LGT CAPITAL PARTNERS

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LGT Capital Partners TCFD & TNFD Report 2025

Message from the CEO

Dear Stakeholders,

In recent years, the global landscape has become more fragmented. Heightened geopolitical tensions, diverging regulatory approaches and shifting national priorities have made coordinated climate action more challenging. This increasing complexity has also amplified the importance of addressing climate-related risks and opportunities. In a world of growing uncertainty, the need for long-term resilience and credible transition pathways has never been greater.

Against this backdrop, LGT Capital Partners remains firmly committed to our net zero ambition. Five years into our climate action journey, we continue to integrate climate-related considerations into our investment processes, as well as strengthening our scenario analysis and deepening our understanding of both transition and physical risks across asset classes. We are also engaging more actively with our managers and portfolio companies, supporting credible transition plans and seeking opportunities that contribute to a more sustainable and resilient global economy.

In 2025, we further refined our approach to Environment, Social and Governance (ESG) integration in our investment processes as well as our own operations. With this report, we are advancing our commitment to transparent reporting by publishing our first set of disclosures prepared in alignment with the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD). These disclosures are intended to establish a baseline for our future nature-related efforts. In 2025, the remodeling of our ESG governance not only enabled us to streamline our processes and to better identify and leverage synergies but it has also strengthened our ESG backbone across the organization. In parallel, we have enhanced our tracking of investments in companies that provide climate solutions, reflecting our bottom-up ambition to scale allocations that are aligned with the transition. These developments demonstrate our commitment to continuous improvement, innovation and collaboration.

Thank you for your continued trust in LGT Capital Partners as we navigate this evolving environment. We will continue to act with conviction, discipline and a long-term perspective, guided by our responsibility to our clients, our owner, our employees and the broader stakeholder community. Through our collective efforts, we are confident that we can make a meaningful contribution to efforts to address climate change and nature loss and help build resilient portfolios for the long term.

Sincerely,
Roberto Paganoni, CEO
LGT Capital Partners

Long-term focus on ESG

At LGT Capital Partners, sustainability is at the core of how we invest and operate. We have been integrating environmental, social and governance (ESG) considerations into our investment processes for more than two decades, guided by the conviction that ESG factors are financially material and essential for long-term value creation. ESG considerations are embedded across asset classes and investment strategies and form an integral part of due diligence, investment decision-making and ongoing portfolio monitoring.

Climate change and other sustainability challenges are central to our investment perspective. We are committed to aligning our activities with a net zero pathway by 2050 and we actively contribute to industry initiatives aimed at improving disclosure, governance and real-world outcomes. At the same time, we see sustainability not only as a risk but also as a source of investment opportunities. We therefore seek to direct capital towards solutions that support the transition to a more sustainable and resilient economy.

Founded in
1998
and owned by the Princely Family of Liechtenstein

In 2008 joined
PRI[1]
where Tycho Sneyers is a board member since 2018

In 2009 we launched the first dedicated
Sustainable funds
and the LGT CP ESG Cockpit

Since 2020 the
Thermal coal exclusion
is implemented on a firm-wide level[2]

Launched our first
Impact private equity fund
in 2021 with climate change as one of three core themes

In 2022 set
Net Zero commitment
for the LGT Endowment

Over the years LGT CP joined the
Industry initiatives
NZAM, EDCI, CDP, iCI, IIGCC, Climate Action 100+, NZEI[3]

16
Offices across Europe, North America and Asia-Pacific

700
Institutional clients around the world

70%[4]
Funds classified Art. 8 and Art. 9

942
Employees globally

USD 120 bn
Assets under Management

11.5
Speicalists form LGT CP's ESG team

[1] Principles for Responsible Investment (PRI).
[2] The thermal coal exclusion applies to all directly managed strategies.
[3] Net Zero Asset Managers Initiative (NZAM); ESG Data Convergence Initiative (EDCI); Initiative Climat International (iCI); Institutional Investors Group on Climate Change (IIGCC); Net Zero Engagement Initiative (NZEI)
[4] The remaining 30% comprises products not classified under SFDR (24.1%) and SFDR Article 6 products (5.6%).

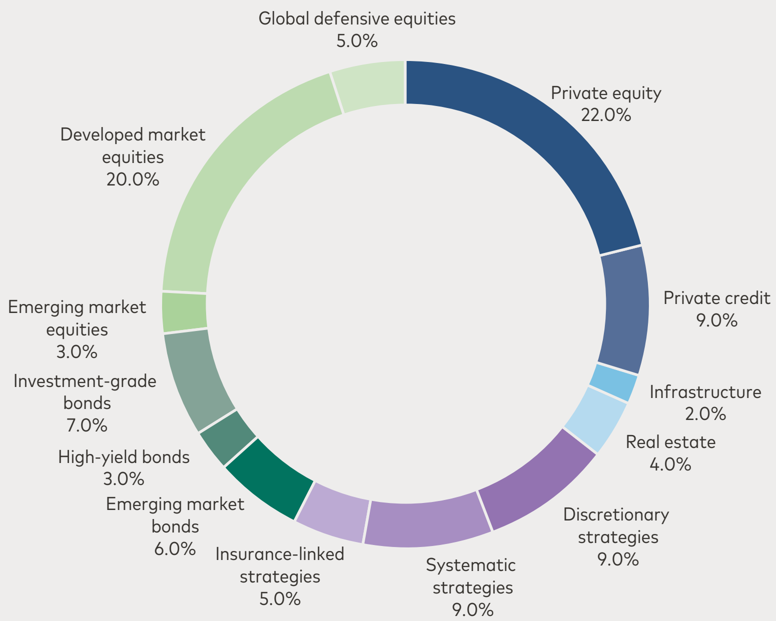
Introduction

LGT Endowment

The Princely Family of Liechtenstein established LGT Capital Partners in 1998. From the beginning, the firm initiated a dedicated strategy with a clear objective: to deliver equity-like returns and capture significant market upside, while providing downside protection – ideally in a 2/3 to 1/3 ratio, similar to the approach used by leading US university endowment funds. Building on this principle, we developed a long-term, pioneering investment strategy with a high allocation to alternative investments.

The LGT Endowment has since grown into one of the largest strategies of its kind in Europe. It includes a comprehensive ESG integration and climate action framework and its unconstrained investment universe spans a wide range of attractive global opportunities.

Figure 1: LGT Endowment strategic asset allocation 2025



The quotas above represent the long-term, strategic asset allocation (SAA). The actual, invested asset allocation can deviate significantly from these numbers for tactical and portfolio management reasons. Please note that the portfolio has 3% leverage and that the 3% allocation to the dynamic protection strategy is an overlay strategy and is thus not added to the overall sum of assets allocated.
Source: LGT Capital Partners

About this report

At LGT Capital Partners, we strive to provide accurate, transparent and consistent disclosures on financial and non-financial matters. As part of this commitment, we recognize the importance of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD) framework, which are designed to facilitate a standardized approach to climate- and nature-related financial disclosures and to promote more informed investment decision-making. This, in turn, will help stakeholders to better understand concentrations of climate- and nature-related assets, dependencies and risk exposures across the financial sector and the wider financial system.

In October 2023, the TCFD fulfilled its remit and was formally disbanded, with its climate-related disclosure monitoring responsibilities transferred to the IFRS Foundation under the International Sustainability Standards Board (ISSB). The ISSB's IFRS S2 standard builds on and incorporates the TCFD recommendations. As the TCFD framework continues to be embedded in key regulatory frameworks and remains the most widely adopted reference point for climate-related financial disclosures globally, we have retained it as the structural basis for this report. We will continue to monitor developments under IFRS S2 and assess alignment with the evolving disclosure landscape.

Scope of this report

This TCFD & TNFD report covers the period from 1 January 2025 to 31 December 2025. It was approved by the LGT Capital Partners Executive Committee on 7 April 2026.

The report covers entities and/or selected entities, as deemed relevant in this context, which are controlled or held by LGT Capital Partners Group Holding.

In this report, dedicated sections are highlighted in their respective color.

Climate-related disclosures

Nature-related disclosures

Governance

Organizational framework

Figure 2: ESG Governance at LGT Capital Partners

[1] The Impact Sub-Committee was approved in Q1 2026.
Source: LGT Capital Partners

At LGT Capital Partners, two governing bodies are ultimately responsible for managing sustainability-related matters, including climate- and nature-related dependencies, impacts, risks and opportunities: the Board of Directors and the Executive Committee.

The Board of Directors, as the most senior governing body, provides strategic leadership and oversight, including the integration of ESG and climate-related considerations into our risk management processes and investment decisions. The Board of Directors has ultimate responsibility for and oversight of LGT Capital Partners' commitment to reaching net zero by 2050. Its role in overseeing sustainability is vital to ensure that ESG considerations are integrated into our strategy and operations and that sustainable practices are implemented effectively.

The Executive Committee is responsible for the oversight of daily operations and for defining steps to implement the Board's strategic direction, including climate action and biodiversity-related topics. It is led by the Chief Executive Officer Roberto Paganoni and includes the top executives responsible for various functions, such as Finance, Operations, Fund Management and Risk & Compliance. The Executive Committee is informed on a regular basis about the ESG Committee actions and decisions by the ESG & Impact Co-Heads or through ESG Committee meeting minutes. If the ESG Committee cannot take a decision unanimously, the issue is escalated to the Executive Committee.

H.S.H. Prince Max von und zu Liechtenstein

Chairman of the Board of Directors
H.S.H. Prince Max von und zu Liechtenstein brings extensive sustainability expertise to the role and is able to provide key insights to the Board when reaching decisions on sustainability-related matters and to foster a clear understanding of climate action. In 2007, he established LGT Venture Philanthropy, which made its first impact investment in 2009. The impact investing portfolio that evolved from LGT Venture Philanthropy formed the basis for the establishment of Lightrock, a dedicated impact manager. This clear and longstanding expertise on climate-related risks and opportunities at Board level is a key factor that has driven LGT Capital Partners' decision to dedicate significant efforts and resources to addressing the topic of climate action.

Figure 3: Overview of Board and Executive Committee meetings in 2025

Board Committee meetings		Executive Committee meetings
	March	Presented the ambition to reduce emissions footprint related to business flights and the introduction of the Flight Ambassador group
Informed about the regulatory ESG landscape update around EU Omnibus package	April	Approval of new ESG committee and firm-wide ESG governance composition Approval of 2024 TCFD Report
Improved internal ESG governance structure presented Publication of 2024 TCFD Report highlighted	June	
Highlighted the importance of ESG data in private markets and our participation in the EDCI*	September	
	November	Discussed the integration of ESG considerations into Private Credit Presented carbon credits strategy for the operational footprint
Updated on the global key priorities discussed at COP30 in Belém	December	

* ESG Data Convergence Initiative (EDCI)
Source: LGT Capital Partners

Zoom in to the ESG Committee

To ensure the integration of ESG and climate action topics across the organization, LGT Capital Partners has established an ESG Committee with dedicated Sub-Committees. The ESG Committee and its various ESG Sub-Committees are responsible for the bottom-up development of methodologies, addressing strategic ESG-related requirements, and coordinating policies and procedures across the areas of investment management, reporting, risk management and client services. The ESG Committee meets on a quarterly basis and reports regularly to the Executive Committee.

The ESG Committee is chaired by Tycho Sneyers, a Managing Partner at LGT Capital Partners and a member of the Board of PRI since 2018. The ESG Committee is composed primarily of members from the Executive Committee.

The Chief Risk Officer and other employees in the Risk Management & Compliance department play an active role on the ESG Committee and can attend the meetings of the respective ESG Sub-Committees.

Figure 4: ESG committee structure

ESG Committee

Committee Chairman

Tycho Sneyers
Managing Partner
24 (30) years

Committee Members

Werner von Baum
Managing Partner
20 (37) years

Hanna Edström
Principal
16 (20) years

Michael Egermann
Partner
1 (25) years

Sascha Gruber
Partner
24 (24) years

Keimpe Keuning
Principal
8 (25) years

Stephan Kind
Partner
24 (28) years

Ruud Wilders
Partner
7 (24) years

xx (xx) yrs = years at LGT (years investment experience)
Source: LGT Capital Partners

Zoom in to Climate Action & Biodiversity Sub-Committee

LGT Capital Partners established its Climate Action Sub-Committee in 2021 to highlight the importance it assigns to this topic and to ensure that appropriate resources are allocated to addressing climate-related matters. Since 2024, "biodiversity" is formally embedded into the Climate Action Sub-Committee, reflecting its growing significance, and it was subsequently renamed the Climate Action & Biodiversity Sub-Committee. Its objective is to drive the firm's climate action agenda and enable investment teams to manage assets in line with the net zero ambition and biodiversity considerations.

It meets at least eight times per year and the minutes of each meeting are shared with the ESG Committee, including its Sub-Committees, and with the Executive Committee and the Board of Directors. If the members of the Climate Action & Biodiversity Sub-Committee are unable to reach unanimous agreement on a climate-related matter, the topic is escalated to the ESG Committee.

ESG-linked performance evaluation

As part of our commitment to sustainability, we have integrated ESG objectives into our employee performance evaluations. We expect our staff members to demonstrate awareness of the firm's ESG and sustainability strategy. Specifically, employees are encouraged to minimize their professional carbon footprint and to address relevant ESG aspects within their roles. This approach ensures that ESG considerations are embedded in our daily operations.

Position on human rights

LGT's Human Rights Statement
LGT's Human Rights Statement, which was approved at LGT Group level, sets out the firm's commitment to respecting internationally recognized human rights across its operations, investment activities and supply chain with a focus on identifying and managing material social risks linked to nature- and climate-related activities. It addresses key topics including modern slavery, forced and child labor, human trafficking, labor standards, health and safety, supply-chain risks and business ethics.

The statement aligns with internationally recognized frameworks, including the International Bill of Human Rights and is implemented through the firm's ESG framework, covering pre-investment due diligence, ongoing monitoring and escalation mechanisms, including the use of external controversy monitoring and an anonymous whistleblowing channel. The Human Rights Statement is overseen by the Foundation Board[1] and governs the way LGT Capital Partners operates and oversees human rights-related risks and impacts.

Human rights considerations for investments
Private markets investments
In private markets, human rights due diligence and monitoring are embedded within our broader ESG due diligence and monitoring framework rather than being implemented as a standalone process. Fundamental human rights considerations are primarily addressed through the "Social" dimension of ESG, while also intersecting with environmental and governance topics where relevant, including health and safety, labor standards, supply chain risks, business ethics and oversight.

During pre investment due diligence, these considerations are assessed for all private market investment types and asset classes, including primaries, secondaries and co-investments across private equity, private credit, private debt, real estate and infrastructure. This assessment combines a qualitative evaluation of the General Partner (GP) through our ESG and manager rating processes, with transaction specific ESG due diligence tailored to the relevant asset class. While being conducted under a holistic ESG framework, any material human rights related risks or incidents identified during due diligence would be captured and flagged through these processes.

In the post investment phase, we continuously monitor ESG-related risks and controversies across our private market portfolios using an external risk monitoring solution provided by RepRisk. It screens a broad range of public sources for ESG-related incidents and classifies them by issue and severity (see the "Risk management" section for further information). Alerts are reviewed by the ESG & Impact team and assessed for relevance and materiality. In cases where incidents are deemed severe or potentially material, we inform the responsible portfolio manager and, where appropriate, engage with the GP or underlying company to seek clarification and request follow-up actions. This selective and

[1] The Foundation Board is LGT's highest governance body (Group level) and is chaired by H.S.H. Prince Max von und zu Liechtenstein.

risk-based engagement approach ensures that material ESG incidents are identified early and addressed in a proportionate and effective manner.

As an example, we have identified a number of ESG incidents related to human rights and labor conditions at a portfolio company through our ongoing portfolio monitoring, including risks linked to supply chain practices. Following the identification of these issues, which were classed as "very severe", we have engaged on multiple occasions with the relevant GP through which we hold the exposure, and also directly with the company, to seek clarification, encourage transparency and understand the mitigation measures being taken. In private market strategies, liquidity is inherently limited, and divestment is often not a feasible option without incurring significant financial losses. As a result, constructive engagement is typically the most effective stewardship tool available, even though such engagement may not always lead to immediate change.

Further details are provided in the "Risk management" section.

Sustainable direct investments

Human rights considerations are embedded within our investment governance framework and form a core element of our ESG integration process. We recognize that human rights are closely linked to nature-related risks and dependencies, particularly where environmental degradation affects vulnerable communities and indigenous peoples. Under the "Social" dimension, we systematically assess and score companies based on selected indicators, including but not limited to:

- Existence of a publicly available Human Rights Policy
- Existence of a publicly available Child Labour Policy
- Existence of a publicly available Forced Labour Policy
- Alignment with fundamental conventions of the International Labour Organization (ILO)
- Adherence to the United Nations Guiding Principles on Business and Human Rights

Our human rights oversight incorporates both qualitative and quantitative elements:

- Minimum ESG score thresholds are required for investment eligibility
- Systematic monitoring of human rights controversies
- Use of third-party benchmarking data (World Benchmarking Alliance)
- Engagement tracking and escalation measures
- Human rights training offered to investment staff

For all direct investments, human rights due diligence is conducted in the pre-investment phase through our proprietary ESG scoring model. A minimum threshold score is required for a company to qualify for investment. This ensures that human rights safeguards are integrated at the point of capital allocation decision-making.

In addition, as part of our internal ESG education program, we offer a dedicated human rights training session delivered by an external specialist to all investment professionals. The training focuses on identifying human rights risks in investment processes and understanding best practices in corporate human rights management.

Within our sustainable equity investments, human rights have been identified as a strategic engagement theme. We leverage assessments from the World Benchmarking Alliance to identify companies with material exposure and performance gaps in human rights management.

For strategically important holdings, we proactively engage with companies on:

- Strengthening human rights due diligence processes
- Improving transparency and reporting
- Enhancing grievance mechanisms
- Managing supply chain risks

This engagement approach is integrated into our broader stewardship strategy and aligned with international standards. Under the Nature Action 100 (NA100) collaborative engagement initiative, we engage with Danone on nature-related risks, dependencies and impacts. The full case study can be found under "Investor collaboration – Nature Action 100 example".

We conduct ongoing monitoring of human rights-related controversies in the pre- and post-investment phases. When a controversy is verified (substantiated) and is considered material in severity or systemic relevance, this triggers an automatic engagement process. Where engagement does not lead to satisfactory remediation or mitigation within a defined timeframe, and the issue remains material, we proceed with divestment.

This escalation framework ensures accountability and underscores that severe human rights violations are treated with the highest level of scrutiny and urgency.

Human rights considerations within our operations

At LGT Capital Partners, operational sustainability and responsible business conduct are governed by a set of firm-wide policies, procedures and controls that apply to our own operations and our value chain. Core expectations are set out in the Supplier Code of Conduct, which is embedded into supplier contracts and defines minimum standards on human rights, labor practices, environmental considerations, business ethics and compliance. Compliance with these standards is monitored through an annual questionnaire, and potential breaches are addressed through engagement and, where necessary, escalation measures.

Operational governance is supported by internal policies covering procurement, whistleblowing, risk management and business continuity. Sustainability considerations are increasingly integrated into operational decision-making, including supplier selection, office location choices, energy use and travel management. Environmental and social risks linked to operations and suppliers are monitored using internal controls and external screening tools, with material issues escalated through established governance channels. This framework aims to ensure that operational activities are managed consistently with the firm's sustainability commitments and support the identification, management and mitigation of climate- and nature-related risks within our own operations.

Strategy

Strategy
Climate Action Strategy

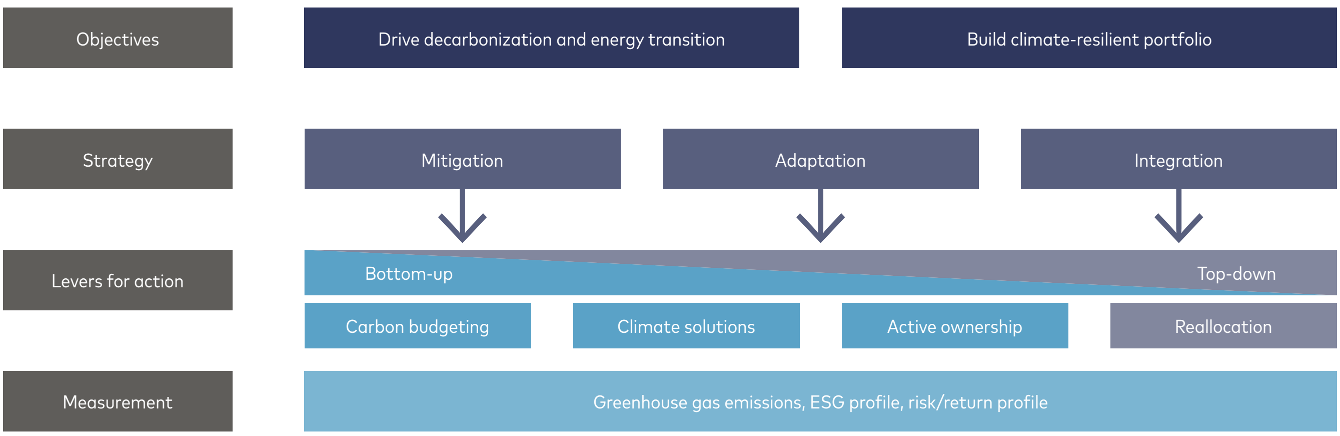
At LGT Capital Partners, ESG integration is a core part of our investment approach across all asset classes, enabling us to identify material risks, strengthen decision making and capture long term value.

Our commitment to reaching net zero by 2050 reflects our ambition to play an active and constructive role in the global transition to a low-carbon economy. We have set net zero targets for several of our strategies, including for the LGT Endowment, to support feasible pathways to decarbonization. How we manage climate risks within our portfolios and engage with investee companies as they transition to a more sustainable future will also be key to ensure our continued success.

As a member of the Net Zero Asset Managers (NZAM[1]) initiative, we are committed to reducing the carbon intensity of the assets we invest in on behalf of our clients to support the transition to net zero. Our interim investment target is to reduce the carbon intensity of the in-scope assets[2] we invest in by 50% by 2030 versus a 2020 baseline.

To achieve these targets and to align our portfolios, we have developed a comprehensive Climate Action Framework. We decided to apply the framework to the LGT Endowment first, as it is well positioned from an implementation perspective due to its broad diversification across asset classes. It also has the advantage that all relevant investment teams are involved in these efforts and are working towards the same objective. In this section, we provide further details on our Climate Action Framework and insights into how we integrate climate action into our investment portfolios.

Figure 5: Climate Action Framework



Source: LGT Capital Partners

[1] As of April 2026, the NZAM initiative has completed a strategic review and relaunched with an updated framework. LGT CP is maintaining its NZAM commitment.
[2] See "Emission measurement and coverage" section for a detailed definition of in-scope assets.

Climate objectives

As a firm and an investor, LGT Capital Partners is working to identify and address the impacts of climate change in our portfolios. As part of these efforts, in 2021 we defined a Climate Action Framework that focuses on two core objectives:

Drive energy transition and decarbonization

This objective involves measuring the greenhouse gas (GHG) emissions of individual portfolio holdings and taking the necessary steps to decarbonize the portfolio over time, in line with the goal to achieve net zero by 2050.

Build climate-resilient portfolios

This objective is strategic in nature, as it seeks to identify critical vulnerabilities within the investment strategy. Based on this analysis, portfolio managers can reallocate capital where necessary in order to make the overall portfolio more resilient to climate-related physical and transition risks.

These two objectives demonstrate our commitment to measuring and managing both directions of climate impact, in line with the principle of double materiality. From an investor's perspective, double materiality implies that both the external factors that may affect a company's financial performance (external materiality) and the company's own impact on society and the environment (internal materiality) are considered when making investment decisions.

Climate Action Strategy

To deliver on the two goals of our Climate Action Framework, we have defined a Climate Action Strategy that is built on three dimensions:

Mitigation

We want to tackle the causes and minimize the possible impacts of climate change.

Adaptation

We are focused on providing capital to businesses that help communities to cope with the negative impacts of climate change, while harnessing potential new opportunities.

Integration

We consider climate-related factors at every stage of the investment decision-making process.

How we implement our Climate Action Framework

Our Climate Action Framework has four main levers to help us reach our targets:

Carbon budgeting
Increasing exposures to single companies or entire sectors, whose emission pathways are aligned with the goal of net zero emissions by 2050.

