



Wealth  
Management

# Impact Report 2024

Creating sustainable and long-term value



| Forward-looking  
| for generations



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## Inside the Princely Collections

For more than 400 years, the Princes of Liechtenstein have been passionate art collectors. The Princely Collection is the result. Comprising more than 1,600 paintings, the collection is made up of masterpieces ranging from the early Renaissance to the second half of the nineteenth century. It is one of the world's major private art collections. While the idea of promoting fine arts for the general good enjoyed its greatest popularity during the Baroque period, the House of Liechtenstein continues to pursue this goal to this day.

At LGT, we take inspiration from the art in the Princely Collections. For us, the collection embodies the values that form the basis of all successful partnerships: expertise, reliability and a long-term focus. Just like the experts who care for the masterpieces, our team of professionals diligently curate the wealth of our clients. By drawing upon this rich heritage, LGT has honed wealth management to an art.



**Cover image**  
Bauer brothers, Hortus Botanicus, detail from  
"Daucus carota L.", around 1783  
© LIECHTENSTEIN. The Princely Collections, Vaduz–Vienna



# Welcome

Dear Reader,

I am delighted to present to you our latest Impact Report, a reflection of our collective efforts over the last year. I would like to extend my thanks to all those within the business, and beyond, who have worked so hard to help us progress the sustainability agenda in 2023 and continue to do so.

As CEO of LGT Wealth Management, I feel a personal responsibility to deliver on our vision of building a sustainable and more equitable future for all. Our owners, the Princely Family of Liechtenstein, espouse this ethos and are deeply committed to ensuring the business we run and the assets we manage are aligned with the interests of future generations. It is clear that the financial services sector, as custodians of much of the world's financial resources, can make an enormous contribution to effecting positive change.

In this year's report, you will find a comprehensive overview of our sustainability initiatives, spanning environmental stewardship, social responsibility and quality corporate governance. From reducing our carbon footprint to advancing social equity, each initiative represents a milestone in our ongoing commitment to creating value for each of our four stakeholders – our clients, our owner, our people and society.

Through innovative solutions and strategic partnerships with organisations such as DIRT and the Wildfowl & Wetlands Trust, we are working hard to do what we can in mitigating climate change, preserving natural resources and promoting biodiversity. This aligns with the industry-leading commitment made by the Princely Family to achieve net zero across our operations and own investments by 2030 - even if this means using the family's own financial resources to ensure we get there.

As part of our efforts to promote social equality, we believe in providing support at a community level. Through initiatives such as our sponsorship of 'We Can Be', and our commitment to our charity partners, we are helping to address pressing health and social issues, empower marginalised groups and create opportunities for all to thrive.

Transparency, integrity and accountability are the cornerstones of our governance framework. From conduct policies to effective structures, we strive to uphold the highest standards, ensuring that our actions are guided by ethical principles and aligned with the interests of our stakeholders.



“  
I am deeply  
committed to our  
vision of building  
a sustainable and  
more equitable  
future for all.

Ben Snee, CEO LGT Wealth Management

As we reflect on our achievements thus far, we are acutely aware of the scale of the challenge that lies ahead. However, we remain undeterred and are absolutely committed to driving positive change and leading by example in our industry.








Ben Snee,  
Chief Executive Officer, LGT Wealth Management



# Investing: creating value for our clients

For many of our clients, it is important to invest their wealth in companies and funds that not only are positioned for long-term growth but also make a difference to society and the environment. We offer a sustainable investment service to empower investors to align their financial goals with a greater purpose.

## We invest in a diversified range of holdings such as:

-  Renewable energy
-  Financial inclusion
-  Education
-  Social housing
-  Climate change action
-  Sustainable waste management
-  Renewable material production

their resilience to changes within the economic landscape.

The United Nations' Sustainable Development Goals (SDGs) are a framework for achieving a more sustainable and equitable future by 2030, addressing a wide range of global challenges including poverty, inequality, climate change, peace and justice. We use the UN SDGs as a structure to measure the impacts that our investments have. Our sustainable investment framework enables us to identify the investment opportunities that contribute to and deliver on the four main sustainable investment themes that we have identified:

- Inclusion and equity
- Health and wellbeing
- Environmental action
- Circular economy

We implement a best-in-class approach to sustainable investing, to allocate capital to businesses that are driving real change. It is important to recognise that no business is perfect, and neither is any portfolio. Just as we are, all companies are on a journey. Nevertheless, we dedicate significant time to exploring innovative methods to incorporate the growing wealth of high-quality sustainability data into our investment framework, whilst also maintaining human, qualitative oversight.

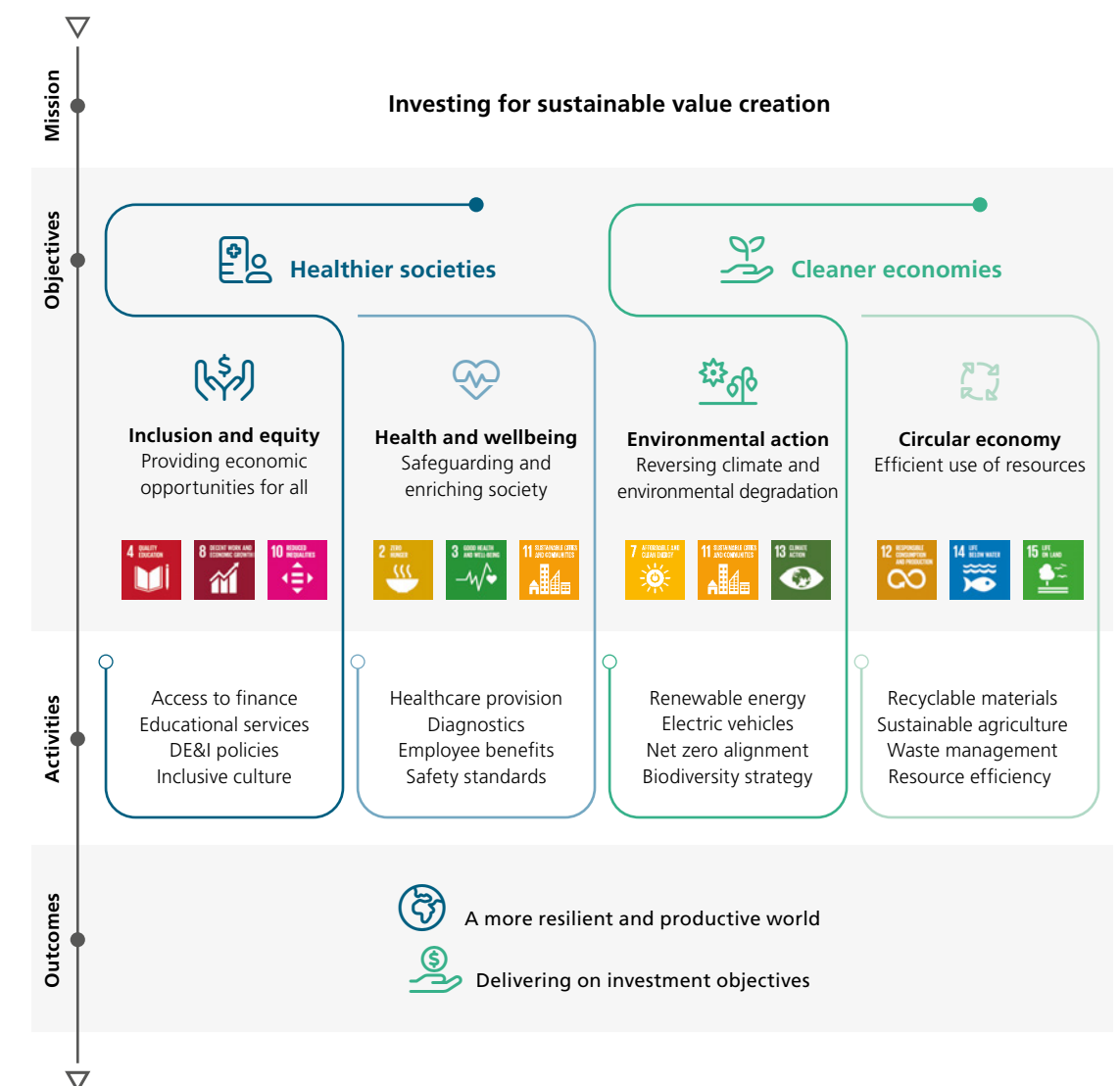
Ultimately, our goal is to deliver on our clients' investment objectives whilst also contributing to a more resilient and productive world.

