

Thinking in generations

Presenting the Liechtenstein
financial centre





Form of government

The Principality is a constitutional hereditary monarchy on a democratic and parliamentary basis.

Prince

On 15 August 2004, Prince Hans-Adam II abdicated and appointed his son, Hereditary Prince Alois as the new head of state.

160 km²

Liechtenstein's borders and consequently its surface area have remained practically unchanged for 300 years. 42 % of the total surface area or 67 km² is forest.

11 municipalities

Liechtenstein's settlements are divided into two electoral districts, known as the "Oberland" (Vaduz, Triesen, Balzers, Triesenberg, Schaan, Planken) and the "Unterland" (Eschen-Nendeln, Mauren-Schaanwald, Gamprin-Bendern, Ruggell, Schellenberg).

1:8

In Liechtenstein, the ratio between economically active companies and inhabitants is about 1 : 8 (in CH approx. 1 : 14 and in DE some 1 : 24).

German

Liechtenstein's official and national language is German.

38 747 inhabitants

Liechtenstein's population has increased more than four-fold over the past 100 years.

5 government members

The country's supreme executive body consists of the prime minister and four ministers.

25 members of parliament

Liechtenstein's parliament is also called the "Landtag" or "Hohes Haus".

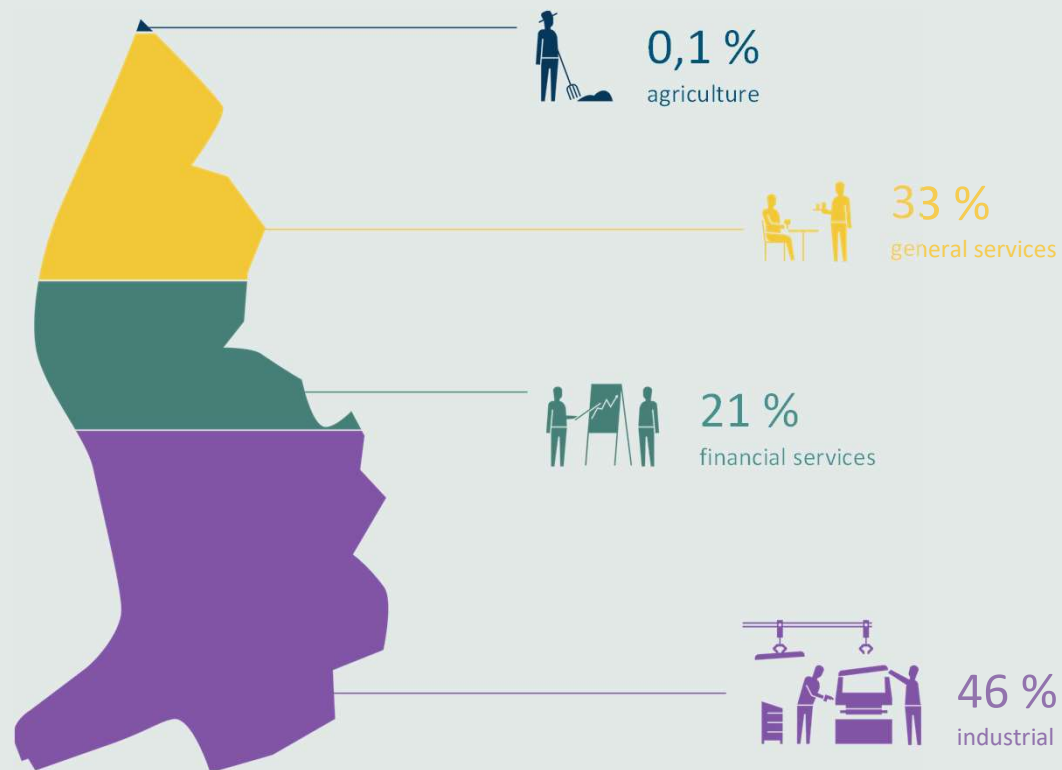
41 784 jobs

Liechtenstein has more positions of employment than inhabitants. Each day over 20 000 people commute to the Principality for work.

