

## Speech held at the 39<sup>th</sup> Ordinary General Meeting of Shareholders

Zurich, April 6, 2022, Presentation of 2021 financial results by Dr. Zeno Staub, Chief Executive Officer

Check against delivery.



**Dear Shareholders**  
**Dear Members of the Board of Directors**

**After a two-year hiatus due to the pandemic, I am very pleased to be able to speak to you about the performance of your company in 2021 in the customary way, here at our General Meeting of Shareholders. I will also discuss our longer-term ambitions and look at how the business performed in the first quarter of 2022. Further, I consider it important to explain to you how Vontobel has developed during the last two years, when we were unable to meet in this context.**

**Thank you to our Chairman Herbert J. Scheidt**

I would first like to say a few words to our Chairman: Dear Herbert, for almost two decades, you and I have experienced some eventful times together—including turbulent periods on the capital markets. Over the years, we have always shared the firm belief that Vontobel is on the right track with its long-term focus on recurring income and its conservative risk profile. And Vontobel's performance in recent years has clearly confirmed this. Our collaboration has always been characterized by mutual trust and constructive dialogue—with continued careful oversight on your part. You have been what I consider to be the perfect sparring partner, and for this, I sincerely thank you.

**Our new set-up as a client-centric investment firm**  
**Clearly positioned for clients and investors**

Dear Shareholders

I would now like to take a look back at the changes that have occurred at Vontobel and the progress we have made during the last two years when we were unable to meet.

In late 2019, we took important strategic steps to set the future course of our business:

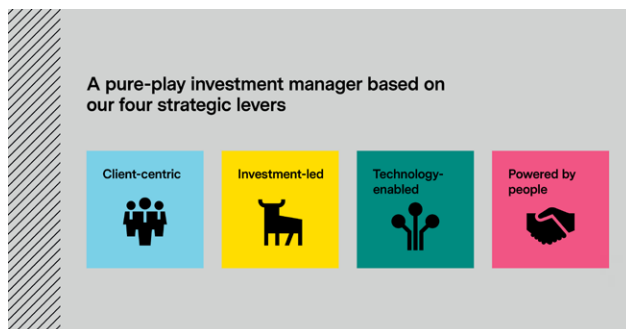
We announced that in the coming years, we would systematically transform Vontobel into a client-centric investment firm. This involves placing clients even more clearly at the center of everything we do and supporting them with our proven global investment expertise.

The demand for professional investment solutions and individually tailored expert investment advice is growing constantly across all client groups and markets. There is also a strong need to invest, both individually and as a society—especially due to the steadily growing pension funding gap around the world. Following a prolonged phase of low interest rates, we are now once again confronted with the specter of inflation combined with rising interest rates, widening credit spreads and elevated uncertainty—not to mention heightened geopolitical tensions, which were present even before the outbreak of war in Ukraine. The investment environment is therefore very challenging and highly volatile.

At Vontobel, we are actively seizing the growth opportunities resulting from changes in the investment environment and evolving client behavior. We are thus setting ourselves apart from the competition—leading the way in terms of quality and always taking the client’s view.

We are shaping our future direction based on our four **strategic levers**.

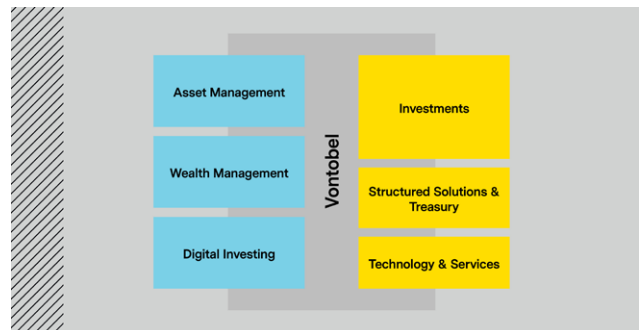
- **Client-centric** and **investment-led** are closely connected levers that allow us to offer the best investment solutions tailored to client needs. We are convinced that client focus and investment expertise are key to the success of our clients and our company.
- We are **technology-enabled** and we systematically use the power of technology to deliver a better client experience, better investment results and greater efficiency.
- We could not achieve all this without our employees. We are **powered by people** because they make the difference in our industry—today and in the future.



### What is our new set-up?

In December 2019, we took important strategic steps to grow together and become a client-centric, global investment firm. At Vontobel, our advisory expertise is bundled within the specialized Client Units—Asset Management, Wealth Management and Digital Investing—that are focused exclusively on client needs. The advisors within these Client Units can thus devote all their attention to addressing our clients’ wishes and to satisfying their needs.

