



**Exclusive Interview with
Niccolò Polini
CEO of HSBC Luxembourg**

Dear Members and Friends,

Welcome to the 11 February issue of the AMCHAM.lu Newsletter!

We are delighted in this issue to have the opportunity for an exclusive interview with Niccolo Polli, the CEO of HSBC, and to discuss with him a full range of issues associated with the impact of the Covid pandemic and, most especially, how he and his organization are taking care of both business and staff during this turbulent period. I likewise note that Mr Polli has recently been singled out for special recognition for his support of Diversity and Inclusion initiatives within HSBC. We compliment him and his HSBC staff for their shared focus on the absolute imperative and embrace of fairness as an overriding management objective and practice. Thank you very much Niccolo for so powerfully sharing such an important message with us and our members!

We believe the time has come to focus increased efforts on the relaunching and strengthening of business activities here in Luxembourg. In this regard we are working to launch a very special new project to support the retail sector and hope to share more with you on this subject at the very beginning of next month. We look forward to having our third lunchtime meeting on this project today with Giovanni Patri who has been playing such a strong role supporting this hard-hit sector. Keep your fingers crossed that we are successful... and watch this space for more details to come...soon.

Also, in this issue, please find an excellent expat relocation focused article. It is very good news that we still have new skilled newcomers relocating to Luxembourg. We likewise note that existing conditions have imposed additional challenges to the process of in-boarding new talent and thank Stéphane Compain for his excellent article.

And, as always, we are very pleased to offer you a great recipe (Linguini with lots of Garlic!) to make and enjoy when you celebrate Valentine's day with your most special friend! This recipe certainly proves the point that Italian food stands as the epitome of sensually decadent food for love.!

We wish you all success during the weekend and the coming week. Stay strong, successful, well and happy!

With respect and my very best regards,
Paul

Paul Michael Schonenberg
Chairman and CEO
AMCHAM Luxembourg

1. Exclusive Interview with Niccolo Polli CEO HSBC Luxembourg

1. **Amcham:** Please tell me how this Covid situation came into recognition within your company, what were the first thoughts, how did your perception develop over time from the early days?

Niccolo Polli: We were organising a large Chinese New Year (“CNY”) celebration for February 21, and were in regular contact with our colleagues in Hong Kong and mainland China and also the local Chinese banks in Luxembourg. As such, we were seeing the situation unfold throughout late December and early January and were very aware of the seriousness of COVID and its impact on people, families, business and society. At the end of January, in consultation with our Chinese colleagues and counterparts in the local banks, we decided to cancel our CNY celebration plans in recognition of the gravity of the evolving situation.

As a management team, we monitored the situation through internal channels and after the half-term break in February we decided to set-up a COVID-task force whose main objective was to protect the health of our staff, our clients and suppliers.

2. **Amcham:** What steps did you first take to adapt to the unfolding situation?

Niccolo Polli: One of the first things was to ensure that staff were equipped to work from home. This was the case for people in our Securities Services, Asset Management and Corporate Banking business, but we discovered some coverage gaps in the Private Bank due to legacy rules on Banking secrecy. We had to quickly amend certain processes and procedures and in parallel source and build over 40 computers asap: no mean feat when the entire world was trying to do the same, but here is where being part of a large Group has benefits and we managed to ship them in from the UK.

Our IT colleagues across the bank did an amazing job throughout March issuing equipment, installing Zoom and other relevant software, ensuring sufficient bandwidth for remote secure connectivity and more. By March, 99% of local staff were working remotely. Globally, over 200,000 HSBC employees were working from home in April!

3. **Amcham:** How have you modified and adapted company practices and policies over the time of the crisis?

Niccolo Polli: The joke circulating the internet at the time was: “Who is responsible for digitising your company? A) the CEO, b) the CTO, c) COVID” While significant investment was already going into digital transformation for HSBC globally, it’s fair to say COVID effectively turbo-charged digital adoption both for the bank and our customers. It was no longer aspirational and ‘futuristic’ but needs-driven and immediate.

The pandemic gave us an ideal opportunity to question our legacy practices, processes and to be more agile in our ways. In-line with HSBC’s Digital-First Agenda, we sought out opportunities to automate and leverage new technology, including robotic process automation (RPA), chatbots, digital collaboration tools and digital signatures.

The need to find a solution for signing agreements was immediate and like all banks, we had to respond with speed, whilst ensuring that we could conduct a full and robust assessment of the risks.

