



LEA 02	Discipline: Monetary	Principle: PRI 1, 2, 3
<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	<p>Type of engagement</p> <p>Individual/internal staff engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff
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RI TRANSPARENCY REPORT

2016

LGT Capital Partners

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2016 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Private							✓
OO 10	Additional information about organisation	✓	Private							✓
OO 11	RI activities for listed equities	✓	Public							✓
OO 12	RI activities in other asset classes	✓	Public							✓
OO 13	Modules and sections required to complete	✓	Public							✓

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	RI goals and objectives	✓	Public							✓
SG 05	Main goals/objectives this year	-	n/a							✓
SG 06	RI roles and responsibilities	✓	Public							✓
SG 07	RI in performance management, reward and/or personal development	✓	Private							✓
SG 08	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09	Promoting RI independently	✓	Public				✓			
SG 10	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 11	ESG issues in strategic asset allocation	-	n/a	✓						
SG 12	Long term investment risks and opportunity	✓	Private	✓						
SG 13	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 14	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 15	ESG issues for externally managed assets not reported in framework	✓	Public							✓
SG 16	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
SG 17	Innovative features of approach to RI	✓	Private							✓
SG 18	Internal and external review and assurance of responses	✓	Private							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Role of investment consultants/fiduciary managers	✓	Public				✓			
SAM 02	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 03	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
SAM 04	ESG incorporation strategies	🔒	n/a	✓	✓					
SAM 05	Selection processes (LE and FI)	🔒	n/a	✓						✓
SAM 06	Appointment considerations (LE and FI)	🔒	n/a				✓			
SAM 07	Monitoring processes (LE and FI)	🔒	n/a	✓						
SAM 08	Percentage of (proxy) votes cast	🔒	n/a		✓					
SAM 09	Selection processes (PE, PR and INF)	✓	Public	✓						✓
SAM 10	Appointment considerations (PE, PR and INF)	✓	Private				✓			
SAM 11	Monitoring processes (PE, PR and INF)	✓	Public	✓						✓
SAM 12	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						✓
SAM 13	Examples of ESG issues in selection, appointment and monitoring processes	-	n/a		✓					
SAM 14	Disclosure of RI considerations	✓	Public							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
LEI 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	🔒	n/a	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 11	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 12	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 13	ESG issues in index construction	🔒	n/a	✓						
LEI 14	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 15	Measurement of financial and ESG outcomes of ESG incorporation	✓	Private	✓						
LEI 16	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 17	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive,active strategies	✓	Private							✓
FI 02	Option to report on <10% assets	🔒	n/a							✓
FI 03	Breakdown by market and credit quality	✓	Private							✓
FI 04	Incorporation strategies applied	✓	Public	✓						
FI 05	ESG issues and issuer research	✓	Private	✓						
FI 06	Processes to ensure analysis is robust	✓	Public	✓						
FI 07	Types of screening applied	✓	Public	✓						
FI 08	Negative screening - overview and rationale	✓	Public	✓						
FI 09	Examples of ESG factors in screening process	✓	Private	✓						
FI 10	Screening - ensuring criteria are met	✓	Public	✓						
FI 11	Thematic investing - overview	🔒	n/a	✓						
FI 12	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 13	Thematic investing - assessing impact	🔒	n/a	✓						
FI 14	Integration overview	✓	Public	✓						
FI 15	Integration - ESG information in investment processes	✓	Public	✓						
FI 16	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 17	ESG incorporation in passive funds	🔒	n/a	✓						
FI 18	Engagement overview and coverage	✓	Private		✓					
FI 19	Engagement method	✓	Private	✓	✓					
FI 20	Engagement policy disclosure	✓	Private	✓	✓					
FI 21	Financial/ESG performance	✓	Private							✓
FI 22	Examples - ESG incorporation or engagement	-	n/a	✓	✓					
FI 23	Communications	✓	Public		✓				✓	

LGT Capital Partners

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Other, specify

Execution and advisory services

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Switzerland

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

360

OO 03

Mandatory

Descriptive

General

OO 03.1

Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04

Mandatory

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2015

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		50	000	000	000
Currency	USD				
Assets in USD		50	000	000	000

OO 06

Mandatory

Descriptive

General

OO 06.1

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as percentage breakdown
- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	<10%	<10%
Fixed income	10-50%	<10%
Private equity	0	10-50%
Property	0	<10%
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	10-50%
Forestry	0	0

Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	10-50%	0
Other (2), specify	0	0

'Other (1)' specified

Insurance-linked strategies

OO 06.2 Publish our asset class mix as per attached image [Optional].