All of our Client Units have full access to Vontobel’s outstanding investment and solutions expertise within our various Centers of Excellence. Similar competencies are brought together here in a single location to allow for the cross-fertilization of ideas in order to develop the best possible client solutions in the most effective way.



### Lighthouse

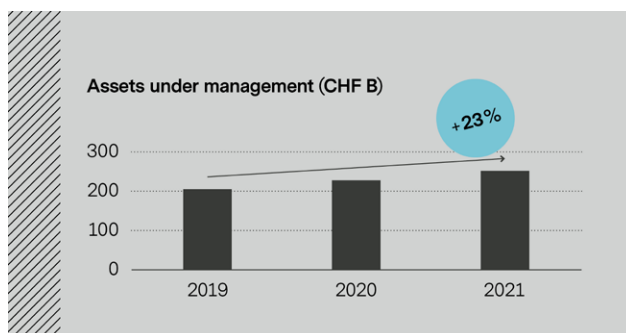
The profound changes occurring in our operating environment prompted us to introduce a new set-up back in 2019 and to define an even longer timeline for the implementation of our strategy. Our targets are now based on our longer-term vision—our Lighthouse.



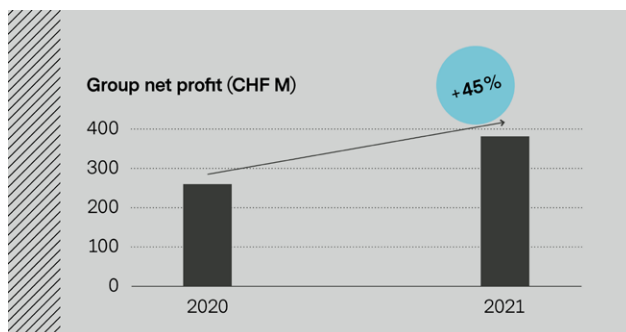
Our Lighthouse ambition is that in 2030, Vontobel will be known as one of the leading and most trusted global investment firms with an entirely client-centric organizational set-up. Our clients and investment processes will be supported by digital data and analysis. Content, data and artificial intelligence will be at the heart of what we do. Our work will center around investing, and the solutions we create will be best-in-class for all our clients.

Our new set-up has proven successful in a fiercely competitive environment—as is demonstrated by the growth in assets under management and Group net profit.

**Since the end of 2019, assets under management entrusted to us by clients have grown by 23 percent.**



**Over the same period, Group net profit has increased by 45 percent.**



### **Financial year 2021: systematic implementation of strategy—very good result**

#### **Let's now take a look at 2021**

In 2021, we were able to consolidate our market position in key areas and we completed further strategic steps. Through targeted acquisitions and organic growth, we have created an even stronger basis for future income generation. At the same time, we achieved a new record result in our business with all client groups, clearly exceeding our mid-term income targets. In doing so, we maintained our long-term focus on the generation of recurring income and consciously refrained from engaging in short-term market trading, in line with our risk profile.

Reflecting our long-term focus, we continued to invest in new talents with new capabilities, as well as in groundbreaking technologies, in 2021. We also strengthened our commitment to selected markets. For example, the **acquisition** of UBS Swiss Financial Advisers (**SFA**) announced at the end of 2021 was a decisive step that will set the course for our future growth in the US, which remains the world's largest investment market. As a result, Vontobel is expected to become the largest Swiss-domiciled wealth manager for US clients seeking an account in Switzerland for diversification purposes. We also want to achieve organic growth in the business with North American clients. In addition to our presence in New York, we are opening a second office in **Miami** in order to advise wealthy American private clients.

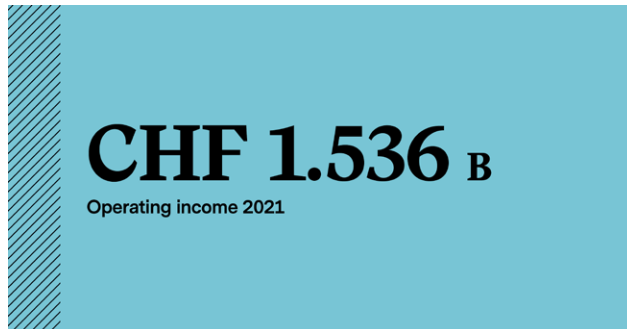
As the basis for future growth in the US and also in Asia, we made significant investments in our **Asset Management infrastructure** in 2021 in order to increase our product range in these markets. Finally, we also successfully pursued our strategy of establishing partnerships with **globally active banks** so that we can increasingly gain them as partners for our investment products. Further, Vontobel acquired the remaining 40 percent of the highly successful London-based fixed income boutique **TwentyFour Asset Management** in mid-2021. We had held a 60 percent stake in this business since 2015.