Climate solutions
We aim to invest in climate solutions, e.g. through allocations to green bonds and the renewable infrastructure segment. Further, our investment teams continue to identify investments that can make a positive contribution to mitigating climate change.

Active ownership
Engaging with companies held in our direct strategies and with our managers is a priority. By actively using our voice, through both engagement and voting, we can help drive the necessary change.

Reallocating capital
Moving capital away from concentrated transition and physical risks to strategies and sectors that are much richer in sustainable and climate-related investment opportunities. Based on our scenario framework, we aim to build climate-resilient portfolios.

The specific approach to implementation in a portfolio depends on:

- The nature and liquidity profile of the asset class
- The availability of relevant data and robust methodologies and
- Whether the asset class exposure is implemented through direct investments or third-party managers.

Our liquid market portfolios are already at an advanced stage in terms of the implementation of the above strategy. For our private market portfolios, however, the strategy will be implemented gradually over time. This is due to the illiquidity of the portfolios and it depends, among other things, on methodological developments, net zero commitments by the underlying managers and improved data availability. In the meantime, we are following the recommendations set out in the Institutional Investors Group on Climate Change (IIGCC) private equity guidance released in 2023[1].

Fossil fuel investments have a significant effect on the first lever (carbon budgeting) and we have historically addressed this with specific policies, long before the budgeting framework was introduced. LGT Capital Partners has a thermal coal exclusion policy[2] that applies to all directly managed strategies and a comprehensive fossil fuel policy[3] that applies to the firm's directly managed sustainable equity and fixed income strategies.

[1] The IIGCC private equity guidance, released in 2023, provides a net-zero alignment framework tailored to private equity, focusing on real-economy decarbonization through active ownership, engagement and integration of climate risks and opportunities at portfolio-company level.
[2] Find more information on lgt.com.
[3] Find more information on lgtcp.com.

Investment opportunities in climate solutions

In addition to assessing the risks of climate change for our investments, we invest time and resources in identifying climate solutions. We do this with the aim of generating attractive returns while supporting the development of new technologies for the decarbonization of the real economy.

To achieve the target of net zero emissions by 2050, significant capital is required from various sources. Effective decarbonization requires a broader transformation of systems, including energy and food production, as well as the urban infrastructure. These changes are dependent on innovative technologies and the creation of new business value chains, which present various investment opportunities.

We have developed a structured approach to identify climate solutions. Looking at corporates, we focus on activities that contribute positively to mitigation or adaptation efforts, measuring the relevance of these activities for the overall company.

The first consideration is the alignment of a company's capital expenditure and revenues with the EU Taxonomy's first two climate-related objectives – climate change mitigation and adaptation. The mitigation objective centers around activities that reduce or avoid GHG emissions, such as renewable energy or low-carbon transport, while the adaptation objective addresses activities that reduce the world's vulnerability to the impacts of climate change, such as climate-resilient infrastructure or measures to address extreme weather events. Here, the fraction of a company's aligned capital expenditure or revenues directly determines the percentage of climate solutions attributable to the individual investment.

If no reported EU Taxonomy information is available, we use data on the contribution of a company's revenues to the achievement of climate change adaptation and mitigation based on a very granular breakdown of corporate products and services and their alignment with the different Sustainable Development Goals (SDGs).

For green, social and sustainable bonds (GSS bonds), we have established a different approach that allows us to understand the bond issue characteristics and to ensure specific alignment with climate solutions. Using the allocation of the proceeds according to the different International Capital Market Association (ICMA) categories, we count allocations to all "green" categories as climate solutions.

We break down the different activities that we classify as climate solutions into six categories (see below examples).

Figure 6: Climate solutions categories and example activities

Energy generation	Technological solutions	Financial services	Mobility	Buildings	Agriculture and ecosystems
• Renewable energy generation • Carbon capture and storage	• Solar energy systems and solutions • Products/components for renewable energy • Wind power solutions	• Financial services for renewable energy projects • Green bonds/loans, impact investing	• Public transport services • Electric vehicles/ alternative drive vehicles and components	• Insulating materials • Facility services regarding energy efficiency	• Plant-based products • Terrestrial and aquatic biodiversity conservation

Source: LGT Capital Partners
See the "Target setting for the LGT Endowment" section for further information.

Climate solutions examples

Two examples of investments in companies providing climate solutions that we hold in the LGT Endowment are set out below.

Fidra Energy (Technological solutions category)
Fidra Energy is a leading European battery energy storage system (BESS) platform, backed by EIG and an experienced management team. The company focuses on the development of late-stage grid-scale battery energy storage system ("BESS") projects across the United Kingdom, supporting the transition to a more flexible, reliable and low-carbon electricity system. Fidra's current portfolio includes projects that represent a combined pipeline of roughly 3.2 GW of storage capacity, enough to supply electricity for up to 2 million homes. Its assets are designed to provide essential grid-balancing services, enabling the efficient integration of renewable energy and strengthening overall energy security. The platform leverages the latest technological advancements in battery storage, benefitting from declining capital costs and competitive tendering processes. Recent procurement cycles have delivered material reductions in upfront capex, underscoring Fidra's disciplined approach to sourcing and engineering excellence. These cost improvements stem from innovations across battery packs, power-conversion systems and balance-of-system components. Fidra also applies conservative and methodologically robust approaches to estimating climate impact. Using grid-intensity-delta methods that mirror observed dispatch patterns in the UK market, the platform's projects are expected to avoid between 62,000 and 200,000 tCO_2e annually once operational. Fidra Energy represents a co-investment in the clean-energy infrastructure space, combining technological innovation with meaningful environmental benefits. The protection of biodiversity is a key consideration in all projects and the company typically aims to achieve a biodiversity net gain ("BNG") of 10%.

Source: LGT Capital Partners and company information.

SICIT ("Agriculture and ecosystems" category)
SICIT is a leading global producer of bio-stimulants and plaster retarders for agricultural and industrial use, transforming tannery by-products into high-value circular-economy solutions. By processing around 155,000 tons of tannery residues each year, SICIT addresses two key environmental challenges: (i) waste pollution from the leather industry and (ii) the heavy use of pesticides and synthetic fertilizers in agriculture. The company diverts these residues from landfill or incineration, which typically results in higher GHG emissions and local environmental damage. Its products foster more sustainable agriculture by improving soil quality and reducing the need for chemical fertilizers and pesticides. This is increasingly important as farmers seek to strengthen crop resilience while lowering chemical inputs that harm biodiversity and surrounding ecosystems. As a result, SICIT reduces climate impacts both by avoiding methane and CO_2 emissions through waste upcycling and by enabling more sustainable farming with lower nitrous oxide emissions linked to conventional fertilizer use. Headquartered in Italy, the company has also production capacity in Chile and aims to further expand into key markets in Latin America and Asia. In August 2021, the company was delisted from the Italian Stock Exchange by Renaissance Partners (RP) and Intesa Holding, a consortium of Italian tanneries. Following consistent organic growth through geographical and product expansion, RP brought institutional limited partners (LPs) onboard as new investors. Due to the strong relationship with RP, LGT Capital Partners managed to secure a substantial co-investment allocation.

Source: LGT Capital Partners and company information.

Position on carbon credit markets

To achieve the target of net zero, mandatory and voluntary carbon markets are becoming increasingly important and can represent an integral part of a comprehensive Climate Action Strategy.

Voluntary carbon markets: These markets enable entities to use carbon credits for their emissions through projects that reduce, remove or avoid CO_2. Carbon credits are issued based on the quantifiable climate impact, with one credit representing one ton of CO_2 equivalent. Projects include nature-based solutions like reforestation and technological solutions such as direct air capture and storage. The process is overseen by certification standards organizations such as Verra (Verified Carbon Standard), which ensure the validation and verification of the credits.

Mandatory carbon markets: "cap and trade" systems are central to many national and regional decarbonization policies. These systems cap the annual GHG emissions of high-emitting sectors, with companies allocated a certain number of emissions allowances. Companies can trade these allowances, creating a market price for emissions and incentivizing reductions where it is most cost-effective. Although financial institutions such as LGT Capital Partners are typically low emitters and are not directly covered by these regulations, we purchase and retire EU Emissions Trading System (ETS) allowances to reduce the number of available permits in circulation, indirectly contributing to overall emissions reductions.

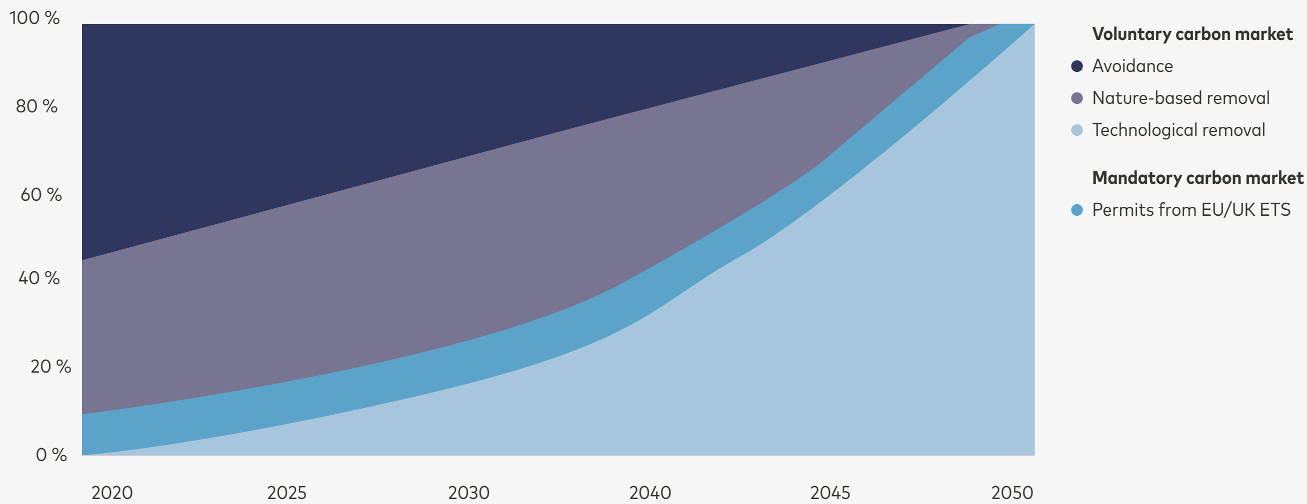
While we continue to focus on our defined levers to decarbonize portfolios, we recognize the relevance of purchasing CO_2 certificates in certain situations.

LGT Endowment: carbon credits in NextGen share classes

The LGT Endowment strives to reduce GHG emissions in line with the goal of achieving net zero by 2050. To further accelerate climate action, LGT Capital Partners has collaborated with LGT Private Bank to establish dedicated "NextGen" share classes. Within these share classes, LGT Private Bank additionally acquires high-quality carbon credits that meet high quality principles and correspond to the level of residual emissions of the LGT Endowment. LGT Private Bank has adopted a scientifically derived approach to its carbon credit portfolio, ensuring alignment with the Oxford Principles for Net Zero Aligned Carbon Offsetting.

In line with these principles, we aim to achieve a mix in which avoidance strategies are initially used to efficiently mitigate climate change based on the available technologies and to protect ecosystems. As displayed in the figure below, as we approach 2050 the focus will shift to technological removal offering permanent CO_2 storage solutions.

Figure 7: Building a science-based carbon credits portfolio based on the Oxford Principles



Source: LGT Capital Partners

Strategy
Methodology and targets

Net zero commitment for our investments

In March 2021, LGT Capital Partners joined NZAM and made a commitment to reaching net zero GHG emissions by 2050 across all assets under management. In doing so, we also pledged to provide transparency and rigorous accountability about our climate action. As part of this commitment, we disclosed the following information:

- Proportion of assets to be managed in line with net zero
- Our methodology for net zero alignment
- Interim targets for emission reductions

We report annually on the progress made against our targets and we submit the results to the respective NZAM network partners for review. This ensures that our approach is based on a robust methodology, which is consistent with the Race to Zero[1] criteria and is in line with our net zero commitment.

We have set ambitious interim targets for our in-scope NZAM investments with the aim of achieving a 50% reduction in GHG emissions by 2030 against a baseline year of 2020. The 2020 baseline emissions for assets under management (funds and mandates) committed to net zero is 40.4 tCO_2e/USD million invested. The in-scope assets for our targets are the same assets displayed in the Metrics section.

When determining the carbon budget, LGT Capital Partners uses the Net Zero Emissions by 2050 Scenario (NZE Scenario)[2] developed by the International Energy Agency (IEA) (2023 update report).

Table 1: NZAM commitment

Target	Scenario	Goal	Approach	CO_2 emission pathway
Net zero by 2050 with intermediary target of 50% GHG emission reduction by 2030	IEA Net Zero 2050 Scenario (NZE)	Limit the rise in global temperatures to 1.5 °C above pre-industrial levels	Science based: Combination of sector decarbonization approach and value added approach	Nearly 40% reduction between 2020 and 2030 for global energy-related and industrial process CO_2 emissions

Net Zero Emissions by 2050 Scenario (NZE Scenario)
The NZE scenario shows what is needed for the global energy sector to achieve net zero CO_2 emissions by 2050. Alongside corresponding reductions in GHG emissions outside the energy sector, this pathway is consistent with efforts to limit the global temperature rise to 1.5°C with a limited temperature overshoot. Under this scenario, global energy-related and industrial process CO_2 emissions would decline by nearly 35% between 2022 and 2030 and reach net zero in 2050.

[1] Race To Zero is a global campaign to rally leadership and support from businesses, cities, regions and investors for a healthy, resilient zero-carbon recovery. The initiative has defined clear minimum criteria that are required for participation in the campaign.
[2] International Energy Agency, Net Zero by 2050, A Roadmap for the Global Energy Sector.

Emission measurement and coverage

Our emissions budgeting framework is based on Scope 1 and Scope 2 GHG emissions. The framework does not yet include Scope 3 emissions, as we believe that data coverage of this category of emissions is not yet adequate and involves numerous double counting issues. However, we are collecting Scope 3 emissions data, which is currently used primarily for internal analysis and for customized reporting. In parallel, we are working on approaches to integrate this data more systematically into our frameworks and to expand its use over time.

We define asset classes as being "in scope" where we have a robust GHG measurement framework in place and the ability to effect change through our investment decisions and stewardship activities. Based on this definition, we have included securities from corporate issuers, such as equities and corporate bonds, in our GHG framework. Here, we measure the relevant financed emissions in our direct investment portfolios, externally managed funds and managed accounts. Asset classes such as money market instruments, sovereign debt and insurance-linked strategies are not yet in scope. In these cases, we recognize that methodologies are still at an early stage of development or that data coverage and quality require further improvement. In terms of sovereign debt, we measure the GHG emissions per GDP but there is no robust methodology to combine the sovereign emissions with corporate emissions. For insurance-linked strategies, the emission data of the underlying insured assets is missing and those insurance-associated emissions should not be combined with financed emissions.

For private markets, there is a growing trend towards receiving more actual reported emissions data. Wherever possible, we use this reported data and where it is still not available, we rely on comparable public-market proxy data to measure the carbon footprint of the portfolios. Our investment teams regularly engage with private market managers to integrate GHG emissions considerations. In addition, we are working to improve the coverage and quality of data from the underlying portfolio companies. For more information about the data from underlying portfolio companies, see the section on the ESG Data Convergence Initiative (EDCI).

Emissions budget methodologies

We use a combination of two methodologies for carbon budget calculations, applying:

1. **Sectoral Decarbonization Approach (SDA)[1]:** this approach is applied to companies with high-emitting and homogeneous business activities.

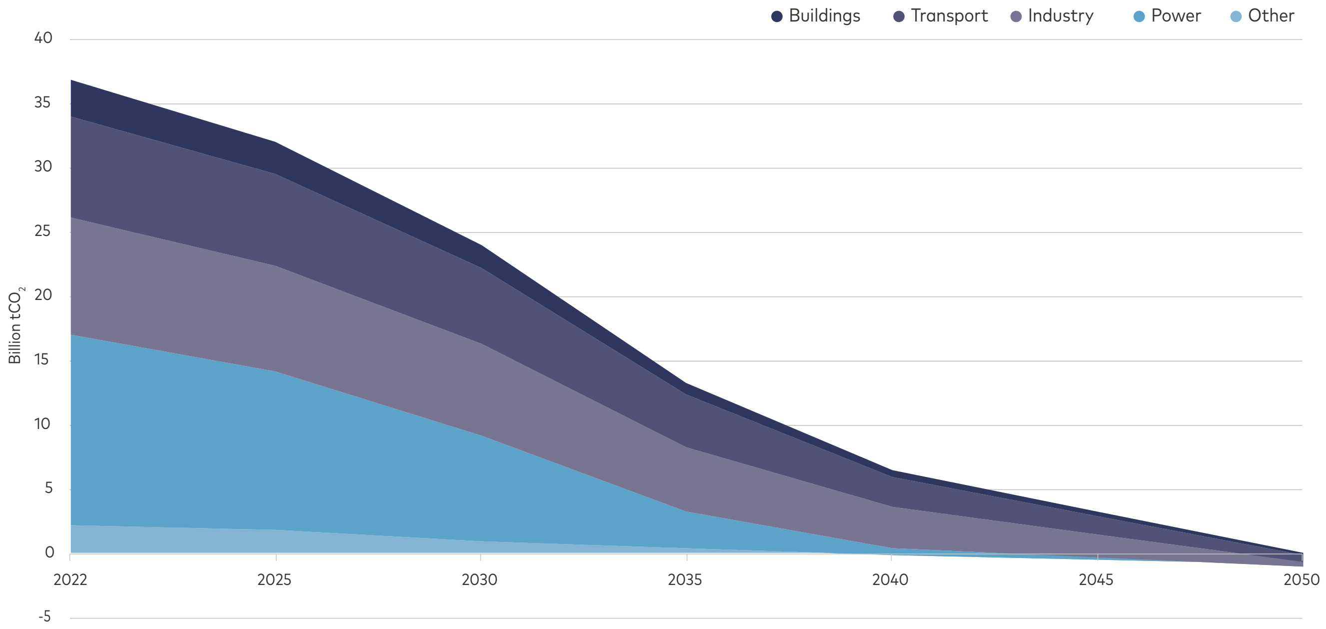
2. **Value Added Approach:** this approach is applied to companies with lower-emitting or heterogeneous business activities.

Sector Decarbonization Approach (SDA)
The SDA is applied to companies with high-emitting and homogeneous business activities. The IEA industry-specific scenario pathways are used, which measure company alignment using industry-specific emission intensities and physical production levels (e.g. tons of CO_2/MWh or tons of CO_2/tons of steel). Industry-specific transition pathways are incorporated to account for faster or slower progressions, depending on an industry's distinct mitigation potential and the cost of mitigation.
The companies are allocated a carbon budget based on their level of economic activity for sector-specific activities, such as the amount of electricity generated. Four main SDA sectors are adopted in our calculations: electricity generation, steel, cement and aviation. These sectors are mapped to the IEA Net Zero 2050 scenario as follows: electricity generation in "Power", steel and cement in "Industry" and aviation in "Transport".

Value Added Approach
The Value Added Approach is applied to companies with lower GHG emissions or heterogeneous business activities. For those companies, the global IEA Net Zero 2050 scenario is used. Each company's emissions pathway is measured as its GHG emissions per unit of gross profit, representing its contribution to total global emissions and global Gross Domestic Product (GDP). While the majority (around 95%) of companies in a typical investable universe falls within the "Value Added" budget type, they account for a significantly smaller proportion of GHG emissions compared to the sectors covered by the SDA.

[1] "Aligning corporate GHG emissions targets with climate goals", Nature Climate Change (2015), by Oskar K., Giel L. and co

Figure 8: Updated IEA Net Zero 2050 scenario



Source: LGT Capital Partners

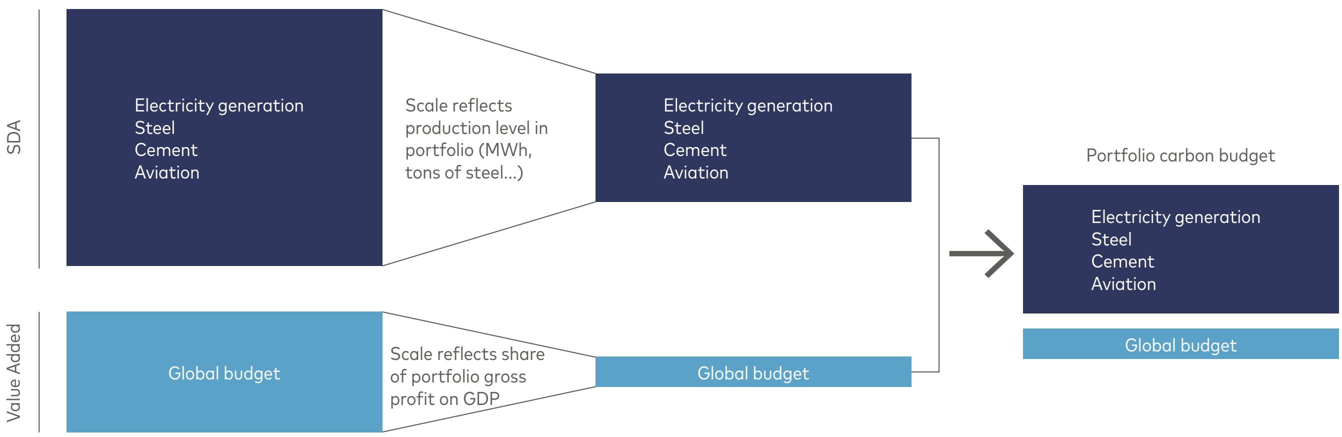
Our methodology provides a systematic and consistent framework to support net zero GHG emissions in the real economy. A key advantage is that we can apply the approach across a wide variety of portfolio holdings, which can be consistently aggregated for multi-asset portfolios.

Portfolio carbon budgeting

Using the budgeting methodology described above, we are able to derive carbon budgets for portfolios. For the funds and portfolios we manage using our sustainability framework, the respective portfolio-level carbon budgets are set by aggregating the individual carbon budgets of the underlying investee companies. Where data is available, we take into account their allocation to different SDA activities. The current aggregated emissions for these portfolios must be below their respective carbon budgets. For portfolios that are managed by external managers and are part of the LGT Endowment and other multi-asset portfolios, we derive the carbon budgets based on the respective benchmark. At the level of multi-asset portfolios, which include the LGT Endowment, the overall portfolio carbon budget is derived by aggregating the carbon budgets of the underlying building blocks, where applicable.

For more information on how this is applied at portfolio level, see the chapter Target setting for the LGT Endowment under Metrics and targets.

Figure 9: Portfolio carbon budget



Source: LGT Capital Partners

Net Zero Investment Framework (NZIF)

In addition to the carbon budgeting approach, we have broadened our Climate Action Framework to incorporate forward-looking company information.

Although self-declared company targets are not directly included in our carbon budgeting calculations, we believe it is important to distinguish between companies that have established targets and transition plans and those that have not set any targets. Over the past year, we have implemented the alignment maturity scale of the IIGCC's NZIF, which aims to establish a common approach to assessing an asset's pathway to net zero.