Swiss francs

Liechtenstein made the Swiss franc (CHF) its legal tender on 26 May 1924.

Broadly diversified business centre with stable industrial and financial sector



Broadly diversified business centre with stable industrial and financial sector



Customs union

Liechtenstein is part of the Swiss customs territory. In addition to the customs union, there are over 100 further bilateral treaties with Switzerland.



Market access

Liechtenstein-based companies have unrestricted market access to 31 states and around 500 million people in Europe.



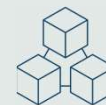
Stability and continuity

A stable social, legal and economic system ensures a high degree of continuity and legal certainty.



20,3 % public expenditure ratio

Liechtenstein has the lowest public expenditure ratio (government spending in relation to GDP) of all European countries. In Switzerland the ratio is in the region of 30 %, in Austria at over 50 %.



Blockchain in Liechtenstein

Legal certainty promotes innovation and reduces risks for all parties. That is why the Token and VT Service Providers Act ("TVTG") was introduced on 1 January 2020.



AAA-Rating

Liechtenstein has no government debt and is regularly awarded an AAA country rating by Moody's and Standard & Poor's.

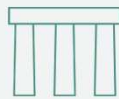
Professional, innovative, internationally-recognised and broadly based Liechtenstein financial centre



Perfect combination of innovation and a long-term mindset



**QUALITY AND
STRENGTH OF INNOVATION**



**STABILITY AND
LEGAL CERTAINTY**



**LEGAL AND
TAX CONFORMITY**



**SUSTAINABILITY AND
PHILANTHROPY**

Perfect combination of innovation and a long-term mindset



QUALITY AND STRENGTH OF INNOVATION

QUALITY AND STRENGTH OF INNOVATION

- Extensive expertise and long-standing experience of service providers within the financial centre
- Direct access to specialists and experts from Switzerland, Austria, Germany and Liechtenstein
- Flexibility and short decision-making channels in Liechtenstein
- Europe-compliant niche products in the financial sector
- Support for innovation

Perfect combination of innovation and a long-term mindset



STABILITY AND LEGAL CERTAINTY

STABILITY AND LEGAL CERTAINTY

- Stable social, legal and economic system
- Customs and currency union with Switzerland since 1924
- Member of the European Economic Area (EEA) since 1995.
- Barrier-free access to the European market (freedom of movement of goods, people, services and capital)
- Political continuity and stability
- Liberal economic policies
- Liberal company law
- Sound financial policies / no government debt
- Very well-funded public sector
- Moderate corporate taxation
- AAA country rating awarded by Moody's and Standard & Poor's
- Broadly diversified economy with strong industrial sector

Perfect combination of innovation and a long-term mindset



LEGAL AND TAX CONFORMITY

LEGAL AND TAX CONFORMITY

- Financial centre regulation in Liechtenstein based on EU guidelines
- Internationally integrated and recognised financial market supervisory authority
- Recognition and implementation of international and European tax cooperation standards
- Early AEOI adopter (automatic exchange of information)
- Global Forum rating “largely compliant”
- Implementation of OECD / BEPS (corporate taxation guidelines)
- Tax information exchange agreements and / or double taxation agreements with 54 states

Perfect combination of innovation and a long-term mindset



SUSTAINABILITY AND PHILANTHROPY

SUSTAINABILITY AND PHILANTHROPY

- Liechtenstein is establishing itself as a respected, sustainable and stable financial centre.
- Acting in a responsible, sustainable manner is a central component of Liechtenstein's culture.
- Outstanding international reputation as a philanthropy centre at the heart of Europe.
- Advanced foundation governance with high protection of the private sphere.
- Unique projects:
 - “Energy country”: all of Liechtenstein's municipalities have been awarded the “Energy Town” label. Liechtenstein is the world's first “energy country”.
 - “Solar world champion”: Liechtenstein has the highest per capita photovoltaic capacity.
 - “Water footprint”: Liechtenstein is the first country to offer as many people in developing countries safe access to clean drinking water as it has inhabitants.

