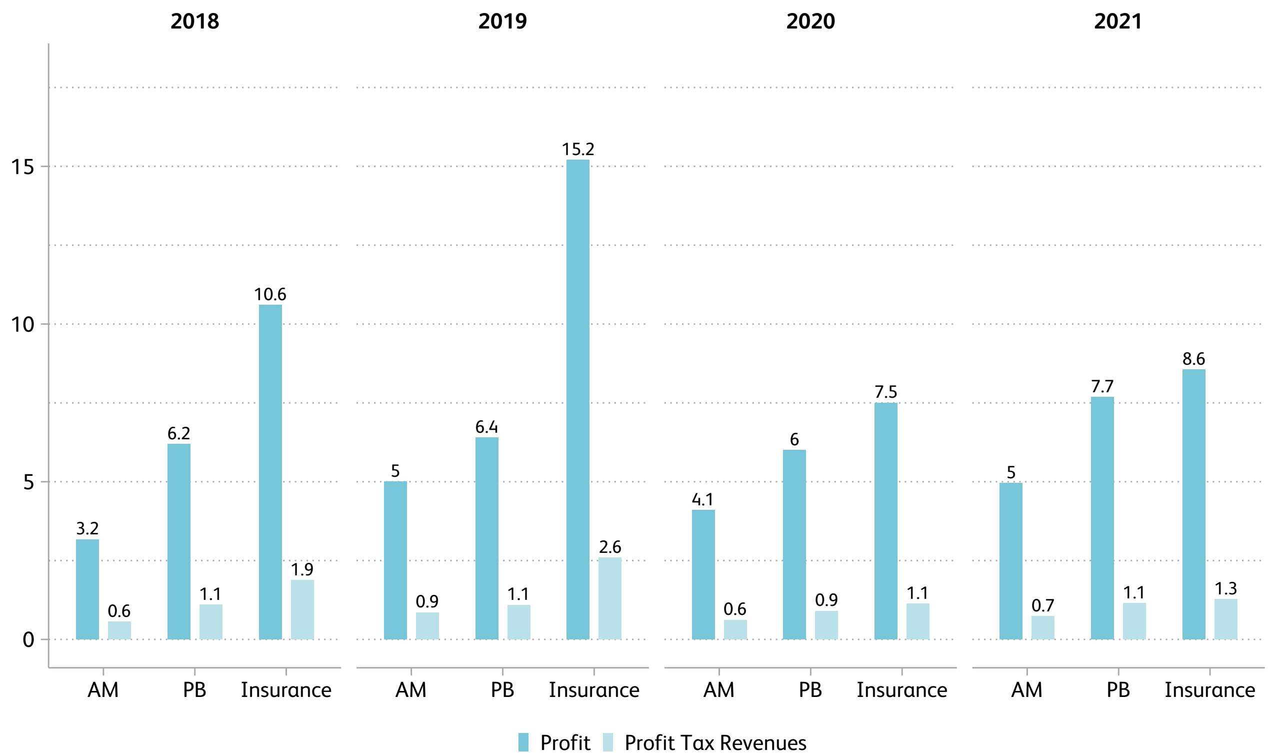


Figure 1.6: Profits and profit tax revenues in the asset management, private banking and insurance industry in billion CHF from 2018 to 2021; Source: AM survey 2022, 2021, 2020 (own data), FINMA (2021), FINMA (2020), FINMA (2019), FINMA (2018), KPMG & University of St. Gallen (2022), KPMG (2023), KPMG & University of St. Gallen (2021), KPMG (2021), KPMG & University of St. Gallen (2020), KPMG & University of St. Gallen (2019). Note that for the year 2018 no survey data on profit margins for the asset management industry are available. In order to approximate the profit for that particular year, we apply the lower bound of the profit margin observed in our time series data, which is 14.7 bps.

Table 1.3: Comparison of profit margin (bps) and cost-income ratio (in %) between the asset management industry and private banking in Switzerland; Source: AM Survey 2022, 2021, 2020, 2019 (own data), KPMG & University of St. Gallen (2022), KPMG & University of St. Gallen (2021), KPMG & University of St. Gallen (2020), KPMG & University of St. Gallen (2019). Note that for the year 2018 no survey data about profit margin and cost-income ratio for the asset management industry are available.

Year	Industry	Profit Margin in bps	Cost-Income Ratio in %
2021	Asset Management	15.00	70.00
	Private Banking	18.29	80.70
2020	Asset Management	14.70	74.00
	Private Banking	16.05	85.90
2019	Asset Management	19.50	64.50
	Private Banking	18.72	79.90
2018	Asset Management	N/A	N/A
	Private Banking	20.32	82.80

In Table 1.3 profit margins as well as the cost-income ratio (CIR) of asset management and private banking are presented. The profit margin in private banking is higher across all years, although the difference is fairly small. In terms of operational efficiency (as measured by the CIR), the range for asset management is lower than for private banking, ranging from 64.5 to 74.0 percent, while the CIR for private banking ranges from 79.9 to 85.9 percent. A lower CIR implies a higher operational efficiency.

Finally, various metrics of bank- and insurance-owned asset managers in relation to the business of their parent companies for the years 2021 and 2022 are illustrated in Table 1.4.[4] From 2021 to 2022, all metrics declined slightly, most notably the pre-tax profit by 1.69 percentage points. In 2022, with only eight percent of full-time equivalents, the asset management division accounted for 36 percent of AuM, more than 20.0 percent of pre-tax profits and about 13.9 percent of revenues. First, these numbers illustrate that asset management appears to be very efficient compared to all business divisions within a parent company. Second, asset management contributes a substantial share to pre-tax profits and is therefore of great importance to the parent companies.

[4] For this purpose we report the relative share of revenues, profit before taxes, employment and AuM using median values. The data are taken from the corresponding annual reports where available and refer to the years 2021 and 2022.

Table 1.4: Share of various metrics (revenue, profit before taxes, employment, AuM) of the asset management unit relative to the total business of bank-owned and insurance owned asset management firms (median values); Source: Annual reports, AM Survey 2022 (own data)

Year	Revenue	Profit before taxes	Emplyoment (FTE)	AuM
2022	13.87 %	21.44 %	8.00 %	36.02 %
2021	15.29 %	23.13 %	8.57 %	37.11 %

1.4. Market Sizing

We estimated the AuM managed in Switzerland using the same methodology applied in previous editions of this study. The total AuM were obtained by aggregating the volumes managed in discretionary mandates, collective investment schemes (CIS) under Swiss law, and CIS under foreign law managed by asset managers in Switzerland. The procedure used to determine the AuM for each category is outlined below:

1. **Discretionary Mandates**
   The weighted average of the AuM managed in discretionary mandates from 2021 to 2022 (as of December 31) is computed using the data provided by the surveyed asset managers. This weighted average serves as a proxy for the year-on-year growth rate in this segment and is estimated to be approximately -8.4 percent. Applying this growth rate to the volume estimated for 2021 (CHF 1,292 billion) implies that as of the end of 2022, the AuM managed in discretionary mandates amounted to CHF 1,184 billion.

2. **CIS under Swiss law**
   The data on the volume of CIS managed under Swiss law are taken from the Swiss National Bank (data.snb.ch). In this context, it is assumed that all the CIS are effectively managed in Switzerland. It is important to note that this assumption could lead to a slight overestimation of the volume of assets managed in this segment. The assets managed in CIS under Swiss law fell from CHF 1,215 billion in 2021 to CHF 1,112 billion in 2022, which implies a negative year-on-year growth rate of about 8.5 percent.

3. **CIS under foreign law**
   The volume of assets in foreign CIS from those asset management firms that provided data in the survey are summed up. For all non-disclosing asset managers, a cluster-analysis to infer the relative share of foreign CIS relative to total CIS (foreign and Swiss law) is conducted. For this purpose, peer groups of firms with similar business models and value propositions are formed in order to compute the average ratio of foreign CIS relative to total CIS for each group. This peer group-specific ratio is then used for the firms in the respective cluster that did not make a distinction between CIS under foreign law versus CIS under Swiss law to determine the share of assets attributable to foreign CIS. Finally, to consider asset managers who did not participate in this survey but are within the scope of this study, we use data from *Swiss Fund Data*. This approach allows us to consider funds domiciled abroad that are managed by non-participating companies and it is assumed that all these funds are effectively managed in Switzerland. This assumption is plausible as these asset managers are relatively small and thus it is rather unlikely that they have subsidiaries abroad. Based on this procedure we estimate that CHF 582 billion are managed in the form of foreign CIS in Switzerland, which corresponds to a year-on-year growth rate of about -26.3 percent in this segment. This relatively large decrease is partly driven by the fact that one major asset manager in the sample restructured its business and compiled data for this survey under a different legal perspective. A direct consequence of this development is that the majority of AuM is now managed under discretionary mandates rather than CIS. This means that the share of CIS under foreign law has fallen disproportionately. However, this is considered to be a one-time effect.

Figure 1.7 shows the development of the volume of assets managed in Switzerland from 2016 to 2022. The data provided by the surveyed asset management firms and our estimates indicate that as of December 31, 2022, the total AuM managed by banks, securities dealers, fund management companies and FINMA-supervised asset managers in Switzerland amounts to CHF 2,878 billion.

A year-on-year comparison reveals that AuM in Switzerland decreased by 12.7 percent (- CHF 419 billion). A decomposition of this estimated growth rate in net new asset flows and performance indicates that 1.6 percentage points (+ CHF 53 billion) are due to net new assets and thus organic growth, while the remaining -14.3 percentage points (- CHF 472 billion) are attributed to negative performance. To obtain an estimate of the AuM managed in Switzerland as of June 30, 2023, commonly used benchmark indices are applied to determine the return for each asset class over the first six months of 2023.

In order to estimate the AuM managed in Switzerland as of June 30, 2023, commonly used benchmark indices sourced from Bloomberg are used to determine the return for each asset class over the first six months of the year. These returns are asset-weighted based on the asset allocation reported in Figure 1.29. Moreover, net new assets generated by Swiss asset managers over this time span are approximated using data obtained from Swiss Fund Data (2023). Based on this approach AuM managed in Switzerland grew since December 31, 2022, by approximately 2.9 percent (~ 1.50 % in investment performance and ~ 1.40 % in net new assets).

By the end of June 30, 2023 the total volume of AuM managed in Switzerland is estimated to be about CHF 2,961 billion, corresponding to a semi-annual growth rate of approximately 2.9 percent.

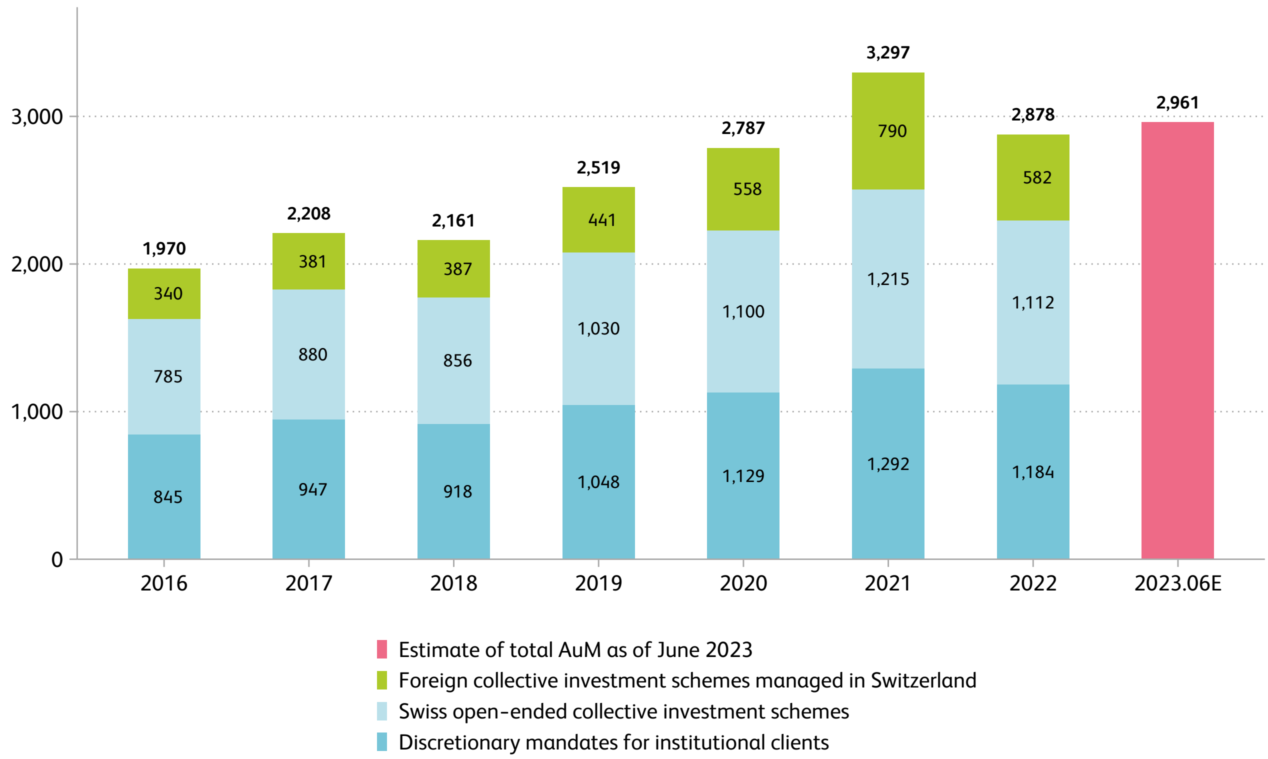


Figure 1.7: AuM managed in Switzerland for institutional clients and CIS from 2016 to 2023.06E, in CHF billion

Figure 1.8 illustrates the decomposition of the AuM growth into net new asset flows and performance over the last six years. Despite the market decline in 2022, the Swiss asset management industry has experienced sound growth since 2017. In terms of AuM, the asset management industry grew by 12.7 percent which corresponds to a compound average annual growth rate (CAGR) of 6.5 percent. Decomposing this CAGR over a six-year period into net new asset flows and performance reveals that roughly 42 percent can be attributed to net new assets and about 58 percent to performance.

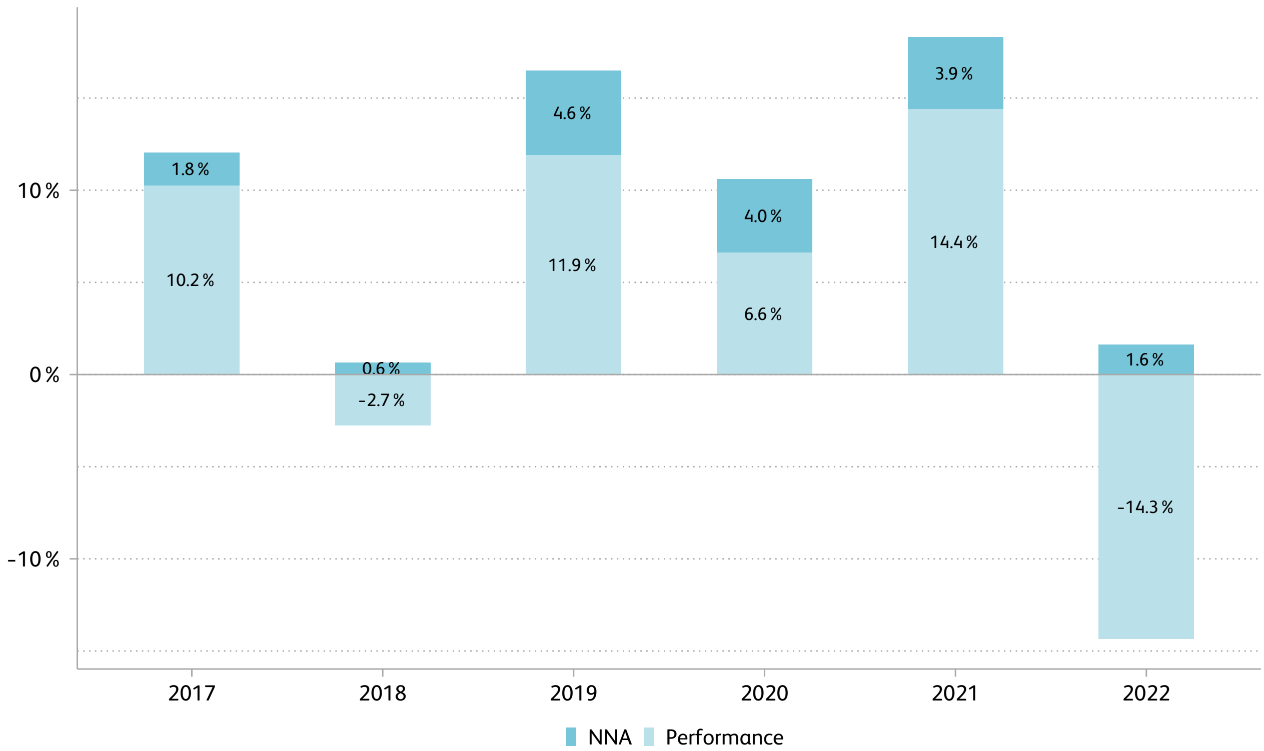


Figure 1.8: Decomposition of growth in AuM in net new assets growth and performance from 2017 to 2022

1.5. Facts & Figures about Swiss Asset Management

In this part of the study we present the results of various analyses based on the data collected from asset managers in the context of our annual asset management survey.

1.5.1 Institutional Clients

Figure 1.9 to Figure 1.11 display the distribution of AuM attributed to each institutional client type (pension funds, insurers, banks, asset managers and others) within the Swiss asset management industry.

According to Figure 1.9, in 2022 pension funds maintained the largest share (41.4 %) of the total AuM in Switzerland. They are followed by other institutional clients such as sovereign wealth funds, family offices, governments, or corporations, accounting for 25.4 percent of the total AuM. Banks represent the third largest client segment (12.9 %). After a decline in 2021, the relative share of total AuM managed by pension funds rebounded in 2022. Between 2021 and 2022, a slight decrease in the total AuM shares was observed for insurers, banks, and other institutional clients.

With respect to size (Figure 1.10), pension funds dominate as the primary client segment in every company size category, except for firms with AuM ranging from 10 to 50 billion. For those companies, insurers represent the largest client group (55.3 %). Interestingly, the relative share in AuM of pension funds among the smallest firms (AuM < 1 bn) increased from 9.5 percent in 2021 to 35.7 percent in 2022. This substantial development could potentially be explained by a "base effect", i.e., a few smaller firms managing to gain larger mandates during that period.

Regarding the ownership (Figure 1.11), pension funds hold a dominant position for bank-owned (45.3 %) and independent asset managers (38.1 %). For insurance-owned asset managers, insurers represent the largest client segment (75.4 %). This corresponds to the finding that insurers are also the largest client group for medium-sized companies (AuM 10 to 50 bn), as this size category is predominantly represented by insurance-owned asset managers.

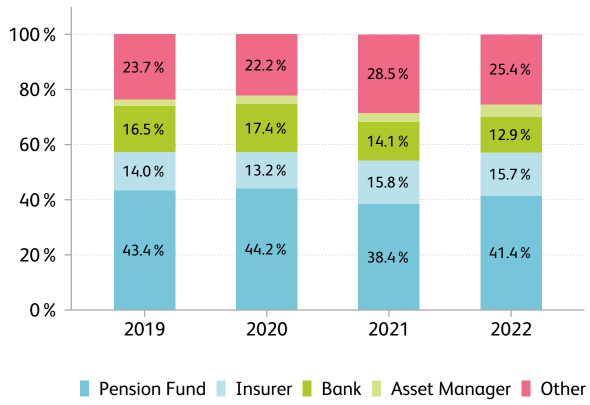


Figure 1.9: Relative share of institutional clients in AuM

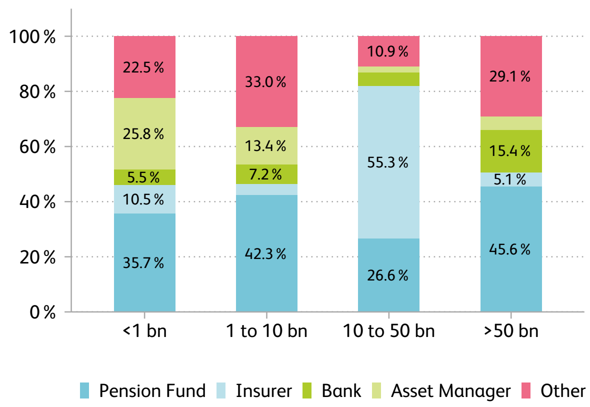


Figure 1.10: Relative share of institutional clients in AuM by size

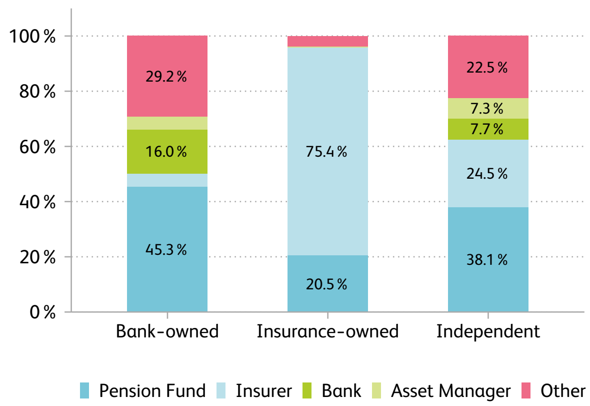


Figure 1.11: Relative share of institutional clients in AuM by ownership

Figure 1.12 illustrates the distribution of AuM managed on behalf of domestic and foreign institutional clients over a time span of six years, from 2017 to 2022. In 2022, out of the total CHF 2.9 trillion in AuM managed in Switzerland (Figure 1.7), approximately CHF 1.9 trillion represent assets managed on behalf of domestic clients, while CHF 1.0 trillion are managed for foreign clients. Moreover, a general upward trend in the share of AuM managed for institutional clients abroad continues into 2022. Over the six-year period this share witnessed an increase of approximately 8 percentage points, rising from 25.4 percent in 2017 to 33.0 percent in 2022.

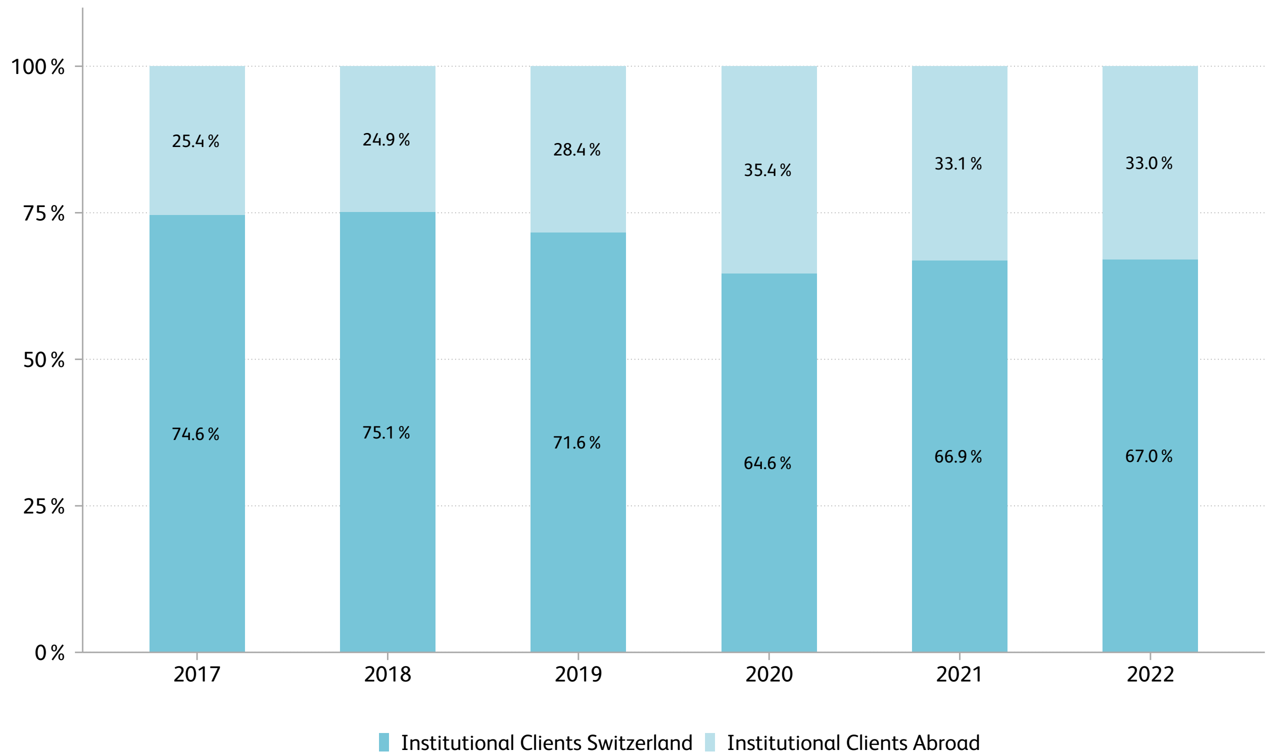


Figure 1.12: Share of AuM managed on behalf of Swiss and foreign institutional clients from 2017 to 2022

Figure 1.13 and Figure 1.14 provide a detailed breakdown of assets managed on behalf of domestic and foreign institutional clients from 2019 to 2022 by client type.

In 2022, pension funds (41.4 %) continue to represent the largest local client segment for asset managers based in Switzerland, followed by other institutional clients (25.4 %) and banks (12.9 %). This distribution also holds true for foreign clients, where international pension funds hold the largest share of foreign AuM (30.1 %), followed by other institutional clients (24.9 %) and foreign banks (21.8 %). The distribution of customer segments remains consistent over time for both Swiss and foreign contracting clients.

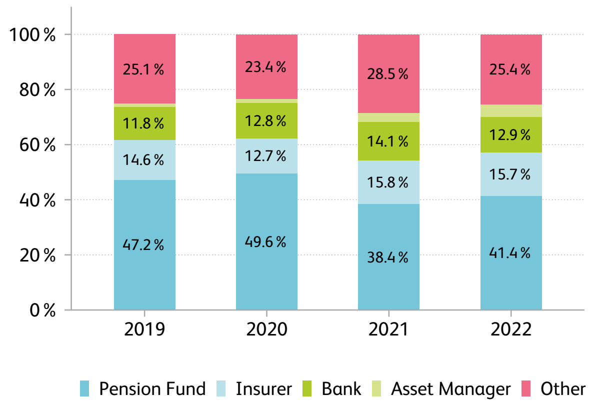


Figure 1.13: Swiss contracting clients

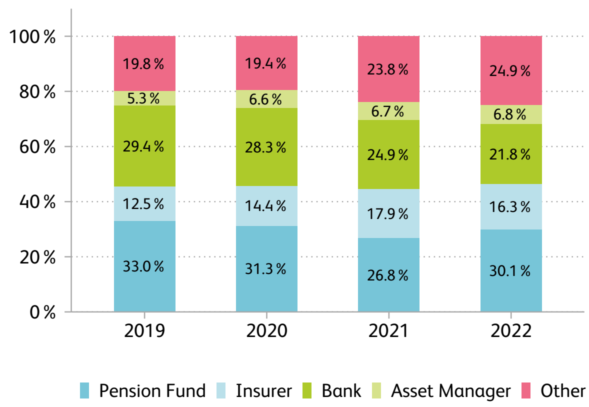


Figure 1.14: Contracting clients abroad

Figure 1.15 and Figure 1.16 present the breakdown of client types, both domestic and foreign, for Swiss asset managers categorized by company size.

In terms of Swiss contracting clients, pension funds dominate as the primary client segment in every company size category, except for firms with AuM ranging from 10 to 50 billion. For these companies, local insurers hold the largest share of AuM (63.3 %). Notably, between 2021 and 2022 the share in AuM of domestic pension funds among the smallest firms (AuM < 1 bn) increased by 32.6 percentage points and the corresponding share of other institutional clients experienced a decrease of 35.2 percentage points. These large changes could potentially be attributed to a "base effect", i.e., a few smaller firms managing to gain or lose larger mandates during that period or simply a shift of AuM between these client segments. No such remarkable changes were observed in other size categories. Regarding contracting clients abroad, international pension funds represent the primary client segment (31.9 %) for large asset managers (AuM > 50 bn). For medium sized companies, insurers represent the largest client group (39.7 %). Other foreign institutional clients dominate for smaller asset managers (AuM < 10 bn), holding a share of over 40 percent in both size categories. The distribution of client types remains relatively stable for all size groups, except for the smallest companies, which can potentially be explained by the "base effect".

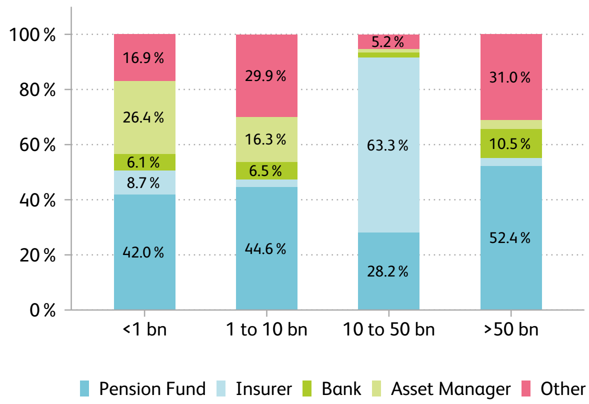


Figure 1.15: Swiss contracting clients by size

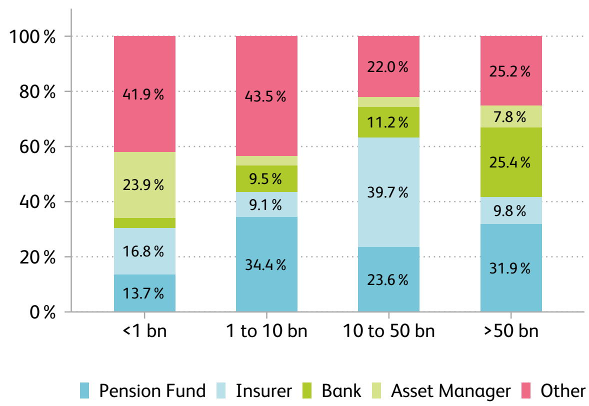


Figure 1.16: Contracting clients abroad by size

Figure 1.17 and Figure 1.18 show the distribution of client types, both domestic and foreign, for Swiss asset managers categorized by ownership.

As shown in Figure 1.17 with respect to Swiss contracting clients, pension funds represent the largest customer segment for bank-owned asset managers (53.2 %), while insurers are identified as the largest client segment for insurance-owned asset managers (73.8 %). Independent asset managers, on the other hand, have a relatively equal distribution of AuM between these two client categories. In an international context (Figure 1.18), banks continue to dominate as the largest client segment for bank-owned asset managers (30.0 %). For independent asset managers, the largest share of assets (41.5 %) is managed on behalf of foreign pension funds. Insurance-owned asset managers included in the survey primarily serve foreign insurers (89.3 %) and some other institutional investors (10.7 %) abroad.

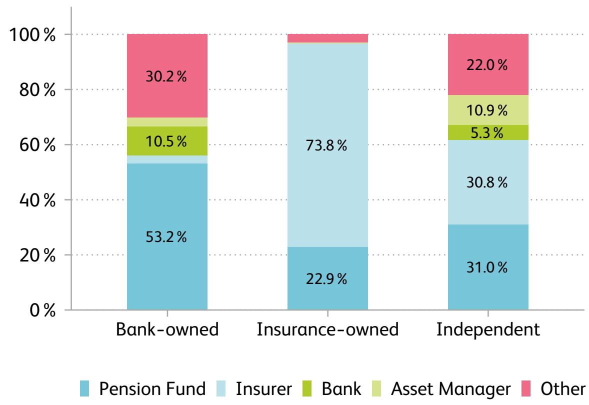


Figure 1.17: Swiss contracting clients by ownership

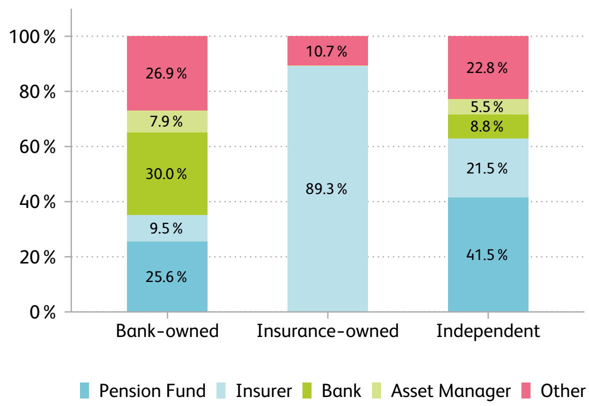


Figure 1.18: Contracting clients abroad by ownership

1.5.2 Net New Assets

According to Section 1.4 net new assets (NNA) generated by Swiss asset managers experienced a growth of 1.6 percent in 2022. Figure 1.19 illustrates the sources of NNA for the surveyed companies, which represent the largest asset management firms in Switzerland, and accounting for approximately 92 percent of the overall assets managed in Switzerland. In 2022, these asset managers acquired approximately 48.5 billion in NNA.[5] Around 70 percent of these NNA are associated with CIS, while the remaining 30 percent are attributed to discretionary mandates. In terms of management style, the allocation of these NNA is almost equally divided between active and passive strategies.

[5] In the market sizing part our study we extrapolate these NNA with an extrapolation factor of 1/0.92 to obtain an estimate for the NNA of the entire industry (CHF 52.8 billion). The 0.92 correspond to the share of estimated total AuM of surveyed asset management firms relative to the total AuM reported in the market sizing.

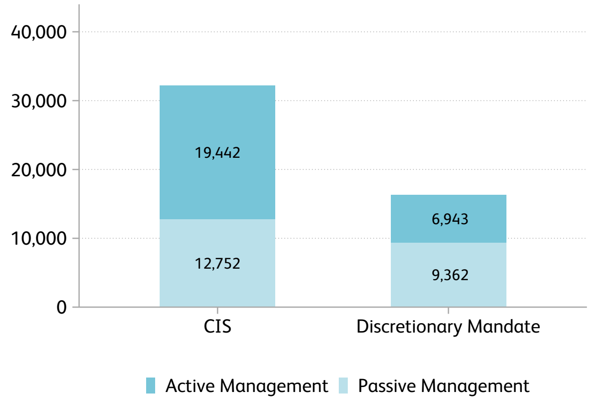


Figure 1.19: Net new assets of survey-participating asset managers

Figure 1.20 to Figure 1.23 provide an overview of the sources of NNA for the surveyed asset managers categorized by company size. In 2022, approximately 80 percent, of the total NNA was acquired by the asset managers with AuM exceeding 50 billion. Out of the CHF 37.8 billion acquired by these largest asset managers, 56 percent were allocated to passive strategies.

Medium-sized companies with AuM ranging from 10 to 50 billion accounted for the remaining 20 percent of the total NNA. For companies with AuM below 10 billion, the net inflows were nearly zero.