Last year, we also made targeted investments in digital solutions to take account of the growing client desire for hybrid advisory models combining personal and digital advice. We have created precisely this type of platform with **volt**, through which we offer both personal and digital investment advice and investment solutions. We have used the experience gained over the last three years as well as the investments made in 2021 to provide an expanded offering for clients with the relaunch of the investment app under the brand "volt by Vontobel" in March.

**cosmofunding**—the digital platform for private placements and loans for Swiss companies and public-sector bodies—also represents a capital-light driver of future growth.

**All mid-term income targets set for 2022 were exceeded in 2021**

The high level of trust that clients place in Vontobel and our successful positioning in the market are reflected in the pleasing growth in operating income, which rose by 21 percent to a record CHF 1.536 billion.



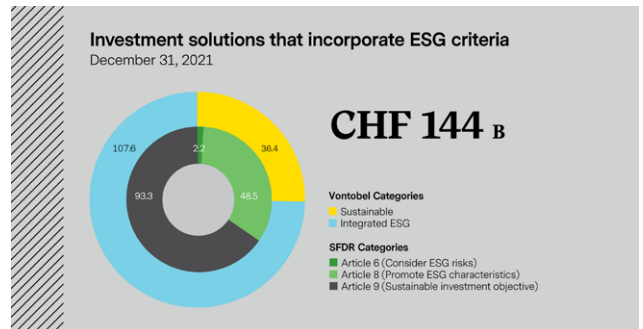
Group net profit also reached a new record level of CHF 384 million—an increase of 48 percent compared to the previous year. Vontobel generated a return on equity of 18.8 percent on our strong capital base in 2021, compared to 13.3 percent in the previous year.



Assets under management totaled CHF 244 billion at the end of 2021, increasing 11 percent on the figure of CHF 220 billion at the end of the previous year.



This growth was also driven by client assets invested according to sustainability criteria, which now account for 59 percent of assets under management. Compared to 2020, the volume of sustainable investments has increased by 14 percent, rising from CHF 126 billion to CHF 144 billion. Vontobel today ranks as one of the leading Swiss providers of sustainable investment solutions.



In 2021, clients entrusted us with new money totaling CHF 8.1 billion. This means that growth came close to our target range of 4–6 percent.

- In Asset Management, the termination of two low-margin mandates led to outflows of several billion francs. As a result, the business with Asset Management clients, which is a strong income generator, recorded CHF 1.9 billion of net new money, corresponding to growth of 1.4 percent, which was below our target range. In future, Asset Management will continue to focus on high-margin mandates in the business with institutional clients.
- In contrast, we saw very pleasing growth in net new money in the business with our Wealth Management clients. Here, Vontobel achieved growth in all markets—with a particularly strong increase in demand in Switzerland, Germany and Italy. At 6.9 percent, the growth in net new money exceeded the target range. Overall, Wealth Management clients entrusted us with CHF 5.6 billion of new money. We view this as an expression of the high level of trust that clients place in Vontobel’s investment expertise and financial solidity.

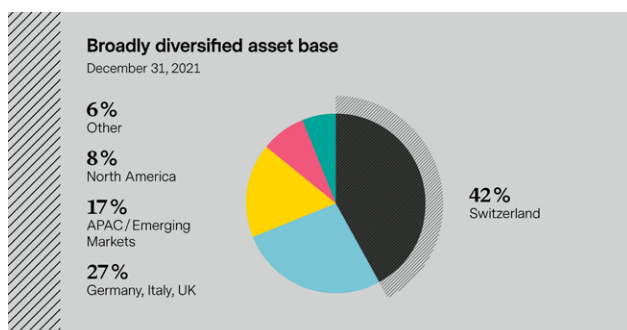


Allow me to say a few words about our financial solidity: Vontobel has a good capital position that substantially exceeds the regulatory minimum requirements. A high level of financial solidity is immensely important in the current environment and it also forms the basis for future growth. Last year, we were able to significantly grow our income and, at the same time, we reduced our risk-weighted positions by 11 percent. For this reason—and despite the full acquisition of TwentyFour Asset Management, which was financed entirely out of Vontobel’s own funds—the BIS common equity tier 1 ratio (CET1 ratio) rose from 13.8 percent at the end of 2020 to 16.6 percent at the end of 2021. The tier 1 capital ratio, which is identical to the total capital ratio at Vontobel, reached 23.4 percent compared to 19.8 percent at the end of 2020.