Gateway asset class implementation indicators

OO 11 **Mandatory** **Gateway** **General**

OO 11.1 Select your direct or indirect ESG incorporation activities your organisation implemented, for listed equities in the reporting year.

- We incorporate ESG in our investment decisions on our internally managed assets
- We address ESG incorporation in our external manager selection, appointment and/or monitoring processes
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 11.2 Select your direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.

- We engage with companies on ESG issues via our staff, collaborations or service providers
- We require our external managers to engage with companies on ESG issues on our behalf
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

OO 11.3 Select your direct or indirect voting activities your organisation implemented for listed equity in the reporting year

- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 12 **Mandatory** **Gateway** **General**

OO 12.1

Select internally managed asset classes where you implemented responsible investment into your investment decisions and/or your active ownership practices (during the reporting year)

- Fixed income – SSA
- Fixed income – corporate (financial)
- Fixed income – corporate (non-financial)
- Other (1)
- None of the above

OO 12.2

Select externally managed assets classes where you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes (during the reporting year)

- Fixed income – SSA
- Fixed income – corporate (financial)
- Fixed income – corporate (non-financial)
- Private equity
- Property
- Hedge funds
- None of the above

OO 13**Mandatory****Gateway****General**

You will need to make a selection in OO 13.1 only if you have any voluntary modules that you can choose to report on.

OO 13.1

You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list below.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers**Direct - Listed Equity incorporation**

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- Listed Equities
- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Private Equity
- Property

Closing module

- Closing module

LGT Capital Partners

Reported Information

Public version

Strategy and Governance

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Responsible investment policy

SG 01

Mandatory

Core Assessed

General

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate what norms have you used to develop your RI policy.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)

other (1) description

International treaties on controversial weapons

- Other, specify (2)
- Other, specify (3)
- None of the above
- No

SG 02	Mandatory	Core Assessed	PRI 6
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SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide URL and an attachment of the document.
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- Policy setting out your overall approach

	URL
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<https://www.lgtcp.com/en/about-us/esg/>

- Formalised guidelines on environmental factors

	URL
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https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Equity_Fund_Global_en.pdf

- Formalised guidelines on social factors

	URL
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https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Equity_Fund_Global_en.pdf

- Formalised guidelines on corporate governance factors

	URL
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https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Equity_Fund_Global_en.pdf

- Asset class-specific guidelines

	URL
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https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Equity_Fund_Global_en.pdf

- Screening / exclusions policy

URL

https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Equity_Fund_Global_en.pdf

- Engagement policy
- (Proxy) voting policy

URL

[https://www.lgt.com/shared/.content/publikationen/\\$verwaltung_publikationen/voting_rights_en.pdf](https://www.lgt.com/shared/.content/publikationen/$verwaltung_publikationen/voting_rights_en.pdf)

- We do not publicly disclose our investment policy documents

SG 03	Mandatory	Core Assessed	General
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SG 03.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

- Yes

SG 03.2 Describe your policy on managing potential conflicts of interest in the investment process.

As LGT CP's sole line of business is asset management, the firm does not engage in any soft dollar, brokerage activities, investment banking activities or management of individual private equity or hedge funds. In addition, LGT CP manages two key potential areas of conflict as follows:

- 1) Fee rebates – LGT CP seeks to obtain the most advantageous fee rates for its clients. When fees are rebated, they are credited directly to the underlying portfolios.
- 2) Potential employee-client conflicts - we ensure close alignment of interests with our clients by encouraging employees to invest in our client programs, which are made on similar terms to our clients. In addition, the firm's personal investment and trading policies require the full disclosure of all investments to the compliance department in order to prevent conflicts of interest from arising.