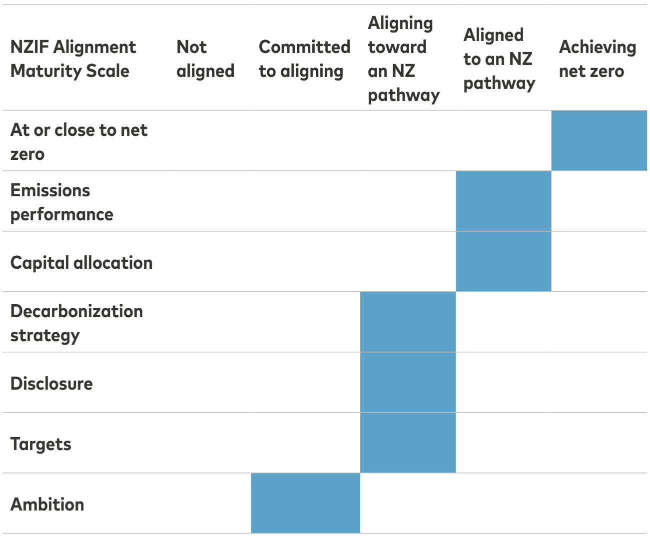
NZIF provides an alignment maturity framework to assess companies against net zero ambitions in a staircase scoring system. Under NZIF, there are six core criteria that should be considered when assessing a high-impact company's overall net zero transition plan and three criteria to be considered for lower-impact companies[1]:

Lower-impact companies only have to meet the criteria Targets, Disclosure and Emissions performance while higher-impact companies are required to meet additional criteria. Depending on how companies align with these criteria, the alignment maturity scale groups companies according to the following ratings:

Table 2: Overview of NZIF criteria

	Ambition	Does the company have a long-term 2050 goal consistent with net zero?
Lower impact	**Targets**	Are short or medium-term emissions reduction targets in place?
	Emission performance	Is the company's emissions performance in line with science based net zero pathways?
	Disclosure	Does the company disclose Scope 1, Scope 2 and material Scope 3 emissions?
	Decarbonization strategy	Is there a quantified plan in place to deliver GHG targets and/or proportions of increasing green revenue?
	Capital allocation	Does the company demonstrate that its capital expenditures are consistent with achieving net zero emissions by 2050?

Table 3: The NZIF path to net zero: maturity ratings



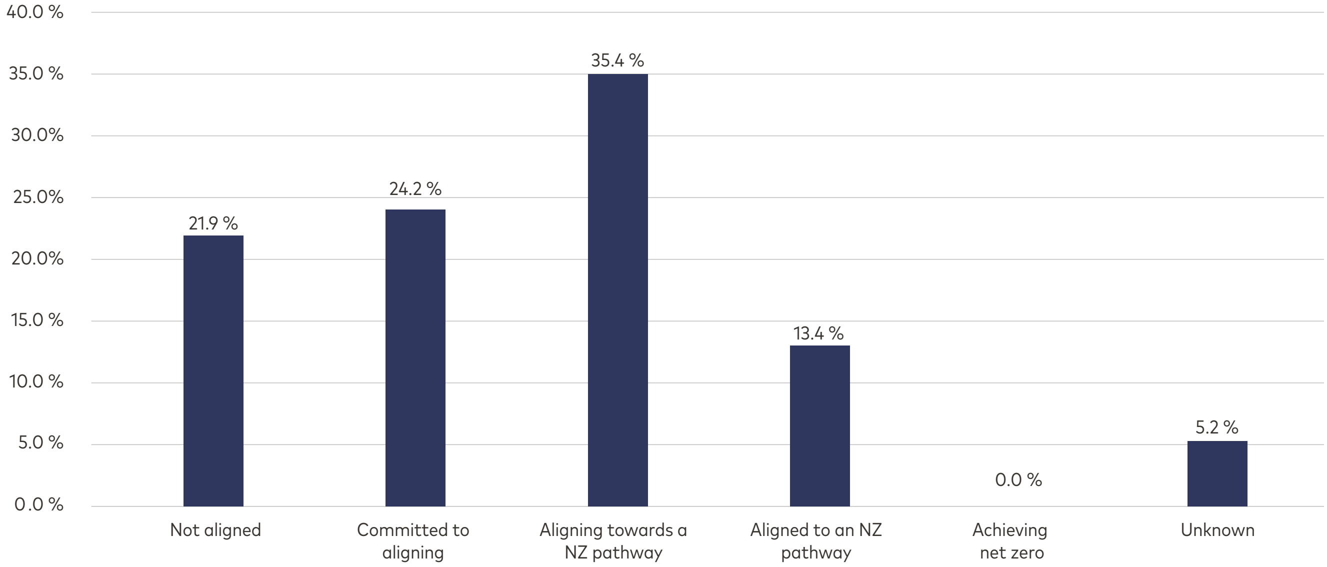
Source: LGT Capital Partners based on NZIF by IIGCC

[1] Higher-impact companies are companies on the Climate Action 100+ list, banks, real estate and the TPI sectors chemicals, diversified mining and other industrials.

Each maturity rating requires that for each company, a specific set of criteria must be met before the next alignment criteria can be considered. For the "Committed to aligning" rating, only the ambition criteria need be met. As lower-impact companies have no requirement to meet the criterion Ambition, we introduced our own criteria for lower-impact companies to achieve the "Committed to aligning" rating and this requires lower-impact companies to have a company-wide target as a minimum qualification.

We have reviewed the NZIF maturity ratings across our listed public equity and fixed income holdings[1]. As anticipated, there are no companies that are already at net zero. The majority of issuers are aligning towards a net zero pathway. Hence, many invested companies are already taking action to decarbonize their business activities. For the issuers in the unknown category, insufficient data is available to assess them according to NZIF transition criteria. We were able to reduce the unknown category in 2025 compared to the analysis from the prior year by around 1.7%.

Figure 10: Holdings weighted NZIF maturity ratings



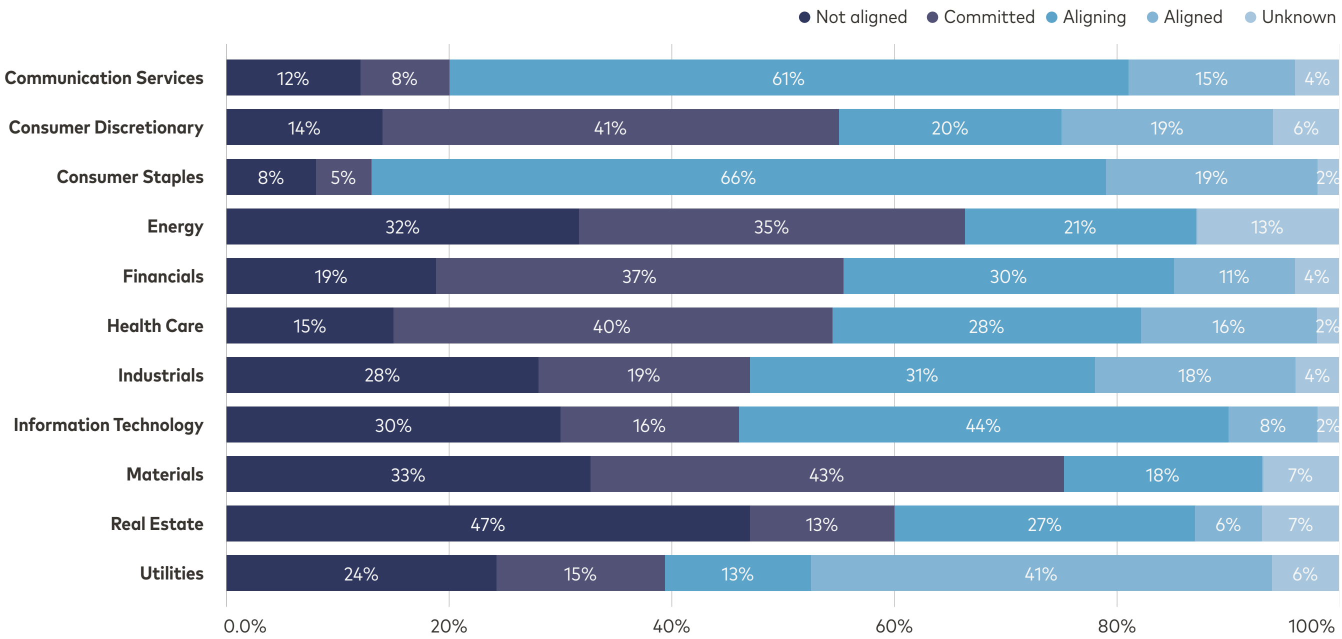
Source: LGT Capital Partners

[1] The analysis includes listed public equity and fixed income. We strive to include as many portfolios as possible in the analysis. However, due to specific circumstances related to particular benchmarks or investment universes, certain portfolios that are invested in equities or corporate bonds may not be included. Data is aggregated relative to 31.12.2025 market values.

Across the sectors we invest in, the degree of alignment with a net zero pathway varies widely. Real estate stands out as having a low degree of alignment, with nearly half of its holdings classified as not aligned. Energy, information technology and materials also show elevated misalignment, with around one third of each sector not aligned. At the other end of the spectrum, the utilities sector shows the most advanced transition profile. Around 40% of the utilities sector is already aligned with a net zero pathway, a significantly higher share than any other sector. Several sectors – including health care, financials, and industrials – show a more balanced distribution across alignment categories, with meaningful portions in the "aligning" or "committed" stages, suggesting ongoing transition progress rather than outright misalignment.

Overall, the data highlights a landscape where transition readiness is uneven: some sectors are clearly at a more advanced stage, while others still face substantial alignment gaps that may require active engagement or portfolio adjustments over time.

Figure 11: NZIF maturity ratings by sector



Source: LGT Capital Partners

Strategy
Scenario framework

Climate-resilient portfolios

Beyond decarbonizing our portfolios, we also seek to enhance their climate resilience. Based on our long experience in scenario analysis and modeling, we focus our analysis on the financial implications for the various asset classes when determining asset allocations. It is widely recognized that strategic asset allocation has the biggest impact on long-term investment performance, so it is crucial to also integrate ESG and climate considerations at this top level of investment decision-making. We believe that the implications for the market will depend on whether the transition to a low-carbon economy is based on governmental incentives or mandatory requirements imposed using penalties and sanctions.

If the transition is driven by incentives, governments need to support the cost of transition through subsidies and other forms of fiscal stimulus. In the case of mandatory requirements, private businesses will bear the bulk of the transition costs, which are typically associated with stricter environmental standards and more stringent carbon pricing schemes.

As a first step in our scenario analysis, we regularly assess the macroeconomic implications of the above approaches. As part of this assessment, we have considered TCFD recommendations and will continue to further align our framework with them. In a second step, we model the impact of climate change on the relevant asset classes and integrate the results into our scenario framework used for asset allocation. The chart below illustrates how we integrate ESG and climate-related factors into our scenarios.

In our "Buildout push" baseline scenario, we model a sustained surge in global capital expenditure driven by the energy transition, advanced technologies and the intensifying geostrategic rivalry between the US and China. This dynamic is precipitating a selective decoupling, resulting in the emergence of distinct economic blocks. The global race for technological and industrial leadership is triggering massive capital deployment in next-generation infrastructure, defense systems and the green transition. As self-sufficiency concerns elevate regionalized supply chains to a top-tier strategic priority, higher structural costs will likely be the consequence. However, we anticipate that these pressures will act as a catalyst for accelerated innovation and productivity gains. Further, this regionalization offers a chance for increased oversight of operations and their associated environmental externalities, most notably climate resilience and the preservation of nature and biodiversity. Consequently, we have revised our long-term return expectations upward for growth-oriented assets, specifically equities, as corporate earnings benefit from this new era of domestic reindustrialization and technological breakthroughs.

However, we have also formulated a "Climate shocks" outlier scenario with an accumulation of severe weather events and late but sudden and drastic sanctions from policymakers. This stress-tested scenario helps us to gauge the potential negative impacts of unabated global warming on our investments and allows for more realistic sentiment shocks and the sudden repricing of financial assets.

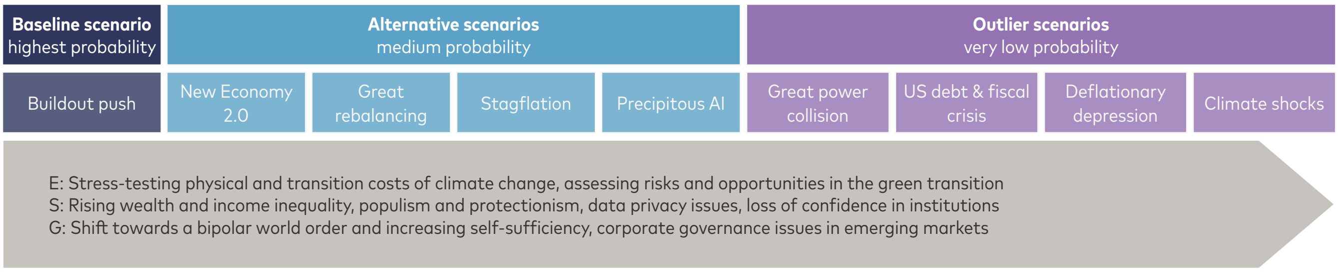
With regard to physical risks, we see its direct impact on policy actions and asset classes increasing within our scenario horizon, but mainly with implications at the regional and local level. However, we consider transition risk to be more prevalent across our portfolios, particularly in the case of exposure to carbon-intensive businesses.

We have therefore concluded that decarbonizing our portfolios over time is the most effective way of increasing climate resilience and mitigating the risks of holding stranded assets[1].

[1] "Investments that have already been made but are, at some time prior to the end of their economic life (as assumed at the investment decision point), no longer able to earn an economic return as a result of changes in the market and regulatory environment brought about by climate policy" (IEA)

Figure 12: LGT scenario planning process

Forward-looking scenarios 2025 – 2029



Source: LGT Capital Partners

Details of climate stress scenario

Our dedicated "Climate shocks" stress scenario serves as a concise yet comprehensive examination of the multifaceted impacts of climate change. It explores the dual dimensions of immediate physical costs incurred from extreme weather events and the longer-term transition costs associated with reactive policy responses geared towards mitigating climate change.

In this scenario, the physical costs of extreme weather events that damage capital stock (e.g. real estate and infrastructure), destroy crop harvests and disrupt supply chains etc. all add up. Policymakers then react swiftly to the urgency of the situation and impose strict measures to drive the transition to a low-carbon economy. These measures initially result in market disruptions and asset repricing. In parallel, however, they stimulate innovation and investment in climate solutions. Consequently, assets that are aligned with sustainability and decarbonization are expected to thrive, whereas carbon-intensive industries will face mounting pressures.

In the first phase of this scenario characterized by severe physical damage, real assets (property and infrastructure) and insurance-linked investments (especially those tied to natural catastrophes) are the most negatively affected asset classes. In the second phase of this scenario, which is strongly characterized by transition costs that impede growth, equities suffer the most, particularly in carbon-intensive industries. General uncertainty and negative sentiment also lead to volatility and contractions in financial markets. Emerging markets assets are likely to be more negatively affected than developed markets due to the higher carbon-intensity of their industry mix and a higher vulnerability to adverse weather outcomes. On the fixed income side, inflation-linked bonds are expected to outperform nominal bonds due to rising inflation expectations.

Potential winners in this scenario are technology and volume leaders in renewables and companies with a strong product and service offering focusing on climate solutions. In terms of effective risk management, an early and stringent decarbonization of investment holdings seems to be the best path to improve portfolio resilience and aid efforts to avert devastating climate change.

Strategy
Physical risk and transition risk assessment

Top-down assessment

Identifying, understanding and disclosing physical and transition risks in line with TCFD recommendations is essential to assess climate-related impacts on financial performance and to ensure the resilience and sustainability of businesses.

Physical risks
These risks reflect the negative impact that climate change can have on a company's operations, assets and supply chains through increasingly frequent and severe weather events and long-term shifts in climate patterns. These risks can manifest themselves in a variety of ways:

- **Acute physical risks:** these are short-term risks associated with extreme weather events such as hurricanes, floods, wildfires, storms and heatwaves. These events can directly damage physical assets, disrupt operations and cause supply chain disruptions.

- **Chronic physical risks:** these are long-term risks resulting from gradual changes in climate patterns, such as increasing temperatures, rising sea levels, changes in precipitation patterns and shifts in ecosystem dynamics. Chronic risks can affect the availability and quality of natural resources, the stability of infrastructure and the health and productivity of ecosystems, thus impacting business operations and supply chains over time.

Transition risks
Transition risks arise from the process of moving to a low-carbon economy as a result of climate change mitigation efforts, regulations, technological advances and changes in consumer preferences. These risks can affect companies across different sectors and industries during the transition to a more sustainable and low-carbon future. Transition risks include:

- **Policy and legal risks:** these are risks related to changes in regulations, laws and policies affecting carbon emissions, energy use and environmental protection.

- **Technology risks:** these are risks associated with the emergence of new technologies or with existing technologies becoming obsolete due to climate-related changes.

- **Market risks:** these are risks stemming from changes in market dynamics, consumer preferences and investor behavior influenced by climate-related factors.

- **Reputation risks:** these are risks arising from negative perceptions or reputational damage due to a failure to adapt to or participate in the transition to a low-carbon economy.

In conclusion: physical risks relate to the direct impacts of climate change on a company's operations and assets, while transition risks relate to the challenges and opportunities associated with the transition to a low-carbon economy as a result of climate change mitigation efforts and evolving market dynamics. Understanding and disclosing these risks is essential for us to effectively manage climate-related risks and opportunities and to ensure the long-term sustainability and resilience of our business and our investment portfolios.

Figure 13: TCFD framework for physical and transition risks

Physical risks		Transition risks			
Acute	Chronic	Policy and legal	Technology	Market	Reputation
• Hurricanes, floods, wildfires • Storms and heatwaves	• Rising temperatures • Rising sea levels and changes in precipitation	• Government policies and regulations • Increased pricing of GHG	• Substitution of existing products • Costs to transition to lower emission technologies	• Changing customer behavior • Increased costs of raw materials	• Stigmatization of sector • Increased stakeholder concerns

Source: LGT Capital Partners based on TCFD

Company-level assessment

Beyond our top-down scenario analysis at asset class level, we have conducted a detailed assessment of our investment holdings' exposure[1] to physical and transition climate risks under two different climate scenarios and forecast years.

Physical risks
We assess the exposure to nine physical risks resulting from climate change: coastal flooding, fluvial flooding, pluvial flooding, tropical cyclones, wildfires, water stress, drought, landslide, extreme heat and extreme cold[2].

Our analysis is based on climate scenarios developed by the Intergovernmental Panel on Climate Change (IPCC) using the Shared Socioeconomic Pathway (SSP) and Representative Concentration Pathway (RCP)[3] frameworks:

- **Low-risk scenario**[4]: forecasts a global temperature rise of 1.3 to 2.4°C by 2100 relative to pre-industrial levels, aligning with the Paris Agreement's objectives.
- **High-risk scenario**[5]: forecasts a temperature increase of 3.3 to 4.7°C by 2100, representing more extreme climate conditions.

We evaluate two key physical risk metrics on company level for the different time horizons of **2030** and **2050**:

- **Physical risk exposure scores**: this metric quantifies a company's exposure to climate hazards relative to global conditions and is independent of the asset-specific characteristics[6] of the company's assets at a given location. It helps to identify which climate hazards pose the greatest risk. The score ranges from 1 (low exposure) to 100 (maximum exposure).
- **Physical risk financial impact**: this metric estimates financial losses as a percentage of a company's value arising from changes in climate hazard exposure compared to a baseline. This metric is specific to the company's assets present at a given location. It provides insights into the material financial impact of climate risks on different asset types.

Transition risks
Transition risks are evaluated based on future carbon pricing under two scenarios:

- **Low transition scenario (limited transition)**: assumes full implementation of Nationally Determined Contributions (NDCs) under the Paris Agreement. Please note that the current NDCs are not sufficient to limit global warming to well below 2°C according to the Climate Action Tracker[7].
- **High transition scenario (efficient transition)**: reflects policies that are considered sufficient to reduce GHG emissions in line with the goal of limiting climate change to well below 2°C above pre-industrial levels by 2100. This scenario is consistent with the Paris agreement.

We evaluate future carbon pricing for **2030** and **2050** with a focus on two key metrics:

- **EBITDA margin impact**: this metric estimates the reduction in earnings before interest, taxes, depreciation and amortization (EBITDA) after incorporating unpriced carbon costs.
- **Carbon price risk exposure**: this metric flags companies facing significant carbon price risk.

[1] The analysis includes listed public equity and fixed income. We strive to include as many portfolios as possible in the analysis. However, due to specific circumstances related to particular benchmarks or investment universes, certain portfolios that are invested in equities or corporate bonds may not be included. Data is aggregated relative to 31.12.2025 market values. Source: LGT Capital Partners, S&P Global.
[2] Data on the financial impacts physical risk are not available for extreme cold.
[3] The climate change scenarios are based on data from the Coupled Model Intercomparison Project (CMIP, https://wcrp-cmip.org), a key input to the IPCC reports.
[4] Based on the Shared Socioeconomic Pathway SSP1-2.6
[5] Based on the Shared Socioeconomic Pathway SSP5-8.5
[6] Asset-specific characteristics refer to information about individual physical assets owned or controlled by company, e.g. type of use
[7] Climate action tracker estimates that the 2030 NDC targets lead to an average warming of 2.6°C

Scenario analysis findings

Physical risk – all hazards

Our findings indicate that for 2030, the differences between the low- and high-risk scenarios are minimal in both physical risk exposure scores and physical risk financial impacts. By 2050, however, these differences become more pronounced:

- Physical risk exposure in a high-risk scenario is 18% higher than in the low-risk scenario.
- Although the overall financial impact of physical risks remains limited in absolute terms, the high-risk scenario indicates an increase of approximately 40% compared to the low-risk scenario.

These results are broadly consistent with the prior year's findings. In 2025, physical risk exposure increased by 5% to 10% year on year, while physical risk–related financial impacts rose by approximately 30%, reflecting updated scenario data.

With regard to specific physical risk hazards, our analysis reveals that high exposure to a specific hazard does not always translate into high financial impact. Among the hazards assessed, extreme heat poses the greatest financial risk, accounting for 70% of the total financial impact under the high-risk scenario in 2050.

Other risks such as drought, pluvial flooding, landslide and water stress are present but result in low financial impacts, suggesting that our covered assets are less vulnerable to these specific hazards. Compared to the previous year, the financial impact of water stress increased significantly in 2025, making it the second-largest physical risk hazard in terms of financial impact after extreme heat. These findings are consistent with the 2024 results and emphasize the disproportionate financial impact of extreme heat on our covered assets, underscoring its potential materiality in future risk management strategies.

