

VP Fund Solutions: Strong ESG growth and combined fund expertise on World Fund Day

Vaduz, 17 April 2020

ESG: the sustainable future of the investment fund sector

At the start of the new decade, sustainable investment continues to be a dominant trend for the global fund sector. The market for sustainable capital investments is growing very dynamically. Two thirds of these assets are invested in Europe.

Due to global developments and rising demand for new sustainable investment products, there has been substantial growth in the volume of Environmental Social Governance (ESG) compliant funds in Luxembourg. As the No. 1 investment fund domicile in Europe, Luxembourg covers 31 per cent of all sustainable investment funds and 39 per cent of managed investment fund assets in Europe. Parallel to this, Luxembourg fund assets with a focus on products that invest in infrastructure, sustainable projects, start-ups and small and medium-sized enterprises have also grown by 26 per cent over the past three years.

Crisis-proof investment funds: Five years of VP Fund Solutions under one roof

During times of crisis, the strengths of investment funds become particularly apparent. They have strong and reliable processes provided by the management companies of the funds, as well as healthy balance sheets. This means they help to protect the interests of investors – such as compliance with investment guidelines, investment restrictions or risk limitations – at all times.

Even in the wake of the last financial crisis, investment funds were able to record strong growth due to these factors, as investors continue to feel secure and comfortable with their fund investments and the corresponding security mechanisms.

With VP Fund Solutions, VP Bank Group has an international investment fund competence centre with over 20 years of experience. The sites in Luxembourg and Liechtenstein work closely together internationally, and have been operating under the same roof for 5 years under the overall stewardship of Eduard von Kymmel.

Through efficiency gains and centralisation, VP Fund Solutions has been able to achieve a significant increase in the volume of assets under management. The associated necessary investments in fixed assets and new employees led to a doubling of assets under administration and the number of clients at both sites over the past 5 years.

On the basis of its successful business model, VP Fund Solutions is markedly upbeat about the future, despite the current economic crisis. Increased digitisation measures allow for additional process and quality improvements, which have proven to be particularly effective in the present environment. On World Fund Day 2020, Eduard von Kymmel, Head of VP Fund Solutions, sees ongoing consolidation within the management company sector as an opportunity for profitable growth. "Strategic sustainable investments will characterise the new decade, and offer outstanding prospects for further sustainable business opportunities. VP Fund Solutions is very well prepared for this."

Further information about the investment fund activities of VP Bank Group are available on the website <https://vpfundsolutions.vpbank.com/en>

For further information, please contact

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Agenda

Annual General Meeting 2020	24 April 2020
Round Table - 2020 Interim Results	18 August 2020

Facts & Figures VP Bank Group

VP Bank Ltd was founded in 1956 and is one of the largest banks in Liechtenstein with 943 employees at the end of 2019 (full-time equivalent 874). It currently has offices in Vaduz, Zurich, Luxembourg, Singapore, Hong Kong and Road Town on the British Virgin Islands. VP Bank Group offers bespoke asset management and investment consultancy for private individuals and intermediaries. As at 31 December 2019, assets under management at VP Bank Group totalled CHF 47.6 billion. VP Bank is listed on the Swiss stock exchange SIX and has an "A" rating from Standard & Poor's.