

ACTIVITY REPORT

2018

**LUXEMBOURG
FOR FINANCE**

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MESSAGE FROM THE PRESIDENT

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Pierre Gramegna,
Luxembourg Minister of Finance

Dear readers,

During 2018, there was one topic that dominated European politics: Brexit. The unique process of a country wishing to leave the European Union kept politicians busy in Brussels, Westminster as well as in European capitals. Despite intensive negotiations between the EU and the UK, it was clear that there is only so much the EU can cede when it comes to the principles of the European Single Market - the world's most successful internal trade area between a group of countries.

Luxembourg didn't wish for Brexit but obviously respects the choice of the British people. The financial centre provides solutions to financial institutions based in London that need to prepare for the loss of their passport rights in the aftermath of Brexit.

With more than 50 firms having decided to establish a new presence or further strengthen their existing activities in Luxembourg, Brexit has also highlighted the attractiveness of the Luxembourg financial centre and its key role as a hub to serve the European market. Moreover, the arrival of the first Singaporean institution, the growing presence of Chinese players (including in Fintech), the increasingly strong presence of Swiss banks, or the establishment of an additional Brazilian bank in 2018, are proof points of the success of Luxembourg's strategy to promote the financial centre and develop new and existing markets in Europe and beyond. In 2018, Luxembourg for Finance organized seminars in Brazil, Switzerland, China and Paris. These missions, together with LFF's communication and business development activities, play a key role in the government's efforts, in cooperation with the financial industry, to position Luxembourg on the global map. These efforts will continue in the years ahead.

While Brexit occupies a lot of the financial sector's attention at present, it is important not to lose sight of the broader picture.

Europe has experienced a firm recovery since the global financial crisis, with 22 consecutive quarters of growth across the Euro Area. All economies in the Euro Area continue to grow steadily (estimated at 1.9% in 2019 and 1.7% in 2020), while unemployment is falling and now stands at the lowest level since 2008.

Over the last ten years, the Euro Area has undergone fundamental reform. From a European, as well as a national perspective, it is much better equipped today to withstand a potential slowdown of economic activity and to support citizens and businesses in the event of a crisis.

However, Brexit, trade disputes and a global tendency towards nationalism have created understandable volatility, not only on a political, but also on a social level. We must not allow populists to gain ground through false narratives, but instead contribute to fair and informed discussions. The best way to achieve this is through open trade and economic growth.

The upcoming elections of the European Parliament should be seen as an opportunity to strengthen trust in the European Union and to underline its manifold benefits to European businesses and citizens. The European Union has brought growth, prosperity and peace to Europe. More than anything, the entire discussion around Brexit shows how much European economies are interconnected and how difficult it is to untangle relationships that have grown over decades, without causing damage to both sides. Brexit has highlighted the benefits of being a member of the world's largest trading block.

In Luxembourg, people voted for continuity and stability. In October 2018, a majority of Luxembourgers expressed their confidence in the outgoing coalition government, now at the start of a second term. Negotiations between the three parties ended successfully in December, and I'm looking forward to working with all partners of LFF in this second term of mine as Minister of Finance

A common strand throughout the coalition agreement is sustainability and ensuring that Luxembourg is prepared to embrace digitalisation. Luxembourg is committed to uphold its reputation as a first mover in new technologies for financial services, such as Blockchain or other distributed ledger technologies. Luxembourg recently enshrined into the legislation the use of Blockchain in the transfer of securities, thus providing additional clarity and legal certainty for financial market participants.

Another challenge is finding qualified talent. Luxembourg being an international financial centre, it will be crucial to continue to invest in education and lifelong learning, as well as be successful in attracting talent from abroad to support the continuous growth of the industry. Updating the expatriate regime will be one of the initiatives to make it even more attractive for highly qualified individuals and their families to move to the Grand-Duchy.

2018 was a busy year for Luxembourg's financial centre in its commitment to fight climate change and to develop sustainable financial services beyond its borders. Let me just name a few:

- Together with United Nation Environment Program, Luxembourg launched the Sustainable Finance Roadmap. Luxembourg is not the home of investment decision-making, but it sits at the centre between asset managers, banks, insurers, issuers and their end investors. The Roadmap thus lays out a vision on how to help connect these actors in order to achieve the sustainable development goals and the ambitions of the Paris Accord. A central point will be the setting up of a public-private sustainable finance Initiative to coordinate national initiatives, and to develop and implement a sustainable finance strategy.
- The launch of the International Climate Finance Accelerator (ICFA) was another milestone. It supports asset managers setting up funds in the field of climate mitigation and particularly climate adaptation. The first cohort of fund managers has been selected and are starting their projects.
- Let me also report that a first series of investments were made by the joint Luxembourg-EIB Climate Finance platform. The platform, which is the only one of its kind between the European Investment Bank and an EU Member State, co-invests in climate finance funds so as to encourage private investment, by aligning funds with the risk appetite of private investors.

There are major challenges lying ahead of us, be it Brexit, digitalisation or climate change. Luxembourg is ready and I am fully committed to facing these challenges.

FOREWORD OF THE CEO



Nicolas Mackel,
CEO, Luxembourg for Finance

2018 got off on a very enjoyable note as LFF was celebrating its 10th anniversary by hosting a reception for all those people who throughout the last decade have helped us put Luxembourg on the map. HRH Prince Guillaume and the Minister of Finance Pierre Gramegna honored us with their presence.