Figure 14: Physical risk exposure score all hazards

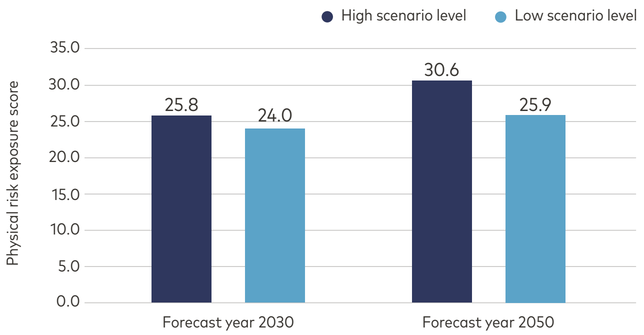
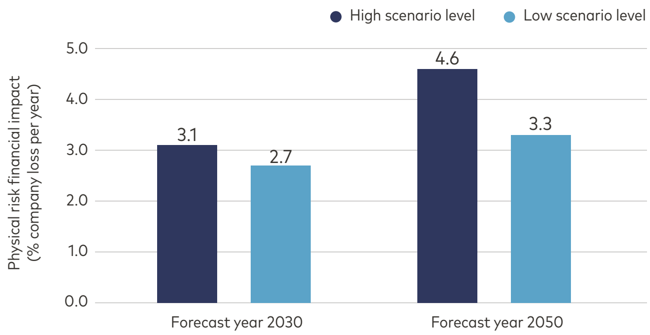
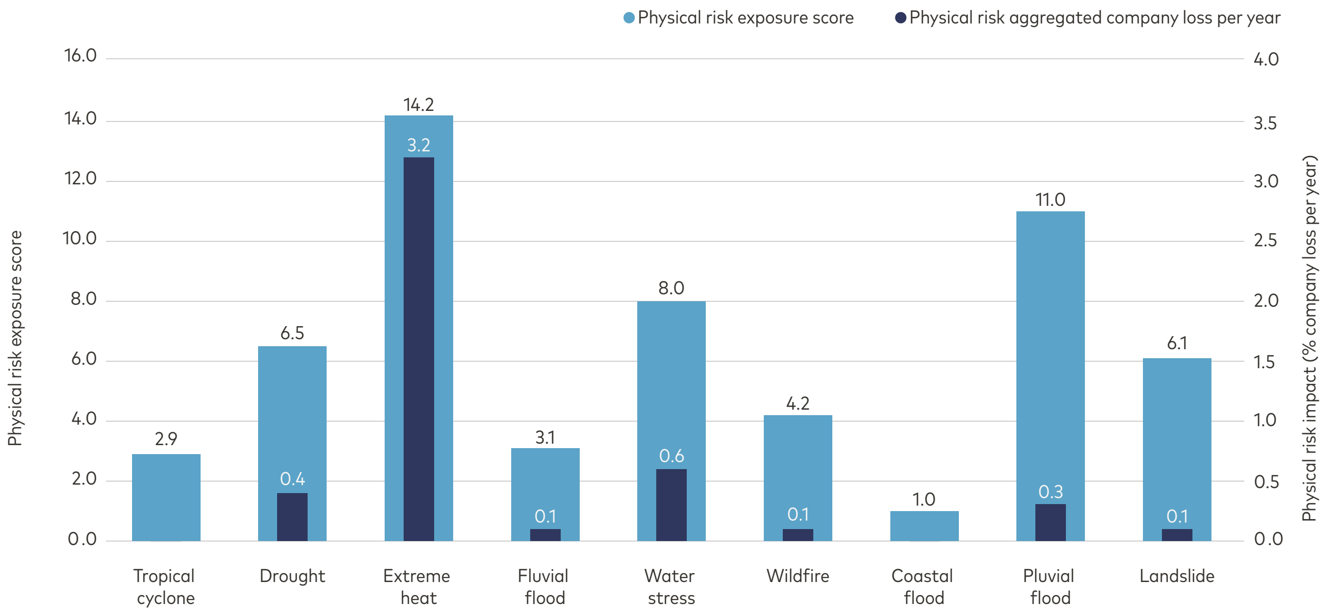


Figure 15: Physical risk financial impact all hazards



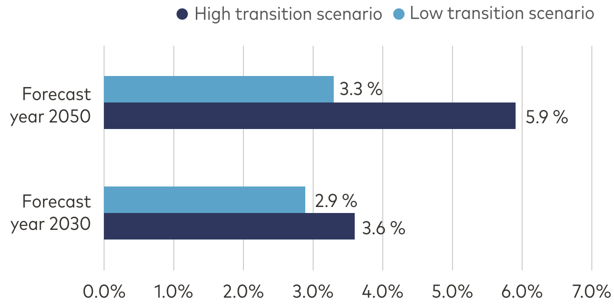
Source: LGT Capital Partners, S&P Global

Figure 16: Physical risk scores and financial impact for the high scenario level in 2050



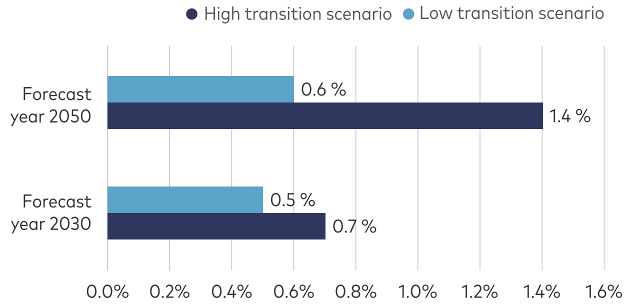
Source: LGT Capital Partners, S&P Global

Figure 17: Percentage of companies facing increased carbon price risk



Source: LGT Capital Partners

Figure 18: Reduction of EBITDA margin



Transition risk

Transition risks for our covered assets increase significantly when moving from the low to the high transition scenario as well as when changing the timeframe from 2030 to 2050:

- As shown in figure 17, the number of companies facing significant carbon price risk doubles under the high transition scenario compared to the low transition scenario in 2050[1].
- The EBITDA margin impact due to unpriced carbon costs rises sharply in 2050 under the high transition scenario (figure 18); an increase of around 16% compared to the analysis from the previous year.
- As a result, the financial strain from carbon pricing mechanisms intensifies, affecting profitability more severely in a stringent regulatory environment.

Impact by sector

For our covered assets, under the high-risk scenario for 2050, extreme heat emerges as the primary physical risk driver of financial losses across all sectors. The sectors most affected include: communication services and materials. This underscores the widespread and severe impact of extreme heat across industries.

For the communication services sector, the model predicts the highest overall financial impact from physical risks, which is primarily driven by extreme heat but also drought and water stress. This heightened vulnerability in the communication services sector indicates potential challenges related to infrastructure reliability, increased operational costs and disruptions to service delivery.

This is consistent with the results in the prior year, when extreme heat also dominated financial losses across all sectors. Compared with the prior year, the predicted financial losses increased slightly and the most affected sectors changed marginally.

Table 4: Physical risk drivers by sector in %

GICS sector	Tropical cyclone	Drought	Extreme heat	Fluvial flooding	Water stress	Wildfire	Coastal flooding	Pluvial flooding	Landslide
Communication services	0.0	1.1	4.6	0.1	1.2	0.1	0.1	0.3	0.1
Consumer discretionary	0.0	0.3	2.2	0.0	1.0	0.1	0.1	0.2	0.1
Consumer staples	0.0	0.3	0.8	0.0	2.3	0.0	0.0	0.1	0.0
Energy	0.0	0.1	3.3	0.1	0.2	0.1	0.0	0.3	0.1
Financials	0.0	0.2	2.5	0.0	0.3	0.1	0.0	0.2	0.0
Health care	0.0	0.2	3.6	0.0	0.6	0.1	0.0	0.3	0.1
Industrials	0.0	0.4	2.6	0.0	0.9	0.1	0.0	0.2	0.0
Information technology	0.0	0.3	3.0	0.0	0.9	0.1	0.0	0.2	0.1
Materials	0.0	0.3	4.3	0.0	0.6	0.1	0.0	0.3	0.0
Real estate	0.0	0.1	3.2	0.1	0.1	0.1	0.0	0.3	0.1
Utilities	0.1	0.6	3.5	0.1	0.8	0.1	0.0	0.3	0.1

Source: LGT Capital Partners, S&P Global

[1] Year-on-year comparability for companies facing significant carbon price risk is affected by a methodological change, as scaling by the coverage applied in the prior year was not applied in the current analysis.

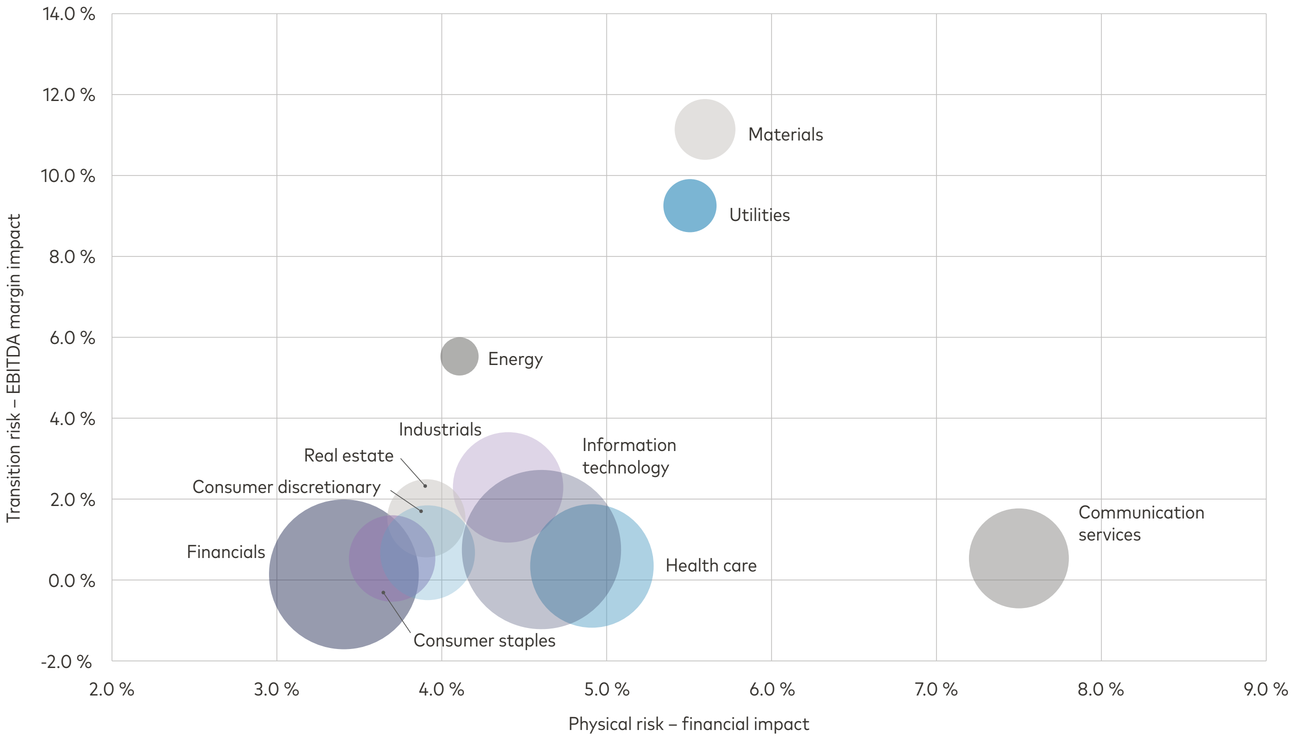
Comparison of physical and transition risks

Overall, the model indicates that transition risks will have a greater financial impact than physical risks when moving from a low to a high transition scenario. This suggests that the costs of adapting to a low-carbon economy could outweigh direct climate-related damage for many companies. Transition risks are higher but are concentrated in fewer sectors, particularly those with a high carbon exposure. Physical risks are more broadly distributed and sectors with higher transition costs do not experience significantly higher financial impacts from physical risks. This suggests that sectors burdened by carbon costs may have a just slightly above-average exposure to physical risks, emphasizing the trade-off between transition risks and physical climate risks. Compared to the previous year, the same sectors have a higher exposure to transition risk, but updated scenario data shows an increased financial impact from physical risks for these high-carbon exposure sectors.

Our findings highlight the increasing financial and operational challenges that our invested companies may face under more severe climate scenarios. Transition risks emerge as the dominant concern in certain sectors, given their greater financial impact compared to physical risks. But for one sector – communication services – the financial impact from physical risk is more prominent this year and needs to be closely monitored.

However, these results represent one possible outlook based on current data, assumptions and modeling techniques. Future refinements and emerging data may lead to different conclusions as climate-related risks continue to evolve.

Figure 19: Physical vs. transition risk under high-risk (physical) and high transition scenario for 2050 by sector



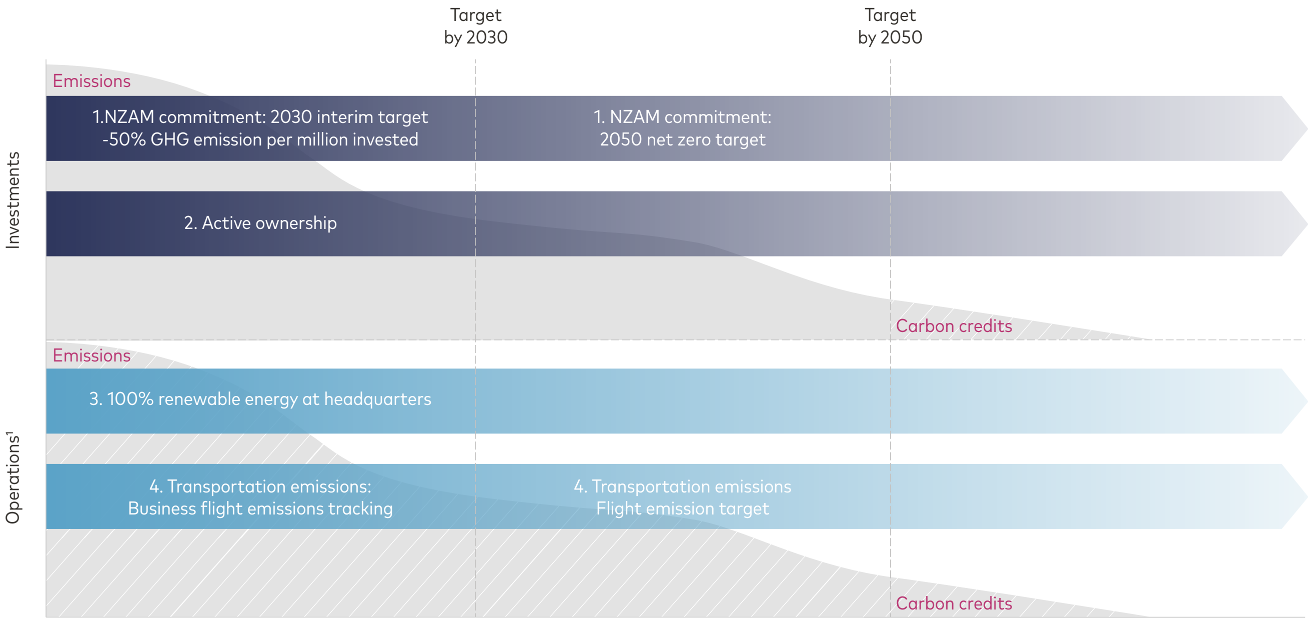
Source: LGT Capital Partners, S&P Global

Climate Transition Plan

LGT Capital Partners' climate transition plan brings together the firm's overarching net-zero commitment and the concrete measures implemented across investments and operations. For investments, the plan is anchored in our Climate Action Framework, which combines carbon budgeting, active ownership and climate-solution investing. Portfolio-level decarbonization targets for the assets in scope under NZAM, such as the net zero 2050 ambition and the 50% reduction of GHG emissions by 2030, are supported by asset-class-specific methodologies (see more information in the chapter Net zero commitment for our investments).

For operations, the plan focuses on reducing our own footprint through energy efficiency, renewable electricity sourcing, sustainable procurement and optimized travel management. Together, these measures form a coordinated pathway that is reflected in the graphical overview and supports long-term transition resilience across both investment portfolios and organizational activities.

Figure 20: Climate transition plan



Source: LGT Capital Partners

[1] We use carbon credits for 100% of our remaining in-scope operational emissions, including Scope 1, Scope 2 and selected Scope 3 emissions - fuel- and energy-related activities (3.3), business travel (3.6) and employee commuting (3.7).

Strategy
Climate-related risks and opportunities

Timeframe
Short term 0 to 5 years.
Medium term 5 to 10 years.
Long term 10 to 30 years

Risk rating
- ● Low
- ● Medium
- ● High

Table 5: Climate-related risks – investment portfolio

	Identified risk	Description	Timeframe	Risk rating	Impact	Actions to mitigate
Transition	Policy and regulation	Risk of sudden regulatory shifts. Growing reporting burdens as disclosure requirements evolve.	Short	Medium	Increase operational and compliance costs.	Ensured timely and accurate reporting in line with established and emerging frameworks, supported by the efforts of ESG Sub-Committee.
		Divergence in climate policies across regions. Rising costs of carbon credits challenges strategies focused on net zero targets.	Medium	Medium	Higher complexity for global investment strategies. Increase of compliance costs.	Installment of ESG regulation Sub-Committee for monitoring and oversight of ESG trends.
		Increasing regulatory and reporting requirements. Stricter carbon pricing and emission standards.	Long	High	Carbon-intensive assets decline in value. Failure to divest from those assets could result in long-term underperformance.	Improving our scenario analysis and stress testing on portfolios to evaluate the financial impacts of regulatory changes.
	Market and client sentiment	Risk of potential negative sentiment towards ESG in certain market segments. Concerns over the perceived financial trade-offs of ESG investments.	Short	Medium	Reduced demand for ESG oriented products.	Sharing our long-term knowledge and insights with our clients to discuss the latest trends. Since 2008, engaging with the wider industry to raise awareness around ESG as part of our PRI membership. Created the LGT Capital Partners Sustainability and Impact Academy for clients.
		The overall trend of market and client sentiment continues to tilt towards sustainable finance despite pockets of skepticism.	Medium	Medium	Failure to align LGT Capital Partners' strategy to a sustainability offering as the market for ESG-focused products expands. Risk of being left behind.	Climate Action Framework that enables capital to be moved from concentrated transition and physical risks towards climate- related investment opportunities.
		Market and clients sentiment increasingly favors responsible investing.	Long	Low	Early movers who have developed a robust ESG integration strategy will benefit from stronger client loyalty.	Commitment to net-zero GHG emission until 2050 (NZAM) for all assets under management.
	Litigation and reputation	Risk of being insufficiently aligned with emerging climate regulation, industry standards and best practices or client expectations regarding sustainability standards.	Short	High	Rise in litigation costs for legal action by stakeholders including clients or regulators, which ultimately negatively impact the firm's reputation.	Ensure clear and transparent communication that is aligned with global standards to reduce risk of misleading disclosures.
		A growing political narrative suggests that ESG integration does not meet traditional fiduciary duties, as prioritizing ESG could compromise financial returns, making firms vulnerable to lawsuits.	Short	Medium	Rise in litigation costs.	LGT Capital Partners firmly believes that ESG integration enhances long-term value creation, reduces material risks and aligns with the fiduciary responsibility to act in the best interest of clients. Clear policies and guidelines around ESG integration.
		Reputational risks become more pronounced as public and investor expectations around ESG transparency and climate action continue to grow.	Medium	Medium	Loss of trust, client attrition and long-term damage to the firm's brand.	Enhancement of our governance process by establishing an ESG regulations Sub-Committee, which monitors emerging climate regulations and litigation trends, and has a clear oversight of regulatory ESG topics. The Executive Committee holds overall responsibility on ESG and climate-related issues.
		Climate related lawsuits could become more common globally.	Long	Low	Rise in litigation costs.	

	Identified risk	Description	Timeframe	Risk rating	Impact	Actions to mitigate
Transition	Technology	Disruption of existing industry due to the rapid pace of technological innovation in response to climate change. Areas affected include- renewable energy, energy storage, electric vehicles and carbon capture.	Short	●	Failure to adapt can lead to reduced competitiveness, high costs or obsolescence and decline of stock values.	Exclusion of investments in coal in anticipation of innovative technologies and the devaluation of carbon-intensive assets.
			Medium	●	Stranded assets or devaluation of sectors that are slow to innovate or transition to lower carbon technologies.	Identifying climate solutions is a way of supporting the development of innovative technologies, leading to real economy decarbonization, while generating attractive returns for our clients.
		Failure to identify and invest in emerging low-carbon technologies.	Long	●	Can result in missed opportunities of growth for LGT Capital Partners, while investing in outdated or carbon intensive technologies may lead to financial losses.	Proprietary scenario analysis to assess the potential impact of technologies disruptions on different sectors and industries, among other aspects.
Physical	Acute and chronic	Acute climate- related events, such as flooding, wildfires or extreme storms, can cause operational disruptions. Companies in sectors such as real estate, agriculture, and energy are particularly vulnerable.	Short	●	Can lead to reduced revenues, increased insurance costs and potential devaluation of physical assets. Losses in investment portfolios that are concentrated in region and/or sectors prone to extreme weather events.	Leveraging climate solution investments to adjust strategy to capitalize on emerging opportunities while minimizing exposure to high-risk companies.
		Increasing frequency and severity of climate- related disasters.	Medium	●	More significant asset devaluations and rising insurance premiums, affecting companies' ability to maintain profitability. Companies that are not resilient or fail to adapt to those shocks could face sustained financial pressure.	Actively engage with portfolio companies held in direct strategies as well as with our managers and specifically encourage them to advance on climate action.
		Acute physical climate-related events fundamentally alter the value of assets in climate-vulnerable regions.	Long	●	Potential long-term devaluation or even stranded assets.	Proprietary scenario analysis helps the investment process to identify and avoid concentrated climate risk allocations. Building a climate resilient portfolio while anticipating climate risk for asset classes, regions and sectors.

Timeframe
Short term 0 to 5 years.
Medium term 5 to 10 years.
Long term 10 to 30 years

Opportunity rating
- ● High
- ● Medium
- ● Low

Table 6: Climate-related opportunities – investment portfolio

Identified opportunities	Description	Timeframe	Opportunity rating	Impact	Examples
Technological change	Substantial upside potential as governments and businesses transition away from fossil fuels. Technologies like carbon capture and storage (CCS), hydrogen energy, and next-generation batteries are expected to play a key role in decarbonizing energy systems.	Short	Medium	Increased revenues as technological advancements in clean energy and climate space are creating significant investment opportunities.	Companies developing scalable solutions for battery storage to balance energy grids powered by renewables
		Medium	High		
		Long	High		
Products and services: climate mitigation and adaptation	Companies and sectors that focus on reducing and preventing GHG emissions or on solutions to enhance climate resilience. There is rising demand for investment products designed to support climate change mitigation and adaptation, such as green bonds, climate funds, and sustainability-linked loans.	Short	Medium	Increased revenue and alignment of financial goals with environmental outcomes.	While renewable energy, electric vehicles, energy efficiency and sustainable agriculture are attractive investments in the mitigation space, water management systems, climate-resilient infrastructure, agricultural technology, and insurance solutions are examples for adaptation company strategies. There is rising demand for investment products designed to support climate change mitigation and adaptation, such as green bonds, climate funds, and sustainability-linked loans.
		Medium	High		
		Long	High		
Market and client sentiment	Growing awareness and concerns about climate change are driving shifts in market sentiment, creating opportunities for companies and funds that align with climate-conscious investment trends.	Short	High	The increasing demand for sustainability from institutional investors can create capital inflows into ESG and climate-aligned funds.	Thanks to our Endowment strategy and Climate Action Framework we develop funds that include climate solutions, have a focus on renewable infrastructure or companies with strong ESG profiles.
		Medium	Medium		
		Long	High		
Data analytics, metrics and platforms	As the global transition to a low-carbon economy accelerates, data analytics and digital platforms offer significant opportunities by driving more informed, real-time decision-making.	Short	High	The ongoing enhancement of data-driven climate metrics offers the potential for new investment products and strategies.	Our proprietary LGT CP ESG Cockpit plays a pivotal role in this area by providing comprehensive ESG and climate-related data analytics, monitoring and reporting capabilities. By integrating advanced data analytics into our investment processes, we can more accurately assess climate-related financial risks and opportunities, ensuring that our investments not only align with regulatory frameworks (e.g. TCFD or the Sustainable Finance Disclosure Regulation, SFDR) but also capitalize on the growing demand for climate solutions.
		Medium	Medium		
		Long	Medium		

Table 7: Climate-related risks – own operations

	Identified risk	Description	Timeframe	Risk rating	Impact	Actions to mitigate
Transition	Policy and regulation	Stricter climate related regulations, such as carbon pricing, emissions limits or stricter reporting standards.	Short	●	Increase in compliance costs, with possible imposed penalties. Increase in carbon pricing and energy related costs.	Investing in compliance to meet current and potential future regulatory standards. Implement carbon management practices, such as the supply of 100% renewable electricity to our headquarters. Conduct energy audits to identify inefficiencies and upgrade equipment processes, or facilities to reduce overall energy consumption. Ensure suppliers comply with regulatory requirements by integrating climate risk assessments in supplier selection and contract management
			Medium	●		
			Long	●		
	Market	Market volatility in energy prices, driven by geopolitical factors, shifts in supply and demand, and transition to renewable energy.	Short	●	Increase in operational costs and budgeting challenges.	Diversifying our energy sourcing model. Our energy procurement is covered 100% by hydro sourcing for our headquarters. However, we have upgraded our energy sourcing model (spot market and in advance) to counter price spikes. Conduct energy audits and ensure suppliers comply with regulatory requirements.
			Medium	●		
			Long	●		
	Litigation and reputation	Not living up to our standards and ambitions to be a leader in climate-related questions could damage LGT Capital Partners' reputation.	Short	●	Reduced investor confidence and difficulty attracting top talent.	Monitoring emerging climate-related litigation trends and ensure legal compliance with a particular focus on the issue of greenwashing and climate risk management disclosure requirements.
			Medium	●		
			Long	●		
	Technology	Failure to transition to low-emission technology for own emissions.	Short	●	Increased operational costs.	We updated our strategy for the selection of new office locations to prioritize labelled buildings and utilize sustainable fit-out approach (recycle, upcycle, sustainable materials) where possible. In 2024, LGT Capital Partners started encouraging employees to use public transport in Switzerland and Liechtenstein by subsidizing travel costs for employees in these locations.
			Medium	●		
			Long	●		
Physical	Acute and chronic	Physical impacts of climate-driven changes, such as severe weather events or rise in temperatures on our own operations.	Short	●	Temporary disruptions to employee access to office locations. Higher energy costs, particularly from increased cooling needs.	Careful selection of office locations combined with enhanced business continuity planning.
			Medium	●		
			Long	●		

Table 8: Climate-related opportunities – own operations

Identified opportunities	Description	Timeframe	Opportunity rating	Impact	Examples
Energy consumption	Increased energy and resource efficiency for offices.	Short	●	Increased revenues as technological advancements in clean energy and climate space are creating significant investment opportunities.	100% of the electricity used at our Swiss headquarters originates from renewable sources, mainly hydropower
		Medium	●		
		Long	●		
Business travel policy	Business travel and air travel emission reduction ambition.	Short	●	Reduction of our own emission and operational costs.	Exploring air travel GHG reduction by getting insights into the best measures and setting a well-researched and ambitious target.
		Medium	●		
		Long	●		

Strategy
Nature strategy

Biodiversity loss is increasingly recognized as a material risk driver and 2025 marks the first year in which we conducted an assessment of nature-related pressures, dependencies and potential risks. Over time, this analysis will broaden to consider nature-related opportunities and nature-based solutions, building on the foundations laid through our climate-solutions framework.

