



# Code of Conduct

### **A look inside the Princely Collections**

For more than 400 years, the Princes of Liechtenstein have been passionate art collectors. The Princely Collections include key works of European art stretching over five centuries and are now among the world's major private art collections. The notion of promoting fine arts for the general good enjoyed its greatest popularity during the Baroque period. The House of Liechtenstein has pursued this ideal consistently down the generations. We make deliberate use of the works of art in the Princely Collections to accompany what we do. For us, they embody those values that form the basis for a successful partnership with our clients: a long-term focus, skill and reliability.

[www.liechtensteincollections.at](http://www.liechtensteincollections.at)

Cover picture: Franz Anton Zauner, Detail from  
"Seated Figure of Clio," 1779

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# Contents

- 4** Introduction
- 7** Our common goals
- 8** We make a commitment
- 10** How we manage our business
- 12** Client focus
- 14** Our people
- 16** How we do business
- 18** Working with business partners
- 19** Our contribution to society
- 20** Safeguarding the environment
- 21** Questions, uncertainty or doubt?
- 22** Your contact persons

# Introduction



H.S.H. Prince Philipp von und zu Liechtenstein (left) and  
H.S.H. Prince Max von und zu Liechtenstein (right)

Traditional values and virtues such as reliability, respect and integrity are firmly rooted in our corporate culture. Underpinning our business philosophy is a long-term and forward-thinking approach to the way we think and act, while at the same time, the constant striving for even better solutions and our business acumen motivate us to continually develop our services and products.

Preserving the value created by the generations preceding us, and building long-term business relationships to the benefit of our clients, are challenges that require great vigilance from the management of our organization and each individual employee.

Our Code of Conduct is designed to be a uniting element linking employees from more than 50 nations working at over 20 offices worldwide. In it we set down our shared

values, and lay down the corresponding ethical and professional standards in a set of rules that is binding on us all. In doing so, we all undertake to act at all times in the best long-term interests of LGT.

The Code of Conduct is not merely an additional, separate set of rules. It is an integral component of our strategy. Since no code can cover every conceivable situation, it is important that when putting these principles into practice in your daily work you follow not just the letter, but the spirit of the code.

Thank you for your commitment and contribution.



H.S.H. Prince Philipp von und zu Liechtenstein  
Chairman LGT



H.S.H. Prince Max von und zu Liechtenstein  
CEO LGT

“Our actions should at all times and as far as possible be geared to the long-term interests of our clients and LGT.”

# Our common goals

We all seek to ensure long-term, mutual success by:

- Creating and increasing lasting value for our clients, our business, ourselves and the society in which we live
- Finding a sensible balance between short- and long-term goals, and not living on our reserves
- Taking risks with discipline and moderation
- Building long-term relationships with clients, colleagues and other important stakeholders
- Putting stability and convincing quality ahead of shortlived success
- Being proactive and responsible

# We make a commitment

## The Code of Conduct is binding.

- The Code of Conduct applies to all employees and trustees of LGT, and to employees and members of the boards of directors of affiliated companies. All these people receive a copy of the Code of Conduct.
- The Code of Conduct defines a minimum standard below which we must not go, even if local requirements go less far. Local laws take precedence if they are more stringent.
- Existing directives and other rules and regulations define in more detail the broad guidelines laid down in the Code of Conduct, and naturally continue to apply.
- All employees of LGT and its companies are obliged to read and understand the Code of Conduct, and to comply with it at all times.
- Managers must discuss the Code of Conduct with their employees, and help them comply with the principles it contains by creating an appropriate work environment.
- Compliance with the Code of Conduct is an integral part of the management by objectives and appraisal process for employees.

- Employees who observe behavior that, after careful consideration, they believe is a breach of duty that is not in keeping with the Code of Conduct are called upon to alert their superior, the compliance or legal department or Internal Audit.
- Violations of the Code of Conduct may be subject to disciplinary action and measures under employment law, up to and including dismissal without notice.
- If you have questions or are unsure, or in cases of doubt, do not hesitate to ask for advice! The relevant people to talk to are listed on the last page of the Code of Conduct.

