



# Bridging gaps

Jules Pipe's desk and computer, perched unassumingly between wood paneling at the far end of his 1930s art deco office, seem rather modest instruments by which to guide the affairs of a major London borough – especially one with such a tough reputation as Hackney.

Being one of only eleven directly elected mayors in the United Kingdom might sound like a plum political job to an outsider, but when Jules Pipe first took over Hackney as council leader in 2001, things were in total disarray following five years without a political administration. The national government had been forced to intervene when political and managerial failure led the authority to near bankruptcy. Following Pipe's mayoral election in 2002 and four years of balanced budgets, times are more peaceful now – rubbish no longer lies on the

streets and there is enough money to keep them lit at night.

As anyone will tell you, the ironic thing about Hackney is that it lies on the City of London's doorstep, just a short walk from the world's second largest financial market. But that is a double-edged sword. In a UK political environment that expects corporations to contribute more to their communities, companies are increasingly throwing money and volunteers at Hackney or one of its East London neighbors. Which only begs the question: are they doing anything of real use?

"There are some who have been doing it for a very long time and their relationship with local authorities is now a mature one. With them, we have a vast array of projects that are about delivering real, tangible outcomes rather than one-off things

that are maybe more about a bit of team building," Pipe says.

He pauses to serve some coffee on a small round wooden table near his desk. The window behind it overlooks the newly refurbished Hackney Empire theater. The evening before, it had staged a television show featuring a parade of pop stars, among them Robbie Williams premiering his new single, "Misunderstood".

"I think one really valuable thing that is happening now is the mentoring that goes on in schools. We benefit from a fantastic and established program of mentoring for students and a growing one for senior staff here. With the appropriate business skills, employees in corporations come and visit a number of schools here on a regular basis. They work with head teachers for example, helping them with



accounting and procurement,” he says.

If kept up year in and year out, those kinds of relationships help to build an innate trust between government and corporations. They can also be the basis for more far-reaching, ambitious endeavors, such as the “City Academy” program to overhaul secondary schooling in disadvantaged urban areas with help from outside donors. UBS is partner to one – the Bridge Academy in Hackney, which, when it opens, will provide education for 1,100 students.

“This was stepping up a gear into a whole new and deeper, longer-lasting and more concrete partnership – this school that UBS will be part of. They were already part of the mentoring community and therefore there was a ready acceptance from education stakeholders. I also think this one will be as popular as the other academy in North Hackney, the Mossbourne Community Academy. For the open evening for parents of prospective pupils there, they had 3,000 parents showing up to look around. They take 180 pupils a year,” he says.

UBS will be resolutely hands-off regarding the school curriculum and will only offer assistance that it believes it should and can provide. Nevertheless, UBS is a business.

And a business, at some time, expects returns. Naturally, that raises the question as to what kind of return it can ever expect to get from its commitments in Hackney.

“So much of this is hard to measure. Take mentoring, for example. If all that happens is that the confidence of those being mentored increased, how would one really measure that in absolute terms? The project that they were leading – whatever it was – a school or a special project – may have worked regardless of the mentoring program. It also may not have. In many ways, what corporations are doing is adding something, pushing something, giving it the right momentum,” he says.

But does that mean that corporations should really be taking up a role traditionally played by national governments?

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worked perfectly, then a lot of this would be duplication. But it doesn’t. We have job centers and we have training programs – but people still slip through that net. Programs with corporate involvement try to reach those people and get them re-engaged and get them into work. Last night I was hearing

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about a whole series of people who had found jobs in the secondary sector. The average person had been unemployed for eighteen months. Clearly, the corporate programs were getting to people that the statutory sector had not delivered into gainful employment.

So taking over the role of national government? No. They contribute and help out where other things have failed,” Pipe explains.

Hackney still does face a number of intractable long-term problems – entrenched poverty in certain neighborhoods, overly expensive housing in others, gang crime, and a lack of public transportation infrastructure. Still, the progress over the last four years has been notable and Pipe remains confident that the borough is now in a position to move forward, especially on education and jobs, more effectively than it ever has.

“We are a very deprived borough but we are lucky to be on the doorstep of the richest square mile in the country and we need to be able to tap into the wealth – well obviously it’s not just simply tapping into it. Just as much, it is about programs to find jobs, particularly those that service the City ... as not everybody in Hackney can be a bond trader or a banker.”



## Being responsible

Conducting our businesses responsibly is at the very heart of our culture and identity. As a leading global financial services firm, we want to provide our clients with value-added products and services, promote a corporate culture that adheres to the highest ethical standards, and generate superior but sustainable returns for our shareholders.

We have sound processes in place which ensure that relevant issues are detected and addressed effectively, helping us to act responsibly – and beyond solely short-term profit-oriented considerations.

Beyond pure business essentials, we recognize that our success depends not only on the skill and resources of our people and the relationships we foster with clients, but on the health and prosperity of the communities of which we are a part. We support communities in many different ways. Our employees volunteer their skills and time to a large number of community affairs projects around the world. We also make direct cash donations to organizations, and match donations our employees make to selected charity funds. In 2004, for example, we donated more than 30 million Swiss francs around the globe.

As an example, our businesses in Switzerland directly sponsor charitable activities both in and outside the country. Besides that, we have established a number of independent foundations and associations that donate money to worthy causes in Switzerland. One, called “A Helping Hand from UBS Employees”, assists disabled and disadvantaged people to

lead active, independent lives. We encourage employee involvement by matching some of the funds raised.

We have also endowed two independent charities with our money. The first, called the “UBS Trust for Social Issues and Education”, contributes to public education, improving health and fighting drug addiction. The second, the “UBS Cultural Trust”, supports a broad range of projects in culture, art and science.

In addition, we support our Swiss employees wanting to do volunteer work during office hours.

Apart from that, we also assist our clients who want to engage in charitable causes. The UBS Optimus Foundation invests donations from our clients into a number of programs and organizations that focus particularly on children. We bear all the foundation’s management and administration costs.