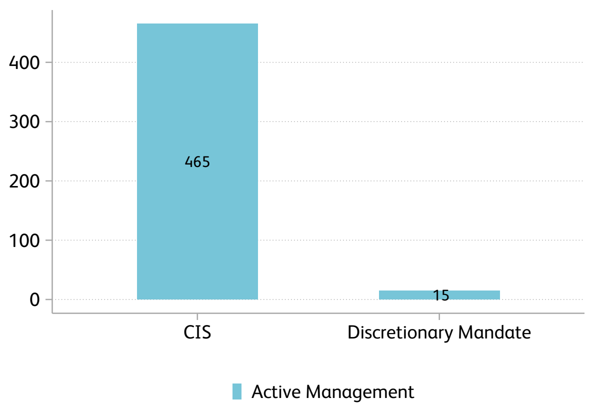


Figure 1.20: Net new assets of survey-participating asset managers with AuM < 1 bn

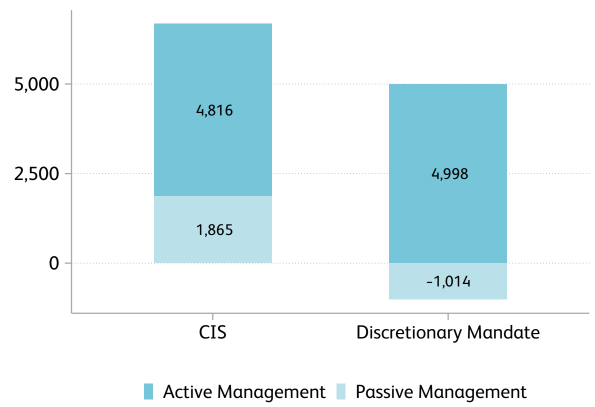


Figure 1.22: Net new assets of survey-participating asset managers with AuM 10 to 50 bn

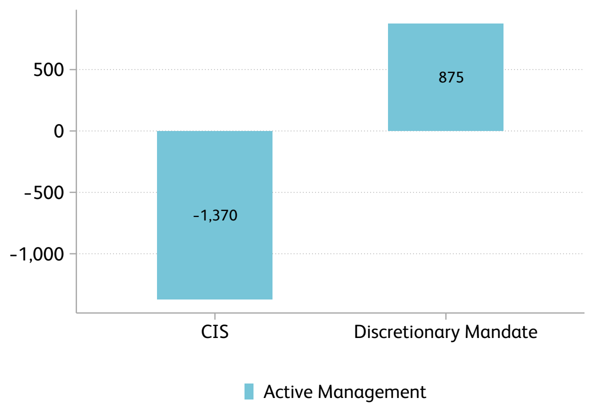


Figure 1.21: Net new assets of survey-participating asset managers with AuM 1 to 10 bn

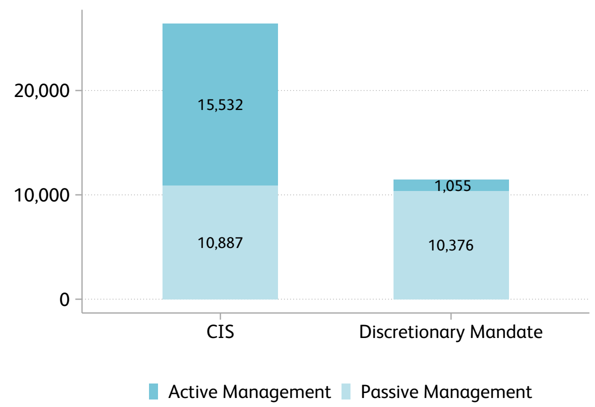


Figure 1.23: Net new assets of survey-participating asset managers with AuM > 50 bn

Figure 1.24 to Figure 1.26 present a comprehensive overview of the sources of NNA for the surveyed asset managers with respect to ownership. In 2022 the largest share of NNA (CHF 34.6 bn) was acquired by asset managers owned by banks. Approximately 70 percent of these NNA are associated with CIS, while the remaining 30 percent are attributed to discretionary mandates. In terms of management style, nearly two-thirds of the NNA acquired by bank-owned asset managers are linked to passive strategies.

Independent asset managers acquired NNA of around CHF 11.6 billion, which are almost equally divided between CIS and discretionary mandates. All of these NNA result in active management, while there is even a slight outflow observed from passive strategies.

Finally, asset managers owned by insurance companies reported net inflow of approximately CHF 2.2 billion in assets, all of which ended up being actively managed. Nearly 60 percent of these NNA are allocated to CIS.

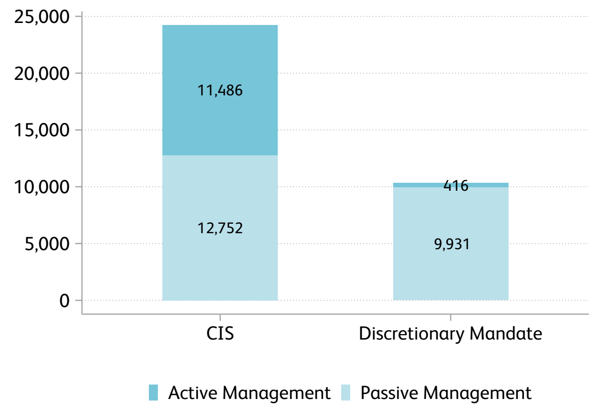


Figure 1.24: Net new assets of survey-participating bank-owned asset managers

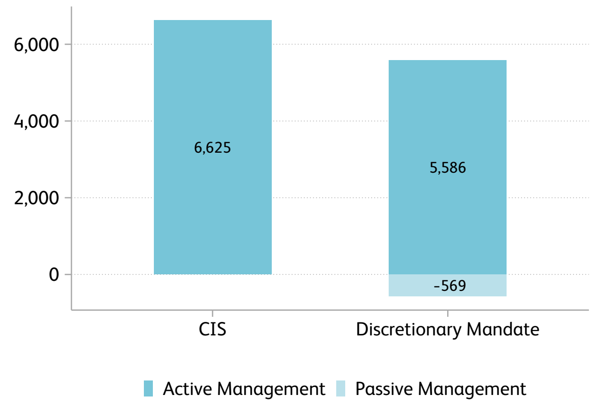


Figure 1.25: Net new assets of survey-participating independent asset managers

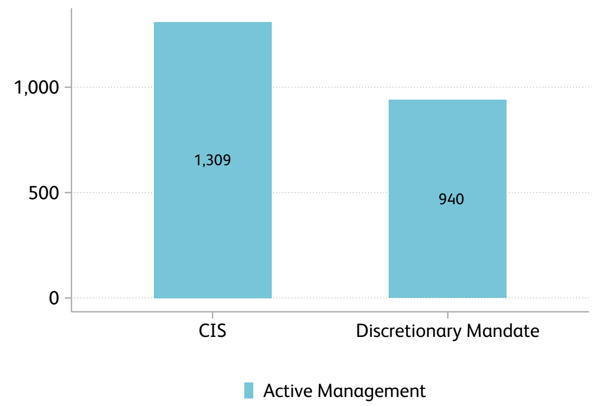


Figure 1.26: Net new assets of survey-participating insurance-owned asset managers

Figure 1.27 and Figure 1.28 illustrate the NNA relative to AuM based on the mean, median and AuM weighted average for each company size and ownership category, respectively. For our analysis, we primarily rely on the median rather than mean as it is more resistant to the impact of outliers.

According to the median, the asset managers with the smallest AuM (< 1 bn) and independent asset managers experienced the highest relative growth in NNA. Conversely, when considering an AuM weighted perspective, the largest and bank-owned asset managers (AuM > 50 bn) contribute the most to NNA growth.

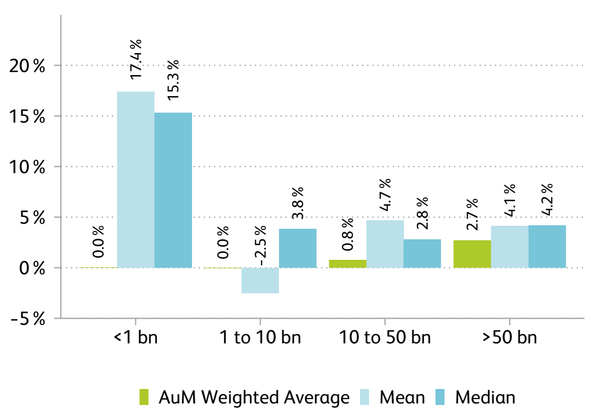


Figure 1.27: Net new assets relative to AuM along the size dimension

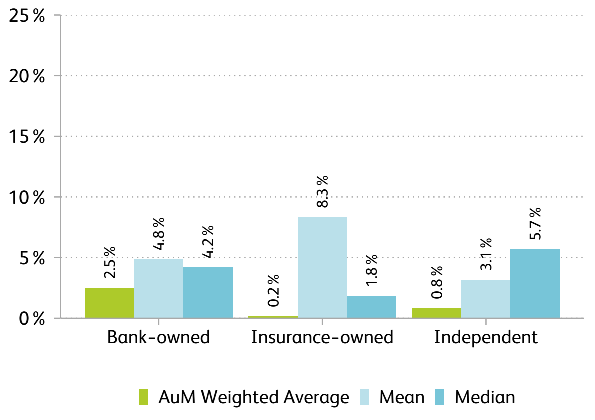


Figure 1.28: Net new assets relative to AuM along the ownership dimension

1.5.3 Breakdown of Asset Classes

Figure 1.29 provides an overview of the asset mix dynamics of asset management companies in Switzerland from 2017 to 2022. Traditional asset classes (equity, bond, multi asset, money market and other) account for approximately three-quarters of the total AuM in 2022. The remaining 25 percent is attributed to alternative assets (commodity, real estate, infrastructure, private equity, private debt, hedge funds, ILS incl. CAT bonds).

In the last year, there has been a slight shift towards alternative asset classes in the overall asset mix. A decrease has been observed for all traditional core asset classes (equity, bond, multi asset). Traditional equity, which had been steadily increasing from 2017 to 2021, broke this trend in 2022 and experienced the largest year-on-year decrease (from 31.2 % to 27.8 %). On the contrary, private equity saw the largest year-on-year increase in the asset mix (from 6.2 % to 7.7 %). In the past year, an increasing trend has been also observed for almost every other alternative asset class.

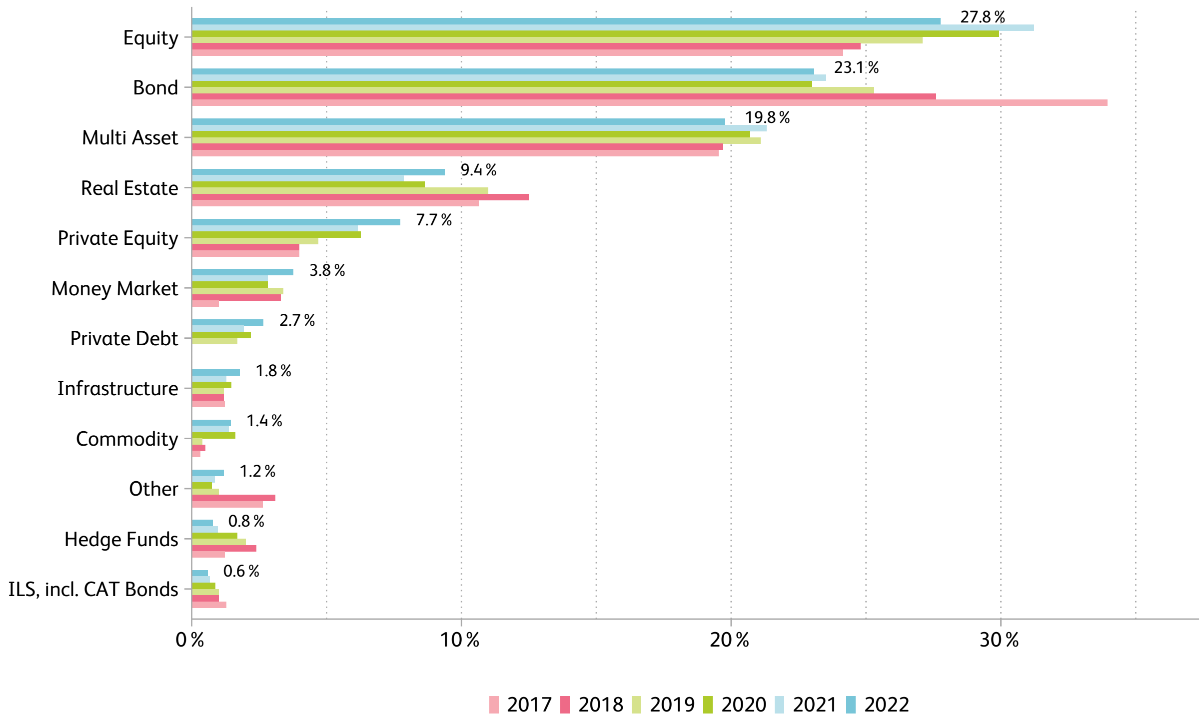


Figure 1.29: Asset mix of asset management firms in Switzerland

In Figure 1.30 the relative growth rates of different asset classes in the asset mix are presented in a year-on-year comparison, considering both performance and NNA growth. Traditional asset classes, with the exception of money market (16.9 %), have experienced a strong decline. Equities suffered the largest decline of 22.4 percent followed by multi asset (-19.0 %) and bonds (-14.3 %).

Conversely, alternative asset classes have generally shown strong growth, with infrastructure gaining 21.9 percent, followed by private debt (19.7 %), private equity (9.7 %) and real estate (4.2 %). However, commodities, hedge funds and ILS, including CAT bonds, experienced a negative growth rate of 7.6 percent, 29.9 percent and 23.4 percent, respectively.

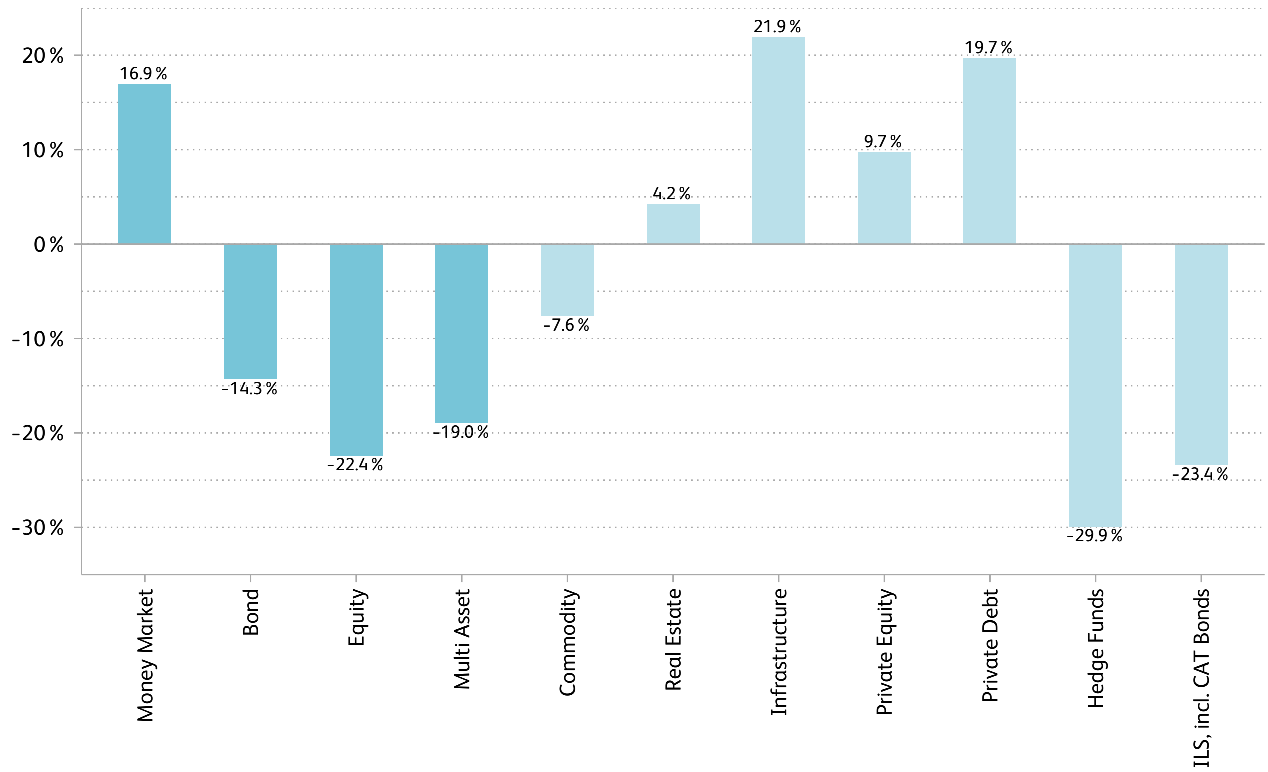


Figure 1.30: Growth in asset classes (YoY), traditional (blue) and alternative (light blue)

Figure 1.31 to Figure 1.34 provide an overview of the asset mix for the surveyed asset managers, categorized by company size. Among the smallest Swiss asset managers (AuM < 1 bn) there is a notable exposure to alternative asset classes. In 2022, approximately two-thirds of their asset mix consisted of non-traditional assets. However, for asset managers in all other size categories traditional asset classes dominate.

For the largest asset managers, traditional assets represent almost 80 percent of their asset mix. Bonds play a significant role in the asset mix of the medium sized companies (AuM 10 to 50 bn). This is primarily due to insurance-owned asset managers who dominate this size category and follow regulatory requirements to invest a larger share of AuM in bonds.

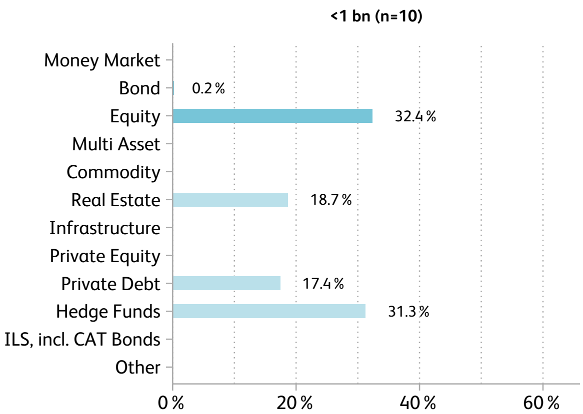


Figure 1.31: Asset mix in percentage of asset management firms with AuM < 1 bn

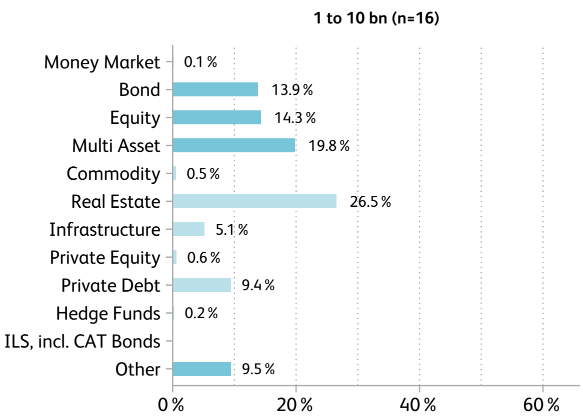


Figure 1.32: Asset mix in percentage of asset management firms with AuM 1 to 10 bn

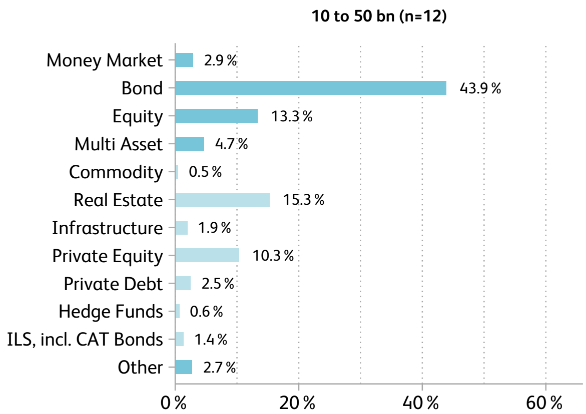


Figure 1.33: Asset mix in percentage of asset management firms with AuM 10 to 50 bn

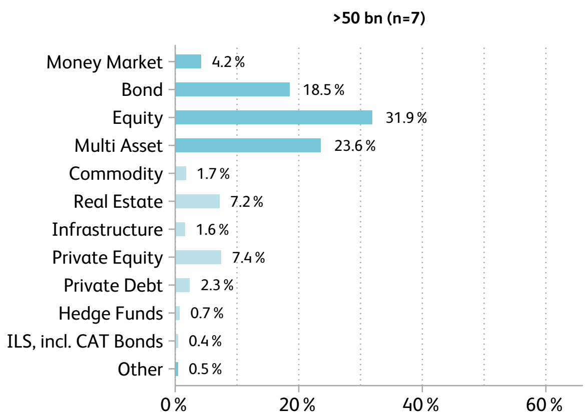


Figure 1.34: Asset mix in percentage of asset management firms with AuM > 50 bn

Figure 1.35 to Figure 1.37 provide an overview of the asset mix for the surveyed asset managers categorized by ownership.

On the one hand, bank-owned asset managers strongly emphasize traditional core asset classes, which together account for approximately 80 percent of their asset mix, with equity playing a dominant role (33.9 %). As previously mentioned, the asset mix of insurance-owned asset managers is strongly dominated by bonds (52.6 %). Real-estate emerges as the second most prominent asset class for these companies (28.2 %). On the other hand, independent asset managers allocate nearly 70 percent of their AuM to alternative asset classes, with private equity being the most important asset class within their overall asset mix (29.3 %).

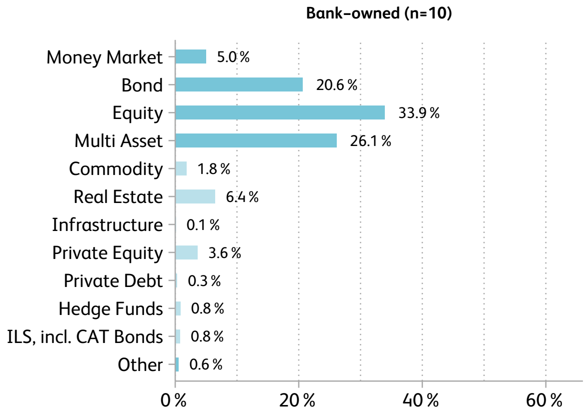


Figure 1.35: Asset mix in percentage of bank-owned asset managers

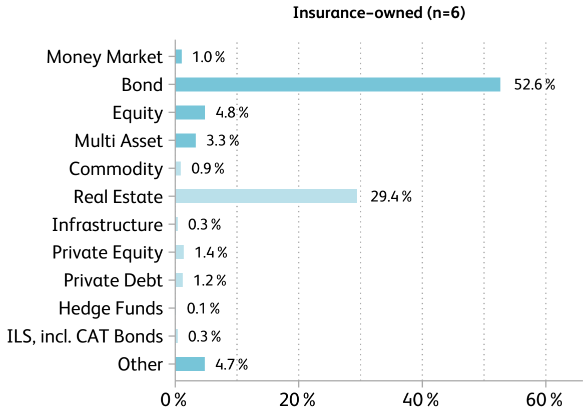


Figure 1.36: Asset mix in percentage of insurance-owned asset managers

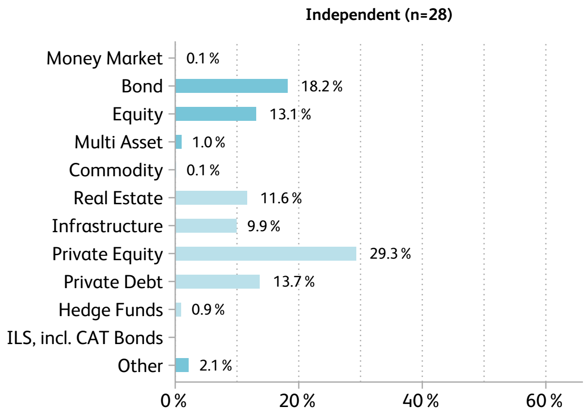


Figure 1.37: Asset mix in percentage of independent asset managers

1.5.4 Management Style - Active and Passive Investing

Figure 1.38 depicts the changes in the investment management approach of Swiss asset managers between 2017 and 2022. While there is a slight trend towards passive strategies over time, approximately 70 percent of the total AuM are still managed actively.

As shown in Figure 1.39, the percentage of assets managed actively is slightly lower for discretionary mandates (61.3 %) and slightly higher for CIS (76.9 %). The share of passive management among discretionary mandates increased from 27.0 percent in 2021 to 38.7 percent in 2022. On the contrary, the share of passive management among CIS decreased from 32.9 percent in 2021 to 23.1 percent in 2022.

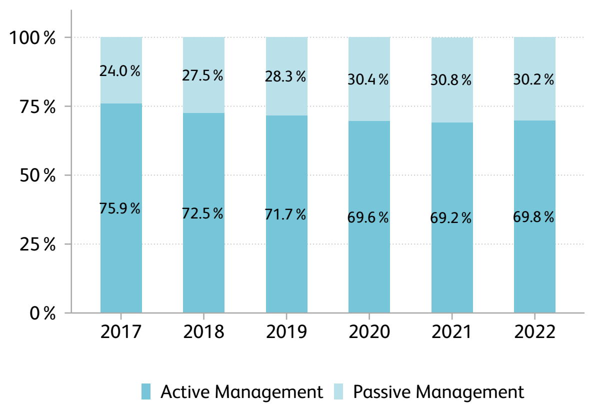


Figure 1.38: Active vs. passive management on an aggregated level

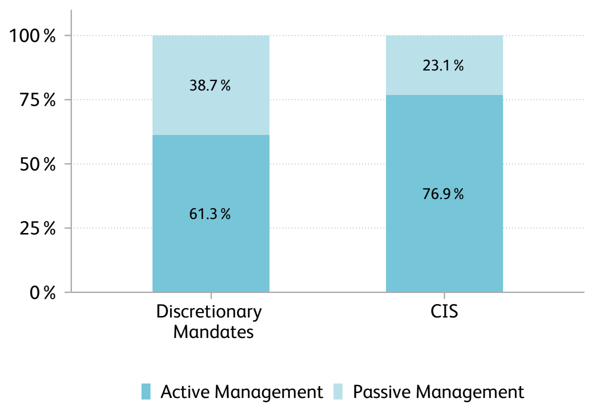


Figure 1.39: Active vs. passive management in discretionary mandates and CIS

Figure 1.40 provides insights into how the distribution of actively and passively managed assets within discretionary mandates and CIS varies across the different sizes of asset management companies. Asset management companies with AuM up to CHF 50 billion predominantly follow an active management approach. In contrast, the largest asset managers (AuM > 50 bn) allocate large volumes of assets to passive strategies. These companies manage over half of their total AuM passively within discretionary mandates and 27.2 percent within CIS. The difference in management style between smaller and larger asset managers may be attributed to the differences in business models. While larger asset managers may rely on passive strategies for the sake of operational efficiency due to economies of scale, smaller asset managers may have more focus on active management due to higher specialization and increased flexibility.

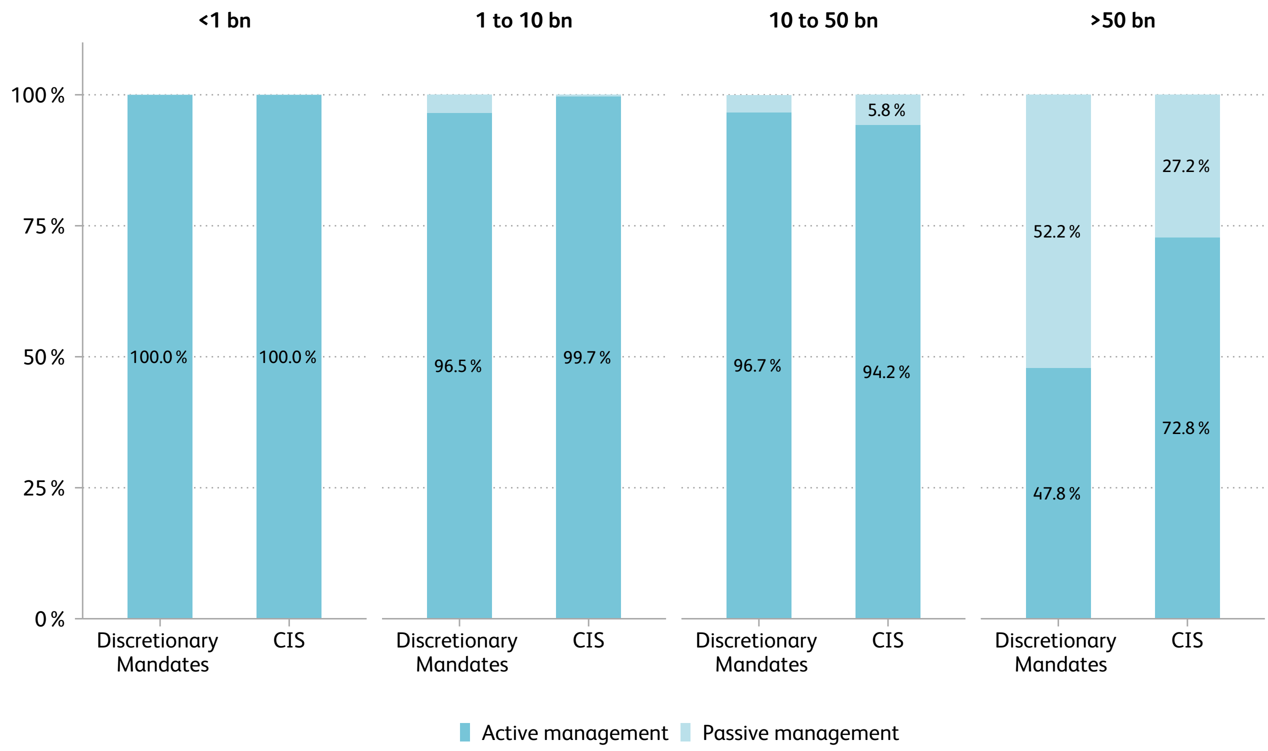


Figure 1.40: Active vs. passive management and size of the asset manager

Figure 1.41 shows the distribution of active and passive management within each product category based on the ownership of the asset manager. Insurance-owned and independent companies exhibit a strong emphasis on an active management approach. In contrast, bank-owned managers allocate significant volumes to passive strategies. These companies manage 53.7 percent of their total AuM passively within discretionary mandates and 29.9 percent within CIS. This result is not surprising, given that bank-owned asset managers correspond to the largest asset managers and thus possess the scale needed to operate profitably in the passive investment space.

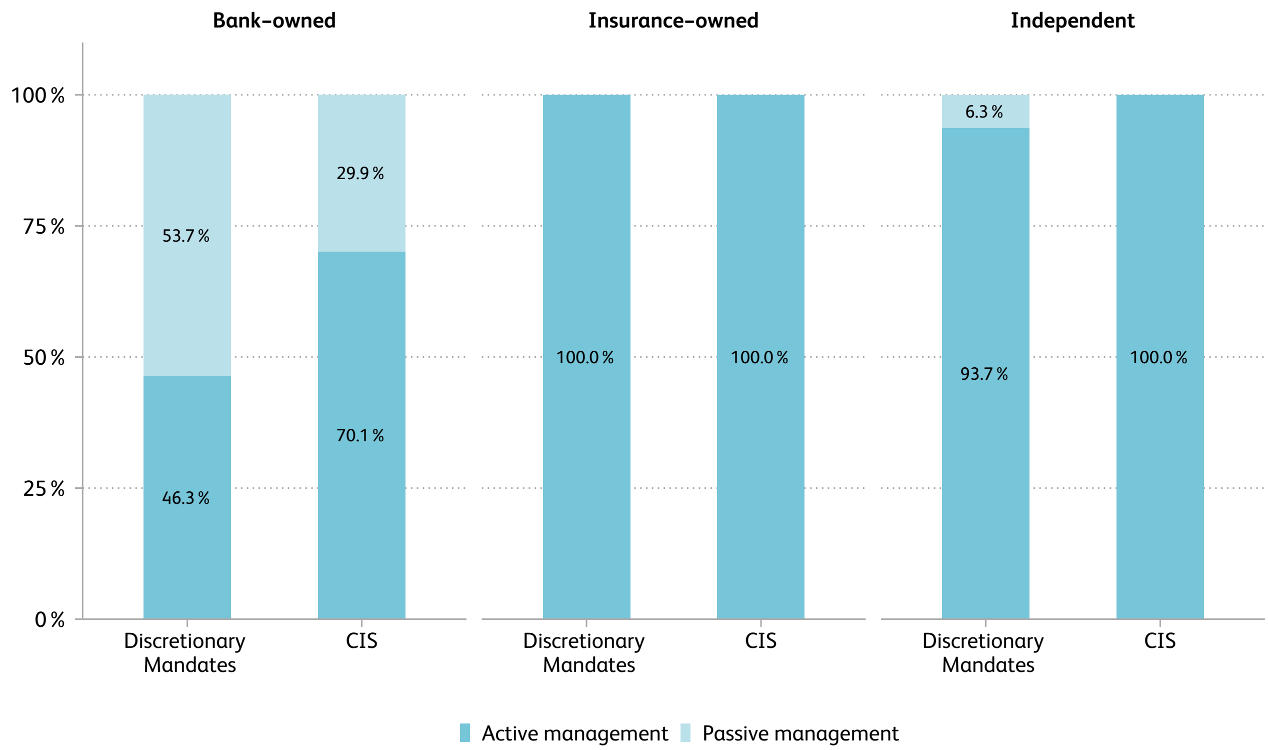


Figure 1.41: Active vs. passive management and ownership of the asset manager

1.5.5 Asset Mix and Management Style

Figure 1.42 provides a comprehensive overview of the asset mix within each product type (discretionary mandates and CIS) and management style (active and passive). For active strategies, the asset mix differs between CIS and discretionary mandates. On the one hand, among CIS, alternatives (real estate, private equity, private debt, hedge funds, infrastructure, ILS incl. CAT bonds and commodities) constitute the largest segment of the asset mix (37.9 %). On the other hand, bonds dominate the asset mix among discretionary mandates (35.0 %). For passive strategies, equities represent the largest share in the asset mix, regardless of the product type. The corresponding shares are 50.0 percent for CIS and 56.1 percent for discretionary mandates.

Figure 1.43 to Figure 1.46 extend the analysis of the asset mix to different company sizes. As demonstrated in Figure 1.43, the smallest asset managers (AuM < 1 bn) pursue a purely active management style and allocate their AuM between equities and alternatives. In the case of CIS, alternatives constitute approximately three-fourths of the asset mix. For discretionary mandates, the share of alternatives is almost 60 percent. This asset mix aligns with the common perception that small companies often operate as niche players, focusing on higher margin products in the alternative space.

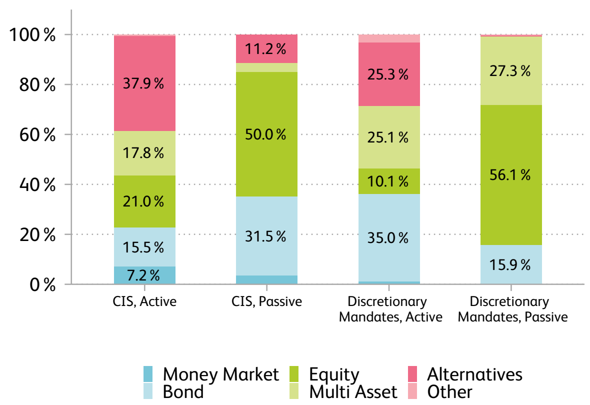


Figure 1.42: Asset mix and management style

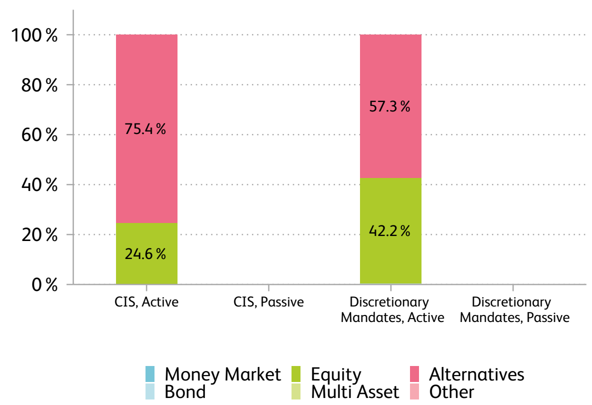


Figure 1.43: Asset mix and management style of asset managers with AuM < 1 bn

The detailed asset mix of asset managers with AuM between 1 and 10 billion is captured in Figure 1.44. Among the active strategies, these asset managers offer a diverse range of asset classes. However, alternatives slightly dominate in the asset mix within discretionary mandates (32.1 %) and account for over a half of the asset mix within CIS. As previously shown in Figure 1.40, the share of AuM allocated to passive strategies is negligible for companies of this size.

The asset mix of medium sized asset managers (AuM 10 to 50 bn) is depicted in Figure 1.45. The substantial overall presence of bonds within the active strategies of discretionary mandates (54.8 %) pursued by these companies can be attributed, at least in part, to the fact that these managers are insurance-owned and are bound by regulatory requirements to invest a larger portion of their AuM in bonds. Interestingly, in comparison to previous years, alternatives have emerged as the largest active asset class within CIS for medium sized asset managers (38.6 %). As previously indicated in Figure 1.40, the share of AuM allocated to passive strategies for medium sized companies is slightly higher than for smaller asset managers, but remains relatively low.

Finally, Figure 1.46 presents the asset mix for the largest asset managers with AuM exceeding CHF 50 billion. On the one hand, in terms of active management, alternatives emerge as the most prominent asset class within CIS for these asset managers (36.7 %). On the other hand, for active discretionary mandates, multi-asset solutions represent the largest share of the asset mix (39.7 %). As indicated in Figure 1.40, large asset managers allocate significant volumes of AuM to passive strategies, both in comparison to other company size categories and in an overall context. For both CIS and discretionary mandates, equity represents the largest share of the asset mix for passive investments (51.9 % and 55.3 % respectively).

