

VP Bank and Hywin Wealth champions female empowerment in Asia Pacific's wealth management industry with latest report

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Women are increasingly holding a central role as earners, creators, and stewards of wealth. They are viewed as the redefining force for bringing about new norms and are the driving force of today's wealth ecosystem. Sponsored by VP Bank and Hywin Wealth, the report, "Winning Women in Asia-Pacific" researched by *WealthBriefingAsia* gathers actionable insights from in-depth interviews with various female clients, entrepreneurs, and wealth management experts.

According to Boston Consulting Group, women currently control a third of the world's wealth and are adding US\$5 trillion to the global pool every year. This far exceeds the growth of the broader wealth market. The burgeoning women's wealth management scene is particularly evident in Asia-Pacific (APAC) - where women in Asia (excluding Japan) currently have a 32% (US\$ trillion) share of the total regional wealth pool and a 10.4% annual growth rate.

The sector is however, often overlooked and characterized by traditional roots. This report seeks to champion the evolution of the industry's approach to women, understand their uniqueness and motivations, celebrate their successes, and empower females to redefine their future through wealth protection.

Female entrepreneurs on the rise

APAC has the second highest rate of female-owned businesses in the world (9.1%), significantly ahead of North America (5.7%) and Europe (5.3%). China further dominates the world of self-made female billionaires, contributing 61% of the global total.¹ Additionally, women's workforce participation across Asia-Pacific tops globally (around 60% in Singapore and China) and the region's economic dynamism is reflected in women's growing earning power.²

Crediting these numbers to several possible factors, some of the interviewees shared their view on why they think women in Asia-Pacific may be better placed to engage in wealth management than their compatriots globally. Factors cited include having a widespread workplace culture of diversity and inclusivity, and women's stronger interest in success and wealth, especially in China.

The report states that these factors, along with "pink tax" that sees females pay more than men for comparable goods worldwide (generally over 40%), have spurred a need in women to close the wealth gap to sustain their desirable lifestyles.

Risk averse or adventurous?

A broad spectrum of financial personalities and risk tolerances exist amongst women. Contributors to the report frequently highlighted how finance professionals working in international hubs and entrepreneurs running their businesses tend to have a higher risk threshold, with the remainder being more reluctant to invest. Convincing the overly cautious of the need to assume more investment risk may well be one of the most invaluable services the sector can perform.

Wealth managers can champion a goals-based wealth management paradigm - as compared to a transactional one - to empower women to take more control of their wealth. This would encourage

¹ "Hurun Richest Self-Made Women in the World 2020", Hurun Research Institute

² "2020 Asia Salary Guide", Hays

female clients to engage in robust wealth diversification – a practice that is currently lacking in the segment.

The report also found that women place a stronger emphasis on authenticity and relationships than their male counterparts, and value partners who truly understand their needs.

Sustained investments for a brighter future

Environmental, Social, or Governance (ESG) themes accumulated US\$20.6 billion in new money in 2019, making it a record year.³ While more nascent, impact investing has become a global force too – with 1,340 organizations estimated to have managed US\$502 billion in impact investing assets worldwide.⁴

Covid-19 will further fuel this explosive growth, with the crisis exposing flaws in healthcare, structural social inequality, and the global economy's fragility. The survey's contributors noted that ESG principles tend to resonate very strongly with women, which can only be bolstered by the sector's strong performance during the crisis and emerging "safe haven" status (April 2020 from Refinitiv Lipper showed the average performance of ESG equity funds outstripping conventional ones +0.43% to -0.65%). Female investors within the APAC region appeared to display greater confidence in ESG investing, presenting opportunities for wealth managers to become an influential force for good.

"With women gradually occupying a significant portion in the wealth management industry, it remains extremely critical to understand the motivations and values of female clients. Alongside VP Bank's investment philosophy "Investing for Change", this report supports our commitment towards our stakeholders to create a more equitable future," said **Reto Marx, Head of Intermediaries and Private Banking, VP Bank Ltd Singapore Branch.**

Madame Wang Dian, CEO of Hywin Wealth, added, "Hywin Wealth believes in supporting Asian women in our community – celebrating their successes and standing alongside them in every step of their journey. Through this report, we hope to communicate the pressing needs of this particular segment and revolutionize the way the industry thinks about its current and future clients."

