

# ACTIVITY REPORT

# 2020

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## MESSAGE FROM THE CHAIRMAN



**Pierre Gramegna,**  
Luxembourg Minister of Finance

Dear readers,

When we embarked into the year 2020, none of us expected that three months later a global pandemic would essentially bring the global economy to a standstill. Covid-19 fulfills the three characteristics of a black swan event: they are rare, have an extreme impact, and are later rationalised with the benefit of hindsight. The scale of this pandemic and its global impact are indeed unique due to the symmetric shock it produced in the context of our highly globalised and interconnected economies. And while most countries were still in the sanitary and economic throes of the pandemic, many experts and pundits were already engaging in the process of retrospectively rationalising the event, looking for explanations that would have allowed us to foresee it.

As is the case for every crisis, there are indeed lessons to be learnt from the pandemic and its impact. And as is customary for black swan events, there will be a pre-Covid and a post-Covid world. So how has the financial sector, and more specifically Luxembourg's financial centre, fared in this crisis, and what is the expected long-term impact of the Covid crisis for the sector?

Unlike the global financial crisis of 2008, this crisis was not triggered by the financial sector. Indeed, the finance industry has been part of the solution in supporting the real economy during the partial lockdowns and will play an important role in the economic recovery.

In Luxembourg, financial services were deemed "essential services" that needed to continue operating during the partial lockdowns under the State of Emergency that was declared in March for a period of three months. The financial industry in Luxembourg adapted extremely fast to the new reality of remote working, thanks also to the reactivity of the regulators. The government, moreover, reached agreements with the neighboring countries to ensure that cross-border commuters, which account for a large share of the sector's workforce, could work from home.

After an 11% percent drop in March, assets under management in Luxembourg's fund industry quickly recovered to once again reach its all-time high of EUR 4.7 trillion by the end of the year. Luxembourg's highly capitalized and liquid banks are well positioned to face the current economic headwinds.

It is, of course, important to remain vigilant as secondary effects of the economic crisis on the financial sector are very likely. It is, however, also a reality that Luxembourg has so far weathered the crisis comparatively well also because of the significant role its financial centre plays in the national economy, given that the financial sector has not only continued to operate but also to grow.

Moreover, the sector has contributed to the national efforts to support the economy. Banks as lenders have, for example, not only participated in the EUR 2.5 bn state-backed guarantee scheme, but have also granted EUR 4 bn worth of payment holidays on existing loans to firms.

The government has provided an economic support and recovery package worth close to 19% of GDP, with the overarching objective to save lives, jobs, enterprises and livelihoods. At the European level, member states also came together and, after a lack of coordination in the very early days of the crisis in March, the EU managed an unprecedented feat of solidarity by quickly approving an emergency support package worth EUR 540 bn as well as a recovery and resilience package worth 750 bn. For the first time in its history, the EU will issue common debt.

As part of the recovery package, the EU has also set the right signals: the recovery needs to be aligned with the green and digital transition. At least 37% of the plan's allocation should support the green transition and at least 20% digital transformation.

The EU also intends to finance 30% through the issuance of green bonds, while the Commission is issuing social bonds to finance the SURE programme to support job and furlough schemes in member states. The first ground-breaking tranche of EUR 17 bn was listed on the Luxembourg Stock Exchange in October, and was issued under Luxembourg law, which is becoming increasingly popular in international capital markets, partly due to Brexit.

In some respects, the Covid crisis has further underlined the fact that Luxembourg made the right strategic choice, as outlined in the financial centre's Ambition 2025, to focus on both digitization and sustainable finance as two key priorities for the future development of the financial centre. The pandemic has acted as a catalyst for both.

Adapting to this digital post-Covid world of finance will mean more collaboration with Fintech firms, not less. Regulatory technology, process automation, FundTech and digital compliance solutions, areas in which Luxembourg's Fintech ecosystem has developed particular expertise, will be in higher demand than ever before as a result of the quantum leap in digitalization that took place during the pandemic.

Indeed, a large share of the more than 70 Fintech firms that are currently hosted at the LHOFT offer solutions in precisely these areas.

At the same time, it is important that innovation in the financial sector is accompanied also from a regulatory perspective to ensure financial stability and investor protection. The Commission published its Digital Finance package in September. This marks an important step towards providing regulatory clarity at a pan-European level, including when it comes to crypto-assets. At national level, notably to increase legal certainty, Luxembourg published a draft law this summer to update its securities legislation to specifically allow the issuance of securities using distributed ledger technology.

In the long-term, the biggest impact of the crisis may, however, lie in a renewed global awareness of sustainability: be it from an economic, social or environmental perspective.

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At the beginning of September, Luxembourg published a Sustainability Bond Framework and shortly afterwards issued a sustainability bond, becoming the first country in Europe to do so. The Framework aligns with the ICMA standards, but also already complies with the latest recommendations for an EU taxonomy.

Importantly, by issuing a bond to finance both environmental and social projects, Luxembourg wanted to set a signal and encourage the growth of the emerging sustainability bond market.

The sustainability bond that Luxembourg issued was massively over-subscribed: this goes to show that there is a high demand for sustainable finance products. In Luxembourg, the Luxembourg Green Exchange has been a pioneer in this context, having developed into the leading platform for sustainable securities, listing more than 50% of the world's green bonds. The increasing demand is also an opportunity for the European fund industry, and for Luxembourg more specifically. Luxembourg today accounts for more than 20% of assets under management in ESG funds in the world.

In its 2021 budget law, the government introduced an innovative measure to help spur further growth in this important segment: As of next year, Luxembourg will introduce a lower rate of taxation for investment funds that invest in sustainable activities in line with the EU taxonomy. The rate of the subscription tax will decrease as the percentage of assets in taxonomy compliant activities increases. The aim is thus clearly to encourage funds to invest an increasing share of their assets in green and sustainable activities and help mainstream sustainable investment among retail investors.