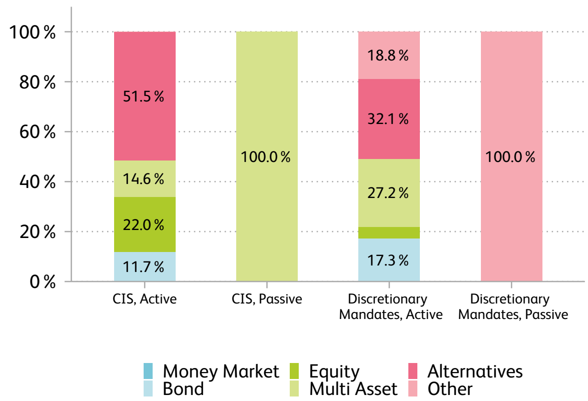


Figure 1.44: Asset mix and management style of asset managers with AuM 1 to 10 bn

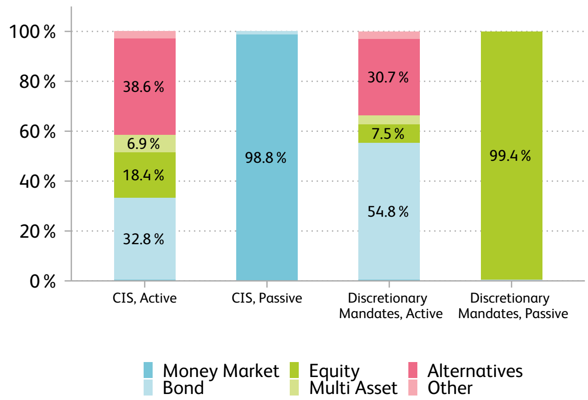


Figure 1.45: Asset mix and management style of asset managers with AuM 10 to 50 bn

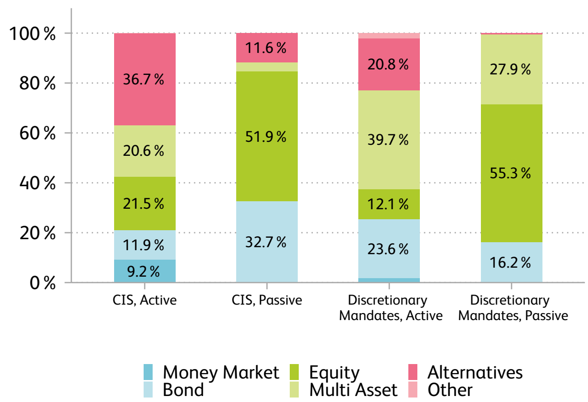


Figure 1.46: Asset mix and management style of asset managers with AuM > 50 bn

Figure 1.47 to Figure 1.49 further elaborate on the asset mix within each product type categorized by management style along the ownership dimension.

In Figure 1.47, the analysis specifically focuses on bank-owned asset managers. Regarding active CIS, around 75 percent of the AuM is almost equally distributed between equity, multi asset solutions and alternatives. In the case of active discretionary mandates, the asset mix is dominated by multi-asset solutions (45.7 %). As previously seen in Figure 1.41, bank-owned asset managers allocate large volumes of AuM to passive strategies. For both discretionary mandates and CIS, equity represents the largest share in their passive asset mix, accounting for 50 percent and 55.3 percent respectively. These findings align with Figure 1.46, as bank-owned asset managers correspond to the largest asset management companies.

Figure 1.48 provides the detailed asset mix of independent asset managers. Alternatives dominate the asset mix within active strategies for these companies. This holds true for both CIS (79.5 %) and discretionary mandates (47.0 %). In terms of passive strategies, which account for around six percent of assets in discretionary mandates (Figure 1.41), equities strongly dominate the asset mix (87.5 %).

Finally, the asset mix for insurance-owned companies is illustrated in Figure 1.49. According to Figure 1.41, these asset managers follow a purely active approach, with no allocation to passive strategies. Both CIS and discretionary mandates are strongly dominated by bonds (58.8 % and 50.8 % respectively). This allocation can be attributed to regulatory requirements that imply a substantial investment in bonds for insurance-owned companies. Alternative investments constitute the second-largest asset class category for both product types among insurance-owned asset managers. The respective shares of alternatives in the asset mix of insurance-owned companies are 22.9 percent for CIS and 36.8 percent for discretionary mandates.

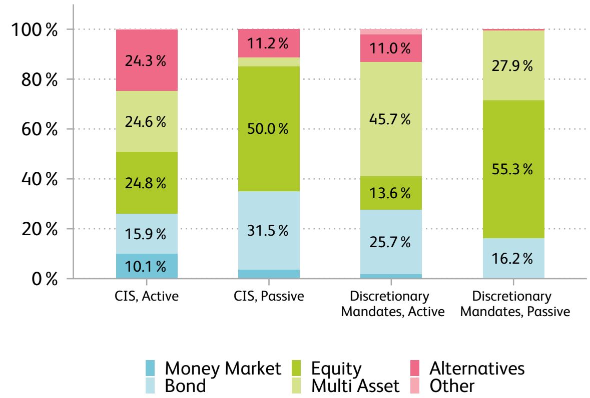


Figure 1.47: Asset mix and management style of bank-owned asset managers

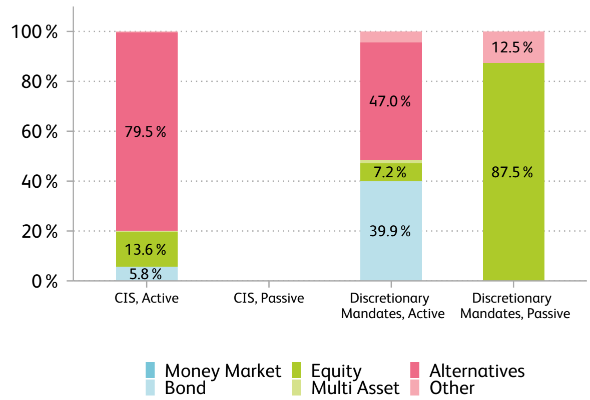


Figure 1.48: Asset mix and management style of independent asset managers

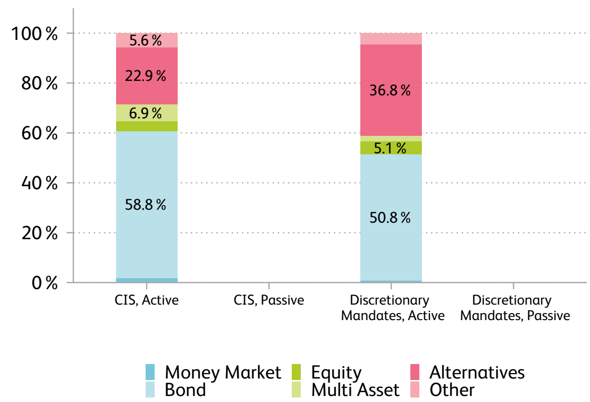


Figure 1.49: Asset mix and management style of insurance-owned asset managers

Figure 1.50 explores the relationship between the degree of activity (share of actively managed AuM relative to total AuM) and the relative share of alternatives in the AuM. It is commonly assumed that a higher degree of active management would be accompanied by a higher allocation to alternative assets, as alternatives typically require active management to achieve the required returns and manage the associated risks. However, Figure 1.50 reveals that no such clear pattern exists for the surveyed asset managers. As shown in previous analyses, the asset mix within active strategies varies strongly depending on product type, company size, and ownership. Therefore, it is deduced that the relationship between active management and the allocation to alternative assets is complex and influenced by various factors.

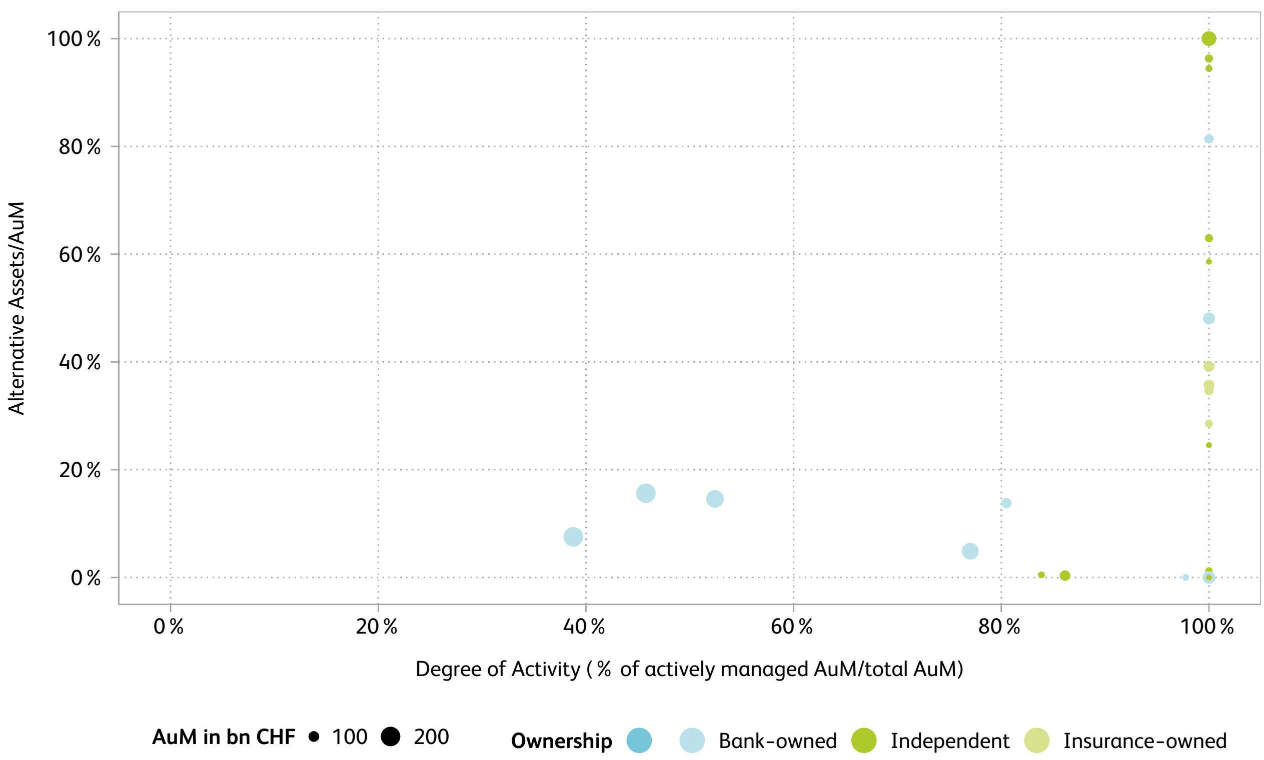


Figure 1.50: Alternative assets and active management

1.5.6 Client Domicile and Foreign Fund Jurisdictions

Figure 1.51 presents the distribution of foreign fund jurisdictions for clients domiciled in Switzerland, Europe (excluding Switzerland), and globally. For Swiss clients, Luxembourg emerges as the dominant fund jurisdiction, representing 76.2 percent of the fund mix. Offshore[6] funds account for 10.7 percent, followed by funds domiciled in Ireland (5.5 %). The distribution of fund jurisdictions for other European clients is very similar to Swiss clients. The strong preference for Luxembourg funds may be attributed to the favorable regulatory environment, tax benefits and a long-standing reputation of offering an investor-friendly ecosystem. On the contrary, the global client segment displays a greater variety of fund jurisdictions. Luxembourg funds still hold a significant but smaller share in the fund mix (44.4 %), followed by funds domiciled in other jurisdictions (26.8 %) and offshore jurisdictions (15.4 %). Interestingly Liechtenstein funds play a more prominent role for global clients (7.0 %) than for Swiss clients. Compared to Swiss or other European clients, global clients may have different regulatory or tax needs and investor preferences, partially explaining a different fund mix in this segment.

[6] An offshore fund is generally a collective investment scheme domiciled in an offshore jurisdiction. The reference to offshore in this study usually means a traditional offshore jurisdiction such as the Cayman Islands, Jersey or the British Virgin Islands.

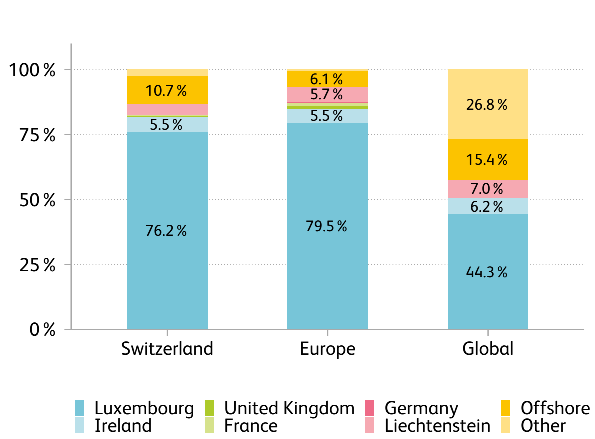


Figure 1.51: CIS including ETF domiciled in foreign jurisdictions by client domicile

Figure 1.52 to Figure 1.55 extend the analysis of fund jurisdictions by accounting for the asset management company size dimension.

The distribution of fund jurisdictions for small asset managers (AuM < 1bn) is displayed in Figure 1.52. When compared to the overall distribution presented in Figure 1.51, some notable differences emerge. For small asset managers serving Swiss clients, the share of Luxembourg funds in the fund mix is considerably smaller (55.4 %). At the same time, offshore funds and Liechtenstein funds have a relatively high importance, accounting for 23.0 percent and 18.9 percent respectively. Among European clients of small asset managers, offshore funds dominate the fund mix with a share of 53.1 percent, surpassing Luxembourg funds (36.2 %). For global clients, other jurisdictions (48.7 %) hold more weight than Luxembourg funds in the fund mix (39.1 %). Considering a relatively high share of alternatives in the asset mix of small asset managers and their exclusive focus on active management (Figure 1.43), these companies may rely more on offshore funds and other jurisdictions to cover their specific requirements.

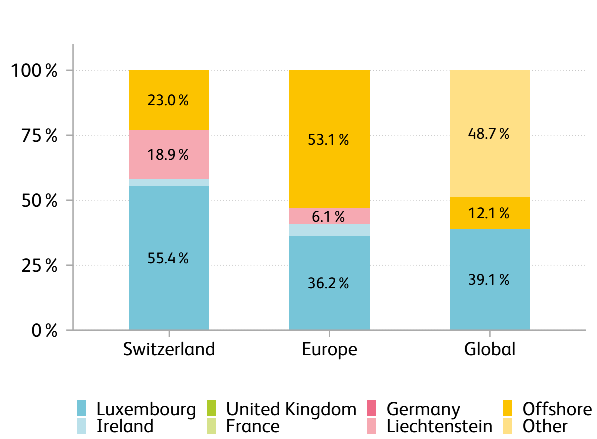


Figure 1.52: CIS including ETF domiciled in foreign jurisdictions by client domicile of asset managers with AuM < 1 bn

Figure 1.53 shows the distribution of fund jurisdictions for asset managers with AuM ranging from CHF 1 to 10 billion. For asset managers serving Swiss and European clients, Luxembourg funds take a leading position in the fund mix, representing 71.6 percent and 82.9 percent of the distribution, respectively. In contrast, for asset managers serving global clients, offshore funds have a strong presence, accounting for 84 percent of the fund mix.

The analysis of the fund mix for medium sized asset managers (AuM 10 to 50 bn) presented in Figure 1.54, reveals that Luxembourg funds hold substantial shares across all client domiciles.

Finally, the distribution of fund jurisdictions for large asset managers (AuM > 50 bn) shown in Figure 1.55 is very similar to the overall picture displayed in Figure 1.51. For Swiss clients, Luxembourg emerges as the dominant fund jurisdiction, representing 75.3 percent of the fund mix. Offshore funds account for 11.3 percent, followed by funds domiciled in Ireland (7.1 %). The distribution of fund jurisdictions for other European clients is very similar to Swiss clients. For global client, Luxembourg funds hold 39.8 percent share in the fund mix, followed by funds domiciled in other jurisdictions (29.3 %) and offshore jurisdictions (16.2 %). In order to serve global clients, large asset managers may need access to a variety of different fund domiciles which might explain this high share of funds domiciled in offshore and other jurisdictions.

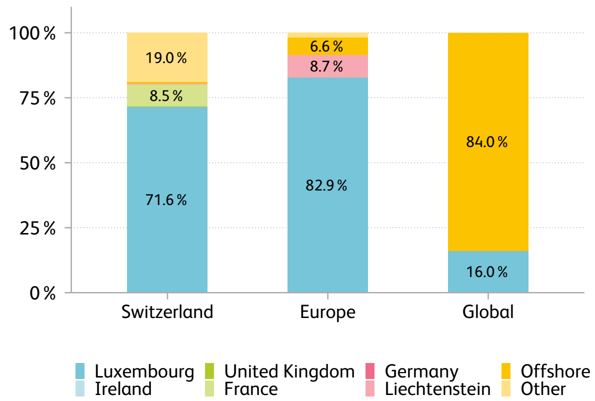


Figure 1.53: Foreign CIS incl. ETF by client domicile of asset managers with AuM 1 to 10 bn

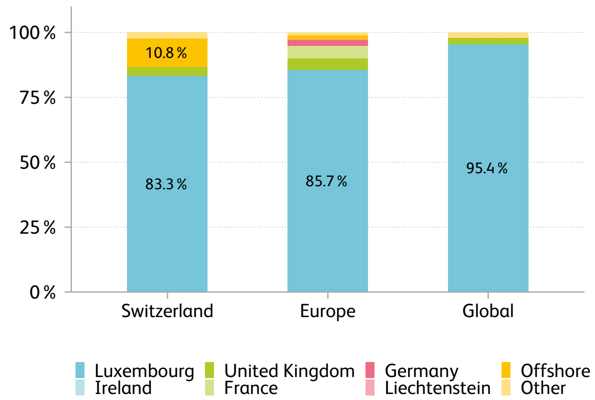


Figure 1.54: Foreign CIS incl. ETF by client domicile of asset managers with AuM 10 to 50 bn

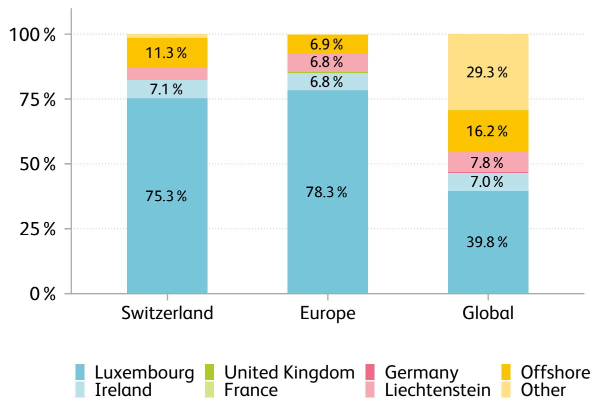


Figure 1.55: Foreign CIS incl. ETF by client domicile of asset managers with AuM > 50 bn

Figure 1.56 to Figure 1.57 present the analysis of fund jurisdictions with respect to the ownership dimension. Unfortunately, these data are not available for insurance-owned companies.

The analysis of the fund mix for bank-owned asset managers is displayed in Figure 1.56. For all considered client domiciles, Luxembourg funds represent the highest share in the fund mix.

Figure 1.57 shows the distribution of fund jurisdictions for independent asset managers. For companies serving Swiss and European clients, Luxembourg funds hold the highest shares in the fund mix, representing 61.9 percent and 74.1 percent of the distribution respectively. Nevertheless, the offshore funds also contribute substantially to the fund mix. For Swiss and European clients, these funds account for 27.4 percent and 18.4 percent of the distribution, respectively. For global clients, funds domiciled either offshore or in other jurisdictions constitute almost 70 percent of the fund mix. This distribution of fund jurisdictions might be driven by the high importance of alternatives in the asset mix of independent asset managers (Figure 1.37).

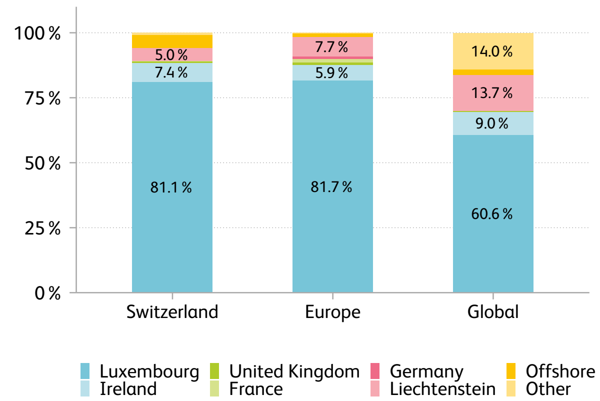


Figure 1.56: CIS including ETF domiciled in foreign jurisdictions by client domicile of bank-owned asset managers

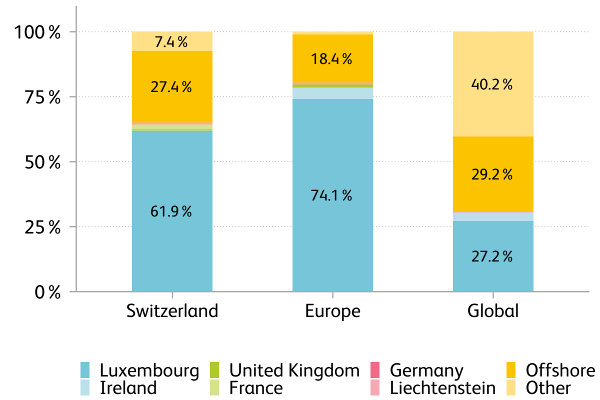


Figure 1.57: CIS including ETF domiciled in foreign jurisdictions by client domicile of independent asset managers

1.5.7 Employment

The level of employment in the Swiss asset management industry, displayed in Figure 1.58, serves as an important indicator of the industry's contribution to the overall economy. This year's survey shows that the Swiss asset management industry directly employs around 10,200 full-time equivalents (FTEs). In contrast to previous years, the level of direct employment has experienced a slight decline of approximately three percent.

In this study, direct employment refers to the following positions along the asset management value chain: Marketing, sales and distribution, product development, investment management and trade execution, risk and compliance, middle office, as well as back office.

However, in order to fully capture the total employment of the asset management industry, it is important to account for the indirect employment generated by related services and support functions such as accounting, auditing, custodianship, IT, legal, research and FinTech (EFAMA, 2022). The French asset management association (AFG) has estimated that each unit of direct employment results in 4.6 FTE jobs in these areas (AFG, 2011). Based on this ratio, the Swiss asset management industry indirectly employs an estimated 47,100 FTEs, resulting in a total employment of 57,300 FTEs.

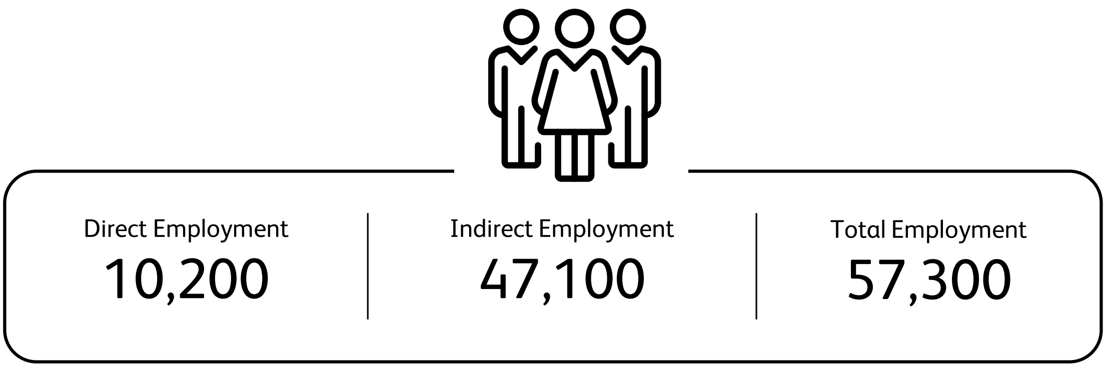


Figure 1.58: Total employment (FTEs) in the Swiss asset management industry in 2022

Figure 1.59 illustrates the changes in the relative share of FTEs along the asset management value chain from 2019 to 2022. In 2022, investment management and trade execution accounted for 42.6 percent of the headcount. Approximately one-third of the FTEs were employed in the back or middle office. Marketing, sales and distribution constituted 14.4 percent of the workforce. Risk management and compliance roles represented seven percent of the jobs. Product development accounted for the remaining four percent. The distribution of roles within asset management companies remained rather stable over the analyzed period. However, relative to 2019 there was a decrease in the headcount in back and middle office (about -2.5 % points), indicating a potential optimization in administrative and operational functions. The relative shares of all other roles along the asset management value chain, meanwhile, remained stable or slightly increased.

Figure 1.60 demonstrates the relative shares of FTEs with respect to asset management company size. Compared to large asset managers, smaller asset managers have lower shares of employees working in the middle and back office functions. At the same time, the relative headcount in roles related to risk and compliance, as well as marketing, is higher for smaller asset managers. These differences by company size could indicate that smaller asset managers may focus on client acquisition and regulatory compliance, while larger asset managers may have a greater need for middle and back office functions to support their large-scale operations.

Figure 1.61 addresses the differences in the relative share of FTEs along the asset management value chain with respect to the ownership dimension. Regardless of the ownership type, the largest share of the workforce is employed in investment management and trade execution. However, there are some differences among ownership types. In insurance-owned companies a higher share of FTEs is engaged in risk and compliance functions (9.2 %), which aligns with the regulatory requirements already discussed in the context of these companies. Meanwhile, independent asset managers have a relatively high share of FTEs active in product development positions (6.1 %). As discussed earlier, these companies put more emphasis on alternatives (Figure 1.48) which may require more resources for the creation of new products.

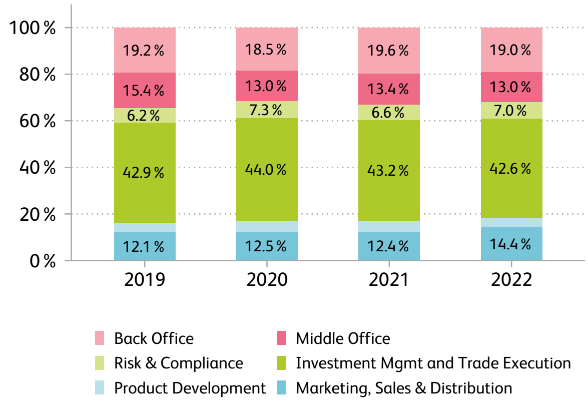


Figure 1.59: FTEs along the asset management value chain from 2017 to 2020

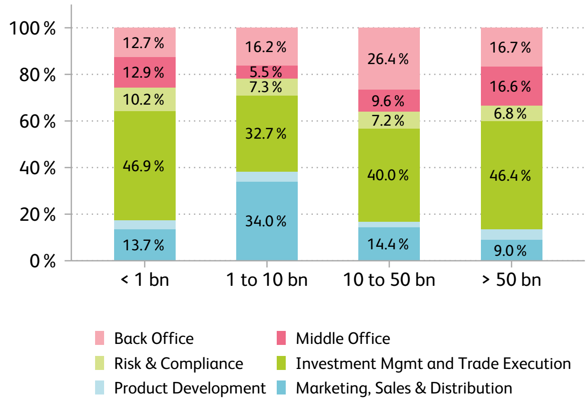


Figure 1.60: FTEs along the asset management value chain - size dimension in 2020

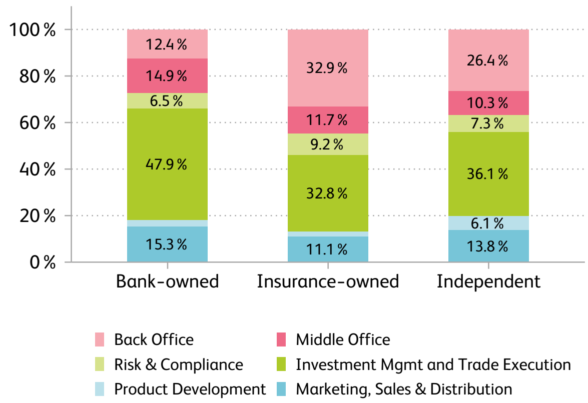


Figure 1.61: FTEs along the asset management value chain - ownership dimension in 2020

1.5.8 Revenue Shares

Asset managers primarily generate revenue from a fee-based compensation model, with management fees and performance fees being the main sources of revenue. Management fees are ongoing fees, typically calculated as a percentage of the AuM. Performance fees are additional fees that are based on investment performance achieved by asset managers. The revenue generated from management and performance fees is dependent on AuM. In adverse market conditions, when AuM decline, fee-based revenue also decrease. In general, revenues are generated by applying three main types of investment strategies, i.e., fundamental strategies, rule-based strategies or index solutions.

Figure 1.62 illustrates the distribution of revenues between management and performance fees. Approximately 87 percent of revenues are generated through management fees, while performance fees account for about 13 percent of revenues. Compared to the previous year, the share of management fees increased by six percentage points.

Figure 1.63 shows the distribution of revenues among three types of investment strategies. As in the last year, fundamental strategies account for the largest revenue share (56.1 %), followed by rule-based strategies (33.8 %). Index solutions contribute the remaining 10.2 percent.

Fundamental strategy: Assessment of a firm's intrinsic value by examining related economic and financial factors with the goal of determining whether a security is undervalued or overvalued compared to its current market price. The outcome of a fundamental strategy approach may be influenced by an asset manager's opinion to a larger degree.

Rule-based strategy: An investment strategy based on various pre-determined investment rules. This investment approach is systematic and research driven. Quantitative strategies (e.g., algorithms, machine learning, etc.) are an example of rule-based investing.

Index-solution: Index funds pursue a passive investment style with the aim of reflecting the risk and return characteristics of a benchmark index as accurately as possible. The investor thus participates in the performance of the respective benchmark index. In contrast to ETFs, the subscription and redemption of units in index funds are fully exempt from Swiss stamp duty.

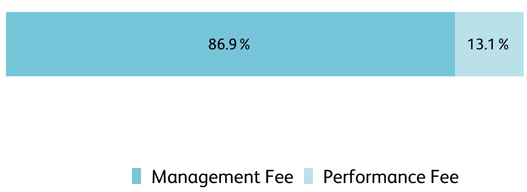


Figure 1.62: Revenue shares (fees)

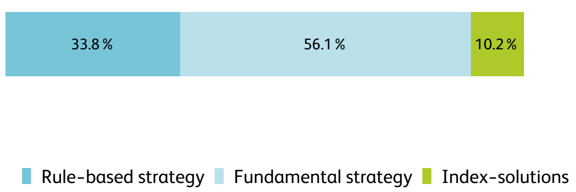


Figure 1.63: Revenue shares (strategies)

1.5.9 Profitability

To assess the business performance of asset managers we rely on key performance indicators (KPIs) widely used in the industry. The estimated median values of these KPIs in the 2023 survey, derived from the information provided by twelve Swiss asset managers of various sizes and ownership structures, are displayed in Table 1.5. To evaluate the dynamics over time, the estimates of these metrics from the past three surveys (2020 to 2022) are also provided.

The comparison of the data from the current survey to the previous year reveals that the revenue margin has remained unchanged while the cost margin has decreased by 2 bps. This resulted in a slight increase in the profit margin from 15 bps (2022 data) to 17 bps (2023 data). The cost-income ratio (CIR) has also shown an improvement over the last year, decreasing from 70.0 to 66.0 percent.

When comparing the data from the 2023 survey to that of 2020, a five bps decrease in the revenue margin and a 2.5 bps decrease in the cost margin can be observed, resulting in a 2.5 bps decline in the profit margin and a slight increase in CIR. However, because of the relatively small sample size and the fact that not all surveyed asset managers provided relevant data, these KPIs need to be treated with some caution.

Applying the estimated median revenue margin of 50 bps and the median profit margin of 17 bps to the CHF 2,878 billion AuM managed in Switzerland (production view) implies a net revenue pool of CHF 14.4 billion and a profit pool of CHF 4.9 billion as of the end of 2022.

Table 1.5: Asset management profitability; Source: AM survey 2023, 2022, 2021, 2020 (own data)

Metric	Survey 2023	Survey 2022	Survey 2021	Survey 2020
Revenue margin (Net Revenue/AuM) in bps	50	50.0	56.2	55
Cost margin (Costs/AuM) in bps	33	35.0	41.5	35.5
Profit margin (Revenue margin - cost margin) in bps	17	15.0	14.7	19.5
CIR (cost margin/revenue margin) in %	66.0	70.0	74.0	64.5
Sample Size	12	17	16	15

1.6. Asset Manager Ranking

In this section of the study, we present rankings of Swiss-based asset managers in the following categories:

- Total AuM
- Net New Assets
- Net New Assets relative to AuM
- AuM in CIS
- AuM in discretionary mandates
- AuM in traditional asset classes
- AuM in alternative asset classes
- Actively managed AuM
- Passively managed AuM

The reported AuM provided in each category are based on a production view, meaning that Switzerland is the actual location where investment decisions are made and assets in the form of discretionary mandates and CIS are managed. **Please note that the reported rankings only include the asset management firms that provided relevant data and explicitly agreed to be considered in such rankings with their company brand.** Out of the 45 asset managers that participated in this year's data request by submitting a quantitative questionnaire, 35 firms (78 %) agreed to be listed in the rankings.