Since we launched our sustainable investment service five years ago, we have been building our portfolios around high quality, financially attractive investments. We compromise on neither financial quality nor sustainability outcomes; having a robust sustainability process integrated into our financial assessments is a powerful and key part of how we approach our sustainable portfolios.

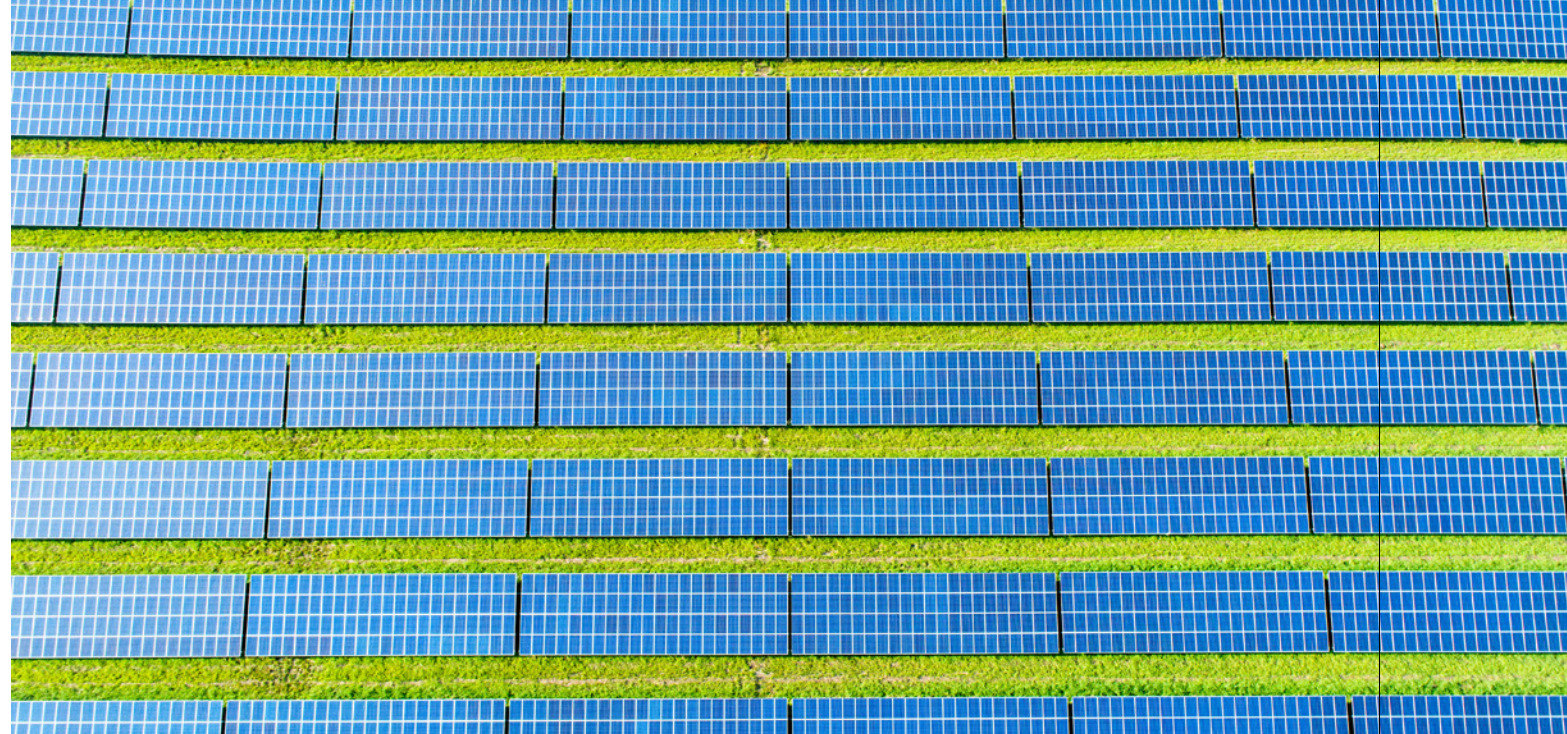
## Curating portfolios with purpose

Our investment process is centred on the need to create healthier societies and cleaner economies, underpinned by companies that can demonstrate

## Our sustainable investment framework





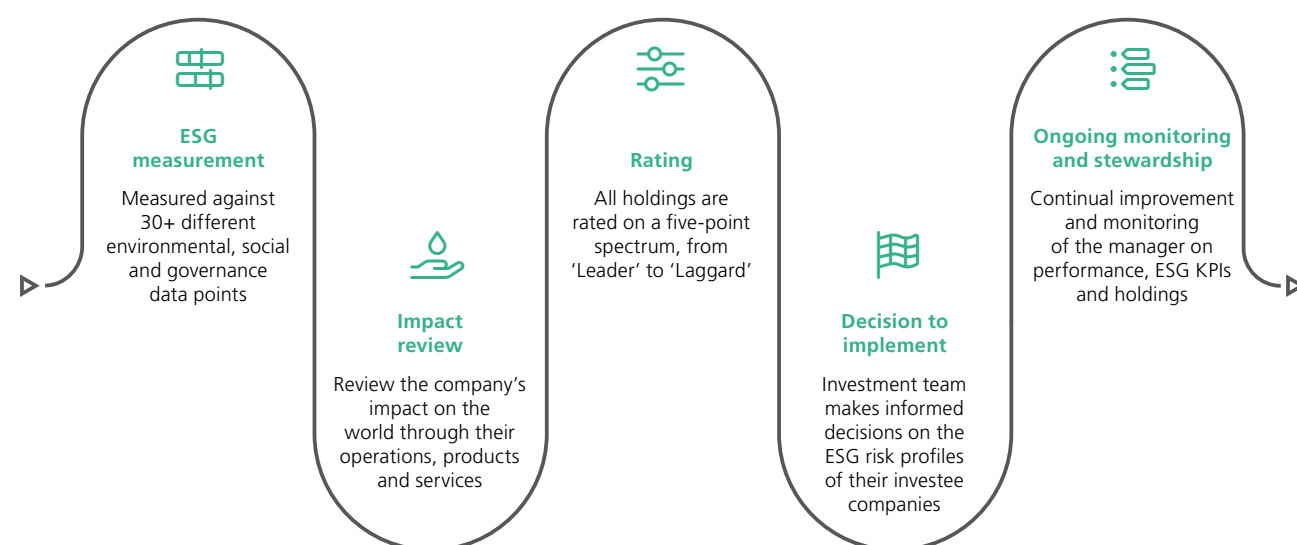


## Sustainability integration across our investment universe

We believe that integrating sustainability analysis within an investment process can both help to avoid ESG risks and identify growth opportunities. Where our clients do not wish to have a sustainable tilt to their portfolios, we still believe integrating ESG factors into risk analysis provides us with a more comprehensive assessment of potential risks.

To ensure holdings comply with our high conviction approach, our analysis not only includes a rigorous ESG rating and impact review of the individual securities, but also an ‘intentionality’ assessment of fund management teams to ensure they share LGT’s sustainable values. We do this through an annual DDQ process, spanning 150 questions, with responses scored and tabulated into an interactive dashboard, allowing our teams to directly compare approved funds on a number of issues. It is key that our managers genuinely and actively integrate ESG into their funds, rather than a process that resembles an ESG strategy.

### All holdings at LGT Wealth Management



## Beyond the portfolios

We are dedicated to empowering our clients with comprehensive knowledge and insights into sustainability. Through a commitment to education and thought leadership, we go beyond traditional investment services by providing educational events and insightful content.

Hosting tailored events is a key part of how we engage with our clients to drive meaningful change. Our aim is to create opportunities for our clients to delve into the intricacies of sustainable finance and gain a deeper understanding of the interconnectedness of sustainability. In 2023, we organised a series of events covering diverse topics ranging from blue carbon to COP 27 to sustainable fashion, offering our clients a comprehensive exploration of topical sustainability issues.

