



# Clarity on KPMG Switzerland

Annual report 2017



# Strong revenue growth driven by a clear client focus



Digital transformation is currently affecting every aspect of the Swiss economy and is also the most important driver in the audit and the advisory markets. While digitalization brings a host of risks, it also opens up a multitude of business opportunities: the centralization of data and processes scattered around the globe, the systematic analysis and use of data, comprehensive compliance checks, targeted increases in business performance, the development of new business strategies and the tapping of new client segments and fields of business.

To ensure that we can provide our clients with the effective support they need, the past fiscal year once again saw us making major investments: in staff development, in technological innovations and in key partnerships that will allow us to expand our business ecosystem. The results speak for themselves: KPMG Switzerland has achieved extraordinarily positive results with all functions contributing to the new record high. Gross revenues rose to CHF 555.0 million (+1.1%) and net revenues to CHF 423.5 million (+4.9%).

## **Large-scale transformation projects**

Audit improved its results yet again and boosted its net revenues to CHF 212.1 million. One key innovation driver could be found in clients' transformation projects to consolidate all of a company's financial and leadership processes, along with their control functions, under one global roof. Integrated financial processes permit an approach that is heavily based on digital data analytics.

## **Focus on the entire value chain**

Tax succeeded in growing its net revenues to CHF 120.6 million. One factor contributing to this extremely good result was the ongoing trend toward greater transparency and a more intense exchange of tax-related data. By offering comprehensive advice on value chain management, KPMG has helped its clients pinpoint their key value drivers and identify possible optimization potential.

## **Outlook on digitalization's opportunities and risks**

Advisory increased its net revenues to CHF 90.8 million. Here, too, the gains were driven by large corporations' and SMEs' urgent need for help in their efforts to manage risks and seize the opportunities opened up by digital transformation.

## **New business models and anti-money laundering**

The regulatory burden in the area of financial services has settled at a very high level. The focus was on measures aimed at preventing money laundering and adapting business models in an improved macroeconomic yet persistently difficult low interest rate environment.

I would like to take this opportunity to express my gratitude to all of our clients, staff and business partners for this extremely successful fiscal year.

**Stefan Pfister**  
CEO KPMG Switzerland



# KPMG Switzerland achieves excellent result



Business development

A year of encouraging growth has helped KPMG Switzerland surpass its results of the previous year and boost both gross and net revenues. New records were set in all business areas. This continued market success is testimony to the fact that our investments in sustainable client experiences are paying off.

## More large-scale transformation projects

AUDIT

Audit improved its results yet again and boosted its net revenues to CHF 212.1 million (+5.0%). One key innovation driver in this business can be found in clients' large-scale transformation projects which aim to consolidate all of a company's financial and leadership processes, along with their control functions, under one global roof.

Digitalization has emerged as one of the strongest forces of change in this area, as well, and has a major impact on the day-to-day work done in Audit. Integrated financial processes permit an approach that is heavily based on digital data analytics. Accordingly, KPMG developed cutting-edge software and tools in 2017 that will allow its clients to benefit as much as possible from this trend.

Making changes to core processes also harbors new risks for clients. KPMG helps identify such risks within the scope of its assurance services and systematically addresses them in the reports it prepares for boards of directors and management.

Fundamental changes in the job description and skill requirements of auditors are yet another consequence of digitalization and are reflected in corresponding changes in both the training and further development opportunities we offer as well as how we select our new recruits. Demand for change management expertise is also on the rise. This adds yet another interesting aspect to the already multifaceted work of an auditor and has become an integral part of an auditor's skill set.



**Lukas Marty**  
Head of Audit

+5.0%  
212.1

CHF million  
Net revenues

"International consolidation  
of financial and leadership  
processes on the rise"



Peter Uebelhart  
Head of Tax

## Focus on the entire value chain

TAX AND LEGAL

Tax succeeded in growing its net revenues to 120.6 million (+4.0%). This extremely good result was attributable in part to the demands of foreign and domestic tax authorities as well as the accelerated pace of changes taking place in legislation and business practices,

both of which are becoming increasingly challenging for taxpayers to deal with. Multi-year trends toward greater transparency, improved comparability and a more intense exchange of tax-related data continue unabated and are taking their toll on corporate and private clients alike.

KPMG offers comprehensive value chain management advice to help its clients pinpoint and manage their key value drivers. Doing so not only allows us to identify possible optimization potential but also address the fact that a company's value chain is becoming increasingly significant in the international tax landscape. In the areas of tax consultancy and planning, trends toward digital automation, data analytics and the growing relevance of the entire value chain go hand in hand with a major broadening of tax advisors' job descriptions, with this expansion in key topics and required skills making the task both more challenging and more enriching at the same time.

"Identification of optimization potential through comprehensive value chain analysis"



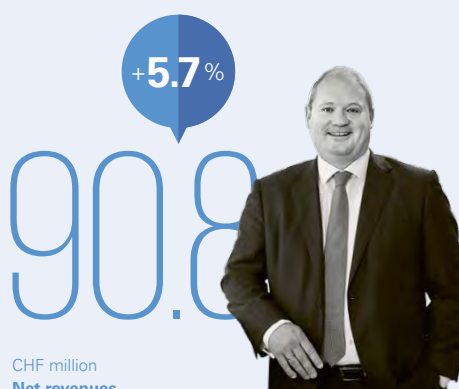
KPMG still sees a great need for advisory and explanatory services in response to uncertainties concerning the pending Corporate Tax Reform, particularly as Swiss companies with international operations want control over their fiscal situation and call for an end to the current legal uncertainty.

## Opportunities thanks to digitalization

ADVISORY

Advisory increased its net revenues to CHF 90.8 million (+5.7%), a new all-time high. This growth was driven by large corporations' and SMEs' need for help on managing risks and seizing the opportunities opened up by digital and financial transformation.

These efforts focused on defining and implementing digital strategies, automation solutions and the use of digital tools and cognitive computing, and change management programs to sharpen clients' focus and set up both new business models and supply chain management projects. Outsourcing services, such as moving enterprise resource planning systems to the cloud, were also in high demand, particularly in the life science industry, at banks, at insurance companies and in public administration.