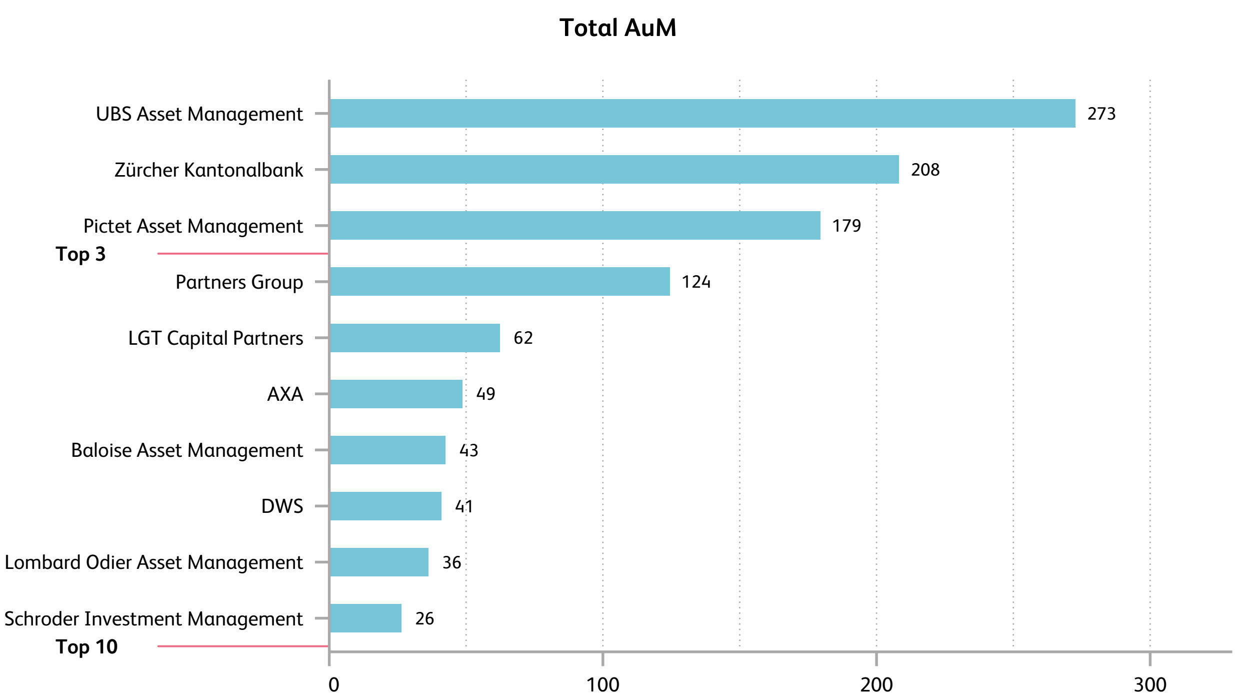


Figure 1.64: Top 10 asset managers regarding total AuM (in CHF billion), managed in Switzerland (production view)

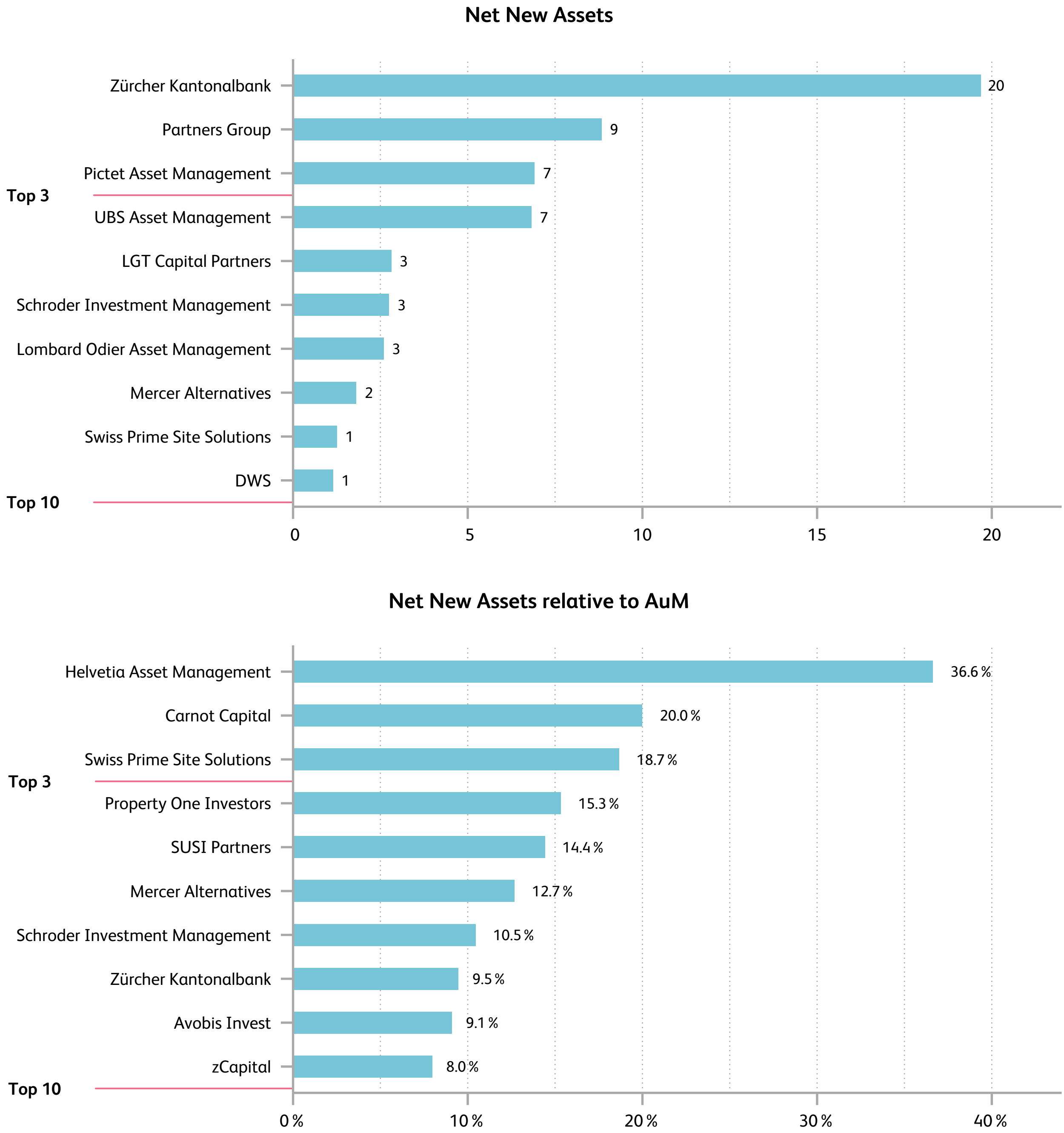
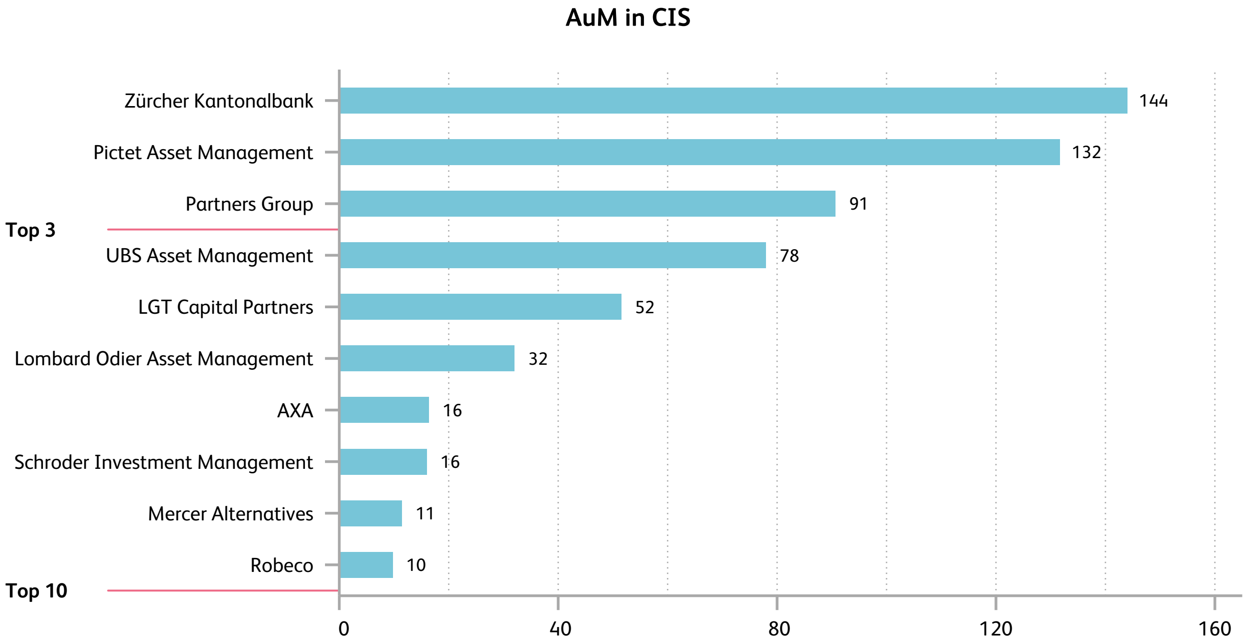


Figure 1.65: Top 10 asset managers regarding total NNA (in CHF billion) and NNA relative to AuM (in percentage), managed in Switzerland (production view)



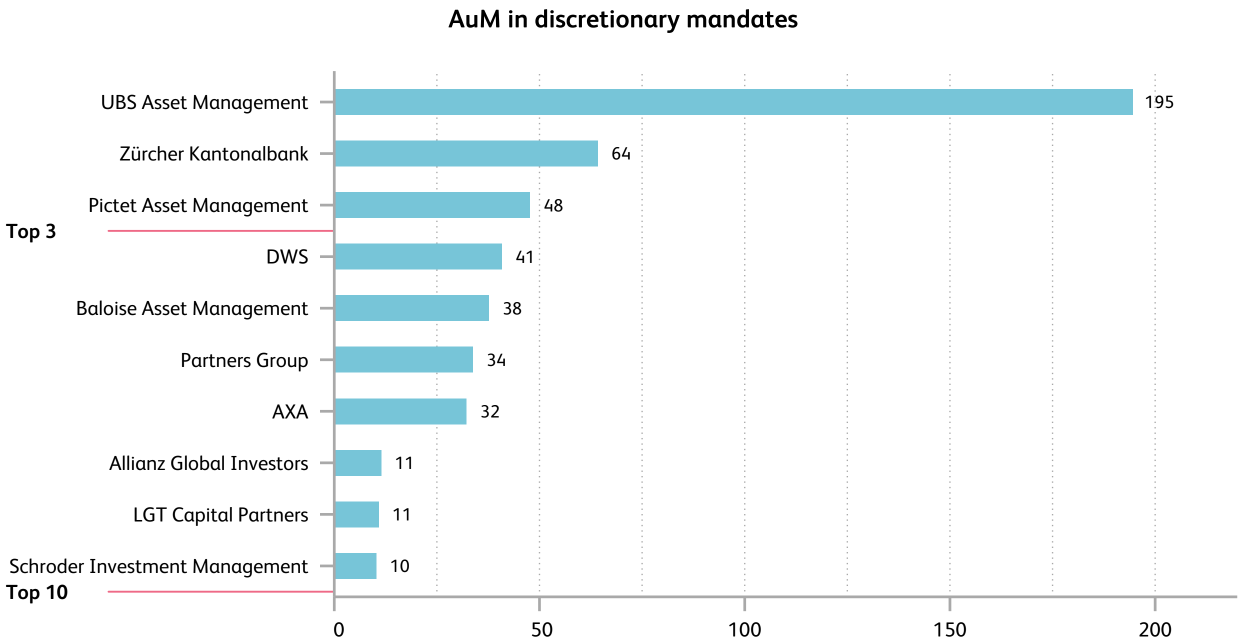


Figure 1.66: Top 10 asset managers regarding CIS and discretionary mandates (in CHF billion), managed in Switzerland (production view)

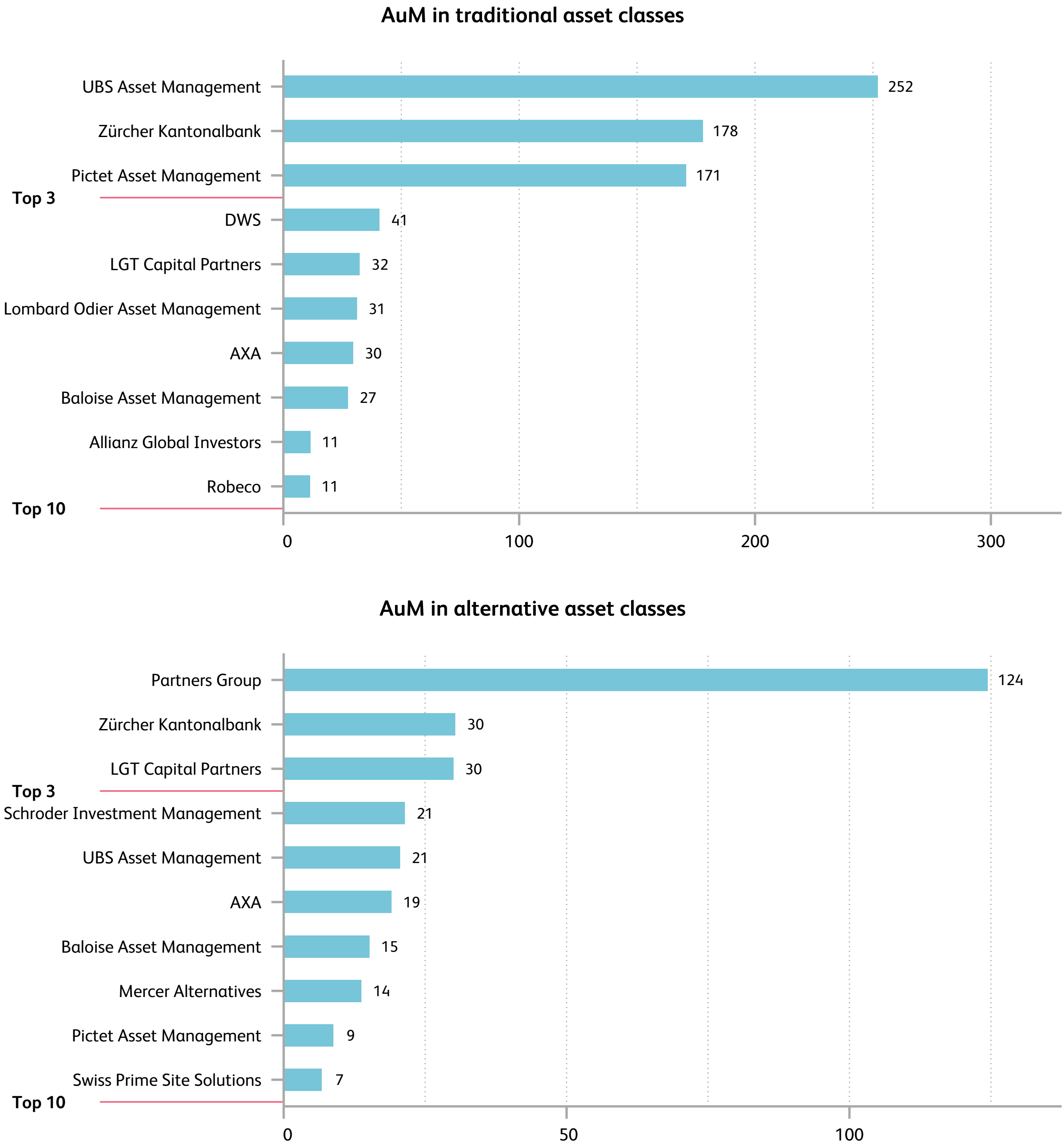


Figure 1.67: Top 10 asset managers regarding traditional and alternative assets (in CHF billion), managed in Switzerland (production view)

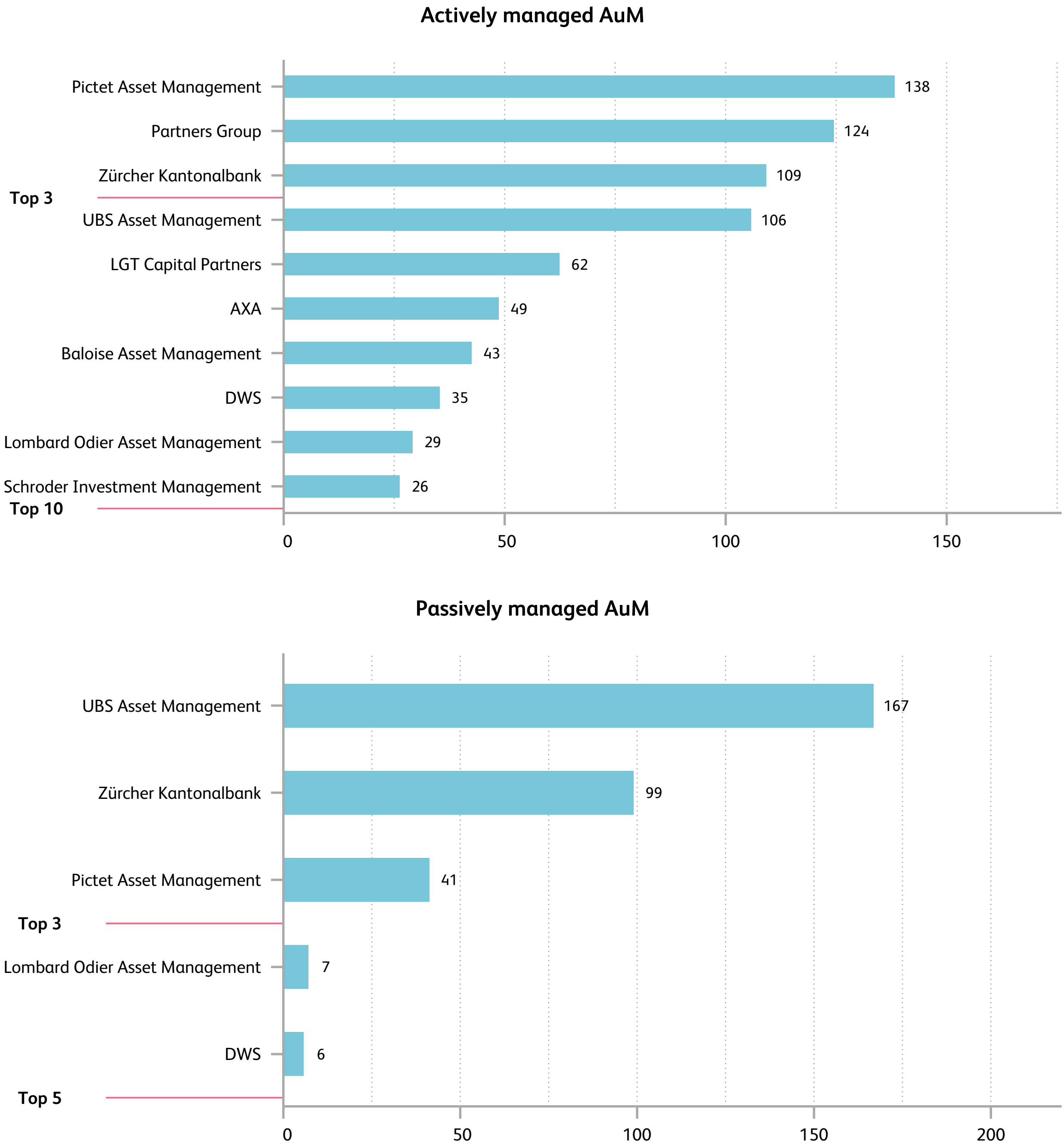


Figure 1.68: Top 10 asset managers regarding actively and top 5 asset managers regarding passively managed assets (in CHF billion), managed in Switzerland (production view)

1.7. Sentiment Analysis

Evaluating the challenges and opportunities faced by the Swiss asset management industry is an integral part of our annual asset management survey. In this context, asset managers were asked to evaluate each of the surveyed challenges (competition, regulation, availability of skilled staff or experienced managers, costs of production or labor, access to financing, finding customers) and opportunities (sustainable investments, fund distribution platforms, mergers & acquisitions - consolidation, cost leadership/focus on scale, specialization/focus on product niche, digital assets, artificial intelligence (AI), product innovation, passive investments, private market investments) on a scale from one (not pressing challenge, not important opportunity) to ten (extremely pressing challenge, extremely important opportunity).

Moreover, in this year's edition, we additionally included a sentiment survey to understand how Swiss-based asset managers view the economy, financial market developments, and the business environment for the asset management industry in Switzerland. In addition, the most important drivers of ESG integration in the investment process and technological innovation, with a potentially big impact on the industry, are explored.

1.7.1 Challenges for Asset Management

Figure 1.69 shows the average results of the sentiment survey regarding challenges faced by the asset management industry in Switzerland in comparison to the results of the previous years. 2023 was the first year finding customers was evaluated as the most pressing challenge (6.91), followed by regulation (6.68) and competition (6.67). The domestic market in Switzerland is of limited size and the competition in the asset management industry is both global and very intense. Creating new growth opportunities in markets abroad is thus of vital importance for future organic growth. In this context, a further increase in competitiveness could be achieved by building on existing strengths and providing innovations in the area of alternative investments or by further establishing Switzerland as a leading international hub for sustainability. Furthermore, regulatory innovations such as the intended introduction of the limited qualified investor fund (L-QIF), pursue the goal of launching more collective

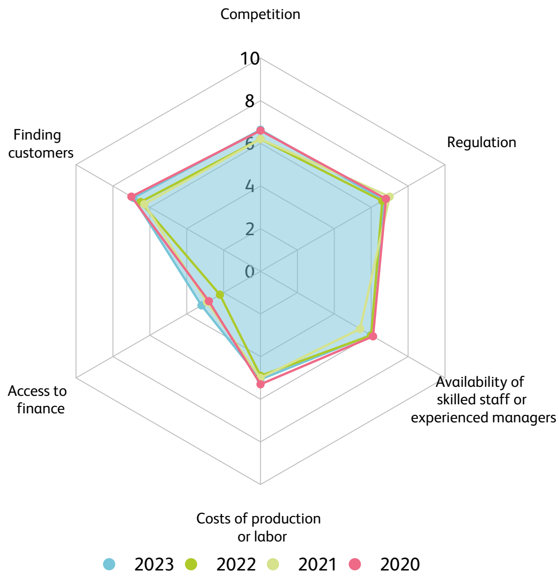


Figure 1.69: Challenges for asset management companies in Switzerland (n_{2023}=57, n_{2022}=63, n_{2021}=61, n_{2020}=57)

investment schemes domestically and thereby keeping a larger part of the value chain in Switzerland.

With an average score of 6.00, the availability of skilled staff or experienced managers appears to be another key challenge for asset management firms operating in Switzerland, reflecting the high demand for talent. Access to a skilled labor force and diverse talent pools is essential for the industry to maintain and, more importantly, further enhance its competitive edge. Similar to previous surveys, the costs of production (5.04) are of moderate importance, while access to finance (3.16) is seen as the least pressing challenge due to the asset management industry's lower capital requirements compared to the banking or insurance industry.

Figure 1.70 illustrates the surveyed challenges along the size dimension. Competition, regulation and finding customers are identified as the key challenges by Swiss-based asset managers. Larger firms (AuM > 10 bn) are most concerned about competition and regulation, while the smallest firms (AuM < 1 bn) are the least worried about competition in relative terms. Small asset managers are often niche players and, unlike large asset managers, do not compete on a global scale.

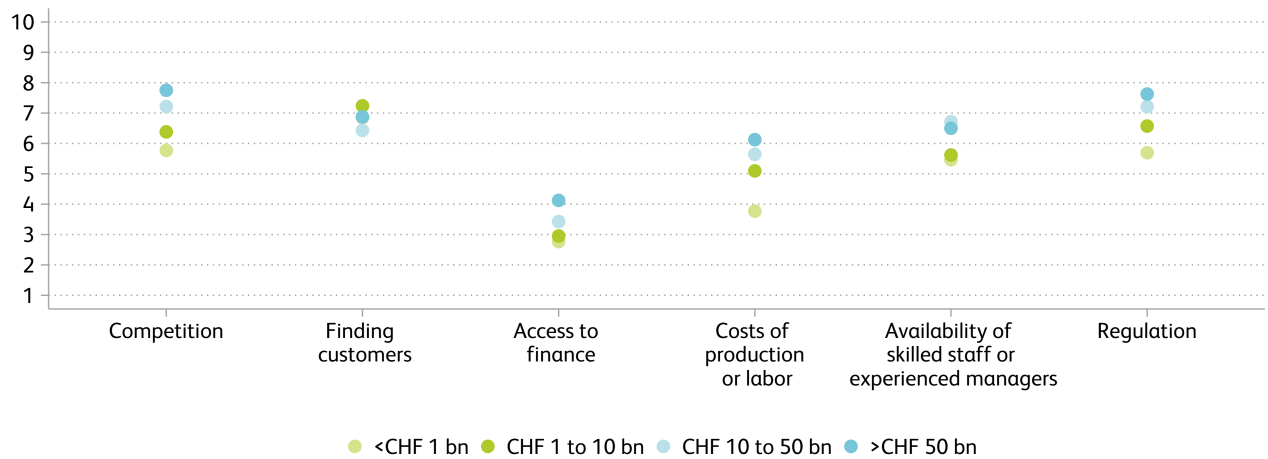


Figure 1.70: Challenges faced by asset management firms in Switzerland relative to their size (AuM)

Figure 1.71 depicts the surveyed challenges along the ownership dimension. Independent asset managers are most concerned about competition while regulation is evaluated as the most pressing challenge for insurance-owned firms. Moreover, insurance- and bank-owned asset managers are more concerned than the average about the availability of skilled labor and costs of production.

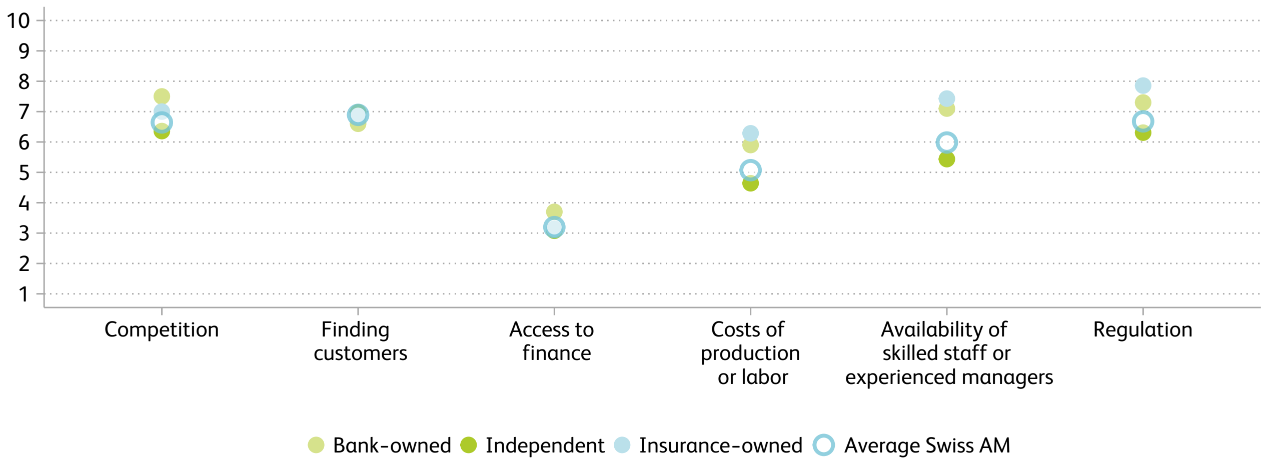


Figure 1.71: Challenges faced by asset management firms in Switzerland by ownership

1.7.2 Opportunities for Asset Management

Figure 1.72 shows how Swiss-based asset management companies evaluate the surveyed opportunities for the asset management industry. As last year, sustainable investments (7.70) and a focus on product niche - specialization (7.14) are identified as the two most important opportunities in the industry, followed by fund distribution platforms (5.93) and AI and data analytics (5.88). Private market investments (5.71), cost leadership (5.48) and product innovation (5.30) are considered almost equally important, but at slightly lower levels. The lowest scores are given to consolidation in the form of mergers & acquisitions (4.25), digital assets (3.66) and passive investments (2.89).

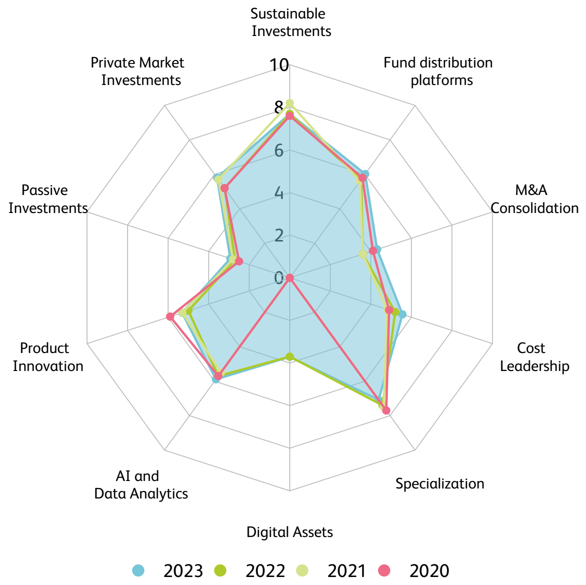


Figure 1.72: Opportunities for the asset management industry in Switzerland (n_{2023}=57 n_{2022}=63, n_{2021}=61, n_{2020}=57)

Figure 1.73 shows the result of the sentiment survey in terms of opportunities with respect to the size of the asset management firm. The results are very similar to those of the 2022 survey and show that larger asset management companies (AuM > 10 bn) see the greatest opportunities in sustainable investments and private market investments, while smaller firms (AuM < 10 bn) see the largest potential in specialization. The dispersion in evaluating these opportunities is rather wide among the different size categories which indicates that asset managers of different sizes follow different business models. Passive investments and cost leadership are ranked highest among larger firms due to their required ability to scale. In general, larger companies rate all opportunities, except specialization, higher than smaller companies.

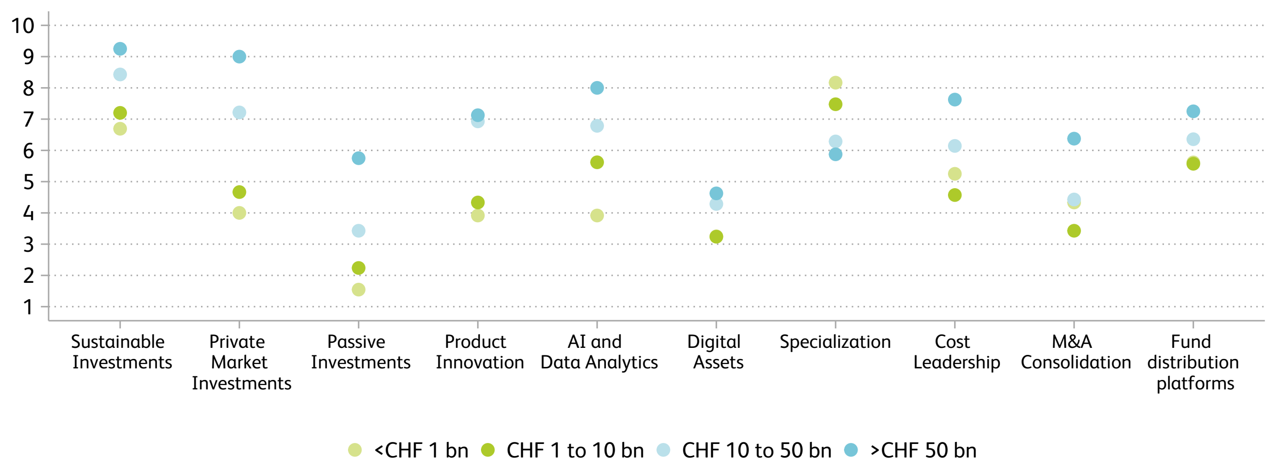


Figure 1.73: Opportunities evaluated by asset management firms in Switzerland relative to their size (AuM)

Figure 1.74 illustrates how asset management companies, segmented according to their ownership structure, evaluate various opportunities for the industry. Similarly to the size dimension, the dispersion in evaluating opportunities is rather large. However, there seems to be a consensus that sustainable investments represent a promising opportunity for asset management in Switzerland. Private market investments and product innovation are ranked highest among insurance-owned firms, while independent companies evaluate focusing on a product niche and specialization as the most promising opportunity. Bank-owned companies are among the largest asset managers in Switzerland and therefore rate opportunities that require a certain scale, such as passive investments or cost leadership, higher. In addition, bank-owned asset managers also see above-average potential in digital assets.

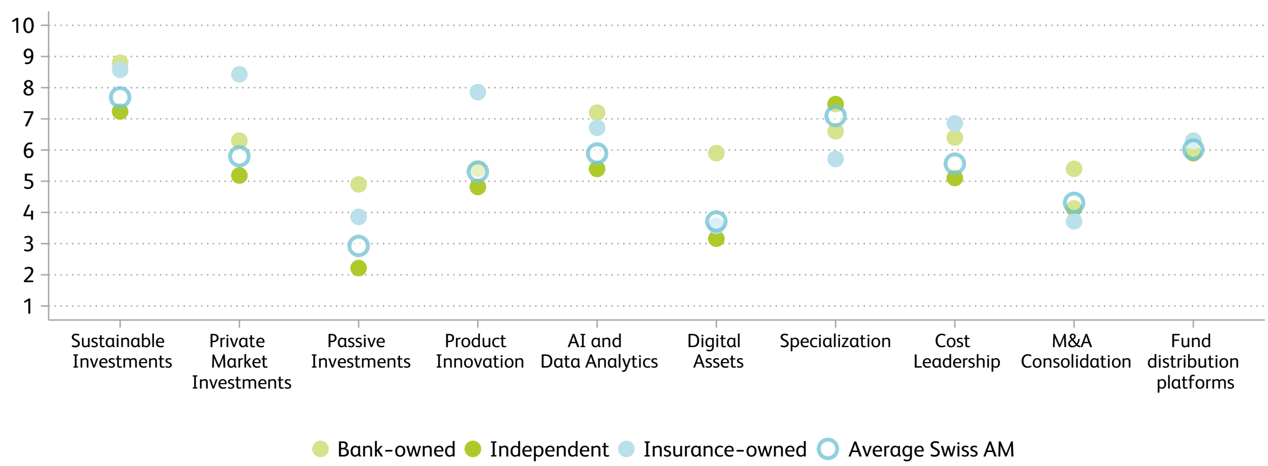


Figure 1.74: Opportunities evaluated by asset management firms in Switzerland relative to ownership

1.7.3 Assessments of the Economy, Financial Markets and Business Conditions

The main objective of this part of the survey is to understand how Swiss-based asset managers view the economy, financial market developments, and the business environment for the asset management industry in Switzerland. Moreover, the most important drivers of ESG integration in the investment process and technological innovation, with a potentially big impact on the industry, are explored.

The majority of respondents consider a possible global economic slowdown as the biggest risk for the Swiss economy, followed by geopolitical risks and inflation. Among the largest asset management firms inflation, an appreciation of the Swiss franc or deteriorating business conditions are not of any concern, while smaller asset managers also see a deterioration of business conditions in Switzerland as a major risk to the Swiss economy.

In terms of ownership, 70 percent of bank-owned asset managers see a global economic slowdown as the biggest threat to the Swiss economy. Independent asset managers are more heterogeneous in their assessment, seeing a global economic slowdown (45.0 %), geopolitical risks (22.5 %), inflation (15.0 %), a deterioration in business conditions (12.5 %) and a potential appreciation of the Swiss franc (5.0 %) as risks. Insurance-owned firms evaluate inflation (42.9 %) as the biggest risk for the Swiss economy.

What do you currently see as the biggest risk for the Swiss economy?

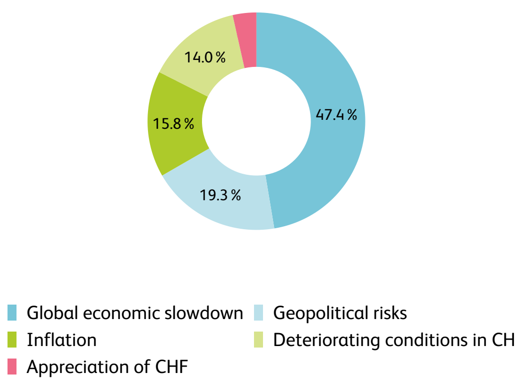


Figure 1.75: Asset managers' view of the main risks to the Swiss economy

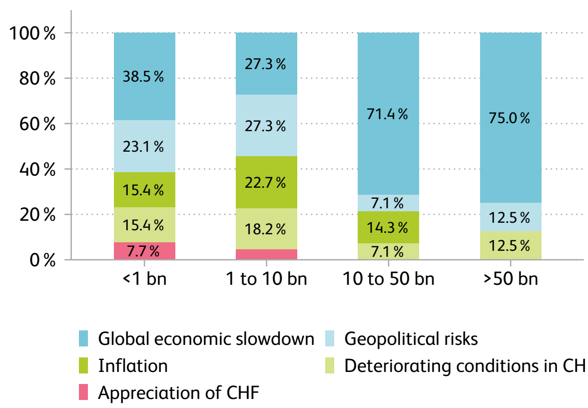


Figure 1.76: Asset managers' view of the main risks to the Swiss economy by size

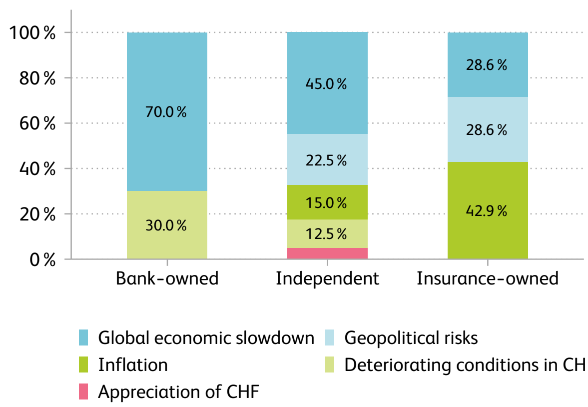


Figure 1.77: Asset managers' view of the main risks to the Swiss economy by ownership

How strongly do the uncertainties regarding the bilateral relationship between Switzerland and the European Union affect your business?

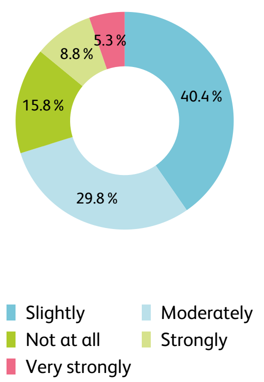


Figure 1.78: Impact of the bilateral relationship between Switzerland and the EU for the asset management business.

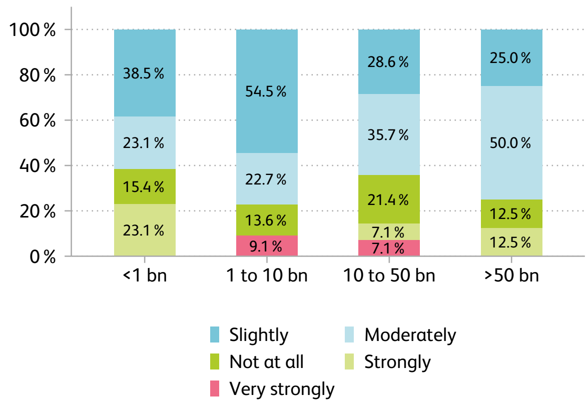


Figure 1.79: Impact of the bilateral relationship between Switzerland and the EU on the asset management business by size

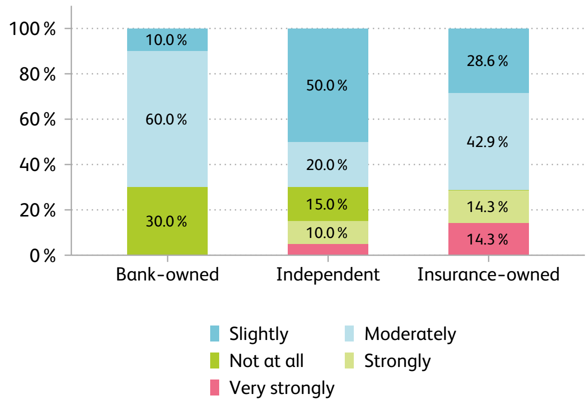


Figure 1.80: Impact of the bilateral relationship between Switzerland and the EU on the asset management business by ownership

About 70 percent of the asset management firms in Switzerland indicate that their business is only slightly or moderately affected by the uncertainties regarding the bilateral relationship between Switzerland and the European Union (EU). However, approximately a quarter of the smallest asset managers state that the current situation has a strong impact on their business activities.

Some insurance-owned (14.3 %) and independent firms (5.0 %) say that the current uncertainties around the bilateral relations are having a very strong impact on their business, while about a third of bank-owned firms are not affected at all.

For the asset management industry current financial services regulation in Switzerland is

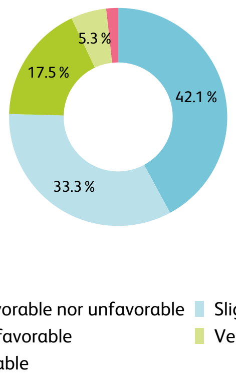


Figure 1.81: Assessment of the regulatory framework

In terms of financial services regulation, most asset managers operating in Switzerland are indifferent regarding the benefits of financial regulation or even evaluate it as slightly favorable.

