



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

RI TRANSPARENCY REPORT

2019

LGT Capital Partners Ltd

About this report

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

This report is an export of the individual Signatory organisation's response to the PRI during the 2019 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

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

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

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

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

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

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	✓	Private							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	🔒	n/a							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	🔒	n/a							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	✓	Private	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		🔒	n/a							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	✓	Public							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	ESG incorporation strategies	🔒	n/a	✓						
SAM 02	Selection processes (LE and FI)	✓	Public	✓						
SAM 03	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	🔒	n/a		✓					
SAM 04	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 05	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 06	Monitoring on active ownership (listed equity/fixed income)	🔒	n/a	✓						
SAM 07	Percentage of (proxy) votes	🔒	n/a		✓					
SAM 08	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						
SAM 09	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓						✓
SAM End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	🔒	n/a	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 07	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI End	Module confirmation page	✓	-							

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

LGT Capital Partners Ltd

Reported Information

Public version

Organisational Overview

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Switzerland

OO 02.2

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

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

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

498

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

31/12/2018

OO 04.2 Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		60	000	000	000
Currency	USD				
Assets in USD		60	000	000	000

Not applicable as we are in the fund-raising process

OO 04.4 Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

Not applicable as we do not have any assets under execution and/or advisory approach

OO 06 **Mandatory** **Public** **Descriptive** **General**

OO 06.1 Select how you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)

Listed equity	<10%	<10%
Fixed income	10-50%	<10%
Private equity	0	>50%
Property	0	<10%
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	<10%
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	10-50%	0
Other (2), specify	<10%	0

'Other (1)' specified

Insurance-linked strategies

'Other (2)' specified

Private debt

OO 06.2

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

OO 06.3

Indicate whether your organisation has any off-balance sheet assets [Optional].

Yes

No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 09	Mandatory	Public	Peering	General
--------------	------------------	---------------	----------------	----------------

OO 09.1 Indicate the breakdown of your organisation's AUM by market.



Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
--------------	------------------	---------------	----------------	----------------

OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

- | |
|---|
| Listed equity – engagement |
| <input checked="" type="checkbox"/> We engage with companies on ESG factors via our staff, collaborations or service providers.
<input type="checkbox"/> We require our external managers to engage with companies on ESG factors on our behalf.
<input type="checkbox"/> We do not engage directly and do not require external managers to engage with companies on ESG factors. |
| Listed equity – voting |
| <input checked="" type="checkbox"/> We cast our (proxy) votes directly or via dedicated voting providers
<input type="checkbox"/> We require our external managers to vote on our behalf.
<input type="checkbox"/> We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf |

Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We require our external managers to engage with SSA bond issuers on ESG factors on our behalf.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Fixed income Corporate (financial) – engagement

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

Fixed income Corporate (non-financial) – engagement

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

OO 11

Mandatory

Public

Gateway

General

OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Other (1)

- We address ESG incorporation.
- We do not do ESG incorporation.

Other (2)

- We address ESG incorporation.
- We do not do ESG incorporation.

'Other (1)' [as defined in OO 05]

Insurance-linked strategies

'Other (2)' [as defined in OO 05]