- No

Objectives and strategies

SG 04	Mandatory	Gateway/Core Assessed	General
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SG 04.1 Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

Governance and human resources

SG 06

Mandatory

Core Assessed

General

SG 06.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - 2 Managing Partners**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify
- Other role, specify

SG 06.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

For employees who have a formal ESG remit, our annual performance appraisal process includes targets and KPI's relating to ESG deliverables. Employees are assessed against these deliverables and decisions on salary and promotion take into account these assessments. Furthermore, portfolio managers, investment analysts and other dedicated RI investment staff are assessed on the performance of the sustainability products, which informs their annual remuneration discussions.

Portfolio managers, investment analysts and other dedicated RI investment staff contribute to changes that are made to the current ESG process as well as other ESG-related issues that may arise. All relevant topics are regularly discussed in the ESG committee.

SG 06.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

14

Promoting responsible investment

SG 08

Mandatory

Core Assessed

PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 08.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

Basic

Moderate

Advanced

AFIC – La Commission ESG

Asian Corporate Governance Association

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action for the 21st Century
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
Forum Nachhaltige Geldanlagen (FNG)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

LGT Venture Philanthropy

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 09

Mandatory

Core Assessed

PRI 4

SG 09.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

SG 09.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

specify description

LGT CP actively promotes responsible investment in the industry in our engagement with our external managers and in our work with clients.

No

Implementation not in other modules

SG 14	Mandatory	Descriptive	General
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SG 14.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - engagement	<p>We monitor the companies that we hold in our portfolios against our defined set of KPIs, which we have established to assess their performance on ESG issues. This allows us to focus our efforts on specific, relevant issues for engagement, and also leads to a clear formulation of the objectives for our engagements.</p> <p>When we have concerns, we address the issues directly with the company. Following the initial engagement, we set out objectives and define the next steps, which can include follow-up calls or meetings with company representatives. If this does not result in satisfactory improvements or commitments to improve in terms of our set objectives, we can escalate our activities to voting against the company or closing out our positions in the companies' securities.</p> <p>We document each case of engagement comprehensively, including objectives set, actions taken and the final results.</p>
Listed equity - (proxy) voting	<p>As part of our fiduciary duty for investors in our portfolios, and as a way of expressing our views on company actions, we exercise our proxy voting rights in accordance with clearly determined criteria. Towards this end, we use an external service provider, which compiles voting suggestions on the basis of bespoke SRI principles. We then review these suggestions and advise on how our votes should be cast.</p> <p>We disclose our approach to proxy votings publicly and provide investors with detailed information upon request free of any charge.</p> <ul style="list-style-type: none"> • We receive and track the feedback from the service provider on vote confirmations • We receive additional feedback from the custodian of voting was not successful • Our voting confirmations are audited by internal audit on a regular basis <p>In the reporting period, we voted on 93% of the total number of ballot items.</p>