Anne van Heerden  
Head of Advisory

"More valuable data, rise in the number of cyber attacks and draconian penalties for data protection violations"

The digitalization of companies and administrations, the related increase in the value of the data stored, the rise in the number of cyber attacks and the draconian penalties that will apply to data protection violations in the future, generated brisk demand for cybersecurity, data protection and certification services.

The consistently high number of deals once again underscored the competitive edge of Swiss companies in the year under review. Despite the overall decline in the value of deals transacted in the Swiss M&A market, KPMG reported continued strong growth in the deal advisory business. In terms of forensic services for financial service providers, demand was greatest for services relating to financial crimes, improvements to compliance functions, the cleaning of customer data and cases of corruption. In the other sectors, the focus was on investigating fraud, improving compliance functions, corruption and third-party management.

## Tapping new business models

### FINANCIAL SERVICES

Audit and advisory services rendered to financial service providers performed well. One major driver behind this performance in all sub-segments – that is, among banks, insurance companies and asset management companies – was digitalization, which is forcing the institutions to adapt their old business models to new opportunities and risks.

The macroeconomic environment improved during the year under review. The stock markets reported further gains despite some volatility and corresponding increases were seen both in investor confidence as well as in their willingness to invest. An upward shift in US dollar interest rates also boosted the earnings potential of financial institutions.

The low interest rate environment is having a persistently negative impact on the business performance of financial institutions. The interest rate arbitrage business has deteriorated yet again, and to such an extent that increases in lending volumes no longer offset the adverse situation. As a result, pressure to boost the efficiency of workflows and structures through digital distribution channels and automation has risen even further.

Cross-industry solvency discussions are still underway between insurance companies and FINMA. Given the sustained low interest rate level that is hindering growth in the life insurance business, these companies are understandably focusing on looking for products that are innovative and offer potential for diversification. Performance in the non-life sector was sound to good, however the higher claims expenditure from the above-average number of natural disasters weighed on margins.



**Philipp Rickert**  
Head of Financial Services

# 38%

Share of net revenues  
2017

“Low interest rate environment with persistently negative impact on business performance”

Efforts by the asset management industry to reposition itself on the international stage are proving difficult due to the fact that the products are being managed from abroad, namely from Luxembourg and Ireland.

## Positive development in the regions

### MARKET REGIONS

KPMG reported positive business performance in the individual market regions as well. The mid-size market segment is one of KPMG's key mainstays and generates around 40 percent of the firm's net revenues. Business development in Audit as well as Tax, Legal and Advisory was extremely stable and sustainable. Over the course of the year, KPMG also succeeded in acquiring several high-profile new clients in the regional market.

KPMG invested heavily during 2017, not only in targeted measures to promote its young talent at the individual sites, but also in efficient, automated, digitalized processes and the development of state-of-the-art software and technologies to benefit regional clients. One new package of services was specifically tailored to start-ups and initially rolled out in the regions of Basel, Zurich and French-speaking Switzerland.

The main drivers and changes affecting regional clients have their roots outside

# 40%

Share of net revenues  
2017



**Reto Benz**  
Head of the Swiss Market Regions

“Key changes for SMEs have roots outside Switzerland”

Switzerland: These include uncertainty regarding developments in international politics, mainly due to Brexit, ongoing efforts to negotiate bilateral relationships between Switzerland and the EU, the exchange rate, data protection regulations in the age of digitalization as well as Tax Proposal 17.



**Claudio Boller**  
Basel



**Lorenzo Job**  
Canton of Ticino



**Hans Jürg Steiner**  
Berne-Mittelland



**Hélène Béguin**  
Western Switzerland



**Hans Vils**  
Liechtenstein



**Thomas Affolter**  
Central Switzerland



**Peter Michael**  
Eastern Switzerland



**Patrik Kerler**  
Zurich

KPMG is actively involved in the region in a number of different ways: through cooperative efforts with key networks and local companies on specific topics like cybersecurity and taxes, through participation in trade associations and chambers of commerce and also through partnerships with regional innovation initiatives.

## Technological transformation as both challenge and opportunity

QUALITY AND RISK MANAGEMENT

The ongoing digitalization of our economy has brought added momentum to our business, a fact which has become especially visible over the course of the past financial year. The opportunities opened up by technological transformation are virtually unlimited, yet this transformation also accelerates the pace of everything and triggers changes to the business models used both by our clients and our company. A multidisciplinary response is indispensable for handling the complexity of our clients' needs. With our specialists from Audit, Tax and Advisory, we have a wealth of expertise and experience at our disposal to do precisely that; the challenge is to swiftly provide our clients with the very best possible teams, regardless of whether they are expected to perform a

high-quality audit or offer added value through advisory services. Products and services as well as the basic principles of service provision need to be adapted continuously and in a timely manner to accommodate the changing environment. At the same time, efforts to increase the regulatory burden are still ongoing, both on the national and international stage, with their corresponding impact on compliance costs.

The activities of KPMG's Quality and Risk Management team are focused on ensuring the quality of our services, compliance with the legal framework and the preservation of our independence. On this point, we are well aware of the great responsibility we bear, not only toward our clients but a larger circle of interested parties and the general public as well. At KPMG, Quality and Risk Management comprises many processes, controls and activities which ensure that we infuse the necessary integrity, objectivity and quality into everything we do. Read our Transparency Report for additional information.



**Philipp Hallauer**  
Head of National Quality & Risk Management

“The basic principles of service provision need to be adapted continuously to accommodate the changing environment.”