Professional, innovative, internationally-recognised
and broadly based Liechtenstein financial centre



Fiduciary companies

Securing assets over generations

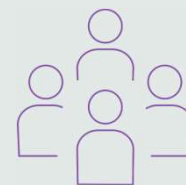


Expertise and strengths

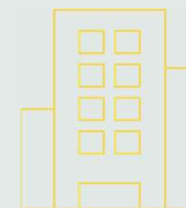
- Asset preservation
- Asset structuring
- Fiduciary foundation – that is to say foundation in the name of the client – of foundations, companies and trusts as well as their administration and management
- Financial, business and tax consultancy
- Accountancy and annual financial statements
- Wage settlements



139
fiduciaries



2500
employees



229
fiduciary companies



Liechtenstein Chamber of Fiduciaries
www.thk.li

Banks

Banking centre Liechtenstein: Stable, expert and sustainable

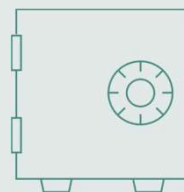


Expertise and strengths

- Private banking and asset management
- International wealth management



Liechtenstein Bankers Association
www.bankenverband.li



12
banks



2973
employees
(excluding non-domestic
companies)

Client assets under management (in CHF billion)



- Consolidated perspective: Liechtenstein banks including non-domestic group companies
- Single perspective: Liechtenstein banks without non-domestic group companies

Asset management companies

Portfolio management and investment consultancy

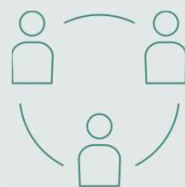


Expertise and strengths

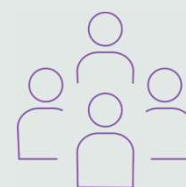
- Portfolio management
- Investment consultancy
- Securities and financial analyses
- Execution of orders in the name of the client



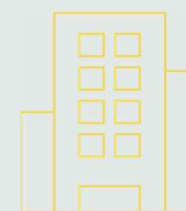
Association of Independent Asset
Managers Liechtenstein
www.vuvl.li



10 291
client relationships



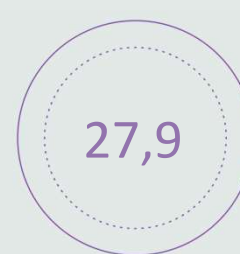
648
employees



98
asset management
companies



assets under management
(AUM) total



assets under management
(AUM) in Liechtenstein

Client assets under management of asset
management companies (in CHF billion)
Source: FMA

Investment fund companies

Rising investment fund centre



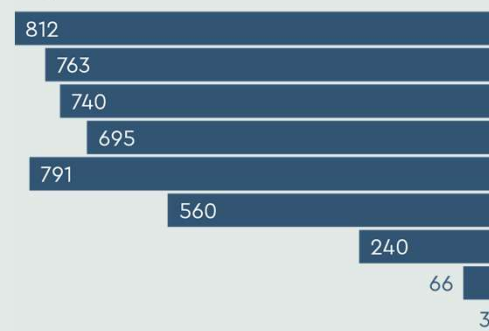
Expertise and strengths

- Fund structure
- Fund administration
- Innovative concepts
- Sustainability



Liechtenstein Investment Fund Association
www.lafv.li

Single and sub-funds



Fund assets (in CHF billion)



Insurance companies

Security today and in the future



Expertise and strengths

- Life insurance, non-life insurance and reinsurance
- Innovative risk protection
- Investment fund and bond-linked pension solutions
- Investment products for HNW private clients
- International industry insurance
- Supplementary per diem health insurance (which in Liechtenstein can also be distributed under the life insurance licence)