SG 15	Mandatory	Descriptive	General
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SG 15.1	Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - ESG incorporation	We rate all external managers on their consideration of ESG issues in managing their portfolios. Additionally, all external managers are prohibited from any investment into securities of producers of controversial weapons. We provide them with a detailed list of these securities and update this information on a regular basis.
Listed equities - engagement	Managers are expected to engage on our behalf. Our ESG assessment and rating of managers take into account their engagement policies, among other issues.
Fixed income - SSA	We rate all external managers on their consideration of ESG issues in managing their portfolios.
Fixed income - Corporate (financial)	We rate all external managers on their consideration of ESG issues in managing their portfolios. Additionally, all external managers are prohibited from any investment into securities of producers of controversial weapons. We provide them with a detailed list of these securities, and update this information on a regular basis.
Fixed income - Corporate (non-financial)	We rate all external managers on their consideration of ESG issues in managing their portfolios. Additionally, all external managers are prohibited from any investment into securities of producers of controversial weapons. We provide them with a detailed list of these securities, and update this information on a regular basis.
Property	ESG for our Property assets is managed in the same way as for our Private Equity assets. We focus on evaluating the ESG practices of our underlying managers and rate them accordingly, on a scale of 1 to 4, where 1 = excellent and 4 = poor. These evaluations and ratings then form an integral part of the investment decision-making process. Subsequent to investment, we continue to monitor their ESG practices, offering advice and encouragement on best practice where required.
Hedge funds	The consideration of ESG factors is an integral part of our hedge fund investment process, as they are assessed during manager approvals. Towards this end, our hedge fund operational due diligence team requires managers to make representations on their ESG practices through a standard questionnaire. The team's assessment of these answers are then included in LGT CP's approval and monitoring process, and an unsatisfactory evaluation can lead to non-approval or disapproval of a manager. In addition, the trading advisory agreement for our managed account platform for our underlying managers explicitly prohibits the inclusion of securities (equities, converts, bonds) from issuers on our list of excluded firms. This list is compiled, updated and monitored by GES (Global Engagement Services) and is focused on companies involved in the manufacture, storage or transportation of controversial weapons, such as land mines, cluster bombs/munitions and biological, nuclear and chemical weapons. The partnership enables LGT CP to develop portfolios that comply with international conventions on these weapons.

LGT Capital Partners

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

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Overview

SAM 01	Mandatory	Core Assessed	PRI 4
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SAM 01.1 Indicate whether your organisation uses investment consultants and/or fiduciary managers.

- Yes, we use investment consultants
- Yes, we use fiduciary managers
- No

SAM 01.7 Additional information [Optional].

A core part of our offering to investors is the fact we do all due diligence and monitoring in-house, including the ESG component of these activities. We believe that our investors benefit from this approach, as it ensures consistently high quality across the entire investment process. We do not believe that an external consultant could add value to this process.

SAM 02	Mandatory	Gateway	General
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SAM 02.1 Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Private equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

SAM 02.2 Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

ESG risks and opportunities are identified and managed in our manager due diligence and monitoring process as follows:

1. Examining the manager's own ESG documentation - our investment team checks whether the manager has developed an ESG policy and whether it adheres to any externally recognized responsible investment principles.
2. Documenting the manager's ESG practices through a due diligence questionnaire - the manager is asked to make representations on many different aspects of its ESG practices, such as overall firm commitment to responsible investment, integration of ESG principles into the investment process, active ownership policies and reporting on ESG issues.
3. Reviewing the manager's approach - our investment team carries out a detailed review of the manager's representations in the ESG questionnaire and evaluates practices evident in the manager's investment committee books and company monitoring sheets. In this stage, we examine the manager's commitment to ESG and the sophistication of its approach to see whether it has institutionalized processes in place and whether it demonstrates a willingness to improve. Follow-up questions may be asked if there appears to be a discrepancy between official policy and actual practice.
4. Evaluating and rating the manager - insights gained from the review of the manager's approach are documented in an assessment template, in which different aspects of practice are evaluated both quantitatively and qualitatively. Based on this, we assign the manager a rating on a scale of 1 to 4, where 1 indicates excellence and 4 indicates

little or no commitment to ESG practice. This output is further documented in LGT CP's investment and monitoring database, which is a central source of information on all managers that LGT CP has ever screened or evaluated.

5. Considering ESG factors in the investment decision - the findings of our ESG assessment are further documented in our due diligence roadmap and our investment committee booklets, which are the key documents used in reaching an investment decision. Our investment committee considers all the findings of our commercial and legal due diligence, including those relating to ESG, when making a final decision on whether to invest with the manager.

6. Monitoring and reporting - we monitor the ESG risks of our fund investments as part of the firm's overall monitoring process. Towards this end, LGT CP conducts regular monitoring calls with fund managers in order to discuss a range of issues related to the partnerships, including ESG risks. The aim is to ensure the manager's continued adherence to its own or external ESG guidelines and continued improvement of practice. Issues addressed during monitoring are logged into an ESG assessment template in our investment monitoring database, and an overall rating is assigned to the fund.