In October 2023, we hosted our first ever LGT Climate Conference, during which clients, investment managers and leading sustainability experts came together to explore key trends, exchange ideas and discuss concrete solutions for various sectors and society as a whole. With attendees including climate scientists, heads of industry and government ministers, positive feedback from event participants underlined the success of the conference and demonstrated a shared commitment to these pressing issues.

“  
Our dedication to sustainability is not just a business strategy, it is a core value that guides every decision we make.

Jordan Kelly, Sustainable Portfolio Manager



# Stewardship milestones

Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, environment and society (UK Stewardship Code).

## We discharge our stewardship responsibilities through three primary avenues



### Engagement

Engagement is a proactive or reactive dialogue with investee companies or fund managers, which allows us to identify the long-term drivers of value and provide constructive feedback on how these players can improve their sustainable behaviour. Engagement can occur independently through strong relationships with businesses and managers, or collaboratively, relying on the strength in numbers and a unified voice.



### Voting

As part owners of publicly listed companies, investors are regularly invited to vote on management's plans and direction for the company at annual general meetings. Voting is a vital component of our stewardship approach as it allows us to constructively work with boards to voice shareholder concerns and improve practices.



### Public advocacy policy

As financial regulation increases, investors are increasingly subject to new reporting and practices. It is in our interest, and the interest of our clients, that we work together with policymakers, network groups and membership organisations to ensure that policies are well designed and implemented to improve market practices on sustainability.

## 2023 stewardship engagement

We expanded our stewardship footprint from a national approach, in the UK, to a global strategy, recognising that as a global private bank, we can look to achieve two outcomes:

1. Our fiduciary duty is to maximise investment returns for our clients whilst operating within the confines of our contractual obligations and the objectives, goals and parameters agreed with our clients.
2. Through this sound financial management of our client's capital, we can achieve the secondary outcome of a safe and sustainable future for our clients and generations to come.

As universal owners, we recognise that the health of the economy relies on a healthy planet and healthy people. Through active stewardship, we can maximise risk-adjusted returns and generate positive real world impact. Through our new global strategy, LGT can combine the synergies of different teams and leverage on the regional expertise, allowing for more robust engagements and local context.

## A global set of stewardship priorities

Under the new structure, LGT set out stewardship priorities which reflect the long-term issues which are most material to the financial returns we deliver in conjunction with our investment approach.

Whilst new or emerging issues can be explored and engaged upon, the four key stewardship priorities represent LGT's understanding of the systemic issues which will affect portfolios. We define a systemic issue as one which could affect a multitude of companies in the financial system, including their supply chains, and therefore where action on one of these

issues could safeguard and affect more than one company's performance.

Underpinned by LGT's net zero climate ambition and Sustainability Strategy 2030, we have identified the following priorities for success:

## Priorities for success

### Corporate governance

At the helm of any successful business or strategy is a robust and strong governance



### Climate change

The risks and opportunities of climate change can have a material impact on the profitability, valuation and long term prospects of a business.



### Fairer societies

LGT's longstanding reputation as a responsible employer extends to its supply chain and investee companies. We expect our investees to uphold the same principles on human and labour rights.



### Biodiversity and nature

LGT considers nature as a tool to preserve the natural world and limit the impacts of climate change.







Voting overview

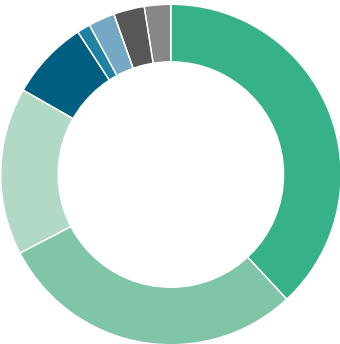
In 2023, LGT Wealth Management voted on over 3 200 proposals in over 15 markets and across 181 company meetings. In total, we voted against management 222 times, around 7% of all votes. The largest share of votes against management pertained to director re-elections. There are a number of reasons for this and each case is reviewed on an independent basis. For example, we vote against the chair of the board or committee when we feel they are not taking the company in the best direction for the long term, their appointment is deemed a conflict of interest or they are no longer creating shareholder value.

The second most important reason we vote against management is for environmental and social reasons. These can include plans on gender and ethnicity reporting, proposals on climate change transition plans or issues of labour discrimination. We will often vote to support shareholder resolutions where the ask is reasonable and there are no unintended costs for the company.

2023 voting

Issuers voted on	Markets voted	Total number of meetings voted at	Total proposals voted
158	15	181	3211

Votes against management



- Director election **91 (38%)**
- Environmental and social **70 (29%)**
- Compensation **38 (16%)**
- Director related **18 (8%)**
- Other **3 (1%)**
- Capitalisation **6 (3%)**
- Corporate governance **7 (3%)**
- Routine business **6 (3%)**

Case study

Navigating the rise of AI risks

Company: Microsoft  
Country: USA  
Sector: Technology



During Microsoft’s 2023 AGM, while routine matters garnered strong support, shareholder proposals (SHPs) surged in number – to nine in total. Social issues, such as diversity and inclusion, equal pay and human rights, dominated the proposals.

A shareholder proposal put forward, focusing on the risks of AI misinformation and disinformation, is one of note, as investors have seen growing concerns on this subject. Despite Microsoft’s leadership in the tech domain and its commitment to responsible AI usage, the company made a noteworthy move by disbanding its Ethics and Society team in 2023. The surge of AI-driven disinformation poses not only a material risk to Microsoft’s operations and products, but also emerges as a substantial threat to public welfare. The pervasive impact of fake news and misinformation is now notorious, from influencing political campaigns and social media dynamics to impacting medical claims through insurers.

Our position: For

Outcome: Whilst this was the first year the proposal was tabled, it garnered over 21% of investor support. Although not a majority, this level of endorsement reflects a significant cohort of investors urging the company to address this risk earnestly. It also surpasses the SEC’s 15% threshold, signalling a compelling mandate for the proposal to be reconsidered later.

Case study

Engagement on biodiversity

Nature Action 100



In October 2023, LGT joined Nature Action 100, an investor collaborative engagement initiative targeting corporates to reduce nature and biodiversity loss. LGT recognises that nature loss is a material financial risk, and that depleting natural capital creates near and long-term operational costs for companies. The first step of this initiative has been to send a letter to the companies we are invested in, alongside 190 other investors representing USD 23.6 trillion in assets under management.

The corporates targeted sit in the most impactful sectors on nature: the food and agricultural sector, paper and packaging, pharmaceuticals and extractives and mining.

As part of this initiative LGT will be engaging with Nestlé, the leading food and beverage company, to focus on achieving their targets around water neutrality, the sourcing of key commodities from regenerative agriculture and minimising commodity linked deforestation. LGT will also be in active dialogue with Novartis, an innovative pharmaceutical and health care company providing critical medicines and drugs for oncology, cardiovascular disease treatment and immunological conditions.



# Creating value for our owner

Our owner, the Princely Family of Liechtenstein, recognised early on how important sustainability is for our environment, society and future. The family has a long history of engaging with politics, business and philanthropy for the benefit of broader society. As a demonstration of this commitment, LGT has therefore decided to reduce the net emissions from our operations and own investments to zero by 2030.

We have reached important milestones in our sustainability journey so far, purchasing carbon credits for 100 percent of operational emissions since 2010, creating a dedicated Sustainability Management team to guide the global sustainability strategy, expanding our stewardship efforts, launching sustainable investment propositions to cater to a range of clients and, in 2021, setting a carbon net-zero target to achieve by the end of the decade.

## Ambitious targets for 2030

LGT has made an ambitious commitment to reach net zero by 2030, across both our business operations and our own investments. Through this move, we are underscoring our commitment to the Paris Agreement and a sustainable financial sector.



## The three pillars of LGT's Sustainability Strategy 2030



### Clients and investments

- Decarbonise portfolio and advisory mandates while optimising returns, risk and impact, with the aim of ultimately managing 80 per cent of client assets sustainably\*
- Expand sustainable investment offering, e.g. for net zero, biodiversity, gender diversity, etc
- Enable clients to make informed decisions about sustainable investments and decarbonisation strategies
- Improve sustainable financing offering and reduce CO<sub>2</sub> emissions in mortgage book
- Expand stewardship activities through engagement, and by exercising voting rights and active ownership.



