



"Turn Regulation into Benefits and Profit"

How LGT turns regulation into advantage.
More efficiency in Business & IT.



actico³
Smarter Decisions

Key value proposition:

- Implementation of a new technology platform
- Quick implementation of regulatory requirements
- Guided processes in client relationship management
- Increased efficiency in IT
- Centralization of rules
- Reduction of risk

Regulation: More technical and administrative tasks

The wave of regulation, especially MiFID 2, is considered to be a huge driver of costs. The technical effort increases, and relationship managers must budget more time in their daily routines for regulatory measures. "LGT is a private bank that focuses on individual client consulting. So it affects us disproportionately," says Philip Schädler, Head of Development Compliance & Business Rules. "Besides the regulation," Schädler continues, "there are other factors that are increasing the pressure on margins in the financial sector: digital transformation, the low-interest environment, and the strength of the Swiss Franc."

Technology enables you to turn regulation into benefits and profit

Banks can't afford to miss compliance regulations. That is why LGT has taken on a revolutionary motto: *Turn regulation into benefits and profit*. "We want to draw added value from regulation, which is inevitable anyway," says Schädler. A completely new technology platform is to develop tangible added value for clients, relationship managers and the bank.

Before Central Rule Engine: Manual consulting processes

Previous client consulting consisted of manual steps and there were no defined consulting processes. This made it very complex, requiring a great deal of manual effort. All validations were programmed – a black box for the business. The business department had no access to the source code and no way of finding out how rules had been implemented or what rules there were at all.



Philip Schädler, team leader DCBR (Development Compliance Business Rules) at LGT, Private Banking

Business Rules Management as a new technology platform

To achieve the planned efficiency increase, LGT Financial Services evaluated various scenarios and decided for ACTICO Rules as a centralized Business Rules Management System.

Decision criteria:

Factor 1: Guarantee of future support of DMN

ACTICO Rules supports DMN. This means that rules from the ACTICO Modeler can be made executable in the core banking platform.

Factor 2: Expandable Business Rules Platform

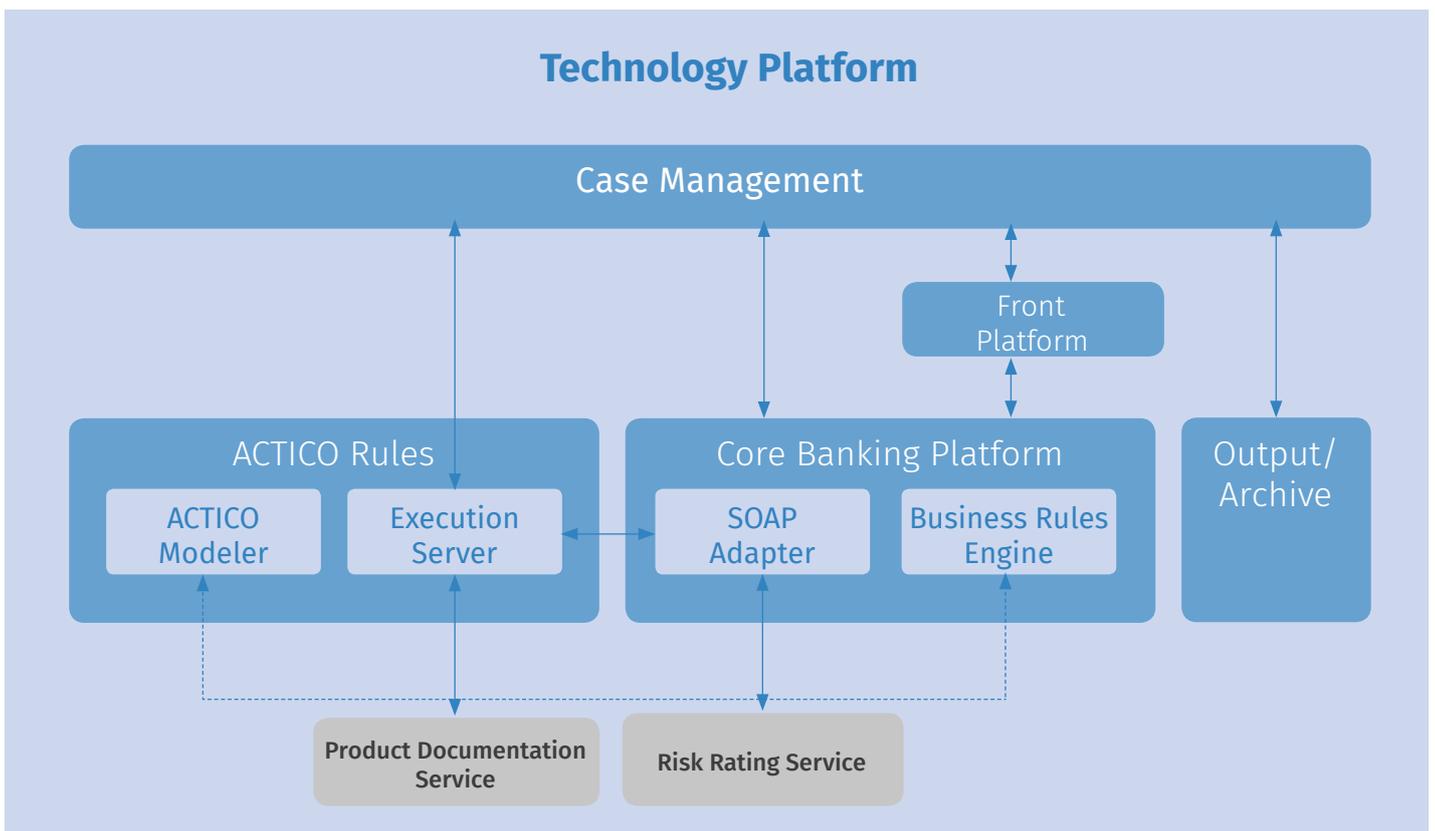
“ACTICO Rules has proven itself in practice and works flawlessly. Additional Java modules can be used to expand it,” says Schädler.