Using the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) framework as our starting point – an industry tool maintained by Global Canopy, UNEP FI and UNEP-WCMC[1] – we conducted a high-level screening of how economic activities depend on ecosystem services and may exert pressures across the five drivers of biodiversity loss: land and sea-use change, direct exploitation of natural resources, climate change, pollution and invasive species. This assessment enabled us to identify sectors with potentially material nature-related exposures across public and private markets and to highlight where holdings may rely on critical ecosystem services or contribute to nature-related pressures. ENCORE supports high-level screening but does not measure financial risk.

While we leverage tools such as ENCORE to inform our understanding of sector-level dependencies and impacts on nature, this does not yet constitute a full LEAP assessment or a location-specific, quantitative analysis across all asset classes. Our work to date covers the "Locate" and "Evaluate" stages: we mapped sectors with potential nature-related exposures using ENCORE and reviewed the associated pressure and dependency pathways. However, ENCORE's activity-based methodology does not capture company-specific factors such as geographic location, proximity to sensitive habitats, or mitigation measures and current biodiversity-related disclosures from companies remain limited. As a result, our insights represent an initial baseline due to limited location-specific and company-specific biodiversity disclosures and will be refined as data quality, spatial granularity and traceability improve over time.

We are complementing this work through enhancements to the LGT CP ESG Cockpit, ongoing assessments of external data providers and a multi-year biodiversity roadmap aimed at expanding coverage, strengthening materiality assessments and deepening the integration of nature-related risks and opportunities into investment decision-making.

Nature transition plan

LGT Capital Partners does not currently have a standalone nature transition plan in place. However, the firm has established an internal working plan and a broader roadmap through to 2030 to progressively strengthen its approach to nature-related risks, impacts and opportunities.

The objective of this roadmap is to strategically expand internal knowledge, educate investment professionals and senior management and build on existing ESG analysis and investment processes but it does not yet constitute a formal nature transition plan as defined under TNFD. Over time, these efforts are intended to be consolidated into an integrated nature-related framework subject to data availability, methodology development and internal governance approval that reflects the specific characteristics and risk profiles of individual asset classes, rather than applying a single, uniform approach across the platform.

The roadmap focuses on governance, capability-building, data provider assessment, impact and dependency assessment, disclosure and the gradual integration of biodiversity considerations into investment analysis, manager oversight and engagement. Progress is reviewed on an ongoing basis, with the ambition to further refine methodologies, data use and investment applications in the period to 2030.

Table 9: Biodiversity workplan milestones and status

In 2024, we established clear governance and defined responsibilities for biodiversity-related topics.	Completed
In 2025, we began to develop an education roadmap to sensitize our workforce to biodiversity-related topics.	Ongoing – roadmap under development, expected completion in 2026
We conducted an impact assessment to identify nature related impacts and dependencies and to gain an initial understanding of risks and opportunities. The first results were published in 2025 based on 2024 data, with re assessments to be conducted on an annual basis.	Completed for sustainable equity and the LGT Endowment
We reported transparently on biodiversity-related processes and actions through ESRS E4 in 2025 at LGT Group level.	Completed
From 2025 onwards, we aim to integrate insights from our industry based biodiversity assessment into our proprietary LGT CP ESG Cockpit, including flagging issues to support company engagement.	Completed (flagging) Engagement alignment to be further highlighted within liquid markets
Starting in 2025, biodiversity considerations are included in the ESG manager rating process for external managers.	Completed

[1] United Nations Environment Programme Finance Initiative (UNEP FI); United Nations Environment Programme World Conservation Monitoring Center (UNEP-WCMC)

Timeframe
Short term 0 to 5 years.
Medium term 5 to 10 years.
Long term 10 to 30 years

Risk rating
● Low
● Medium
● High

Table 10: Nature-related risks – investment portfolio

	Identified risk	Description	Timeframe	Risk rating	Impact	Actions to mitigate
Transition risk	Policy and regulation	Changes in biodiversity-related regulation may increase compliance costs or affect asset valuations.	Short	● Low	Increased compliance costs; adverse impact on asset valuations due to tighter biodiversity regulation.	Ongoing monitoring of regulatory developments; integration of biodiversity considerations into investment due diligence and risk assessment.
			Medium	● Medium		
			Long	● Low		
	Market	Shifts in investor or client preferences may impact demand and pricing of financial instruments.	Short	● Low	Changes in investor or client preferences leading to repricing of assets and reduced demand for exposed sectors.	Active engagement with investee companies and managers on biodiversity risk management; portfolio diversification.
			Medium	● Medium		
			Long	● Medium		
	Litigation and reputation	Biodiversity-related controversies may lead to legal risks or reputational damage.	Short	● Medium	Legal claims or reputational damage linked to biodiversity-related controversies, affecting company value.	External controversy monitoring, escalation processes and targeted engagement with issuers and managers.
			Medium	● Medium		
			Long	● Low		
	Technology	Limited availability or delayed adoption of nature-positive solutions may affect competitiveness.	Short	● Low	Competitive disadvantage where nature-positive technologies or solutions are not adopted in time.	Engagement on adoption of nature-positive practices and solutions.
			Medium	● Medium		
			Long	● Low		
Physical risk	Acute and chronic	Physical acute: extreme events may disrupt operations and cause sudden asset re-pricing or value loss. Physical chronic: gradual ecosystem degradation may lead to asset devaluation and higher long-term volatility.	Short	● Low	Gradual ecosystem degradation leading to long-term asset devaluation and higher volatility.	Long-term portfolio alignment, enhanced risk monitoring and integration of biodiversity considerations into strategic asset allocation.
			Medium	● Medium		
			Long	● Medium		

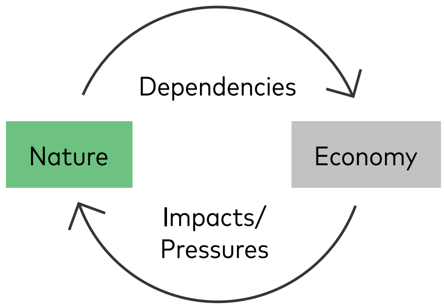
Table 11: Nature-related risks – own operations

	Identified risk	Description	Timeframe	Risk rating	Impact	Actions to mitigate
Transition risk	Policy and regulation	Changes in biodiversity-related regulation may increase compliance requirements for corporate operations.	Short	● Medium	Increased compliance costs; potential indirect impact on asset valuations.	Ongoing monitoring of regulatory developments; integration of biodiversity considerations into operational policies and procurement processes.
			Medium	● Low		
			Long	● Low		
	Market	Shifts in client, investor or employee expectations regarding biodiversity performance.	Short	● Low	Reputational pressure; potential impact on attractiveness as employer or business partner.	Transparency on sustainability practices; internal awareness and training; alignment with recognized frameworks.
			Medium	● Medium		
			Long	● Medium		
	Litigation and reputation	Biodiversity-related controversies linked to operations or suppliers.	Short	● Medium	Reputational damage; potential legal or compliance costs.	Supplier Code of Conduct; external controversy monitoring; escalation and whistleblowing mechanisms.
			Medium	● Low		
			Long	● Low		
	Technology	Delayed adoption of nature-positive or resource-efficient operational solutions.	Short	● Low	Competitive disadvantage; inefficiencies over time.	Assessment of operational practices; gradual integration of sustainability and efficiency criteria in facilities and IT decisions.
			Medium	● Low		
			Long	● Low		
Physical risk	Acute and chronic	Physical acute: extreme events affecting ecosystems may disrupt office operations. Physical chronic: gradual ecosystem degradation influencing local environmental conditions.	Short	● Low	Temporary business disruptions; Long-term increase in operating costs; reduced resilience of locations.	Business continuity planning; flexible working arrangements; diversified office footprint; careful selection of office locations; enhanced risk monitoring; integration of environmental considerations into operational planning.
			Medium	● Low		
			Long	● Low		

Nature-related pressures and dependencies

Company-level assessment

As a starting point to assess nature-related risks and dependencies, the activity-based data from ENCORE is used. The ENCORE tool, which is maintained and continuously improved by Global Canopy, UNEP FI and UNEP-WCMC (World Conservation Monitoring Centre), evaluates how the economy – across sectors, subsectors and production processes – depends on and impacts nature (pressures). ENCORE addresses 13 pressures, which are grouped into the following five biodiversity loss drivers: changes in land and sea use, direct resource exploitation, climate change, pollution and invasive species/other factors. In addition, it identifies nature dependency by indicating how industries rely on 25 different ecosystem services, with impacts and dependencies rated on a five-point materiality scale from very low to very high. ENCORE also maps upstream and downstream value chain links, identifying key first- and second-tier economic activities associated with biodiversity impacts and dependencies. ENCORE's biodiversity assessment takes an activity-based approach that only requires information about the industry/sector in which the company is active. LGT Capital Partners' analysis therefore includes both public equity and private markets.



Source: LGT Capital Partners

For the purposes of the analysis of our investment holdings exposure, only the direct activities link from ENCORE are used. We are looking to add the analysis for the value chain links over time. To focus on material direct activities links, only activities with a materiality rating of high and very high are included in the analysis.

Analysis findings

Liquid markets holdings exposure

Our analysis shows that biodiversity-related pressures and dependencies vary significantly across sectors. In the utilities and energy sectors, the majority of underlying activities exhibit potentially material pressures and dependencies on nature. The materials sector is similarly characterized by high levels of material pressures, while the real estate sector shows particularly strong material dependencies. In contrast, sectors such as communication services, financials and information technology generally exhibit very low material pressures and dependencies in their direct activities. These results are consistent with the priority sectors list of the TNFD.

Table 12: Material activities across industries (relative weight in %)

GICS sector	Material Pressures	Material Dependencies
Communication services	0.0	1.2
Consumer discretionary	12.0	12.0
Consumer staples	43.7	34.6
Energy	76.0	74.6
Financials	0.0	0.3
Health care	50.9	59.4
Industrials	28.8	28.8
Information technology	0.9	0.1
Materials	88.5	16.8
Real estate	4.5	82.0
Utilities	89.8	87.3

Based on a holdings-weighted view of the different industries, around 10% of our covered assets may have material pressures and dependencies on nature. The health care sector emerges as the most exposed, followed by consumer staples, industrials and utilities. Across the biodiversity loss drivers, the categories “Pollution” and “Involvement other” stand out. Under “Pollution”, emissions of non-GHG air pollutants are the main drivers. Under “Involvement other”, noise and light disturbances are the main drivers. For dependencies, regulating ecosystem services represent the most significant exposure, particularly water purification and water flow regulation services.

A closer look at the health care sector shows that the dominant source of material pressures is the activity “manufacture of medical and dental instruments and supplies”. This activity carries a high materiality rating for pollution as many of these products are designed as disposables, resulting in significant waste at the end of their short lifecycle. In addition, due to the chemical substances used in production, as well as waste generated during manufacturing, they can adversely affect natural environments, including the atmosphere. The health care sector also exhibits material dependencies on regulating ecosystem services, particularly water related services, as manufacturing processes rely on ecosystems to provide sufficient quantities of clean water for both production and cooling.[1]

Table 13: Material activities by industry in liquid markets (holdings weight in %)

GICS sector	Material pressures	Involvement other	Water/sea/land use change	Climate change	Resource exploitation	Pollution	Material dependencies	Regulating services	Provisioning services	Cultural services
Communication services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consumer discretionary	0.4	0.4	0.0	0.0	0.0	0.1	0.4	0.3	0.0	0.4
Consumer staples	1.2	0.9	0.0	0.0	0.0	0.3	1.0	1.0	0.9	0.3
Energy	0.4	0.4	0.2	0.2	0.0	0.2	0.4	0.4	0.0	0.0
Financials	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Health care	2.8	0.0	0.0	0.0	0.0	2.8	3.2	2.7	2.5	2.2
Industrials	1.3	1.2	0.1	0.3	0.1	0.3	1.0	0.3	0.0	0.8
Information technology	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Materials	1.3	1.1	0.2	0.0	0.2	1.0	0.2	0.2	0.2	0.0
Real estate	0.1	0.1	0.0	0.1	0.0	0.0	1.6	0.1	0.0	1.5
Utilities	1.0	0.9	1.0	1.0	0.0	0.9	1.0	1.0	0.9	0.0
Total	9.7	5.8	1.6	1.9	0.3	6.2	10.5	7.1	5.3	6.2

Source: LGT Capital Partners

[1] Description of the activities from ENCORE.

Private markets holdings exposure

The private markets assessment reveals similar sectoral patterns. The health care sector again shows the highest level of material dependencies, followed by industrials and consumer discretionary. As in liquid markets, regulating ecosystem services constitute the most relevant dependency category.

In terms of pressures, industrials, health care and materials exhibit the highest exposures. The biodiversity loss drivers with the most far-reaching impact are "Involvement other" (noise and light disturbances) and pollution, in line with the liquid market results.

Overall, the findings highlight sectors where biodiversity-related pressures and dependencies may be particularly significant. The health care and industrials sectors warrant close monitoring due to their consistently high exposure across both liquid and private markets. The results also indicate which biodiversity loss drivers and ecosystem services are most relevant for our invested companies specifically, pollution, noise and light disturbances and dependencies on regulating ecosystem services.

As this analysis is based on ENCORE's industry level, activity based approach, however, it does not capture company specific factors such as geographical location, proximity to sensitive ecosystems or the presence of mitigation measures. LGT Capital Partners acknowledges these limitations; future enhancements incorporating company specific data may lead to more differentiated insights.

Table 14: Material activities by industry in our overall privat markets exposure (holdings weight in %)

	Material pressures						Material dependencies			
GICS sector		Involvement other	Water/sea/land use change	Climate change	Resource exploitation	Pollution		Regulating services	Provisioning services	Cultural services
Communication services	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2
Consumer discretionary	0.7	0.2	0.0	0.0	0.0	0.5	2.0	0.4	0.1	1.9
Consumer staples	0.2	0.2	0.0	0.0	0.0	0.1	1.0	0.9	0.9	0.1
Energy	0.1	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.0
Financials	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Health care	1.9	0.0	0.0	0.0	0.0	1.8	6.4	6.0	3.9	5.1
Industrials	3.8	3.1	0.0	1.1	0.0	1.3	3.9	2.5	0.1	1.6
Information technology	0.3	0.0	0.0	0.0	0.0	0.3	0.4	0.1	0.0	0.4
Materials	1.2	0.9	0.0	0.2	0.0	1.0	0.7	0.6	0.6	0.1
Real estate	0.1	0.1	0.0	0.0	0.0	0.0	0.4	0.3	0.0	0.3
Utilities	0.4	0.3	0.3	0.3	0.0	0.3	0.3	0.3	0.3	0.0
Total	8.8	5.0	0.4	1.8	0.1	5.3	15.5	11.2	5.8	9.7

Source: LGT Capital Partners

Strategy

Sustainability in our own operations

As part of our ambition to continuously reduce our operational footprint, we systematically measure and monitor the environmental impacts of our own operations. This includes tracking key metrics, such as water and energy consumption as well as emissions from commuting and business travel. Topics related to corporate social responsibility (CSR) are managed by the COO Office and the CSR Sub-Committee. Our CSR framework structures these activities across four pillars: People, Community, Suppliers and Buildings. Our commitment to achieving net zero by 2050 underpins this approach and helps to strengthen the firm's climate resilience. In this context, the reduction of operational carbon emissions remains a key priority and an integral part of our broader sustainability ambitions.

Business travel is the main source of operational emissions at LGT Capital Partners. While travel remains essential for our business – enabling us to hold in-person meetings with clients, strengthen global collaboration and maintain our international presence – we strive to actively manage the resulting emissions footprint. To manage flight-related emissions, we launched an initiative involving the introduction of an internal sustainability tool in 2024. It was used throughout 2025 to increase transparency, raise awareness and support informed travel decisions. This initiative is not aimed at limiting necessary travel; instead, it seeks to provide better visibility regarding its environmental impact. The tool itself enables detailed monitoring and analysis of CO_2 emissions through an intuitive interface. It provides breakdowns by region and travel class, helping employees and management to better understand the key drivers of our footprint. To focus our efforts on the areas where they matter most, we introduced a Flight Ambassador program in 2025. Our data showed that 20% of our employees were responsible for around 80% of total flight emissions. Flight ambassadors receive regular updates on their travel-related emission pathways as well as practical suggestions to reduce their footprint where feasible. This enhanced visibility facilitates thoughtful decision-making and supports targeted measures to advance our sustainability efforts, while fully acknowledging that air travel remains an integral part of how we operate.

In 2025, we began work on the development of a sustainable procurement framework. While this process is still at an early stage, sustainability and energy efficiency are already key considerations for us when selecting office locations. This approach enhances our preparedness for the physical impacts of climate change and reduces our exposure to potential energy price volatility. In addition, our remote working policy, supported by continued investments in technology, enables the firm to respond effectively to potential climate-related disruptions. These measures strengthen our operational resilience and support a proven business continuity process, ensuring that critical activities can be maintained under adverse conditions.

We have been committed to responsible environmental and operational management for years and have already reached several important milestones in this area. Since 2022, for example, 100% of the electricity used at our Swiss headquarters has originated from renewable sources. In 2024, we transitioned to a district heating system that uses a centralized, renewably powered heating system to distribute heat to multiple buildings. This system utilizes various energy sources such as biomass, solar, geothermal energy and waste heat, further reducing our carbon footprint and supporting our ambition to use sustainable energy solutions. At the same time, most offices outside Switzerland use a hybrid power mix.

Since 2010, we have purchased carbon certificates equivalent to 100% of our operational emissions and we will continue to do so on an annual basis. We also regularly assess carbon markets to ensure the quality and integrity of the certificates we purchase.

When managing our own operations, we also consider potential impacts on biodiversity. Our efforts to reduce business travel and to optimize energy consumption and office use contribute to lower resource consumption and help to reduce pressure on ecosystems associated with transport, energy use and land use intensity.

When selecting office locations and suppliers, we increasingly take environmental considerations into account, including energy efficiency and the broader environmental footprint of buildings and services. These measures help to limit indirect biodiversity impacts linked to emissions, infrastructure use and resource demand.

While our operational biodiversity footprint is very limited (see the "Operational locations screening" section below for further information), we recognize the importance of integrating biodiversity considerations into operational decision-making over time and we view this as a complementary element of our broader climate and sustainability approach. We also considered biodiversity aspects in the planning and construction of our new headquarters. While green roofing would have supported urban biodiversity, we prioritized the installation of solar panels to maximize onsite renewable energy generation and to reduce the overall environmental impact.

Operational locations screening

Office locations were screened using WWF's Biodiversity Risk Filter, a science-based spatial screening tool developed to help companies and financial institutions to identify potential exposures to biodiversity-related risks at specific locations. The tool draws on globally recognized datasets, such as protected and conserved areas, Key Biodiversity Areas (KBAs) and indicators of ecosystem health. It is explicitly referenced by the TNFD as a recommended resource.

This high-level assessment shows that our office locations are situated in urban areas and are not located within biodiversity-sensitive or protected areas. No indications of proximity to protected areas or Key Biodiversity Areas were identified for our largest office locations, including Pfäffikon (Switzerland), London, Dublin, New York, Vaduz and Hong Kong. This suggests that our direct operational footprint is not exposed to material biodiversity-sensitive locations at site level.

Procurement

LGT Capital Partners also expects its suppliers to operate sustainably. Whenever possible, we aim to purchase sustainably produced goods and services. As part of these efforts, we have implemented a Supplier Code of Conduct, which is an integral part of every supplier contract. We monitor our suppliers' compliance with these principles. If we detect any violations, our initial step would be to engage with the supplier concerned. If the issue cannot be resolved, we may opt to end the supplier relationship. The Supplier Code of Conduct strengthens compliance along the entire value chain.

Additionally, for our key suppliers that are private companies, we distribute an ESG questionnaire on an annual basis to gather information about their ESG practices. In 2024, the survey revealed that 21 out of 28 suppliers have an ESG policy or program in place, with some dating back to 2013. For our suppliers that are listed companies, we utilize our internal LGT CP ESG Cockpit to monitor and assess their ESG performance.

As part of a new strategic initiative launched in 2025, we commenced a detailed assessment of selected sourcing categories to enhance transparency regarding the environmental and social footprint of our existing product portfolio. We began with two categories where we identified significant potential to improve both visibility and sustainability impact within the procurement lifecycle: our global workplace hardware configuration and the tenant fit out of our new offices.

For each category, we conducted a structured selection process and appointed a specialized sustainability consultancy with proven expertise across the full value chain, including lifecycle assessment and benchmarking. This partnership is designed to support us in establishing robust sustainability standards and to inform future sourcing decisions.

The collaboration, initiated in 2025, will continue throughout 2026 as we work to integrate these insights into our global procurement practices and advance our broader ESG objectives.

These combined initiatives have enabled us to engage more effectively with our suppliers on ESG topics, fostering a collaborative approach to sustainability.

Swiss Climate Foundation

As a member of the Swiss Climate Foundation, LGT Capital Partners has elected to donate its federal CO_2 levy to the organization, which supports small- and medium-sized companies that develop innovative climate related projects with a significant impact in the area of climate protection. We contribute to the Foundation's activities by overseeing the selection of projects to receive funding from the Swiss Climate Foundation, among other measures. The Foundation is a voluntary initiative by business for business. Through corporate partnerships, it can award between CHF 1 million and CHF 3 million of funding each year. Its purpose is to promote climate protection and strengthen Switzerland and Liechtenstein as business locations. Currently, 32 Liechtenstein and Swiss companies from the financial, insurance and service sectors are partners of the Swiss Climate Foundation. In 2024, the Swiss Climate Foundation provided total funding of CHF 2.2 million to 16 innovative climate projects, thus supporting solutions in renewable energy, sustainable construction and industrial electrification. Notable projects include a compact wind turbine by VentoStream, a geothermal drilling robot by Borobotics and lightweight autonomous mowers by HILLBOT to reduce soil erosion. These initiatives reflect the Foundation's commitment to advancing climate-friendly technologies and supporting small- and medium-sized companies in Switzerland and Liechtenstein.

ESG training

ESG training supports the integration of sustainability into our corporate culture and equips employees with the knowledge required to manage ESG-related risks and regulatory requirements. Building on our long-standing experience with targeted training for specific teams, we launched a firm-wide ESG education program in 2021 to provide in-house ESG learning sessions for all employees at LGT Capital Partners. The program is complemented by dedicated onboarding sessions for new joiners, including investment professionals.

In late 2024, we launched a new ESG education series comprising voluntary quarterly information sessions on a broad range of ESG-related topics. In 2025, these sessions focused on selected climate- and nature-related themes, including sustainable resource and energy management, the environmental impacts of current consumption patterns, waste and circularity through nutrient recovery and alternative power scenarios such as nuclear fusion and next-generation nuclear technologies.

Employees are also encouraged to undertake external training and gain ESG-related qualifications, such as the CFA Institute's Certificate in Sustainable Investing or the CFA Institute's Certificate in Climate Risk, Valuation and Investing.

In 2023, we partnered with the Principles for Responsible Investment (PRI) Academy, a global leader in ESG education, to launch "Understanding ESG" – a fi rm-wide mandatory training program for all employees that is designed to help them keep abreast of the latest developments in the ESG space. Over 850 employees have since completed the training program, which is also mandatory for our new employees. The course covers topics such as the materiality of ESG issues and presents a systematic approach to incorporating ESG factors into investment decisions and active ownership. The environmental component of the training addresses topics such as ecosystems and environmental issues, externalities and their impacts. Several case studies are included to enhance the learning experience.