### Business and operations

- Make sustainability part of every business decision
- Use 100 per cent renewable electricity and energy for heating
- Reduce emissions from own operations by 90 per cent (2019 = 100 per cent, Scope 1 and 2)
- Reduce CO<sub>2</sub> emissions per FTE from business flights by 50 per cent (2019 = 100)
- Reduce energy consumption by 30 per cent and paper consumption by 50 per cent per FTE (2019 = 100)
- Build a portfolio of high-quality carbon credits to neutralise residual emissions from investments and operations



### People and society

- Have at least 30 per cent women in senior management positions
- Train employees regularly on sustainability topics and enable them to make informed decisions
- Foster and scale up skills-based and hands-on employee volunteering
- Join forces with governments, companies, NGOs, etc to contribute to the SDGs
- Allocate at least ten per cent of LGT Group dividends to philanthropic activities

\* In accordance with LGT's definition of assets subject to environmental and/or social screening.



## Operations

To achieve our goal, it is critically important that we take a responsible approach to nature and the environment in our day-to-day operations. Every employee can contribute, to ensure that sustainability becomes a part of all business decisions.

To neutralise residual emissions, as there will be some given our goal is 20 years ahead of the Paris Agreement target, we will lead as a responsible buyer on the market for carbon removal solutions, using a blend of nature-based and technological carbon removal solutions. As such, we have entered into two forward contracts to source technological carbon removal credits:

- **Climeworks:** In 2021, LGT signed a substantial direct air capture agreement with the Swiss company and ETH spin-off to permanently remove 9000 tonnes of CO<sub>2</sub> between 2025 and 2029.
- **Next Gen CDR Facility:** Powered by South Pole and Mitsubishi Corporation, with backing from Mitsui, Swiss Re, UBS and LGT, Next Gen aggregates demand for technological carbon removal and sources carbon credits generated by a portfolio of early-stage developers at a blended price of US\$ 200/tCO<sub>2</sub>. LGT expects to source removal credits worth multiples of ten thousand tCO<sub>2</sub> from this agreement.

## The operational targets we have set for 2030 include:



100%

renewable electricity and renewable heating source or district heating



90%

reduction of Scope 1 and 2 emissions (baseline year 2019)



50%

reduction of flight emissions per FTE\* (baseline year 2019)



50%

reduction of paper consumption per FTE\* (baseline year 2019)

\* Full time employee

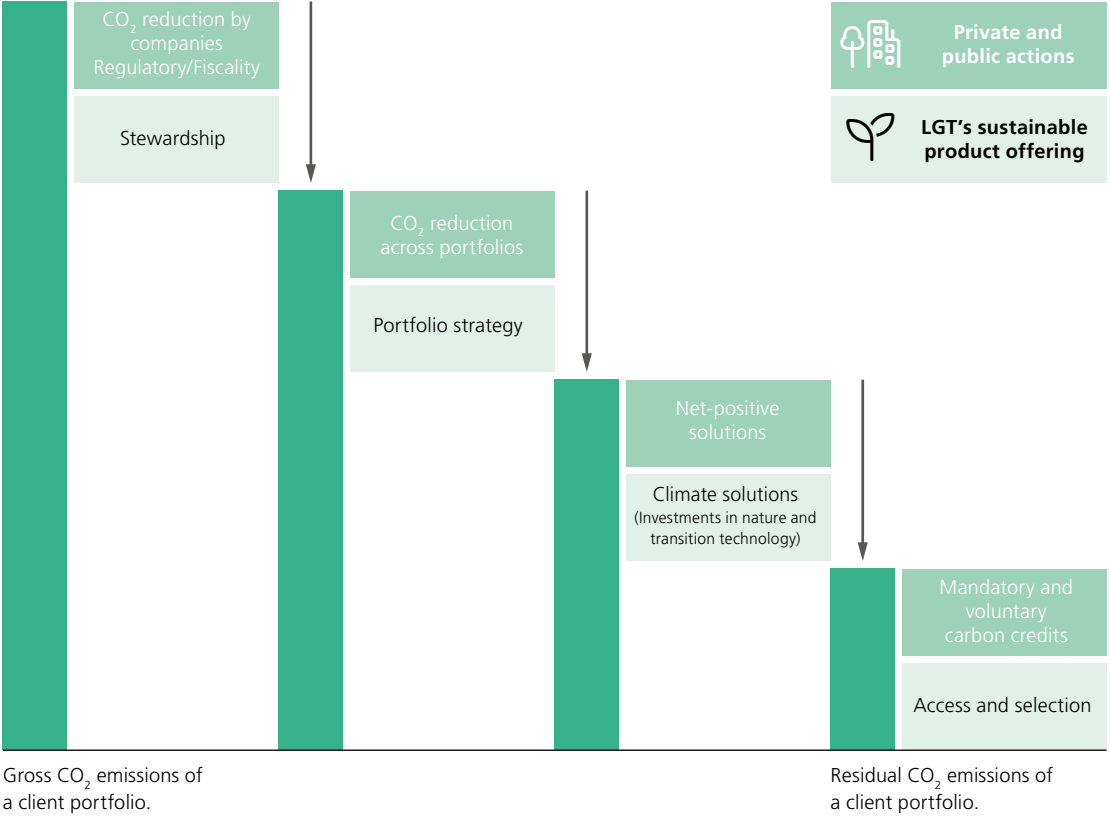


Investments

The area where we can have the greatest impact in terms of sustainability is our investments. To this end, we are working to expand our product offering to provide our clients with better investment access to organisations that help address environmental and social challenges.

We will decarbonise portfolio and advisory mandates while optimising return, risk and sustainability aiming to ultimately have 80 percent of assets managed on behalf of clients managed sustainably. To maximise decarbonisation in our portfolio, we are pursuing several measures as illustrated below:

Decarbonising investment portfolios



Our priority is to avoid investment-related greenhouse gas emissions to the greatest extent possible. To achieve this, we must push the underlying portfolio companies to reduce their emissions to the maximum. Many investee companies have already committed to emission reductions, but we are dedicated to pushing forward this agenda by scaling up our

stewardship activities through engagement, shareholder voting and active ownership. In 2023, a Global Stewardship Lead was appointed to expand the UK's stewardship strategy across LGT Group worldwide.



People and society

In our commitment to sustainability, we aim to engage our employees in a collective journey towards a greener future, empowering them to contribute to our business goals on an individual level. Through education and collaboration, we foster a culture where every employee plays a vital role in advancing our sustainability agenda.

In 2023, numerous employees took part in volunteering projects (see pages 22-24 for more information on our social initiatives), and it has become an important part of how we assess charity partnerships.

In the UK, our dedicated sustainable business committee, comprised of employees from across the business, works to identify projects and initiatives to drive meaningful impact within local communities and the environment.

Transparency and reporting

For LGT, our commitment to transparency includes providing detailed information about sustainability as it relates to our investments, operations, and products and services. On an annual basis, LGT publishes a number of sustainability-related reports, including:

- Sustainability Information Report (which includes the sustainability statement in accordance with the European Sustainability Reporting Standards, the Task Force for Climate-related Disclosures Report and the EU Taxonomy Report)
- Principles for Responsible Banking Report
- Sustainability at LGT brochure

Responsibility as an investor

LGT excludes companies that manufacture or sell controversial weapons and companies involved in producing thermal coal or generating electricity from coal. The two policies are in effect group-wide and apply to LGT's trading book, all funds and mandates managed by LGT, and our employees. We encourage external asset managers who work with LGT to adhere to similar standards. Additional exclusion criteria apply for portfolio management and advisory clients with stronger sustainability preferences.

“We strive to be a catalyst for positive change, leveraging our resources and influence to foster a more sustainable future.”

Siobhan Archer, Global Stewardship Lead



# Impactful initiatives

In 2023, LGT Wealth Management supported a range of sustainability projects, from supporting wetlands creation to tackling e-waste and building capacity in the biodynamic wool supply network in the UK. We partner with organisations that share our vision for a more sustainable future and provide robust reporting.