# How we manage our business

Effective management is a key component of our corporate culture at all levels.

- In the interests of good corporate governance, LGT is managed to ensure the separation of powers (Board of Trustees, Senior Management Board and management boards of the individual companies) and appropriate checks and balances.
- Besides our commitments to the usual stakeholders, we have a special obligation to the family owners and a commitment to their goal of long-term, sustainable business success.
- The organs of management undertake to ensure strict compliance with all applicable laws, rules and regulations, and will not tolerate any infringements.
- Management has an efficient risk management system at its disposal, and undertakes to ensure that effective controls are in place. It also ensures that the internal auditors have the necessary powers and independence.
- Employees with a leadership role bear particular responsibility. Within their area they are in charge of establishing appropriate structures and workflows that facilitate the smooth running of business processes.

- We expect all our managers to embody the principles of the Code of Conduct and to lead by example in their work.
- The incentives we provide are designed to encourage compliance with the principles of the Code of Conduct, not to conflict with them.
- Even though LGT is family owned, we comply with the relevant international standards when it comes to disclosing financial information and other material information.

## Client focus

We strive to build and maintain long-term relationships of trust with our clients. The satisfaction and security of our clients are absolutely paramount.

- We treat our clients fairly and with respect. When working with clients we display proper business conduct, work proactively and in partnership, and endeavor to offer them appropriate solutions and added value.
- We strive to offer our clients first-class products and services and the best possible advice and execution. We endeavor to look after clients' interests as well as possible, and avoid any conflicts of interest.
- We place great emphasis on clear and transparent communication with our clients. We never make promises we cannot keep. We take feedback seriously, and use it to improve our products and services on an ongoing basis.
- We attach the utmost importance to discretion vis-à-vis the client, and treat protected client information in strict confidence. We do everything in our power to safeguard client data from unauthorized or improper access. Client data will only be disclosed with the client's consent or on the basis of statutory disclosure requirements.



We place great emphasis on clear and transparent communication with our clients.

- We do not provide assistance to clients in activities designed to avoid their tax obligations or deceive the tax authorities in any way. We attach great importance to complying with tax laws, and undertake to issue tax statements with greatest care.
- We are familiar with and understand the relevant restrictions on cross-border business (offering products and services, visiting clients, or any type of offering to clients who are not domiciled in our home jurisdiction). We do not offer solutions that to our knowledge are not permitted in the countries in which our clients are domiciled. This serves to protect both us and our clients.

## Our people

LGT relies on competent, dedicated employees with integrity. We value the hard work and commitment of our people very highly, and endeavor to offer them an attractive, secure and healthy place to work.

- We offer equal opportunities for employment and advancement regardless of gender, age, religion, nationality, ethnic background, sexual orientation, marital or family status, physical abilities or other characteristics protected by local law.
- We treat each other with respect, and respect differing opinions, views and cultural differences.
- We encourage a cooperative, open work environment where questions and concerns are welcome and can be freely voiced.
- Our performance appraisal and compensation systems are geared to the long term. We provide an honest, regular appraisal and fair, competitive compensation.
- We encourage and support employees in their professional and personal training and development.
- We do not allow employees to make statements or act in public in a way that could damage LGT.

- Data security has top priority in our organization. We make sure the relevant organizational and technical safeguards are in place when information and data entrusted to us are captured, stored and forwarded.
- We make careful use of the organization's systems and resources.
- Do not hesitate to voice your concerns or justified criticism internally. We refuse to accept discrimination or harassment at the workplace under any circumstances.



Our strength and our success are the result of a long-term outlook combined with an entrepreneurial mindset at all levels.

## How we do business

Our business policy is geared to performance, professionalism, fairness and high ethical standards.