4. **Amcham:** What lessons have you and your colleagues learned?

Niccolo Polli: We miss each other! We learnt that humans are resourceful, resilient, but also social beings. At the beginning, home working was great, zoom was wonderful, digital signatures a relief, and no commuting added hours to the day. Twelve months later and many people are tired of zoom calls, miss interaction with their colleagues and realise that the commuter hours saved, are spent on the computer. We need to take the best of office working and home working and find a happy equilibrium for our personal and organisational well-being.

5. **Amcham:** What actions would you take differently in retrospect?

Niccolo Polli: We should have stock-piled alcohol and not toilet paper! Seriously though, not very much. It's in times of crisis that people will remember how you behaved and so we prioritised people over everything else and I think it paid off in terms of results. We had no cases of COVID spread in the office; we made the office safe for those struggling at home to come and work during the summer but never forced anyone to come back; we communicated with our staff very regularly to keep them all up to date as things were moving fast; we kept the business going and one major client even wrote to our Group CEO to commend our staff in Luxembourg.

6. **Amcham:** Are the changes which have occurred situational, or do you expect are long lasting institutional changes?

Niccolo Polli: The changes will be long-lasting, but not as dramatic as initially hypothesized.

There will be more home-working and less commuting as people find their preferred balance. Urbanisation will take a pause as flexible working practices allow greater geographical disbursement of employees and some chose to move to larger homes. Institutions will re-evaluate their complex multi-system, multi-jurisdictional supply chains and operating models to ensure they remain resilient under pandemic-conditions.

But humans remain social at their core and this will always act as a counter-balance drawing us back together.

7. **Amcham:** What will the post Covid "new normal" look like for HSBC?

Niccolo Polli: We need to build back better. We need to take the positives from this crisis and integrate them into our ways of working. Home-working will become more widely used, and office space will be designed for collaboration, brain-storming, client meetings and relationship building. We hope an agreement can be found to ease some of the restrictions faced by cross-border workers so they can more fully partake in this as well.

Additionally, a greater collective environmental conscience has developed, and we will make a concerted effort to take fewer flights for meetings; we will maintain the streamlined processes and push digital innovation even further; we will consider our environmental footprint in the choices we make.

8. **Amcham:** What are the key components of your personal management style and have they evolved as a result of the Covid related stresses?

Niccolo Polli: Steve Jobs once said “It doesn't make sense to hire smart people and tell them what to do.”

I like to hire the best, empower them and hold them accountable for delivering results. As a CEO I need to create a culture that allows and drives us to be at our best, not just as individuals but as a team. I also need to be clear on priorities, provide guidance, help people when they need it. Additionally, I need to understand the details of every business and function so that we can make informed decisions rapidly to continue delivering at pace.

In a crisis situation, the human aspect takes precedence over all else and I needed to dial-up the people element. We are a people business at our core and if our people are uncertain or afraid or unclear of what is happening then nothing else matters. It's like a hierarchy of needs, and the CEO role in this instance cannot be delegated. So I stepped-up communication across the organisation. I held weekly meetings with my leadership team, extended leadership team and All-Staff. We also had weekly COVID task force meetings and I held exchange sessions with groups of 10-20 people at a time over the course of April-June so everybody in the organisation had an opportunity to ask me anything they wanted directly.

My agenda became packed with people meetings just talking to people, keeping them informed and letting them know that we were on top of things.

9. **Amcham:** Tell us about the Diversity and Inclusion initiatives you have put into place within HSBC. Why have you done these initiatives and what has been the impact?

Niccolo Polli: Diversity & Inclusion (D&I) is first a question of fairness for me. We shouldn't treat people differently based on the colour of their skin, their gender or their sexual orientation. We don't do it for people with blue or brown eyes. These things are predetermined by genetics and not linked to innate ability.

Second it's about talent attraction. Imagine the impact on our talent base if no brown-eyed person wanted to work for us because they did not feel welcome or able to be themselves. We would lose 50% of our talent, because ability is distributed equally. So if I want to have the best team possible to serve my clients, shareholders and employees, I must attract talent, whatever shape or form it comes in. The more people feel welcome and included, the more they will apply to work with us and the higher my talent base will be. A diverse bank with the best talent there is, has a natural competitive advantage. This is what I am trying to create.

As CEO, I try to amplify my voice by being actively involved in external engagements on the topic of D&I. It is important to raise awareness and to continue to shift the organisational mind-set around D&I from a perceived constraint to a competitive advantage.