Risk management

Risk management
Investment integration

Identification, assessment and management of ESG-related risks

At LGT Capital Partners, we invest across a range of asset classes, with a primary focus on private markets. Our investment activities span, but are not limited to private equity, private credit, private infrastructure, hedge funds, emerging markets debt, equities and insurance-linked strategies. As sustainability-related risks differ by asset class, we tailor our approach accordingly. Investments are made either directly or in partnership with selected third-party managers, resulting in varying levels of transparency and access to underlying exposures. Consequently, differentiated methods are used to apply our sustainability criteria.

At LGT Capital Partners, we believe that a rigorous approach to risk management is essential to deliver high-quality asset management services. ESG, including climate-, nature- and human-rights-related risks, is managed in accordance with the same Three Lines of Defense model that we apply to all other risks to ensure effective risk oversight across client portfolios.

First line of defense
This comprises the business functions and line managers across the firm, who are the main risk owners. Portfolio managers and research analysts assess ESG risks alongside other relevant economic factors when evaluating potential investments. Moreover, LGT Capital Partners has developed a framework to track exposures to carbon-intensive assets, helping us to identify and manage potential climate-related risks.

As an example, for our direct liquid market portfolios, the portfolio manager verifies each day that the portfolio is invested in accordance with the defined strategy, complies with the prescribed bandwidth limits and is not in violation of any investment restrictions. This check is conducted ex-post and ex-ante. All portfolio managers must comply with the firm's internal investment guidelines, the portfolio management directive and individual client restrictions. For our sustainable equity strategies, this includes, for example, the continuous monitoring of emissions, energy, water and waste footprints against predetermined benchmark values.

Second line of defense
This comprises the Risk Management and Compliance functions. We consider human rights, climate- and nature-related risks in the broader context of sustainability risks, which are defined as ESG-related events or conditions that could have a material negative impact on a financial product or service. These effects include a reduction in the value of an investment or impacting a company's assets, financial situation, profitability or reputation. By conducting regular reviews with portfolio managers, the independent Risk Management function ensures that relevant risks, including ESG risks, are integrated into investment decisions. The Risk Management function also ensures that investment portfolios comply with any obligations related to climate risk outlined in investment process documents and in the policies shared with investors and it compiles comprehensive monthly risk reports, which are presented to and reviewed by the Executive Committee. Our team of risk managers collaborates with various working groups across the investment platform –including the Climate Action & Biodiversity Committee and the dedicated ESG & Impact team – to enhance the firm's sustainability toolkit by providing insights on firm-wide data, modeling, methodologies and analytics.

Third line of defense
This comprises the Internal Audit function, which performs an assurance role. Its mandate is to independently evaluate the adequacy and effectiveness of the firm's internal control environment with the aim of enhancing risk management, control and governance processes. Risk management is an integral part of our investment process at LGT Capital Partners and sustainability risks represent an important dimension of our holistic risk management philosophy. When integrating sustainability- risks, we follow two approaches: first, we monitor compliance with restrictions defined by regulators, clients or other external and internal rules and guidelines on an ex-post basis. Second, we support and challenge our investment teams when performing their work by modeling and testing risks in the portfolios and all underlying exposures on an ex-ante basis. Both approaches integrate sustainability-related risks.

Pre-investment validation of ESG restrictions and guidelines
For investment products managed in our portfolio management and investment- compliance system, Risk Control integrates investment guidelines (regulatory, contractual, internal and ESG-related requirements) into the system wherever feasible. These guidelines function as pre-trade checks, allowing portfolio managers to verify compliance before executing a transaction.

When an order is entered in the system, the responsible portfolio manager initiates the pre-deal check and reviews the feedback generated by the system. If the system identifies a potential breach, a two-person review is automatically initiated, ensuring an additional layer of oversight before the trade is executed.

This process enables the early detection of potential breaches of investment guidelines and sustainability-related risks and supports proactive alignment with climate considerations prior to trade execution, thus ensuring that ESG criteria are integrated into investment decision-making.

Post-investment validation of ESG restrictions and guidelines
The Risk Management function checks compliance with all applicable investment guidelines daily or on each valuation day. If the monitoring of investment guidelines has been delegated to an external administrator, Risk Control relies on the external administrator's reports and clarifies any breaches with the responsible portfolio manager. This includes checking compliance with exclusion lists and ensuring the correct adoption and implementation of rules, guidelines and restrictions to meet certain ESG standards (e.g. SFDR requirements or the internal criteria set out to meet the NZE scenarios). Where specific benchmarks or further Key Performance Indicators (KPIs) and criteria have been agreed, Risk Management also ensures adherence to those standards.

Where guidelines cannot be automated, risk-based manual controls are defined and typically executed on a quarterly basis. In the case of third-party managers, Risk Management reviews and tests the managers' ratings resulting from the annual ESG monitoring and, where possible, performs bottom-portfolio ratings based on the information available.

Private markets – manager rating process
Private markets play an important role in ESG and climate-related investments, as businesses held in private ownership account for a substantial portion of climate solutions but also generate significant environmental impacts (e.g. emissions). These markets also have a concentration of material ESG risks, including climate- and nature-related risks, that require distinct analytical approaches across private equity, private credit, private debt, real estate and infrastructure strategies.

At LGT Capital Partners, we therefore assess a manager's overall ESG approach before investing, with particular attention to how they identify, manage and monitor climate-related risks alongside broader sustainability considerations. Post-investment, we continue this assessment through our annual private markets ESG manager rating process, which evaluates the robustness of ESG integration across all relevant risk dimensions. Since 2025, the questionnaire has also included dedicated questions on how managers address biodiversity-related risks and dependencies, ensuring that nature considerations are embedded systematically.

- Policy inclusion: we consider whether the manager has a policy to address ESG topics, including climate change, biodiversity and human rights and how comprehensive it is.
- Risk assessment: we evaluate the private equity manager's processes to identify and manage material ESG risks and opportunities during the due diligence process, including those related to climate change and biodiversity.
- Monitoring: we assess the manager's process to monitor how effectively portfolio companies are managing ESG factors, including GHG emissions, strategies for reducing the carbon footprint of portfolio companies and climate-related targets.
- Reporting on climate change to investors: for investors that require reporting based on climate change metrics, we are able to measure the carbon footprint of portfolios using reported data from underlying portfolio companies as well as proxies.

We use different versions of the manager ESG questionnaire for different private markets segments (private credit, real estate and infrastructure). Each questionnaire follows a similar structure to the one described above for private equity and is aligned with the PRI ESG due diligence questionnaires.

Additionally, direct private equity investments are subject to a structured ESG screening early in the investment process to identify material sustainability risks and opportunities. The assessment is based on a standardized ESG matrix covering the company's business model, products and services and a sector-specific materiality review using Sustainability Accounting Standards Board (SASB) materiality maps. As a member of the EDCI, we also use the respective standard data template to source various ESG metrics from our underlying portfolio companies and, specifically, assess the carbon footprint of individual companies during the ESG screening process, using public market comparables as a proxy where no reported data is available. Such analysis provides useful insights into the types of environmental risks the company may be exposed to. This enables us to provide more detailed insights into our private market portfolios, including their GHG emissions.

Quantitative assessments of climate risks

Risk Management and the Quantitative Research team continuously monitor the robustness of LGT Capital Partners' key multi-asset portfolios and analyze the impacts of various risk factors in stress scenarios. A specific risk scenario has been developed to model and thus gain a better understanding of, the effects of climate change on the various asset classes, providing a better basis for asset allocation decisions.

For more information see the chapter on the Details of climate stress scenario.

LGT CP ESG Cockpit – monitoring adherence to ESG criteria

For direct investments, or wherever sufficient information is available, LGT Capital Partners uses its proprietary analysis tool, the LGT CP ESG Cockpit, to evaluate various ESG (including human rights, climate- and nature-related) metrics for our portfolios. The LGT CP ESG Cockpit is the data engine that drives our sustainability process and it includes ESG metrics, SDG alignment, climate data and controversial news coverage. The tool was developed internally and has been continuously enhanced over the past decade. It draws on data from a variety of well-established information providers, including LSEG, MSCI, ISS ESG, RepRisk, S&P CapitalIQ and InRate.

RepRisk – risk assessment across asset classes

RepRisk is a data provider that we use to systematically identify and assess material ESG risks, including human rights, climate-and nature-related risks. The tool applies an outside-in approach, analyzing information from public sources and stakeholders while intentionally excluding any company self-disclosures. RepRisk screens over 150,000 public sources and stakeholders in 30 languages daily to identify ESG risk incidents linked to companies worldwide. This independent perspective, combined with our rule-based controversy assessment provides an additional layer of risk analysis across both investment decision making and ongoing portfolio monitoring.

In 2025, a total of 705 incidents classified as 'severe' or 'very severe' were identified for private market companies. Of these, 150 incidents relating to 86 companies were assessed as relevant and discussed with the respective investment teams. In the course of the year, 26 incidents involving 17 companies were considered material and triggered direct engagement with the responsible GPs due to their materiality.

Within the incidents, we monitor environment-related news flows, covering six sub-categories: biodiversity impacts, local pollution, climate change, water issues, overuse and wasting of resources and animal mistreatment. In 2025, our private markets exposure recorded 10 "very severe" and 87 "severe" incidents across these areas.

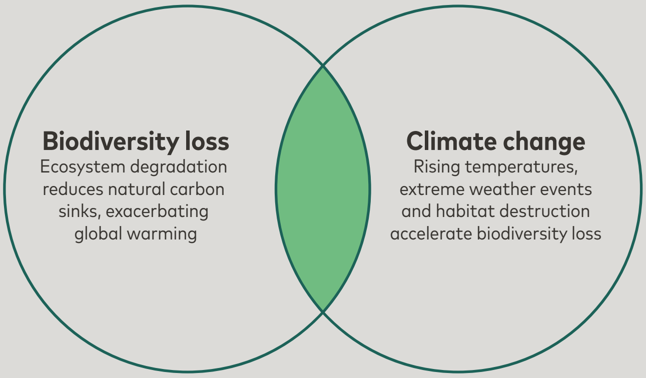
Figure 21: Incidents flagged in 2025
Source: LGT Capital Partners

One example concerns ESG incidents linked to local pollution, GHG emissions, human rights and labor conditions at a Chinese consumer discretionary company, including risks related to its supply chain practices. After these issues were flagged as a "very severe" controversy, we engaged on multiple occasions with the relevant GPs through which we hold the exposure, as well as directly with the company itself, to seek clarification, encourage transparency and understand potential mitigation measures. Because liquidity in private market strategies is limited, divestment is often not feasible without significant financial consequences. As a result, constructive engagement is typically the most effective stewardship tool available, even though such engagement may not always lead to immediate change.

Risk management
Private debt example

In the area of private debt, ESG risks and opportunities are assessed and integrated at every stage of the investment process, from asset selection to the ongoing monitoring and reporting of risks at both the individual asset and fund levels. The LGT Private Debt team systematically evaluates ESG risks and opportunities for new investments, with a particular focus on addressing climate and biodiversity-related risks and their implications for businesses.

Climate change and biodiversity loss are interconnected risks that can have significant financial and operational implications for investors. Climate change accelerates biodiversity loss through rising temperatures, extreme weather events and habitat destruction, while the degradation of ecosystems, in turn, reduces natural carbon sinks, exacerbating global warming.



With regard to climate change, we employ a framework that is aligned with TCFD recommendations to facilitate the assessment of a company's resilience to climate-related physical risks and transition risks. The assessment draws on quantitative and qualitative information from dedicated data providers, due diligence materials and discussions with management teams and equity sponsors. Based on the data collected, we prepare an assessment of the materiality of each climate-related risk using the matrix presented on the next page.

Recognizing these interdependencies, we integrate biodiversity considerations into our risk management framework and, in addition to our climate-focused due diligence, we integrate biodiversity risks into our investment process. For each prospective investment, we examine the company's direct and indirect activities and rate the materiality of its biodiversity profile and associated risks and opportunities. We incorporate the industry metric MSA.km2 by estimating it at company level and, alongside qualitative analysis, we score the company based on its (i) dependency on ecosystem services, (ii) impact on biodiversity, (iii) proximity to or impact on areas of interest for biodiversity and (iv) potential to threaten species.

The assessments are supported by the third-party climate and biodiversity data providers

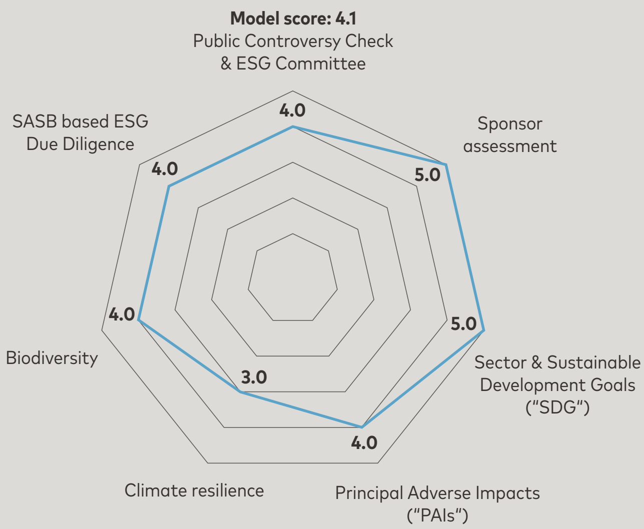
- RepRisk: ESG-related reputational risk over a five-year historic period (database screening and alerts).
- Altitude (Axa Climate): TNFD-aligned platform used to generate predicted climate and biodiversity footprints and profiles using location and activity-based inputs.

Figure 22: Seven ESG factor assessment

ESG ratings and periodic risk assessment update	Deal example
Each of our investments is rated based on ESG criteria at entry and then rated annually based on seven different ESG and sustainability factors, which are assessed using a combination of proprietary tools and commonly used industry frameworks. These seven factors are rated on a scale of 0 (worst) to 5 (best) and are defined below.	Manufacturer of agri-input solutions that support crop protection and nutrition, with locations across Europe, Latin America, and the US.
1. Materiality assessment We carry out a review of the various ESG factors that are defined as material for the industry in question by the SASB.	No major risks identified across material areas of GHG emissions, air quality, water management, waste management, and other regulatory areas.
2. ESG controversy check We consider any controversial ESG issues identified using our risk monitoring solution via the RepRisk platform.	No incidents reported via RepRisk (score: "A")
3. Sponsor rating We use internally generated sponsor ratings. If no ESG rating is produced internally for the sponsor, we carry out a qualitative assessment of the manager's ESG practices based on publicly available information and our own due diligence on the manager.	Sponsor rated with the top score in LGT Capital Partners' ESG assessment database, and has SFDR Article 9 and B-Corp[1] status.
4. SDG impact assessment Using the company's industry or sector as a proxy, we determine whether the company is likely to have any positive or negative impacts on or alignment with the SDGs.	Positive impacts on SDG 12[2] and 13[3], and direct contribution to Targets 12.4 (reduce chemical release into soil) and 13.1 (strengthen adaptive capacity to climate-related hazards).
5. Principle Adverse Impacts (PAIs) Confirm whether investee companies negatively impact the PAIs to ensure we consider all ESG-related risks at asset level.	Alignment with all mandatory indicators.
6. Climate resilience We systematically consider risks related to climate change based on a TCFD-aligned framework, leveraging Altitude by Axa[4].	Risks are mostly physical and mainly related to the impact of weather on the end users' behavior as well as raw material volatility and GHG emissions.
7. Biodiversity risk profile We systematically assess biodiversity impacts and dependencies, as well as the associated risks and opportunities based on a TNFD-aligned framework leveraging Altitude by Axa.	Risks mainly focused on the company's dependency on microbes and organic matter as raw materials.

Source: LGT Capital Partners

Figure 23: Illustrative scoring diagram for a manufacturer of agri-input solutions.



Source: LGT Capital Partners

[1] Certified B Corporations are companies verified by B Lab to meet high standards of social and environmental performance, transparency, and accountability.
[2] SDG 12 Responsible Consumption and Production
[3] SDG 13 Climate Action
[4] In 2026, Altitude will also incorporate hailstorms, avalanches, clay shrink–swell and volcanic eruptions as potential climate risks. As a result, we plan to broaden the risk-assessment scope to include these four additional physical climate risks to be monitored at asset and fund level.

Beyond climate and biodiversity risks
In addition to assigning ESG ratings, our latest initiative in terms of ESG risk management is the formalization of an ESG risk monitoring template covering not only climate and biodiversity risks but also social and governance-related risks. Each risk dimension is rated from 0 (worst) to 5 (best).

Engagement process and sustainability-linked loans
LGT Private Debt acts as a direct private debt investor and therefore has limited decision-making power in terms of the implementation of strategic ESG and impact action plans at investee level. However, we have developed an engagement strategy based on positive influence that encompasses various stakeholders.

During the investment phase, the investment team systematically assesses the inclusion of ESG and carbon-footprint reporting requirements in loan documentation and actively collaborates with sponsors on the structuring of sustainability-linked loans (SLLs). These instruments are designed to incentivize borrowers and majority shareholders to achieve clearly defined ESG and impact-related objectives through measurable and verifiable KPIs.

The KPIs are tailored to each borrower and selected to be relevant, ambitious and measurable. They are verified by an independent third-party specialist and may cover a range of environmental, social and governance topics.

On the environmental and biodiversity front, KPIs often include objectives related to carbon emissions reduction, resource efficiency, or sustainable sourcing. On the social dimension, KPIs may focus on initiatives such as health and safety training, workforce well-being, or diversity, equity and inclusion (DEI) programs.

Risk matrix for selected funds (anonymized)
Based on our latest analysis of ESG-related risk exposure, which was presented to the Risk Management Committee, we concluded that our overall portfolio continues to exhibit limited ESG risks. Some of our more recent fund offerings are still in portfolio construction phase, which results in a risk concentration effect on these funds. However, when viewed at the aggregated portfolio level, overall risk remains limited. Nonetheless, we have decided to: i) closely monitor our exposure to the risks of flooding, landslides, storms and pollution; ii) actively engage with portfolio companies that are particularly exposed to these risks; and iii) support such portfolio companies in mitigating these ESG risks.

The risk matrix below reflects only those risks that have been assessed as material. Accordingly, all percentages shown, refer exclusively to risks deemed material. The analysis is based on 25 portfolio companies out of 35 portfolio companies, representing 62% of total invested capital.

Table 15: Material risk drivers in private debt funds in %

	Climate physical risks (acute)				Environmental risks (pollution)
Fund	**Flood**	**Landslide**	**Storms**	**Drought**	**Pollution (air, water and soil)**
Fund 1	9.93	7.26	4.251	1.89	2.49
Fund 2		14.76		11.27	
Fund 3		25.88		15.88	
Fund 4	10.86	6.06	4.93	2.19	2.73
Fund 5	9.63	6.89	4.37	1.83	2.42

Private debt – climate resilience framework
In our assessment of climate resilience within private debt, we focus on the evaluation of physical risks that may affect operations and supply chains. For instance, we consider scenarios where a company relies heavily on a single centralized facility or a complex single-stream supply chain. In such cases, the LGT Private Debt team conducts a detailed review of the company's exposure to climate-related events and assesses its back-up and recovery processes. Each issue identified receives a materiality score ranging from 0 to 2, where 0 indicates no anticipated risk, 1 signals a possible risk with moderate materiality and 2 indicates high risks with high materiality. These scores are aggregated to provide an overall assessment of physical risk (see below).

Transition risks relate to broader changes in the business environment resulting from the transition to a low-carbon economy. Factors such as regulatory developments, evolving stakeholder expectations and shifting end-user preferences increasingly influence the materiality of these considerations.

As part of our ongoing monitoring and reporting process, our investment teams conduct annual reassessments of each investee company once they have completed the annual ESG survey that we distribute to all portfolio companies. If necessary, the analysis is updated to include revisions to our scoring, allowing us to evaluate both individual profiles and performance across the portfolio. If any issues are identified, we engage promptly with the management team and/or the majority shareholder of the investee company.

Climate resilience analysis (example within the distribution industry)[1]

Physical risks assessment framework

Item	Potential impact examples	Materiality score[1]
1. Operations	Facility integrity and production capacity, single location implications	1
2. Supply chain	Raw materials volatility and availability, transportation, access to energy	2
3. Workforce	Health, safety and absenteeism, availability of qualified staff in case of relocation	0
4. End-user environment	End-user behavior changes or reallocation of spending, impacts on distribution	0
5. GHG emissions location implications	Direct emissions, energy consumed, induced emissions	1
Total		4

Includes considerations relating to operations and supply chain

Scrutinizing a company's exposure to climate change-related events as well as back-up and recovery processes

Transition risks assessment framework

Item	Potential impact examples	Materiality score[1]
1. New tech offerings	Substitution with new tech offerings	0
2. End-market	Shifting end-user preferences	1
3. Supply chain	Political responses, transportation changes	1
4. Regulatory	GHG emissions pricing and compliance	1
5. Reputation	Negative stakeholder perception	0
Total		3

Indirect changes in the business environment due to the transition to a low-carbon economy

Rejected an investment in an industrial company relying on lax local regulations not assumed to be sustainable

Source: LGT Capital Partners

[1] Scoring methodology: materiality score on a scale of 0 to 2, where 0 indicates no anticipated risk, 1 signals a possible risk with moderate materiality and 2 indicates high risks with high materiality. Scoring scope: the scoring considered here is an example based on a company within the distribution industry.

Risk management
Active ownership

Manager rating – engaging with external managers

Engaging with our managers on ESG issues is a strategic priority. We want to increase their awareness of various ESG topics and to emphasize the importance of those topics for LGT Capital Partners as an investor. Our engagement work with external managers is divided into two parts: first, it comprises an annual ESG assessment, including an ESG questionnaire. The second part consists of our ongoing dialogue with managers around ESG aspects. The annual ESG assessment helps us to identify examples of ESG excellence and to flag areas for improvement. The questionnaires that we send to our managers are aligned in terms of the topics covered but feature different questions, depending on the asset class. Based on their responses to the questionnaire, the managers are rated on a scale of 1 to 4 (with 1 representing the highest score). By asking these questions, we strive to highlight ESG topics and to thus help drive progress in ESG integration.

Climate change is one focus area in all our manager rating. For example, we ask GPs if they assess and measure climate-related risks and opportunities. The findings from the last four surveys revealed a positive year on year trend across our private equity managers (see below). The annual ESG assessment also contains questions on TCFD adaptation and the monitoring of GHG emissions of portfolio companies that show similar positive trends. The proportion of GPs monitoring GHG emissions of portfolio companies increased to 75% in 2025 compared to 56% in 2024 and only 28% five years ago. The share of GPs implementing a strategy to reduce the footprint of their portfolio companies increased steadily, from 32% in 2023 to an additional 10 percentage points in 2024, reaching nearly 50% in 2025.