Vontobel is today a globally active investment firm with Swiss roots. If we take a look at the breakdown of client assets by domicile, it confirms this statement. Switzerland remains our most important market: 42 percent of our client assets originate from our home market and Switzerland is our main production hub, from where we export our expertise and products to our target markets. We are committed to delivering the highest standard of quality and to achieving a high level of efficiency—harnessing the power of digitization to support us. As a result, Vontobel has successfully transformed itself in recent years from a financial institution that was predominantly focused on the Swiss market into an established and globally active investment firm.

- At the end of 2021, one quarter of assets came from clients domiciled in the US and Emerging Markets.
- We also have a strong presence in our European focus markets of Germany, the UK and Italy. Together, those markets account for 27 percent of advised client assets.

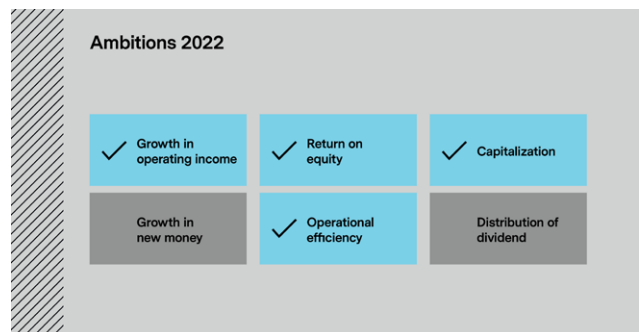


In summary, our record result for 2021 confirms the effectiveness of the growth strategy we have pursued in recent years. It justifies our confidence that we will be able to follow our own path during this period of structural change in the finance industry and emerge as a winner.

**So where do we stand in terms of our ambitions for 2022?**

In 2021, we clearly exceeded all our mid-term income targets as well as our capitalization target.

We did not fully realize our target net new money growth rate due to the outflows resulting from the termination of two larger low-margin mandates in Asset Management in 2021. In terms of the payout ratio for the financial year 2021, which was slightly below the mid-term target of at least 50 percent, it should be noted that we completed an acquisition in 2021 and planned a further acquisition for 2022. We also assign considerable importance to the payment of a sustainable dividend. We will continue to systematically implement our successful growth strategy and are well on track to achieve all our mid-term targets.



## **I would now like to update you on developments in the first quarter of 2022**

### **Dear Shareholders**

#### **We all know that the world fundamentally altered on February 24 with the start of the military conflict in Ukraine. There is now a war in Eastern Europe.**

Vontobel supports the Swiss Confederation's decision to join the international community in imposing sanctions and we are complying fully with these measures.

As an internationally active investment firm, we focus on wealth and asset management and do not operate a corporate banking business. Vontobel does not have any subsidiaries in Eastern Europe. We also have a very conservative position in terms of providing financing to our private clients.

Our business in the affected countries—and the associated risks—is therefore minimal. The Russian and Belarusian assets in our discretionary mandates, including our funds, account for less than 0.1 percent of our total assets under management. All relevant exposures are limited to the Emerging Markets strategies developed in Zurich.

As you know, our client focus is one of our most important strategic priorities. We are continuing to support our clients as they navigate these volatile markets by providing sound advice and ensuring the liquidity of our products and our offering. With the exception of one small fund with total assets of CHF 30 million, all of our funds are open.

Our prudent and conservative business model also ensures that our client base is minimally affected by international lists of sanctions. Based on our conservative lending policy, the declining value of collateral on Russian securities has no financial impact. Consequently, we currently do not expect any value adjustments to be needed in respect of our loan book and our own treasury portfolio.

Although detailed results for the first three months of this year are not yet fully available, there are indications that following the record result for 2021, income remained at a high level in the first quarter of 2022. Profitability will also be supported by the non-recurrence of expenses for minority interests following the full acquisition of Twenty-Four Asset Management in 2021. Income also reflects the continued robust demand from Digital Investing clients for structured investment solutions.

However, we are not immune to market developments. When share prices fall globally, this has an impact on our assets under management and therefore on our income. While we are continuing to record strong inflows of new money in Wealth Management, institutional investors in Asset Management are remaining on the sidelines in the current environment, which is characterized by rising interest rates and high levels of geopolitical uncertainty.

The war in Ukraine is a human tragedy with political implications that will preoccupy us all for a long time—even if a diplomatic solution can be found soon, as hoped. This military conflict has prompted a change of attitudes in many regions of the world. A lot of things are being reconsidered. Uncertainty has increased. Despite this, we remain prepared for the future and we remain optimistic.

**That brings me to the end of my speech. Thank you for your attention, Ladies and Gentlemen. On behalf of the Executive Committee and all Vontobel employees, I would like to thank you for your trust in Vontobel.**

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