The COVID situation has not been conducive to me continuing external engagements, but I remain nevertheless active on Linked-in, participating in virtual events (like the 24 hours of Pride) and sponsoring others active in this space (like Rosa Lëtzebuerg and IMS).

10. **Amcham:** What has been the impact of these D&I initiatives especially with regards to business efficiency and productivity, employee happiness, identification of future company leaders?

Niccolo Polli: When our staff was asked in a free-form manner to state the best thing about working for HSBC in Luxembourg, "Focus on fairness/ Inclusion/ Diversity" came second only to "flexible home working."

We regularly do a people survey and since starting our D&I efforts, the percentage of positive responses to the question "I feel able to be myself" has grown over 10% points and we are now at 80% positive responses (and over 95% positive plus neutral). For the question "people can express their opinion without fear of consequences", the number of positive responses went up 14% points. And for the question "where I work, people are treated fairly", the progression was 13% points.

The improvement is noteworthy. It is important that our staff feel able to be themselves because they will perform better as individuals and we will perform better as a team. We have also been reviewing our talent lists, succession plans and interviewer training materials to ensure no unconscious bias creeps into the process. People who come to work for HSBC want an open, welcoming culture that is fair and meritocratic and that is what we strive to provide.

11. **Amcham:** What additional advice or messages would you like to pass along to our readers.

Niccolo Polli: There can be a misperception that a focus on D&I means favouring diverse candidates at the exclusion of others (often referred to as reverse discrimination). This perception exists because people believe they are fair and simply select the best candidates that apply. That the result is predominantly white male, is just considered a fact of life and D&I an attempt to distort that.

As an Engineer, if I see that the outcome of a process is not reflective of the underlying diversity in society, then to me that is an indication either of a biased process or some form of self-selection occurring so that talented and diverse candidates are not even bothering to apply (they don't even enter the process). So we need to review the processes for unconscious bias and improve our ability to attract diverse talent if we truly want to create the best teams. But we must at all times remain meritocratic and favour talent and ability, and not simply replace one bias with another. That helps nobody.

2.

Relocating to Luxembourg In COVID Times By Stéphane Compain of LuxRelo



Relocating for a job can be a difficult process at any normal times, but the COVID-19 pandemic has not made it any easier.

Is moving overseas during COVID-19 smart? Well, there is no reasons why you should not move if you got your dream job in Luxembourg, the work permits are still processed in 6-8 weeks and you are entitled to travel when your get your temporary authorization to work. Just make sure to check the latest travel requirements with the local Luxembourg Embassy as in some cases you might need a letter from them allowing you to travel even if you don't need a visa.

Since January a PCR test of less than 72 hours is required before you fly to Luxembourg

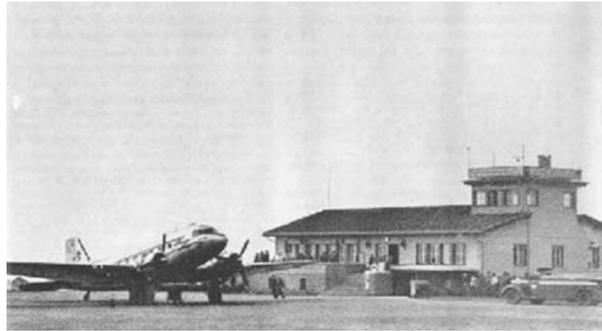
Looking for a new accommodation in Luxembourg is a stressful and time-consuming process in normal times. With travel restrictions right now, you might not be able to come and see the property in person before selecting it. A stressful situation for some people.

Here are some tips:

- Start planning early
- Have a look at the cost of living and especially the renting costs
- Make a list of important things you want to have for your new home as well as the location (close to the school, the office or the shops, city or countryside,)
- As your company policy during COVID might be to work from home, you might need to look at a bigger accommodation to allow enough space to set up an office at home.
- Ask people on Facebook Groups like “Expats in Luxembourg” or on some dedicated forums if they have neighborhood recommendations.
- Use Google Street View to virtually tour the neighborhood
- Request a video tour of the property with the estate agent or relocation company. It can be pre-recorded, but I suggest that you do it online via WhatsApp, Facetime or Skype. Don't hesitate to ask questions during the online visit.
- Even if there is a pandemic, don't try to over negotiate the rent as there is still more demand than offer and most of the times the landlord has several proposals, and he will most probably choose the tenant that will accept the requested price.
Just before your move to Luxembourg, don't forget to:
- Look at food delivery options in case you need to be quarantined because you tested positive upon your arrival. You could also ask one of your future colleagues to do some food shopping.
- Set up an appointment with your provider to install internet, TV and phone as it takes longer than usual to have an appointment. Some of them like POST offer the option of a free mobile internet box while you are waiting for the installation date.
- Check with the schools what online system they use and test it before you move.
- Look for an English-speaking doctor (you can have a look on www.doctena.lu) and the nearest hospital