- We are uncompromising in our compliance with the applicable laws, rules and regulations in all the countries in which we operate.
- We comply strictly with the know your customer rules, while at the same time respecting the client's right to privacy within the framework of applicable laws.
- We do everything in our power to support efforts to combat financial crime. We have set up extensive internal controls and monitoring processes to identify and prevent money laundering, corruption and the funding of terrorism. We report suspicious activities to our superiors or the office responsible.
- We do not create unfair competitive advantage for ourselves, for example by misrepresenting or withholding facts or manipulating, obscuring or misusing privileged information (insider trading).
- We endeavor to avoid business that could jeopardize LGT's reputation, and in cases of doubt bring in our superior or the compliance and/or legal department.

- We have appropriate processes and rules in place to identify and professionally deal with or prevent potential or actual conflicts of interest (i.e. conflicts between our interests and the interests of our clients). All employees are obliged to bring in their superior or the compliance and/or legal department in the event of potential conflicts of interest.
  
- Employees are prohibited from abusing their own position within the bank to gain advantage for themselves, members of their family or third parties.
  
- In business relationships we neither offer nor accept inappropriate gifts or favors. We do not tolerate bribery or corruption.

## Working with business partners

Our working relationships with business partners are based on good faith.

- We always behave fairly and properly in our dealings with agents, suppliers and other business partners.
- When choosing business partners we make sure that they have impeccable business practices and operate in compliance with the applicable laws.
- We require our business partners to have any necessary licenses, and to respect human rights and comply with local employment law.
- It is important for our business partners to adhere to adequate standards to protect the environment.

# Our contribution to society

We take our responsibility to society seriously.

- We endeavor to make a positive contribution to the wellbeing of society in the countries in which we operate.
- We do charitable work, for example in numerous philanthropic projects and volunteer programs.
- We support the individual political, military, social, charitable, religious, cultural, sporting or other activities of our employees, provided these activities are in keeping with our values.
- We work competently, respectfully, transparently and in partnership in dealings with the regulators and other authorities.
- We foster regular contact with the media, and are always also open to dialog with nongovernmental and other organizations.
- In the event of important decisions and other announcements we strive to give up-to-date, accurate and clear information, both internally and externally.

# Safeguarding the environment

We make prudent use of natural resources.

- We strongly promote the use of alternative forms of energy, and encourage the use of public transportation.
- We operate carbon neutrally, and strive to constantly reduce our energy consumption to minimize the need for offsets.
- We expect our employees to take a conscious and sustainable approach to energy, materials, equipment and waste in the workplace.



Systems such as photovoltaic and solar water heating help to cut CO<sub>2</sub> emissions.

## Questions, uncertainty or doubt?

If you have questions or are unsure, and in cases of doubt, do not hesitate to ask for advice.

It can sometimes happen that doubts arise as to whether intended actions are in keeping with the Code of Conduct.

In such cases, follow not just the letter, but the spirit of the Code of Conduct. Follow your gut feeling and use your common sense. Make sure the answer to the following questions is “Yes”:

- Is the intended action legal, in line with the relevant regulatory requirements and directives, and ethically justifiable?
- Is it sure that the reputation of LGT will not be damaged and that publication of the matter in the media will not have a negative impact?
- Am I acting fairly and honestly towards my client or supplier?  
Am I really acting in the best interests of my client?
- Would I also be able to justify my actions in retrospect?
- Could I justify my actions to my superior and colleagues?

In cases of doubt it's never wrong to ask again!

# Your contact persons

- Your superior(s)
- Compliance  
The person or office responsible for your area, or with general responsibility: fredy.zuberbuehler@lgt.com, phone +423 235 11 57
- Legal  
The person or office responsible for your area, or with general responsibility: urs.gaehwiler@lgt.com, phone +423 235 17 13
- Human Resources  
The person or office responsible for your area, or with general responsibility: nathalie.merkofer@lgt.com, phone +423 235 16 62
- Internal Audit  
The person or office responsible for your area, or with general responsibility: daniel.hauser@lgt.com, phone +423 235 24 80

“The Code of Conduct is not merely an additional, separate set of rules. It is an integral component of our strategy.”

**LGT Group Foundation**

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