Private debt

OO 11.2

Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Listed equity	<p data-bbox="560 342 1474 427">Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="560 439 1286 465"><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p data-bbox="560 477 1323 504"><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p data-bbox="560 515 1302 542"><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p data-bbox="560 553 938 580"><input type="checkbox"/> We do not do ESG incorporation</p>
Fixed income - SSA	<p data-bbox="560 656 1474 741">Fixed income - SSA - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="560 752 1286 779"><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p data-bbox="560 790 1323 817"><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p data-bbox="560 828 1302 855"><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p data-bbox="560 866 938 893"><input type="checkbox"/> We do not do ESG incorporation</p>
Fixed income - corporate (financial)	<p data-bbox="560 969 1474 1055">Fixed income - corporate (financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="560 1066 1286 1093"><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p data-bbox="560 1104 1323 1131"><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p data-bbox="560 1142 1302 1169"><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p data-bbox="560 1180 938 1207"><input type="checkbox"/> We do not do ESG incorporation</p>
Fixed income - corporate (non-financial)	<p data-bbox="560 1305 1474 1391">Fixed income - corporate (non-financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="560 1402 1286 1429"><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p data-bbox="560 1440 1323 1467"><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p data-bbox="560 1478 1302 1505"><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p data-bbox="560 1516 938 1543"><input type="checkbox"/> We do not do ESG incorporation</p>
Private equity	<p data-bbox="560 1641 1474 1727">Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p data-bbox="560 1738 1286 1765"><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p data-bbox="560 1776 1323 1803"><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p data-bbox="560 1814 1302 1841"><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p data-bbox="560 1852 938 1879"><input type="checkbox"/> We do not do ESG incorporation</p>
Property	

	<p>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>
Fund of hedge funds	<p>Fund of hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p>

OO 11.4 Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

Consideration of ESG issues is an integral part of our investment process. Our investment teams are responsible for taking into account ESG considerations when performing due diligence on investments. Any opportunity that is pursued will have been vetted for such issues. These assessments form an important input for the portfolio manager and into the discussions held by the investment committee in reaching a decision whether to invest. We then monitor our portfolios for ESG controversies by leveraging a solution that tracks in real time more than 80,000 independent information sources in multiple languages. This enables us to engage with managers and our assets on ESG on a well-informed basis, as well as offer advice on further ESG integration. In addition, we conduct bespoke monitoring for certain clients to confirm compliance with their specific ethical frameworks.

OO 12	Mandatory	Public	Gateway	General
--------------	------------------	---------------	----------------	----------------

OO 12.1 Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

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

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

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

Closing module

- Closing module

Peering questions

OO LE 01	Mandatory	Public	Gateway	General
----------	-----------	--------	---------	---------

OO LE 01.1	Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.
------------	---

Update: this indicator has changed from "*Mandatory to report, voluntary to disclose*" to "*Mandatory*". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

Percentage of internally managed listed equities

Strategies	Percentage of internally managed listed equities
Passive	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Active - quantitative (quant)	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Active - fundamental and active - other	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Total 100%	

OO FI 01	Mandatory	Public	Gateway	General
----------	-----------	--------	---------	---------

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies
------------	---

Type	Passive	Active - quantitative	Active - fundamental & others	Total internally managed fixed income security
SSA	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%

OO FI 03	Mandatory	Public	Descriptive	General
-----------------	------------------	---------------	--------------------	----------------

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 03.1 Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.

SSA	Developed markets	70
	Emerging markets	30
	Total	100%

OO FI 03.2 Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%

LGT Capital Partners Ltd

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

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

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

LGT CP has a long-held commitment to incorporating environmental, social and governance (ESG) considerations into its client programs and its business overall. Since 2003, many of our programs have had a responsible investment clause written into their governing documents, authorizing us to exclude investments that are substantially exposed to arms-related activities, violations of human rights, irresponsible treatment of the natural environment or other non-ethical conduct of business. Furthermore, the Firm was among the first alternative investment managers to set up client programs as regulated structures in Ireland and Luxembourg, which have high standards of corporate governance. In 2009, LGT CP launched its dedicated sustainable bond and equity offerings. In addition, the firm has been a signatory to the Principles for Responsible Investment (PRI) since 2008, and it participates in CDP and Eurosif. The firm became a signatory to the Montreal Carbon Pledge in 2016.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02**Mandatory****Public****Core Assessed****PRI 6**

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

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Formalised guidelines on environmental factors

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Formalised guidelines on social factors

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Asset class-specific RI guidelines

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Sector specific RI guidelines

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Screening / exclusions policy

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment (will be made public)
- Engagement policy
- (Proxy) voting policy
- We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