In July 2019, VP Bank AG signed a memorandum of understanding for a partnership with Hywin Wealth Management Co Ltd. This offers us the opportunity to build up our business activities in the Chinese market and advance our Asia strategy together with a highly professional and reputable partner.

For more information on the report, please refer to the following link [here](#)

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³ Morningstar data, February 2020

⁴ "Sizing the Impact Investing Market", Global Impact Investing Network, 2019

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About VP Bank Group

VP Bank Ltd was founded in 1956 and is one of the largest banks in Liechtenstein with 943 employees at the end of 2019 (full-time equivalent 874). It currently has offices in Vaduz, Zurich, Luxembourg, Singapore, Hong Kong and Road Town on the British Virgin Islands. VP Bank Group offers bespoke asset management and investment consultancy for private individuals and intermediaries. Due to the open architecture, clients benefit from independent advice: The products and services of leading financial institutions as well as in-house investment solutions are included in client recommendations. VP Bank is listed on the Swiss stock exchange SIX, and has an "A" rating from Standard & Poor's. The bank has a sound balance sheet and capital base. Its anchor shareholders take a long-term view, guaranteeing continuity, independence as well as sustainability.

About VP Bank Ltd Singapore Branch

VP Bank Ltd Singapore Branch is a boutique private bank with a client-centric business philosophy. With a presence in Singapore since 2008, it is the Asian branch of the Liechtenstein-based VP Bank Group.

VP Bank Ltd Singapore Branch provides specialised wealth management solutions and family office services for high-net-worth clients and professional asset managers and is dedicated to the protection and growth of clients' wealth. The bank offers a holistic suite of services in wealth management. Apart from private wealth management, VP Bank Ltd Singapore Branch provides comprehensive services for asset managers and other financial intermediaries. The service offering comprises a trading platform, banking services - including e-banking and mobile banking - and operational support. Partnership arrangements with professionals include tailor-made investment advisory, discretionary management solutions, and custodian services.

VP Bank was awarded Best External Asset Manager Service Provider and Best Private Banking Regional Partnership at Greater China *WealthBriefingAsia* Awards for Excellence 2020 and Best Asia EAM Service Desk at Citywire Asia EAM Desk Awards 2020.

About Hywin Wealth

Hywin Financial Holding Group was established in 1989, headquartered in China's international financial centre - Shanghai. The group is active in asset management, wealth management, insurance, inclusive finance, and cultural tourism and has over 5,000 staff across Mainland China, Hong Kong, UK, and the US. Hywin Wealth Management Co., Ltd. was founded in Shanghai in 2006 with a registered capital of RMB500 million. As a leading independent wealth management institution in China, Hywin Wealth Management Co., Ltd. has 148 subsidiaries in 72 cities in China and more than 2,300 employees nationwide, as of Oct. 2019. Hywin Wealth Management Co., Ltd. is majority owned by Hywin Financial Holding Group. Hywin Wealth Management Co., Ltd. and its CEO Madame Wang Dian were voted by *WealthBriefingAsia* as "Best Wealth Manager of Greater China Families 2020" and "Woman of the Year in Greater China Wealth Management 2020", respectively.

About *WealthBriefingAsia*

WealthBriefingAsia is published by [ClearView Financial Media](#) with over 20 years' experience of providing information to the international financial services sector.

WealthBriefingAsia is the Asia-focussed daily news and analysis service of the *WealthBriefing* Network.

Since 2005 *The WealthBriefing Network* has given members access to regular and exclusive research on the global wealth management sector along with the opportunity to attend industry events such as *WealthBriefingAsia* Breakfast Briefings and Summits in Hong Kong and Singapore. It features an industry leading awards programme with independently judged awards being presented at sparkling gala events in Singapore and Hong Kong.

WealthBriefingAsia is truly global news service with sister publications *WealthBriefing* and the North America based Family Wealth Report reflecting the global nature of the wealth management industry and its client base.