7. Engagement with managers - our monitoring and reporting activities serve as the starting point for our engagement with managers on ESG. Quantitative rankings and qualitative assessments enable us to identify managers who are leaders in managing these risks and those who need advice and encouragement in further developing ESG best practice within their firms.

Private equity (PE), property (PR) and infrastructure (INF)

Selection

SAM 09	Mandatory	Core Assessed	PRI 1-6
SAM 09.1	In your manager selection process for the following assets, indicate whether your organisation and/or your investment consultant typically take any of the following actions.		
	General		

	PE		
Used the PRI's LP DDQ during discussions with managers as part of your selection process	<input checked="" type="checkbox"/>		
Review the manager's/general partner's responsible investment policy	<input checked="" type="checkbox"/>		
Discuss the manager's governance and management of responsible investment	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Assess the external manager's reporting and how it will help you to monitor that it is acting consistent with the agreed-upon ESG-related policies and practices during the life of the fund	<input checked="" type="checkbox"/>		
Review the manager's responsible investment disclosure, excluding PRI reporting	<input checked="" type="checkbox"/>		
Review the manager's PRI Transparency or Assessment reports	<input checked="" type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation, specify in 09.2	<input checked="" type="checkbox"/>		
Other general aspects in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Investment selection (pre-investment) of underlying holding

	PE		
Assess the manager's policies, processes and systems for identifying ESG-related value drivers and managing material ESG-related risks pre-investment	<input checked="" type="checkbox"/>		
Other pre-investment aspects reviewed in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Investment monitoring (post-investment) of underlying holding

	PE		
Understand if and how the manager influences and supports its portfolio companies'/assets' management of ESG-related risks and pursuit of ESG-related opportunities	<input checked="" type="checkbox"/>		
Discuss examples of how managers have previously identified and addressed ESG issues in their portfolios on an ongoing basis	<input checked="" type="checkbox"/>		
Assess the manager's/general partner's approach to managing and disclosing material incidents at the manager / General Partner and underlying holdings	<input checked="" type="checkbox"/>		
Other post-investment aspects reviewed in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

If you select any 'Other' option(s), specify

Our investment team carries out a detailed review of the manager's representations on ESG and evaluates practices evident in the manager's investment committee books and company monitoring sheets. We examine the manager's commitment to ESG and the sophistication of its approach to see whether it has institutionalized processes in place and whether it demonstrates a willingness to improve. Based on this, we assign the manager a rating on a scale of 1 to 4, where 1 indicates excellence and 4 indicates little or no commitment to ESG practice. This output is further documented in LGT CP's investment and monitoring database, which is a central source of information on all managers that LGT CP has ever screened or evaluated.

Subsequent to investment we monitor the ESG risks of our fund investments as part of the firm's overall monitoring process. Towards this end, LGT CP conducts regular monitoring calls with fund managers in order to discuss a range of issues related to the partnerships, including ESG risks. Issues addressed during monitoring are logged into an ESG assessment template in our investment monitoring database for future reference.

Monitoring

SAM 11	Mandatory	Core Assessed	PRI 1-6
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SAM 11.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:
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	General
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	PE		
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>		
Review manager's responsible investment reporting excluding PRI	<input checked="" type="checkbox"/>		
Review the manager's PRI Transparency or Assessment reports	<input checked="" type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input checked="" type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input checked="" type="checkbox"/>		
Other general aspects of your monitoring, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Investment selection (pre-investment) of underlying holding

	PE		
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input checked="" type="checkbox"/>		
Other ways ESG issues are incorporated in the pre-investment process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Investment monitoring (post-investment) of underlying holding

	PE		
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input checked="" type="checkbox"/>		
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>		
Request details of how ESG factors were considered when preparing to exit from investments	<input checked="" type="checkbox"/>		
Other ways ESG issues are monitored in the post-investment process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

If you select any 'Other' option(s), specify

We document the manager's ESG practices through a due diligence questionnaire, in which the manager is asked to make representations on a wide range of aspects of their ESG practices, such as overall firm commitment to responsible investment, integration of ESG principles into its investment process, how they engage in active ownership and their reporting on ESG issues. We then carry out a detailed review of the manager's representations in the ESG questionnaire and check them against actual practices evident in the manager's investment committee books and company monitoring sheets. In this stage, we examine the manager's commitment to ESG and the sophistication of their approach to see whether they have institutionalized processes in place and whether they demonstrate a willingness or concrete plans to improve. Follow up questions may be posed to the manager if there appears to be a discrepancy between official policy and actual practice.