Liechtenstein Insurance Association
www.lvz.li

16

life insurance
companies

14

non-life insurance
companies

3

reinsurance
companies

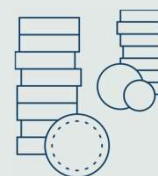
33

insurance
companies



1038

employees



5,61

CHF billion gross premium

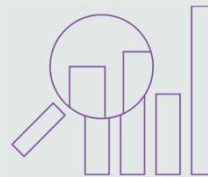
Auditors

Important insurance coverage in a complex, dynamic environment



Expertise and strengths

- Independent service providers in all aspects of auditing
- All business audits for companies and regulatory audits in accordance with special laws within the scope of Liechtenstein financial market regulation
- Important link between the state and the private sector
- Supporting the lawful conduct of financial intermediaries



81
auditors

- Independent
- Organised
- Impartial
- Conscientious
- Discreet
- Responsible
- Regulated



Liechtenstein
Association of Auditors
www.wpv.li

Globally committed philanthropy centre Liechtenstein

Expertise and strengths

- Extensive freedom of the founder to determine the intended purpose
- Effective foundation supervision with efficient and lean administrative processes
- Advanced foundation governance with high protection of the private sphere.
- No geographical restrictions for the support activity, for the designation of beneficiaries or for the composition of the foundation council
- Diverse structures with innovative options such as the protected cell company (PCC)



Association of Liechtenstein Charitable
Foundations and Trusts
www.vlgst.li

Geographic scope of common-benefit foundations

16 %

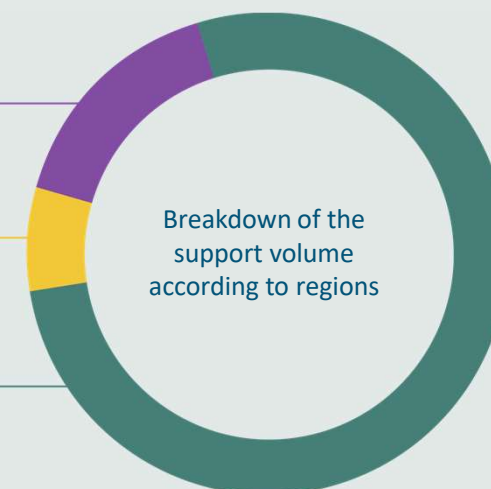
Switzerland

7 %

Liechtenstein

77 %

International



Source: Survey of the Association of Liechtenstein Charitable Foundations and Trusts (VLGST) on a voluntary basis (2019)

Highest ethical standards and life-long learning in focus

Expertise and strengths

- The CFA Charter (“Dipl. Finanzanalyst”) is the global standard in the field of financial further training
- With the “ESG Certificate” the CFA Society promotes and standardises know-how for sustainable investment
- Lectures / talks on current financial market topics
- Ethics workshops for financial market players
- Globally-recognised standards for the financial sector GIPS (Global Investment Performance Standards)



CFA Society Liechtenstein
www.cfasociety.org/liechtenstein

Top 10: Employment of members



Status: 31 January 2021

Attorneys-at-law

Reliable partner for all legal transactions



Expertise and strengths

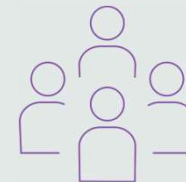
- Advice on all corporate and private legal questions
- Support in conjunction with national and international legal questions
- Representation in all judicial and out-of-court matters
- All legal fields covered – from contract law to blockchain



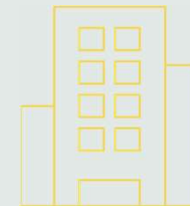
Liechtenstein Chamber of Lawyers
www.rak.li



230
attorneys-at-law



70
legal assistants
(still undergoing
training to become
a lawyer)



45
law firms

67
licensed European
lawyers

Association Liechtenstein Finance



Management Board
Nicole Bays



Management Board
Tanja Muster



Chairman of the Board
of Directors
Simon Tribelhorn



Board of Directors
**H.S.H. Prince Michael
of Liechtenstein**



Board of Directors
Marcel Müller



Board of Directors
Thomas Weidmann

Thinking in generations

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