<https://www.lgtcp.com/en/commitment/>

- Attachment
- Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

<https://www.lgtcp.com/en/commitment/>

Attachment

Time horizon of your investment

URL/Attachment

URL

URL

<https://www.lgtcp.com/en/commitment/>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<https://www.lgtcp.com/en/commitment/>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<https://www.lgtcp.com/en/commitment/>

Attachment

Active ownership approaches

URL/Attachment

URL

URL

<https://www.lgtcp.com/en/commitment/>

Attachment

Reporting

URL/Attachment

URL

URL

<https://www.lgtcp.com/en/commitment/>

Attachment

Climate change

Understanding and incorporating client / beneficiary sustainability preferences

We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
---------	---

Yes

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

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

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

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
-------	-----------	--------	-----------------------	---------

SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

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

Governance and human resources

SG 07**Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
2 managing partners & 2 partners

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment

SG 07.2

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

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

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

SG 07.3

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

Number

19

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

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

Select all that apply

- Principles for Responsible Investment

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

- Basic
 Moderate
 Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

The chair of our ESG Committee, Tycho Sneyers, serves on PRI's board of directors.

- Asian Corporate Governance Association
 Australian Council of Superannuation Investors
 AFIC – La Commission ESG
 BVCA – Responsible Investment Advisory Board
 CDP Climate Change

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

- Basic
 Moderate
 Advanced
 CDP Forests

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

- Basic
 Moderate
 Advanced
 CDP Water

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

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

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

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

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

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
LGT Venture Philanthropy

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

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

LGT Venture Philanthropy was founded and managed by LGT to support fledgling, growing social organizations in Latin America, Africa, India, Southeast Asia and China. Our organization provides funding, know-how and access to networks, thus improving the quality of life of disadvantaged people.

- Other collaborative organisation/initiative, specify
Swiss Sustainable Finance (SSF)

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

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

LGT is a founding member of Swiss Sustainable Finance (SSF). We contributed to a recently released SSF guide to sustainable investing, mainly targeted at pension funds and other institutional investors.

- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

SG 10.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

SG 10.2

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description

Our ESG activities are frequently part of our discussions with clients. This has included calculating the carbon footprint of client portfolios, using our proprietary ESG assessment tool, the ESG Cockpit. We have also assessed the overall ESG profile of select portfolios to help them better understand the impact of their investment decisions.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Provided financial support for academic or industry research on responsible investment
 - Provided input and/or collaborated with academia on RI related work
 - Encouraged better transparency and disclosure of responsible investment practices across the investment industry

Description

In 2018, we kicked off a pilot program to develop a consistent set of KPIs for our private equity portfolio companies. Towards this end, we are working with a number of our managers who are ESG leaders to define KPIs that will provide inciteful, comparable ESG data across companies in different industries and geographies.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Spoke publicly at events and conferences to promote responsible investment

Description

Several team members have participated in ESG panel discussions at various industry events.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Wrote and published in-house research papers on responsible investment

Description

Published our annual ESG Report, which includes research on the state of ESG practices in the private equity and hedge fund industries. It also highlights innovative approaches to ESG assessment of public companies.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Encouraged the adoption of the PRI

Description

We often recommend joining PRI to external managers who wish to improve on ESG.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Wrote and published articles on responsible investment in the media

Description

We published approximately 30 articles related to ESG in 2018, in publications such as Neue Zürcher Zeitung, AM Watch, Private Equity International, Investment Europe, HFMWeek and Citywire.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- A member of PRI advisory committees/ working groups, specify

Description

Tycho Sneyers, a managing partner at LGT CP, serves on the PRI board of directors.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