Factor 3: Synergy effects with Compliance Suite

ACTICO Rules is the foundation of Compliance Suite and has been used at LGT for years. The bank uses ACTICO's Compliance Suite for anti-money laundering (AML), sanction lists check (global coverage), know your customer (KYC), transaction monitoring, and the prevention of market abuse & insider trading. The synergy effects of using this tool to model and execute other rules were evident and impactful.

Factor 4: Reliable software partner

ACTICO has been a reliable, collaborative partner of LGT for a long time.



„We are implementing a completely new technology platform that creates tangible added value for customers, relationship managers and the bank itself.“

Interaction: Processes, rules, and core banking functionalities

On the new technology platform, Case Management guides the relationship managers through the entire process and communicates with all associated systems:

- ACTICO Rules: Business Rules Management System
- Core Banking System
- Archiving of documents

The Execution Server is the centerpiece for peripheral systems. For regulatory documents (USCITS KIIDS, PRIIPs KIDS), there is a SOAP call from Case Management to the Execution Server that picks up the documents from the provider.

Model rules in ACTICO Rules and import them into the Core Banking Platform

LGT uses two components of ACTICO Rules: Modeler and Execution Server. In Modeler, LGT administers and models the rules. They are then imported into the Core Banking Platform. In this way, using ACTICO Rules, LGT creates rules that are executable in the core banking platform. The rules that are modeled in Modeler are also executable in the ACTICO Execution Server.

Added value achieved in IT

Unit testing now available

Unit testing was previously unavailable. “In ACTICO Rules, unit testing is very efficient and can be implemented elegantly,” says Schädler. Overall, greater test case coverage gives rise to better code quality.

Automated documentation

The documentation emerges automatically from the graphical modeling of the rules. This makes additional documentation unnecessary. There is less work for IT, and Business comes to a much better understanding of the content.

Centralization of rules

Central management of rules helps to reduce redundancies and achieve a better overview of the bank’s rule universe.

Who benefits from the new technology platform

- Clients benefit from more tailored offers
- Relationship managers benefit from simpler consulting processes and less administrative effort.
- Relationship managers have more time for advising their clients.
- LGT benefits from greater customer satisfaction, which provides a competitive edge.

About LGT Group

LGT is the world's largest private banking and asset management group owned by an entrepreneurial family. As the Family Office of the Princely House of Liechtenstein, it has nearly 100 years of experience in the management of sizeable sums of assets. They have Assets Under Management of CHF 200 billion+. With over 3,000 employees, LGT is represented in more than 20 locations in Europe, Asia, America and Middle East.

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ACTICO is a leading international provider of software solutions and technologies for decision management. In a digital world, it is necessary to process large volumes of data and make real-time, consistent, and auditable decisions. ACTICO software allows companies to implement highly flexible applications to optimize their daily decision-making on a continuous basis. This enables them to accelerate growth, innovate effectively, stay compliant and, as a result, increase profits.

ACTICO provides software solutions for the following areas:

- Credit Risk Management: Assess and monitor credit risk
- Loan Origination: Automate credit checks and decisions
- Compliance: Enable transparency, comply with regulations, and avoid fraud
- Claims Management: Make claim settlement processes quicker, consistent, and cost-effective
- Client Management: Handle sensitive customer data securely – from onboarding to reporting

Since 1997, ACTICO has delivered software and services to our customers' benefits. Headquartered in Germany with offices in the U.S. and Singapore.

More information: www.actico.com