With respect to size, about 15 percent of the smallest asset management firms assess the regulatory framework in Switzerland as very unfavorable, while about eight percent of these firms have a completely opposite view and rate current regulation as very favorable. Among the largest asset managers, more than 35 percent of the companies state that regulation in Switzerland is slightly unfavorable.

Bank-owned and independent firms are most critical in their assessment of financial services regulation in Switzerland where approximately 20 percent of bank-owned and independent firms rate regulation as slightly unfavorable. About 60 percent of insurance-owned firms assess regulation in Switzerland as slightly favorable.

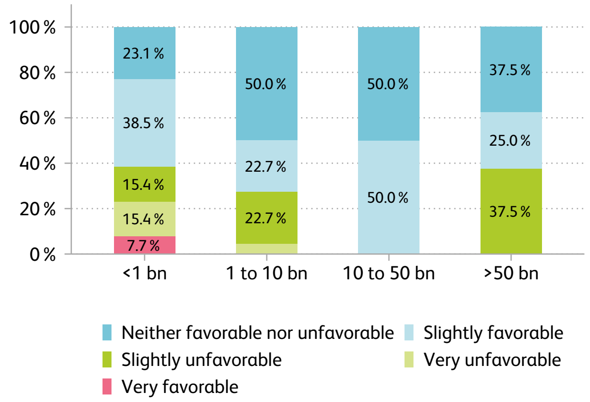


Figure 1.82: Assessment of the regulatory framework by size

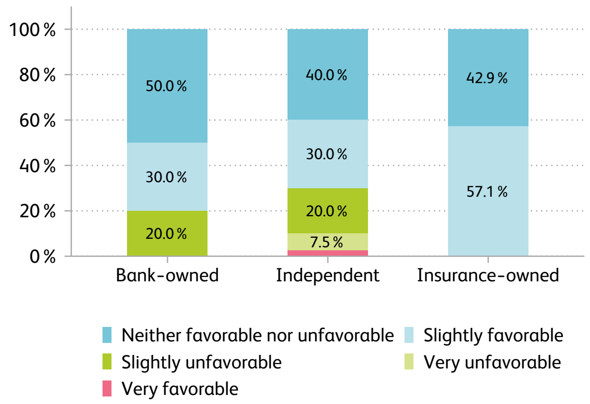


Figure 1.83: Assessment of the regulatory framework by ownership

In which asset classes do you plan to increase the weighting of your asset allocation in the next 12 months?

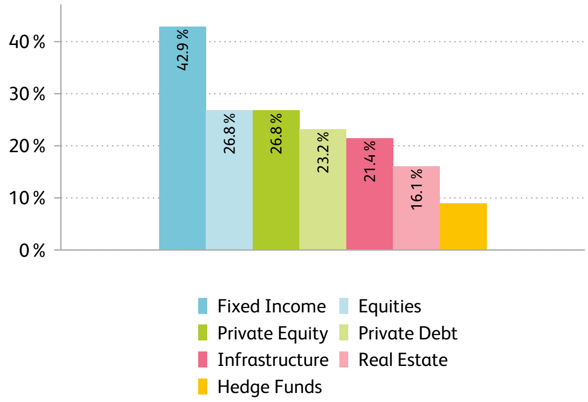


Figure 1.84: Increase in the weighting of asset classes of Swiss-based asset managers

As illustrated in Figure 1.84 about 43 percent of the asset managers intend, at the time this survey has been conducted (spring 2023), to increase the weighting of fixed income in their asset allocation in the next 12 months. Tighter monetary policy in major currency areas to reduce inflation has led to higher bond yields, increasing the relative attractiveness of fixed income as an asset class. Similar intentions are observed along the size and ownership dimension depicted in Figure 1.85 and Figure 1.86. However, a majority of the smaller firms (AuM < 10 bn) intend to increase the weighting of equities.

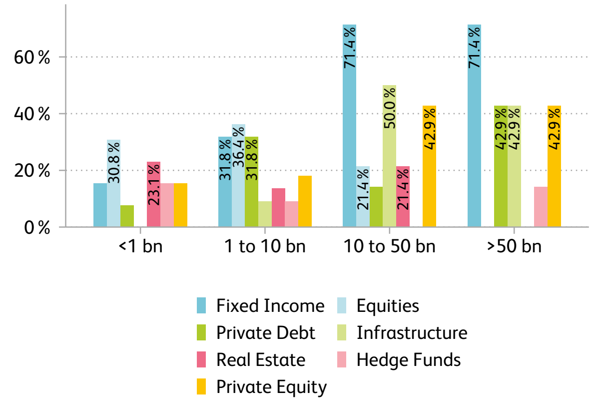


Figure 1.85: Increase in the weighting of asset classes of Swiss-based asset managers by size

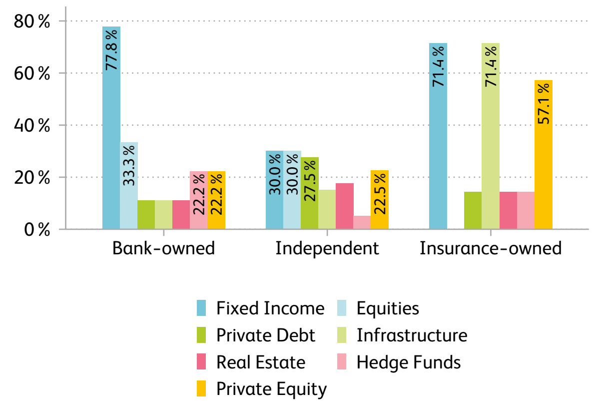


Figure 1.86: Increase in the weighting of asset classes of Swiss-based asset managers by ownership

How do you assess the current valuation of the Swiss franc?

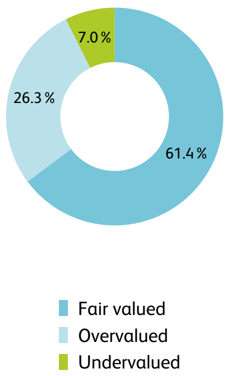


Figure 1.87: Assessment of the valuation of the Swiss franc by asset management firms in Switzerland

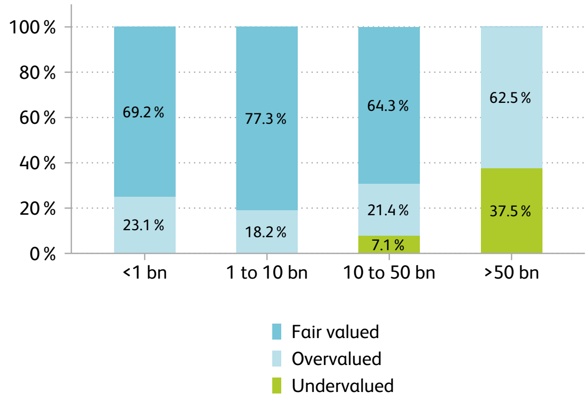


Figure 1.88: Assessment of the valuation of the Swiss franc by asset management firms in Switzerland by size

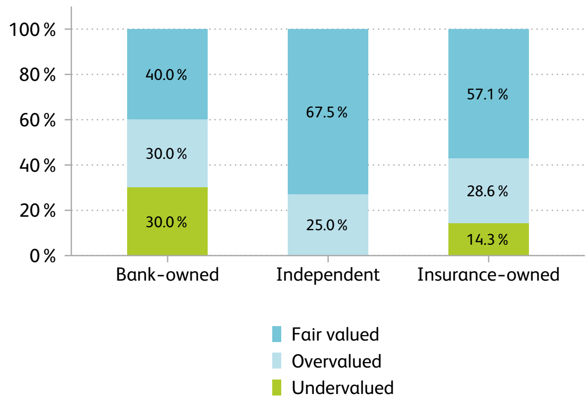


Figure 1.89: Assessment of the valuation of the Swiss franc by asset management firms in Switzerland by ownership

At the time this survey has been conducted (spring 2023), about 60 percent of the surveyed asset managers assess the Swiss franc as fairly valued. Among the largest firms, about two-thirds of the companies indicate an overvaluation, while the remaining third observes an undervaluation.

The largest heterogeneity with regard to the valuation of the Swiss franc is seen among bank-owned firms, whereby 40 percent of the survey participants assess the currency as fairly valued while 30 percent each, either observe an over- or an undervaluation.

How do you evaluate the business conditions for the asset management industry in Switzerland over the next 12 months?

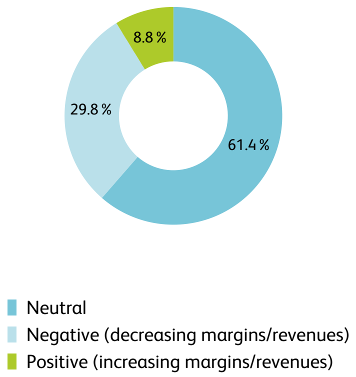


Figure 1.90: Evaluation of business conditions in Switzerland by Swiss-based asset management firms

As of spring 2023, irrespective of size and ownership, most asset managers are neutral on the business conditions for the asset management industry in Switzerland and therefore do not expect any changes in margins or revenues over the next 12 months. However, larger firms (AuM > 10 bn) and bank-owned, as well as independent asset managers see the potential for negative developments more often.

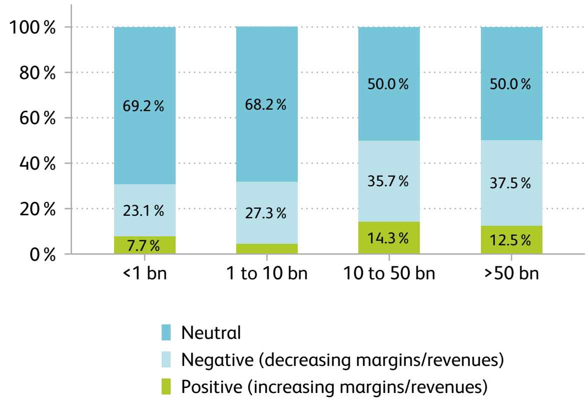


Figure 1.91: Evaluation of business conditions in Switzerland by Swiss-based asset management firms by size

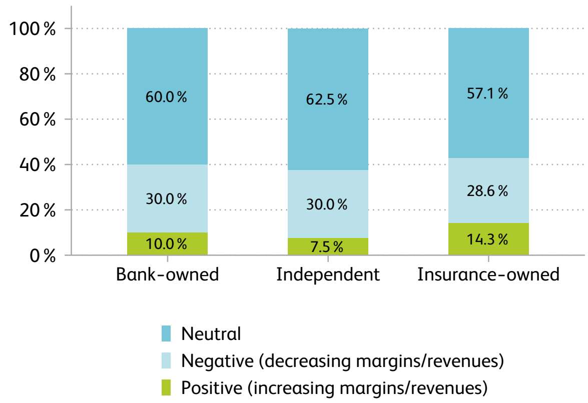


Figure 1.92: Evaluation of business conditions in Switzerland by Swiss-based asset management firms by ownership

Which of the following are the most important drivers of ESG integration in your investment process?

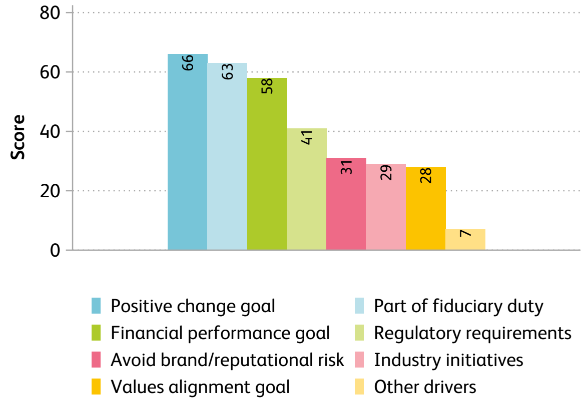


Figure 1.93: Importance of sustainable investing for asset management firms in Switzerland

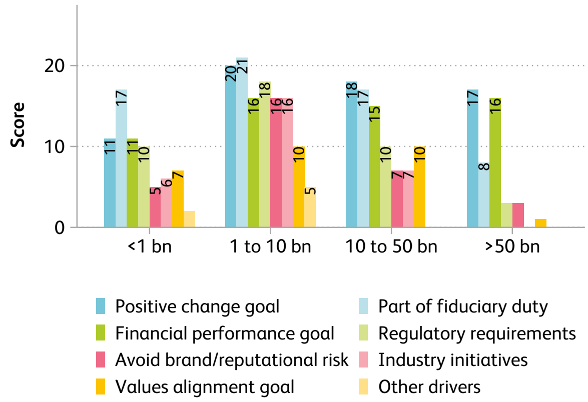


Figure 1.94: Importance of sustainable investing for asset management by size

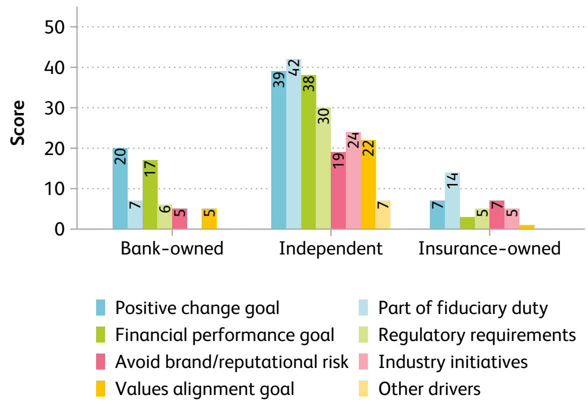


Figure 1.95: Importance of sustainable investing for asset management by ownership

We asked Swiss-based asset managers to identify the three most important reasons for adopting a sustainable investment approach and to rank them in order of importance. To evaluate the results, we use a scoring approach in which the three reasons mentioned are scored from three (most important) to one (least important).

Asset managers are motivated to invest sustainably by a variety of factors. The most important motive for integrating ESG criteria is to contribute to positive economic, social and environmental change (positive change goal). Aligning investment strategies with the long-term interests of clients as part of asset managers' fiduciary duty is seen as the second most important driver, followed by improving the risk/return profile of investments (financial performance goal).

For the smallest firms (AuM < 1 bn), independent and insurance-owned firms, fiduciary duty considerations were identified as the primary driver of ESG adoption.

Which technological innovation will have the biggest impact on the asset management industry in the next 10 years?

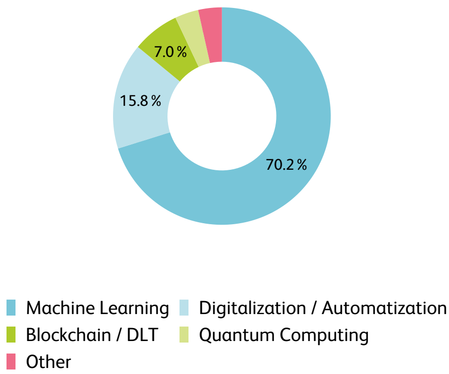


Figure 1.96: Evaluation of technological innovation with the biggest impact on the asset management industry

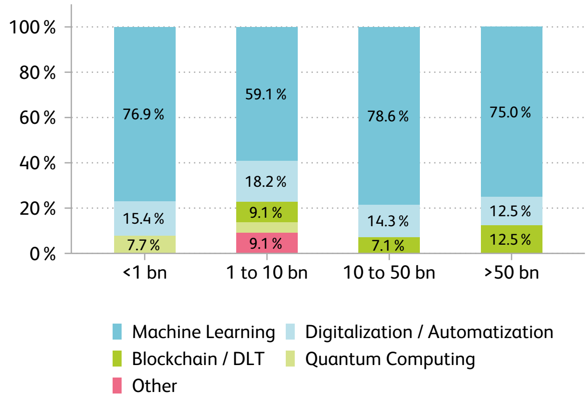


Figure 1.97: Evaluation of technological innovation with the biggest impact on the asset management industry by size

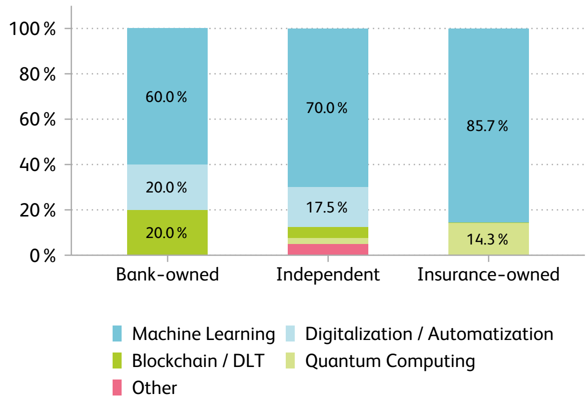


Figure 1.98: Evaluation of technological innovation with the biggest impact on the asset management industry by ownership

In terms of technological innovation, about 70 percent of the responding asset management companies expect that artificial intelligence (machine learning, analytics) and big data will have the biggest impact on the asset management industry in the next ten years, followed by process digitalization/automatization and distributed ledger technology.

Among the smallest asset management firms and insurance-owned asset managers are some companies that see potential for quantum computing applications in the asset management industry over the next decade.

2. Performance Analysis

In last year's study, we provided a performance analysis of actively managed mutual funds. The following chapter is an update of this analysis and is based on asset management companies that participated in this year's survey and manage CIS on behalf of their clients.

2.1. Methodology

The performance analysis is based on **public data** from the *Morningstar Direct* database. The sample consists of actively managed mutual funds (i.e., passively managed funds and ETFs are excluded) that are available for sale in Switzerland, including institutional funds sold to qualified investors. Data are as of the end of June 2023. To avoid a survivorship bias, active as well as inactive or merged funds are included. Fund of funds, feeder funds and funds with no disclosed net assets are excluded. In order to be able to report on a fund level, all available share classes (institutional/retail) of each fund are considered and a AuM weighted average of the corresponding performance metric is computed for each fund. Funds from different subsidiaries are matched on the same company brand. Private label funds (PLF) are assigned to the company that takes primary responsibility for managing the fund[1].

To achieve a homogeneous comparison in this performance analysis we do not consider multi asset (balanced) strategies due to the complexity related to the benchmarking of such funds. Instead, we focus on equity and fixed income funds which we assign into three categories for each asset class:

- Swiss equity (fixed income) funds, where the benchmark assigned by *Morningstar* is a domestic stock (bond) index.
- Global equity (fixed income) funds, where the benchmark assigned by *Morningstar* is a global/world stock (bond) index.
- Regional/thematic equity (fixed income) funds, where the benchmark assigned by *Morningstar* has a regional or thematic focus.

[1] We acknowledge that the chosen methodology benefits asset managers with a large institutional business in these rankings. This is due to the fact that these funds are associated with lower costs.

For each fund that belongs to a particular *Morningstar* category, the same benchmark is assigned. The performance evaluation of these funds is based on the 5-year information ratio (IR) available in the *Morningstar Direct* database and is determined by returns net of fees[2].

Information Ratio (IR): Excess returns of a portfolio (R_p) over the corresponding benchmark (R_B) relative to the volatility of the difference between the returns of the portfolio and the benchmark (tracking error, $\sigma_{(R_p - R_B)}$)

$$IR = \frac{R_p - R_B}{\sigma_{(R_p - R_B)}}$$

Information ratios are a suitable metric to measure the performance of active management against a passive benchmark. A higher information ratio implies a superior performance. To account for the inconsistency of the IR when excess returns are negative, an adjustment according to the Israelsen method is used (Israelsen, 2005).

2.2. Results

The results of the performance analysis are depicted in Figure 2.1 to Figure 2.3.

[2] Funds that do not have a 5-year information ratio are excluded from the data set. The IR is calculated from July 2018 until June 2023.

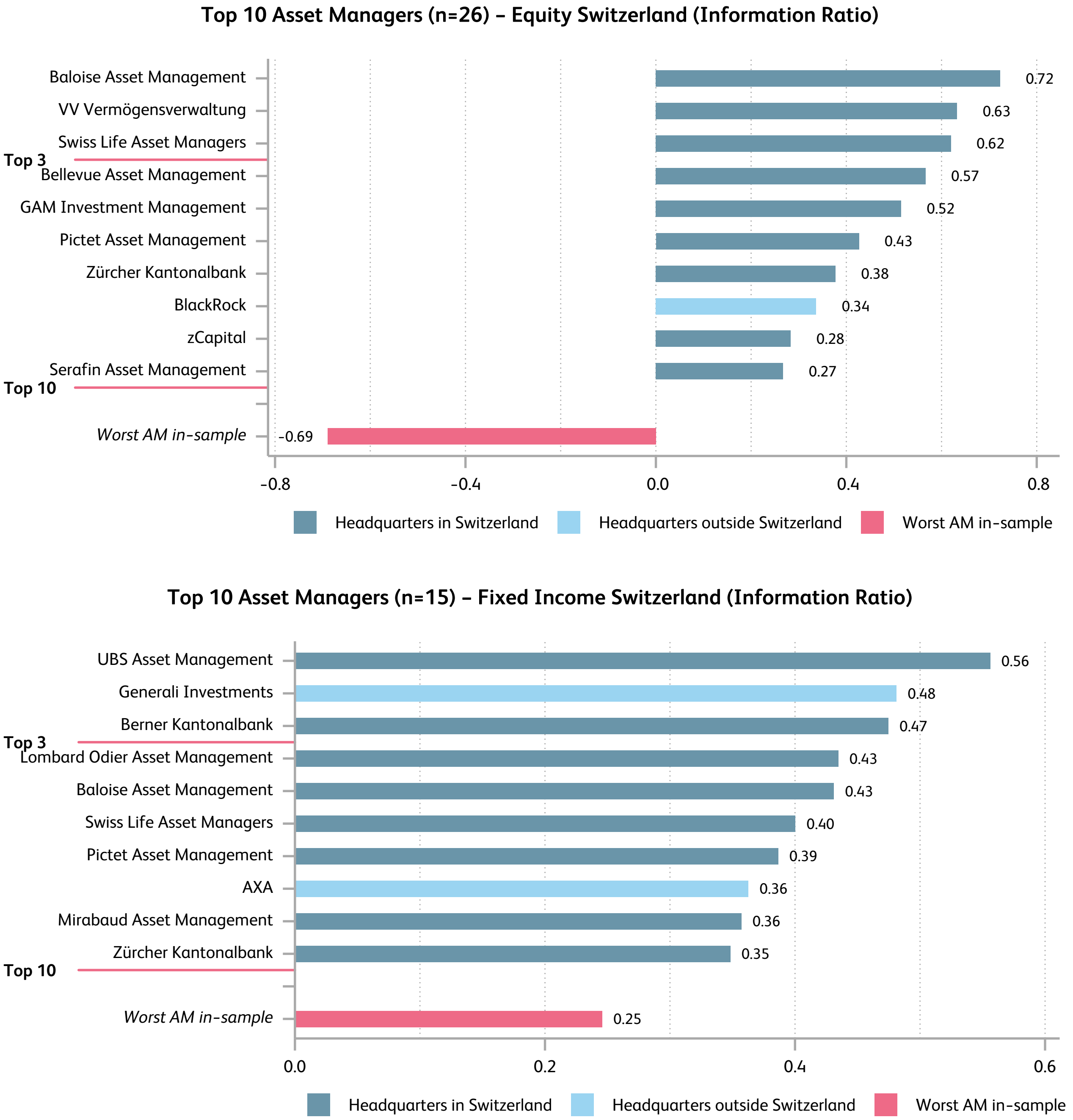
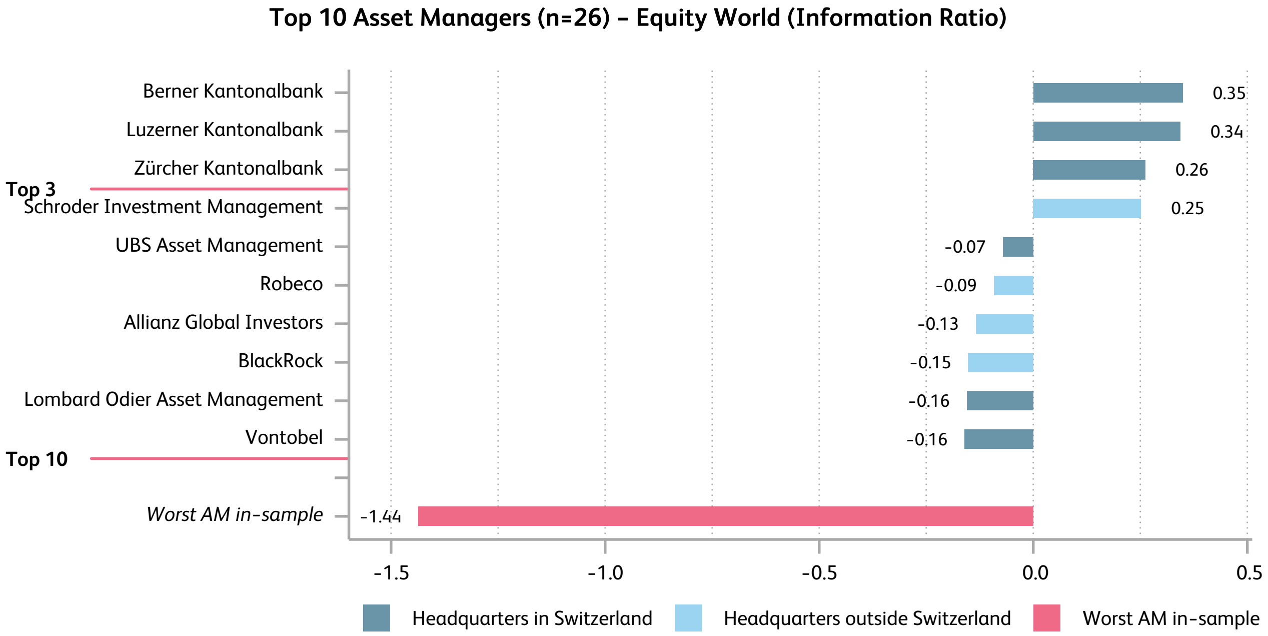


Figure 2.1: Top 10 asset managers with a focus on equity Switzerland (top panel) and top 10 asset managers with a focus on fixed income Switzerland (bottom panel); Source: Morningstar (2023)



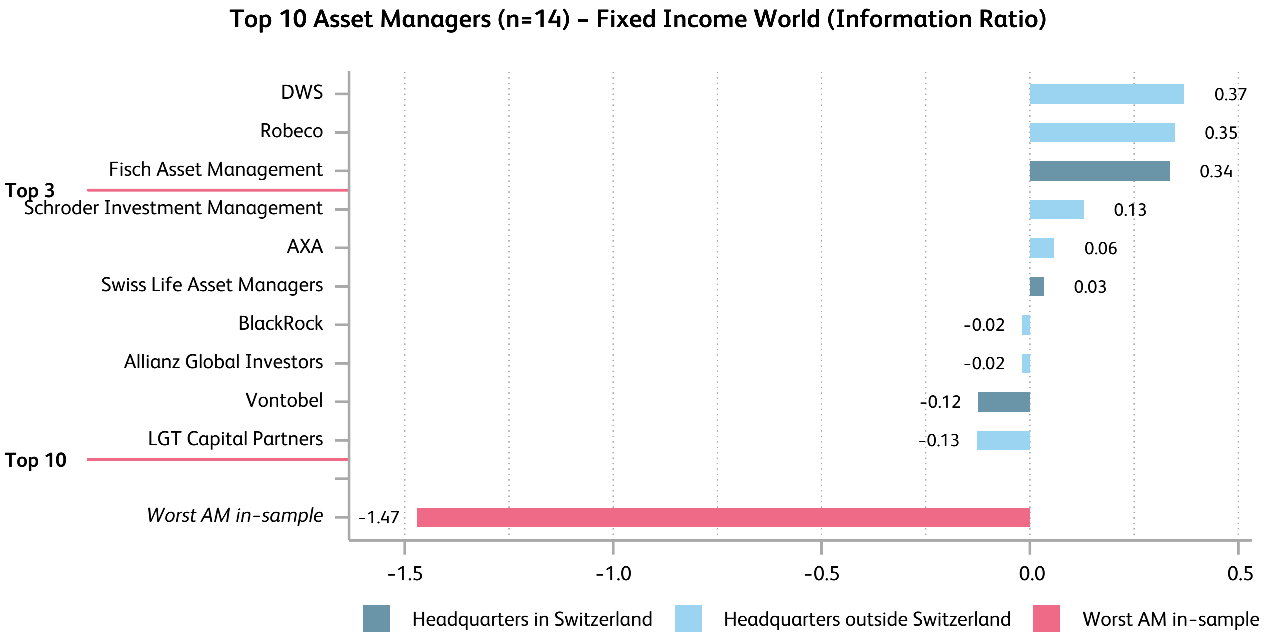
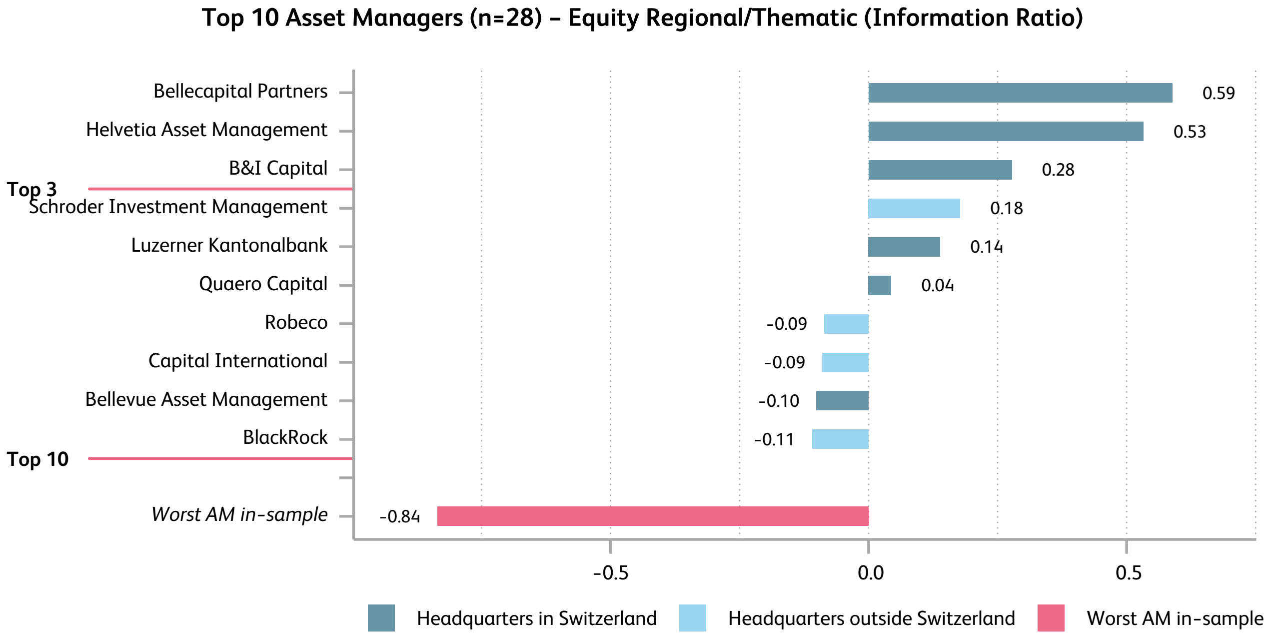


Figure 2.2: Top 10 asset managers with a focus on equity global/world (top panel) and top 10 asset managers with a focus on fixed income global/world (bottom panel); Source: Morningstar (2023)



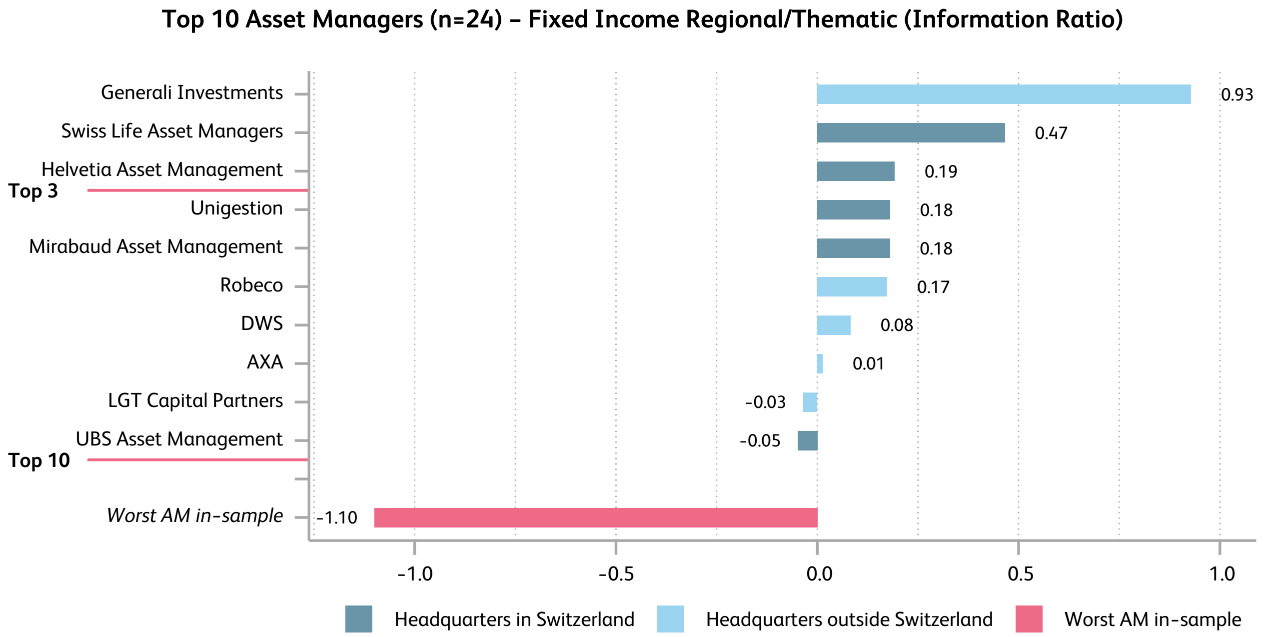


Figure 2.3: Top 10 asset managers with a focus on equity regional/thematic (top panel) and top 10 asset managers with a focus on fixed income regional/thematic (bottom panel); Source: Morningstar (2023)

3. The Effectiveness of the Swiss Second Pillar – A Critical Evaluation

3.1. Introduction

The purpose of this chapter is an analysis of the second pillar of the Swiss pension system, with the primary objective of assessing its efficiency based on various indicators. The main focus is on the asset side of the balance sheet and the impact of the third contributor and the asset management industry is analyzed. Given these findings, potential ways for improvement are presented as a basis for further discussions. All analyses are based on the current regulatory framework and the following evaluation criteria.

- Interest rate on retirement assets
- Investment performance measured by real investment returns
- Asset allocation
- Asset management costs
- Funding ratio

To provide a broader and more international perspective, comparisons with other countries are made whenever meaningful and possible. The selection of countries is guided by the *Mercer CFA Institute* Global Pension Index which shows that Iceland, the Netherlands and Denmark have the best pension systems globally (Mercer, 2022), and supplemented by two of the largest pensions markets in terms of AuM, Canada and the United States (Thinking Ahead Institute, 2023).

The remainder of this chapter is structured as follows: Section 3.2 provides a brief overview of the Swiss pension system. In Section 3.3 the role of the asset management industry is discussed followed by an evaluation of the Swiss occupational pension system based on the above metrics. Section 3.5 discusses potential ways for improvement. Finally, Section 3.4 summarizes the main findings and concludes.

3.2. The Swiss Pension System in a Nutshell

Old-age pension insurance plays an important and central role in any social security system. It ensures the prospect of the continuation of a financially independent life after retirement. Every pension system is based on the principle that employees give up part of their income during their employmentand pay it into a pension fund in order to receive income after their retirement, either in the form of a pension or a lump sum.

The Swiss pension system consists of three distinct components - called pillars - that serve different purposes. They are organized and financed differently and managed by different institutions.[1] Two of these pillars are mandatory for insured persons, while the third pillar is based on voluntary savings (see Figure 3.1).

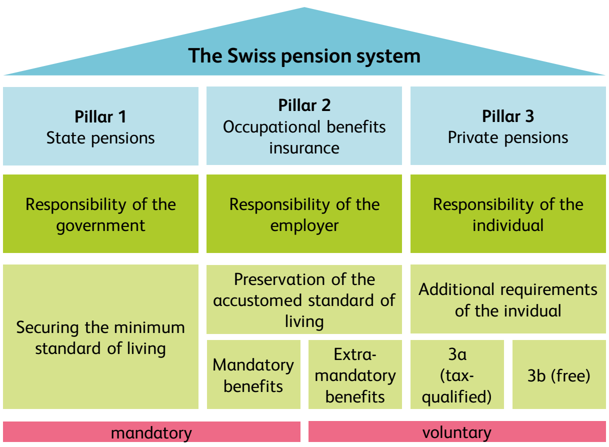


Figure 3.1: The Swiss pension system

The second pillar of the Swiss pension system is the occupational pension insurance based on the law on occupa-

[1] We focus on old-age pensions in the following remarks. The Swiss pension system also provides other benefits, such as survivors' pensions, loss of income insurance, and occupational accident insurance.

tional pensions (LPP). It is a partially mandatory, but privately managed pension system. Together with the state pension, the old-age and survivor's insurance (OASI), it is intended to provide at least 60 percent of the beneficiary's last income (but only up to an annual salary of currently CHF 88,200) and aims to enable the insured to maintain their accustomed standard of living after retirement.

