

Challenges for (Ultra-)High-Net-Worth
Individuals (HNWI) in Accessing Swiss
Wealth Management

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High-net-worth individuals (HNWI) often encounter significant obstacles when seeking tailored wealth management solutions, particularly in smaller or less integrated financial markets. These challenges stem from limited access to specialized services, regulatory complexities, and a lack of providers offering sophisticated, globally oriented strategies. This article explores these issues and explains how HNWI can navigate cross-border regulations to access suitable wealth management options.

The "Underbanked" HNWI Challenge

In many regions, local financial institutions may prioritize standardized and globally not competitive investment products, which often fail to meet the complex needs of HNWI. These individuals typically require customized portfolio management, advanced tax optimization, and diversified unique global investments. However, smaller markets may lack providers with the expertise, network or resources to deliver such solutions, leaving HNWI underserved or "underbanked." This gap can result in suboptimal asset allocation, missed opportunities for growth, or inefficient wealth preservation strategies.

The underbanked phenomenon is not just about access to capital but also about the availability of high-caliber advisory services. HNWI often seek wealth managers with deep expertise in international markets, alternative investments, or bespoke financial planning. Without these, they may face higher costs, limited diversification, or strategies misaligned with their long-term goals. This challenge is particularly pronounced in markets with less developed wealth management ecosystems.

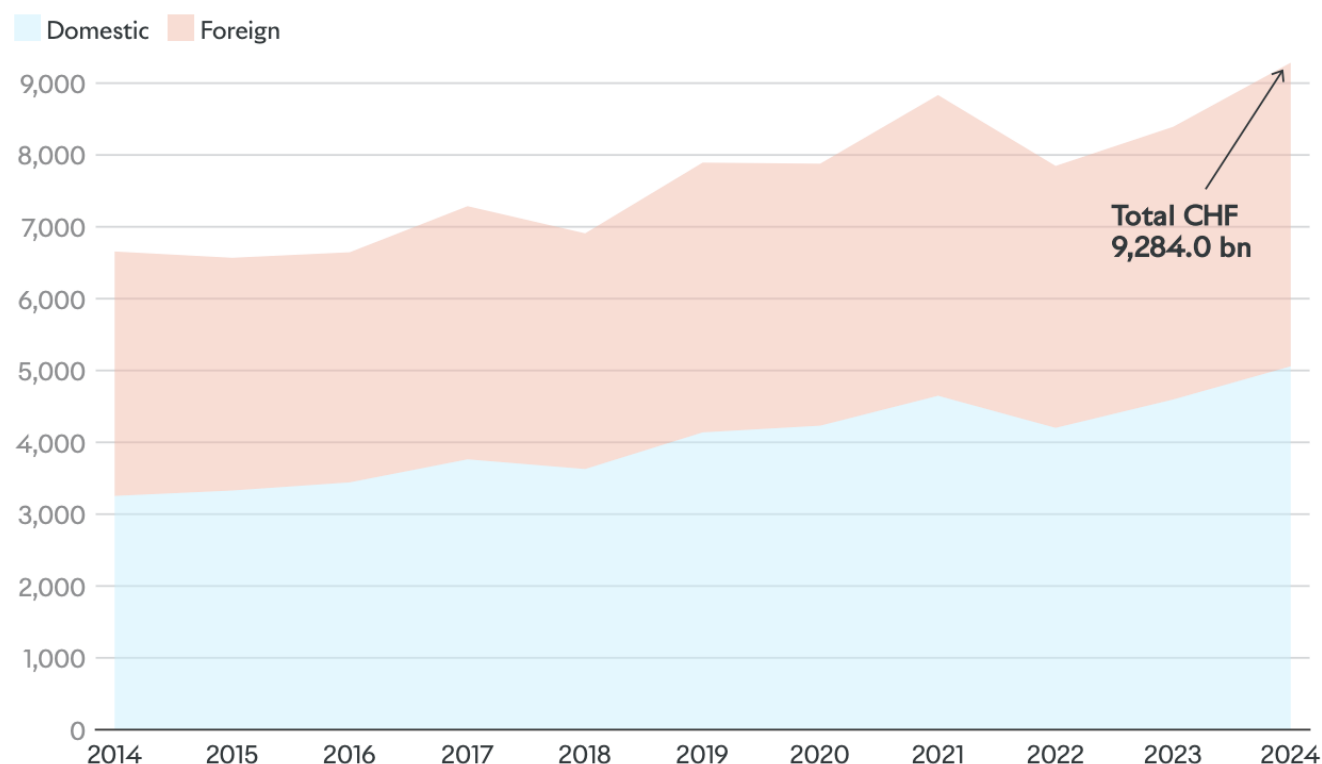
Regulatory Framework: Cross-Border Access

Navigating cross-border financial services is a critical consideration for HNWI seeking Swiss wealth managers. In the European Union, regulations like the Markets in Financial Instruments Directive (MiFID II) set strict rules to protect investors while ensuring market integrity. Swiss providers can offer services to EU clients under specific conditions, with one of the most important being reverse solicitation. Reverse solicitation allows clients to approach Swiss providers at their exclusive initiative, without any prior marketing, advertising, or promotion from the provider. According to ESMA Guidelines (2018), this means the client must independently seek out the firm, ensuring the interaction complies with cross-border regulations. This mechanism enables HNWI to access specialized services from global providers while adhering to legal frameworks.