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

SG 12.1 Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

SG 13.1

Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

Asset class implementation not reported in other modules

SG 16**Mandatory****Public****Descriptive****General****SG 16.1**

Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - engagement	We engage on a case by case basis on companies we are invested in. We keep track of all ongoing engagements, define goals in advance and monitor the process.
Listed equity - (proxy) voting	We have a publicly available formal proxy voting policy incorporating ESG issues. For casting votes, we have partnered with a specialized service providers that provides us with voting proposals based on ESG principles. We then advise to vote accordingly, or override the suggestions. On average, we vote on about 95% of all ballot items.
Other (1) [as defined in Organisational Overview module]	Our Insurance-Linked Strategies (ILS) business provides reinsurance capital to insurance and reinsurance companies worldwide to cover against severe natural disasters. Within the ILS business, our ESG-related work focuses on assessing the ESG characteristics of our counterparties through the firm's proprietary rating system. Counterparties who share our commitment to ESG principles score higher in our rating system, which further supports the business relationship we have with them. At the same time, we look to actively engage with counterparties that have no or a low ESG rating to positively influence ESG standards within the industry over the long run.
Other (2) [as defined in Organisational Overview module]	<p>ESG is an important part of our investment and monitoring process in private debt, where we look at how both sponsors and portfolio companies approach the topic. We also ask companies to report on a number of ESG key performance indicators (KPIs) as part of our ongoing monitoring. Our ESG process consists of five steps:</p> <p>Step 1. Sponsor assessment - we assess the sponsor's overall approach to ESG, leveraging existing due diligence material where available.</p> <p>Step 2. Company assessment - we assess the company's overall approach to ESG, taking into account the industry and geography in which it operates.</p> <p>Step 3. Reporting - we negotiate ESG reporting provisions, which are included (when possible) in the term sheet and subsequently in the loan agreements.</p> <p>Step 4. Monitoring - we begin monitoring the ESG performance of a portfolio company as soon as the investment closes, and we continue monitoring it throughout the holding period.</p> <p>Step 5. Engagement - our reporting activities serve as the starting point for our engagement with sponsors and portfolio companies on ESG.</p>

SG 17	Mandatory	Public	Descriptive	General
--------------	------------------	---------------	--------------------	----------------

SG 17.1	Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
----------------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - ESG incorporation	We rate all external managers on their consideration of ESG issues in managing their portfolios. Additionally, all external managers are prohibited from any investment into securities of producers of controversial weapons. We provide them with a detailed list of these securities and update this information on a regular basis.
Listed equities - engagement	Managers are expected to engage on our behalf. Our ESG assessment and rating of managers take into account their engagement policies, among other issues.
Listed equities - (proxy) voting	We have a publicly available formal proxy voting policy incorporating ESG issues. For casting votes, we have partnered with a specialized service providers that provides us with voting proposals based on ESG principles. We then advise to vote accordingly, or override the suggestions. On average, we vote on about 95% of all ballot items.
Fixed income - SSA	We rate all external managers on their consideration of ESG issues in managing their portfolios.
Fixed income - Corporate (financial)	We rate all external managers on their consideration of ESG issues in managing their portfolios. Additionally, all external managers are prohibited from any investment into securities of producers of controversial weapons. We provide them with a detailed list of these securities, and update this information on a regular basis.
Fixed income - Corporate (non-financial)	We rate all external managers on their consideration of ESG issues in managing their portfolios. Additionally, all external managers are prohibited from any investment into securities of producers of controversial weapons. We provide them with a detailed list of these securities, and update this information on a regular basis.
Property	We manage the ESG aspects of our property assets in the same way as for our private equity assets. We focus on evaluating the ESG practices of our underlying managers and rate them accordingly, on a scale of 1 to 4, where 1 = excellent and 4 = poor. These evaluations and ratings then form an integral part of the investment decision-making process. Subsequent to investment, we continue to monitor their ESG practices, offering advice and encouragement on best practice where required.
Hedge funds - DDQ	<div style="background-color: #0070C0; color: white; padding: 5px; text-align: center;">Select whether you use the PRI Hedge Fund DDQ</div> <input checked="" type="radio"/> Yes <input type="radio"/> No
Fund of hedge funds	We manage the ESG aspects of our hedge fund assets in the same way as for our private equity assets. We focus on evaluating the ESG practices of our underlying managers, asking them initially to complete the PRI's "Responsible Investment Due Diligence Questionnaire for Hedge Funds." We then assess their responses, asking follow-up questions where necessary, and we rate them accordingly, on a scale of 1 to 4, where 1 = excellent and 4 = poor. These evaluations and ratings then form an integral part of the investment decision-making process. Subsequent to investment, we continue to monitor their ESG practices, offering advice and encouragement on best practice where required.

--	--

Communication

SG 19

Mandatory

Public

Core Assessed

PRI 2, 6

SG 19.1

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.

If you are transferring data from an offline document, please check your response carefully.

Selection, Appointment and Monitoring

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p data-bbox="260 309 890 365">Disclosure to public and URL</p> <p data-bbox="260 383 890 461"><input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes</p> <p data-bbox="260 479 890 535"><input checked="" type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf</p> <p data-bbox="260 553 890 609"><input checked="" type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership</p> <p data-bbox="260 627 890 649"><input type="checkbox"/> Other</p>	<p data-bbox="930 309 1452 365">Disclosure to clients/beneficiaries</p> <p data-bbox="930 383 1452 461"><input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes</p> <p data-bbox="930 479 1452 535"><input checked="" type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf</p> <p data-bbox="930 553 1452 609"><input checked="" type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership</p> <p data-bbox="930 627 1452 649"><input type="checkbox"/> Other</p>
<p data-bbox="260 723 890 779">Frequency</p> <p data-bbox="260 797 890 819"><input type="checkbox"/> Quarterly or more frequently</p> <p data-bbox="260 837 890 860"><input type="checkbox"/> Biannually</p> <p data-bbox="260 878 890 900"><input checked="" type="checkbox"/> Annually</p> <p data-bbox="260 918 890 940"><input type="checkbox"/> Less frequently than annually</p> <p data-bbox="260 958 890 981"><input type="checkbox"/> Ad-hoc/when requested</p>	<p data-bbox="930 723 1452 779">Frequency</p> <p data-bbox="930 797 1452 819"><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p data-bbox="930 837 1452 860"><input type="checkbox"/> Biannually</p> <p data-bbox="930 878 1452 900"><input type="checkbox"/> Annually</p> <p data-bbox="930 918 1452 940"><input type="checkbox"/> Less frequently than annually</p> <p data-bbox="930 958 1452 981"><input type="checkbox"/> Ad-hoc/when requested</p>
<p data-bbox="260 1048 890 1104">URL</p> <p data-bbox="260 1122 890 1144">https://www.lgtcp.com/en/commitment/</p>	

Listed equity - Incorporation

Do you disclose?

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p>Disclosure to public and URL</p> <p><input type="radio"/> Broad approach to ESG incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used</p>	<p>Disclosure to clients/beneficiaries</p> <p><input type="radio"/> Broad approach to ESG incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used</p>
<p>Frequency</p> <p><input type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>	<p>Frequency</p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>
<p>URL</p> <p>https://www.lgtcp.com/en/commitment/</p> <p>URL</p> <p>https://www.lgt.com/de/produkt/LGT-Sustainable-Equity-Fund-Global-CHF-B/?loc=de</p>	

Fixed income

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p data-bbox="256 304 895 367">Disclosure to public and URL</p> <p data-bbox="256 376 895 454"> <input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used </p>	<p data-bbox="924 304 1449 367">Disclosure to clients/beneficiaries</p> <p data-bbox="924 376 1449 477"> <input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used </p>
<p data-bbox="256 524 895 586">Frequency</p> <p data-bbox="256 595 895 801"> <input type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested </p>	<p data-bbox="924 524 1449 586">Frequency</p> <p data-bbox="924 595 1449 801"> <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested </p>
<p data-bbox="256 842 895 904">URL</p> <p data-bbox="256 913 895 947"> https://www.lgtcp.com/en/commitment/ </p> <p data-bbox="256 1025 895 1088">URL</p> <p data-bbox="256 1097 895 1160"> https://www.lgt.com/de/produkt/LGT-Sustainable-Bond-Fund-Global-EUR-B/?loc=de </p>	

LGT Capital Partners Ltd

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG Objectives

- ESG related strategy, specify

Expect managers to have institutionalized processes for integrating ESG into investment selection and management of portfolio companies.

