

Information on Shareholder Engagement

LGT Capital Partners (Ireland) Ltd.

1 Introduction

This policy has been drafted in accordance with the requirements of the EU (Shareholders Rights) Regulations 2020, transposing Directive 2017/828 (collectively “SRD II”). The Company is a “relevant asset manager”, defined in SRD II as an asset manager that invests in shares traded on an EU regulated market on behalf of investors.

The Company has established a framework to meet the applicable requirements of SRD II. The framework applies to funds under management by the Company (the “Funds”) which have as a stated strategy to invest directly in listed shares. It does not apply to situations where the Company casts votes in an AGM or equivalent, or where the Company acquires voting rights as a result of an IPO where the intention is to divest the shares at the next appropriate opportunity.

The framework consists of the following documents: this Shareholder Engagement Policy (The “Policy”); the Company’s Proxy Voting Policy; and LGT Capital Partners Group Active Ownership Policy, including the LGT Capital Partners Group reports on proxy voting and active ownership. All are available to investors.

This Policy sets out how those Funds engage through the investee companies (the “Investee Companies”) and describes how, and to what extent, the Company (including via delegates) (1) monitors and selects Investee Companies; (2) engages with the Investee Companies; (3) coordinates and collaborate with other shareholders in the Investee Companies; (4) exercises voting rights and other rights in the Investee Companies; and (5) manages conflicts of interest.

Pursuing active ownership is an integral part of LGT CP Group’s sustainable investment approach. Voting rights are actively exercised and Investee Companies are directly engaged with. Over the long term, the Company’s belief is that a well-developed relationship between a company and its investors can lead to increasing shareholder value and superior returns.

2 Delegation

The Company has delegated the portfolio management of the Funds with strategies of directly investing in listed securities to LGT Capital Partners Ltd. (the “Investment Manager”). The Company remains responsible for the performance of the Investment Manager, who selects the investments of each of the Funds and, where relevant, engages with the Investee Companies.

3 Monitoring and selection of Investee Companies

The LGT CP Group Active Ownership Policy sets out how sector specialists follow their companies on a daily basis. All quarterly earnings are reviewed and regular updates are undertaken with the Investee Companies directly.

Investee Companies are monitored in respect of relevant ESG matters such as strategy, financial and non-financial performance and risk, capital structure, social and environmental impact and corporate governance.

4 How the Company engages with Investee Companies

The Company is primarily concerned with maximising the value of the Funds in the interest of the shareholders. LGT CP Group considers that maintaining active ownership and engagement with Investee Companies leads to greater and more substantial outcomes for shareholders in Funds which pursue strategies involving direct investing in listed companies.

LGT CP Group uses its relationships with the Investee Companies to monitor and gain further insight on matters that are used for the ESG analysis of these Investee Companies and to drive positive impact on environmental, social and governance matters. Where there is a need for dialogue identified with an Investee Company, or where the LGT CP Group recognises an opportunity to influence an Investee Company's business conduct related to defined topics such as ESG, an engagement process will be commenced, in conjunction and consultation with other shareholders where appropriate.

Engagement consists of a constructive dialogue between investors and Investee Companies to discuss (inter alia) views on specific ESG related events, measures take to improve ESG practices, and follow up actions where required. The dialogue also includes reference to management of ESG risks and business opportunities associated with sustainability challenges, and enhanced disclosure of ESG related information, data and practices.

Meetings with Investee Companies are arranged to discuss the LGT CP Group sustainable investment framework and to raise awareness of industry specific principles set out in guidelines adopted by the LGT CP Group such as the OECD Principles of Corporate Governance, the ICGN Global Governance Principles and the Swiss Code of Best Practice for Corporate Governance, Economiesuisse, in addition to the obligations set out in SRD II as implemented. LGT CP Group has been a signatory of the UN Principles of Responsible Investment since 2008.

Engagement activities comprise of one-to-one meetings with Investee Company's management, investor relations or corporate social responsibility teams, on site visits, written communications and participation in events. Engagement can be done on an individual basis, or in collaboration with other shareholders or Investee Companies.

Following engagement activities, an evaluation takes place which sets out achievement milestones for progressing any findings. Insights gained are systematically shared with relevant stakeholders within the LGT CP Group including portfolio managers, analysts, management committees and the board of directors where required. Engagement cases, together with all relevant data, is tracked in the LGT CP Group's proprietary ESG Cockpit, a dedicated software platform available to all relevant investment decision makers and analysts.

If an engagement exercise proves unsuccessful, and the overall assessment is that it is unlikely that the milestones of achievement will be reached, the engagement process will be terminated. Escalation strategies available include reducing or divestment of holdings in the Investee Company's securities, voting against the board of directors and consideration of a collaborative engagement.

An annual active ownership report is published by the LGT CP Group. The report includes reference to the engagement philosophy, summary statistics on engagement activities and selected engagement examples. The report is published on our website and available to investors.

5 Communication with other shareholders

Efforts to communicate with other shareholders are communicated openly via the LGT CP Group Active Ownership Report.

The LGT CP Group is part of investor collaborations including, for example, the Climate Action 100+ group and the carbon disclosure project (CDP) with the aim of increasing disclosure around environmental data points.

6 Proxy voting

The Company has established a Proxy Voting Policy which sets out the conditions under which voting rights are exercised. Proxy voting is undertaken in accordance with the Socially Responsible Investment (SRI) International Proxy Voting Guidelines provided by the Institutional Shareholder Services Inc. (“ISS”), but deviations can be made where the LGT CP Group’s assessment is different. As part of the collective of 1,900 investors, a more significant impact can be made on the accountability of larger corporations. All voting recommendations are monitored.

Where possible, voting rights are used to improve the level of reporting disclosure, align management compensation to ESG key performance indicators and emission targets and support strategic measures to accelerate or adapt to a low carbon business model.

Our voting philosophy and summary statistics is set out in the annual Active Ownership report. The Proxy Voting report gives an overview of all instructed votes and the rationale for that vote, it is published on the website on a monthly basis and is available to investors.

7 Conflicts of interest

The Company has a well-established policy with respect to conflicts of interest where it is acknowledged as a matter for the whole Company, and that all directors and employees share responsibility for identifying conflicts of interest where they might arise. The Company’s conflict of interest policies and procedures, together with the policies and procedures implemented at LGT CP Group level apply in respect of the Funds which acquire shares in Investee Companies.

8 Annual disclosures

The Company shall ensure that the Investment Manager publishes the required annual disclosures in accordance with the requirements of SRD II. The disclosures required are (1) a description of voting behaviour; (b) an explanation of the most significant votes cast during the course of the year; (3) a description of how proxy voting has been used; and (4) information on how votes have been cast.

This information is disclosed in the LGT CP Group Active Ownership report, published annually which contains a detailed description of our objectives and the approach to active ownerships, an overview of

engagement during the course of the relevant year, details on proxy voting and a list of companies engaged with. Separately, a Proxy Voting Report is published on a monthly basis, setting out a summary of voting activity. Both documents are published on our website and available to investors on request.