## Continuous investments

OUTLOOK

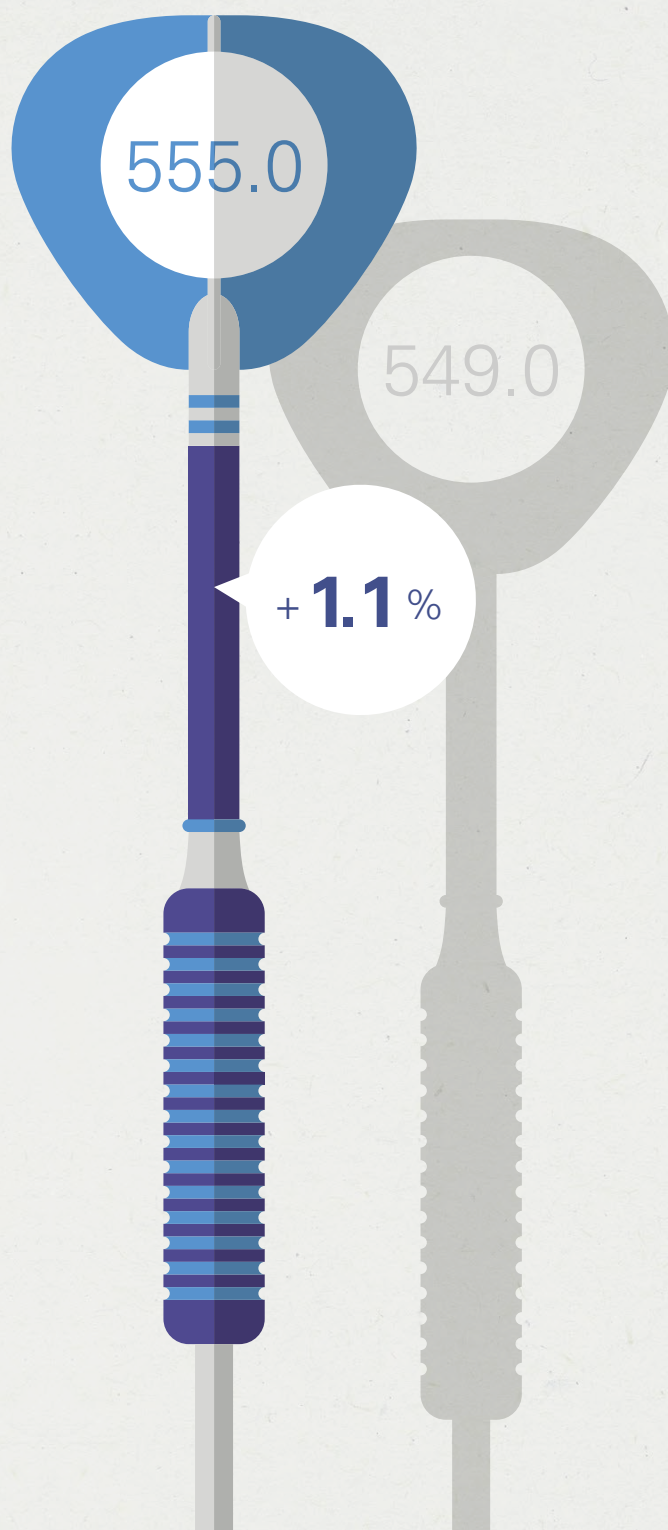
Going forward, KPMG intends to remain the first choice for clients with both sophisticated needs and ambitious, highly qualified staff. Accordingly, the next few years will see KPMG push ahead with its extensive investments in digitalization. These cover areas such as providing training and further development opportunities to our employees, developing and implementing state-of-the-art software and technologies, hiring hundreds of young talents as well as expanding our digital ecosystem through collaboration and digital platforms. At the heart of these efforts stands the systematic further development and use of the potential offered by digitalization to strengthen the added value we offer our clients.





Gross revenues 2016/17  
Total: CHF 555.0 million

# Annual result 2016/17



## Gross revenues

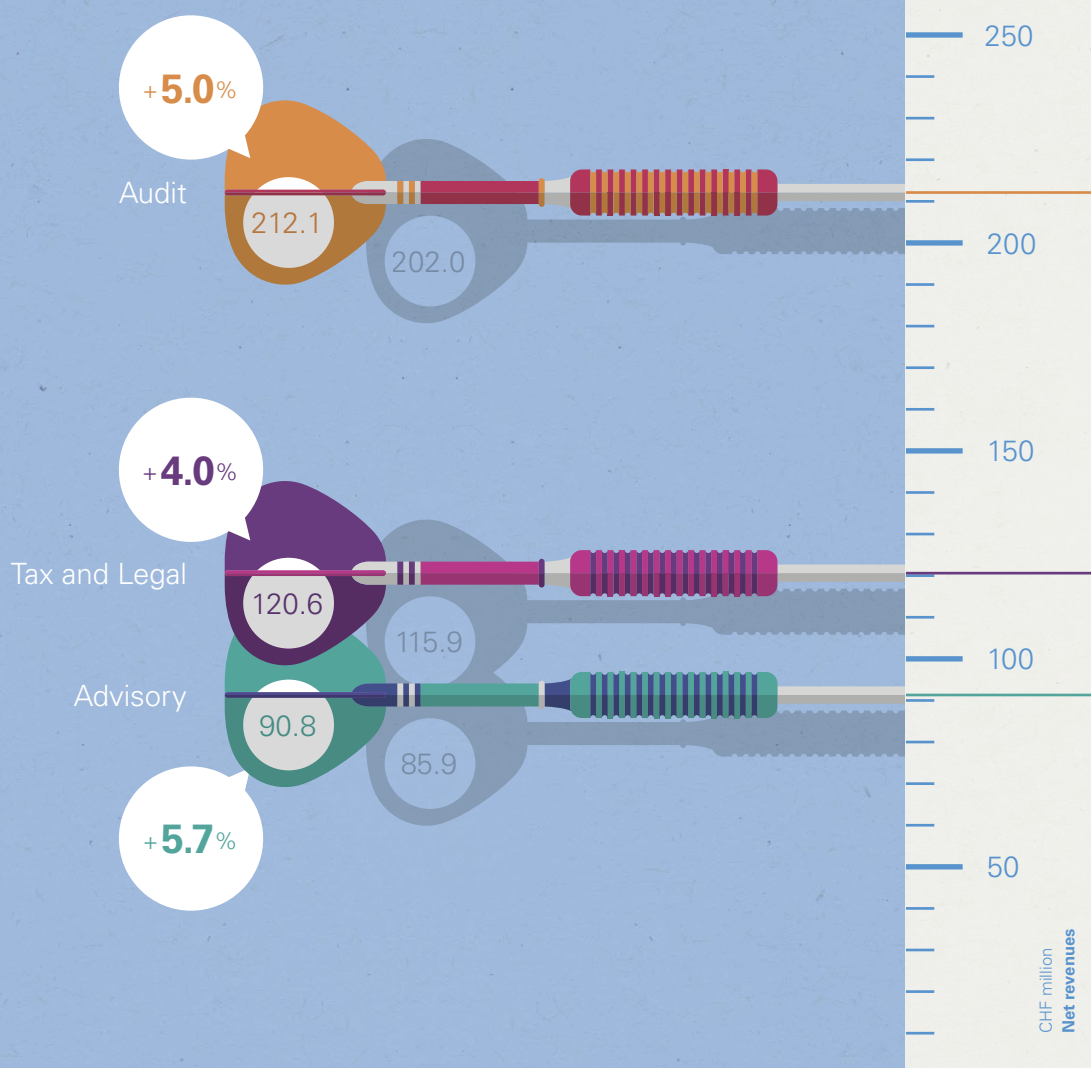
	2017 in CHF million	2016 in CHF million	Change in %
<b>Total gross revenues<sup>1</sup></b>	<b>555.0</b>	<b>549.0</b>	<b>+1.1</b>

