



Remuneration Guidelines

LGT Capital Partners (FL) Ltd.

23 July 2018



General	The Regulation "Vergütungspolitik und -praxis" issued by LGT Capital Partners (FL) Ltd. defines the basic principles of the company's remuneration system. It sets consistent standards for all staff and defines inter alia the policy and practice with regard to variable remuneration as well as the applicable parameters.
Regulatory Requirements	<p>The company, being a Fund Management Company respectively an Alternative Investment Fund Manager for collective investment schemes under the UCITSD and AIFMD regimes domiciled in Liechtenstein, is subject to the supervisory requirements regarding the guidelines of sound remuneration policies.</p> <p>The remuneration system targets an alignment of interests between clients/investors and the company, avoids incentives for inappropriate risk taking and is in line with the sustainable long-term financial development of the company. Considering proportionality, main measures to achieve these goals are deferred payouts of parts of the variable remuneration and co-investments into LGT Capital Partners managed products, for so-called Identified Staff.</p>
Identified Staff	Identified Staff are the company's senior management, risk takers, responsible control functions, as well as other staff in the same senior management remuneration bracket, whose professional activities have a material impact on the company's risk profile or the risk profiles of collective investment schemes managed or advised by the company.
Base Salary	Salary levels are compared against peer groups and are reviewed annually.
Profit Sharing	<p>The variable remuneration is risk-adjusted and depends on the sustainability of the staff's particular performance as well as the company's success. The performance goals include financial and non-financial criteria. The relationship between immediate and retained remuneration avoids incentives to take excessive risks.</p> <p>In a given year, the variable remuneration can vary depending on the individual's and the team's performance, which is assessed in regular staff reviews (balanced scorecard). The reviews cover financial and non-financial criteria over a mid-term horizon as well as management, teamwork, development, client-related and other objectives.</p>
Deferral	40%-60% of the annual variable remuneration of Identified Staff is deferred for at least 3 years after allocation. An annual pro rata payout of the deferred amount is possible. The deferral amount is calculated net of deductions for social security contributions and tax. Deferred remuneration is held in a restricted account in the name and on behalf of the Identified Staff with LGT Bank Ltd., Vaduz.
Co-investments	In order to align interests with clients/investors and participate in the economic development of the collective investment schemes managed/advised by the company, Identified Staff are subject to hold Co-investments of 50% of their most recent variable remuneration in eligible LGT funds. The amount to be co-invested is calculated net of deductions for social security contributions and tax.
LTIS	LGT Group's „Long Term Incentive Scheme" qualifies as eligible Co-investment. Its value is dependent on the long-term economic success of LGT Group as well as the long-term investment performance of the princely portfolio.
Risk Taker	Risk-takers (e.g. portfolio managers) are bound to meet this requirement by investing predominantly into products managed/advised by their own team/department.
Control Functions	The variable remuneration of staff in significant control functions is essentially determined independently of the course of business and the success/failure of the funds monitored. These employees have the option either to co-invest or to hold their variable deferred remuneration in cash.
Clawback	Deferred variable remuneration is subject to a contractual clawback provision, which can be applied if certain clearly defined conditions are met.
Disclosure	The remuneration-related rules are disclosed in the annual reports of the products in accordance with the legal requirements. These reports are available in the official publication medium. The regulation itself can be obtained at the company free of charge.
Governance	The Board of Directors of LGT Capital Partners (FL) Ltd. is ultimately responsible for the design and implementation of the company's remuneration system. It annually reviews (1) whether the remuneration policy and practice is compliant with the applicable regulatory rules and regulations, (2) the actual remuneration of Identified Staff and (3) the effectiveness of the remuneration system with regard to the avoidance of inappropriate or excessive risk taking. The review is supported by Group Internal Audit, Legal and Compliance.