Communication

SAM 14	Mandatory	Core Assessed	PRI 6
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SAM 14.1 Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- Yes, we disclose information publicly

provide URL

<https://www.lgtcp.com/en/about-us/esg/>

SAM 14.2 Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

- Yes
 No

SAM 14.3 Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

Information	Public	Clients/beneficiaries
How responsible investment considerations are included in manager selection, appointment and monitoring processes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Details of the responsible investment activities carried out by managers on your behalf	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, specify below	<input type="checkbox"/>	<input type="checkbox"/>

- Yes, we disclose information to clients/beneficiaries only
- We do not proactively disclose information to the public and/or clients/beneficiaries

LGT Capital Partners

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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ESG incorporation in actively managed listed equities


Implementation processes

LEI 03	Mandatory	Gateway	PRI 1
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LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)
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ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied	
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- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined
- No incorporation strategies applied

Total actively managed listed equities
--

100%

LEI 03.2	Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.
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We believe that incorporating ESG information into classical financial analysis helps us understand our investments more holistically and identify issues and related risks and opportunities arising from these topics:

- Environment: emission reduction, energy efficiency, waste disposal, lack of resources, biodiversity etc.
- Social: health and education, population growth and an ageing population, consumer behaviour etc.
- Corporate Governance: Transparency and supervision, responsibility and liability etc.

These topics will feature in politics and the economy in equal measure over the coming years.

Many companies have been involved with the topic "sustainability" for several years. They have recognised this will improve the long-term competitiveness in the future and competitive advantages can be achieved. Only companies, countries and regions that apply sustainable principles will prosper in the market over the long run.

In addition to these fundamental considerations, numerous academic studies show a positive relationship between sustainability and profitability. In over 50% of the cases, the concept of sustainability had a positive effect on performance.

The reasons for this positive effect are factors like a holistic risk management, lower costs, more transparent corporate governance, better reputation, greater innovation potential and a better quality of the management.

(A) Implementation: Screening

LEI 06	Mandatory	Descriptive	PRI 1
LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.		

Type of screening

- Negative/exclusionary screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

Companies that generate income from certain industries or products or that maintain poor standards on governance, environmental or social topics are excluded from the investment universe.

- Positive/best-in-class screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

Positive screening is based on our proprietary ESG KPI scores, which comprise a wide range of different environmental, social and corporate government indicators.

Here we focus on the best-performing companies.

- Norms-based screening

LEI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The screening criteria are established with regard to our overall ESG philosophy. We believe that financial performance is closely linked to acting responsibly on ESG issues, so we address a wide range of topics related to improving human well-being, protecting the environment and creating long-term value for investors.

We review the criteria at least once a year, with ad hoc reviews in between, taking into account new topics that arise (e.g. data privacy).

Clients are notified depending on the materiality of the changes. Major changes would be communicated in writing to clients.

LEI 07

Mandatory

Core Assessed

PRI 1

LEI 07.1

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

(C) Implementation: Integration of ESG issues

LEI 10

Mandatory

Core Assessed

PRI 1

LEI 10.1

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues	
	Environmental	<div style="background-color: #0070C0; color: white; padding: 2px;">Environmental</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
	Social	<div style="background-color: #0070C0; color: white; padding: 2px;">Social</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
	Corporate Governance	<div style="background-color: #0070C0; color: white; padding: 2px;">Corporate Governance</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

Communication

LEI 17	Mandatory	Core Assessed	PRI 2,6
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LEI 17.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.
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We disclose it publicly

Provide URL

<https://www.lgtcp.com/en/about-us/esg/>

Provide URL

https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Equity_Fund_Global_en.pdf

LEI 17.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

LEI 17.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 17.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries

LGT Capital Partners

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer





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ESG incorporation in actively managed fixed income

Implementation processes

FI 04	Mandatory	Gateway	PRI 1
FI 04.1	Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.		