To help further drive this agenda and coordinate national efforts, the Luxembourg Sustainable Finance Initiative (LSFI) was set up in 2020 by the Ministry of Finance, the Ministry of the Environment, Climate and Sustainable Development, the High Council on Sustainable Development, and Luxembourg for Finance. The LSFI will shortly publish a national Sustainable Finance Strategy.

As I write these lines, the end of the year brings two good news or reasons for optimism. First, the EU and the UK have reached a trade and cooperation agreement on Christmas Eve. A departure without a deal would have been in neither party's interest, even more so at a time when both the UK and the EU are dealing with the fallout from the pandemic. I strongly welcome this agreement, which includes the commitment by the EU and the UK to establish a dialogue to discuss future financial services arrangements. This will undoubtedly provide additional certainty and predictability to the financial sector on both sides of the Channel.

Secondly, the delivery of the first Covid vaccines is on the horizon. We are thus finally seeing light at the end of the tunnel. While we need to learn to live with the virus for a while longer, the most important challenge will be to draw the right lessons from this pandemic. The economic recovery is an opportunity to "build back better". Luxembourg's financial centre will play a role in these efforts.

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**Nicolas Mackel,**  
CEO,  
Luxembourg for Finance

## MESSAGE FROM THE CEO

2020 certainly turned out to be a defining moment in modern history. As the world came to a standstill in the face of Covid-19, we had to rapidly adapt our strategy and used the crisis to reinvent ourselves, as LFF 3.0.

When managed effectively, a crisis can also be a moment of opportunity. The Chinese word for crisis is Wei Ji 危机, Wei means crisis, while Ji means literally, 'change point'. Indeed, the pandemic may in fact prove to have been a blessing in disguise for us, as it offered the 'change point' needed to spur a renewal that will have benefits beyond the current situation. The changes we put in place will continue to serve LFF well, in the future.

The global travel restrictions which followed the pandemic deeply impacted LFF's operations. Our road-shows and business development missions were completely halted. Even our press work, speeches and representation activities had to stop.

In response, the first months of the pandemic saw us laying the groundwork for a new, fully digital presence, launched in the second half of 2020. We re-invented all our events as a series of livestreams, some country-focused and others following a thematic strand. We also began recording a bi-weekly podcast, 'Shaping Finance.'

As you would expect, our digital communications took on new importance, bringing us closer to the partners we were no longer able to visit. As an Ersatz for our business development missions, digital has been the main channel through which we articulate Luxembourg's message, positioning the financial centre within foreign markets.

LFF also rolled out two major campaigns in 2020. Both of which will be important axes of our work in 2021. First came the launch of Ambitions 2025, in which we lay out how we hope to shape a sustainable future, beyond Covid-19. This publication is structured around six features that today, are the main strengths of our financial industry and on which we want to build for the future.

Our other focus was at a national level, where we dedicated time to the launch, in September, of the *Eis Finanzplatz* campaign. This project provides easily digestible information on the Luxembourg financial centre to the general public, local political parties and local media.

One of the lessons which the Covid-19 crisis has taught us most clearly, is that we should not take anything for granted. In that context, it's with renewed esteem that I express my gratitude to the financial community that is the foundation stone of LFF's work and the financial centre's success.

I also take great pride in the work of the LFF team and the results achieved. For this, I truly would like to thank the wonderful colleagues I have the honour to lead.

As Minister Gramegna pointed out, the Luxembourg financial centre is strongly committed to being 'part of the solution'. LFF will continue to support this ambition, enhancing our work, staying 'in the game'. If anything, 2020 has strengthened our determination to continue developing a first-class financial services industry for the wider benefit of the Luxembourg, European and global economies.



## 2020 FINANCIAL CENTRE TIMELINE

### ► JANUARY

LFF publishes 'Ambitions 2025' paper laying out a 5-year vision for the further development of a sustainable financial industry.

The Luxembourg Stock Exchange signs MoU with Chongwa Financial Asset Exchange in Macau.

LuxFLAG obtains ISAE 3000 Type II certification for its label issuance process and controls.

### ► FEBRUARY

The Emerging Payments Association (EPA), the leading London-based professional association of payment players, expands its European Union network from Luxembourg.

Banking Circle S.A. obtains banking license in Luxembourg. The new fully licensed bank acts as the fintech's global headquarters.

### ► MARCH

Following governmental guidelines due to the Covid-19 outbreak, LFF temporarily closes its offices.

The Fondation de Luxembourg launches an initiative to provide support for projects in the areas of health care, scientific research and socially engaged undertakings.

The two regulators, the CSSF and the CAA, issue clarifications and new measures to support entities in their day-to-day management of the Covid-19 crisis.

### ► APRIL

Luxembourg lines up EUR 2.5 billion bond issue with negative interest rate.

LuxSE waives listing fee for Covid-19 response bonds.

The World Bank makes history by displaying the largest USD bond ever issued by a supranational on LGX.

### ► MAY

LFF Survey: 82% of respondents see Covid-19 as having a slowing effect on globalisation, with 51% also expecting an increasing fragmentation of the EU single market.

LuxSE admits EUROFIMA 750 million euros green bond for electric rail project.

Luxembourg ranks in the top 10 resilient countries in FM Global Index.

## ▾ JUNE

The Covid-19 pandemic will accelerate a worldwide trend towards contactless payments, according to a new report from the Emerging Payments Association EU, commissioned by LFF.

Moody's confirms Luxembourg's AAA rating.

Alfi publishes its "2025 Ambition" paper.

## ▾ JULY

China Development Bank joins LGX with landmark domestic green bond.

Quintet Private Bank introduces "Quintet Europe".