Figure 24: Proportion of GPs monitoring GHG emissions in %

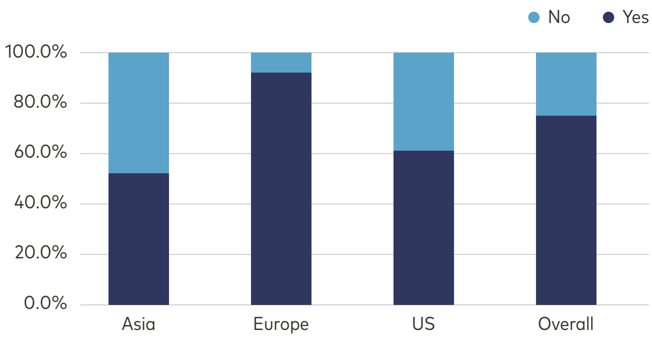
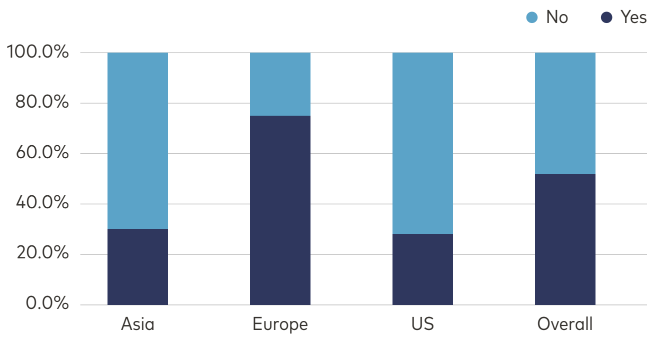
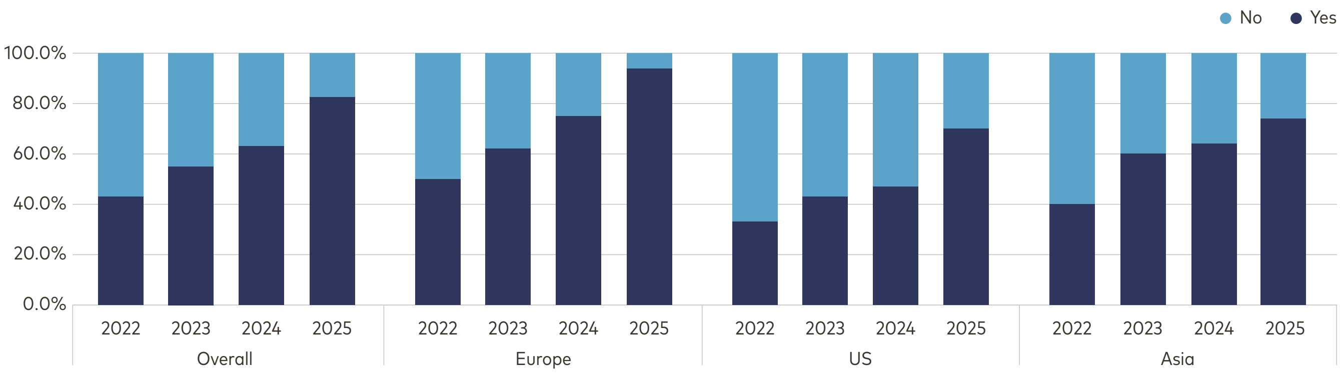


Figure 25: Proportion of GPs implementing carbon reduction plans for portfolio companies in %



Source: LGT Capital Partners, data for 2025 obtained from manager questionnaire in Q1/Q2 2025

Figure 26: Proportion of managers that assess and measure climate change-related risks and opportunities in %



Source: LGT Capital Partners, data for 2025 obtained from manager questionnaire in Q1/Q2 2025

Since 2025, biodiversity has been included in the annual questionnaire for both public and private market manager ratings.

While only a quarter of liquid market managers address biodiversity in their ESG policies, around 40% assess and measure biodiversity-related risks and opportunities on a standardized or at least ad hoc basis. Regional differences are observable. However, comparisons with outside Europe and the US are of limited relevance, as these regions are represented by only two managers. Notably, US managers appear more advanced than their European peers in assessing biodiversity-related risks and opportunities.

In private markets, the picture differs somewhat. More than half of GPs (56%) assess biodiversity-related risks and opportunities at least on an ad hoc basis. Europe leads, with 66% of GPs reporting related efforts, followed closely by Asia at 61%, while US GPs lag behind at 39%.

In addition to the annual questionnaire, we maintain an ongoing dialogue with our managers. Here, climate is a topic that is often discussed – e.g. with regard to setting carbon budgets that are aligned with net zero, assessing where portfolios currently stand and collaborating on how emissions can be reduced. One of our focus areas within climate action is to obtain more company-reported GHG data for our private equity portfolios. As mentioned earlier, LGT Capital Partners is a member of the EDCI and we use this initiative to encourage our GPs to report according to the prescribed standards. See the dedicated EDCI section for further information.

Sharing best practices

An important aspect of our engagement approach is the sharing of best practices that we observe among our external managers. For this purpose, we have developed two dedicated publications highlighting market-leading practices that should inspire other managers who are at an earlier stage of their ESG and climate action journey. Similarly, we include good practice examples in our annual firm-wide ESG Report.

Our LGT Capital Partner ESG Report 2024 highlights Resolution Capital, a specialist global listed real estate manager whose investment strategy focuses on high-quality, long-term real asset businesses. Given the energy-intensive nature of real estate and increasing tenant and regulatory expectations, energy efficiency and building sustainability standards are central to the resilience and valuation of portfolio companies. The manager integrates ESG analysis into fundamental research and engages proactively with companies to improve energy performance, green building certifications and climate-related disclosures. Engagement topics typically include decarbonization pathways, capital expenditure alignment with energy efficiency upgrades and transparency around transition planning. This approach reflects the growing client demand for sustainable real estate exposure and recognizes that energy-efficient assets are better positioned to maintain occupancy, pricing power and long-term asset value.

Figure 27: Proportion of GPs that assess and measure biodiversity-related risks and opportunities in private markets in %

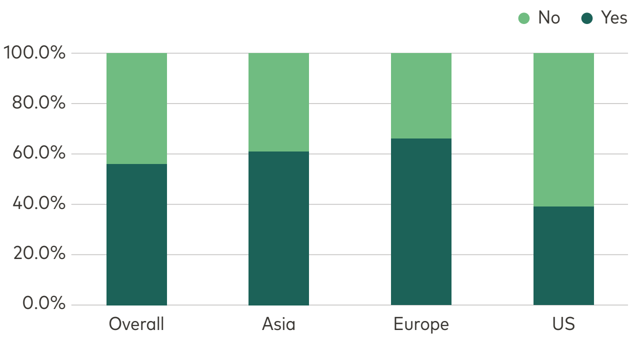
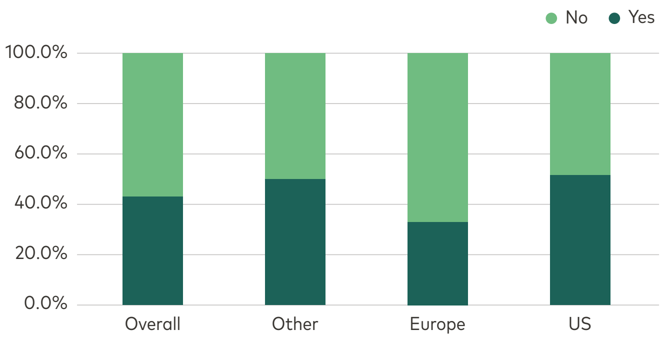


Figure 28: Proportion of liquid market managers that assess and measure biodiversity-related risks and opportunities



Source: LGT Capital Partners, data for 2025 obtained from manager questionnaire in Q1/Q2 2025

Direct investment in liquid markets

Active ownership is part of our holistic investment framework for direct investments in liquid markets. Our engagement work in this area is divided into five activities:

Proactive engagements
These activities have an objective-oriented focus, i.e. we seek to drive positive change and to achieve outcomes that are measurable and traceable. Research-related engagements represent an opportunity for us to gain further insights into companies' ESG practices and aspirations and to identify any gaps.

Reactive engagements to controversies
These activities can be conducted effectively through the systematic monitoring of news flow on investee companies by RepRisk.

Investor collaboration
These activities are pursued if we believe there is a higher probability of achieving a positive result through collective efforts.

Exercising of voting rights
These activities are conducted in line with our sustainable investment objectives and principles governing our equity investments.

Promotion of green and social financing
These measures focusing on the private as well as the public sector are an important part of our engagement efforts in the area of fixed income.

LGT Capital Partners has designated climate action as a thematic engagement priority over a five-year period, structured around three sub-pillars: net zero by 2050, circular economy and responsible value chain. Under the "Net zero by 2050" sub-pillar, our engagement actions focus on encouraging investee companies to align their goals with the aim to limit global warming to below 1.5°C, define Science Based Targets as well as credible transition plans and enhance transparency across the value chain. Our overarching objective is for investee companies to reduce GHG emissions in a responsible, trackable and transparent manner in line with net-zero ambitions.

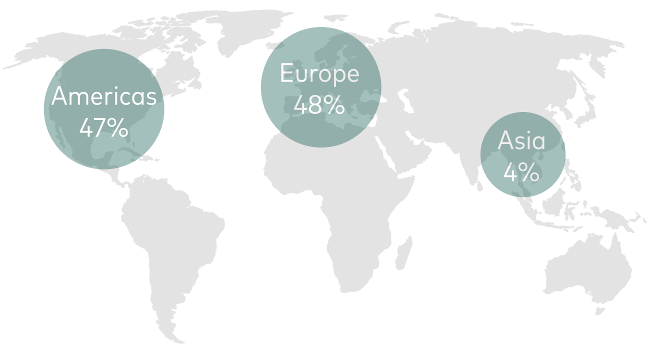
We track, assess and review the effectiveness of our active ownership activities through our proprietary engagement tool, the LGT CP ESG Cockpit, which records engagement topics, milestones, outcomes and any escalation steps, including proxy voting. Engagement selection adopts a top-down approach and companies are prioritized based on ESG performance, controversies and materiality, including relevant ESG metrics and Principal Adverse Impact indicators.

For further details, please see our latest annual Active Ownership Report here and our Active Ownership Guideline here. We also aim to provide transparency on our voting activities and we publish an annual report as well as monthly reports with our voting instructions and rationale for all voting items. A complete list of all proxy voting in 2025 is available on our website here.

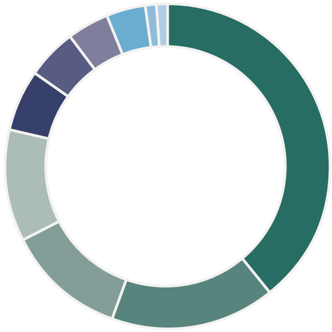
Liquid market engagements in 2025

In 2025, we conducted 99 overall liquid markets engagements, of which 59 of resulted in an established dialogue. The environmental-related engagement activities focused primarily on climate action, which represented the largest share of engagements (12.7%), reflecting continued emphasis on GHG emissions and transition readiness. Engagements also covered biodiversity (3.7%), water risks, sustainability disclosure, and selected social topics.

Geographical split[1]



Sector



Sustainable Development Goals (SDGs) split[2]

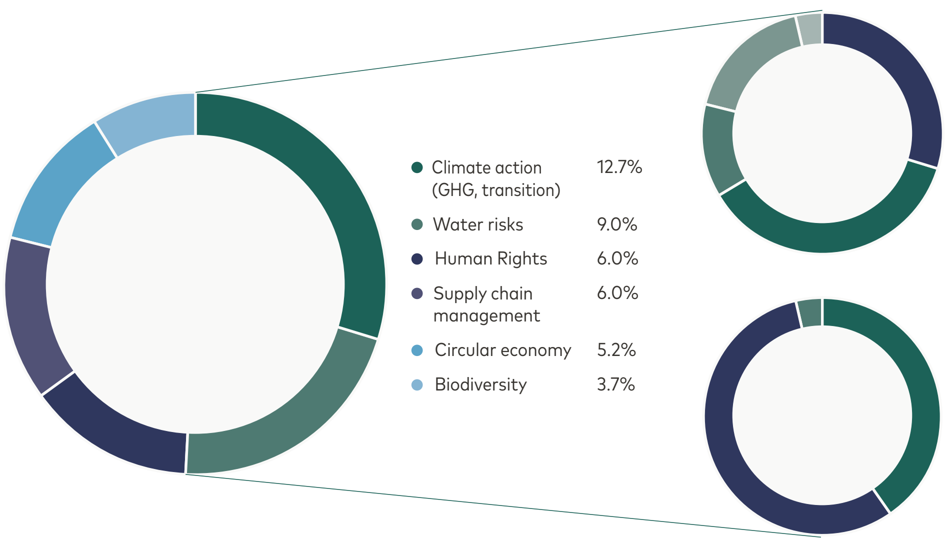
22.5% of engagements were linked to SDG 6, SDG 7 SDG 7, SDG 13, SDG 14 and SDG 15

6	"Clean water and sanitation"	4.6%
7	"Affordable And Clean Energy"	1.7%
13	"Climate action"	9.8%
14	"Life below water"	2.9%
15	"Life on land"	3.5%

Top-five engagement topics in 2025[2]

Climate action (GHG, transition)	12.7%
Leadership and business ethics	11.2%
Data security and privacy	10.5%
Sustainability disclosure	9.7%
Water risks	9.0%

Climate action and sub-themes breakdown[3]



[1] Engaged with 39 companies in 13 countries (data based on location of company headquarters).
[2] Percentages refer to the overall engagement activities including those that are not dedicated to climate action.
[3] Engagements can address more than one sub-theme.
Source: LGT Capital Partners. Data from 1 January 2025 to 31 December 2025.

Example of a direct engagement – Ormat Technology

Ormat Technology – Renewable energy company

Engagement type: Individual, objective oriented

Method of engagement: Direct engagement with company representatives since 2023. The most recent engagement took place in October 2025 and involved the Sustainability Management and ESG Planning & Reporting teams.

Issue
Intensive water usage and biodiversity impacts associated with geothermal energy production.

Action
Ormat reported that in line with external advice, it now distinguishes between water discharge (19.86 million m^3, down 4% year on year) and effective water consumption 10.86 million m^3, down 45% year on year). This enhanced disclosure was enabled by the installation of additional metering systems. Ormat aims to achieve 100% well monitoring within the next 12–18 months, further improving measurement accuracy. Additionally, the company disclosed that 64% of its cooling currently relies on air cooling, a figure that is expected to increase as all new U.S.-based projects transition to air cooling.

Next steps
Based on the measures implemented, we expect to see a continuing decline in water intensity. However, Ormat has yet to establish clear short- and medium-term targets. We have urged the company to formalize its water intensity reduction ambitions and to ensure regular and consistent reporting. We will closely monitor progress against these commitments.

Investor collaboration – Nature Action 100 example

In recent years, LGT CP has strengthened its participation in collaborative engagement initiatives, as illustrated with our involvement in Nature Action 100 (NA100) below.

Danone – Global food and beverage company

Engagement type: Objective-oriented (NA100 collaborative engagement; lead investor role)

Method of engagement: Two structured investor calls (February and July 2025) discussing the outcome of the benchmark-based assessment.

Issue
Alignment with NA100 benchmark expectations and strengthening of nature-related risk assessment and TNFD-aligned disclosures.

Action
As NA100 co-lead investor, we reassessed Danone against the 2024 baseline following its Universal Registration Document, narrowing engagement to remaining disclosure gaps—particularly under the Assessment pillar. We engage with Danone on nature-related risks, dependencies and impacts, with a strong focus on:

- Nature-related risks in agricultural supply chains
- Impacts on indigenous peoples and local communities
- Alignment with internationally recognized human rights standards

In particular, we emphasize corporate commitment to the International Labor Organization (ILO) Convention No. 169 on Indigenous and Tribal Peoples. Ratification and corporate alignment with ILO Convention 169 represent an important step toward the formal recognition of Indigenous Peoples' rights, including land rights, consultation rights and the principle of Free, Prior and Informed Consent (FPIC). We also communicated our expectation of progressive alignment with the TNFD, supported by peer benchmarking examples. Danone responded constructively and provided additional context on methodologies, internal processes and ongoing initiatives.

Next steps
Engagement is ongoing. We will monitor Danone's next reporting cycle and updated NA100 benchmark results, with a focus on improving assessment transparency, location-specific disclosure and measurable nature-related outcomes. Further details are available in our Active Ownership Report 2025.

Proxy voting – exercising ownership rights

Exercising our voting rights in line with our sustainable investment objectives is a core element of our active ownership approach. In line with TCFD and emerging TNFD expectations, we use proxy voting to promote stronger disclosure of climate- and nature-related risks, impacts and dependencies and to encourage alignment with credible transition pathways. In general we support resolutions that enhance transparency, strengthen risk oversight and link executive remuneration to ESG key performance indicators, including emissions and environmental targets. Where companies fail to demonstrate adequate progress or governance oversight, we may vote against responsible Board members. Through this approach, proxy voting serves as a direct mechanism to drive accountability and long-term value creation. Information on all proxy voting activities can be found here.

The two examples below visualize how we take action on shareholder proposals around climate and nature.

Environmental Social Governance

Climate change lobbying

Linde
Proposal text: Report on climate lobbying alignment
Proponent: Shareholder
LGT Capital Partners vote instructed: For
Management recommendation: Against
Vote result: Withdrawn
Voting rationale: A shareholder proposal requested that Linde report on whether and how its direct and indirect lobbying aligns with its net zero by 2050 ambition. The company sought SEC no-action relief and the proposal was withdrawn ahead of the 2025 AGM, following similar withdrawals in 2022 and 2023, which we viewed negatively. Linde is a global leader in industrial gases and a key enabler of decarbonization, but also one of our largest portfolio emitters, making it a priority for climate engagement. While the company has a strong track record of execution, we see a key risk in the fact that the climate impact of its products is highly dependent on customer demand and supportive policy frameworks. External assessments, including LobbyMap, point to a mixed approach to climate policy, with broadly supportive messaging but more cautious positions on hydrogen regulation. In this context, corporate lobbying is a key aspect in assessing whether climate commitments are truly embedded in strategy and business practice. Misaligned lobbying can slow the transition and create reputational and financial risks, reinforcing the need for clear alignment between public policy engagement and climate objectives.

Environmental Social Governance

Biodiversity

Home Depot
Proposal text: Disclose a biodiversity impact and dependency assessment
Proponent: Shareholder
LGT Capital Partners vote instructed: For
Management recommendation: Against
Vote result: Rejected. For 16.64%, against 83.35%
Voting rationale: A shareholder proposal requested Home Depot to undertake and publish a biodiversity impact and dependency assessment covering its full value chain to strengthen its approach to nature-related risks. The company already discloses on forestry and biodiversity through its Sustainable Forestry Report, ESG reporting and CDP, which is partially aligned with the TNFD framework. While these are constructive steps, they do not yet provide a comprehensive, value-chain-wide biodiversity assessment. Ongoing public scrutiny of the company's wood sourcing underscores the need for stronger action, particularly on regeneration and the company has not set a timebound commitment to end deforestation. We support the proposal given the material risks linked to deforestation and ecosystem loss and that more structured disclosure would improve investors' ability to assess risk management and track alignment between commitments and outcomes.

Metrics and targets

Metrics and targets
Investments we manage

Measuring current exposures

We define asset classes as being "in scope" where we have a robust GHG measurement framework in place and the ability to effect change through our investment decisions and stewardship activities. Based on this definition, we have included securities from corporate issuers, such as equities and corporate bonds. Here we measure the relevant financed emissions in our direct investment portfolios, externally managed funds and managed accounts. Asset classes such as money market instruments, sovereign debt and insurance-linked strategies are not included in our financed emissions due to different measurement frameworks. For private markets, we use EDCI data where available and complement it with estimates.

Emission methodology

In line with TCFD recommendations, we use the following metrics to report on our financed GHG emissions.

Table 16: Financed emissions

Metrics	Scope	2025	2024	2023
Total carbon emissions (tCO_2e)	Scope 1 and Scope 2	314,076	361,906	443,520
	Scope 3	2,976,606	3,549,392	3,128,719
Carbon footprint (tCO_2e/USD m invested)	Scope 1 and Scope 2	20.5	24.2	24.8
	Scope 3	194.4	236.9	174.6
Weighted average carbon intensity (WACI) (tCO_2e/ USD m revenue)	Scope 1 and Scope 2	63.2	66.1	62.8
	Scope 3	552.5	582.8	501.7

Carbon footprint (tCO_2e/USD m invested)	2025		2024		2023	
	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3
Corporates	26.5	202.3	30.3	250.0	42.3	250.8
Equities	16.2	169.6	17.9	213.1	17.1	142.7
Real estate	1.9	6.7	2.3	6.6	1.6	5.8
Total	**20.5**	**194.4**	**24.2**	**236.9**	**24.8**	**174.6**

For the purpose of this section of the report, the in-scope liquid markets assets are estimated to be approximately USD 15.3 billion[1]. For these holdings, we report total carbon emissions, carbon footprint and weighted average carbon intensity across Scope 1, Scope 2 and Scope 3 emissions. To provide a more complete disclosure, we show estimated Scope 3 emission data in the metrics section. Additionally, we show a breakdown of in-scope assets across equities, corporate bonds and real estate (real estate includes only listed REITs and no private real estate). A sector breakdown of in-scope assets is provided. Private markets data is reported separately in the next section.

Sector breakdown

Table 17: Carbon footprint per sector

Carbon footprint (tCO_2e/USD m invested)	2025		2024		2023	
	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3	Scope 1 and 2	Scope 3
Communication services	4.1	34.4	5.5	46.9	5.6	49.3
Consumer discretionary	11.6	320.1	11.3	354.4	12.1	254.5
Consumer staples	11.0	202.9	16.1	241.1	12.8	176.6
Energy	228.6	2,625.3	224.7	2,321.1	214.5	2,089
Financials	0.9	50.1	1.0	48.9	1.3	43.5
Healthcare	3.2	99.1	3.7	103.6	4.3	85.5
Industrials	26.1	467.4	32.9	803.1	32.5	373.6
Information technology	4.9	49.0	6.4	83.4	9.9	68.3
Materials	150.6	479.6	168.3	1,230.5	180.5	593.1
Real estate	6.5	31.6	9.4	33.7	10.6	32.5
Utilities	111.2	184.6	162.3	236.9	151.4	230.8

When comparing the numbers for all in-scope assets between 2025 and 2024, the carbon footprint and the weighted average carbon intensity (WACI) decreased for Scope 1, Scope 2 and Scope 3. The decrease was stronger for the carbon footprint than the WACI.
The reduction in the Scope 1 and Scope 2 footprint is mainly attributed to the corporate bond part, which has the greatest potential for decarbonization as it has the highest carbon footprint. In contrast, the carbon footprint for equities and real estate remains very low. For Scope 3, the reduction was equally strong for corporate bonds and equities.

[1] We strive to include as many portfolios as possible in committed assets under management. However, due to specific circumstances related to particular benchmarks or investment universes, certain portfolios that are invested in equities or corporate bonds may not be included in in-scope assets under management. Source: LGT Capital Partners, MSCI, data as of 31.12.2025

Analyzing the sector breakdown, the Scope 1 and Scope 2 footprint increased slightly in the energy and consumer discretionary sectors and it decreased the most in the utilities, materials and industrial sectors.

In terms of Scope 3, the number increased for the energy sector and strongly decreased for the industrials and materials sector. Since all our reported Scope 3 data is estimated to ensure comparability, the change in the Scope 3 footprint and WACI is also linked to improvements in the estimation models.

Private markets

For private equity and private debt portfolios, we engage with private market managers to include GHG considerations throughout the investment process by asking them on their approach in our annual ESG questionnaire. We are sourcing the actual data for private equity portfolio companies using the standard template developed by the EDCI. Where data gaps are remaining, we complement the carbon footprint of the portfolios by using public market information as a proxy for actual emissions.

ESG Data Convergence Initiative (EDCI) 2025 update
The EDCI is a collaborative effort aimed at standardizing and improving the quality of ESG data in the private equity industry. By fostering greater transparency and consistency, the initiative seeks to enhance the ability of investors to make informed decisions that promote sustainability and responsible business practices.

LGT Capital Partners was an early supporter of the EDCI, having joined the initiative in 2021. Since then, we have actively partnered with the EDCI and demonstrated our commitment to its vision through ongoing engagement with GPs and comprehensive data collection efforts. In January 2025, LGT Capital Partners joined the Steering Committee of the EDCI. In this strategic role, we are well positioned to influence the direction of the initiative, advocating for best practices and contributing to the further development of a robust ESG standard for private markets. As a member of the Steering Committee, we will be able to actively promote and shape the future of the EDCI, reinforcing our commitment to fostering a more sustainable and responsible investment industry.