The occupational pension system is organized as a fully-funded system. Every employee over the age of 24 and with a minimum annual salary of currently (2023) CHF 22,050, saves individually through a pension fund. Contributions are paid by the insured and their employer, and the pension funds invest the capital collected. Based on data from the *Federal Statistical Office*, at the end of 2021 there were 1,389 pension funds with 4,477,775 insured employees, 869,722 pensioners, and CHF 1,159 billion in assets under management, or 158.30 percent of Swiss GDP (Federal Statistical Office, 2022d). On average, each beneficiary has about CHF 216,800 invested in their pension fund. However, the insured are often unaware of this fact. A recent survey showed that about one in two people do not consider their second pillar savings to be their own assets (Sotomo, 2021).

Investing in financial markets usually generates additional contributions to the individual retirement saving account. It is therefore often referred to as the third contributor. In 2021, the net investment results amounted to CHF 87,008 million, whereas the contributions from employees and employers amounted to CHF 51,339 million. Because financial markets are volatile, a single annual return may be negative. Accordingly, the performance of a fully-funded pension system is highly dependent on the macroeconomic environment. However, due to the long investment horizon and the legally required accumulation of fluctuation reserves, pension funds can usually bear financial market risks. The contribution from the capital markets has been substantial in the past. Since 2004, approximately 32 percent of pension fund assets have been accumulated through net investment income (the third contributor) corresponding to CHF 452 billion. According to the UBS Pension Fund Performance Study, the average cumulative net return from 2006 to the end of March 2023 was 64.9 percent (UBS, 2023).

In summary, the Swiss pension system is a multi-pillar system with different objectives and mechanisms. In order to guarantee a minimum level of benefits for retirement, some contributions and benefits are mandatory and regulated by law. The government and employers are responsible for organizing the first pillar (state pension) and occupational pension schemes (second pillar), respectively. The first pillar is financed on a pay-as-you-go basis, while the second pillar is fully-funded. These two mechanisms are exposed to different risk factors. While the state of the first pillar depends to a large extent on the demographic structure of the population and the total salaries paid out (wage sum), the performance of the second pillar is largely determined by the development of capital markets and interest rates. Supplementary pension benefits are possible on a voluntary basis. This applies in particular to the pillar 3a. These different financing systems for the three pillars make the entire pension system more robust and less vulnerable to economic and financial risks.

The three different pillars make the Swiss pension system more robust and less vulnerable to economic and financial risks.

Nevertheless, the Swiss pension system faces challenges. An aging society, a low interest rate environment, and regulation affect the performance of any pension system. Moreover, according to Figure 3.2, the Swiss pension system has lost considerable attractiveness compared to other countries in recent years. In this context, it is therefore important to take a closer look at its performance.

3.3. Evaluation of the Swiss Occupational Pension System

In a fully-funded pension system, such as Switzerland's second pillar, benefits are financed by the accumulation of a capital stock. This capital is accrued by investing employer and employee contributions in a variety of assets such as equities, corporate bonds, real estate or private market investments. In this context, asset managers take on a key role by providing an investment channel between investors and financial markets. Asset managers contribute to the efficient allocation of capital by allocating these funds to those companies that have productive investment opportunities but need additional funding to realize new investments. The main objective is to develop and implement an investment strategy that maximizes returns at an appropriate and predefined level of

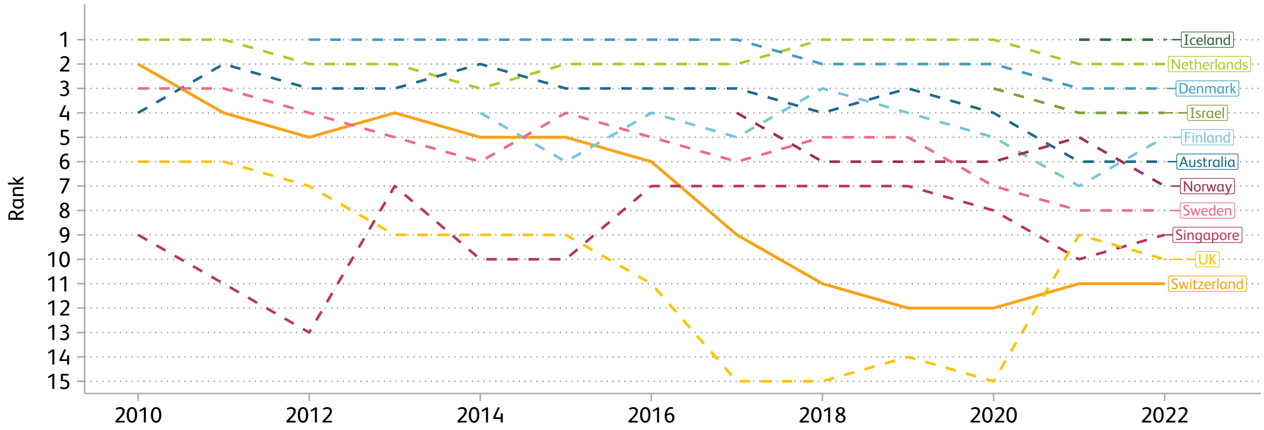


Figure 3.2: International comparison of pension systems; Source: Mercer (2022).

risk. In addition, asset managers take a key responsibility in risk management and lower investment risk by monitoring current developments in industries, countries, and regions. Compared to individual investors, asset managers are able to do this at a much lower cost due to economies of scale. Figure 3.3 depicts the share of each pillar's benefits relative to the total pension payments made between 1987 and 2019. Reliable pillar 3a data became available in 2013. Over time, the share of payments to retirees (pension and lump-sum benefits) from the occupational pension system increased from 29 percent in 1987 to 45 percent in 2021, which shows the increasing relevance of the second pillar.

The focus of the analysis in this subchapter is to evaluate the Swiss occupational pension system using a set of objective indicators. These metrics include the interest rate on retirement assets, investment performance measured by real returns, asset allocation, asset management costs and the funding ratio.

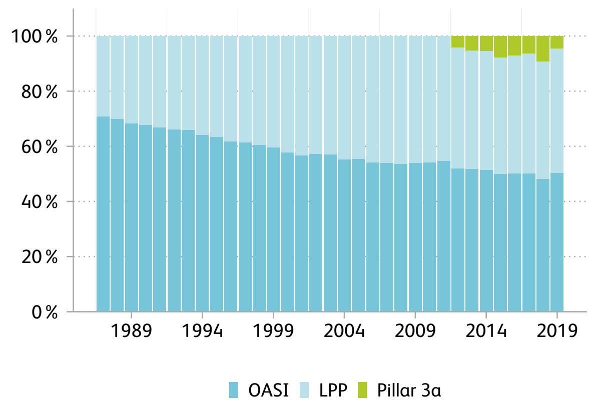


Figure 3.3: Share of each pillar's benefits relative to total pension payments from 1987 to 2019; Source: Federal Statistical Office (2022a).

3.3.1 Interest Rate on Retirement Assets and the Golden Rule

One way to assess the performance of the Swiss occupational pension system is to compare the benefits with the constitutional benefit target. Even though an explicit benefit target is not defined by law, a replacement rate of approximately 60 percent of the last salary is generally assumed. Employee and employer contributions, the LPP minimum rate and the minimum conversion rate are the most important factors for reaching the benefit target. According to the Occupational Pension Supervisory Commission (OPSC) this target is met for OASI salaries up to CHF 66,000 (OSPC, 2023).

The minimum contribution rate in percent of the LPP salary and the minimum conversion rate determine that the implicit benefit target mentioned above is met if the LPP minimum interest rate on retirement assets is equal to the nominal wage growth rate. This is defined as the golden rule.

Golden rule. The LPP benefit target stipulates that insured individuals receive a pension of 36 percent of their 2nd pillar ("coordinated") salary in the mandatory LPP insurance. This commitment is held if the golden rule if fulfilled. This is the case when the nominal LPP minimum interest rate on retirement assets and the nominal wage growth rate are equal. However, the golden rule does not apply to pension benefits which surpass the mandatory levels.

Figure 3.4 illustrates the development of the LPP minimum rate together with the nominal wage growth rate since the introduction of the occupational pension system in Switzerland in 1985.

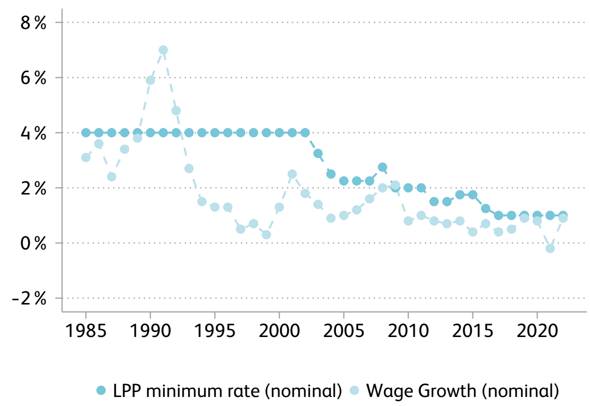


Figure 3.4: Golden rule (nominal): LPP minimum rate and wage growth since 1985; Source: Federal Statistical Office (2023a); Federal Social Insurance Office (2022).

Since then, the average LPP minimum rate has been 2.76 percent, while the nominal wage growth in Switzerland has averaged at 1.67 percent, which implies the golden rule and thus the benefit target with respect to the second pillar mandatory benefits was fulfilled. Only in the years 1990 to 1992 and 2009 was this not the case.

Although the golden rule refers to nominal values, it is particularly interesting to see how this rule applies in an inflation-adjusted environment, since the objective of the first two pillars is to maintain the standard of living after retirement. The pensions paid out should therefore have the purchasing power to finance the cost of living. As shown in Figure 3.5, the real wage growth rate was exceeded by the LPP minimum rate almost every year since 1985. As for the nominal golden rule, only in the years 1990 to 1992 and 2009 was the LPP minimum rate below the real wage growth rate.

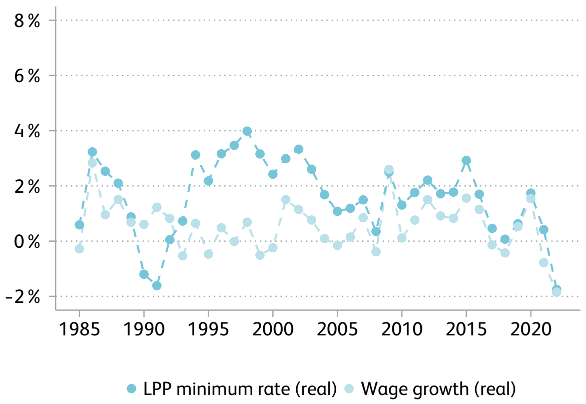


Figure 3.5: Golden rule (real): LPP minimum rate and wage growth since 1985; Source: Federal Statistical Office (2023a, 2023b); Federal Social Insurance Office (2022).

The LPP minimum interest rate refers to the mandatory interest that a pension fund must pay on the mandatory pension assets. However, the volume in pension assets at time of retirement depends on the effective compounding. Figure 3.6 shows the average real interest rate on retirement assets compared to the LPP minimum rate from 2012 to 2022 in the upper chart. The nominal interest rate data are taken from Swisscanto (2022, 2023) and adjusted for inflation.

The "interest rate" refers to the rate at which the savings capital of actively insured persons is compounded according to the annual report of the pension fund. To adjust for purchasing power we use inflation-adjusted interest rates in our analyses.

The average interest rate of private and public pension funds shows a significant variation since 2012. However, in all the observed years, the real interest rate for both private and public pension funds was both positive, and above the LPP minimum interest rate. Only in 2022, due to elevated inflation rates in Switzerland, was the compounding on the savings of actively insured persons negative. Over this 11-year period, the average real interest rate for private pension funds was 2.19 percent, 1.64 percent for public pension funds, while the real LPP minimum interest rate was 1.10 percent on average.

The lower chart in figure Figure 3.6 illustrates the impact of the higher effective interest rate on the pension assets in real terms. In the case of private pension funds, retirement assets have increased on average from 100 in 2011 to 126.79 in 2022. This is 12.79 percent higher compared to the interest with the LPP minimum rate. The higher effective interest rates helped to compensate for the lower conversion rates of pension assets which surpass the mandatory requirements.

Moreover, data analyzed in a recent study by PPCmetrics (2022) for the year 2021 indicate a statistically significant positive relationship between the achieved investment returns and the interest rate paid on retirement assets. However, the statistical model only explains 3.80 percent (R^2) of the variation in interest rates. Other variables, such as the risk capacity of pension funds seem to have a larger impact on interest rates since they explain a larger part of the variation.

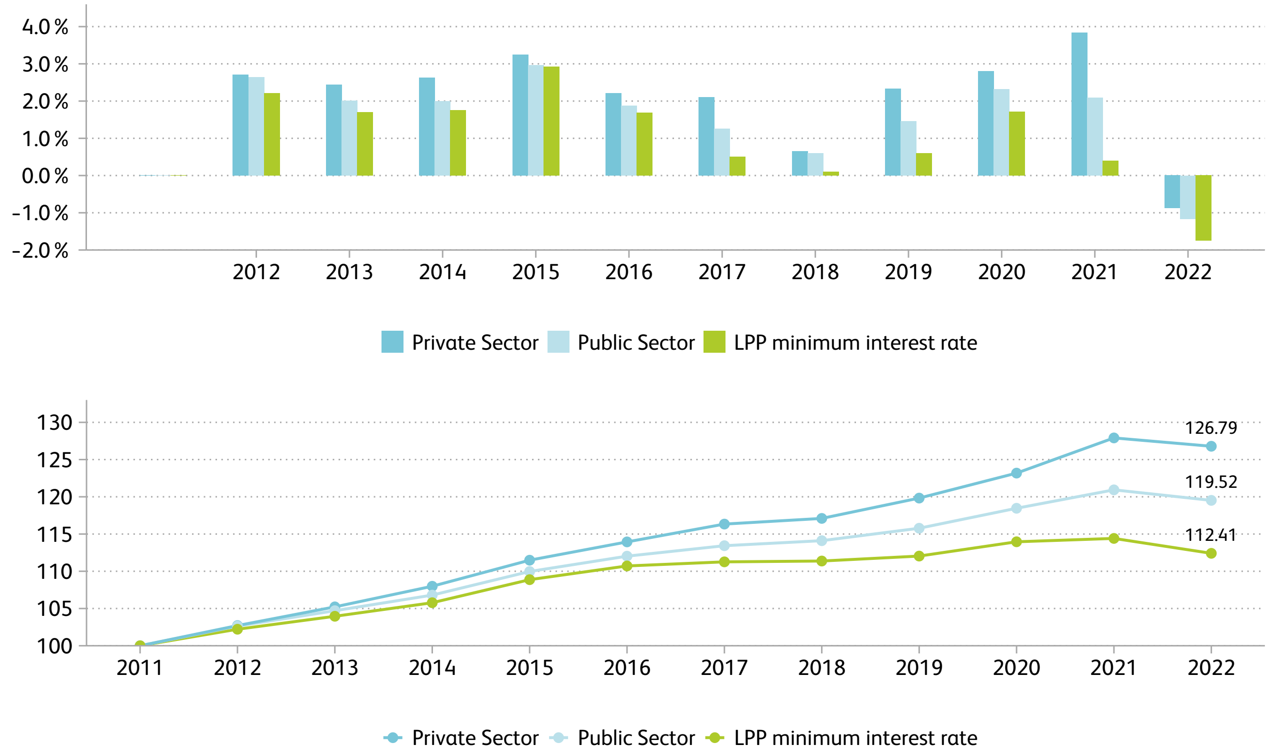


Figure 3.6: Real interest return on retirement assets and real LPP minimum interest rate by legal form since 2012; Source: Swisscanto (2022, 2023).

3.3.2 Investment Performance

To analyze the historical returns of pension fund-specific investment strategies we use the Pictet LPP indices as a meaningful proxy. For our analysis, we rely on the LPP-40 index with an equity weight of 40 percent.[2] Our computations are based on annual logarithmic returns. Table 3.1 shows various inflation-adjusted performance metrics (annualized return, annualized volatility measured by the standard deviation, annualized Sharpe Ratio, monthly maximum drawdown, monthly value-at-risk using the Cornish-Fisher expansion) for this strategy from January 1985 to December 2022.

The risk-adjusted return measured by the Sharpe Ratio[3] indicates that the excess return per unit of total risk is 0.37, which implies that the higher risk associated with the investment strategy is compensated by a risk premium.

For a comprehensive analysis of investment returns associated costs must be considered. These costs are taken into account by deducting the administrative and asset management fees that have been incurred each year from the corresponding returns. Based on data taken from the Pension Fund Statistics of the *Federal Statistical Office*, from 1987 to 2021, the average administration fee

[2] To obtain a long time series of index data starting in 1985, we use various Pictet LPP indices. The indices were subsequently adjusted in 1993, 2000, 2005 and 2015 to take account of various innovations affecting the asset allocation of pension funds.

[3] The risk-free rate is taken from SNB's historical interest rate data base (https://data.snb.ch/en), focusing on short-term money market rates. Following Hauzenberger, Huber, Kaufmann, Stuart, and Tille (2021) we use the Euromarket interest rates in Zurich (tomorrow/next) until 1999, and from then on the retrospectively computed SARON as a short-term risk-free rate.

Table 3.1: Performance metrics of the Pictet BVG 40 Index in percent (40 indicates the percentage of equities held), January 1985 to December 2022, return, volatility, and the Sharpe Ratio are annualized; the Maximum Drawdown and the Value-at-Risk (VaR) at the 5 % level are based on monthly data, all metrics are inflation-adjusted and before costs; Source: Pictet Asset Management (2023)

	Return (%)	Volatility (%)	Sharpe Ratio	Max. Drawdown (%)	VaR (%)
Pictet BVG 40 Index	3.48	5.25	0.37	-14.53	-2.43

was 0.13 percent and the average asset management fee amounted to 0.55 percent of total assets.[4]

Figure 3.7 illustrates inflation-adjusted rates of return (real returns) after costs of the Pictet LPP-40 index, which serves as a proxy of a typical pension fund investment strategy and the real wage sum growth which approximates the real rate of return to be achieved in the first pillar (OASI, pay-as-you go system). For the period of 1987 to 2021, the average annual net real return of the second pillar was 3.1 percent, while the average annual net real return of the first pillar was 1.4 percent. These calculations imply that the average real return after costs achieved by the fully-funded pension system is 1.7 percentage points higher than that of the pay-as-you-go system. However, this higher return is associated with higher risk (volatile time series). In this context, Figure 3.8 depicts the cumulative development of these two time series.

The second pillar organized in a fully-funded pension system achieved on average a 1.7 percentage point higher net real return compared to the first pillar state pension organized in a pay-as-you-go system over a 35-year period (1987-2021).

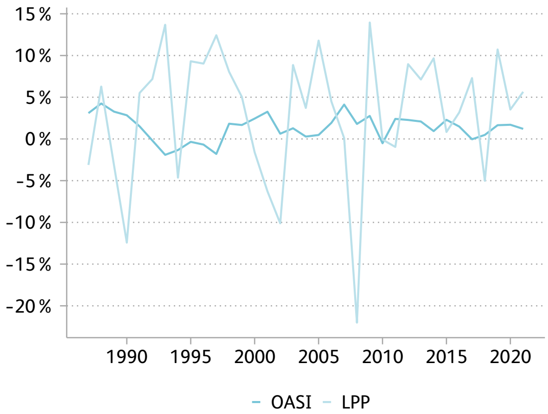


Figure 3.7: Inflation-adjusted rates of return after costs of the first and second pillar; Source: Federal Social Insurance Office (2022); Federal Statistical Office (2023b); Pictet Asset Management (2023).

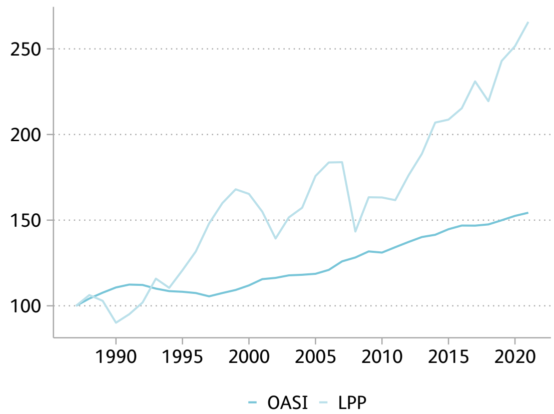


Figure 3.8: Cumulative inflation-adjusted rates of return after costs of the first and second pillar; Source: Federal Social Insurance Office (2022); Federal Statistical Office (2023b); Pictet Asset Management (2023).

[4] Since 2013 asset management costs are reported according to the OPSC directive D 02/2013.

Figure 3.9 shows the annual net result from investment achieved by Swiss pension funds from 2004 to 2022. At the end of 2022, Swiss pension funds were estimated to manage total assets of approximately CHF 1,070 billion invested in the capital market AMAS (2023). These investments generate additional income for employees and thus have a positive impact on the pension level. Since 2004, approximately 32 percent of pension fund assets have been accumulated through net investment income (third contributor), which amounts to CHF 452 billion.

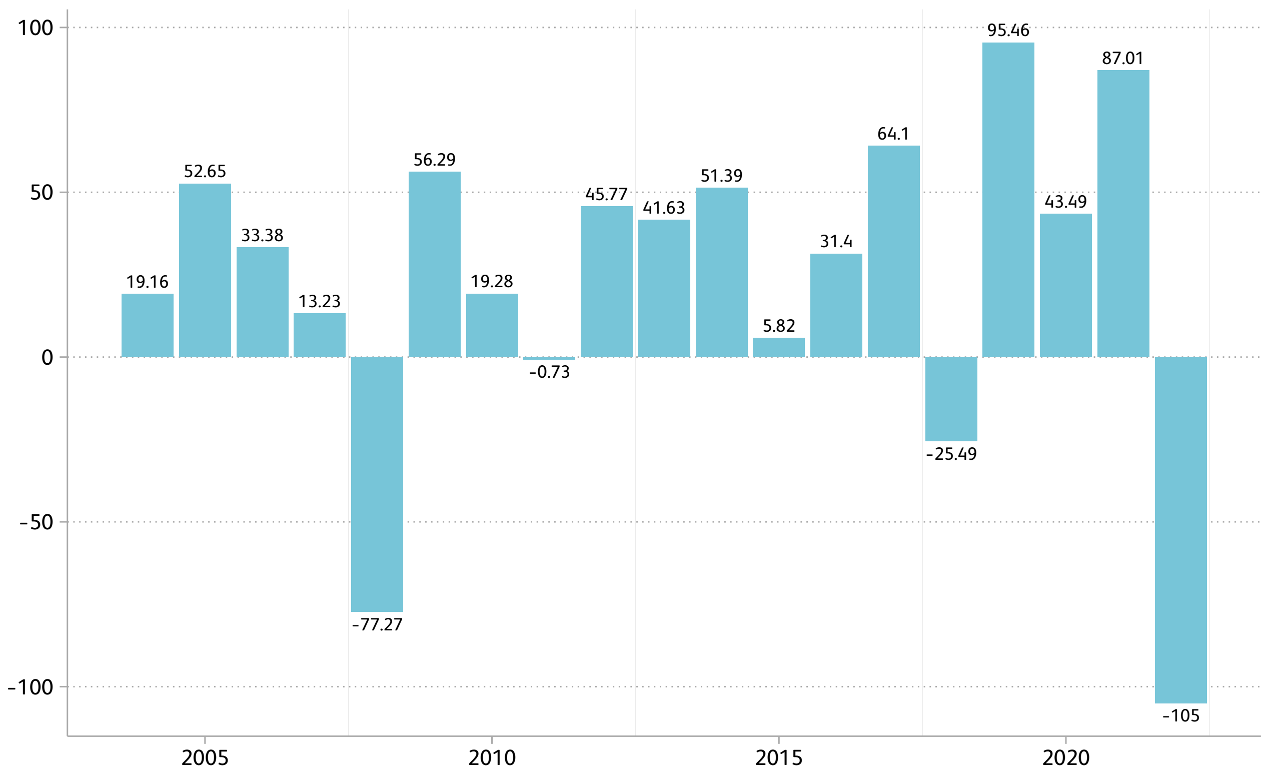


Figure 3.9: Annual net result from investment achieved by Swiss pension funds from 2004 to 2022; Source: Federal Statistical Office (2022c); AMAS (2023).

Figure 3.10 shows the importance of the third contributor relative to the employee and employer contributions.

The third contributor matters: About 32 percent of pension fund assets are accumulated through net investment income in capital markets.

While the growth in second pillar pension assets is still mainly driven by the combined employer and employee contributions, since 2012, more than 30 percent of the growth in second pillar pension assets is due to investment performance. A rough calculation, without considering a potential increase in investment risk, shows that if the investment performance of these assets could be increased by ten basis points, an additional CHF 1.12 billion could be generated annually for beneficiaries. Moreover, according to the *Swisscanto Pension Fund Study 2019* an additional investment return of 70 bps on average could close the benefit gap (Swisscanto, 2019).

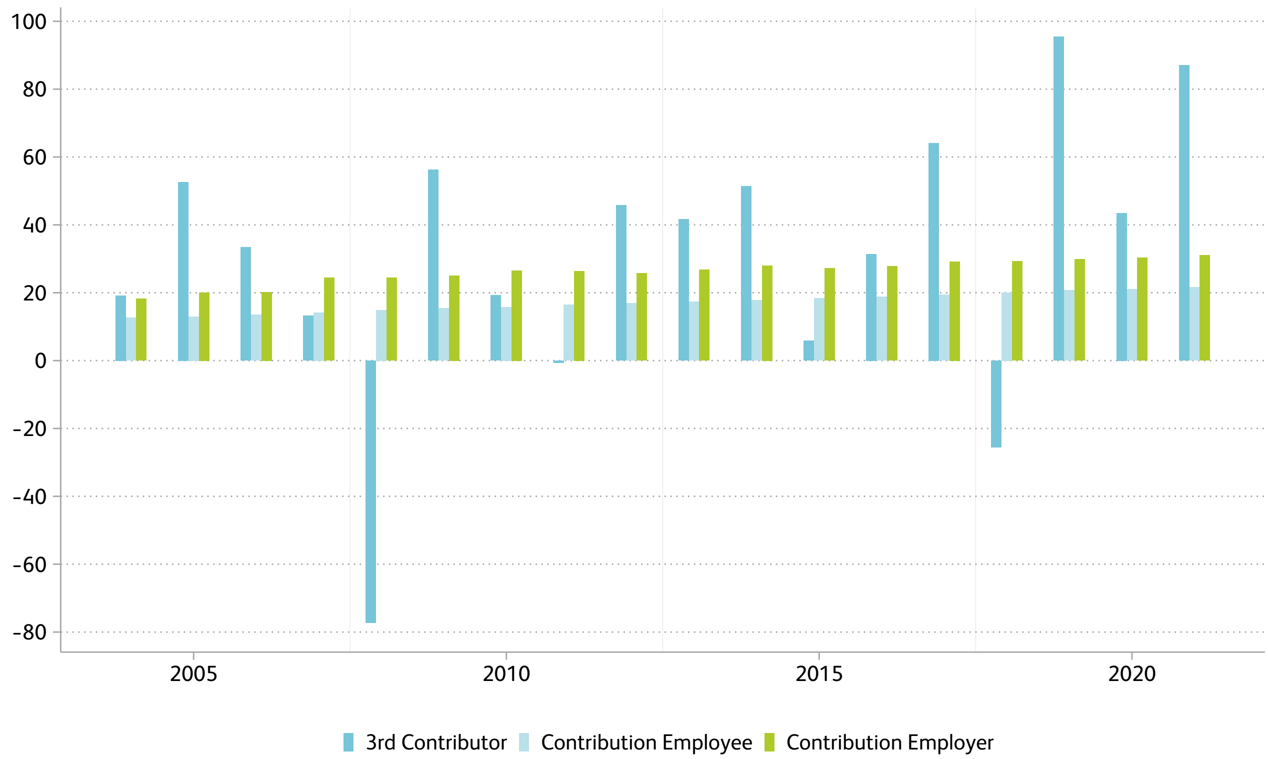


Figure 3.10: Share of each contributor (employee, employer, third contributor) to the fully-funded second pillar; Source: Federal Statistical Office (2022a).

Figure 3.11 illustrates the average net investment return over a ten- and 20-year time horizon achieved by pensions funds in Switzerland, the Netherlands, Denmark and Iceland. Among these countries, Switzerland had the second lowest return net of fees after the United States over a 20-year period. Potential explanations for these observed differences are related to the asset allocation of pension funds or costs. A higher portfolio allocation to risky assets entails higher potential returns but also higher return volatility. Moreover, it is important to note that the risk capacity of pension funds strongly depends on the structure of the beneficiaries as well as the corresponding funding ratio. Due to these constraints, the asset allocation of pension funds with a lower risk capacity has to be more conservative at the cost of a lower expected return.

However, in 2021, Switzerland achieved a net real return of about 6 percent, which was, for example, higher than the returns achieved by Danish and Dutch pension funds (see Figure 3.12). The partially observed below average investment performance of the second pillar in an international comparison can be explained by the traditionally low interest rates in Switzerland, and not necessarily by inferior investment skills. Interest rates in Switzerland are generally lower than abroad due to its currency, as well as political, fiscal and monetary stability. In such an environment, domestic bond investments generate lower yields, which has an adverse impact on investment performance based on an asset allocation with a substantial bond component (see Figure 3.13).

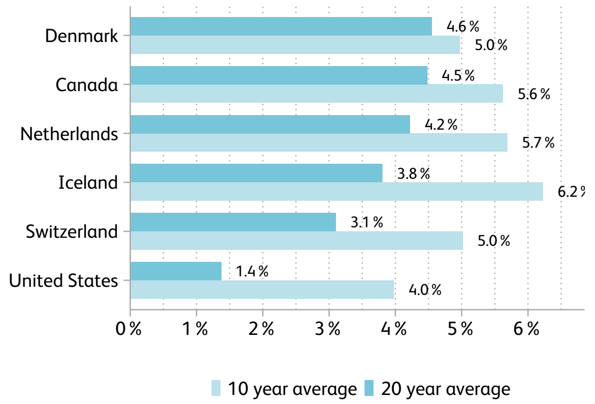


Figure 3.11: Real geometric average annual investment returns over 10 (December 2011 to December 2021) and 20 years (December 2001 to December 2021) Source: OECD (2023).

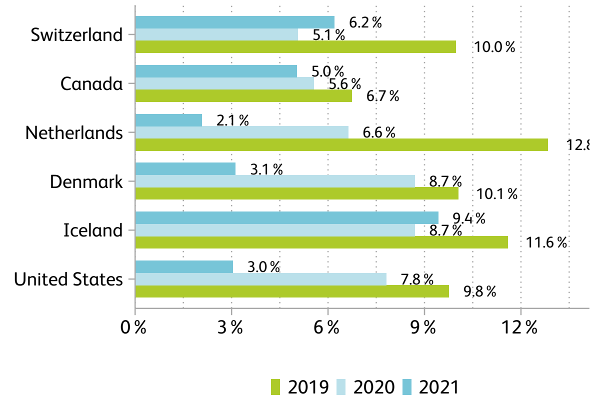


Figure 3.12: Net real returns of selected pension markets from 2019 to 2021; Source: OECD (2023).

3.3.3 Asset allocation

To achieve investment returns, pension funds invest diversified in a broad range of asset classes. Figure 3.13 illustrates the asset allocation from 2004 to 2021 based on data provided by the *Swiss Federal Statistical Office*.

Regulatory requirements determine the asset allocation of Swiss pension funds: The ordinance on occupational old-age, survivors' and invalidity insurance (BVV2) provides specific requirements for the asset management of pension funds. In general, the pension fund must comply with the investment regulations pursuant to BVV2 article 51 et seq. However, an extension of the investment options in accordance with BVV2 Article 50 paragraph 4 is possible. Approximately 50 percent of Swiss pension funds currently use this option.

By the end of 2021, a typical pension fund portfolio consisted of approximately 31 percent in equities, 28 percent in bonds, and 21 percent in real estate. Smaller positions were allocated to alternative and other investments (13 percent), cash (5 percent) and mortgages (two percent). Driven by an expansionary monetary policy and a low-interest rate environment, the relative share of bonds in the asset allocation of pension funds has steadily declined since 2011. In search for yield, such a macroeconomic environment favored an asset allocation with a higher share in equities, real estate, and alternative investments (private equity, hedge funds, other alternative assets). While these asset classes have higher expected returns, they are also riskier. For example, a recent study by Anarkulova, Cederburg, and O'Doherty (2022) shows, based on a bootstrap simulation analysis, substantial uncertainty about long-horizon stock market outcomes. They estimate a twelve percent probability that a diversified investor with a 30-year investment horizon will lose relative to inflation.

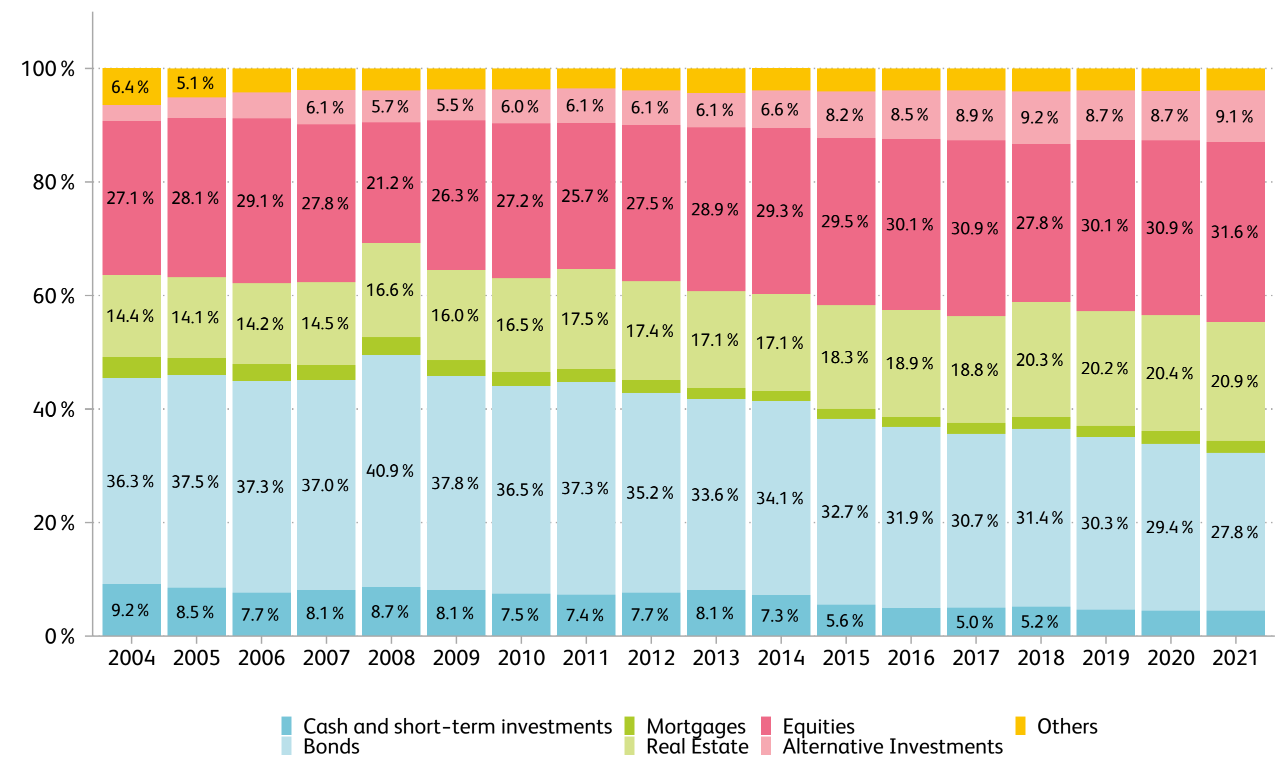


Figure 3.13: Asset allocation of Swiss pension funds from 2004 to 2021; Source: Federal Statistical Office (2022e).