## Creating and restoring UK wetlands

Last year, we entered into a partnership with the Wildfowl & Wetlands Trust (WWT), a conservation charity dedicated to creating and protecting wetland birds and their habitats, and advocating for wetlands and ecological issues worldwide.

“  
If rainforests are the lungs  
of the planet, then wetlands  
are the lifeblood.

Wildfowl & Wetlands Trust

### Why are wetlands so important?

#### Biodiversity



Wetlands are one of the world’s most biodiverse habitats

40%

Of the world’s plants and animals depend on wetlands



Every year, 200 new species are discovered in freshwater wetlands

#### Carbon storage



Wetlands are the most effective carbon sinks on the planet



Peatlands store twice as much carbon as all the world’s forests combined

10 000

Tonnes of carbon stored every year by WWT Steart’s saltmarshes

#### Social impact

1BN

People are provided with livelihoods by wetlands



More than half of the world relies on wetland grown produce, e.g. rice, for their staple diet

50%

Of international tourists seek relaxation in wetland areas, supporting millions of jobs

Source: Wildfowl & Wetlands Trust

## Blue Recovery Fund

Our partnership with the WWT focuses on the Blue Recovery Fund, in which they have set a major ambition to create 100 000 hectares of new and re-stored wetlands in the UK.

The first phase of this is the Roadmap project, helping to define where these wetlands are best placed to provide the biggest benefits to society. In 2023, the team at the WWT used mapping to highlight the areas where large-scale wetland-creation could be delivered to maximise the benefits in terms of four Blue Recovery themes: urban wellbeing, carbon storage, flood protection and water quality.

Additionally, by working with environmental economists, the WWT has undertaken natural capital accounting to demonstrate the value that 100 000 hectares of wetland could bring to society. They are currently estimating GBP 18 billion of benefits.

The WWT is currently working on a project in Bridgwater, Somerset, alongside the local community to restore and re-wet an area of low-lying farmland. In doing so, this natural floodplain will help protect the town from flooding (an increasing concern in recent years) and welcome nature back into the community.





E-waste innovation

As the world continues to digitise, the rise of electronic devices has led to a surge in e-waste, with obsolete devices ending up in landfill, leaching toxins and preventing critical materials from being reused. Without structural solutions to tackle this, the global e-waste issue presents significant environmental and social challenges.

In response to this, we partnered in 2022 with Reconome, a B Corp, to not only preserve our planet's resources but also to address inequalities in our communities. Reconome refurbishes IT equipment and distributes them to foundations, schools, charities and community organisations, such that the equipment will generate a positive social impact.

We continued our partnership in 2023 to focus on supporting young adults and children who have arrived in the UK as refugees or to seek asylum. Devices were paired with a SIM card, twelve months of data and digital skills training for beneficiaries, in London, Bristol, Edinburgh, Leeds and Birmingham.

E-waste: total impacts

55 144  
kg of CO<sub>2</sub> avoided emissions

100%  
Re-used devices

400  
total tablets procured

356  
kg of waste prevented

Why did we target these beneficiaries?

The current plight of this cohort and demographic is characterised by several challenges, resulting in these individuals facing a range of physical, emotional and social difficulties:

- Separation and displacement
- Trauma and mental health issues
- Education and language barriers
- Legal and bureaucratic challenges
- Social integration and discrimination
- Lack of specialised support

Digital inclusion

Reconome worked with Screen Share, the Refugee Council, The Children's Society and Migrant Help, helping refugees and asylum-seekers stay connected with their families and friends, access information and resources, learn new skills, find employment and integrate into society.

By providing refugees with access to refurbished computer devices, our aim was to help them bridge the digital divide, gain essential digital skills and rebuild their lives with dignity and independence.

When we consider projects to support, it is important for us to consider not only the environmental impacts but also how society may also be improved. Our partnership with Reconome is a prime example of a project which does both.

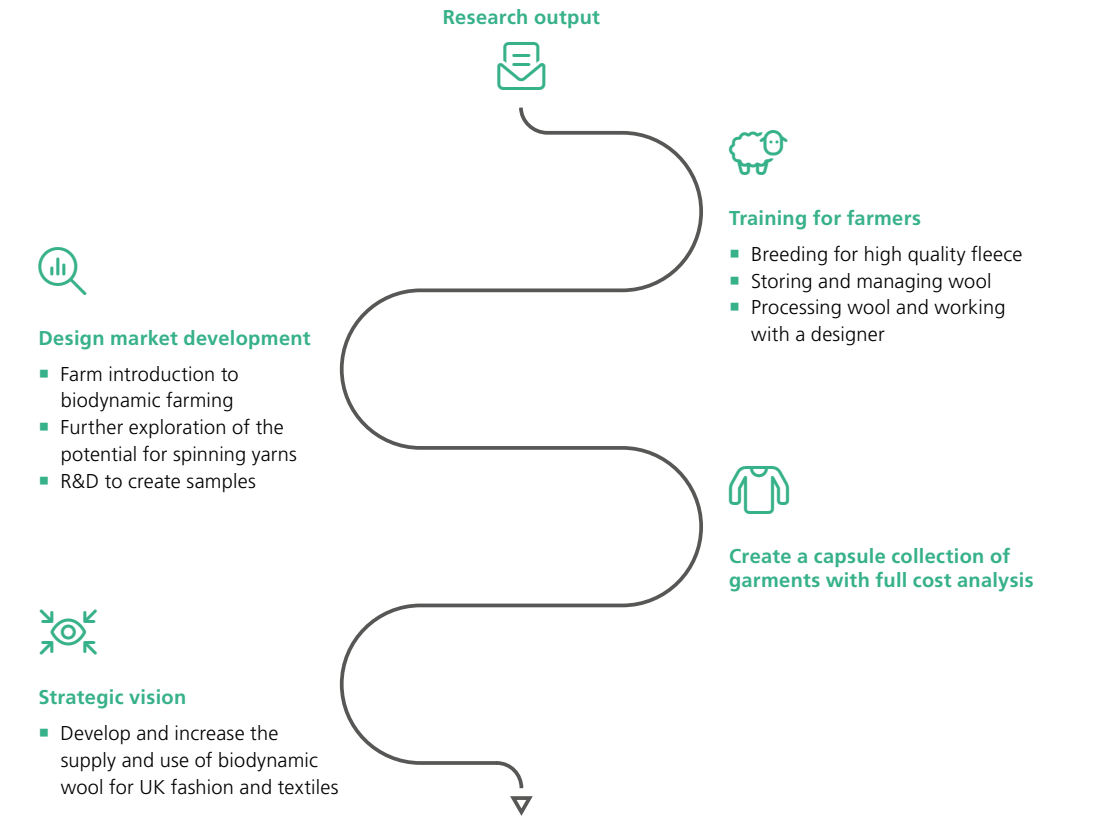
Tackling fast fashion

Since the mid-nineteenth century, industrialisation of both fashion and farming has accelerated exponentially, disconnecting us from the source of our food and clothing with dire social, cultural, economic and environmental consequences. In the global North, fashion relies heavily on transnational supply chains, petroleum-based materials and land and labour exploitation. With their escalating demand for finite resources such as fossil fuels, aggregated CO<sub>2</sub> emissions, widespread pollution of air, soil and water and extensive biodiversity loss, fashion and farming have environmental footprints that are among the highest on the planet.

Through our partnership with DIRT and Fibershed, we are seeking out another way. Biodynamic farming practices restore biodiversity and nourish the soil, with greater attention paid to the planetary boundaries. This project is focused on moving biodynamic wool into the fashion and textile industry, bringing together biodynamic farmers, designers and independent brands to do so.

Since May 2023, the project team at Fibershed has been undertaking research into the availability and quality of biodynamic wool in the UK, as well as the current or potential market for biodynamic wool as a source of fibre for the fashion industry and the challenges faced to make it a viable option for designers.

Fast fashion roadmap





# Creating value for society

As a successful and growing business in the wealth management sector, we believe it is our responsibility to put some of our resource to good use by creating social and cultural added value.

