Switzerland no longer ‘viable’ for UBS, warns activist Cevian

▸ Fears over state’s new capital rules ▸ Investor urges bank to relocate HQ

Financial Times Europe
19 sept. 2025
SIMON FOY — LONDON MERCEDES RUEHL — ZURICH

Activist investor Cevian Capital has said it is “not viable” to run a large international bank from Switzerland due to new strict capital proposals, and that unless the position changes UBS would have “no other realistic option” but to leave the country.

Cevian is Europe’s largest dedicated activist investor and holds about 1.4 per cent of UBS’s shares. It added that the government proposals, which would force the bank to have as much as $26bn in extra capital, could not be meaningfully changed through lobbying efforts.

“The board has the responsibility to ensure that UBS protects its competitiveness,” Lars Förberg, Cevian’s cofounder, told the Financial Times. “Under the current proposals, it is not viable to run a big international bank from Switzerland. We therefore see no other realistic option but to leave.”

He added: “The message from the Federal Council is clear: UBS is too big for Switzerland. I respect the Federal Council’s decision, but I do not understand it. It cannot be undone. Lobbyists cannot change that either. That effort can be spared.”

UBS is attempting to convince lawmakers to scale back the proposed capital changes, which the bank has called “extreme”. While its executives want the bank’s headquarters to remain in Switzerland if they can convince parliament to reduce the proposed capital hit, they are open to the idea of leaving if the proposals do not change, according to people familiar with their thinking. The intervention by Cevian is likely to add weight to the idea of UBS leaving Switzerland and could put pressure on the bank’s leadership to increase contingency planning.

Another top 25 Swiss investor in UBS said that the lender should seriously explore moving its headquarters, while one senior executive at another Swiss bank said they believed the government should take the threat seriously.

“UBS is the largest wealth manager outside the US, with low risk. Any country would want such a bank,” Förberg said. If the bank were to leave, it would most likely choose the US or an EU member state for its legal and regulatory headquarters, said one person familiar with the matter.

Some analysts say that such a move would be mired in complexity and regard the threat of UBS leaving as a negotiating tool in its talks with the Swiss government.

In June, the government outlined plans to force UBS to fully capitalise its foreign subsidiaries as part of a wideranging package of reforms to guard against another Credit Suisse-style collapse. At the time, it said that to meet the new requirements UBS would need to increase its common equity tier one capital by about $26bn, although the bank has put the figure closer to $24bn.

Swiss lawmakers this week rejected a plan to delay some bank capital reforms, paving the way for the government to introduce some measures via executive order that could increase UBS's capital requirements by $3bn.

UBS chief executive Sergio Ermotti last week said the lender wanted to "continue to operate as a successful global bank based out of Switzerland", adding that it was "too early" to comment on what its response would be to the capital reforms.