In order to compare the asset allocation of pension funds in Switzerland with other pension markets we rely on data from the OECD (2023), the Thinking Ahead Institute (2022) and the Federal Statistical Office (2022e).[5] Figure 3.14 shows that the largest equity allocations are observed in the United States, the Netherlands, and Iceland, while Switzerland has the most balanced allocation across equities, bonds and alternatives and real estate. Denmark and Canada have the highest share of alternatives and real estate, while the Netherlands has the lowest. Real net returns from 2001 to 2021 were highest in Denmark (4.6 %), Canada (4.5 %), and the Netherlands (4.2 %). It seems that a high allocation to alternative assets, with a higher return expectation, due to higher risk, led to higher realized real returns. However, this is not generally the case, as exemplified by Dutch pension funds, which on average achieve relatively high realized long-term returns with lower allocations to alternatives and real estate.

Furthermore, in a counterfactual simulation for the period 2008 to 2018, McKinsey (2020) shows that Swiss second pillar pension funds could have increased their investment performance by 53 basis points per year if they had mirrored the investment strategies of Canadian pension funds, without having to change their overall exposure to foreign-denominated assets. Overall, a viable approach to achieve sustainable investment results is to pursue an individual asset allocation that is both cost-optimized and broadly diversified according to the risk capacity of the pension fund. This may require some pension funds in Switzerland to gradually increase their exposure to riskier assets in order to strengthen investment returns and improve portfolio diversification in accordance with BVV2 ar-

[5] Due to data availability for all relevant markets, the comparison is based on 2021 data.

Figure 3.14: Asset allocation of various pension markets in 2021; Source: Federal Statistical Office (2022e); OECD (2023); Thinking Ahead Institute (2022).

ticle 50 paragraph 4. In this context, based on a sample of 472 pension funds taken from the 2023 Swiss Pension Fund Study (Swisscanto, 2023), substantial differences in the asset allocation among funds can be observed. Figure 3.15 illustrates the asset allocation in 2022 of the ten percent of pension funds with the highest performance and the ten percent of funds with the lowest performance over the past five years. The data indicate that the asset allocation of the top-performing pension funds is characterized by a larger share invested in alternative assets, including real estate, over the sample period. However, it is important to note that the liability side of a pension fund has a large impact on the asset allocation and strongly determines or even limits its risk capacity. Moreover, the law on occupational pensions schemes (LPP) requires that pension funds are able to meet their liabilities at all times (LPP article 65). From this point of view, investment strategies with high volatility are not widely applicable. Nevertheless, one way to increase the risk capacity of the pension fund is to raise the retirement age, which would create additional margin on the asset side and provide more time to accumulate retirement savings. Relative to Switzerland (64 for women, 65 for men)[6] the retirement age to receive a full pension is higher in Denmark (67), the Netherlands (66), Iceland (67), and the USA (67). Moreover, Denmark and the Netherlands have pension systems that adjust the retirement age to developments in the life expectancy of the population (Allianz, 2023).

[6] As of January 2025 the retirement age for women in Switzerland will be raised to 65.

3.3.4 Asset Management Costs

Since 2013, the Occupational Pension Supervisory Commission (OPSC) requires the disclosure of asset management fees and cost transparency ratios in directive D 02/2013. These costs include fees for management, performance, safekeeping accounts, administration, benchmarking, analyses and services including VAT (known as total expense ratio, TER) as well as transaction and tax costs (e.g. stamp duty) and supplementary costs like internal costs for asset management or expenses for strategy advice (consultants), investment monitoring or global custody which cannot be allocated to a single investment (OPSC, 2013).

The **cost transparency ratio** is the value share of all cost-transparent investments in relation to the total investment.

Figure 3.16 depicts the relative costs associated with the management of retirement savings from 1987 to 2021. Asset management costs relative to assets decreased

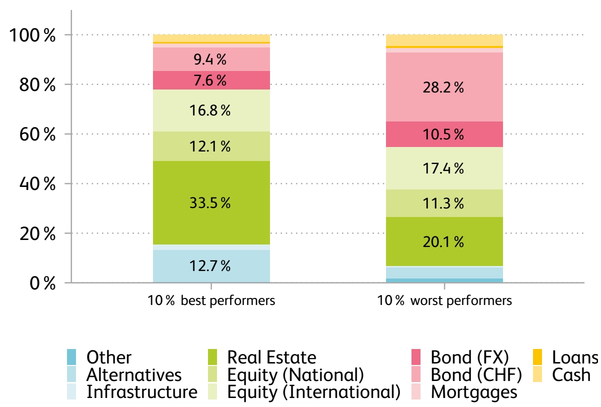


Figure 3.15: Asset allocation in 2022 of the ten percent best- and ten percent worst-performing pension funds over the last five years; Source: Swisscanto (2023).

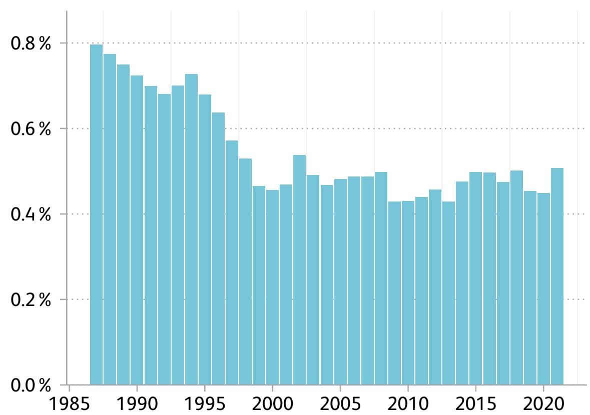


Figure 3.16: Asset management costs relative to total assets associated with the management of retirement savings from 1987 to 2021; Source: Federal Statistical Office (2022a, 2022e).

from 0.80 percent in 1987 to 0.51 percent in 2021. One possible reason for the slight increase in asset management costs from 2020 to 2021 was related to the alternative asset space where significantly positive absolute returns were achieved and thus higher performance fees were paid. In absolute terms, the asset management fees paid by Swiss pension funds amounted to CHF 5.89 billion in 2021. Since 2004, the average asset-weighted management fee was 0.47 percent while over the same time period, the average net investment income amounted to CHF 30.92 billion.

According to a study conducted by c-alm (2019) the cost transparency ratio of Swiss pension funds is over 99 percent on average, which indicates that the reported asset management costs are representative. The illustrated fee structure further confirms the intense price competition in asset management within Switzerland. Overall, the relation of costs to achieved investment returns indicates a very favorable cost-benefit ratio in the occupational pension system in Switzerland.

Due to different reporting and transparency requirements, investment costs across international pension markets cannot be compared directly. However, a recent study by McKinsey (2020) compares the cost efficiency of Swiss, Dutch and Canadian pension funds in 2018. The analysis shows that Canadian pension funds would face average investment costs of 41.4 bps per year if they managed the average asset allocation of Swiss pension funds, while Dutch funds would expect average costs of 34.7 bps. These figures are below the average asset-weighted cost of Swiss pension funds, which is 47.4 bps. One possible explanation for these differences is the size of the pension funds. Swiss second pillar pension funds are smaller relative to their Canadian and Dutch counterparts and thus might lack economies of scale in their investment activities (McKinsey, 2020).

However, the ultimate goal of a pension fund is not to minimize asset management costs but to achieve the highest possible net return for its beneficiaries.

3.3.5 Funding Ratio

A key financial indicator used to measure the viability of pension funds is the funding ratio which is defined as the market value of a fund's assets divided by the expected net present value of its liabilities. Regulation in Switzerland requires that funds must maintain a minimum funding ratio of 100 percent. The funding ratio is also an important determinant of a pension fund's asset allocation. In a recent paper, using Swiss data, Schäublin (2022) shows a positive relationship between funding ratios and the share of assets invested in equity for funds that meet the regulatory requirements. Moreover, weakly funded funds that are closer to the 100 percent threshold are more conservative in their asset allocation.

Figure 3.17 shows an international comparison of funding ratios in various jurisdictions. The data are provided by the OECD and it is important to note that funding ratios are not strictly comparable across jurisdictions as there are different national valuation methods of assets and liabilities. Some countries calculate a funding ratio for each pension fund and calculate an average, while other countries only calculate an aggregate funding ratio for the whole pension fund market[7]. In this context, the data mainly allow us to observe general trends over the years and how these funding ratios have evolved, but not to compare across countries.

[7] "Assets can be expressed at mark-to-market or book values. The valuation of liabilities relies on several assumptions, including the treatment of current members and new entrants, discount rates and the life expectancy of members. These assumptions vary across countries and sometimes even within a given country depending on the purpose of the valuation." (OECD, 2023)

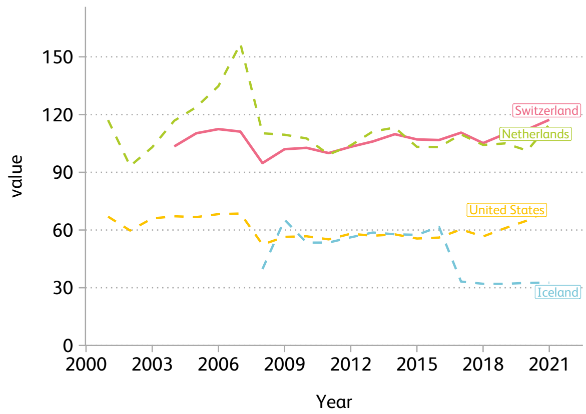


Figure 3.17: Funding ratios of selected pension markets over time (2001 to 2021); Source: OECD (2023).

3.4. Conclusion

The pension system in Switzerland is subject to controversial debates. These debates often focus on retirement ages and contribution levels. However, the third contributor in the form of capital market returns (active side) is often neglected in these discussions. The main objective of this deep dive chapter is to provide a systematic assessment of the Swiss occupational pension system, focusing on the role of the third contributor and the asset management industry. The following conclusions summarize the main insights:

- The **benefit target** or **replacement rate** of 60 percent (state and occupational pension benefits) of the last income up to CHF 66,000 is being reached under the current calibration of the second pillar. To ensure that this goal can also be met in the long run, it is not only necessary to discuss the parameters on the liability side, such as the retirement age and contribution levels, but also to recognize the importance of the third contributor to the occupational pension system.

- Since 2004, approximately 32 percent of second pillar assets were generated through **net investment income (performance)**, which amounts to CHF 452 billion. Nonetheless, over the last 20 years the average annual net investment return of Swiss pension funds was below that of major international pension markets. These differences might be explained by a more conservative asset allocation, as well as the traditionally low level of interest rates in Switzerland, and not necessarily inferior investment skills. In addition, regulatory requirements provide the guidelines for the asset allocation of Swiss pension funds.

- Risk capacity and risk tolerance varies among the approximately 1,300 pension funds in Switzerland and is reflected accordingly in their **asset allocation** and hence investment performance. In recent years a shift in the asset allocation from fixed income to real estate, equities and alternative asset classes was observed. As of 2021, compared to various international pension markets, Switzerland has the most balanced asset allocation. While pension funds must comply with investment regulations, the board of trustees may deviate from these **investment restrictions** in accordance with BVV2 article 50 paragraph 4. Approximately 50 percent of Swiss pension funds currently make use of this option. In this context, however, it is debatable whether pension funds optimize their asset allocation in line with their risk capacity.

- The **cost transparency** with respect to asset management fees for Swiss pension funds is very high and results in intense price competition within the asset management industry. Since 1987, asset management costs relative to assets decreased substantially. However, over the last 20 years, the cost level remained stable at approximately 0.47 percent. It is important to note that some asset management products with a high return expectation, such as real estate or alternative investments, require an asset manager with particular expertise which results in higher costs. Nevertheless, the relation of costs to achieved investment returns indicates a very favorable cost-benefit ratio in the occupational pension system in Switzerland.

- It is important to recognize that the asset side of pension funds is closely linked to the liability side. Thus, the level of investment risk in a pension fund's asset allocation is largely determined by its **liabilities**. Regulators require that pension funds are able to meet their liabilities at all times. However, in order to fully exploit the potential of the third contributor the asset allocation should be aligned with the risk capacity of the pension fund.

Based on this evaluation it can be concluded that the effectiveness of the occupational pension system is currently given. Although capital markets and the Swiss asset management industry are important contributors to a solvent occupational pension system, fundamental problems related to the demographic structure of the population and longevity cannot be solved by relying solely on the third contributor. However, to maintain an effective and sustainable pension system, a holistic discussion of all three pillars is imperative. These debates should also discuss the importance of the third contributor and asset management, as well as measures to strengthen the investment process.

3.5. Discussion & Outlook

Based on the previous analyses it can be concluded that the Swiss occupational pension system fulfills the legal requirements in the mandatory part of the second pillar in terms of the target replacement rates. The annual interest rate paid on retirement assets almost always exceeds the wage growth. In this context, capital markets and the asset management industry (third contributor) have provided more than initially intended by the legislator. In this section, the suggested potential improvements thus mainly apply to pension benefits surpassing the mandatory levels, but are generally applicable.

1. **Enhance pension funds' investment and risk management capabilities**
   Optimally exploiting risk capabilities in line with the risk capacity of pension funds is key to fully benefiting from the third contributor. However, such an approach requires a high level of sophistication and expertise in investment and risk management. Strengthening these capabilities at the pension fund level would improve portfolio and asset allocation practices and thus provide a competitive advantage that is likely to result in improved risk-adjusted returns. Pension funds should therefore ensure that either the board of trustees or a dedicated investment committee has in-depth investment expertise to succeed in an increasingly complex investment environment.

2. **Strengthen pension funds' investment governance**
   Clearly defined processes in investment management with the corresponding competencies and duties for the decision-making bodies in the sense of a prudent investor rule are essential. Academic research provides empirical evidence that pension fund governance is positively related to excess returns, benchmark outperformance and Sharpe ratios (Ammann & Ehmann, 2017). In this context, clear strategic objectives and well-defined roles and responsibilities of the board of trustees are important. Moreover, a possible lack of internal expertise among the governing bodies should be compensated by drawing on independent external specialists or consultants with expertise in actuarial issues and investment management. Finally, the formation of an independent body to review the appropriateness of the asset allocation would be meaningful in this regard.

3. **Increase transparency with respect to investment performance and sustainability**
   The definition of transparent and comparable key indicators for the investment process and their regular monitoring should be established by each pension fund. This is of particular importance for pension funds that are in competition with each other (collective or joint foundations).

4. **Definition of actuarial parameters to be consistent with the economic realities of the second pillar system**
   The adjustment of actuarial parameters in relation to demographic developments and economic realities with the aim of strengthening the risk capacity of pension funds could provide additional margin to exploit the potential of the third contributor. However, these restrictions are legally imposed and a political consensus needs to be reached in order to implement necessary reforms. The current second pillar reform (BVG 21) is based on reducing the conversion rate from 6.8 to 6.0 percent with respect to the mandatory share of pension assets, strengthening the savings process (lower entry level, wage-related coordination deduction of 20 % , simplification of contribution rates), as well as a pension bonus for transitional generations. The intended and economically inevitable reduction of the conversion rate implies lower pension benefits. A consideration of the above suggestions could enable balancing these reduced benefits by further exploiting the potential of the third contributor in the form of higher interest rate payments.

5. **Further reforms are needed to secure a financially sound pension system in Switzerland**
   The current reform of the occupational pension system is a step in the right direction. However, from today's perspective, it will probably not suffice to sustainably stabilize the financial soundness of the system in the long run. The Swiss second pillar would benefit from a more dynamic approach that adapts to the economic situation and demographic developments. As pointed out by the OECD (2019) such a system would require that the conversion rate for each year's cohort of retirees changes with

respect to the underlying actuarial assumptions, such as life expectancy and expected capital market returns. In practice, the Federal Commission for Occupational Pensions could be tasked with making a recommendation based on market returns and life expectancy, with the rate set by ordinance, as is currently the case for the minimum interest rate on pension assets (OECD, 2019).

4. Asset Management – The Global View

In this chapter, we present the evolution of the global asset management industry by referencing well-known industry reports and ratings.

Figure 4.1 presents the development of the global asset management industry between 2017 and 2022. In 2022, the total assets under management (AuM) in global asset management reached CHF 107 trillion.[1] However, after experiencing three consecutive years of double-digit growth, the global AuM declined by six percent between 2021 and 2022. According to BCG (2023), this negative development can be attributed to the strong increase in interest rates.

[1] As a proxy we use the assets under management (AuM) of the top 400 asset managers from the *IPE* rating. Note that the 2023 report includes AuM as of December 2022. We converted global AuM data from IPE (2023) to CHF based on the respective year-end EUR/CHF exchange rate. The year-on-year growth rates were calculated based on original IPE (2023) data which are denominated in EUR.

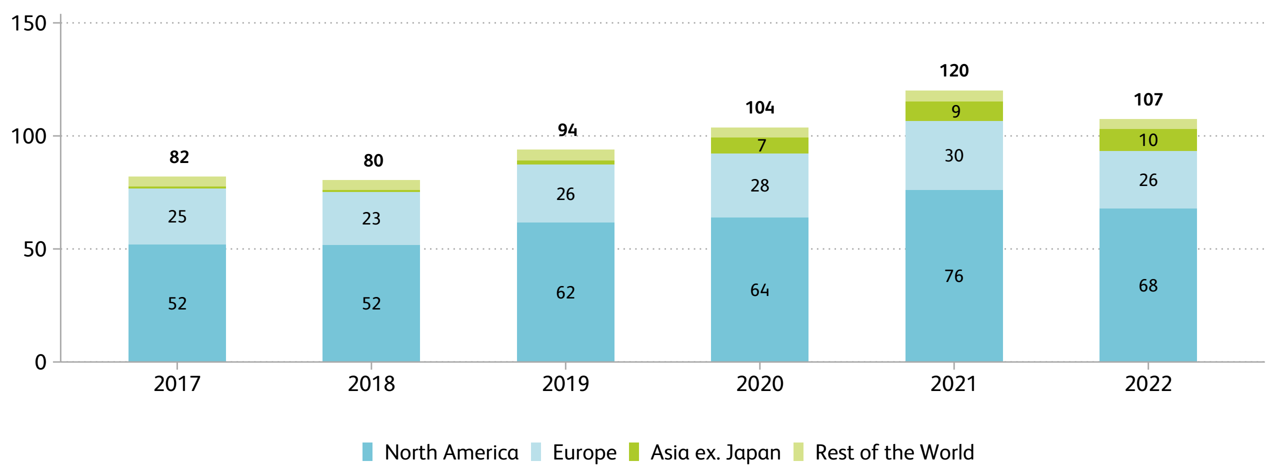


Figure 4.1: Overview of the global asset management industry development, AuM in CHF trillion; Source: IPE (2023).

In the past year, the Asian asset management industry was the only market worldwide exhibiting positive growth (Figure 4.2). In a year-on-year comparison, its AuM increased by approximately 16 percent. The number of Chinese asset managers included in the IPE's top 400 list also rose from 34 in 2021 to 42 in 2022. Among the top 100 companies, there are currently ten Chinese firms. Nevertheless, as indicated in the left panel of Figure 4.2, the overall share of Asian assets in the global AuM remains relatively low (9.1 %). The North American asset management industry maintains the largest market share (63.2 %), followed by the European market (23.7 %). These two regions continue to dominate the global asset management industry.

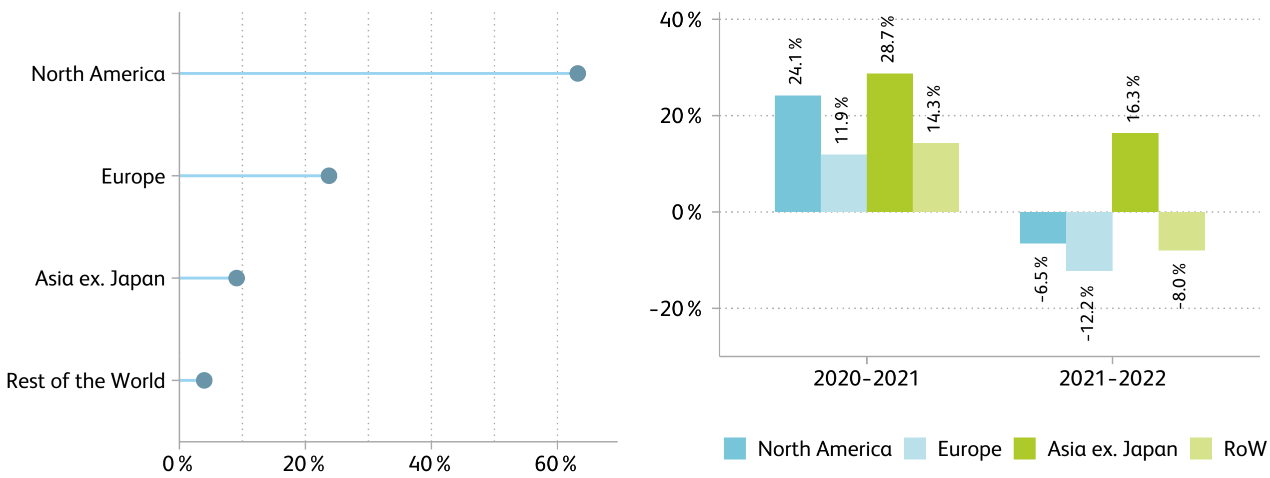


Figure 4.2: The AM industry market share (left panel) and year-on-year growth rates (right panel) per continent; Source: IPE (2023).

Figure 4.3 presents the growth of the European asset management industry from 2017 to 2022. In 2022, the total AuM managed by the European asset management industry amounted to approximately CHF 26 trillion, corresponding to a twelve percent year-on-year decline in AuM. The UK holds the largest share of the European asset management market (28.6 %), followed by France (23.6 %) and Germany (11.5 %). Switzerland maintains its position as the fourth largest asset management market in Europe. Three Swiss asset managers are included in the top 100 list from IPE and their rankings remained stable compared to the previous year. These firms are UBS Asset Management (20), Credit Suisse Asset Management (58), and Swiss Life Asset Managers (93). Meanwhile, Vontobel and Pictet Asset Management, previously included in the top 100, currently rank 107th and 109th, respectively.

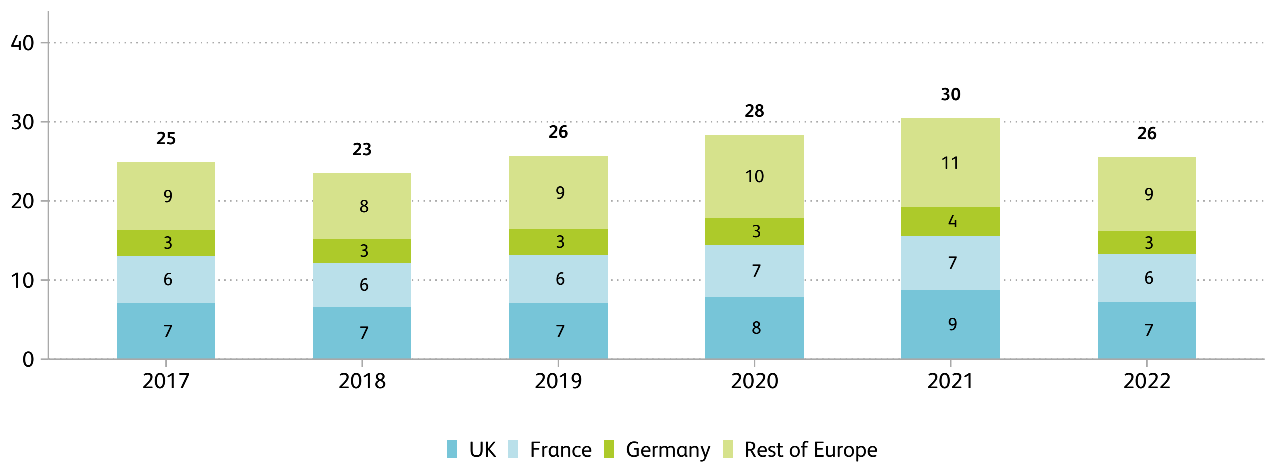


Figure 4.3: Overview of the European AM industry development, AuM in CHF trillion; Source: IPE (2023).

The concentration of the asset management industry remains high but stable compared to the previous year (Figure 4.4). The top ten largest asset managers currently hold a market share of 31 percent (32 % in 2021). The 100 largest asset managers together represent approximately three-quarters of the global market (77 % in 2021). Among these top 100 asset managers, around 56 percent are independent asset managers, 27 percent are bank-owned, and 17 percent are insurance-owned.

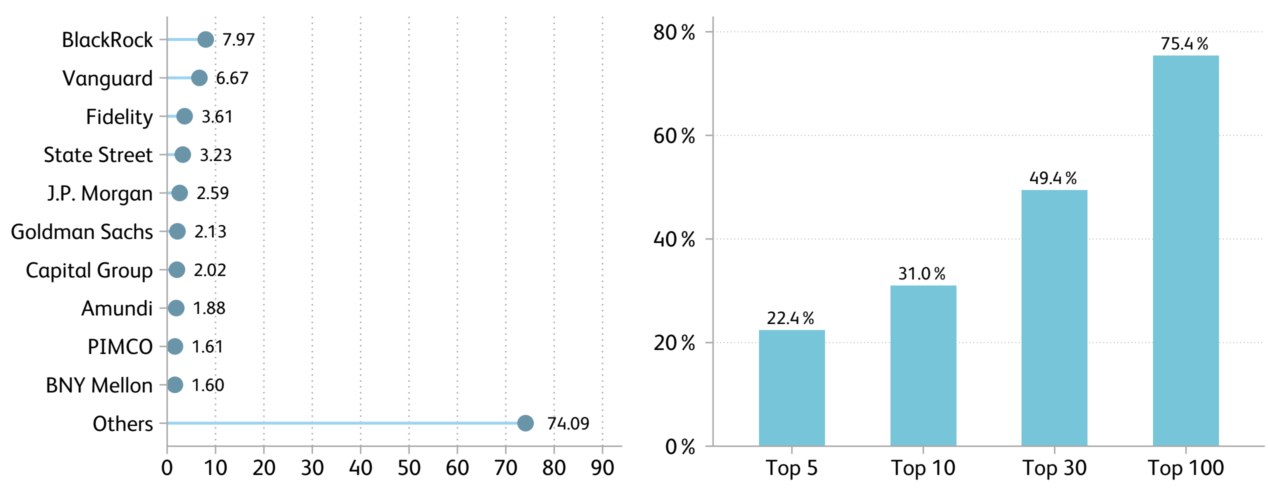


Figure 4.4: The world's top 400 asset manager with respect to AuM in CHF trillion (left panel) and market shares (right panel); Source: IPE (2023).

The last three editions of this study have identified significant long-term trends in the global asset management industry and observed their development over time. Those trends include the rise of passively managed products, the increasing prominence of alternatives, and the growing popularity of ESG investments. Based on the newest industry reports, the current edition of this study will continue to elaborate on these trends.

The left panel of Figure 4.5 shows the evolution of the asset mix within the global asset management industry from 2005 to 2022, as well as its projected development by 2027 (BCG, 2023). In 2022, the largest share of the asset mix was attributed to active core assets (29.6 %), followed by passive products (21.4 %) and alternatives (20.4 %). Over time, there has been a declining trend in the relative importance of active core asset classes, with their share in the global asset mix decreasing from 48.6 percent in 2005 to 29.6 percent in 2022. According to BCG (2023) projections, this negative trend is expected to persist over a five-year horizon. The asset management industry is anticipated to witness a continuing shift towards other segments of the asset mix such as passive products and alternatives.

Indeed, the global AuM held in passive investments have doubled their market share, increasing from 10.8 percent in 2005 to 21.4 percent in 2022. According to the forecast by BCG (2023), passive investments are projected to equal the market share of active core assets by 2027. This forecast is supported by fund flow data reported by YCharts (2020, 2021, 2022). Notably, in 2022, passive funds witnessed net inflows of CHF 556 billion, while active funds experienced outflows of CHF 828 billion during the same period, as illustrated in Figure 4.6. However, the importance of passive management varies across regions (BCG, 2023). In the US, the share of passive funds reached approximately 45 percent in 2022 (Statista, 2023). At the same time, according to (IPE, 2023), only 21 percent of assets managed on behalf of European institutional clients are invested passively. Nevertheless, in Europe, the importance of passive assets is expected to grow due to increasing customer demand and an evolving regulatory framework (BCG, 2023).

Alternative assets have also witnessed a nearly twofold increase in their share within the overall asset mix, rising from 10.8 percent in 2005 to 20.4 percent in 2022. The share of alternatives is expected to increase to 22.7 percent by 2027. According to BCG (2023), the composition of alternative assets has experienced significant changes over time. In 2005, real estate accounted for the highest share of the product mix (42 %), followed by hedge funds (27 %) and private equity (21 %). However, by 2022, the share of private equity had risen to 39 percent, while real estate and hedge funds saw declines to 21 percent and

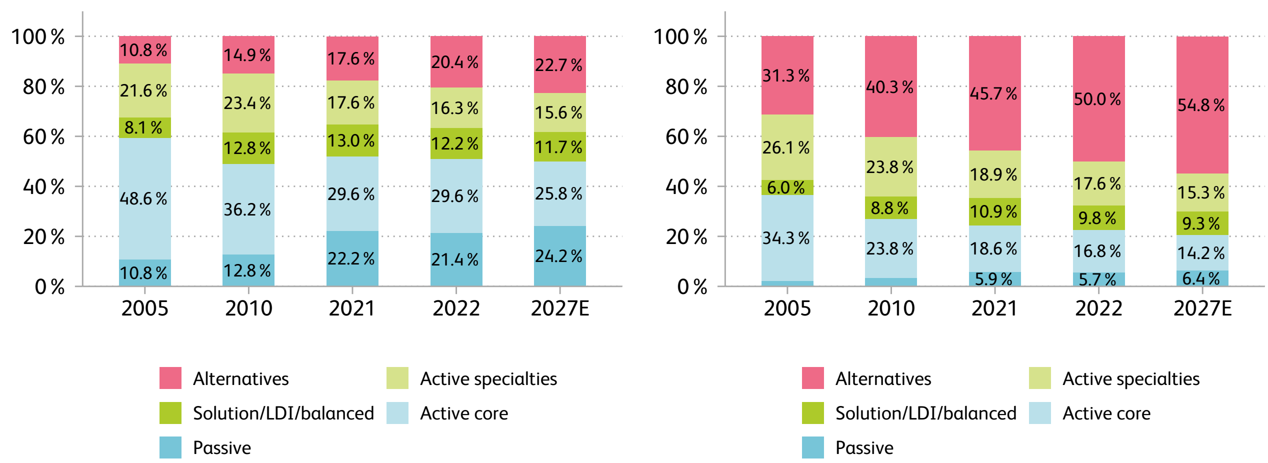


Figure 4.5: Global AuM split (left panel) and global revenue split (right panel) by product category; Source: BCG (2023).

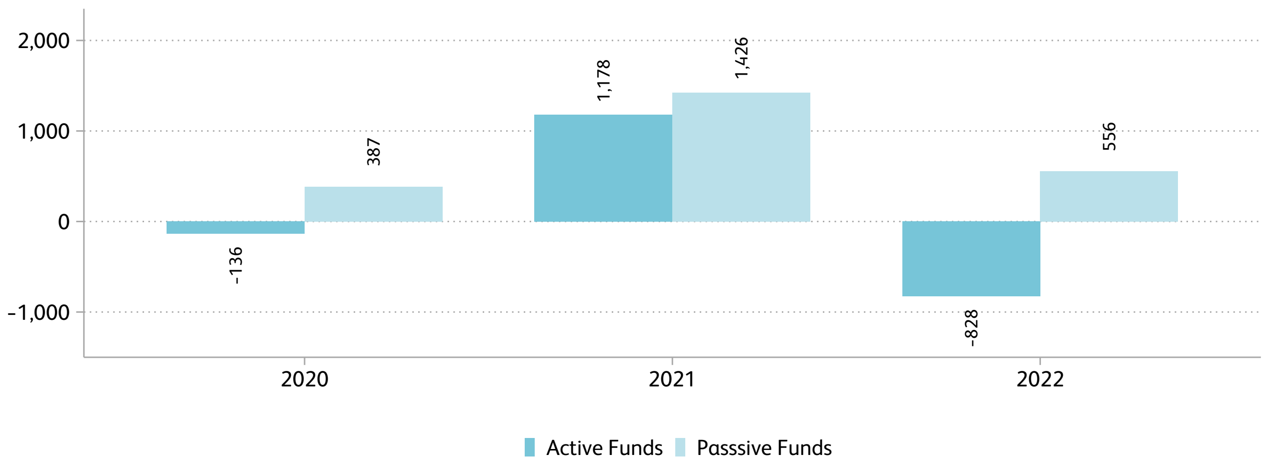


Figure 4.6: Net fund flows in active and passive fund products, AuM in CHF billion; Source: YCharts (2020, 2021, 2022).

16 percent, respectively. This trend is expected to persist until 2027.

According to BCG (2023), approximately 90 percent of total revenue growth in the asset management industry between 2006 and 2022 can be attributed to market performance. However, factors such as market volatility and rising interest rates pose major threats to the sustainability of this performance. Consequently, asset managers need to adapt to this changing environment and reevaluate their sources of revenue. The right panel of Figure 4.5 demonstrates the development of revenue contribution from each asset class in the overall asset mix between 2005 and 2022. In 2022, alternatives emerged as the most significant revenue contributor, accounting for 50 percent of total revenues. They were followed by active specialties (17.6 %) and active core assets (16.8 %). By 2027, the share of alternatives in global revenues is expected to increase to 54.8 percent, while revenue shares of other asset classes are anticipated to shrink. Among alternatives, private equity accounted for half of the revenues generated in 2022, followed by hedge funds (29 %) and real estate (11 %). It is projected that private equity's revenue share will continue to grow by 2027. Both BCG (2023) and IPE (2023) agree that moving forward, alternatives and especially private markets represent the major opportunities for future growth for asset managers.

Finally, the trends in sustainable investments are discussed. According to MorganStanley (2023), in 2022 Europe remained the largest market in the global sustainable fund industry measured by AuM (89 %). The US followed with a ten percent share, while all other regions combined constituted only one percent of the global sustainable AuM. Furthermore, more than three-quarters of sustainable funds are domiciled in Europe, followed by the US (11 %) and Asia (7 %). In terms of fund flows, sustainable funds saw inflows of approximately CHF 106 billion, while traditional funds experienced outflows of CHF 522 billion in 2022. This highlights the growing investor interest and preference for sustainable investment strategies.

5. Conclusion & Outlook

2022 was a very challenging year for the asset management industry, but prospects are brighter for 2023
The year 2022 presented big challenges for the asset management industry, both abroad and in Switzerland. Strong inflation dynamics and contractionary monetary policy, resulting in interest rates rising faster than expected, led to a simultaneous decrease in equity and bond market valuations. These adverse developments had a strong impact on domestically managed assets. In terms of market size, the AuM managed in Switzerland fell by 12.7 percent and amounted to CHF 2.9 trillion at the end of 2022. A decomposition of this negative growth rate shows that -14.3 percentage points can be attributed to performance and +1.6 percentage points can be attributed to net new asset inflows. However, more recent estimates indicate that in the first half of 2023, the volume of AuM managed in Switzerland grew by roughly 2.9 percent and the CHF 3.0 trillion threshold was reached again by the end of June 2023.

Asset management matters for the economy and the pension system
Financial and insurance services contribute substantially to Switzerland's gross domestic product (GDP) and are an important sector of the Swiss economy. In 2022, 8.9 percent of total economic output, corresponding to about CHF 68.9 billion in value creation, was generated by the financial industry. We estimate the contribution of the asset management industry to Switzerland's GDP to be in the range of 0.94 to 1.19 percent which corresponds to approximately CHF 7.2 to CHF 9.1 billion in value added. This amounts to around eleven to 13 percent of the value added generated by the Swiss financial sector. Moreover, in the period of 2018 to 2022, Swiss-based asset managers paid a total of about CHF 3.5 billion in taxes at the federal, cantonal and municipal level.
With respect to the occupational pension system, capital markets and thus the asset management industry represent important contributors. Since 2004, approximately 32 percent of pension fund assets were built through net investment income (third contributor), which amounts to CHF 452 billion.

Artificial intelligence is about to enter center stage in asset management
In terms of technological innovation about two-thirds of the surveyed asset managers believe that artificial intelligence (machine learning, analytics) and big data will have the biggest impact on the asset management industry over the next decade. These technologies will enhance operational efficiency and also facilitate different aspects of the investment process with respect to their application in portfolio management, risk management or the analysis of various data sets as inputs for investment decision-making.

Finding customers is evaluated as the biggest challenge for the Swiss asset management industry
For the first time since the launch of this study in 2018, finding customers is seen as the most pressing challenge, followed by regulation and competition. The domestic market in Switzerland is of limited size and the competition in the asset management industry is both global and very intense. Creating new growth opportunities in markets abroad is thus of vital importance for future organic growth. In this context, a further increase in competitiveness could be achieved by building on existing strengths and providing innovations in the area of alternative investments or by further establishing Switzerland as a leading international hub for sustainability.