## ▾ AUGUST

Luxembourg UCITS continue recovery.

## ▾ SEPTEMBER

GFCI : Luxembourg ranks number 1 in the EU.

Luxembourg becomes the first European country to launch a Sustainability Bond Framework.

LFF launches "SHAPING FINANCE" podcast series and 'Focus on' livestream events.

National: Kick off *Eis Finanzplaz* campaign.

## ▾ OCTOBER

U.S. Bank announces new Luxembourg office

LuxSE wins 2020 UN Global Climate Action Award for LGX.

The Alliance of Financial Inclusion launches its European Representative Office in Luxembourg, its first office in Europe.

## ▾ NOVEMBER

LFF Survey: Covid-19 restrictions sees financial services leaders lowering their revenue expectations for 2020 and preparing to cut operating budgets ahead of 2021.

17 billion euros EU SURE social bond listed on LuxSE.

LuxSE and Solactive launch new green bond impact index.

JoomPay Europe S.A. has obtained its E-money licence from the Luxembourg regulator, allowing it to serve clients across Europe through its new social finance application.

PPRO, a leading cross-border e-payments specialist, receives its European payment institution license in Luxembourg.

## ▾ DECEMBER

PingPong secures e-money licence in Luxembourg.

Goldman Sachs opens banking branch in Luxembourg.

## FINANCIAL CENTRE STATISTICS

### BANKING

**128**  
Banks  
from  
**27**  
countries



CSSF, December 2020

Balance sheet  
of banks  
in Luxembourg



**€850,948 million**

BCL, 31 December 2020

Private banking AuM

**€466 bn**

ABBL, December 2019



### ASSET MANAGEMENT

**2<sup>nd</sup>**  
largest investment fund  
centre in the world,



**1<sup>st</sup>**  
in Europe

Almost

**€5 trillion**



AuM in  
Luxembourg  
funds

CSSF, 2020

Global leader in  
**cross-border  
investment fund  
domicile,**

**58%**  
of cross-border funds  
are **Luxembourg  
funds**

PWC/Refinitiv, 31 December 2020



▶ **68%**  
of asset management  
giants **have chosen  
Luxembourg** as the  
first domicile **to set up  
their funds**

AuM of **Regulated  
Real Estate  
Investment Funds  
(REIFs)** increased by

▶ **7.22%**  
in 2020,  
which sees AuM soar to

▶ **€88.2 billion**

Alfi, December 2020

AuM of **private debt  
funds** increased by

▶ **36.2%**  
in 2020,  
to a total of

▶ **€108.4 billion**

Alfi, December 2020

## INSURANCE

290

life and  
non-life insurance  
companies in  
Luxembourg



€50+ billion

of direct insurance  
premiums collected

All insurance sources ACA,  
December 2019

241%  
yoy growth



in the  
Premium income  
**international  
non-life insurance**  
companies

## FINTECH

Major EU FinTech hub, home to

**25+** international  
payments providers, pioneering  
tokenization platforms &  
leading RegTech companies

## CAPITAL MARKETS



more than

50%

of global listed sustainable bonds  
listed at the Luxembourg Green  
Exchange (LGX), which now displays  
over 900 securities worth €388 billion

the listing location for the

▶ **EU's first** social bond

Over

▶ **36,000** listed securities,

from issuers of over

▶ **100** countries,  
and in **60+** currencies

More than

▶ **€7 trillion**

of assets held in custody  
by **major post-trade  
service providers in  
Luxembourg**

## COMPETITIVE RANKINGS

1<sup>st</sup>

**financial centre in the EU**

Z/Yen Global Financial Centres index 28/2020,  
12<sup>th</sup> in the world

top 5

**A top 5 green financial centre**

Z/yen GGFI 6

2<sup>nd</sup>

**most resilient country in terms of  
productivity in the world**

FM Global: Global Resilience Index 2020

3<sup>rd</sup>

**best country worldwide  
in the IMD World Talent Ranking**

2020

3<sup>rd</sup>

**globally for political and operational  
stability**

INSEAD, Global Innovation Index 2020

2<sup>nd</sup>

**in the world in digital readiness**

Cisco Global Digital Readiness Index, 2020

2<sup>nd</sup>

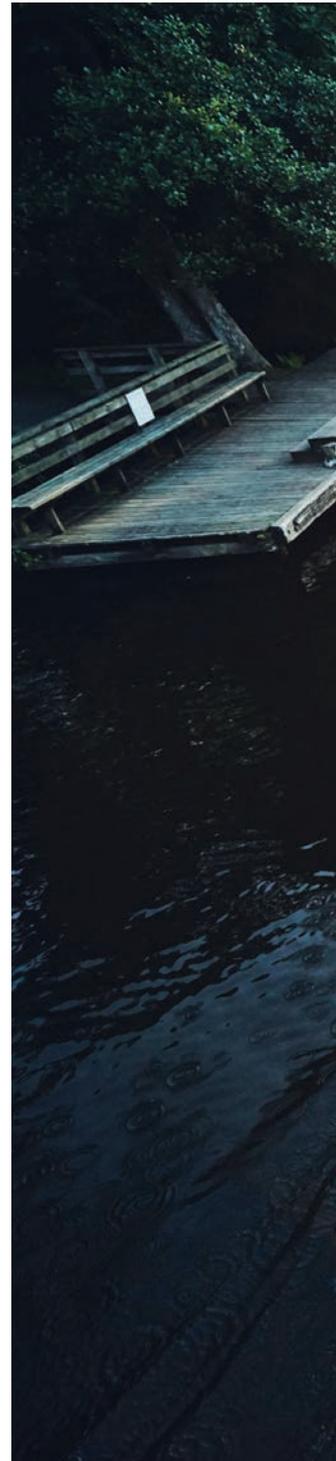
**in the "Environmental Performance Index"**

World Economic Forum 2020

No 1

**in the EU for "Attractive Research Systems"**

EU Innovation Scoreboard 2020







## EVENTS

### FROM PHYSICAL TO DIGITAL

Organising tailored events for financial professionals is a core activity for LFF. The Covid-19 pandemic seriously impacted this work. Conferences, trade shows and fairs, all in-person events and networking came to an almost complete standstill in the months following the emergence of the virus.