## Making a difference

The firm's charitable strategy is led by the Charities Committee, which is responsible for driving the strategy throughout the business, encouraging internal support and organising fundraising events. We support a core charity partner for a minimum of two years, working closely with them to fundraise, volunteer and raise their profile through our network. We are committed to achieving a fundraising target of GBP 75 000 per year over the two-year partnership. In addition to our core charity partner, we support satellite charity partners that are close to the hearts of our employees.

As a business, we have a commitment to match funds raised during events for our charity partners, which means we effectively double any donation made, increasing the impact our funds can bring to the charity.

## Volunteering days

Our people are supported to do volunteer work within the community or for a charity, with each person able to take two days per year to participate in volunteering activities.

Through our partnership with Demelza, for example, our people have volunteered at the charity's East Sussex hospice garden and supported the retail team at their distribution warehouse.



## Our 2023 charity partners



We are proud to support Demelza, our core charity partner. Demelza provides specialist

care and emotional support for children with serious or terminal illnesses and their families, from diagnosis, day to day family life, times of crisis, end of life and through bereavement. Their work is a lifeline to over 750 babies, children and young people and 4 000 individual family members across the South East of England.



The Childhood Trust is London's child poverty charity, dedicated to alleviating the impact of poverty on children and young people in the capital. The charity works across three thematic areas: to meet children's practical, emotional and inspirational needs. The Childhood Trust believes

that every child should have a healthy, happy and safe childhood so that all children are well prepared for life and can break the cycle of poverty.



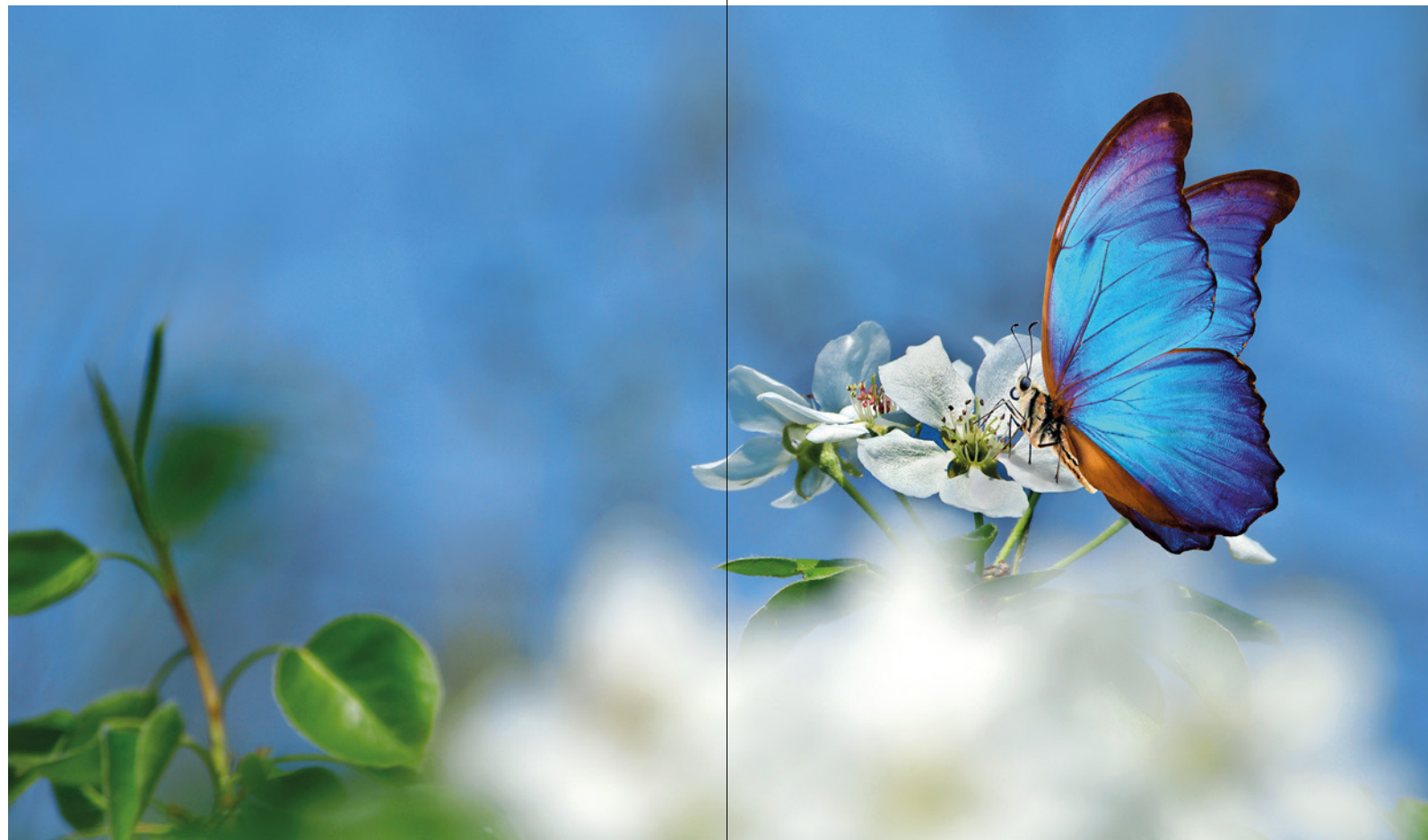
Porchlight is Kent's leading homelessness charity. Working with over 9 000 individuals and families every year, the charity supports those living on the streets or at risk of losing their homes. Its mission is to change lives for the better by breaking down the barriers to housing, work, education and financial independence and by supporting mental and physical health. Whether through the provision of timely and personalised support or by working to destigmatise homelessness, Porchlight helps the most vulnerable and isolated communities.



Consortium for Street Children (CSC) is a global alliance that exists to be the voice of street children and ensure that their rights to services, resources, care and opportunities are met. CSC joins forces with governments, NGOs, policy makers, researchers, charities and businesses globally. By supporting, growing and seeking funding, CSC enables its network to advocate for the rights of street children, deliver services and programmes and change the systems that cause harm.

“  
At Demelza, our worries melt away. It is a blessing for us, a real lifeline - I don't know where we'd be without them.

Sharon, family member at Demelza





# Social initiatives

As a business, we support initiatives that drive social development and host fundraisers to raise money for our charity partners, from individual activities to firm-wide sporting events.

### Fundraising initiatives

#### The Grate Descent

In May 2023, Senior Analyst Ari Levitan abseiled the 730ft (220m) iconic ‘Cheese Grater’ Leadenhall building, helping to raise awareness and funds for Demelza and the exceptional care that the team give to children with terminal or life-limiting conditions.

Ari raised an incredible GBP 1040, which was matched by LGT.



Ari Levitan makes the ‘Grate Descent’ with support from the professional MTS abseilers and the wider Demelza team.

#### Annual Dodgeball tournament

In September 2023, LGT celebrated ten years of dodgeball, hosting another hugely successful fundraising event. Over 40 teams from across the City of London competed in the tournament in fancy dress to raise GBP 26 528 for Demelza. This was matched by the Charities Committee, bringing the total funds raised to an amazing GBP 53 056.

#### Rowing Regatta

In July 2023, we held our Rowing Regatta event, where twelve teams from across the finance industry competed on the River Thames in a series of heats culminating in the final. All funds raised from the event went towards supporting Demelza’s work.

#### Three Peaks Challenge

In October 2023, 26 of LGT’s most intrepid employees set off on the famous Three Peaks Challenge in aid of Demelza. In total, the team walked a total of 37km and climbed 3 064m.

As well as supporting a charitable cause, the challenge served as a team-building activity for the firm’s newest employees and, in both senses, was a resounding success.



LGT takes on the Three Peaks Challenge for Demelza.

2023 fundraising total:  
GBP 242 000

### Supporting social initiatives

#### Redecorating bedrooms at The Childhood Trust

In November 2023, a team from LGT Wealth Management, including Ben Snee, CEO, and Jo Shackleton, Head of Human Resources, took part in The Childhood Trust’s “Decorate a child’s life” initiative. The programme redecorates disadvantaged children’s bedrooms, as well as local youth clubs and community centres that children rely on for support. The purpose is to provide children living in substandard accommodation with safe environments to learn, play and grow.