Luxembourg is the primary fund domicile for collective investment schemes governed by non-Swiss law for domestic and foreign clients
About one-third of the assets managed in Switzerland in collective investment schemes are held in foreign vehicles. The primary fund domicile for domestic and foreign clients is Luxembourg, followed by traditional offshore jurisdictions like Jersey or Guernsey and other European jurisdictions (Ireland and Liechtenstein) that traditionally offer foreign investment funds. In this context, regulatory innovations such as the intended introduction of the limited qualified investor fund (L-QIF), pursue the goal of launching more collective investment schemes domestically and thereby keeping a larger part of the value in Switzerland.

6. Factsheets of Asset Management Companies in Switzerland

The last chapter of this study contains the factsheets of all asset management companies in Switzerland that participated in our survey. It is important to note that some participants were not able to provide specific information about their asset management unit. However, in order to provide a comprehensive overview of asset management companies in Switzerland we included these factsheets in the study as well but report numbers on a group level. The factsheets of these companies are marked explicitly. At this point, we would like to thank all companies that took part in our survey and supported the initiative to portray the Swiss asset management industry in a comprehensive way.

Companies

Companies

Allianz Global Investors **https://ch.allianzgi.com/**

Founded in: 1998 *Headquarters:* Allianz Global Investors has no global headquarters.

Allianz Global Investors is a leading active asset manager with over 600 investment professionals in over 20 offices worldwide and EUR 506 billion in assets under management. We invest for the long term and seek to generate value for clients every step of the way. We do this by being active – in how we partner with clients and anticipate their changing needs, and build solutions based on capabilities across public and private markets. As part of Allianz Group, we invest on behalf of one of the world's largest and most financially robust organizations, with more than 130 years of corporate history. Our goal is to elevate the investment experience for clients, whatever their location or objectives.

Key & Cooperation Partners	Key Resources	
Institutional Clients, Insurance Clients, Family Offices, Corporates, Banks, Independent Wealth Managers	Employees in 2022	2,519
	… of which in CH	18
	AuM 2022 (m)	CHF 506,000
	... of which managed in CH (m)	CHF 11,452

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Alprime Capital AG **https://www.alprimecapital.com/**

Founded in: 2018 *Headquarters:* Zurich

Alprime Capital AG is an independent Swiss investment boutique focusing on alternative investments and approved as an asset manager of collective investment schemes by FINMA.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	3
	… of which in CH	3
	AuM 2022 (m)	CHF 69
	... of which managed in CH (m)	CHF 69

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Avobis Invest AG https://www.avobis.ch/

Founded in: 2006 *Headquarters:* Zurich

Avobis Invest AG is a 100 % owned subsidary of the Avobis Group AG. Avobis Invest is a FINMA licensed asset manager focused on managing Swiss real estate and real estate private debt collective schemes as well as dedicated portfolios. Avobis Invest has been the portfolio manager of collective Swiss mortgage portfolios since 1997.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	26
	… of which in CH	26
	AuM 2022 (m)	CHF 1,650
	... of which managed in CH (m)	CHF 1,650

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

AXA Investment Managers Schweiz AG https://www.axa-im.ch/

Founded in: *Headquarters:* Zurich (Local Headquarter) / Paris (Group Headquarter)

AXA Investment Managers works with its clients today to provide the solutions they need to help secure a better tomorrow for their investments, while creating a positive change for the world in which we all live.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	2,609
	… of which in CH	100
	AuM 2022 (m)	CHF 813,700
	... of which managed in CH (m)	CHF 48,672

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

B&I Capital AG **https://www.bnicapital.com/**

Founded in: 2007 *Headquarters:* Zurich

B&I Capital's primary goal is to give investors the means to replicate the risk-adjusted returns of multi-class commercial real estate ownership, predominantly via the REIT market.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	19
	… of which in CH	13
	AuM 2022 (m)	CHF 1,179
	... of which managed in CH (m)	CHF 1,179

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Baloise Asset Management AG **https://www.baloise-asset-management.com/**

Founded in: 2001 *Headquarters:* Basel

Baloise Insurance has been successfully managing its insurance assets for more than 150 years. Nowadays, its investment expertise is grouped under Baloise Asset Management, which looks after both the Baloise Group's own assets and the investments of its clients. As one of Switzerland's 20 biggest asset managers, we know how to seize opportunities in today's complex market and offer tailored investment solutions with attractive performance prospects to meet our clients' needs.

Key & Cooperation Partners	Key Resources	
Baloise Fund Invest, Perspectiva Sammelstiftung, Trigona Sammelstiftung, Bâloise-Anlagestiftung, Baloise Bank SoBa, Basler Versicherungen	Employees in 2022	185
	… of which in CH	185
	AuM 2022 (m)	not disclosed
	... of which managed in CH (m)	CHF 56,903*

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

* incl. advisory mandates of CHF 14,397 (m)

Bellecapital

Bellecapital AG **https://www.bellecapital.com/**

Founded in: 1995 *Headquarters:* Zurich

Bellecapital provides active equity strategies in Bellecapital's high conviction investment areas where pooled investment vehicles are warranted. These are currently Asia, Vietnam and genome editing.

Key & Cooperation Partners	Key Resources	
IP Concept, DZ PRIVATBANK, VP BANK, LGT	Employees in 2022	9
	… of which in CH	9
	AuM 2022 (m)	CHF 245
	... of which managed in CH (m)	CHF 245

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Bellevue

Bellevue Asset Management AG **https://www.bellevue.ch/**

Founded in: 1993 *Headquarters:* Küsnacht

Bellevue Asset Management is an independent and highly specialized asset management boutique focused on managing healthcare equity strategies as well as specialized equity and multi asset strategies. One of our core areas of specialty that already dates back more than 30 years is the global healthcare sector, for which we offer a diverse spectrum of top tier investment solutions. Our Swiss and European equity strategies focus on family and owner-managed companies a field in which Bellevue is a pioneer. With the launch of Bellevue Entrepreneur Private KmGK this expertise has been extended in the field of private equity.

Key & Cooperation Partners	Key Resources	
RBC Investor Services, MDO Management Company SA, PMGFondsmanagement AG, Swisscanto Fondsleitung, Acolin FundServices, ErsteBank, Julius Bär, Krebsliga Schweiz	Employees in 2022	67
	… of which in CH	not disclosed
	AuM 2022 (m)	CHF 9,413
	... of which managed in CH (m)	not disclosed

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Berner Kantonalbank AG **https://www.bekb.ch/**

Founded in: 1834 *Headquarters:* Bern

Berner Kantonalbank AG operates as a cantonal bank that offers banking and financial products and services to private and corporate customers in Switzerland.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	1,146*
	… of which in CH	1,146*
	AuM 2022 (m)	CHF 17,033
	... of which managed in CH (m)	CHF 17,033

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

*Number of employees reported on a group level and no detailed information on asset management unit provided

BlackRock Asset Management Schweiz AG **https://www.blackrock.com/**

Founded in: 1988 *Headquarters:* New York

Our mission is to combine the global investment expertise of BlackRock for investors in Switzerland.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	19,800
	… of which in CH	116
	AuM 2022 (m)	CHF 7,950,700
	... of which managed in CH (m)	CHF 160,308

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

CAPITAL GROUP™

Capital International Sàrl **https://www.capitalgroup.com/**

Founded in: 1963 *Headquarters:* Geneva

Since 1931, Capital Group has been singularly focused on delivering superior, consistent results for long-term investors using high-conviction portfolios, rigorous research and individual accountability. Our Swiss company, Capital International Sàrl, was founded in 1963 and is active in investment research, investment management and distribution.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	9,269
	… of which in CH	144
	AuM 2022 (m)	CHF 2,033,000
	... of which managed in CH (m)	CHF 11,137

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

CARNOT CAPITAL

Carnot Capital AG **https://www.carnotcapital.com/**

Founded in: 2007 *Headquarters:* Zurich

Carnot Capital invests in public equities with a focus on the energy and resource transition. The investment strategy is based on two pillars:
(i) a 'traditional' quality strategy, which includes investment criteria such as proven business model, valuation (ROCE, EV/EBIT, P/E, CF yield), solid balance sheet, quality of management;
(ii) impact-analysis. This blended investment strategy results in a 'double bottom line, meaning a combination of financial and social / environmental return.

Key & Cooperation Partners	Key Resources	
SSI Wealth Management, AIL Structured Finance	Employees in 2022	6
	… of which in CH	6
	AuM 2022 (m)	CHF 200
	... of which managed in CH (m)	CHF 200

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

DWS CH AG **https://funds.dws.com/**

Founded in: 2002 *Headquarters:* Zurich

DWS CH AG operates as an investment management company. The company offers asset management, portfolio construction, funds, equities, investment strategies, financial planning and advisory services.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	3,800
	… of which in CH	44
	AuM 2022 (m)	CHF 809,403
	... of which managed in CH (m)	CHF 40,945

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Fisch Asset Management AG **https://www.fam.ch/**

Founded in: 1994 *Headquarters:* Zurich

Fisch Asset Management is an asset manager specializing in selected investment strategies. It offers convertible bonds, corporate bonds and multi asset solutions. The company is owned by our employees and characterized by a corporate culture of respect, transparency and entrepreneurship.

Key & Cooperation Partners	Key Resources	
Independent credit view: credit research partner since 2003	Employees in 2022	84
	… of which in CH	81
	AuM 2022 (m)	CHF 7,701
	... of which managed in CH (m)	CHF 7,701

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

GAM Investments

GAM Investment Management (Switzerland) AG | **https://www.gam.com/**

Founded in: 1983 | *Headquarters:* Zurich

Our job is to help clients achieve their investment goals by putting their capital to work. We share insights, act with integrity and execute with purpose to make the right investment decisions for our clients.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	541
	… of which in CH	119
	AuM 2022 (m)	CHF 23,300
	... of which managed in CH (m)	CHF 7,370

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

GENERALI INVESTMENTS

Generali Investments Schweiz AG | **https://www.generali-investment.com**

Founded in: 1989 | *Headquarters:* Adliswil

Generali Investments Schweiz AG (before 11.03.2021: Fortuna Investment AG) is a specialized financial services provider with many years of experience and provides fund management services for the GENERALI funds (before 01.04.2021: FORTUNA funds) in Switzerland. Generali Investments Schweiz AG is 100 % owned by Generali (Switzerland) Holding.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	25
	… of which in CH	25
	AuM 2022 (m)	CHF 11,478
	... of which managed in CH (m)	CHF 11,478

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

helvetia Asset Management AG

Helvetia Asset Management AG **https://www.helvetia-am.ch/**

Founded in: 2019 *Headquarters:* Basel

The company conducts the fund business for Swiss collective capital investments, in particular for real estate funds in the form of contractual investment funds in accordance with the CISA. The company also provides investment advice and asset management, building owner representation and transaction management for pension funds, in particular for real estate portfolios. It also aims to offer and promote the collective investment schemes it manages in Switzerland.

Key & Cooperation Partners	Key Resources	
Helvetia Swiss Insurance Company Ltd, Huwiler Treuhand AG (Fund accounting), Zürcher Kantonalbank (custodian bank and paying agent), Wüest Partner (accredited valuation experts), Bank J. Safra Sarasin Ltd (regular over-the-counter trading)	Employees in 2022	10
	… of which in CH	10
	AuM 2022 (m)	CHF 1,895
	... of which managed in CH (m)	CHF 1,895

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Hérens Quality Asset Management AG **https://hqam.ch/**

Founded in: 2003 *Headquarters:* Pfäffikon SZ

We are one of the pioneers in systematic quality investments worldwide. Over the years we have built up our own research team with the aim to find the best quality companies in the world – from both fundamental and valuation perspectives. We have proved that systematic quality is a unique investment style with its own performance and risk character.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	22
	… of which in CH	13
	AuM 2022 (m)	CHF 1,100
	... of which managed in CH (m)	CHF 1,100

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Immofonds Asset Management AG **https://www.immofonds.ch/**

Founded in: 1955 *Headquarters:* Zurich

Immofonds Asset Management is a fund management company according to Swiss law. The company is managing two real esatate investment funds, IMMOFONDS and IMMOFONDS suburban, both real estate funds according to the Swiss collective investment scheme.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	15
	… of which in CH	15
	AuM 2022 (m)	CHF 2,220
	... of which managed in CH (m)	CHF 2,220

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Inoks Capital SA **https://www.inokscapital.ch/**

Founded in: 2004 *Headquarters:* Geneva

We are an independent, alternative asset manager, authorized by FINMA and headquartered in Geneva (Switzerland). Our multi-disciplinary team is driven being the market leader providing capital for growth towards corporates in the agri/food sector.

Key & Cooperation Partners	Key Resources	
Quadia, Stuart Redqueen, Sidra Capital, OPIM, PRI, SIFEM, GIIN	Employees in 2022	31
	… of which in CH	25
	AuM 2022 (m)	CHF 667
	... of which managed in CH (m)	CHF 667

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

IPConcept (Schweiz) AG | **https://www.ipconcept.com/**

Founded in: 2008 | *Headquarters:* Zurich

Fund management/capital management company and depositary for private label funds. Fund launch, fund administration and distribution support according to Swiss, Luxembourg and German law. Fund representation in Switzerland for foreign investment funds.

Key & Cooperation Partners	Key Resources	
External asset managers, trust, asset managers, fund managers, family offices, pension funds, banks, insurance companies and initiators	Employees in 2022	250
	… of which in CH	10
	AuM 2022 (m)	not disclosed
	... of which managed in CH (m)	not disclosed

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

LGT Capital Partners AG | **https://www.lgtcp.com/**

Founded in: 2000 | *Headquarters:* Pfäffikon SZ

LGT Capital Partners is a leading global specialist in alternative investing. As a principal investor in our own strategies, we are well aligned with our clients. Partnering with investors in long-term relationships is the key measure of success for us.

Key & Cooperation Partners	Key Resources	
LGT Bank as well as other LGT Capital Partners entities outside of Switzerland	Employees in 2022	736
	… of which in CH	428
	AuM 2022 (m)	CHF 79,923
	... of which managed in CH (m)	CHF 79,923

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Lombard Odier Asset Management (Switzerland) SA **www.loim.com**
Founded in: 1972 *Headquarters:* Lancy

Lombard Odier Investment Managers is the asset management business of the Lombard Odier Group, which has been wholly owned and funded by its partners since its establishment in 1796. We provide a range of investment solutions to our clients with a network of 13 offices across Europe, Asia and North America. Our heritage and our combination of the best of conservatism and innovation keep us well-positioned to create lasting value for our clients.

Key & Cooperation Partners	Key Resources	
Banque Lombard Odier & Cie SA	Employees in 2022	434
	… of which in CH	174
	AuM 2022 (m)	CHF 62,678
	... of which managed in CH (m)	CHF 36,251

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Luzerner Kantonalbank **https://www.lukb.ch/**
Founded in: 1850 *Headquarters:* Lucerne

The company culture is based on the company concept, the leadership comprehension and principle of sustainability.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	1,092*
	… of which in CH	1,092*
	AuM 2022 (m)	CHF 2,558
	... of which managed in CH (m)	CHF 2,558

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

*Number of employees reported on a group level and no detailed information on asset management unit provided

Man Investments (CH) AG

https://www.man.com/

Founded in: 1994

Headquarters: Pfäffikon SZ

Man Group is a global investment management firm, focused on generating outperformance for clients. This is achieved through a diverse spectrum of specialist active investment disciplines, empowered by the latest techonlogy.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	not disclosed
	… of which in CH	not disclosed
	AuM 2022 (m)	not disclosed
	... of which managed in CH (m)	not disclosed

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Mercer Alternatives AG

https://www.mercer.ch/what-we-do/wealth-and-investments/alternative-investments.html

Founded in: 1996

Headquarters: Zurich

Mercer Alternatives AG is a specialist for alternatives investments, offering advisory services, customized and pooled investment solutions for some of the world's largest institutional investors around the world. With an operating history dating back over 25 years, Mercer's global alternatives platform today oversees programs with an AUM of USD 24bn, and provides advice on a further USD 142bn (as of June 2022). On Mercer's global alternatives platform operate more than 250 professionals out of 29 offices across Europe, North America and Asia-Pacific and are supported by the full global resources of Mercer Investments.

Key & Cooperation Partners	Key Resources	
Mercer Alternatives (Luxembourg) S.à r.l., Mercer Limited, Mercer Global Investments Europe Limited, Mercer Global Investments Canada, Marsh McLennan	Employees in 2022	250+
	… of which in CH	35
	AuM 2022 (m)	CHF 22,200
	... of which managed in CH (m)	CHF 14,275

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Mirabaud Asset Management (Suisse) SA **https://www.mirabaud.com/**

Founded in: 2014 *Headquarters:* Geneva

Mirabaud Asset Management (Suisse) SA provides institutional investors and financial intermediaries with a focused and specialized range of investment solutions.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	119
	… of which in CH	41
	AuM 2022 (m)	CHF 5,618
	... of which managed in CH (m)	CHF 2,547

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

MOMentum Alternative Investments SA **https://mominvest.com/**

Founded in: 2008 *Headquarters:* Paradiso

Independent asset manager, 100 % owned by its management. Strong synergies, broad and long-standing professional expertise are the Momentum team's distinctive features.

Key & Cooperation Partners	Key Resources	
GAM S.A., Luxembourg ; GAM Holding AG	Employees in 2022	6
	… of which in CH	6
	AuM 2022 (m)	CHF 88
	... of which managed in CH (m)	CHF 88

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

OLZ AG **https://olz.ch/**

Founded in: 2001 *Headquarters:* Bern

OLZ is an independent asset manager using systematic portfolio optimization with a risk-based approach. Since 2017, OLZ considers sustainability criteria (ESG) in the investment process of all funds. OLZ's methodology is available for equities, bonds and mixed mandates.

Key & Cooperation Partners	Key Resources	
Member of Swiss Sustainable Finance (SSF), founding member of Alliance of Swiss Wealth Managers (ASWM)	Employees in 2022	37
	… of which in CH	37
	AuM 2022 (m)	1,739
	... of which managed in CH (m)	1,739

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Partners Group AG **https://www.partnersgroup.com/**

Founded in: 1996 *Headquarters:* Zug

Partners Group is a global private markets investment manager, serving over 1,000 institutional organizations worldwide. We have USD 135.4 billion in assets under management and more than 1,800 professionals across 20 offices worldwide. We realize potential in private markets by financing and developing great companies, desirable real estate and essential infrastructure. We create value in our investments through active and long-term responsible ownership.

Key & Cooperation Partners	Key Resources	
Partners Group Holding AG is an independent company and is not affiliated with any other corporate group. The firm maintains independence from banks, insurance companies. Partners Group's employees are collectively the biggest shareholder group.	Employees in 2022	1,883
	… of which in CH	569
	AuM 2022 (m)	CHF 125,272
	... of which managed in CH (m)	CHF 125,272

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

PICTET Asset Management

Pictet Asset Management SA **https://www.am.pictet/**

Founded in: 2007 *Headquarters:* Geneva

We provide specialist investment services through segregated accounts and investment funds to some of the world's largest pension funds, financial institutions, sovereign wealth funds, intermediaries and their clients.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	1,088
	… of which in CH	466
	AuM 2022 (m)	CHF 219,000
	... of which managed in CH (m)	CHF 179,430

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

procimmo

PROCIMMO SA **https://procimmo.ch/**

Founded in: 2007 *Headquarters:* Renens

Procimmo SA is a real estate asset manager approved by FINMA with expertise in developing customized real estate funds and in asset management. The company with about 50 employes has its headquarters in Renens, a branch in Zurich and office in Geneva. Procimmo SA has CHF 3.8 billion under management (4 funds listed at the stock exchange SIX Swiss Exchange in Zurich) and further competencies in architecture, commercialisation and administration.

Key & Cooperation Partners	Key Resources	
Solufonds SA, CACEIS (Switzerland) SA, Banque Cantonale Vaudoise	Employees in 2022	50
	… of which in CH	48
	AuM 2022 (m)	CHF 3,800
	... of which managed in CH (m)	CHF 3,800

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

PROGRESSIVE CAPITAL PARTNERS LTD

Progressive Capital Partners Ltd **https://www.progressivecapital.com/**

Founded in: 2001 *Headquarters:* Baar

Progressive Capital is specialized in niche alternatives and liquid alternatives and provides access to unique strategies through its PCP partners offering. The company aims to provide institutional solutions with a low correlation to traditional asset classes and a diversifying characteristic.

Key & Cooperation Partners	Key Resources	
AIMA	Employees in 2022	15
	… of which in CH	15
	AuM 2022 (m)	CHF 670
	... of which managed in CH (m)	CHF 670

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

PROPERTY ONE

Property One Investors AG **https://propertyone.ch/**

Founded in: 2013 *Headquarters:* Zug

Property One – the specialized real estate & real estate debt asset manager

Key & Cooperation Partners	Key Resources	
Fund Management Company	Employees in 2022	17
	… of which in CH	17
	AuM 2022 (m)	CHF 926
	... of which managed in CH (m)	CHF 926

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

PURE Funds AG https://www.pure.swiss/

Founded in: 2019 *Headquarters:* Zug

We are a privately held and owner-managed fund management company based in Zug. As a real estate investment boutique with origins in the real estate field, our goal is to provide investment opportunities for forward-thinking investors.

Key & Cooperation Partners	Key Resources	
privately held & independent	Employees in 2022	6
	… of which in CH	6
	AuM 2022 (m)	CHF 99
	... of which managed in CH (m)	CHF 99

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

QCAM Currency Asset Management AG https://q-cam.com/

Founded in: 2005 *Headquarters:* Zug

QCAM Currency Asset Management AG is a financial services provider with main focus on currency and money market management. The offering includes currency overlay, FX best execution, FX alpha, FX advisory & structuring and money market management. The company is regulated by the FINMA and the SEC, the client base consists of pension funds, family offices, investment funds, asset managers, corporates and NGO's.

Key & Cooperation Partners	Key Resources	
Company is run completely independent of any large service providers. Depending on clients needs, we work with different external partners.	Employees in 2022	13
	… of which in CH	11
	AuM 2022 (m)	CHF 5,033
	... of which managed in CH (m)	CHF 5,033

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

QUAEROCAPITAL

Quaero Capital SA **http://quaerocapital.com/**

Founded in: 2005 *Headquarters:* Geneva

Quaero Capital is an independent specialist fund management firm which brings together independently minded investment managers who use original research to provide actively managed strategies for clients in the institutional and wholesale markets.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	75
	… of which in CH	40
	AuM 2022 (m)	CHF 2,781
	... of which managed in CH (m)	CHF 1,565

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

QUANTICA'CAPITAL

Quantica Capital AG **https://quantica-capital.com/**

Founded in: 2003 *Headquarters:* Schaffhausen

Quantica Capital is an asset management company focused on quantitative investment strategies. We provide sophisticated investment management services to our institutional and other qualified investors.

Key & Cooperation Partners	Key Resources	
NFA, CFTC, AIMA, UNPRI, Sbai	Employees in 2022	14
	… of which in CH	14
	AuM 2022 (m)	CHF 753
	... of which managed in CH (m)	CHF 753

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

responsAbility Investments AG **https://www.responsability.com/**

Founded in: 2003 *Headquarters:* Zurich

responsAbility Investments AG is an asset manager in the field of development investments and offers professionally-managed investment solutions to private, institutional and public investors. A leading impact asset manager with an 19-year track record, responsAbility manages USD 3.1 bn of assets invested in over 276 ESG-managed high-impact companies across 68 emerging economies. Since the company's inception in 2003, responsAbility-managed funds have invested over USD 13.4 bn in private debt and private equity with companies in the sectors of sustainable food, financial inclusion and climate finance whose business models directly support the United Nation's Sustainable Development Goals (SDGs).

Key & Cooperation Partners	Key Resources	
	Employees in 2022	247
	… of which in CH	132
	AuM 2022 (m)	CHF 3,106
	... of which managed in CH (m)	CHF 3,106

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Robeco Switzerland Ltd **https://www.robeco.com/en-ch/**

Founded in: 1995 *Headquarters:* Zurich

Founded in 1995, Robeco Switzerland Ltd. – part of Robeco – is an investment specialist focused exclusively on sustainable investing. Serving institutional asset owners and financial intermediaries, the company's asset management capabilities feature a strong track record in sustainability-themed strategies. All the RobecoSAM named investment strategies are designed to make a measurable environmental or societal impact and actively contribute towards meeting the UN Sustainable Development Goals (SDGs).

Key & Cooperation Partners	Key Resources	
Robeco	Employees in 2022	1,052
	… of which in CH	90
	AuM 2022 (m)	CHF 168,963
	... of which managed in CH (m)	CHF 11,282

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Schroder Investment Management (Switzerland) AG

https://www.schroders.com/

Founded in: 1988

Headquarters: London

We are a global active asset manager with a strong Swiss hub approaching investment with a focussed perspective and an entrepreneurial attitude. As responsible investors and signatories to the UN's Principles for Responsible Investment (PRI) we consider long-term risks and opportunities that will affect the resilience of the assets in which we invest. Our overriding objective is to create long-term value for our clients by making an impact for our society and the planet through sustainable investing and Active Ownership.

Key & Cooperation Partners	Key Resources	
As a global player with a local footprint we have various key & cooperation partners around the world.	Employees in 2022	6,363
	… of which in CH	180
	AuM 2022 (m)	CHF 820,862
	... of which managed in CH (m)	CHF 26,715

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Schweizerische Mobiliar Asset Management AG

https://www.mobiliar.ch/

Founded in: 2012

Headquarters: Bern

Swiss Mobiliar Asset Management Ltd. is organized as a fund management company and regulated by the FINMA (since 2012). Further the SMAM is responsible for managing the assets of the Swiss Mobiliar Group, the pension institutions of the Swiss Mobiliar, the five strategic funds and the real estate fund for institutional investors only. All funds are managed actively.

Key & Cooperation Partners	Key Resources	
Mobiliar Insurance	Employees in 2022	111
	… of which in CH	111
	AuM 2022 (m)	CHF 24,457
	... of which managed in CH (m)	CHF 24,457

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Schwyzer Kantonalbank

Schwyzer Kantonalbank **https://www.szkb.ch/**

Founded in: 1890 *Headquarters:* Schwyz

We are the leading financial service provider in the canton of Schwyz. According to the IFZ Reatil Banking Study 2022, we are the best cantonal bank for the 7th consecutive year in a row.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	521*
	… of which in CH	521*
	AuM 2022 (m)	CHF 4,050
	... of which managed in CH (m)	CHF 4,050

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

*Number of employees reported on a group level and no detailed information on asset management unit provided

SERAFIN ASSET MANAGEMENT

Serafin Asset Management AG **https://www.serafin-am.com/**

Founded in: 2011 *Headquarters:* Zug

We focus on three investment themes: «Value & Quality», «Precious Metals» and «Innovation». We implement these in a disciplined and highly specialized manner in our six equity funds, which are equally accessible to private clients and institutional investors.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	11
	… of which in CH	11
	AuM 2022 (m)	CHF 578
	... of which managed in CH (m)	CHF 578

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

SIGLO Capital Advisors AG https://www.siglo.ch/

Founded in: 2010 *Headquarters:* Zurich

Advise and manage institutional money in specific alternative asset classes and strategies, including ILS, private debt and (systematic) hedge funds.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	10
	… of which in CH	10
	AuM 2022 (m)	CHF 3,000
	... of which managed in CH (m)	CHF 3,000

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Solutions & Funds SA https://www.solutionsandfunds.com/

Founded in: 2008 *Headquarters:* Morges

Our core competence is the creation and management of customised fund solutions in accordance with Swiss law. As an independent fund management company, S&F focuses on your requirements and structures funds with the aim of creating a solid and precisely tailored offer for our clients. We are open in our choice of investment fields as well as fund types and avoid standard solutions.The foundation of Solutions & Funds consists of a comprehensive network. We combine the in-depth technical and regulatory knowledge of our experts with strong relationships to authorities, interest groups and all relevant parties in the fund market.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	33
	… of which in CH	33
	AuM 2022 (m)	CHF 5,670
	... of which managed in CH (m)	CHF 5,670

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

SUSI Partners AG https://www.susi-partners.com/

Founded in: 2009 *Headquarters:* Zug

Founded in 2009, SUSI Partners is a Swiss-based fund manager specialized in sustainable energy infrastructure investments with EUR 1.9bn in capital commitments from institutional investors. The firm's investment strategy focuses on private equity and credit opportunities across the energy transition spectrum, including clean energy generation, energy efficiency measures, and energy storage and integrated solutions. With a successful track record of more than 140 transactions in over 20 countries to date, SUSI Partners seeks to achieve attractive risk-adjusted returns for its clients and their beneficiaries while contributing meaningfully to the energy transition.

Key & Cooperation Partners	Key Resources	
Carne Global Fund Managers (Luxembourg) S.A., The Bank of New York Mellon SA/NV, Luxembourg BranchDeloitte Audit S.à r.l., Simmons & Simmons Luxembourg LLP	Employees in 2022	60
	… of which in CH	52
	AuM 2022 (m)	CHF 1,830
	... of which managed in CH (m)	CHF 1,816

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Swiss Life Asset Managers https://www.swisslife-am.com/

Founded in: 1974 *Headquarters:* Zurich

We are a well-known, ambitious and reliable European asset manager and a leading institutional real estate asset manager. We have domiciles in Switzerland, France, Germany, Luxembourg, Norway and the UK.

Key & Cooperation Partners	Key Resources	
Swiss Life Group	Employees in 2022	2,308
	… of which in CH	1,205
	AuM 2022 (m)	CHF 250,082
	... of which managed in CH (m)	CHF 158,108

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Swiss Prime Site Solutions

Swiss Prime Site Solutions AG **https://spssolutions.swiss/**

Founded in: 2017 *Headquarters:* Zurich

We are a leading, innovative, and independent asset manager for real estate solutions in Switzerland. We always consider the bigger picture, use innovative technologies and processes, and choose a long and sustainable investment horizon.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	85
	… of which in CH	85
	AuM 2022 (m)	CHF 8,000
	... of which managed in CH (m)	CHF 8,000

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

TELEIOS

Teleios Capital Partners GmbH **https://www.teleioscapital.com/**

Founded in: 2013 *Headquarters:* Zug

Teleios Capital is an activist investment firm specializing in European midcap companies with the core objective of creating long-term value for all shareholders. We are an independent investment firm managing assets on behalf of an institutional client base of endowments, foundations and pension plans, as well as family offices.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	15
	… of which in CH	15
	AuM 2022 (m)	CHF 1,055
	... of which managed in CH (m)	CHF 1,055

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Themis Capital SA **https://themis-capital.ch/**

Founded in: 2020 *Headquarters:* Lausanne

Key & Cooperation Partners	Key Resources	
	Employees in 2022	5
	… of which in CH	5
	AuM 2022 (m)	not disclosed
	... of which managed in CH (m)	not disclosed

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

UBS Asset Management Switzerland AG **https://www.ubs.com/**

Founded in: 2019 *Headquarters:* Zurich

UBS Asset Management Switzerland AG (UBS AM CH AG) is the largest asset management company in the Swiss market and as such operates the Swiss Asset Management business of UBS, mainly focusing on portfolio management and distribution activities. It is fully owned by UBS Asset Management AG and is the direct parent of all other Swiss Asset Management entities.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	531
	… of which in CH	531
	AuM 2022 (m)	CHF 284,753
	... of which managed in CH (m)	CHF 284,753

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Unigestion SA https://www.unigestion.com/

Founded in: 1971 *Headquarters:* Geneva

Unigestion is an independent, specialist asset management company providing innovative, tailored solutions for investors worldwide. We believe that intelligent risk-taking is key to delivering consistent returns over time. This core conviction underpins our investment approach across our four areas of expertise – equities, private equity, liquid alternatives and multi asset.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	177
	… of which in CH	120
	AuM 2022 (m)	CHF 17,020
	... of which managed in CH (m)	not disclosed

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Vontobel https://www.vontobel.com/

Founded in: 1924 *Headquarters:* Zurich

Vontobel is an active investment manager with global reach and a multi-boutique approach. Each of our boutiques draws on specialized investment talent, a strong performance culture and robust risk management. Our commitment to active management, combined with our strong and stable shareholder structure, enables us to invest according to our convictions and client needs. We aim to deliver value through our diverse and highly specialized investment teams who develop strategies and solutions in equities, fixed income and multi asset. Furthermore, our clients have benefited from our broad range of sustainable investment solutions since 1996.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	2,295*
	… of which in CH	1,880*
	AuM 2022 (m)	CHF 204,000
	... of which managed in CH (m)	CHF 90,700

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

*Number of employees reported on a group level and no detailed information on asset management unit provided

[vv] vermögensverwaltung ag

VV Vermögensverwaltung AG **https://www.vermoegensverwaltung-ag.ch/**

Founded in: 1995 *Headquarters:* Zug

We are an independent asset manager specialized on Swiss small and mid caps. We do have a clear focus on the often mitigated small cap segment. Committed to Swiss values, quality and market leadership.

Key & Cooperation Partners	Key Resources	
PricewaterhouseCoopers	Employees in 2022	3
	… of which in CH	3
	AuM 2022 (m)	CHF 1,190
	... of which managed in CH (m)	CHF 1,190

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

zCapital

zCapital AG **https://www.zcapital.ch/**

Founded in: 2008 *Headquarters:* Zug

zCapital AG is an independent asset manager specialized in Swiss equities and managing two investment funds.

Key & Cooperation Partners	Key Resources	
	Employees in 2022	8
	… of which in CH	8
	AuM 2022 (m)	CHF 1,531
	... of which managed in CH (m)	CHF 1,531

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

Zürcher Kantonalbank

https://www.zkb.ch/de/unternehmen/asset-management

Founded in: 1870

Headquarters: Zurich

As a leading Swiss asset manager, we offer all services of institutional asset management for financial service providers, companies, foundations and pension funds. We call this #nachhaltigfit investing.

Key & Cooperation Partners	Key Resources	
Other cantonal banks	Employees in 2022	254
	… of which in CH	254
	AuM 2022 (m)	CHF 208,181
	... of which managed in CH (m)	CHF 208,181

Customer Segments		Asset Management Services	
Private National	Private International	Collective Investment Scheme	Discretionary Mandate
Institutional National	Institutional International	Exchange Traded Fund	Advisory Mandate

Asset Classes			
Money Market	Bond	Equity	Multi Asset
Commodity	Real Estate	Infrastructure	Private Equity
Private Debt	Hedge Funds	ILS	

Revenue Model		Management Style	
Management Fee	Performance Fee	Active	Passive

7. Authors

Tatiana Agnesens
Tatiana Agnesens is a lecturer in Mathematics at the Institute of Financial Services Zug IFZ. She accomplished a Master in Quantitative Economics and Finance and a PhD in Economics and Finance at the University of St.Gallen. During her PhD studies she worked as a research and teaching assistant at the Group for Mathematics and Statistics. Her research interests include behavioral finance and behavioral asset management. Before joining the IFZ in 2018, Tatiana gained practical experience in the areas of corporate finance and wealth management.

Karsten Döhnert
Karsten Döhnert is a lecturer at the Institute of Financial Servicses Zug IFZ with a focus on pension funds. He holds a PhD degree in Economics from the University of Basel. He is co-head of the further education programmes ”CAS Asset Management” and ”MAS Pensionskassen Management” at the IFZ. Moreover, he is co-author of the annual publication ”Vorsorge-Dialog”. In his role as a member of the board of the Urner Kantonalbank, he is president of the pension fund committee. Before joining the IFZ in 2003 he was Senior Economist at Credit Suisse.

Jürg Fausch
Jürg Fausch is an economist and lecturer in Financial Economics at the Institute of Financial Services Zug IFZ. He conducted his graduate studies at the Stockholm School of Economics and Stockholm University and obtained a PhD in Economics from Stockholm University in 2017. Jürg has a research focus on quantitative macroeconomics and empirical finance. His research has been published in the Journal of Macroeconomics and Economics Letters. He is co-head of the further education programme ”CAS Asset Management” at the IFZ. He gained practical experience in the asset management industry while he was involved in the constitution of the first microfinance investment fund in Liechtenstein.

Moreno Frigg
Moreno Frigg is a Research Associate at the Institute of Financial Services Zug IFZ in Zug and a PhD student at the University of Neuchâtel. He holds a MSc degree in Banking & Finance from the Lucerne University of Applied Sciences and Arts. His research interest are related to empirical asset pricing and mutual funds. In addition to research in asset management, Moreno is active as a lecturer in executive education seminars (CAS Asset Management) at the IFZ. In this context, he teaches an introductory course on derivatives.

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Lucerne School of Business
Institute of Financial Services Zug IFZ
Campus Zug-Rotkreuz
Suurstoffi 1
6343 Rotkreuz

T +41 41 757 67 67
ifz@hslu.ch
hslu.ch/ifz

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ASSET MANAGEMENT ASSOCIATION

Cooperation Partners

ASA | SVV
Schweizerischer Versicherungsverband
Association Suisse d'Assurances
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