EDCI: Standardizing ESG data in the private equity industry

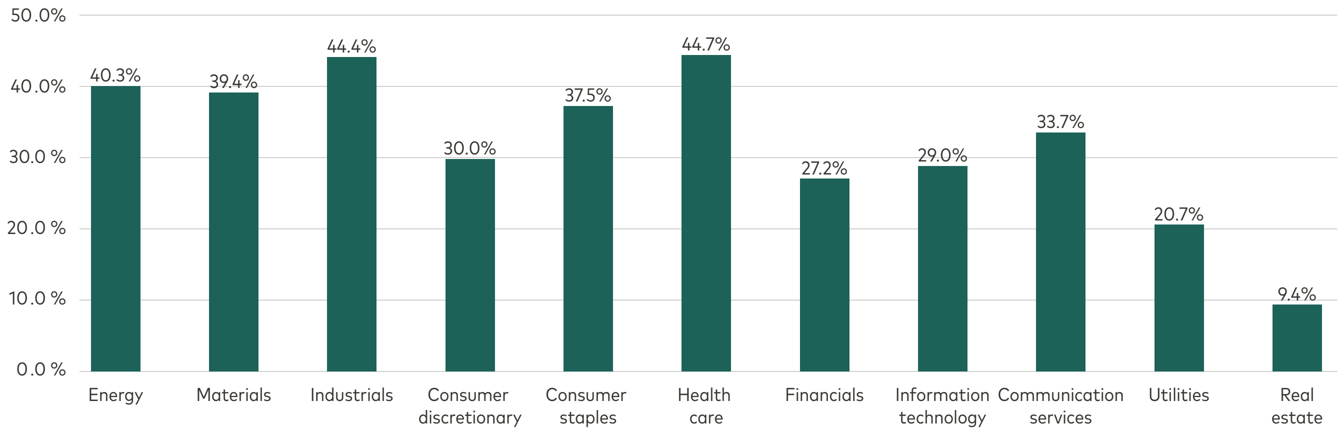
- ESG Data Convergence Initiative launched by CalPERS and Carlyle, convened by ILPA and supported by BCG
- Supported by both LPs and GPs: Over 500 organizations, representing around USD 59 trillion AUM worldwide
- Goal: drive standardization and benchmarking of ESG data
- The 2025 benchmark includes data from 310 GPs that provided 230,000 data points from more than 9,000 portfolio companies
- LGT Capital Partners joined the initiative in 2021 and was elected as a member of the Steering Committee in 2025
- LGT Capital Partners conducted its third data collection campaign in 2025 and received responses from 210 GPs, covering around 4,000 portfolio companies

In 2025, we received data from a total of 210 GPs and our coverage now stands at approximately 4,000 underlying companies reporting on various ESG metrics. This dataset reflects our ongoing commitment to ESG transparency. We intend to leverage it to gain deeper insights into our private equity portfolios and to increasingly inform and enhance our investment decision-making processes.

With respect to environmental metrics, we observed a continued improvement in both data quality and coverage in the 2025 collection cycle. Our carbon footprint (Scope 1 and 2 tCO_2e/USD m invested) asset-weighted coverage has increased by almost 10 percentage points, reaching 30% across our overall private equity holdings. The number of reporting companies grew by 24% and coverage improved across all sectors: Industrials, Information Technology and Health Care recorded the strongest gains, while Utilities & Energy remained structurally flat.

The chart below provides a breakdown of asset-weighted coverage by sector:

Figure 29: EDCI coverage in % by sector and asset-weighted (USD)



Source: LGT Capital Partners. Data as of 31 December 2025.

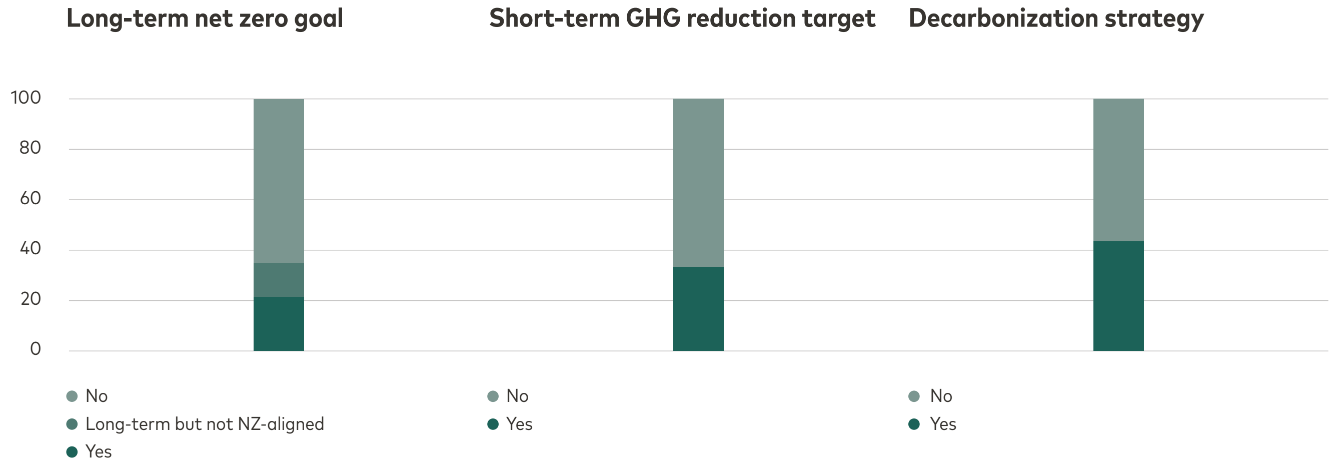
Table 18: Companies reporting emissions related KPIs under EDCI in %

Metrics	Increase in number of companies reporting	Overall metric coverage (NAV weighted)
Scope 1 and 2/EV	23.9	30.8
Scope 1 and 2/revenue	5.2	31.5
Scope 3/EV	30.5	19.0
Scope 3/revenue	37.6	19.7
Total energy consumption	20.4	36.5
Renewable energy consumption	28.2	34.6

As part of the EDCI data collection, participating companies are asked to disclose their climate ambition across three dimensions: long-term net zero alignment, short-term GHG reduction targets and the existence of a formal decarbonization strategy. The data covers companies representing approximately 37% of LGT Capital Partners' private equity portfolio.

Across all three dimensions, only a modest portion of the reporting universe has made credible climate commitments. Board-level decarbonization plans and Paris-aligned targets are becoming more common but still represent a minority. Most responding companies have not yet defined a decarbonization strategy or set a clear GHG reduction target.

Figure 30: Climate ambition across private equity



Source: LGT Capital Partners

Private equity portfolio analysis

To enhance transparency, we disclose an aggregated view of climate-related metrics for our private equity holdings, based on a combination of company-reported information collected via the EDCI template and estimated emissions data. The figures below cover our private equity holdings representing approximately USD 78 billion of NAV in 2025.

Table 19: Private equity related climate metrics

Metrics	Scope	2025	2024	2023
Total carbon emissions (tCO_2e)	Scope 1 and 2	2,970,131.0	1,664,841.0	1,883,568.0
	Scope 3	13,842,642.0	11,742,725.0	10,267,118.0
Carbon footprint (tCO_2e/USD m invested)	Scope 1 and 2	25.3	25.5	30.8
	Scope 3	177.7	180.2	168.0
WACI (tCO_2e/ USD m revenue)	Scope 1 and 2	47.2	61.0	70.9
	Scope 3	325.7	318.0	354.4

In 2025 absolute Scope 1 and Scope 2 emissions increased. This is mainly due to the growth of the portfolio and improving data availability and completeness, rather than reflecting a broad-based deterioration in emissions efficiency.

Despite this rise in absolute emissions, our Scope 1 and 2 carbon footprint remained broadly stable at 25.3 tCO_2e per USD million invested and our Scope 1 and Scope 2 WACI improved. This divergence between absolute emissions growth and improving intensity metrics is primarily driven by the disproportionately large impact of sector allocation on portfolio-level carbon metrics. The weightings of Utilities and Energy, two high-emitting sectors in our portfolio, were slightly reduced (reductions of less than 0.5%) and yet these modest reallocations were collectively sufficient to offset the increase in carbon intensity observed across several sectors. This asymmetry reflects a fundamental characteristic of carbon footprint management in diversified portfolios: marginal changes in exposure to high-intensity sectors can influence aggregate metrics that are disproportionate to the change of weighting itself.

The increase in absolute Scope 3 emissions from 2024 to 2025 is largely explained by the significant growth in the asset base, which expanded by approximately 20% over the period. Combined with a moderate rise in emissions intensity for estimated Scope 3 data, this trend is consistent with our observations in listed markets and broader global emissions patterns.

It is worth noting that Scope 3 reporting coverage remains limited at 19% of NAV, compared to around 30% for Scope 1 and Scope 2. As EDCI adoption increases across the portfolio, we expect coverage to improve in subsequent reporting periods. Companies that have reported through the EDCI process to date continue to show lower emissions intensity on average compared to estimated data, which contributes positively to our carbon metrics as more company-level data is integrated.

Table 20: Scope 1 and 2 emissions by sector

Carbon footprint (tCO_2e/USD m invested)	2025	2024	2023
GICS sector			
Communication services	8.0	7.2	9.0
Consumer discretionary	20.8	17.8	23.3
Consumer staples	54.4	44.4	46.0
Energy	167.5	165.9	182.8
Financials	0.9	0.7	0.6
Health care	7.9	6.9	6.0
Industrials	23.5	26.2	27.9
Information technology	2.1	2.0	2.3
Materials	267.6	272.1	304.1
Real estate	5.5	5.4	4.5
Utilities	371.7	346.5	393.2

Target setting

We have developed a comprehensive Climate Action framework to align multi-asset, equity and fixed income portfolios with the goal of reaching net zero GHG emissions by 2050. This work began with the development and subsequent rigorous implementation of our carbon budgeting framework for internal and external managers.

As a reminder, our climate framework is based on Scope 1 and Scope 2 emissions, the framework does not yet include Scope 3 emissions. We believe that data coverage of this category of emissions is not yet adequate and involves numerous double counting issues. We are working towards the broader gathering and reporting of data on Scope 3 emissions but do not plan to include these emissions in the measurement of our carbon intensity target at present.

In March 2021, LGT Capital Partners joined NZAM and we confirmed our commitment to reaching net zero GHG emissions by 2050 across all assets under management.

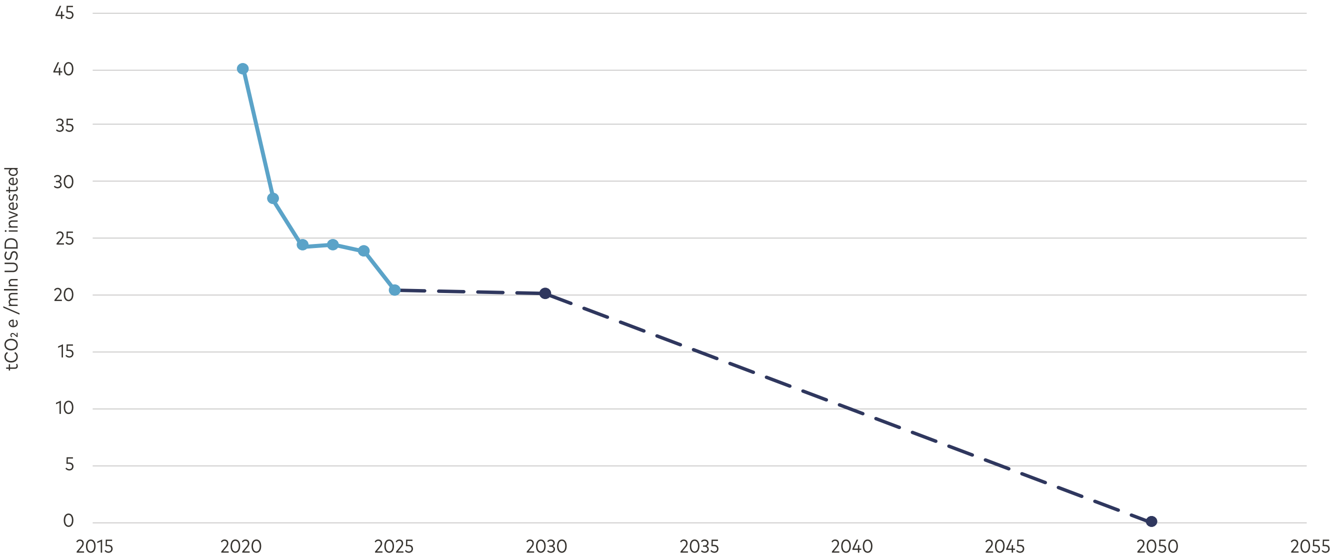
The in-scope assets for our targets are the same assets displayed in the Metrics section. Our initial target for the proportion of our assets under management that is managed in line with the goal of net zero GHG emissions by 2050 was 22% of total assets under management for the baseline year[1].

We have set ambitious interim targets for our committed investments with the aim of achieving a 50% reduction in GHG emissions by 2030 against a baseline year of 2020. Since defining our commitment in March 2021, we have reduced our carbon footprint (tCO_2e per USD million invested) from our committed investments by nearly 50% compared to the baseline year. We achieved this emissions reduction mainly by shifting our exposure to more energy-efficient companies. We are now very close to our 2030 target of 20.2 tCOe/USD m invested and the challenge will be to continue on this path.

Table 21: CO_2 intensity per USD m invested

	2025	Base year 2020
CO_2 intensity (tCO_2e/USD m invested)[2]	20.5	40.4

Figure 31: Carbon footprint path



Source: LGT Capital Partners

[1] This was equivalent to USD 18.8 billion at the time of the commitment. Based on the committed assets under management Source: LGT Capital Partners

[2] Based on the committed AUM

Target setting for the LGT Endowment

The LGT Endowment combines traditional and alternative investments with a high level of diversification. Measuring emissions for this wide range of asset classes forms the basis for setting emissions targets. We can measure emissions for around 75% of portfolio assets, with a focus on company data. For private equity, we use a mix of reported data and estimates based on public market industry averages at the most granular level available. Other asset types, such as insurance-linked strategies and sovereign bonds, are not yet included in portfolio emissions due to the absence of established frameworks on how to combine the different emission types[1].

The target-setting framework includes the definition of carbon budgets for each asset class (where we measure or estimate emissions) as well as for individual managers. Here, we work with managers to assess where the portfolios currently stand and collaborate with them to determine how emissions can be reduced to stay within the limitations of the assigned budget.

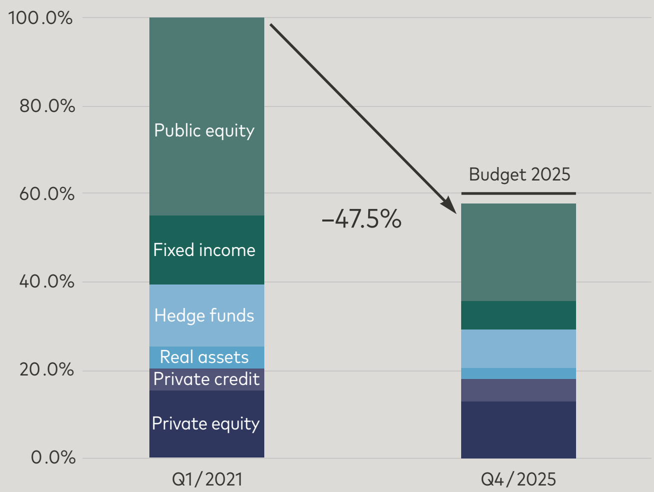
In 2025, LGT Capital Partners strengthened the robustness of its GHG footprint calculation for the Endowment Fund. Our financed-emissions methodology received independent limited assurance from PricewaterhouseCoopers AG, providing additional confidence and transparency regarding the integrity and consistency of our financed-emissions calculations.

Through our systematic efforts, we have been able to reduce the carbon footprint from 48.5 tCO_2e per USD million invested to 25.5 tCO_2e per USD million invested since the initial disclosure in 2021, representing a 47.5% decrease.

It is clear that the actions taken within the portfolio have made a significant contribution to the LGT Endowment's alignment with net zero. The most noticeable impact stems from public equity, which is unsurprising as these are the most liquid portfolios and changes can therefore be implemented more rapidly. Additionally, data quality and availability are stronger for these public portfolios, allowing for more precise tracking of individual underlying holdings. By contrast, incorporating emissions from other asset classes remains challenging, as methodologies are still evolving and, in some cases, face fundamental limitations. For insurance-linked strategies, for example, emissions are linked to the underlying insured assets for which data is not readily accessible. Furthermore, these would represent insurance-associated rather than financed emissions and therefore should not be aggregated with portfolio emissions. Similarly, while sovereign emissions can be measured in terms of GHG per GDP, there is currently no robust methodology to combine sovereign emissions with financed emissions in a consistent way.

Our carbon reduction pathway and net zero commitment are clearly defined. To better manage climate-related risks and capture investment opportunities, we will continue to focus on reducing emissions over time and aligning our portfolios with a net zero pathway.

Figure 32: The LGT Endowment's carbon budget



Source: LGT Capital Partners

[1] The different emission types are corporate emissions which are our portfolio emissions, emissions per GDP for sovereign bonds and insured emissions for insurance-linked strategies.

Table 22: Climate solutions in % by asset class and category in the LGT Endowment

Asset class	Climate solutions aggregate	Energy generation	Technological solutions	Financial services	Mobility	Buildings	Agriculture and ecosystems	Taxonomy aligned revenue/capex
Public equity	9.1	0.1	5.1	0.0	1.8	0.3	0.2	1.2
Fixed income	15.3	2.5	3.4	1.4	3.7	1.8	2.2	0.3
Hedge funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Real assets	18.8	3.5	0.3	0.2	2.2	9.2	0.0	3.4
Private credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private equity	3.6	0.3	1.3	0.3	0.4	0.1	0.3	0.8
Total	**9.4**	**1.0**	**3.1**	**0.4**	**1.7**	**1.4**	**0.6**	**1.2**

Source: LGT Capital Partners

In addition to its commitment to achieving net zero emissions by 2050, the LGT Endowment is actively seeking opportunities to invest in climate solutions. (For the detailed definition of climate solutions used in this analysis, please refer to the dedicated chapter in the strategy section.) The objective is to generate attractive long term returns while supporting the development and scaling of technologies that enable the decarbonization of the real economy.

The climate solutions opportunities are not equally distributed between the asset classes. Real assets currently represent the largest share of climate solution exposure, reflecting the sector's strong pipeline of investable projects in areas such as renewable energy and sustainable buildings. In fixed income, the relatively high exposure is driven by a tactical overweight to green, social and sustainability (GSS) bonds. For hedge funds and private credit, no exposure data is available at this stage. In private equity, the figures are based on industry estimates derived from listed peers and from holdings in funds explicitly dedicated to climate-related themes. Over the coming year, we aim to strengthen our internal capabilities to identify climate solution revenues within private markets, reducing our reliance on estimates and improving the precision of our analysis.

Apart from climate, the LGT Endowment has begun to explore biodiversity as a complementary sustainability focus. As an initial step, the ENCORE framework was applied to identify where the portfolio may exert material pressures on nature and where it may depend on ecosystem services. (See the dedicated content in the "Strategy" section for more details on the ENCORE methodology) The objective of this first assessment is to understand whether material pressures or dependencies exist within the LGT Endowment and which themes are most relevant.

The analysis indicates that public equity shows the highest overall exposure, with material pressures and dependencies present at similar levels. In all other asset classes, dependencies on nature exceed the pressures exerted on it. Currently, there is no exposure data available for private credit. Across the entire portfolio, approximately 19% of investments may be associated with material pressures on biodiversity, while around 24% may rely on ecosystem services in a material way.

Table 23: The LGT Endowments material pressures and dependencies by asset class in %

	Material pressure	Material dependency
Public equity	18.6	17.3
Fixed income	5.1	7.9
Hedge funds	2.6	7.5
Real assets	7.1	12.2
Private credit	0.0	0.0
Private equity	7.0	13.4
Total	**18.7**	**24.2**

When looking at the underlying themes, involvement in other disturbances (such as noise and light pollution) and pollution emerge as the most significant sources of pressure. On the dependency side, regulating ecosystem services represent the dominant category.

Table 24: The LGT Endowments material pressures and dependencies in %

pressure	Involvement other	12.4
	Water/sea/land use change	3.7
	Climate change	4.4
	Resource exploitation	0.6
	Pollution	11.2
dependency	Regulating services	17.3
	Provisioning services	11.2
	Cultural services	14.3

This initial high-level assessment suggests that the LGT Endowment does have areas of potential material interaction with biodiversity – both in terms of pressures and dependencies. These findings help to highlight which biodiversity themes may be most relevant for future risk management and stewardship. However, further analysis will be required to validate and deepen these preliminary, activity-based insights.

Core disclosure metrics

The in-scope assets for the core disclosure metrics are shown in the emissions metrics section. Most core disclosure metrics recommended by the TNFD are not reported due to data availability issues. As this is the first reporting year, a historical comparison is not yet available.

The following metrics are available (taken from the SFDR PAIs):

Table 25: PAI related to waste in %

Metric no.	Driver	Indicator	Content	2025
C2.1	Pollution / pollution removal	Wastewater discharged	Tons of emissions to water generated by investee companies per million USD invested, expressed as a weighted average	0.003
C2.2	Pollution / pollution removal	Waste generation and disposal	Tons of hazardous waste generated by investee companies per million USD invested, expressed as a weighted average	5.4

The amount of wastewater discharged is very low. This is primarily due to the limited coverage of our in-scope assets, which is around 16%. Additionally, wastewater discharge is only relevant for certain sectors.

In terms of exposure to sensitive locations, we cannot show a detailed analysis yet due to the location-specific biodiversity data not being available. However, we can show a more high-level indicator (taken from the SFDR PAIs):

Table 26: PAI related to biodiversity sensitive areas in %

Indicator	Content	2025
Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	4.9

The risk and opportunity associated with nature-related risks and the associated sector exposures are discussed in the ENCORE section (see strategy section about ENCORE).

Metrics and targets
Own operations

LGT Capital Partners has introduced the following measures:

- Measure, monitor and address Scope 1 and Scope 2 emissions related to our offices
- Measure and monitor waste production, electrical waste, hazardous waste and recycling rates
- Measure and monitor paper usage and the recycling rate
- Measure and monitor water consumption
- Measure and internally report business travel by cost center, comparing data to the company average

LGT Capital Partners focuses on sustainability aspects in the area of facility management, including green building labels that are applied to all new offices. We also strive to continuously optimize the energy consumption of existing buildings and engage with our landlords on topics such as energy usage, waste management, the provision of electric chargers for electric vehicles and parking areas for bikes and other relevant topics.

To reduce transport emissions from commuting, LGT Capital Partners actively encourages its employees to use public transport. In Switzerland and Liechtenstein, we offer financial incentives for alternative mobility solutions. We also promote the use of e-mobility solutions and charging stations for electric vehicles are available for employees at several locations.

Table 27: Operational data

	Unit	2025	2024	2023	2022	2021	2020	2019
Scope 1	tCO_2e	82.7	78.5	75.3	44.2	44.4	195.7	207.1
Scope 2	tCO_2e	103.3	258.5	135.3	77.9	116.0	198.6	156.7
Scope 3-1 Purchased goods and services	tCO_2e/FTE	8.1	6.4	0.0	0.0	0.0	0.0	0.0
Scope 3-2 Capital goods	tCO_2e/FTE	0.8	6.2	n.a.	n.a.	n.a.	n.a.	n.a.
Scope 3-3 Fuel- and energy-related activities	tCO_2e/FTE	0.1	0.1	0.1	0.0	0.1	0.1	0.1
Scope 3-5 Waste generated in operations	tCO_2e/FTE	n.a.	n.a.	0.0	0.0	0.0	0.0	0.0
Scope 3-6 Business travel	tCO_2e/FTE	2.9	2.2	1.7	1.2	0.2	0.2	1.4
Scope 3-7 Employee commuting	tCO_2e/FTE	1.1	1.0	0.9	0.7	n.a.	n.a.	n.a.

Source: Sulytics, LGT Capital Partners, data for our main locations in Pfäffikon (Switzerland), New York, Paris, Dublin, London, Hong Kong, Bendern (Liechtenstein). Data from smaller regional offices is extrapolated.

- 2019 and 2020 data has been extrapolated based on a limited number of locations.
- Scope 1: at our headquarters in Switzerland, we switched our heating unit input from natural gas to biogas in 2021, significantly reducing our footprint; in 2023, we updated the data points we cover to include refrigerants.
- Scope 2: in 2023, we increased the locations we cover to include our offices in Bendern; in 2024 we have also improved our estimation methods to better reflect the energy sources. In 2024, Renewable Energy Certificates (REC) were unavailable for the New York offices. They have since been reinstated, consistent with previous years.
- Scope 3-1: change in methodology for 2024 by expanding the underlying data set to include business and office expenses. Therefore, 2024 numbers are not directly comparable to previous years, which included only water and paper consumption.
- Scope 3-2: in 2024 we calculated these emissions for the first time and refined the methodology in 2025 (e.g., allocating the LGT Group–level emissions between LGT Private Banking and LGT Capital Partners based on headcount)

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