- ESG related investment restrictions, specify

For select client portfolios, we implement restrictions on exposure to certain types of companies, based on the clients' own ethical frameworks.

- ESG integration, specify

Expect managers to have institutionalized processes for integrating ESG into investment selection and management of portfolio companies.

- Engagement, specify

We engage with managers through an annual assessment on ESG, where we critically examine their approach to ESG.

- Voting, specify

- Promoting responsible investment

- ESG specific improvements

We engage with managers through an annual assessment on ESG, where we critically examine their approach to ESG. We encourage them to improve over time.

- ESG guidelines/regulation, principles/standards, specify

We encourage managers to join the PRI or other private equity initiative with an RI focus.

- Other, specify

Incentives and controls

- Fee based incentive
- Communication and remedy of breaches
- Termination
- No fee/ breach of contract

Reporting requirements

- We do not require the reporting on ESG objectives

SAM 04.3

Indicate which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
- Place investment manager on a "watch list"
- Track and investigate reason for non-compliance
- Re-negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify
- No actions are taken if any of the ESG requirements are not met

Monitoring

Topic or issue	Assessment of overall ESG practices
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Private equity
Scope and process	We assess the ESG practices of our private equity managers on an annual basis. In the most recent reporting year, a total of 202 managers were included in the assessment. We rate them on their overall commitment to ESG, how they integrate ESG into their investment process and ownership practices, and the extent to which they report on these activities. We found that 58% of our managers, globally, have excellent or good ESG practices in place, a significant increase from the 27% of five years ago.
Outcomes	As a follow up to the annual assessment exercise, we targeted managers with lower ESG assessments for further engagement. Towards this end, we held more than 40 teleconferences with such managers, where we further probed their approach to ESG and offered advice and support on enhancing their practices. For instance, we discussed examples of good ESG policies and examples from our publication, "A guide to ESG implementation in private equity."

Add Example 2

Topic or issue	Invested in a US hospital services company, where ESG a strong positive factor
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Private equity
Scope and process	We conducted ESG due diligence on a company for a prospective co-investment. The firm is a service provider to hospitals, with a business model that seeks to promote accountability, improve patient outcomes and reduce redundant procedures in hospital care. As a result, patients receive better care, insurers benefit from lower costs (reduced length of stay, lower readmission rates, lower redundancy), and hospitals experience better clinical outcomes.
Outcomes	We concluded that the company has a significant positive impact on the health and social wellbeing of people accessing the US healthcare system, which was a strong impetus for our interest in the opportunity.

Add Example 3

Topic or issue	Declined investing in a European pharmaceutical company – with ESG a contributing factor
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Private equity
Scope and process	We conducted initial ESG due diligence on a company for a prospective co-investment. The firm is a producer of upstream narcotic raw materials and active pharmaceutical ingredients in the opioids and medical cannabis market. Its products are key ingredients in the production of pain-management medication. Although we could see no direct link between the company's activities and the on-going opioid epidemic in the US, we concluded there was a significant reputational risk involved with the deal. Opioid drugs are highly susceptible to misuse by patients, and the company's products are sold to pharmaceutical companies in the US.
Outcomes	Given the amount of social harm caused by the misuse of these drugs in certain communities, we did not feel comfortable in backing the company, so we declined the opportunity.

- Add Example 4
- Add Example 5
- We are not able to provide examples

LGT Capital Partners Ltd

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed listed equities

Implementation processes


LEI 01	Mandatory	Public	Gateway	PRI 1
--------	-----------	--------	---------	-------

LEI 01.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)

ESG incorporation strategy (select all that apply)

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

Percentage of active listed equity to which the strategy is applied	
---	---

- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Total actively managed listed equities

100%

LEI 01.2

Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

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

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

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

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

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

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

(A) Implementation: Screening

LEI 04	Mandatory	Public	Descriptive	PRI 1
LEI 04.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.			

Type of screening

- Negative/exclusionary screening

Screened by

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

Description

Companies that generate income from certain industries or products or that maintain poor standards on governance, environmental or social topics are excluded from the investment universe. Also companies that are involved into severe controversies on ESG topics are excluded on an ad hoc basis from the investment universe. The exclusions are periodically reviewed.

We also exclude companies that are involved in very severe controversies with respect to E,S, and G topics, assessment is based on quantitative assessment of negative company newsflow.

- Positive/best-in-class screening

Screened by

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

Description

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

Here we focus on the best-performing companies.

Norms-based screening

LEI 04.2

Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.

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

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

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

LEI 05

Mandatory

Public

Core Assessed

PRI 1

LEI 05.1

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

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

LEI 05.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- <10%
- 10-50%
- 51-90%
- >90%

LEI 05.3

Indicate how frequently third party ESG ratings are updated for screening purposes.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually




LEI 05.4 Indicate how frequently you review internal research that builds your ESG screens.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually

(C) Implementation: Integration of ESG factors

LEI 08 **Mandatory** **Public** **Core Assessed** **PRI 1**

LEI 08.1 Indicate the ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.

ESG issues	Proportion impacted by analysis
Environmental	 <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>
Social	 <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>
Corporate Governance	 <p> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% </p>

LEI 08.2 Additional information. [Optional]

We apply the same ESG analysis and assessment to all direct investments in listed equities.

LEI 09	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

LEI 09.1 Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly.
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other, specify
- None of the above

LEI 09.2 Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- <10%
- 10-50%
- 51-90%
- >90%

LEI 09.3 Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 09.4 Indicate how frequently you review internal research that builds your ESG integration strategy.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 09.5

Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

LEI 09.6

Additional information.[Optional]

We run a proprietary internal research tool accessible to all analyst and portfolio management staff to assist in the systematic gathering and storing of information related to our investment recommendations and actions.

LGT Capital Partners Ltd

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

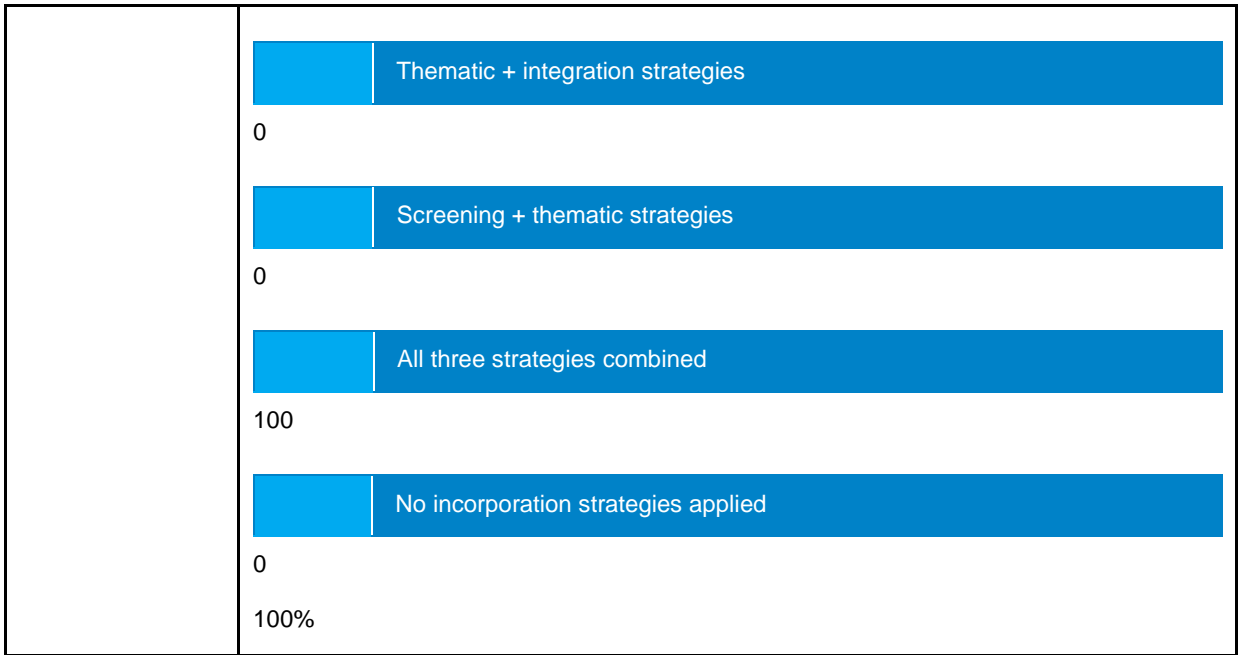
This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