SSA	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>100</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	0	Screening + integration strategies	100	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0
Strategy	Percentage																		
Screening alone	0																		
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Strategy	Percentage																		
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Screening + integration strategies	100																		

	 <p>Thematic + integration strategies</p> <p>0</p>
	 <p>Screening + thematic strategies</p> <p>0</p>
	 <p>All three strategies combined</p> <p>0</p>
	 <p>No incorporation strategies applied</p> <p>0</p>
	<p>100%</p>

Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	100
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
	100%	

FI 04.2 Describe your primary reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

We believe that incorporating ESG information into classical financial analysis helps us understand our investments more holistically and identify issues and related risks and opportunities arising from these topics:

- Environment: emission reduction, energy efficiency, waste disposal, lack of resources, biodiversity etc.
- Social: health and education, population growth and an ageing population, consumer behaviour etc.
- Corporate Governance: Transparency and supervision, responsibility and liability etc.

These topics will feature in politics and the economy in equal measure over the coming years.

Many companies have been involved with the topic "sustainability" for several years. They have recognised this will improve the long-term competitiveness in the future and competitive advantages can be achieved. Only companies, countries and regions that apply sustainable principles will survive in the market over the long run.

The reasons for this positive effect are factors like a holistic risk management, lower costs, more transparent corporate governance, better reputation, greater innovation potential and a better quality of the management.

First apply screening:

- Step 1: Process of elimination of firms, supranationals or countries by negative criteria:

- Step 2: Focus on opportunities by positive screening

Then apply integration of sustainability value drivers into classical fundamental analysis.

FI 06	Mandatory	Additional Assessed	PRI 1
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FI 06.1	Indicate how you ensure that your ESG research process is robust:
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- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify
- None of the above

FI 06.2	Describe how your ESG information or analysis is shared among your investment team.
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- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, 'tear sheets', 'dashboards' or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

(A) Implementation: Screening

FI 07	Mandatory	Gateway	PRI 1
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FI 07.1	Indicate the type of screening you conduct.
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Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Positive/best-in-class screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Norms-based screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 07.2	Describe the type of screening you apply to your internally managed active fixed income
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- Corporates that generate income from certain industries or products or have controversies regarding social topics (e.g. child labor) or other major controversies are excluded from the investment universe.
- Countries that fail to fulfil certain criteria with respect to individual freedom, civil and democratic rights, corruption and behaviour as a global citizen (target of embargos or other sanctions, missing ratification of global agreements) are excluded from the investment universe.
- Positive screening for corporates is based on our proprietary KPI scores, which comprise a wide range of different environmental, social and corporate government indicators. Here we focus on the best-performing companies.
- Positive screening for countries is based on a number of KPI scores as well, covering the basics also considered for exclusion (freedom& civil rights, democracy, corruption) as well as environmental and social topics (e.g. intergenerational justice, diversity, public health, education).

FI 08	Mandatory	Descriptive	PRI 1
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FI 08.1	Indicate why you conduct negative screening.
----------------	--

SSA

	SSA
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- For legal reasons
- For non-legal reasons

Corporate (financial)

	Corporate (fin)
--	-----------------

- For legal reasons
- For non-legal reasons

Corporate (non-financial)

	Corporate (non-fin)
--	---------------------

- For legal reasons
- For non-legal reasons

FI 08.2	Describe your approach to ESG-based negative screening of certain issuers from your investable universe.
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We exclude corporates based on:

- products (e.g. armaments, pornography, tobacco)
- environmental and social issues (child labour, forced labour, environmental damage)

- unethical business behaviour (bribery, corruption)
- any other major controversies (fraud, accounting issues, poor governance)