For more information on relocation services that could help you to smoothly settle in Luxembourg: <https://www.luxrelo.lu/our-services>

3. Luxembourg Airport, a History dating back to 1936



Luxembourg's first real **airport** was founded in **1936** in Esch on the site that today houses the technical control. There was a permanent runway, a club house, hangars and the **Luxembourg** Listener. This unique airplane flew music tapes and records in for RTL Radio from London

Here RTL.lu have produced a fascinating insight into the history of Luxembourg airport since 1936 well worth the read!

<https://today.rtl.lu/your-luxembourg/knowledge-bites/a/1655027.html>

4. Upcoming Amcham Events



International Women's day 8th March 2021 – Amcham/ PWC /LACCNY

PwC Luxembourg and AMCHAM Luxembourg together with the Luxembourg American Chamber of Commerce New York, are pleased to invite you to our fourth International Women's Day panel presentation on Monday 8th March 2021 at 16:00pm

In the past, we've discussed career advice, success in the workplace and in life, innovation and creativity... This year we are focusing on the current situation, how we deal with crisis and manage disruption, what we are doing to relaunch the economy and if this situation has a disbalanced impact.

That's why our topic is, Disruptive times: opportunities and challenges for gender balance? Registration is here

<https://survey.pwc.lu/efm/itw/answer/s/NkFmJzlrC9/k/5nLbAoK>



5. Valentine's day Special - Linguine with saffron, roasted garlic, herb butter and hazelnuts

1 garlic bulb

Drizzle extra-virgin olive oil, plus extra for frying

Handful blanched hazelnuts

60g unsalted butter

Pinch saffron threads, soaked in 1 tbsp hot water for 10 minutes

Juice ½-1 lemon

250g fresh linguine (or whichever fresh long pasta you can buy)

100g fresh basil, leaves finely chopped

20g fresh dill, leaves finely chopped

25g bunch fresh chives, snipped

Pecorino cheese (or vegetarian alternative) for grating

Method

Heat the oven to 200°C/180°C fan/gas 6. Rub the garlic bulb with oil and wrap in foil, then roast for 40 minutes or until completely soft. Scatter the hazelnuts over a baking tray and toast in the oven for the last 6-8 minutes of the garlic cooking time. Remove both and set aside to cool. When the garlic is cool enough to handle, squeeze out the soft flesh from each clove into a small bowl. It looks like a lot of garlic for two people, but it's a mellow flavour. Roughly chop the hazelnuts.

Bring a large pan of salted water to the boil. Meanwhile, melt the butter in a frying pan with a glug of oil then, once melted, add the garlic and the saffron in its soaking water. Stir, then cook over a very low heat to allow the flavours to infuse. Turn the heat up to brown the butter ever so slightly, then remove from the heat and squeeze in the juice of half the lemon.

Cook the pasta in the boiling water for 2-3 minutes until al dente (with bite), then use tongs to transfer it to the butter pan – you want to bring a little of the cooking water with the pasta, so don't drain in a colander. Put the frying pan back over a gentle heat and stir to coat the pasta in the butter. Add the herbs and season generously with salt and pepper, then taste and add the rest of the lemon juice if you want to. Divide between 2 bowls, scatter with the hazelnuts and serve sprinkled with grated pecorino.



AMCHAM offers to each of you and your families our best wishes for your health and happiness. Be strong. Stay connected with your families and friends by phone and email. Use this time wisely and productively so you come out of this crisis stronger than when you started. For all those who don't know AMCHAM yet, please find our website here: <https://www.amcham.lu> and particularly our mission statement here: <https://www.amcham.lu/about-us/mission-statement/> and how you can join AMCHAM here: <https://www.amcham.lu/membership/> If you need us, we are here and will do all we can do to help. Feel free to pass on our newsletter to your colleagues and friends.

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