### Empowering young women through We Can Be

For the past five years, we have sponsored We Can Be, a Lord Mayor’s Appeal initiative aimed at building confidence and raising aspirations in young women. By hosting a series of workshops at businesses around the City of London for secondary school-age students, the aim is to help young women see the City as a viable career option and break down preconceptions about working in the City.

#### Impacts from We Can Be 2023



76%  
of young women are interested in a career in The City after the event



77%  
left the event confident they could have a career in The City if they wanted one



80%  
know what skills are needed to have a career in The City after attending We Can Be 2023

“What a privilege to see the power of teamwork on a project that brings joy to those in our community who need it most. The best reward was the appreciation and big smiles from the little girl and her parents.”

Joanna Shackleton, Partner and Head of Human Resources



# Creating value for our people

We are a people business with a focus on ensuring our staff feel a genuine sense of belonging. There is more to the firm than financial success alone and we are passionate about making individuals feel part of a family.

## Our culture is what sets us apart

Many of our activities, from fundraising to wellbeing and D&I initiatives, are driven by our people, allowing them to contribute to the wider impact of the business and create value beyond the remit of their day-to-day responsibilities.

## Diversity, equity and inclusion

Our goal is to attract, develop and retain the best and brightest from all walks of life and backgrounds. This requires us to have an inclusive culture where all individuals feel respected, are treated fairly, provided with a work-life balance and an opportunity to excel in their chosen careers. This strategy is driven by our Diversity & Inclusion Committee, #included.



We believe diversity and inclusion is something to be championed and celebrated, and contributes value in many different ways: from creativity and innovation to business performance and improved recruitment and retention.

Founded in 2018, #included is structured into various different workstreams, through which it engages with the wider business and focuses on specific initiatives, including hosting events, observing religious and cultural celebrations, devising recruitment strategies and driving policy changes.

## Awards

Through its strategic and determined approach, #included – and LGT Wealth Management’s wider diversity and inclusion strategy – has received a number of industry awards. In 2023, we received the following accolades:



**PIMFA Diversity & Inclusion award:**  
**Best Organisational Outreach Initiative programme**



**PIMFA Diversity & Inclusion award:**  
**Inclusive Talent Management**



**Portfolio Adviser 2023 Wealth Partnership Awards: Contribution to inclusivity - Diversity & Inclusion Lens**



## Wellbeing

Our wellbeing committee, Enrich, was launched to support, adapt and enhance our people’s wellbeing, not only at work, but in their wider lives. The aim of Enrich is to offer a supportive and progressive wellbeing programme, which engages each member of the firm. The committee provides support on various areas of wellbeing including physical, mental, spiritual, societal, financial and environmental health.

In light of the increase in the cost of living, financial wellbeing formed the core focus for the 2023 Enrich

strategy. Enrich began the year by hosting a financial wellbeing webinar to provide our people with access to sound financial guidance and support. The committee also launched a pilot with the app Money Guided, enabling users to gain more control of their income and stay on top of their financial life. At the beginning of March 2023, Enrich announced their partnership with Henry Dannell to offer our people fee-free advice through the mortgage process. The service has been very successful, assisting our people with 42 appointments with the majority focusing on remortgaging.





# Employee initiatives

It is crucial for us to invest in employee initiatives to enhance morale, loyalty and retention, ultimately contributing to a positive work environment and sustained business success.

## Wellbeing week for employees

In June 2023, the Enrich Committee hosted ‘Your Wellbeing Week’, a week of events and activities that aimed to enhance a sense of personal wellbeing for our people. The initiatives included:

- A chiropractor lunch and learn along with individual spinal analysis assessments
- A fireside chat with football legend Neil ‘Razor’ Ruddock
- A boxercise class
- Office bake sale, raising money for charity
- A mindfulness/meditation session
- Aviva wellbeing services seminar
- Walk and coffee, where colleagues were encouraged to go for a wellbeing walk.



## A great place to work

We are proud to be recognised as one of the best places to work by Great Place to Work™ UK, as reported by 92% of our people.

As a highly respected industry certification, being awarded this accreditation is something we take very seriously. Great Place to Work™ is known for being the global authority on workplace culture and what it means to provide a great employee experience. It defines a Great Place to Work as somewhere where ‘employees trust the people they work for, have pride in what they do, and enjoy working with their colleagues.’

The response rate to our 2023 survey was 79%, up from 76% in 2020. We are encouraged by the strong response rate, which continues to support us in building a good picture of our people’s experience working at LGT, while also recognising the areas that require continuous development.

Following our results in 2020, we had implemented a number of measures, including:

- All new joiners are matched with a buddy outside of their team, to help them settle in.
- In response to the cost of living crisis, we have focused on financial wellbeing, including fee-free mortgage services and an app that aims to help users gain more control of their income and outgoings.
- We have delivered a series of management training programmes to share best practices.

As wellbeing means something different to us all, we asked our people to share what wellbeing means to them:

“Wellbeing to me is just as important at work as elsewhere. I need to feel like I am doing something useful and using my brain on a daily basis. Working with bright, nice and enthusiastic colleagues really does make a difference.”  
LGT employee

“I’ve learned that wellbeing is all about balance and making sure that I have the right amount of sleep, food, social time and time for myself. As a person who’s always on the go, sticking to a routine helps me balance all of life’s moving parts.”  
LGT employee

“For me, wellbeing comes in the form of self-care.”  
LGT employee

## 2023 results

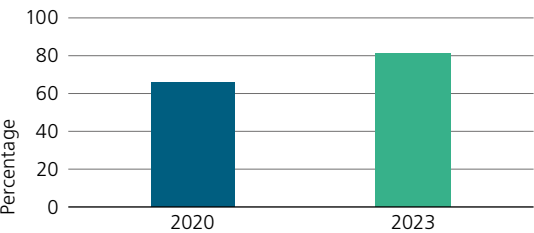
The survey covered five key dimensions: credibility, respect, fairness, pride and camaraderie. Our staff gave outstanding marks in numerous areas including their assessment of the welcoming culture at the firm, how fairly they feel they are treated and the respect given by colleagues and management.

- Employees find LGT’s welcoming culture and friendly environment especially positive, with 99% saying they feel safe at work.
- Our people appreciate having the opportunity to assume responsibility and rate management very positively for their honest, competent and ethical conduct, with 94% agreeing to this.
- Importantly, they feel that they are treated fairly, regardless of their background or sexual orientation. 93% of colleagues feel that they are trusted by management to do their job and 94% are proud to work at LGT Wealth Management.

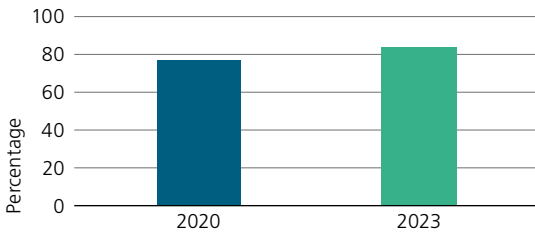
We celebrate these results and strive to maintain this positive culture, while continuing to work on areas of development. Through our initiatives, we aim to ensure that LGT Wealth Management will continue to be a place that our people are proud and motivated to work for.

## Percentage of staff who...

Felt that we have special and unique benefits



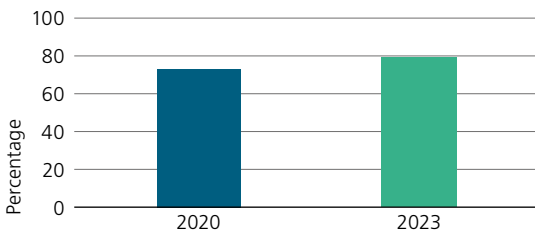
Felt that management deliver on its promises



“The management board and I (supported by each manager) strive to create a culture at LGT where everyone feels included, diversity is welcomed and everyone has an opportunity to grow and thrive in their role.”

Ben Snee, CEO

Felt that management shows a sincere interest in the individual as a person





Talent management programme

The wealth and asset management sector still faces significant barriers in attracting, developing and retaining diverse talent. To tackle this, we have revamped the way that we interview and interact with talented candidates, using a platform called Be Applied, to ensure non-bias selection via blind recruitment, as well as methods to ensure applications are reviewed efficiently and fairly. The platform anonymises applications and assesses candidates on questions designed to identify relevant skills and abilities, rather than solely relying on the traditional CV and cover letter. We also make sure our assessor pool is diverse and capture anonymous diversity data for all candidate applications, receiving reports to identify any potential hiring biases towards certain candidate demographics at specific stages of the process.

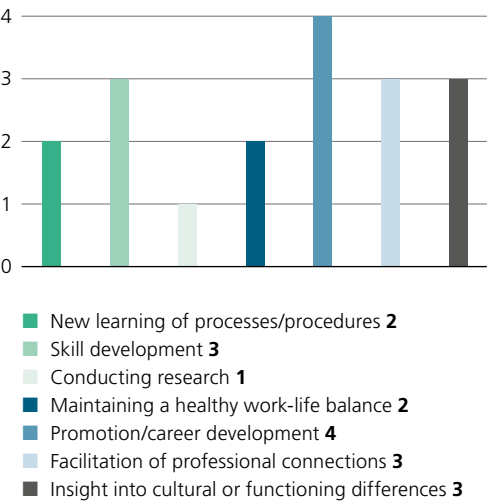
These processes are designed to remove as much unconscious bias as possible and enable us to select the best and brightest individuals from all backgrounds to join LGT.

Mentoring programme

Since we launched our mentoring programme in 2018, we have now established 118 mentor/mentee partnerships. Participants are involved in a protected relationship where experience and guidance are shared to help nurture professional development.

In feedback from our 2023 cohort of mentees, the programme directly helped improve a range of skills and experiences:

Skills and experiences built from mentor relationship



“  
It is helpful to have met a like-minded individual who has come through the ranks at the firm and other wealth managements firms and can pass on their support and advice.

LGT employee





# Transparency and trust: our governance framework

Strong corporate governance plays a pivotal role in ensuring the trust and confidence of our stakeholders.

## Guiding principles

- Maintain robust governance, including a clear organisational structure with well-defined, transparent and consistent lines of responsibility and accountability.
- Effective processes are implemented to identify, manage, monitor and report actual or potential risks.
- Internal control mechanisms are integral to our business, including thorough administrative and accounting procedures, and effective controlling and safeguarding arrangements for information processing systems.
- The processes and mechanisms we have in place are comprehensive and proportionate to the nature, scale and complexity of the business risks.
- We are committed to adhering to all relevant laws, regulations and industry standard.

We are committed to maintaining an effective corporate governance framework, which serves as the cornerstone of our business, guiding our decisions and actions to uphold integrity, transparency and accountability.

A comprehensive set of principles, practices and structures underpins our corporate governance framework, illustrating our dedication to ethical business conduct and sustainable long-term value creation.

“  
It is important that we follow not just the letter, but also the spirit of the code.

H.S.H. Prince Max von und zu Liechtenstein, Chairman LGT

## Promoting ethical conduct

Our aim is to create sustainable value for our clients and society through forward-looking, prudent and long-term thinking and actions. Our Code of Conduct sets forth a set of binding rules for all LGT staff, trustees and directors, outlining shared values and corresponding ethical and professional standards.

To further promote ethical behaviour, prevent wrongdoing and protect stakeholder interests, we have a Conduct Committee and maintain a number of conduct policies. Examples include the whistleblowing policy, which encourages employees to raise concerns about illegal or unethical practices without fear of reprisal, and the conflicts of interest policy, requiring staff to notify our compliance department of any real or perceived conflicts of interest as they arise, and reconfirm this annually. Our policies are reinforced through continual training delivered by an online learning tool, 'Clever Nelly'.

## Defined corporate governance structures

For a company to be successful, even in turbulent times, it needs a strong foundation and a clear strategy. We think in terms of generations, are tireless in our efforts to keep improving and have always focused on stability and solidity. As such, we maintain efficient management and organisational structures. In the UK, the LGT Wealth Management Governing Board determines and sets the strategic direction for

the business, as well as the framework, policies and culture. The Governing Board also provides control and oversight of management and assesses any new business initiatives to ensure they are consistent with our strategic aims and values.

The Management Board is responsible for managing the business on a day-to-day basis within the parameters set forth by the Governing Board. Reporting to the Governing Board as required, at least on a quarterly basis, the actions of the Management Board remain accountable and transparent.

Together, the Governing Board and Management Board delegate matters to committees and sub-committees, which have defined responsibilities and reporting obligations. For example, the Sustainable Governance Committee (SGC) oversees LGT Wealth Management's sustainable investment strategy, including relevant memberships, the implementation

of tools, policies and reporting. The SGC reports into the Management Board, which then reviews on a biannual basis our sustainable strategy, ensuring accountability of all Management Board members.

Enabling information to flow through various levels of the business allows for checks and balances, thereby promoting greater transparency in decision-making processes.

“  
Good governance safeguards  
LGT's integrity, guiding  
responsible decision-making for  
long-term and sustainable success.

Barbara Kane, Chief Risk Officer





# Looking to the future

At the heart of our business lies a family, which considers legacy to be a crucial guiding principle. Their forward-thinking approach ensures that every decision we make is based on creating lasting value, not just for today, but for generations to come. As we look ahead to the coming year, our strategy and activities are rooted in this vision.

## Environment

Our owner, the Princely Family of Liechtenstein, recognised early on how important sustainability is for our environment, society and future. This ethos is championed passionately by our chairman, Prince Max von und zu Liechtenstein, who established an impact investing programme – Lightrock – five years ago with a focus on emerging markets, setting forth our commitment for wider society and the environment.

As a business, we have committed to a programme of substantial digital transformation. Through harnessing the opportunities that new technologies can bring – such as artificial intelligence – our aim is to improve our clients’ experience and increase operational efficiencies, to create a greener and more sustainable workflow. This includes reducing paper reporting by encouraging clients to opt for paperless statements, digitalising processes to reduce paper consumption and moving towards cloud computing.

In September 2023, we acquired another investment management firm, which has expanded our geographical footprint in the UK. Through a successful alignment of values, we are working on bringing together expertise from both businesses into a harmonised, single sustainable offering.

We continue to focus our efforts towards our 2030 sustainability strategy. We are enhancing our investment research function with an emphasis on our sustainable capabilities, and working to thoroughly embed a sustainable approach throughout our entire investment proposition. Similarly, our stewardship strategy will continue to expand, not only in the UK but ensuring our activities are aligned globally across the LGT network. In addition to the projects we support, we are also actively expanding our conservation volunteering activities.

## Society

Each year, LGT Wealth Management partners with a range of different charities, to recognise the changing world that we live in and the areas that may particularly need our help and support. 2024 marks our final year with our core charity partner. The appointment of a new core charity will take place through a nominations process championed by our people.

We are also scaling up our volunteering efforts with various charities, from Skills Builder to Demelza to Oxfam. By 2030, we aim to support around a third of our people to volunteer their time with needful organisations. As well as encouraging our people to do this with charities that are already close to their hearts, we recognise the importance of centrally coordinated volunteering programmes – that can not only benefit the charities themselves, but also build relationships between colleagues.



## Our people

We strive to maintain our status as a Great Place to Work™ and are pleased to see the continued commitment our people demonstrate towards our company values: Belonging, Integrity, Respect, Conviction and Entrepreneurship. Our commitment to fostering a culture of adaptability and continuous growth is exemplified by our steadfast focus on core training and development, ensuring our team remains agile and ready to thrive in an ever-changing world.

We are also harnessing the power of people data to identify trends and pressure points. This data-driven approach aims to address underrepresentation in the industry, working alongside organisations such as 10,000 Black Interns, 10,000 Able Interns, GAIN and maintaining a relationship with King’s College London. This will also inform our reporting approach,

allowing us to publish our staff demographics as well as our gender, ethnicity and social mobility pay gap reports.

We remain dedicated to expanding our initiatives, championing social responsibility and making a meaningful impact in the wider community.



LGT Wealth Management Board



“  
Our continued awareness of  
our environment links strongly  
with our family values, which are  
also reflected in our corporate  
culture and our desire to make  
a meaningful impact.

H.S.H. Princess Adelheid Coudenhove-Kalergi, Non-executive Director,  
LGT Wealth Management Governing Board

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