Switzerland: The World's Trusted Wealth Hub

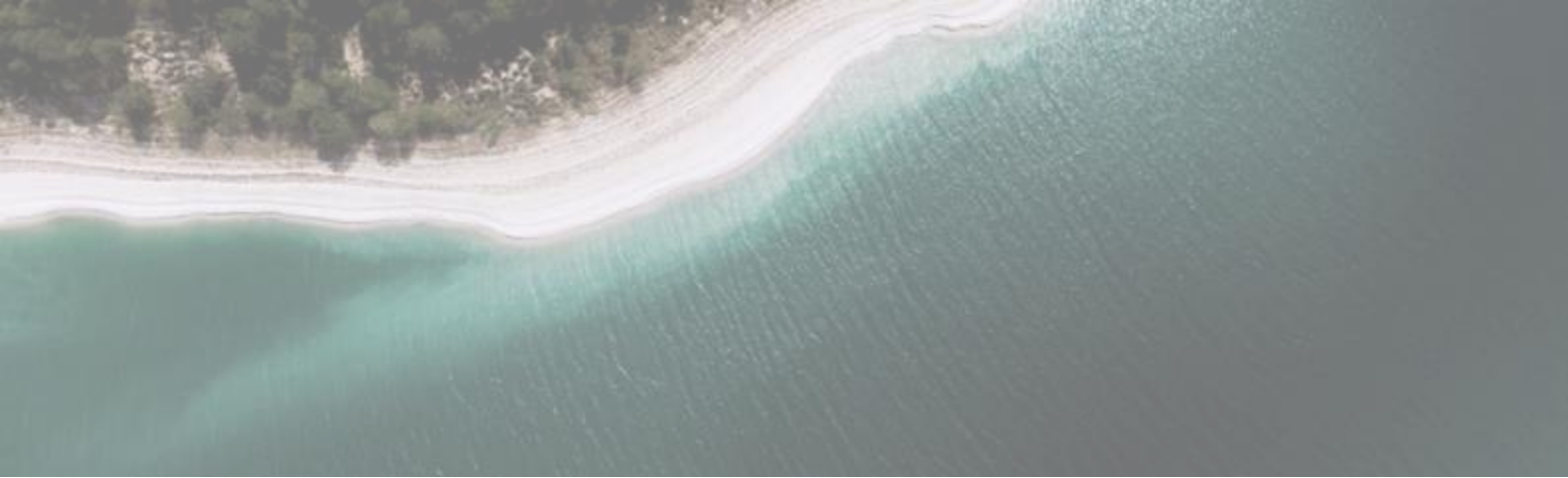
Figure 1 confirms that Switzerland continues to stand out as the premier destination for global wealth. In 2024, assets under management at Swiss banks surged by 10.6%, reaching a record CHF 9.28 trillion (USD 11.7 trillion). This remarkable growth was driven by both domestic and international clients - clear evidence of Switzerland's enduring appeal as a safe, sophisticated, and globally connected financial center.

Figure 1: Assets under management in Switzerland by customer origin (in CHF bn)



Source: Swiss National Bank – Chart: Swiss Bankers Association

Behind these numbers lies the strength of Swiss banking fundamentals: a stable regulatory/political environment, robust custody infrastructure, and world-class expertise in wealth preservation. More than 90% of last year's growth was fueled by securities holdings, underscoring Switzerland's role not just as a safe haven, but as a place where wealth can also grow responsibly by independent wealth managers, family offices and banks. For investors navigating an increasingly complex world, Switzerland remains the benchmark for discretion, stability, and long-term value creation. With Switzerland providing such a robust platform, the question becomes: how can foreign HNWIs legally and efficiently access it? This is where regulatory mechanisms like reverse solicitation matter.



How Reverse Solicitation Works

In practice, reverse solicitation requires clients to initiate contact without any prompting from the manager. For example, an HNWI might research a Swiss firm online or through professional networks and send an unsolicited inquiry. Managers responding to such inquiries must limit their engagement to the specific request and avoid any promotional follow-ups. The process is typically valid for a limited period, after which clients may need to re-confirm their initiative for ongoing services. This structured approach ensures regulatory alignment and facilitates efficient onboarding for HNWI seeking tailored solutions.

Leveraging Trusted Networks for Efficient Access

Seeking recommendations from trusted peers or professional contacts can streamline the process of identifying a suitable wealth manager. This approach allows high-net-worth individuals (HNWI) to quickly obtain relevant information while ensuring the chosen provider adheres to applicable regulatory guidelines. A critical factor in selecting a wealth manager or advisor is their commitment to compliance with local and international regulations, such as MiFID II in the EU. These rules are designed to safeguard your assets and promote long-term financial security. By relying on personal networks and confirming unsolicited inquiries, HNWI can efficiently connect with providers while maintaining compliance with cross-border frameworks like reverse solicitation. By initiating contact independently, HNWI can unlock access to global expertise that may not be available locally. This approach allows for greater flexibility in choosing providers while maintaining compliance with stringent regulations.

Benefits of Addressing the Gap

Accessing global wealth management services through reverse solicitation can bridge the gap for underbanked HNWI. Swiss independent wealth managers and multi family offices often offer specialized strategies, such as top hedge funds, private equity, infrastructure, private credit or cross-jurisdictional estate planning, which may be unavailable in smaller markets. This can lead to better diversification, enhanced returns, and more robust wealth preservation. Working with reputable firms that prioritize transparency and regulatory adherence is essential for a seamless experience.

An aerial photograph of a dense forest with a narrow path or streambed cutting through it. The trees are mostly green, with some lighter patches where the path or sunlight hits the canopy. The overall tone is dark and moody.

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