With 80 new licenses granted to financial services firms in 2018 by Luxembourg's financial services regulators, the year 2018 certainly held the promise to be a good one.

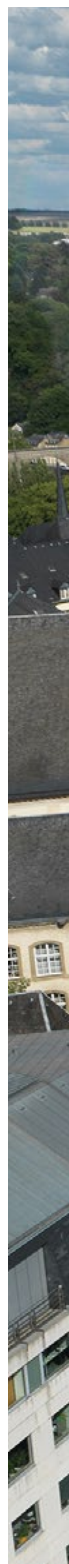
Brexit was one driver of this. Up to the end of the year 2018, a tally of 47 firms' relocations of activities to Luxembourg had been made public. These comprised asset managers, insurance companies, banks and payment firms. While we certainly regret the departure of our British friends from the EU and thus the single market, we have certainly been able to show that Luxembourg can serve as a natural solution for financial institutions and act as a bridge to allow them to continue serving their clients and distributing their products.

But business obviously also continues to come to Luxembourg outside of the Brexit context with firms from around Europe and the world choosing to set up operations in Luxembourg to tap the expertise available in the local ecosystem.

One direct consequence of this sustained growth is the continued need to attract talent to Luxembourg. On this subject, LFF has developed a very successful new campaign in 2018 ([movetolux.com](https://www.movetolux.com)).

Luxembourg has more than ever to offer the global financial sector. Our services are constantly evolving to meet the future needs of the financial sector. In practice, this means continuing to curate a modern, ambitious and outward looking financial centre, that has clearly articulated development plans and provides timely, practical support. The progress we have made over the last year in sustainable finance, digitalisation, and in deepening relationships with global brands and major economies like China is testament to that approach.

I take great pride in the output produced by the small LFF team and the results achieved in this regard. For this, I truly would like to express my deepest gratitude to the wonderful team of professionals I have the honor to lead. I also would like to thank all the colleagues from our stakeholders and from the financial services industry in Luxembourg who throughout the year have helped us by sharing their expertise with us.





2018 FINANCIAL CENTRE TIMELINE

JANUARY

Luxembourg for Finance celebrates its **10th anniversary**.

FEBRUARY

Entry into force of a part of the 4th **Anti-Money Laundering Directive**.

MARCH

Entry into force of the law on implementing the EU regulation on **inter-change commissions for card-based payments**, which amends various laws relating to the financial sector and facilitates outsourcing for banks, investment firms, other regulated professionals of the financial sector, payment institutions, electronic money institutions and insurance undertakings.

France and Luxembourg sign a new **Double Tax Treaty** replacing the old treaty from 1958.

The Luxembourg Parliament adopts the new **IP Box Law**, taking into account the General Data Protection Regulation.

Luxembourg Parliament approves the **Double Tax Treaty** between **Luxembourg and Cyprus** signed in May 2017. Cyprus was the last EU Member State with which Luxembourg had no DTT in force.

The Z/Yen GFCI 23 ranks again Luxembourg in the **top 3 financial centres in the EU** and **second in the Eurozone**.

Luxembourg ranks **2nd for Green Finance Penetration** and **6th for Green Finance Quality** in the Z-Yen Global Green Finance index (GGFI) 2018.

Agricultural Development Bank of China chooses LuxSE for the **first Chinese green bond** ever to be registered and displayed on an international exchange.

APRIL

Inaugural meeting of the international network of **Financial Centres for Sustainability (FC4S)** with LFF as a founding member.

MAY

The Luxembourg Government provides 1 million to **IFC's Green Cornerstone Bond Fund Support Program** to support new markets for climate finance.

90th birthday of the **Luxembourg Stock Exchange (LuxSE)**.

JUNE

The Luxembourg Stock Exchange (LuxSE) launches a **Green Bond Channel** in partnership with the **Shanghai Stock Exchange** (SSE). The cooperation focuses on providing relevant information in English about Chinese green bonds to offshore investors.

Ripple launches **University Blockchain Research Initiative** (UBRI), a collaboration with top universities around the world, including Luxembourg.

Official opening of the Luxembourg **House of Startups**.

JULY

The Luxembourg Parliament passes the first law worldwide to establish a **Green Covered Bond**.

The **Payment Services Directive (PSD2)** is transposed into Luxembourg law.

SEPTEMBER

Luxembourg ranks **2nd** in the EU in the **New Financial International Financial Centres index**.

The Luxembourg Parliament adds a **new article** to its **VAT law**. Under the amended law, all members of a VAT group will be considered as one single taxable person for VAT purposes.

OCTOBER

Official launch of the **Luxembourg Sustainable Finance Roadmap**. The roadmap, drafted by the Ministries of Finance and Environment, in partnership with UNEP, establishes an ambitious vision and makes recommendations to lay the groundwork to establish a comprehensive and far-reaching sustainable finance strategy.

Launch of the **World Alliance of International Financial Centers** with LFF as a founding partner.

The GFCI 24 ranks Luxembourg as the **top 3 financial centre in the EU**.

NOVEMBER

Industrial Bank of China (CIB) and Luxembourg Stock Exchange (LuxSE) sign an MoU to frame their **cooperation in international green markets**. CIB lists its first international green bond on the LuxSE.

FINANCIAL CENTRE STATISTICS 2018

BANKING:



Private banking AuM:

€ 363 bn

EMPLOYMENT IN THE FINANCIAL SECTOR:



ASSET MANAGEMENT:

2nd largest fund industry
centre in the world,



€ 4.1 trillion

AuM in
Luxembourg
funds



Global market leader for
**investment funds investing
in Mainland China** by AuM:



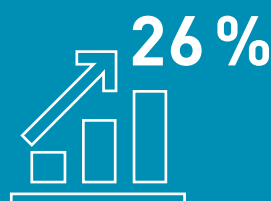
INSURANCE:

17 % yoy growthPremium income
life insurance
companies**16 % yoy** growthPremium income
non-life insurance
companies**13 % yoy** growth**Direct insurance profits**

CAPITAL MARKETS:

**LUXEMBOURG**
STOCK EXCHANGE(LuxSE): **largest European listing exchange** in terms of market share

more than

40 %of AuM in **global listed green bonds** listed at the Luxembourg Green Exchange (LGX)**1st**largest global market share in listed **Dim Sum bonds**:

COMPETITIVE RANKINGS

2nd

financial centre in the Eurozone

Z/Yen Global Financial Centres Index 24 /2018

1st

emerging gobal financial centre

Z/Yen Global Financial Centres Index 24/2018

2nd

worldwide in Green Finance penetration

Z/Yen Global Green Finance Index 2018

2nd

most resilient country worldwide

FM Global: Global Resilience Index 2018

1st

globally for knowledge intensive employment

Cornell INSEAD Global Innovation Index 2018

1st

globally for political stability & personal safety

Cornell INSEAD Global Innovation Index 2018





EVENT CALENDAR

- | | | | |
|-----------------|--|-------------------|--|
| 15 – 16 January | ASIAN FINANCIAL FORUM – HONG KONG
Financial services – exhibitor | 30 May | SUSTAINABLE FINANCE FORUM – LUXEMBOURG
Sustainable finance |
| 6 February | FT CLIMATE FINANCE SUMMIT – NEW YORK
Sustainable finance - speaker - exhibitor | 4 – 6 June | SWITZERLAND – ZURICH, GENEVA
Sustainable finance, asset & wealth management |
| 1 March | FINTECHSTAGE – LUXEMBOURG
FinTech | 12 June | FT BREXIT & BEYOND SUMMIT – LONDON
Financial services - speaker - exhibitor |
| 20 – 22 March | BRAZIL SEMINAR – SÃO PAULO, BRASILIA, RIO DE JANEIRO
Asset & wealth management, capital markets | 3 July | ASTANA FINANCE DAYS
Financial services - speaker |
| 18 April | 2018 EMPIRE FINTECH CONFERENCE – NEW YORK
FinTech - speaker - exhibitor | 5 September | IFN FORUM EUROPE – LONDON
Islamic finance - speaker - exhibitor |
| 2 May | BREAKFAST SEMINAR – LONDON
FinTech | 11 – 13 September | CHINA: BEIJING & SHANGHAI SEMINARS
Sustainable finance, investment funds, PE, FinTech |
| 15 May | ASIFMA'S 8TH CHINA CAPITAL MARKETS CONFERENCE – HONG KONG
Capital markets - speaker - exhibitor | 26 September | PATRIMONIA – LYON
Insurance - exhibitor with ACA |
| 16 May | ICT SPRING – LUXEMBOURG
FinTech - speaker - exhibitor | 9 October | FT CLIMATE FINANCE SUMMIT – LONDON
Sustainable finance - speaker - exhibitor |



Third-party conference



LFF Event



Economic mission

- | | | | | | |
|------------------|---|---|------------------|--|---|
| 9 – 10 October |  | ALFI US ROADSHOW – BOSTON, NEW YORK
Investment funds - speaker | 20 – 21 November |  | ALFI PE RE CONFERENCE – LUXEMBOURG
PE, real estate |
| 11 October |  | BLOOMBERG INVESTMENT SUMMIT – LUXEMBOURG
Wealth management - speaker | 22 November |  | MAITLAND & EVERSHEDS SUTHERLAND SEMINAR – LUXEMBOURG
Asset management, fund management - speaker |
| 23 October |  | ALFI SCANDINAVIA ROADSHOW – STOCKHOLM
Investment funds - sustainable finance - speaker | 22 November |  | ACA INSURANCE DAY – LUXEMBOURG
Insurance - speaker - exhibitor |
| 25 October |  | ALFI LEADING EDGE CONFERENCE – LONDON
Investment funds - speaker | 26 – 28 November |  | UNEP GLOBAL ROUNDTABLE AND CLIMATE FINANCE DAY – PARIS
Sustainable finance - speaker |
| 25 – 26 October |  | FINTECH JAPAN 2018 – TOKYO
FinTech - speaker | 27 November |  | BÖRSEN-ZEITUNG: NACHHALTIGKEIT WIRD MAINSTREAM – FRANKFURT / MAIN
Sustainable finance |
| 8 – 9 November |  | CUMBERLAND LODGE 2018 – WINDSOR
Financial services - speaker | 28 November |  | FT BREXIT & BEYOND SUMMIT – LONDON
Financial services - speaker - exhibitor |
| 14 November |  | ZHENGZHOU SEMINAR
Sustainable finance, investment funds, asset management, banking | 28 November |  | CHINALUX BELT & ROAD INITIATIVE: GREEN FINANCE SEMINAR – LUXEMBOURG
Sustainable finance - speaker |
| 14 – 15 November |  | EUROPEAN CAPTIVE FORUM 2018 – LUXEMBOURG
Captive insurance, risk management - exhibitor | | | |

EVENT CALENDAR



Third-party conference



LFF Event



Economic mission

30 November **ING CONFERENCE
LUXEMBOURG**
Sustainable finance -
speaker



2 - 8 December **ECONOMIC MISSION TO
LATIN AMERICA –
SANTIAGO DE CHILE,
MONTEVIDEO,
BUENOS AIRES**
Financial services -
speaker



4 - 5 December **ALFI SOUTH AFRICA
ROADSHOW –
JOHANNESBURG,
CAPETOWN**
Investment funds -
speaker



12 December **COP24 – KATOWICE**
Sustainable finance -
speaker



13 December **LUXEMBOURG-POLAND
FINTECH & REGTECH
BUSINESS CONFERENCE –
LUXEMBOURG**
FinTech - speaker



13 December **PARIS SEMINAR**
Financial services,
sustainable finance





10 years LFF

f.l.t.r.: Denise Voss, Chairwoman, ALFI; Luc Frieden, former Minister of Finance; Nicolas Mackel, CEO, LFF; HRH Guillaume, Hereditary Grand Duke of Luxembourg; HE Pierre Gramegna, Minister of Finance; Fernand Grulms, former LFF CEO; Tom Théobald, Deputy CEO, LFF



10 years LFF

EVENT
WORLDMAP



-  Third-party conference
-  Business development
-  LFF Event
-  Economic mission



LFF EVENTS IN PICTURES



Zurich

China



FinTechStage

BrazilChinaSustainable Finance Forum

BUSINESS DEVELOPMENT

In its role to develop the financial centre and bring new business to Luxembourg, LFF has met with numerous financial institutions across the globe in 2018, with a particular focus on Europe, Asia, North- and Latin America, as part of stand-alone business development missions, during LFF roadshows, or on the margins of roadshows organized by ALFI or the Chamber of Commerce.

Brexit has also continued to keep LFF busy from a business development perspective, with financial services companies in London and other parts of the world keen to discuss and receive information on how to ensure business continuity in Europe.

ANNOUNCED BREXIT RELOCATIONS IN 2018 (non-comprehensive list)

JANUARY

SCM Direct converts its SCM Absolute Return Portfolio fund into a Luxembourg UCITS

➤ www.delano.lu

FEBRUARY

Jupiter Fund Management increases headcount in Luxembourg ahead of Brexit

➤ www.ft.com

T Rowe Price pivots its European business towards Luxembourg

➤ www.ft.com

MARCH

Aberdeen Standard doubles its assets under management in Luxembourg to more than €100 billion by bringing legacy Standard Life assets in-house and re-domiciling UK funds

➤ www.luxtimes.lu

Schroders confirms Luxembourg would be its EU base after Brexit

➤ www.ft.com

MAY

Columbia Threadneedle plans to transfer the assets of European clients currently in its range of UK domiciled funds into the equivalent Sicav products domiciled in Luxembourg

✦ www.ftadviser.com

Online trading platform **Saxo Payments Banking Circle** seeks approval to obtain a banking license in Luxembourg

✦ www.luxembourgforfinance.com

JUNE

LendInvest, the UK's leading online marketplace platform for property finance, to increase its presence in Luxembourg

✦ www.lendinvest.com

JULY

Liberty announces its intention to headquarter its post-Brexit EU operations in Luxembourg

✦ www.libertyspecialitymarkets.com

Investec Asset Management launches an alternatives platform in Luxembourg to cater for EU-based institutional investors

✦ www.ipe.com

IPES, a leading provider of outsourced services to Private Equity in Europe, is granted a depositary license

✦ www.ipes.com

Bank of Singapore, the dedicated private banking subsidiary of OCBC Bank, receives a license to operate a wealth management subsidiary in Luxembourg.

✦ www.reuters.com

AUGUST

Fidelity extends its MiFID license in Luxembourg to offer portfolio management services to clients with segregated mandates

✦ www.fnlondon.com

Invesco will merge its Irish-domiciled funds into its Luxembourg funds

✦ www.igniteseurope.com

Credit Suisse picks Luxembourg as post-Brexit-hub

✦ www.uk.reuters.com

SEPTEMBER

Nikko Asset Management and its US-based affiliate **ARK Investment Management** domicile a technology fund focused on disruption in Luxembourg

✦ www.funds-europe.com

JPMorgan shifts wealth management operations from London to Luxembourg

✦ www.ft.com

Lloyds Bank sets up a third European Union subsidiary in Luxembourg

www.uk.reuters.com

Alipay picks Luxembourg for EU base

✦ www.luxtimes.lu

The digital payments company **Revolut** will set up an office in Luxembourg

✦ www.ft.com

NOVEMBER

Macquarie Investment Management applies for a license in Luxembourg

✦ www.ft.com

U.S. asset manager **MFS Investment Management** picks Luxembourg as post-Brexit EU hub

✦ www.reuters.com

Swissquote Group Holding SA to shift its European retail business from London to Luxembourg following Brexit

✦ www.bloomberg.com

FINANCIAL SECTOR ROADSHOWS

BRAZIL

Close to 500 professionals attended LFF's seminar in **Sao Paulo**, which once again enjoyed the support of ANBIMA and featured a panel discussion between the Luxembourg and Brazilian regulators. This year the program was expanded in order to present capital market solutions, including green bond issuance, to the Brazilian finance community, besides the traditional focus on asset and wealth management.

Five of the leading Brazilian banks are currently using Luxembourg as their European hub for activities ranging from global fund distribution to private banking and corporate banking, with Banco Santander Brasil a new arrival to Luxembourg in 2018. The Luxembourg Stock Exchange also has strong ties with Brazil, with more than €100bn in bonds listed. Recently, Luxembourg has experienced inbound migration by Brazilian funds from offshore centres, as investors are seeking compliance with the higher levels of regulation available in Luxembourg as an EU financial centre. Brazil is thus a key destination on the South-American continent for LFF.

CHINA

China is a yearly destination for LFF roadshows. In 2018, LFF launched its official WeChat account and ran a social media campaign designed to broaden the reach of our invitation and better target our Chinese audience for our roadshow, led by the Minister of Finance, to **Beijing** and **Shanghai**.

Besides meetings with major financial institutions to discuss how Luxembourg can serve Chinese players looking to expand their operations in Europe, the Minister and the LFF delegation also met with China's Ant Financial, which confirmed the decision by its payment arm, Alipay, to set up its EU hub in Luxembourg.

In the margins of the China mission, the Luxembourg Stock Exchange together with China Central Depository & Clearing (CCDC), signed an MOU establishing the simultaneous display of the prices of CCDC's three domestic green bond indices, and enhancing access by international investors to information relating to Chinese domestic green bonds. The Luxembourg Stock Exchange also signed a

tri-party agreement with the Shanghai Stock Exchange and Bank of China to further develop the Green Bond Channel project. Moreover, the LHoFT (Luxembourg House of Financial Technology) signed an MoU with DeepBlue Technology, a Chinese pioneer in AI consumer goods retailing.

An additional seminar in **Zhengzhou** in November 2018 built on the established partnerships Luxembourg maintains with the city via Cargolux. The event was well attended by around 300 delegates from the local financial industry. In addition to the seminar, LFF also leveraged the trip to meet with Chinese banks in Beijing and Shanghai, as well as to support the signing of an MoU between the Industrial Bank of China and the Luxembourg Stock Exchange in Fuzhou on deepening cooperation in the field of green finance.

SWITZERLAND

A mission to Switzerland, with seminars in **Zurich** and **Geneva** in June, provided a deep dive into asset servicing for independent wealth managers as well as an overview of how the Swiss wealth management industry can leverage Luxembourg to serve clients in Europe and beyond.

The seminar also highlighted the role of the finance industry in the global fight against climate change and gave an insight on how Luxembourg has consolidated its position as an International platform for sustainable finance.

The roadshow to Switzerland was an ideal opportunity to continue to develop the excellent relations with the Swiss financial industry. Indeed, Switzerland's leading banks and insurance companies such as Swiss RE and La Balôise have continued to strengthen their presence in Luxembourg, which acts as their EU hub.

FRANCE

A seminar in **Paris**, in collaboration with French media l'Opinion, focused on Europe after Brexit, sustainable finance and future trends in investment products. These topics were discussed on three panels by high-profile speakers from Luxembourg and Paris.

SUSTAINABLE FINANCE

2018 saw several major developments in sustainable finance, strengthening Luxembourg's position as an important pioneer in this field.

Launch of the International Climate Finance Accelerator (ICFA)

The ICFA responds to a challenge met by climate finance asset managers: setting up funds and raising initial funding for innovative projects, notably in climate adaptation. It provides technical support, coaching and fund-raising assistance with the aim of helping to nurture the climate finance leaders of tomorrow. The accelerator onboarded its first cohort of asset managers in June.

Entry into force of a legal framework for green covered bond

The green covered bond is a new instrument exclusively dedicated to financing facilities that generate renewable energy. The law contains strict criteria as to the purpose of the equipment and infrastructure that is financed. It applies the same inherent security features for investors as in other covered bonds.

First series of investments of the joint Luxembourg-EIB Climate Finance platform

The platform co-invests in climate finance funds to de-risk and thus encourage private investments by meeting private investors' risk appetite for climate-related projects.

MoU on Sustainable Finance research with University of Luxembourg

The Ministry of Finance and the University of Luxembourg signed a letter of intent to promote research and training in sustainable finance with the objective of establishing a degree programme in sustainable finance.

First edition of the Sustainable Finance Forum Luxembourg

The SFFL, organised by LFF, brought together 500+ local and European practitioners and policy makers and was well received by the industry.

Launch of the Luxembourg Sustainable Finance Roadmap in partnership with UNEP

The Roadmap, initiated by the Ministries of Finance and the Environment, lays out a vision to further develop sustainable finance in Luxembourg. It contains 28 recommendations, notably in the context of the EU action plan. Its key recommendation is to set up a public-private sustainable finance Initiative to coordinate national initiatives, and to develop and implement a sustainable finance strategy.





COMMUNICATION ACTIVITIES

PRESS

Throughout 2018, LFF positioned Luxembourg as a European leader in financial services and shared its views on the future of financial services in Europe. Luxembourg continued to be part of the Brexit debate and the conversation was further broadened to include topics such as sustainable finance, global and cross-border finance, as well as the future of finance/FinTech.

About 140 media activities resulted in coverage in newspapers, TV and radio channels, such as the Financial Times, AFP, BBC 4 (Today), Le Figaro, CNBC, Wall Street Journal, Reuters, Les Echos, Sky News (Ian King live), Bloomberg, De Tijd, to name only a few.

- **Media meetings** included press conferences, press trips to Luxembourg and numerous press briefings.
- **Op-eds** by Nicolas Mackel were published in De Tijd, L'Echo, the Daily Telegraph, Le Figaro and Handelsblatt.
- **Press meetings** took place with Tier 1-media from countries such as UK, France, Belgium, Germany, South Africa, Chile, Argentina, and China.

NEW PUBLICATIONS

Corporate Finance

In June, LFF published a brand-new brochure on corporate finance. It takes a holistic view of the Luxembourg corporate finance market, including not only financing of international companies by Luxembourg banks, but also treasury services, risk management, pension funds and financial technology.

The brochure zooms in on the different activities in which the financial centre is most experienced, including syndicated and bilateral loans, structured finance, fiduciary issues and notes, trade finance and capital markets.

Banks in Luxembourg also play a critical role in supporting corporate treasurers, meeting their need for control, visibility and expense optimisation by offering liquidity management solutions,



physical and notional cash concentration, virtual account management, payment factory solutions, foreign exchange and hedging, as well as treasury funds, capital call services and custody services.

FinTech

A new FinTech 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 regulation of FinTech activities.

LEO Magazine

The quarterly financial centre magazine produced by LFF focused on the following topics in 2018: Regulation, Corporate Finance, Sustainable Finance and Beyond Disruption.



Regulation



Corporate finance



Sustainable finance



FinTech

ADVERTISING

In September, the new "futuring" advertising campaign was launched. The campaign highlights the financial centre's expertise and readiness for the future in banking, asset management, insurance, capital markets, sustainable finance and FinTech.

These ads were displayed in Q3 and Q4 at London City Airport and Luxembourg airport. The advertising campaign continues to be visible in these airports until June 2019, as well as on 11 Luxair planes.

Additionally, as from October 2018, British Airways has featured the "futuring asset management" advertisement on all electronic boarding passes for flights from London to Dublin, and the "futuring banking" advertisement on flights from London to Frankfurt.



VIDEOS

Move to Luxembourg campaign

"Move to Luxembourg" was part of our effort to help attract qualified financial services staff to Luxembourg, a key priority for our sector. The campaign shows that you can grow your career in international finance in Luxembourg while at the same time benefiting from a work-life balance that is pretty much impossible to achieve elsewhere. It features the stories of 9 fascinating people with very different profiles and backgrounds who have moved to Luxembourg to work in the financial sector and underlines different facets of why Luxembourg, as an open and dynamic country, is a great place to work and live.



- **"Work, Live and Skate"** - Nicholas Curven, Managing Director, EQT PARTNERS/EQT AB
- **"Work, Live and Yoga"** - Monica Tiuba, Senior Wealth Planner, Edmond de Rothschild (Europe)
- **"Work, Live and Bike"** - Oleksiy Shostak, Software Engineer, CTO, ume
- **"Work, Live and Rock"** - Deirdre Ryan, Vice President, Client Relationship Manager, State Street Bank Luxembourg
- **"Work, Live and Brew"** - Friedrich Wilhelm Prinz Von Preussen, Chief Compliance, Unicredit International
- **"Work, Live and Bowl"** - Himmat Gundecha, Business Analyst, Nomura Bank Luxembourg
- **"Work, Live and Run"** - Amandine Laurent, Chief Compliance & Data Protection Officer, AXA
- **"Work, Live and Love"** - Karin Winklbauer, Chief Risk Officer, Fidelity International Luxembourg
- **"Work, Live and Connect"** - Nishna Bheeroo-Meetarbhan, Senior Corporate Counsel, BRE Europe Real Estate Investment

We chose Luxembourg

The We Chose Luxembourg articles in the LEO magazine and video series was continued featuring testimonials by financial institutions that have chosen Luxembourg as their EU hub or competence centre. The series covered:

Société Générale: Why we chose Luxembourg

Véronique de la Bachelerie, CEO, explains why the oldest foreign banking institution in Luxembourg is continuing to expand and develop in the Grand Duchy.

Aberdeen Standard Investments: Why we chose Luxembourg

Steen Foldberg, Head of Luxembourg, Managing Director, explains why one of the leading players in the financial industry is continuing to expand in Luxembourg.

Pictet Technologies: Why we chose Luxembourg

Vincent Eggen, Managing Director, explains why Luxembourg was a natural choice for developing the company's digital platform.

Union Investment: Why we chose Luxembourg

Maria Löwenbrück, Managing Director, explains why the German asset manager chose Luxembourg to develop its international activities and long-term strategy.

In addition to these, several in-house videos were produced. During **FinTechStage** and the **Sustainable Finance Forum**, LFF tweeted live video content from the various panels in broadcast quality.

In preparation for the Sustainable Finance Forum, a video was produced to announce and promote the conference. The same was done in the run-up to the China mission.

Furthermore, LFF took part in the UK Investment Association video programme produced by ITN, highlighting good governance in the funds industry. Two four-minute films were produced, *Preparing for Brexit: Luxembourg solutions* and *The Luxembourg-London connection* featuring leading figures from across the financial centre.

WECHAT ACCOUNT

In May, LFF launched its official WeChat account and activated a social media campaign with the aim of broadening our reach into, and better targeting, our Chinese audience. A thousand financial professionals with interest in China and Luxembourg are now following LFF's account on a daily basis. All content and news items are being translated into Chinese and are shared 1-2 times a week.

Thanks to the launch of this official WeChat account, we were able to strengthen our communication strategy throughout the year (instead of a holding a one-off pre-event communication exercise) and take a more holistic approach to the content of our message.

This decision has clearly resulted in an increase of local participants in our events. Through an integrated voting system, participants answered questions via their WeChat account.

SOCIAL MEDIA

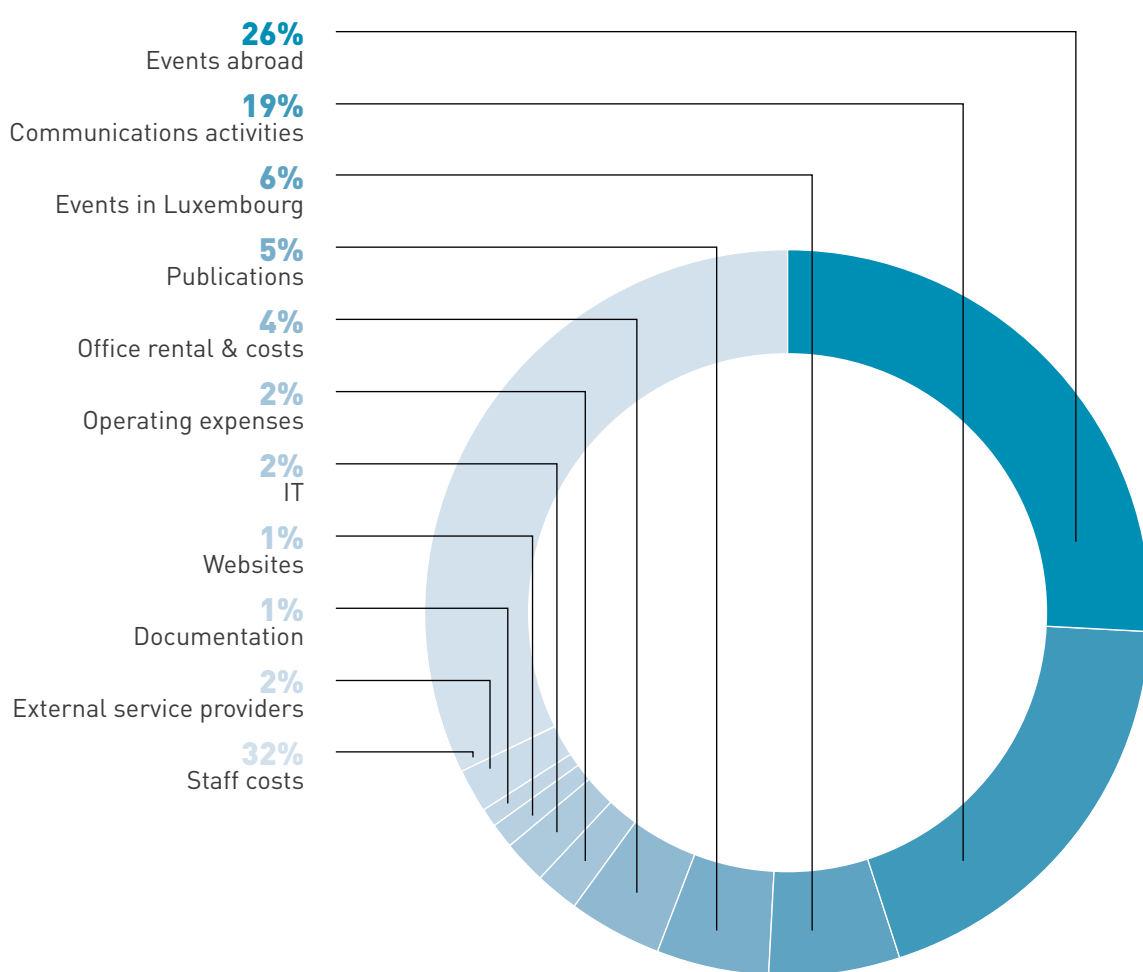


6,965 followers
22% yoy increase



22,714 followers
33% yoy increase

COST BREAKDOWN



Total expenses: € 5 million

STAFF

MANAGEMENT



Nicolas Mackel, CEO

Tom Theobald, Deputy CEO

Elisabeth Adams, Secretary General

ADMINISTRATION



Giovanna Bassani, Head of Administration

Nathalie Heini, Database Administrator & Administrative Assistant

Viviane Thiefels, Assistant to the Management

EVENT MANAGEMENT



Caroline Hoeltgen, Event Manager

Tatjana Schaefer, Event Manager

Aurélie Zambeaux, Event Manager

COMMUNICATION



Ophélie Binet, Communications Manager

Gilly Mathieson, Communications Manager

Lynn Robbroeckx, Communications Manager

BUSINESS DEVELOPMENT



Sascha Bremer, Adviser Business Development

Chris Hollifield, Adviser Business & FinTech Development

Eleanor de Rosmorduc, Senior Adviser Business Development

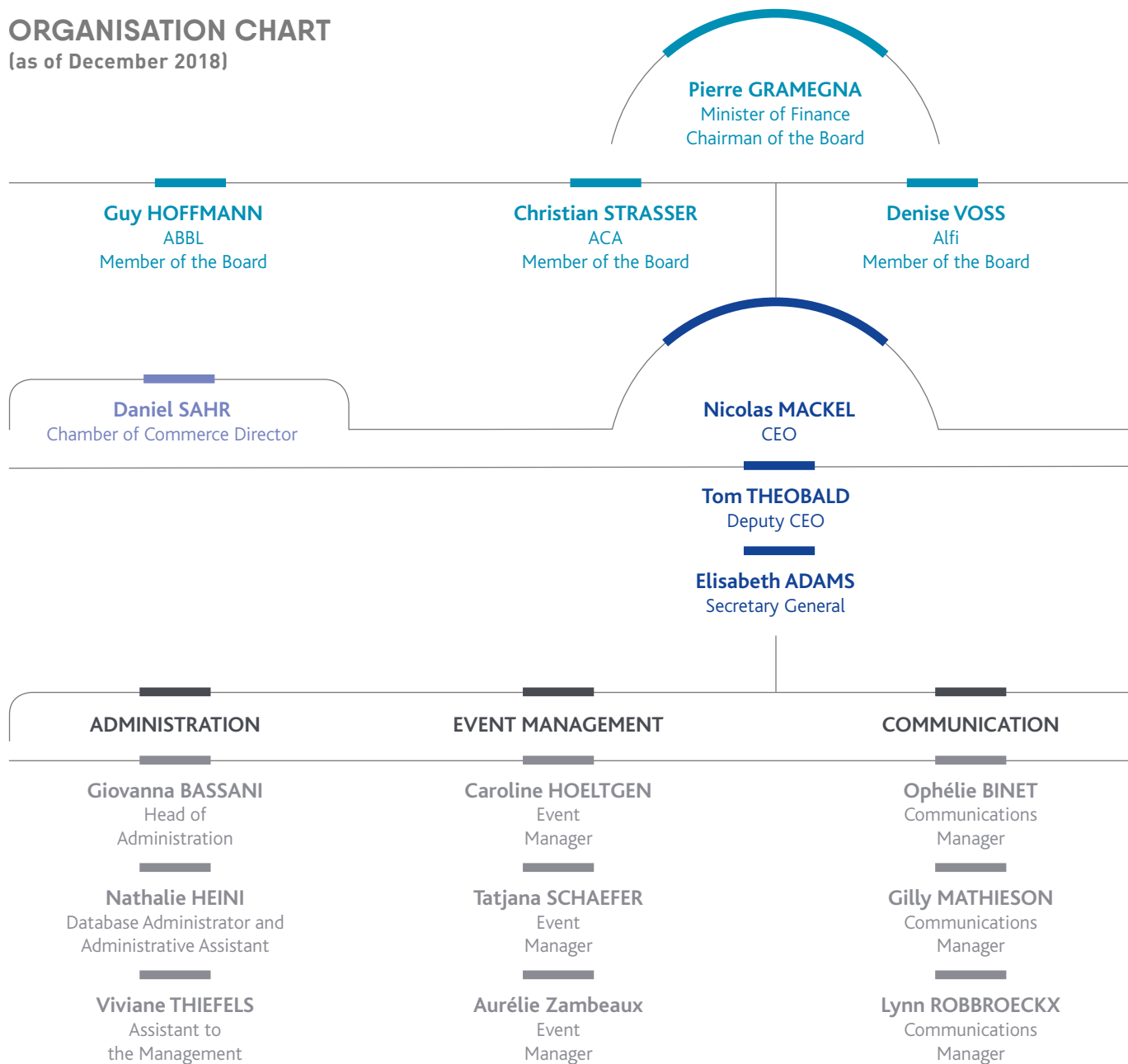


Robert-Jan Jarvis, Adviser Business & FinTech Development

Fabio Regis, Adviser Business Development

ORGANISATION CHART

(as of December 2018)



Carlo THELEN

Chamber of Commerce
Member of the Board

Isabelle GOUBIN

Ministry of Finance Director

BUSINESS DEVELOPMENT**Sascha BREMER**

Adviser Business
Development

Chris HOLLIFIELD

Adviser Business & FinTech
Development

Eleanor de ROSMORDUC

Senior Adviser
Business Development

Robert-Jan JARVIS

Adviser Business &
FinTech Development

Fabio REGIS

Adviser Business Development

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 Pierre Gramegna. The agency is jointly financed by these two bodies.

PROFIL's members are:

- Institut des Réviseurs d'Entreprises (IRE)
- Order of Chartered Accountants (OEC)
- Luxembourg Association of Professional Wealth Managers (ALPP)
- Finance & Technology Luxembourg
- Association of the Luxembourg Fund Industry (ALFI)
- Six Payment Services
- Chamber of Commerce Luxembourg
- Clearstream International S.A.
- Luxembourg Association of Insurance and Reinsurance Companies (ACA)
- Luxembourg Bar
- Luxembourg International Management Services Association (LIMSA)
- Luxembourg Private Equity and Venture Capital Association (LPEA)
- Luxembourg Stock Exchange
- The Luxembourg Bankers' Association (ABBL)