<sup>1</sup> Gross revenues include out-of-pocket expenses and services charged through KPMG Switzerland.



# Net revenues 2016/17

## Total: CHF 423.5 million



Net revenues	2017 in CHF million	2016 in CHF million	Change in %	Share of revenues in %
Audit	212.1	202.0	+5.0	50.1
Tax and Legal	120.6	115.9	+4.0	28.5
Advisory	90.8	85.9	+5.7	21.4
<b>Total net revenues<sup>2</sup></b>	<b>423.5</b>	<b>403.8</b>	<b>+4.9</b>	<b>100.0</b>

People	2017	2016	Change in %
<b>Total Employees as of 30.9.2017</b>	<b>2,150</b>	<b>2,047</b>	<b>+5.0</b>
<b>Total FTE as of 30.9.2017</b>	<b>1,895</b>	<b>1,815</b>	<b>+4.4</b>

<sup>2</sup> Net revenues refer to services rendered by KPMG Switzerland.

# "The difference lies in the client experience"



ROUNDTABLE

How do businesses design a distinct client experience?

What does that actually mean?

How do digitalization and the new generation of clients play a role in all of this?



**Zeno Staub**  
CEO Vontobel

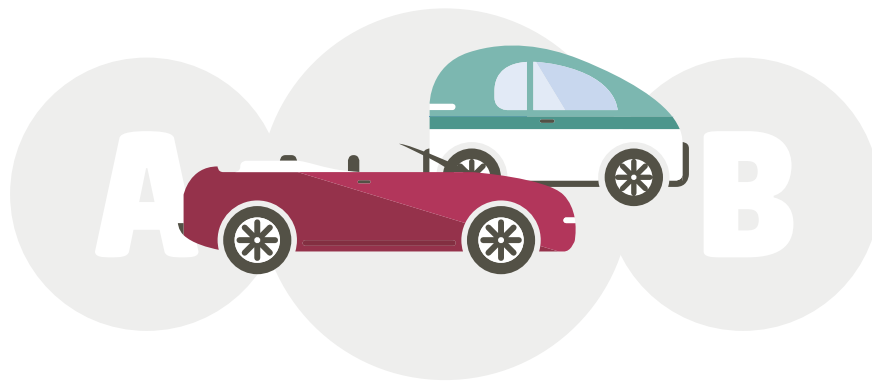


**Stefan Pfister**  
CEO KPMG Switzerland



**Philipp Rickert**  
Head of Financial Services  
KPMG Switzerland





Presenter **René Lüchinger**  
 Publisher, Owner of Lüchinger Publishing GmbH

These are the questions we looked at during a roundtable with Zeno Staub, CEO of Vontobel, Stefan Pfister, CEO of KPMG Switzerland, and Philipp Rickert, Head of Financial Services at KPMG Switzerland. The discussion was moderated by René Lüchinger, Publisher and Owner of Lüchinger Publishing GmbH.

**René Lüchinger** While the term “client experience” has become a marketing buzzword, clients are not actually looking for an experience, they want to have a problem solved. What does this term mean to you?

**Zeno Staub** In today’s world, clients aren’t satisfied with simply having their problems solved. Clients’ perception of how their problems are solved, in other words, the client experience, is becoming increasingly important. After all, we’re working in a market where multiple providers offer good, effective solutions to the very same problem. Nevertheless, a client’s perception of and experience with a product or service can still differ quite a lot. I like comparing our situation with the auto industry. An extremely large number of car manufacturers can fulfill the purpose of mobility, namely to get somebody

or something from point A to point B. On the market, however, differentiation occurs through emotional experiences, special services and rational preferences for one product or another.

*Sure, that’s easy to understand when we’re talking about a car. But how is the client experience different when it comes to a more abstract service, like banking? How does Vontobel set itself apart from its competitors?*

**Zeno Staub** It’s the authentic, credible, matter-of-fact way we present ourselves. We only do what we’re really capable of doing and want to set benchmarks in everything we do. We don’t follow every fad, yet we stand by the things we undertake. We believe in the future and act accordingly on behalf of our clients. Always looking for opportunities for our clients yet never losing sight of the risks involved.

As an audit and advisory firm, you have a better feel for the big picture of the financial industry as a whole. Are you seeing major differences in terms of the client experiences offered by individual market players?

**Philipp Rickert** There are huge differences, in fact. In the area of private banking, where Bank Vontobel operates, we are seeing a high level of professionalism from a number of different market players in terms of how they approach clients and their client contact in general, yet they all have different priorities and focus on different aspects. Some tend to emotionalize banking products, while others put a spotlight on technical performance as their core area of expertise and fundamental benefit of the client relationship. The common denominator we’re seeing in the industry is the inclusion of technological and digital tools to promote client loyalty. The aim now is to offer experiences to clients as partners rather than trying to push bank products as in earlier days. That means banks are taking clients more seriously again and combining professional service provision with an emotional client experience.



But what's so emotional about purely financial and investment products?

**Philipp Rickert** Quite a lot. It's all about nothing less than the extremely intimate sphere of personal finance. You disclose your whole financial situation to your bank advisor. In a setting like that, a climate of trust and well-being is a key to establishing a lasting client relationship. And the more advice a client needs, the more this holds true. It goes to follow that the banking relationship in private banking is emotionalized much more than in the retail sector which relies on efficient standard products and services.

The growing focus on client experience can be seen in nearly every industry, not just in banking. Should we view it as merely a fad, a marketing idea that's coming in on the breeze and will be blown out just as quickly, or is this trend longer-term and possibly even driven by technology?

**Stefan Pfister** Since the creation of client experiences shouldn't be a new phenomenon, I don't think there's anything cyclical about it, nor is it a fad. On the contrary, I'm convinced that digitalization will renew the emphasis on the client experience. As an audit and consulting firm, our positioning is similar to that of a bank. Our services are largely based on trust. Digitalization is not only enabling greater technical personalization, the relationship between the service provider and recipient of that service is becoming more abstract. On the other hand, we're still human beings who seek

out social interaction. As a client, I will choose the provider I trust most. And this competitive edge is something you have to expand and preserve on an ongoing basis.

**Zeno Staub** : The human touch will always make the difference, even in an era of artificial intelligence. This holds especially true in the service sector, where a client relationship is actually nothing less than an expression of a client's faith in future service provision. Once you've bought a new car, the manufacturer's operations no longer have an impact on the car's use. The car will continue to run, even if all of the automaker's engineers and workers quit the very next day. At your office or ours, on the other hand, if nobody shows up for work tomorrow, neither of us will be able to provide the services we sold.

So that means people are at the heart of everything a company does, even inside the company. What does this client experience mean with respect to your employees?

**Zeno Staub** It's definitely a pleasant, very positive development. If you and your clients are successful together and you can cater to their specific needs, that's the best motivation you could have in your day-to-day work. In general, though, life is becoming more challenging for everybody because the digital trend is opening the doors for new providers to enter the market, the hurdles for getting started are falling and one outcome of this is an influx of offerings with a

higher convenience factor. Just think of Uber, the transportation services company that surprised and caught the traditional taxi business off-guard overnight. The growing number of new offerings coupled with greater market transparency goes hand in hand with declining client loyalty. All of these developments are making competition more intense and more difficult in every industry. As a traditional asset manager, we are no exception and that is why our actions going forward will focus on client loyalty and the client experience.

**Stefan Pfister** For our staff, there are two sides to this new fast-paced environment. On the one hand, I absolutely consider digitalization to be an enrichment that simplifies a large number of workflows. Particularly in our data-heavy, extremely analytical work as auditors and advisors, digital tools open up entirely new dimensions to the services we can provide our clients. On the other hand, this development is also triggering uncertainties. Many employees are asking themselves whether their job will still exist in the future and how it will change. And whether they will be qualified and able to adapt to the new working environment.

Plus a company's positioning as a digitally-oriented employer on the recruitment market is key. If you want to get young people interested in your company, you have to be on the cutting edge rather than showing up to the first interview toting an old-fashioned ring binder...

"As a client,  
I will choose  
the provider  
I trust most."

**Stefan Pfister**  
CEO KPMG Switzerland




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their problems are solved,  
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**Zeno Staub**  
CEO Vontobel



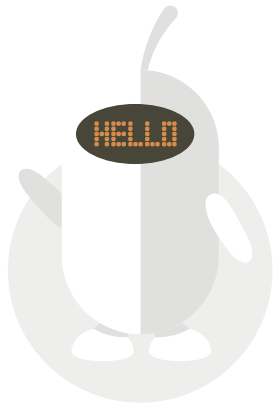


A portrait of Philipp Rickert, a middle-aged man with glasses, wearing a dark blue suit, white shirt, and blue tie. He is gesturing with his hands while speaking. The background is a blurred office setting with large windows.

"I'm not aware of any major client relationship that is maintained solely by means of virtual and digital communication and tools."

**Philipp Rickert**  
Head of Financial Services  
KPMG Switzerland





So does that mean digitalization is more of a threat than an opportunity for the company, its employees and the client relationship?

**Stefan Pfister** No, I wouldn't say that at all. I primarily view it as an opportunity. Even our employees are looking forward to the advantages it will bring. Yet as is the case with every change, digitalization is accompanied by uncertainties. After all, while we don't know what the world will look like in ten or twenty years' time, we will follow that path with confidence and enthusiasm. There is one more key aspect: If digitalization increasingly relieves our employees of routine tasks, that leaves more time and space for greater personal interaction with clients. As a result, technical digitalization will shift us back to talking face to face with clients and creating a personal experience with them.

**Zeno Staub** For us, clients' changed habits have brought both advantages and added value when it comes to using these new digital channels and communication opportunities. If your advisor called you seven times a day, you might even consider it harassment. At the same time, though, you glance at your smartphone every 15 minutes. The frequency of potential interactions rises and that, in turn, has a positive impact on client loyalty and trust. Because clients like working with the new channels, they don't consider more frequent interaction with their investment advisor a disruption, rather as an asset and additional service.

How does a client's age change the way you address and interact with them? Do you consciously approach digital natives differently than older target groups?

**Philipp Rickert** Even though face-to-face meetings with advisors have become few and far between, we are finding that clients' expectations of these meetings are much higher regardless of the client's age. As a client advisor, you have to be well prepared and make the best possible use of the short time you have available. While administrative tasks used to take up much of the time during personal talks and meetings, nowadays automated processes take care of these in advance and in the background. At personal meetings, clients want to talk about themselves, be understood and confirm that their trust in the bank is well-deserved. What that means for bank advisors is that this touchpoint has become much more demanding. The same goes for our employees in the consulting business. We invest a great deal, not only in training and further development but also in the preparation of client-specific evaluations so that our advisors are as prepared as possible for that decisive moment of personal client contact.

**Zeno Staub** I was just recently talking to the CEO of a large FinTech company and he confirmed that a significant percentage of his client base is 55 or older. That means it would be dangerous to simply link use of the new banking channels to young digital natives. Not all groups use all channels with the same intensity, yet nearly all client groups are now actively participating in the digital world.

Doesn't the time factor play an increasingly important role? In other words, are we becoming less and less willing and able to devote time to personal interactions because most of our homework has already been done digitally?

**Zeno Staub** Yes, definitely. If you go even further back in history, wealthy people used to be the ones with a lot of time on their hands. Wealth was attained through social status and inheritance, not through professional work.

Nowadays, of course, the clients coming to us are those with large incomes and assets yet who have very little time to spare. That makes taking the right steps during the client advisory process all the more important.

**Philipp Rickert** As an advisory firm, what we have in common with a bank or a company like a travel agency is our clients' need to reduce the complexity of matters they are not confronted with on a daily basis. Whether you're talking about planning a trip or personal financial investments, both transparency and access to information and sources have never been better, yet sophisticated clients have neither the time nor the desire to plunge into the details, to research and compile all of the information they need and repeat the process for alternatives. And that, right there, represents the biggest opportunity for Swiss private banks. Despite digitalization, or perhaps even as a result of it, they will become the new point of contact for clients seeking help to reduce the complexity of their individual needs.



When they come to you, are clients of today better informed as a result of the Internet and total transparency?

**Stefan Pfister** Clients are definitely a lot more knowledgeable and savvy than they used to be. The complexity of the subject matter, on the other hand, has risen as well. That means that there is still a similarly large gap, possibly even larger than ever, between how well-informed clients are and the complexity of the issues. Accordingly, advisors are expected to provide better, more sophisticated services.

*I'm seeing young people around me who have completely shifted their lives into the digital world. They hardly talk to each other anymore.*

**Stefan Pfister** I wouldn't describe the situation in such dramatic terms. Despite all the ways we've found to simplify our day-to-day lives and routine processes in everyday business activities, we keep seeing that young people prioritize traditional values and lifestyles.

**Zeno Staub** I agree. When all is said and done, young people also want to have a sense of trust and feel comfortable in their environment. They simply use other means and other channels to build up this trust.

**Stefan Pfister** Mistakes in judgment were also common occurrences as new interaction models were being set up. One prime example of this are the videoconferencing rooms that were installed in many major corpora-

tions to conduct virtual meetings with international teams. Many of these elaborate technical setups have now disappeared because if no personal meeting is needed, a simple phone call will also do the trick. If that isn't enough, then you have to travel after all and meet face to face.

**Philipp Rickert** Plus, I'm not aware of any major client relationship, neither in our firm nor at a bank, that has been established and maintained solely by means of virtual and digital communication and tools. As soon as any major or critical issues arise, the personal interaction, atmosphere and non-verbal communication you have in a meeting become indispensable.

*Client relationships have become more diverse, more interesting and more complex. Which implications does that have in terms of the cost of client care?*

**Zeno Staub** The cost per client has definitely gone up. Not only that, but the cost of producing our products is now considerably higher as well. It used to be that you could earn clients a return of 4-5 percent above that of Swiss government bonds with very little effort, little complexity and low risk. To generate a comparable return in today's interest rate environment, we have to invest much more time and effort and also have world-class expertise at our disposal to even come close to this benchmark. Not to mention the additional regulatory requirements stipulating how products like these can be created.

**Stefan Pfister** On the other hand, however, that's another big opportunity for Switzerland's financial center and our country's financial institutions. Because the more complex, challenging market and regulatory environment mean that only the best providers will survive and that the market's barriers to entry will become higher. This will increase the pressure to become more professional and produce higher quality, both in terms of the financial services offered as well as client care. And that's precisely where Swiss banks can set themselves apart from their foreign competitors.

Digitalization might help cut costs by improving efficiency, but it also triggers innovation and development processes that cause costs to skyrocket in other areas.

**Zeno Staub** Switzerland still distinguishes itself through quality, not the price. The same holds true for watches and chocolate as it does for wealth management. Switzerland has everything it needs to become the showplace for the future of banking. Now it's up to every individual company to recognize the signs of the times and new opportunities on the market, to draw the right conclusions based on these insights and then use those as a basis for establishing client relationships and creating the client experience. If we want to be successful, we have to become one of the market's top five players. If we set our sights on that goal, we will need to make significant investments. And if we succeed, we will also share accordingly in the market's success.





"I'm convinced that digitalization will renew the emphasis on the client experience."

**Stefan Pfister**  
CEO KPMG Switzerland





Are you finding enough highly qualified university graduates to help you implement these new strategies and navigate the challenges?

**Stefan Pfister** Swiss universities definitely aren't in a position yet to change their training and study programs to reflect every aspect of digital disruption. A business administration program at the university still looks much like it did back in my days. However, different interest groups are working on the matter from different angles and that makes me hopeful that we are on the right track at the initial training level as well. Even the Federal Council supports initiatives and programs of this nature. Otherwise, we are responsible for a large portion of our part-time continuing education programs. Continuing education is one of our priorities and an area where we are investing a lot of money.

In an era of declining loyalty, how do you keep your clients tied to the company?

**Zeno Staub** We provide our clients advisory services during every phase of life and with respect to all of their life's goals. Nothing has changed in

this regard. Unlike in the past, however, this client relationship has become much more diverse and multifaceted, with many different products offering different maturities and time horizons. Of course this multifaceted approach also means that we create stronger ties to clients, which brings us back to the topics of trust and interaction frequency, and those lead to a much higher quality of advisory services and client satisfaction. Due to the in-depth, elaborate nature of advisory activities as well as the financial structure of a client portfolio, our segment still enjoys a very high, steady level of loyalty.

**Stefan Pfister** The way we see it, there are two vital aspects here: One is the industry expertise and thought leadership that offer our clients true added value. The other is time. Having time and investing it, even if no immediate return can be expected in the form of new business or fees. There, too, it's all about the trust that's built up over time. In the audit business, however, we're now finding ourselves confronted with a new phenomenon: mandatory audit firm rotation, which is already obligatory in the EU. Regulators were afraid that too much familiarity and trust could be built up over the years.

Are there differences in the way client experiences are designed and implemented in Switzerland and abroad?

**Zeno Staub** We're still one of Switzerland's big leaders when it comes to services in the wealth management industry. The strengths of Switzerland as a location are still one positive aspect that helps us cultivate our relationships with foreign clients, even today. Here, having a tax statement issued for clients for nearly any country in the world is usually unproblematic. Just try doing that at a foreign bank...

But I also see Switzerland faced with a few challenges that we urgently need to address: We have to want to be among the best and do everything in our power to achieve that goal. A lot of stuff just used to fall into our laps but we can't allow ourselves to rest on our laurels. And finally: We have to view asset management as a serious, demanding profession. We have to be proud of it and invest resources into developing it and ensuring its quality as well.

**Stefan Pfister** I'd like to add agility and curiosity to that list. Switzerland is at the forefront in terms of training and technology. Yet sometimes I find myself missing a healthy dose of curiosity as well as a desire to gain some international experience and leave the familiar, well-trodden path, especially among young people. That would be extremely beneficial for all of us and for Switzerland as a location.

"The human touch  
will always make  
the difference,  
even in an era of  
artificial intelligence."

**Zeno Staub**  
CEO Vontobel





# #2,150 reasons to work for KPMG

## Our employees and their stories

**#657** Life is a journey. With courage, focus and energy – you'll open doors to new landscapes – personally and professionally. That's what KPMG offers. The chance to achieve great things because we work with passion and purpose to make a real difference to our clients, colleagues and communities.

**Claudia Suter**



**#108** What I like about KPMG is that I get the chance to expand my horizons by taking on new challenges and responsibilities. Each day is different and new opportunities are just around the corner so I'm always deepening my knowledge and skills.

**Claudia Brusatori**

**#276** As auditors, we deal in trust. Trust is an extremely valuable resource in the market and in life in general. At KPMG, through the work I do with my colleagues, I have both the opportunity and responsibility to play a vital role in fueling prosperity for our clients, our people and our communities.

**Simon Studer**



**#312** You've got to love dealing with complexity and variety – sometimes a client's issues are challenging and tricky. And that's why I'm here. It's exciting and satisfying to work as a part of a team of highly motivated experts to deliver solutions that clearly bring a client further. I'm proud of the work we do.

**Michel Faggion**



#125



**#125** 22 years and still going strong! I 'grew up' at KPMG and my career has grown with me. I've moved from a client-facing role to a risk management one and learned a lot along the way. Working with such bright people every day, I see how our focus on quality really does make a difference.

**Gabriela Kadlecova**

**#2,086** The excitement, challenge and flow you get riding the waves – that's my reason. Getting out there takes passion and commitment and it's the same at KPMG. The best part is working together with exceptional people – visionaries, innovators and thought leaders – to drive innovation and deliver solutions.

**Robert Tang**

#1,961



**#1,961** My reason? KPMG is about stepping up in the big moments. It's important to me to get results and after three years here, I've seen the difference that we make. Every day my colleagues bring tenacity, innovative thinking and a singular focus to helping clients capture an opportunity or solve a complex problem.

**Christian Pohle**

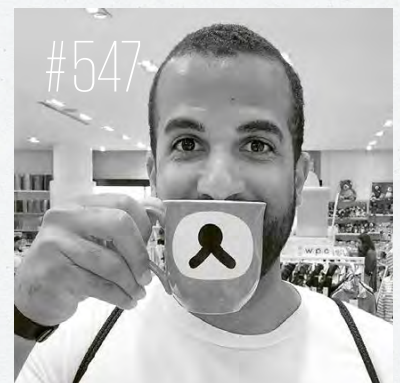
#2,086



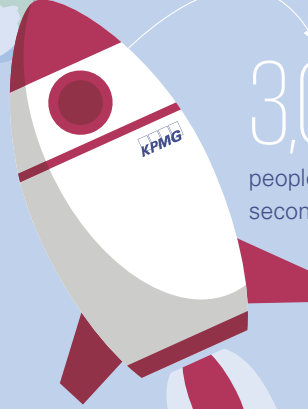
**#547** From day one, working at KPMG inspired me to lead by example and take on new challenges with gusto. Collaborating across borders in multidisciplinary teams composed of extraordinary people motivates me to bring my best every day. Looking back, working at KPMG has taught me how to help my clients better anticipate and navigate change.

**Dennis Sarfo**

#547



# Facts and figures



3,000

people on international secondments

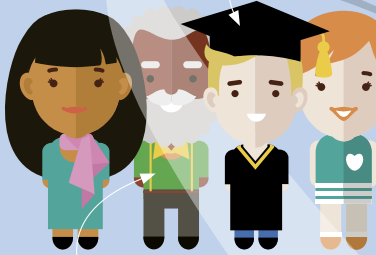
More than  
80%

of Global Fortune 500 companies are clients of KPMG member firms

189,000

employees worldwide

336 university graduates recruited



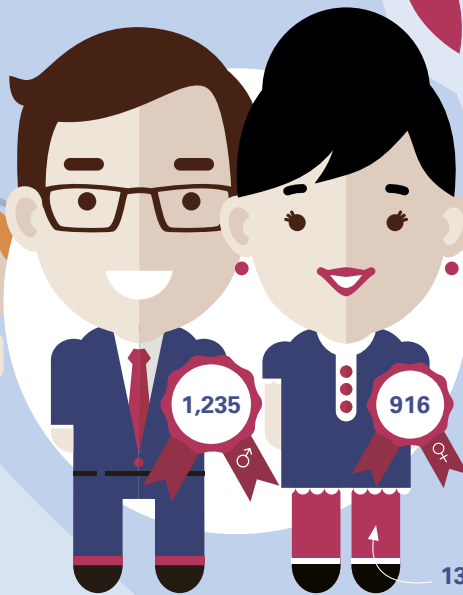
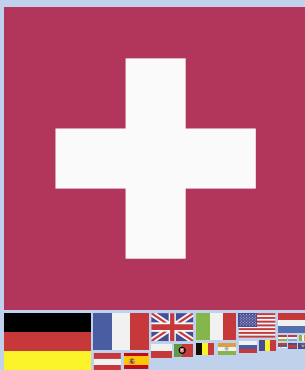
430 part-time employees

2,150

employees in Switzerland

53

nationalities



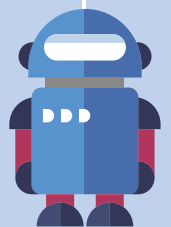
137 partners in Switzerland

35

Average age

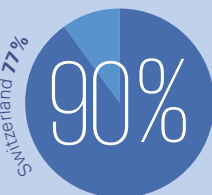
40+

alliances with technology companies like IBM, Microsoft and Oracle



161,967

hours of professional development



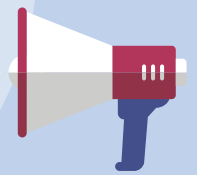
success rate on certification examinations for **certified accountants**



success rate on certification examinations for **tax experts**



campus marketing events



68.1% Switzerland, 11.1% Germany, 4.4% France, 2.6% United Kingdom, 2.3% Italy, 2.0% USA, 1.2% Netherlands, 1.1% Austria, 0.8% Spain, 0.7% Poland, 0.5% Portugal, 0.4% Belgium, India, Russia, 0.3% Romania, 0.2% Hungary, Luxembourg, Ireland, Kosovo, Liechtenstein, Serbia, 0.1% Other countries



# Locations Switzerland

<b>Neuchâtel</b> Rue du Seyon 1 Case postale 2572 2001 Neuchâtel T +41 58 249 61 30	<b>Basel</b> Viaduktstrasse 42 Postfach 3456 4002 Basel T +41 58 249 91 91	<b>Zurich [Head Office]</b> Badenerstrasse 172 Postfach 8036 Zurich T +41 58 249 31 31	<b>St. Gallen</b> Bogenstrasse 7 Postfach 1142 9001 St. Gallen T +41 58 249 22 11
<b>Geneva</b> Rue de Lyon 111 Case postale 347 1211 Geneva 13 T +41 58 249 25 15	<b>Bern</b> Hofgut Postfach 112 3073 Gümligen-Bern T +41 58 249 76 00	<b>Zug</b> Landis + Gyr-Strasse 1 Postfach 6302 Zug T +41 58 249 74 74	<b>Schaan [Liechtenstein]</b> Landstrasse 99 LI-9494 Schaan T +423 237 70 40 kpmg.li
<b>Lausanne</b> Avenue du Théâtre 1 Case postale 6663 1002 Lausanne T +41 58 249 45 55	<b>Lucerne</b> Pilatusstrasse 41 6003 Lucerne T +41 58 249 38 38		<b>Lugano</b> Via Serafino Balestra 33 6900 Lugano T +41 58 249 32 32

## Stay healthy

### MOVE FOR CHARITY

KPMG launched the "Stay healthy – Move for charity" exercise initiative during the summer. Over the course of an approximately six-month period, employees collected around CHF 13,000 for charitable causes.



118,388 km



120,656 km



2,494 km

Total distance traveled **241,538 km**

## Pro bono services



1,113 working hours

Total value  
CHF **226,500**



# Taking responsibility and delivering results

## LEADERSHIP

**Our Board of Directors and our Executive Committee possess an extraordinary amount of expertise as well as a wealth of experience in the industry. This lays the very best foundation possible for us to manage the firm successfully and with a focus on our clients. So we can prepare you today to face the challenges of tomorrow.**



### **Board of Directors** [from left to right]

**Roger Neininger**, Chairperson of the Board of Directors

**Hélène Béguin**, Member of the Board of Directors

**Stuart Robertson**, Member of the Board of Directors

**Executive Committee** [from left to right]

**Lukas Marty**, Head of Audit

**Peter Uebelhart**, Head of Tax

**Anne van Heerden**, Head of Advisory

**Philipp Hallauer**, Head of National Quality & Risk Management

**Jörg Walker**, COO/CFO

**Stefan Pfister**, CEO

**Philipp Rickert**, Head of Financial Services





Heiko Kubaile	Stefan Kuhn	Frank Lampert	Orlando Lanfranchi	Frédéric Le Gall	Mirko Liberto	Silvan Loser
Joshua Martin	Lukas Marty	Brad Maxwell	Erich Meier	Jürg Meisterhans	Yvan Mermod	Mark Meuldijk
Peter Michael	Graham Middleton	Hans Mies	Judith Mitchell	Dominique Morel	Nicolas Moser	Marianne Müller
Douglas Mullins	Roger Neininger	David Oberson	Tobias Pachlatko	David Peterson	Sean Peyer	Stefan Pfister
Pierre Henri Pingeon	Janick Pochon	Johannes Post	Ulrich Prien	Giordano Rezzonico	Markus Richter	Philipp Rickert
Paul Rieveley	Stuart Robertson	Martin Rohrbach	Patric Roth	François Rouiller	Martin Schaad	Erich Schärli
Bill Schiller	Lars Schlichting	Michael Schneebeili	Thomas Schneider	Markus Schunk	Beat Seger	Prafull Sharma
William Southwell	Pascal Sprenger	Hans Jürg Steiner	Hanspeter Stocker	Kurt Stocker	Manfred Suppan	Vincent Thalmann
Zal Thomas	Peter Uebelhart	Tobias Valk	Anne van Heerden	Hans Vils	Jörg Walker	Toni Wattenhofer
Roman Wenk	Nicole Willmann	Grégoire Winckler	Oliver Windhör	Christoph Wolleb	Markus Wyss	Alberto Zampella
Reto Zemp	Marc Ziegler	Gernot Zitter	Luka Zupan			

■ New partners  
■ Existing partners

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