Luxembourg for Finance pivoted swiftly from physical events to digital streaming and virtual conferences, aiming to make these as relevant as our physical events in both content and design. We also sought a new level of engagement and interactivity between participants, while being careful to ensure the technical security of our digital event platform.

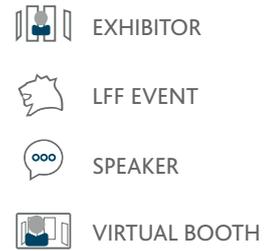
During summer 2020, Luxembourg for Finance partnered with the Chamber of Commerce and Broadcasting Center Europe to produce the **'Focus on'** series. The 90 minute livestreams were successfully launched on 10 September. Until the end of the year, twice a month, an LFF branded studio provided a television-like experience, covering regional and thematic topics.

For three days in October 2020, LFF virtually hosted the third *Sustainable Finance Forum*. This flagship event gained a new momentum in its digital form, attracting more than 1000 registrations worldwide. Then, in November, we joined with l'Opinion and l'Agefi to host a virtual conference entitled: *Growth, China, digital: what will the Covid crisis change?*

As we move into 2021, it remains uncertain how and when physical events will fully resume. What we can be sure of is that events will not return to their pre-Covid format any time soon - hybrid solutions will be part of LFF's new normal.



# EVENT CALENDAR



**HONG KONG** (City, Exhibitor, Speaker)  
**13.01 ASIAN FINANCIAL FORUM 2020**

**DUBAI**  
**26.01 ECONOMIC MISSION TO DUBAI**

**PARIS** (Speaker)  
**05.03 EUROPEAN FUNDS TROPHEY**

**10.09 FOCUS ON PAYMENTS** (LFF Event)

**22.09 FOCUS ON SWITZERLAND** (LFF Event)

**05.10 THE ECONOMIST SUSTAINABILITY SUMMIT 2020** (Speaker)

**13.10 FOCUS ON BREXIT** (LFF Event)

**27-29.10 3<sup>RD</sup> SUSTAINABLE FINANCE FORUM (3 DAYS)** (LFF Event)

**05-06.11 CUMBERLAND LODGE SUMMIT** (Digital, Speaker)

**10.11 FOCUS ON CANADA** (LFF Event)

**17-19.11 CROISSANCE, CHINE, DIGITAL: CE QUE LA CRISE DE LA COVID-19 VA CHANGER ? (3 DAYS)** (LFF Event, with L'Opinion in Paris)

**09.11 ACA INSURANCE DAYS 2020** (Digital, Speaker)

**23.11 ALFI LONDON CONFERENCE 2020** (Digital, Speaker)

**25.11 LPEA E-NSIGHTS** (Digital, Speaker)

**07.12 SINGAPORE FINTECH FESTIVAL** (Digital, Virtual Booth)

**10.12 FOCUS ON 2021** (LFF Event)

# LFF EVENTS IN PICTURES



## THEMATIC AND COUNTRY-FOCUSED DIGITAL EVENTS 2020

### FOCUS ON PAYMENTS

10.09

TOTAL VIEWS	856 •
LUXEMBOURG	49% •
ABROAD	51% •

### FOCUS ON BREXIT

13.10

TOTAL VIEWS	1,310 •
LUXEMBOURG	36% •
ABROAD	64% •

TOTAL VIEWS  
LIVESTREAMS Q3 - Q4:

6,792

### FOCUS ON SWITZERLAND

22.09

TOTAL VIEWS	702 •
LUXEMBOURG	56% •
ABROAD	44% •

### 3<sup>RD</sup> SUSTAINABLE FINANCE FORUM

27.10 28.10 29.10

TOTAL VIEWS	883 •	625 •	390
LUXEMBOURG	39% •	30% •	33%
ABROAD	61% •	70% •	67%

# FOCUS ON CANADA

10.11

TOTAL VIEWS	231 •
LUXEMBOURG	47% •
ABROAD	53% •

# FOCUS ON 2021

10.12

TOTAL VIEWS	545 •
LUXEMBOURG	55% •
ABROAD	45% •

## Croissance, Chine, digital : ce que la Covid va changer

17.11 18.11 19.11

TOTAL VIEWS	593 •	411 •	246 •
LUXEMBOURG	25% •	25% •	25% •
ABROAD	75% •	75% •	75% •

\* Source: L'Opinion

## BUSINESS DEVELOPMENT

The business development team works to identify and attract financial services activities to Luxembourg. Despite the impact of Covid-19 and the cessation of physical business development meetings in February 2020, the team still met with over 60 financial institutions from around the globe, with a particular attention paid to Europe, Asia and North America.

During lockdown, the business development team focused on research and the identification of target organisations which could or should be interested in operating in the Grand Duchy. The team also reviewed and honed the messaging material used by LFF to attract such targets.

Moreover, the business development team performs every year a detailed analysis and mapping of the status of sustainable finance in Luxembourg. In future, this will become a shared task, thanks to the 2020 set-up of the Luxembourg Sustainable Finance Initiative (LSFI). The LSFI's aim is to federate, coordinate, and further develop Luxembourg's sustainable finance ecosystem.

Moving to a digital mode of work, the business development team has striven to ensure the content of LFF's "Focus On" events series, and "Shaping Finance" podcasts have substance and depth. The team has also been actively promoting the visibility of the Luxembourg Financial Centre through participation in external webinars, extending the digital events 'reach' of LFF. Since lockdown, members of the business development team have presented to around 20 external digital webinars.



## NETWORKS

The business development arm of LFF also continued to maintain solid relationships with other major financial centres, around the globe.

LFF is a board member of the World Alliance of International Financial Centers (WAIFC), whose ultimate goal is to share knowledge and best practices, working for a more collaborative future in global finance. The business development team ensured Luxembourg's representation and actively engaged with other key global financial centres. This entailed attending digital conferences as speakers but also producing joint reports and thought leadership pieces.

LFF is also a founding member of the UN's Financial Centres for Sustainability (FC4S), a collective of financial centres, which grew to 30 members in 2020. The network aims to accelerate the shift to sustainable finance by providing the tools and insights needed to engage local institutions, inform and influence policy, and ultimately, catalyse market transformation.

## LFF SURVEYS

This year, Luxembourg for Finance conducted two surveys analysing the impact of Covid-19 on financial services. Nearly 400 senior, or c-suite executives, from international financial services firms participated in both polls. Major banks, asset managers, insurers, and private equity firms were all represented.

### Highlights:

In May, 82% of respondents saw Covid-19 as having a slowing effect on globalisation, with 51% also expecting an increasing fragmentation of the EU single market. Respondents saw digitalisation (57%), sustainable finance (52%) and global growth (43%) as the top three sources for their future expansion, focused primarily on Europe (90%), Asia (34%) and the US (25%).

In October, the results revealed that one quarter of respondents saw the operating environment becoming more volatile and major disruptions ahead, 60% were forecasting lower than expected revenues for the end of 2020 and 75% of respondents expected to see no international investment growth in 2021, with 31% even expecting a decrease.

## COMMUNICATION ACTIVITIES

The shift to digital communications, that was already underway, went into overdrive in 2020 given the Covid-19 pandemic. The year has been marked by a learning period in order to evaluate how best to communicate digitally with our intended audience, followed by a move towards paperless.

The launch of a new campaign, “*Ambitions 2025*”, was the key element of our efforts to articulate the financial centre’s vision for the future.

### PRESS

Press activities took a distinctly digital turn during the course of the year, but LFF’s core communications goal remains the positioning of Luxembourg’s financial centre as a European and global leader.

Increasing uncertainty surrounding Brexit continued to provide room for commentary regarding the future role of financial centres, as well as post-Brexit EU-UK relations. Sustainable Finance has also seen unprecedented media attention during the year, with a number of requests for commentary.

Communication activities resulted in extensive coverage internationally, through outlets including the Financial Times, The Times, Reuters, CNBC, Bloomberg, The Economist, SkyNews Live, L’Agefi, Les Echos, FAZ, and Handelsblatt.

- **Media meetings** were significantly impacted due to Covid-19 restrictions, with in-person meetings and conferences significantly reduced. As a result, the majority of meetings this year were on the record one-on-ones, either over the phone or digitally. There were numerous background press briefings
- **Press meetings** took place with top tier media from countries such as the UK, France, Germany, and Belgium.
- **Op-eds** by Nicolas Mackel were published in Investment Week, City AM, Global Investor, Börsen-Zeitung, and Börse Online.

**LuxembourgforFinance**  
Agency for the Development of the Financial Centre

# FINANCING A SUSTAINABLE FUTURE

**LUXEMBOURG'S FINANCIAL EXPERTISE WILL HELP SHAPE THE WORLD OF TOMORROW.**

Financial services are essential to stimulate economic activity. They are part of the solution to help our economies recover from the Covid-19 crisis in order to generate growth and create jobs. Expertise obtained in financial centres like Luxembourg is key in achieving this goal. Luxembourg's unique cross-border expertise helps you raise capital from global investors and allocate these investments to firms and projects in Europe and around the world. Our stability and resilience offer you a perfect base to grow your business. Our openness to innovation helps you look beyond today. Our longstanding commitment to sustainable finance connects you with the needs of tomorrow's economy.

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[LUXEMBOURGFORFINANCE.COM](https://www.luxembourgforfinance.com)

## AMBITIONS 2025: FINANCING A SUSTAINABLE FUTURE

The campaign lays out a 5-year vision for the further development of a sustainable financial industry. The plan centres around 6 main components that are already at the core of Luxembourg's role as a centre of excellence in cross-border finance, in Europe and beyond.

### Brochure – Ambitions 2025

Our Ambitions 2025 document lays out a vision for the sustainable development of Luxembourg's financial centre over the five next years.

The report highlights that our future success is rooted in what we have achieved in past decades, including Luxembourg's openness to international trade and financial and technological innovation. The financial centre's ability to adapt to new circumstances at a rapid clip cannot be overlooked.

The brochure lays out the six fundamental characteristics, which are already part of Luxembourg's value proposition, but that need to be strengthened further, to ensure future sustainable development:

- At the heart of Europe
- Complementarity with other EU centres
- Leading on sustainability
- Pushing innovation
- Responsible governance
- Nurturing the human dimension

A digital version is available on the LFF website in three languages: English, French and German.

### Advertising

In order to help ensure the visibility of the campaign, online advertising space was secured in leading internal outlets for a duration of 2 months: Financial Times, The Economist, Wall Street Journal, Bloomberg and Nikkei. German and French adverts were displayed respectively in FAZ and Borsen Zeitung as well as in Les Echos, Le Figaro, L'Echo and De Tijd.

From Q4, these ads were also displayed as from Q4 at London City Airport and the Luxembourg airport.

LFF secured media partnerships with Financial Times and Borsen Zeitung. LFF also sponsored and participated as a speaker at the FT Global Boardroom and the Economist's Sustainability Summit. It also sponsored the FT Moral Money digital event.



## Videos

In the context of the campaign, LFF produced a 3D video animation summarising Luxembourg's ambitions for the next five years.

The video was promoted with a social media campaign and received a total of **124,464** total views.

## EIS FINANZPLAZ

September saw the launch of the Eis Finanzplaz campaign, aimed at providing the general public, local political parties and local media with easily digestible information concerning the financial centre.

The campaign consisted of a number of elements, including videos, media outreach and advertising. The website acted as a repository of knowledge, with one-pagers containing key information, along with general facts and figures.

Eis Finanzplaz,  
dat si mir all.

Den Tom a vill Jong Aiden, 6 Jee.  
Tom, Lëtzebuerg fir den Entwécklungsplan  
vun der Lëtzebuurger Finanzplaz

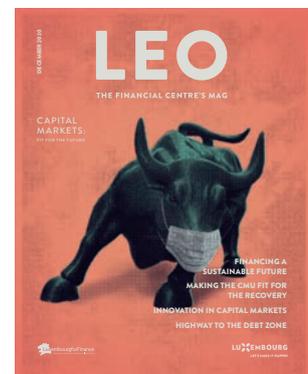
Déi Lëtzebuurger Finanzplaz, dat sinn iwwer 50.000 Leit déi all Dag  
hiren Beitrag zum wichtigste Beräich vun eisere Wirtschaft leeschten.  
An hei schaffen Banquieren, Comptabel, Affekoten, Assureuren, Kichen,  
Sicherheitspersonal an nach vill anerer. Wäert der weisse wat den Tom  
gennee mécht? Da gëtt op [www.eisfinanzplaz.lu](http://www.eisfinanzplaz.lu)

## PUBLICATIONS

### LEO Magazine

The quarterly financial centre magazine produced by LFF focused on the following topics in 2020: Wealth Management, Covid-19, Insurance, and Capital Markets.



### Updated brochures

In 2020, LFF updated its key brochures and produced dedicated websites for each of the following brochures:



#### Capital markets

This brochure takes a holistic view of the capital markets industry and explains how Luxembourg has grown into an international leader in debt capital markets, a key hub for securitisation and structured finance vehicles, and a recognised platform for hosting landmark international IPO's.



#### Sustainable Finance

This brochure combines information on the financial centre's sustainable finance toolbox and how its financial services ecosystem can be deployed to help meet international development objectives.



#### FinTech

This brochure focuses on FinTech activities in Luxembourg, the available ecosystem, supporting initiatives and ICT infrastructure, as well as information on the country's approach as to the regulation of FinTech activities.



#### Wealth Management

This brochure focuses on Luxembourg's wealth management ecosystem, how it came about and how it has evolved as well as key trends for the future from the rise of private equity, sustainable finance, philanthropy and art investment.



### The European Payments Landscape in Perspective

Covid-19 is accelerating the shift to digital payments, which was already occurring at record pace. As this shift occurs, traditional players are being challenged, and even some early disruptors themselves, could be disrupted.

In this report, we offer an overview of their trends by looking at payments markets across the globe, with a specific focus on European markets and regions. The study shows the rapidly changing world of payments, comparing and contrasting the uptake of fintech across regions.

The sped-up process is, however, not without challenges and the report highlights that global players must be cognisant to keep personal data safe, while at the same time ensuring cross-border interoperability.



### Sustainable Finance and Human Rights: How are European Financial Institutions addressing Human Rights in their Activities?

Financial institutions have seen increased pressure from a variety of parties to incorporate sustainability considerations into their business models. However, much attention has been placed on the 'E' aspect of ESG, while the 'S', which includes human rights, has not been afforded the same.

This first report highlights that human rights will play a more central role in Financial Services in the coming years. Some of the conclusions that come to the fore include:

1. Human rights are a key topic linked to fiduciary duty, risk mitigation and the opportunity for better financial performance
2. Clients and employees, alongside a shift in societal expectations, are key drivers calling for financial institutions to address human rights
3. While attention has been placed on the topic, a clearer understanding of what is expected will allow financial institutions to do more

Ultimately, the report urges financial institutions to allocate adequate resources, invest in building human rights expertise and assign clear responsibilities for human rights across their organisational structure.

## VIDEOS

### Why we chose Luxembourg

Following on the previous “Why we chose Luxembourg” series, in both video format and in the LEO magazine, we covered this year *Clearstream Banking*, in which Philippe Seyll, CEO, explained why Luxembourg is their location of choice for the banking arm of the group.

In addition to the above, a number of other videos were created in the year:

### Sustainable Bond Framework

This video animation highlights the pioneering role that Luxembourg plays, being the first country to put in place a Sustainable Bond Framework which complies with the new recommendations of the European Taxonomy.

## PODCAST

LFF launched a bi-weekly podcast, entitled *Shaping Finance*, in September. Hosted by Nicolas Mackel, the podcast offers a platform to high-level decision makers and shapers in international finance. The following individuals sat down with us for the year:

**Episode 1:** Pierre Gramegna, Luxembourg Finance Minister

**Episode 2:** Miles Celic, CEO TheCity UK

**Episode 3:** Frederic Neumann, Chief Economist Asia HSBC

**Episode 4:** Jennifer Reynolds, CEO Toronto City

**Episode 5:** Bertrand Badre, CEO Blue like an Orange Sustainable Capital

**Episode 6:** Klaus Regling, Managing Director ESM

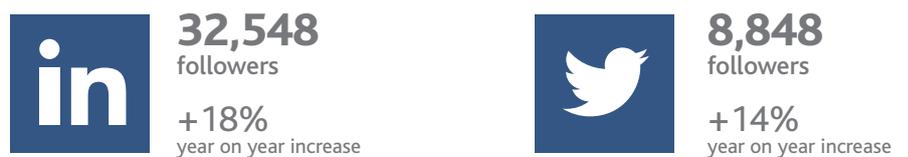
**Episode 7:** Sherry Madera, Chief Industry & Government Affairs Officer Refinitiv

**Episode 8:** Laurence Boone, Chief Economist at OECD

## DIGITISATION

An increased focus has been placed on the targeting of our audience in key markets and on the implementation of remarketing actions through sponsored campaigns promoting LFF's key projects. Digital has been especially instrumental in the promotion of our livestreams, organised in Q4 designed to grow participation of professionals based in targeted locations.

The digital activities put in place throughout the year have allowed LFF to continue its steady increase in the number of qualified international followers on key social media platforms:



### Website

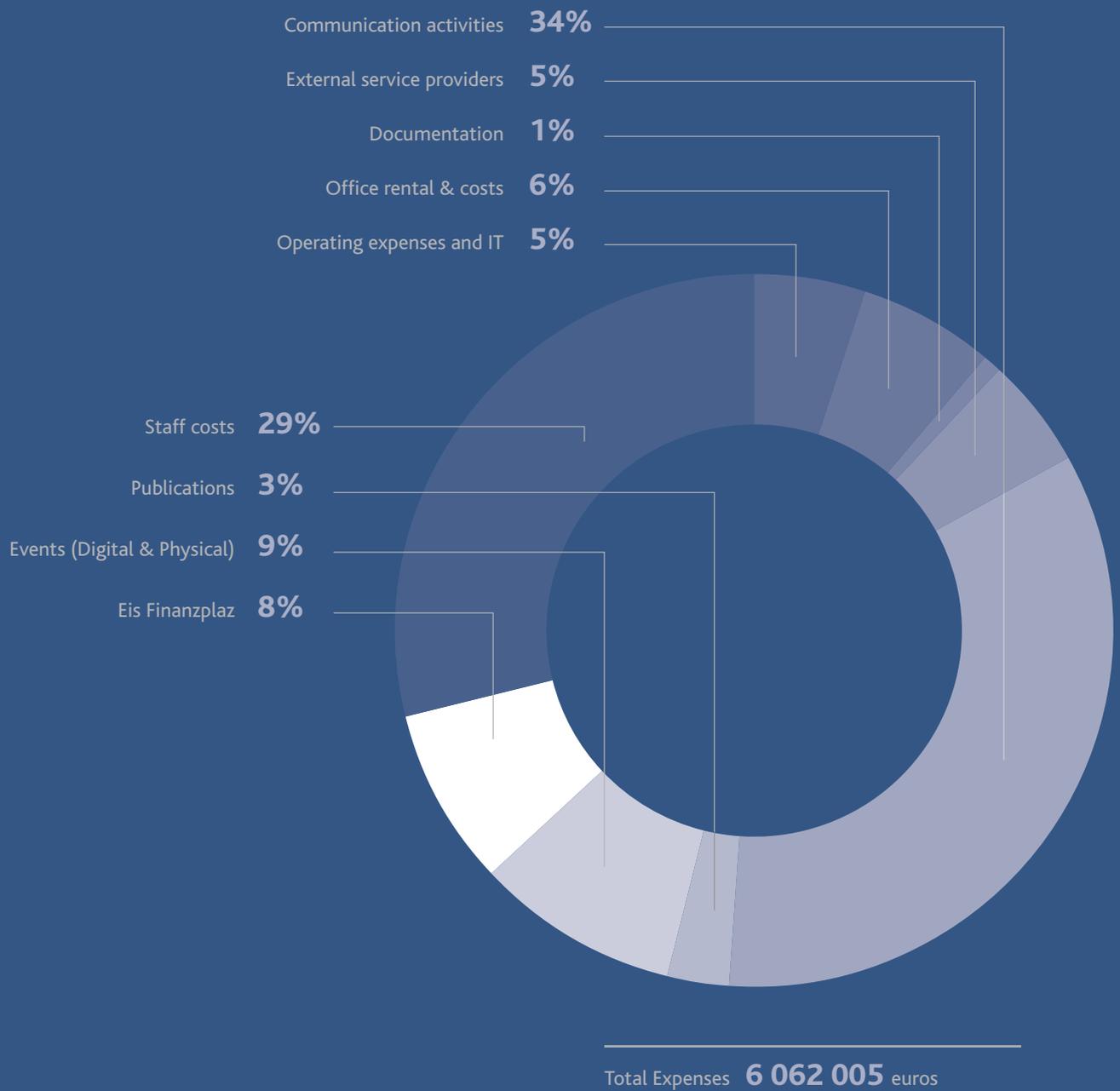
In the context of its paperless strategy, LFF has developed a series of dedicated websites for each of the brochures updated in 2020 making them easier to read on mobile and share on social media.

Further optimisation of the website has continued throughout the year in order to ensure a better User Experience, as well as better Search Engine Optimisation.

### Wechat

The platform remains the main channel to promote Luxembourg's financial expertise towards a Chinese audience. LFF continued to grow its Chinese follower base by publishing content in Chinese twice a month.

## BUDGET BREAKDOWN



## STAFF

### MANAGEMENT

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**Nicolas Mackel**, CEO  
**Philipp von Restorff**, Deputy CEO  
**Lynn Robbroeckx**, Secretary General

### ADMINISTRATION

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**Giovanna Bassani / Francis Hames**, Head of Administration  
**Viviane Thiefels / Melissa Van Strydonck**, Assistant to the Management  
**Hélène Villeval**, Database Administrator & Administrative Assistant

### EVENT MANAGEMENT

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**Caroline Hoeltgen**, Event Manager  
**Tatjana Schaefer**, Event Manager  
**Aurélie Zambeaux**, Event Manager

### COMMUNICATION

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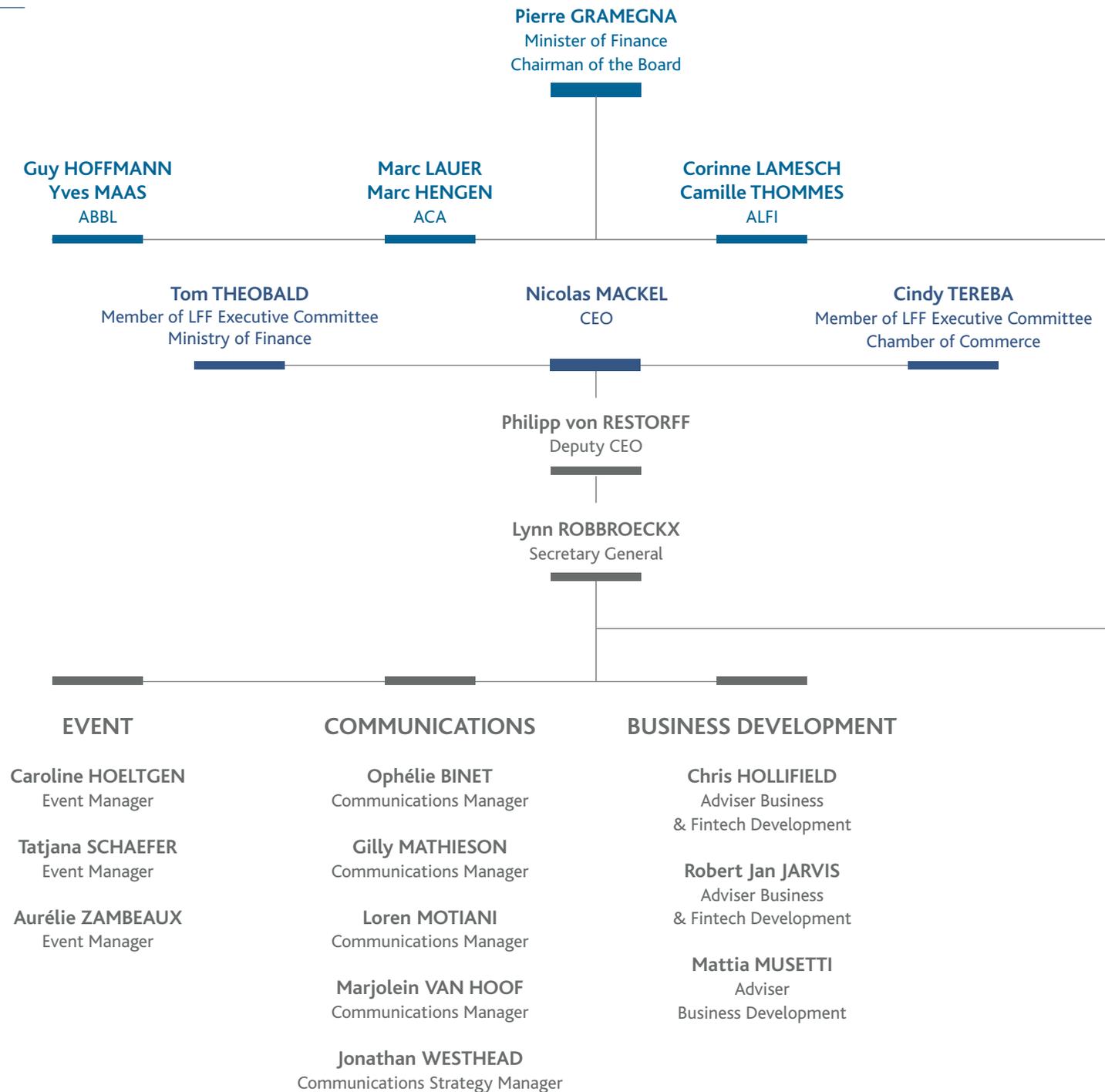
**Ophélie Binet**, Communications Manager  
**Gilly Mathieson**, Communications Manager  
**Loren Motiani**, Communications Manager  
**Marjolein van Hoof**, Communications Manager  
**Jonathan Westhead**, Communications Strategy Manager

### BUSINESS DEVELOPMENT

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**Chris Hollifield**, Adviser Business & Fintech Development  
**Robert Jan Jarvis**, Adviser Business & Fintech Development  
**Mattia Musetti**, Adviser Business Development

## ORGANISATION CHART (as of 31 December 2020)



**Carlo THELEN**  
Chamber of Commerce

Luxembourg for Finance is a public-private partnership between the Luxembourg government and the Luxembourg Financial Industry Federation (PROFIL), under the Presidency of the Minister of Finance. The agency is jointly financed by these two bodies.

PROFIL's members are:

- The Luxembourg Bankers' Association (ABBL)
- Association of the Luxembourg Fund Industry (ALFI)
- Luxembourg Association of Insurance and Reinsurance Companies (ACA)
- Association luxembourgeoise des professionnels du patrimoine (ALPP)
- Luxembourg Alternative Administrators Association (L3A)
- Luxembourg Private Equity and Venture Capital Association (LPEA)
- Chamber of Commerce Luxembourg
- Institut des réviseurs d'entreprises (IRE)
- Ordre des experts-comptables (OEC)
- Luxembourg Stock Exchange
- SIX Payment Services (Europe) S.A.
- Clearstream International S.A.

## ADMINISTRATION

**Giovanna BASSANI** (until March 2021)

**Francis HAMES**

Heads of Administration

**Viviane THIEFELS** (until February 2021)

**Mélissa VAN STRYDONCK** (as of October 2020)

Assistants to the Management

**Hélène VILLEVAL**

Database Administrator  
& Administrative Assistant



**[luxembourgforfinance.com](http://luxembourgforfinance.com)**