We exclude countries based on:

- failure to meet minimum standards with regards to democracy, personal freedom, rule of law, civil rights, corruption, press freedom
- international sanctions in place
- failure to comply with international armament conventions (biological and chemical weapons, landmines, cluster munition, nuclear weapons non-proliferation)

FI 10	Mandatory	Core Assessed	PRI 1
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FI 10.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.
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Type of screening	Checks
	<p>Negative/exclusionary screening</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
	<p>Positive/best-in-class screening</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

(C) Implementation: Integration

FI 14	Mandatory	Descriptive	PRI 1
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FI 14.1	Describe your approach to integrating ESG into traditional financial analysis.
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We believe that incorporating ESG information into classical financial analysis helps us understand our investments more holistically and identify issues and related risks and opportunities arising from these topics:

- Environment: emission reduction, energy efficiency, waste disposal, lack of resources, biodiversity etc.
- Social: health and education, population growth and an ageing population, consumer behaviour etc.
- Corporate Governance: transparency and supervision, responsibility and liability etc.

The investment decision-making process is a combination of a top-down macro assessment and a bottom-up issuer selection process.

ESG information is used to alter either cash flow projections or the risk profile of the individual investments.

FI 14.2	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.
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	SSA
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ESG criteria are used to assess the long-term growth potential of national economies, as well as the vulnerability to external shocks.

	Corporate (financial)
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- Governance criteria and reputational ratings are used to assess the risk profile of financial institutions
- Social criteria are used to assess the future growth and innovation potential of financial institutions based on their implications to employee's loyalty and commitment

	Corporate (non-financial)
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- Governance criteria and reputational ratings are used to assess the risk profile of corporates
- Environmental criteria are used to assess the exposure to potentially disastrous shocks from environmental damages as well as to assess the growth potential and business opportunities
- Social criteria are used to assess the future growth and innovation potential of corporates based on their implications to employee's loyalty and commitment

FI 15	Mandatory	Core Assessed	PRI 1
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FI 15.1	Indicate how ESG information is typically used as part of your investment process.
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Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into security weighting decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard part of internal credit ratings or assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis for issuers is a standard agenda item at investment committee meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is regularly featured in internal research notes or similar	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard feature of ongoing portfolio monitoring	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis features in all internal issuer summaries or similar documents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 16	Mandatory	Additional Assessed	PRI 1
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FI 16.1	Indicate the extent to which ESG issues are reviewed in your integration process.
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	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

FI 16.2 Please provide more detail on how you review E, S and G factors in your integration process.

[Redacted]

- The decision as to which ESG factors to include is regularly reviewed. New development and upcoming topics are monitored and their relevance is assessed
- This comprises E,S and G issues
- Constant research efforts are undertaken to source new data, assess their relevance and their possible use in the ESG assessment of countries

[Redacted]

- The decision as to which factors to include into the ESG analysis is regularly assessed
- This comprises E,S and G issues
- New topics are evaluated on an ongoing basis (e.g. financing environmentally harmful activities, ethical issues related to tax evasion)

[Redacted]

- The decision as to which factors to include into the ESG analysis is regularly assessed
- This comprises E,S and G issues

- New topics are evaluated on an ongoing basis (social issues related to companies active in the sharing economy, data privacy concerns)

Communication

FI 23

Mandatory

Core Assessed

PRI 2,6

FI 23.1

Indicate if your organisation proactively discloses information on your approach to RI across all of your fixed income investments.

- We disclose it publicly

Provide URL

<https://www.lgtcp.com/en/about-us/esg/>

Provide URL

https://www.lgt.com/export/shared/downloads-external/aktuelleberichte/European_SRI_Transparency_Code_LGT_Sustainable_Bond_Fund_Global_en.pdf

FI 23.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

FI 23.3

Indicate the information your organisation proactively discloses to the public regarding your approach to RI incorporation.

- Broad approach to RI incorporation
- Detailed explanation of RI incorporation strategy used

FI 23.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad-hoc/when requested
- No
 - We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries