

**SYZ**

The photographs in this  
brochure represent works  
of art displayed in the  
Group's offices.



## A DIFFERENT PRIVATE BANK

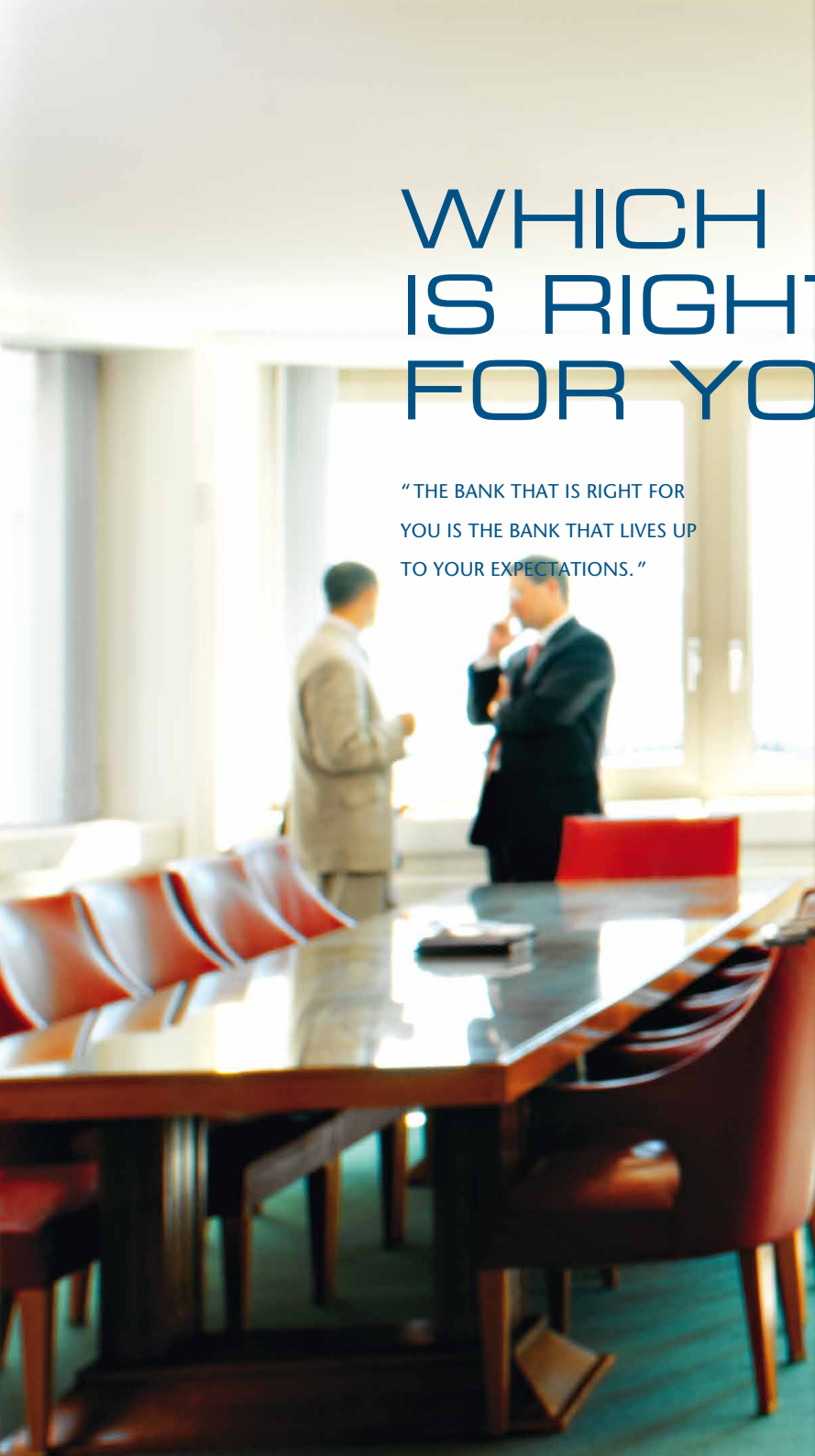
Founded in Geneva in 1996, Swiss banking group SYZ specialises in asset management, with two highly complementary lines of business:

- private banking
- institutional asset management

SYZ offers a new approach to asset management **that combines the advantages of traditional private banking** in terms of soundness, independence and quality of relationships with **a clear focus on management performance** obtained by means of modern investment techniques.

# WHICH BANK IS RIGHT FOR YOU ?

“THE BANK THAT IS RIGHT FOR  
YOU IS THE BANK THAT LIVES UP  
TO YOUR EXPECTATIONS.”





Instead of starting with the traditional model and then requesting our clients to conform to it, we took the opposite approach. We determined our clients' expectations and requirements and built our management philosophy around them.

**The result is a bank with a difference,** geared towards your specific management needs and providing you with tangible benefits.

## ARE ALL BANKS THE SAME?

**Choosing a bank to manage your personal assets is no easy task.**

Viewed from the outside, most banks look the same. In reality, however, the services they provide couldn't be more different. Just as there are top fashion houses and retail clothing outlets, there are generalist banks with a regional focus, traditional private banks that have often diversified into a number of activities, and global financial giants that rely on their retail banking base to offer private and investment banking services. Lastly, there are those that specialize exclusively in asset management, such as Banque SYZ.

Clients are therefore faced with a wide variety of banks offering their services, but have few ways of comparing the benefits they provide. There are no recognized guides that provide impartial advice and help clients make their decision. However, with experience comes knowledge, and modern investors are now better at identifying their needs and appreciating what it is that really makes the difference.



## WHAT DO INVESTORS EXPECT?

**A story, an experience, a dream... Each investor is different and unique.**

Personal situations, tax constraints, degree of financial expertise, needs and objectives all differ from one person to the next. Some wish to manage their own portfolio, whilst others prefer to assign the job to trained specialists.

However, all investors have at least two requirements in common when it comes to choosing the right partner: firstly, the **need to trust their bank** and secondly the **achievement of satisfactory returns**.

# TRUSTING YOUR BANK

This issue is fundamental because without it, it is impossible to build a fruitful relationship.

But trust cannot be taken for granted. It has to be earned.

Thanks to its human dimension and a totally independent approach, Banque SYZ belongs to a new generation of banks that has all the necessary tools to build this trust:

- **INDEPENDENCE AND IMPARTIALITY.** Focused exclusively on asset management, Banque SYZ does not engage in any activity which might cause conflicts of interest, nor does it participate in equity or bond underwriting certificates. As a result, the recommendations of our analysts are based solely on their convictions.
- **SOUNDNESS AND TRANSPARENCY.** As a genuine specialist, SYZ is not exposed to the main risk factors in banking, such as commercial or mortgage credit, commercial and industrial project financing or investment banking activities. Moreover, its proprietary trading business is extremely limited. Supported by strong equity capital, the Bank is thus particularly sound. In addition, as a Swiss bank it is subject to one of the most stringent regulatory frameworks in the world and SYZ's financial soundness can always be verified through its published accounts. Lastly, by acting solely in a fiduciary capacity, its clients' assets are recorded off the balance sheet, providing an added degree of security.



- **PERSONALIZED SERVICE.** A well-managed portfolio is primarily based on the understanding of the investor's requirements and preferences. This means establishing a relationship based on mutual trust and close communication, which takes time and requires a human dimension where people take precedence over technology.
- **IDENTIFICATION.** SYZ is a privately owned company and its main shareholder, Eric Syz, is also its CEO. He is personally involved in the day-to-day management of the bank and is in close contact with clients. Being an entrepreneur himself, he is naturally able to understand their concerns.

# ACHIEVING SATISFACTORY RETURNS

Although sometimes overlooked, this objective is the foundation of our bank and our “raison d’être”.

We believe that when investors select a bank to manage their assets, their primary concern is to have their portfolio successfully managed according to their personal objectives, the risks they are willing to accept, and current developments on the financial markets.

Created with this concept in mind, SYZ has put all the elements in place to do just that.

- **A CLEAR OBJECTIVE: PERFORMANCE.** Simple yet innovative, the SYZ concept focuses on the main, yet so often forgotten, objective of each and every investor: **capital preservation** and **investment performance**. This focus is underlined by a remuneration system linked to actual results, creating a real sense of motivation and a shared interest between the bank and its clients.
- **A SPECIALIST'S VIEWPOINT.** Only do one thing... but do it well. As dedicated investment specialists, we focus all our energy on managing portfolios. As regards related areas such as legal or tax advice, inheritance planning and financial structures, our network of outside experts ensures that we can always call upon an experienced specialist in a particular area.



“BANKS HAVE BECOME LIKE ELECTRONIC WATCHES: WEIGHED DOWN BY EXTRA FEATURES, THEY SOMETIMES FORGET THAT THEIR MAIN PURPOSE IS TO GIVE THE EXACT TIME.”

- **TECHNICALLY SOPHISTICATED ASSET MANAGEMENT.** In order to generate significant outperformance, SYZ has adapted management techniques derived from the world of institutional investment (see pages 16-17). More disciplined and more systematic, the institutional approach is built around a rigorous investment process and uses highly sophisticated tools in order to reduce portfolio volatility. Our technically advanced asset management thus enables us to translate our objectives into fact.
- **AN ACTIVE APPROACH.** Resorting to institutional methods does not, however, mean indexed and passive management. On the contrary, as we are convinced that we can add real value, we implement a more active management style that we believe is more in line with investors’ expectations, whether private or institutional.



# A DIFFERENT CONCEPT OF ASSET MANAGEMENT

"PORTFOLIO MANAGEMENT  
IS OUR RAISON D'ÊTRE."



We regard portfolio management as the cornerstone of our profession. It therefore seems important to outline our investment process in greater detail.

## WHAT PERFORMANCE?

### **Management which takes its responsibilities seriously**

Our aim is not to outperform an abstract and often arbitrary reference index, but rather to achieve a positive return regardless of how markets develop. We therefore manage market risk by means of active and dynamic asset allocation.

Our management style is guided by convictions based on our economic scenarios, which may lead us to take positions significantly different from index weightings.





### **One priority: steady returns**

Recent years have shown us that equity markets have by far outperformed fixed-income investments over the long term.

However, adopting a long-term perspective does not mean that we can ignore short-term variations. Working on the principle that regular growth is more reassuring and satisfactory than fluctuating returns, we aim to minimize unnecessary volatility as much as possible.

Naturally, when markets hit a slump, it is not always possible to deliver positive short-term results. Even fixed-income investments such as government bonds do not follow a strictly linear progression and may suffer a temporary loss in value when interest rates rise. However, our management philosophy ensures better protection for your capital, as demonstrated by our results during bear markets.

# A PHILOSOPHY BASED ON THREE PRINCIPLES

With these performance objectives in mind, we have based our management strategy on three main principles:

## **Optimizing your risk/return ratio**

Despite our emphasis on returns, our principal objective is to protect your capital. With this in mind, it is as important to limit losses in difficult times as it is to make the right investments during bull markets. This is why we employ a wide range of hedging techniques and make extensive use of alternative products, an area in which we have in-depth specialist knowledge and renowned expertise. In our opinion, performance must always be interpreted in light of the risks incurred.

## **Active, non-indexed management**

We only invest in areas where we can perceive a genuine opportunity for gain, independent of market indices and investment fashions. We have adopted an active style that allows us to react quickly to changes in market conditions and which, we believe, takes better account of our clients' individual investment horizons. Our flexibility and our size represent major advantages since they enable us to rapidly enter and exit any type of market.

## **Selecting the world's best managers**

We have developed high-quality in-house expertise in most markets. To complement this, we delegate the management of certain asset classes to top worldwide specialists. Our overriding concern is that our clients should benefit from the best possible management of their investments, wherever that can be obtained.



These three principles enable us to deliver robust investment performance in varying market conditions. In the past we have achieved good results when the markets were favourable, while protecting our clients' portfolios in more difficult conditions.

# OUR INVESTMENT APPROACH

In addition to these general principles that form the basis of our activities, our approach to private banking is characterized by a set of distinctive features.

## **A rigorous institutional approach at the service of private clients**

In our capacity as financial technicians, we have mastered institutional asset management tools and have transferred them to the world of private banking. More disciplined and more systematic, this approach is built around a rigorous decision-making process and delivers results superior to those achieved by more traditional management techniques, which can all too often be dominated by subjective and impulsive decisions.



### **Asset allocation: the basis of any portfolio**

As we are concerned with absolute returns rather than relative returns, we manage market risk and therefore have to carry out active allocation management between different asset classes. Indeed, the key to a portfolio's performance hinges on the ability to strike the right balance between cash, fixed-income investments, equities and alternative funds so as to adapt to current conditions. To ensure an objective basis, SYZ has developed a set of quantitative macro-economic forecasting models that deliver clear and reliable signals.

### **Value-driven stock selection**

Within a second phase, we choose sectors and individual securities, using a "bottom-up" approach founded on a value-driven philosophy, the aim being to identify undervalued companies based on qualitative and quantitative criteria tailored to their sector of activity. Since they are totally independent of any investment banking activity, our research analysts are free from any potential conflicts of interest in their company recommendations.





# PORTFOLIO MANAGEMENT OPTIONS

“EACH ACCOUNT IS DIFFERENT AND  
WE TAILOR OUR MANAGEMENT STYLE TO MEET  
OUR CLIENTS’ INDIVIDUAL NEEDS.”

We offer three different portfolio management options:

- Discretionary asset management
- Active advisory services
- Management specializing in alternative investments

Based on this general framework, clients have the flexibility, depending on their needs, to modulate or split their assets into several portfolios which may follow different investment guidelines.

## DISCRETIONARY ASSET MANAGEMENT

This is the “ready-made” solution. The increasing complexity of financial markets and the speed at which they react call for extensive expertise and constant attention in order to successfully manage a portfolio. By opting for discretionary asset management, our clients delegate the management of their portfolio to experienced specialists, so as to benefit fully from our financial know-how.

Discretionary asset management at SYZ is the fruit of a close collaboration between the manager and the client and follows a three-step process.



- 1. DEFINING YOUR RISK PROFILE.** This is the most important step in the process. Together, we define your individual expectations and investment goals as accurately as possible, taking into account your income needs, investment horizon, anticipated cash flows and risk tolerance. A close relationship between you and your private banker is essential in order to establish which type of portfolio is best suited to your requirements.
- 2. MANAGING YOUR PORTFOLIO.** Once your individual goals have been determined, we can set about implementing the appropriate investment strategy. For each profile and reference currency, we establish an allocation by asset class, country and currency. We then select the most suitable securities in which your assets will be invested, regardless of the type of portfolio.
- 3. DISCUSSING RESULTS.** Your relationship manager is always available to answer any request you may have and to review your portfolio with you, whether to discuss results or to verify that the current strategy is still appropriate.

# ACTIVE ADVISORY SERVICES

Some investors, particularly asset management professionals, prefer to make their own investment decisions. To satisfy the needs of these sophisticated clients, we have set up our **Active Advisory** team, dedicated to offering comprehensive services, from the drawing up of scenarios through to the implementation of appropriate solutions.

## **Comprehensive approach**

Clearly rooted in our private banking activity, our **Active Advisory** service shares this culture and naturally adopts the same global notion of wealth. Consequently, investment ideas always fit into the portfolio's wide overview, in particular by taking into account the fixed objectives, the chosen investment profile and the balance between the different investments.

## **Uncompromised recommendations**

Exclusively focused on the "buy" side, SYZ's **Active Advisory** team is totally independent, allowing the freedom to select the best counterparty able to achieve the objective at hand. This is a valuable ally in a sector that is becoming increasingly overcrowded with new products and providers, which in turn creates variable quality and hinders transparency of costs.



### Professional quality

Our **Active Advisory** clients receive a regular flow of opinions on markets or investment ideas. With no limits on the markets covered, including equities, bonds, investment funds, commodities, foreign exchange and structured products, SYZ's **Active Advisory** team ensures a careful and prompt execution of all orders.

# MANAGEMENT SPECIALIZING IN ALTERNATIVE INVESTMENTS

In order to satisfy the requirements of investors who prefer management focused on hedge funds, we have established a specialised unit: the **Global Investment Solutions (GIS)** team.

Analysing and monitoring alternative funds require specific skills and considerable resources. That is why, in addition to its own resources and the skills of its very experienced team, the **Global Investment Solutions** team can also rely on the analytical platform of SYZ Asset Management, SYZ's institutional management division, to supplement its due diligence process.



The **Global Investment Solutions** team offers a number of options for investors who are interested in alternative investments:

#### **Discretionary alternative mandate**

In the same way as for a conventional mandate, we begin by defining a strategy tailored to your individual profile. We then select the hedge funds that make up the portfolio and exhibit the desired characteristics in terms of volatility and expected return. Regular reporting and consultations ensure a continual flow of information, which in turn makes it possible to adjust your strategy as required.

#### **Active advice on alternative investments**

The same expertise is available to investors who prefer to make their own investment decisions, through frequent expert recommendations, specialised publications, and tailor-made investment advice. On request, we also provide access to our due diligence research, organise manager meetings or analyse specific funds.

#### **Hedge Access**

The **Global Investment Solutions** team offers a high-quality hedge fund transaction service, thanks to our long-standing experience in the complex administration of alternative funds and the solid contact network we have developed in this industry.



THINGS

# THE SYZ GROUP

"WE WANTED A BANK THAT WOULD PRESERVE  
THE STRENGTHS OF TRADITIONAL PRIVATE BANKING,  
WHILE MAINTAINING A CLEAR FOCUS ON PERFORMANCE."

# CREATING A DIFFERENT KIND OF PRIVATE BANK

When they set up Banque SYZ in January 1996, the founders wanted to create a different kind of bank that answers to real investor needs and to the important challenges facing private banks.

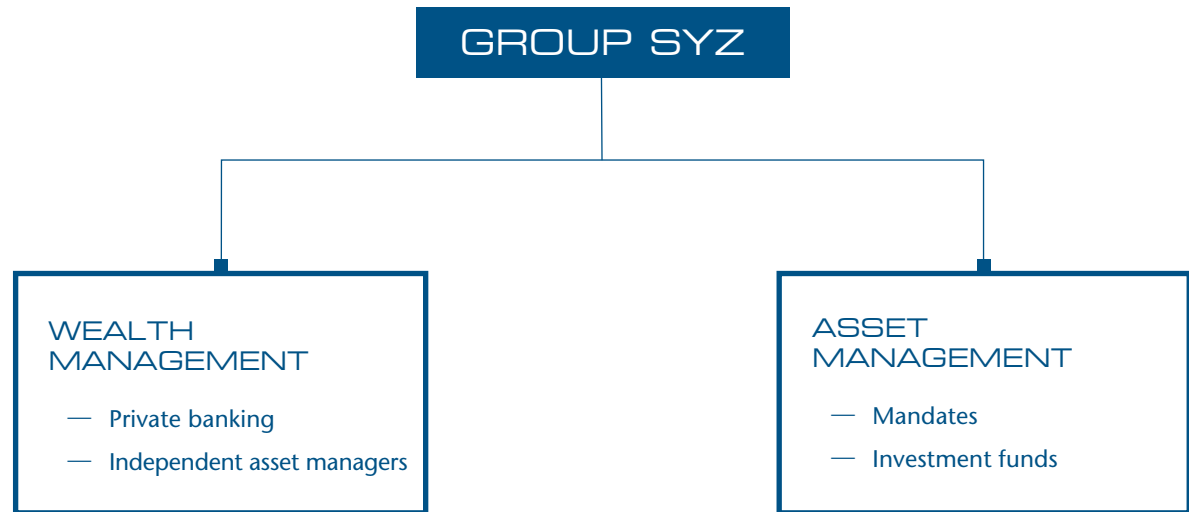
The result was a new style of asset management bank: rich in tradition yet firmly geared to modern asset management, drawing on the most sophisticated techniques from the field of institutional investment. SYZ has a 360° view of its clients' wealth and therefore offers Corporate Advisory services to businesses, through its partnership with investment banking firm Rausch Partners.



## ERIC SYZ

As the main shareholder and CEO of Banque SYZ SA, Eric Syz began his financial career on Wall Street in 1981. He then joined Geneva-based Lombard Odier & Cie in 1984, where he specialized in institutional asset management, mergers and acquisitions and designing and promoting Group products. He has also acquired experience in hedge fund analysis, an area in which he has been closely involved since the 1980s.

Besides private banking, Banque SYZ is also a partner of choice for independent asset managers and their clients.



**SYZ Asset Management**, the Group's asset management entity, provides to an important institutional clientele a wide range of strategies, available either via segregated mandates or through a rich investment funds palette.

**In each of its lines of business, SYZ has established itself as a benchmark of quality.**

# SYZ ASSET MANAGEMENT

**SYZ Asset Management**, the institutional asset management entity of the Group SYZ, provides investment solutions to Swiss and international institutional investors, such as pension funds, insurance companies, corporates and investment funds.

Thanks to its own dedicated resources for research, analysis, portfolio and risk management, marketing and operations, **SYZ Asset Management** meets the highest standards in terms of institutional management and customer service. Our institutional asset management company is also a signatory of the United Nations Principles for Responsible Investment and the Bank is a founding member of the Swiss Sustainable Finance association.



**SYZ Asset Management** bases its investment approach on sound principles which make its decision-making and implementation processes clear, robust and distinctive. It offers a focused but diversified range of strong added value «high alpha» and «enhanced passive» strategies.

These strategies are available either directly via segregated mandates or through the Group's various investment funds :

- **OYSTER FUNDS**. OYSTER is a UCITS Luxembourg SICAV offering a balanced range of high-performance products covering a variety of asset classes, markets and investment styles. Marketed in 11 countries, its sub-funds are managed by in-house or external managers selected for their ability to achieve the best performance.
- **OYSTER ALTERNATIVE**. As a specialist in selecting hedge funds and managing alternative portfolios, SYZ Asset Management also offers a number of multi-manager alternative funds.
- **SYZ AM**. The SYZ AM funds are specifically aimed at Swiss institutional investors.

GROUP WEBSITES:

[www.syzgroup.com](http://www.syzgroup.com)

[www.syzassetmanagement.com](http://www.syzassetmanagement.com)



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