ESG incorporation in actively managed fixed income

Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

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



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

FI 01.2 Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

We think that integrating ESG information into classical financial analysis helps us to arrive at a more complete view on our investments, and to much better identify and quantify risk and return opportunities.

We believe that the performance on material ESG topics has an very significant impact on long-term value creation for companies and that financial markets do not fully incorporate the varying levels of performance into valuations.

Screening is applied to exclude companies or countries that are deemed to be strongly detrimental to developing a sustainable economy or society, and to restrict investments into activities we as a company do not want to be associated with.

We apply screening as a two-step process:

1. elimination of companies or countries by defined negative criteria
2. focus on ESG opportunities by positive screening

ESG value drivers are then integrated into classical financial modelling for the definition of core industry lists and portfolio investments.

Within our portfolios, we also have substantial exposure to environmentally and/or socially themed investments, especially microfinance, green and impact bonds.

FI 03	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 03.1	Indicate how you ensure that your ESG research process is robust:
----------------	--

- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify
- None of the above

FI 03.2	Describe how your ESG information or analysis is shared among your investment team.
----------------	--

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is displayed on front office research platforms
- ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

(A) Implementation: Screening				
--------------------------------------	--	--	--	--

FI 04	Mandatory	Public	Gateway	PRI 1
-------	-----------	--------	---------	-------

FI 04.1	Indicate the type of screening you conduct.
----------------	--

Select all that apply

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

FI 04.2 Describe your approach to screening for internally managed active fixed income

Negative screening for companies is either:

- activity - based: revenues exceeding certain thresholds from specific business activities (armaments, tobacco, etc.) are excluded.
- conduct - based: companies for which there is a high degree of certainty that they are involved in serious ESG issues like child labor, human rights violations etc. are excluded.

Negative screening for countries is based on failing to meet minimum standards with respect to freedom, civil liberties, democratic rights, rule of law or corruption are excluded.

Positive screening of companies and countries is based on our ESG score derived using a specific KPI framework for both types of issuers, taking a broad variety of ESG topics into account.

FI 06 **Mandatory** **Public** **Core Assessed** **PRI 1**

FI 06.1 Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.

Type of screening	Checks
Negative/exclusionary screening?	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Positive/best-in-class screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
Norms-based screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

FI 06.2	Additional information. [Optional]
----------------	------------------------------------

The information on exclusions / positive screening is automatically updated using the most recent data sourced from outside vendors or collected by internal staff.
Data is updated on a bi-weekly scheme.
Our portfolio management system also holds information on exclusions / positive screenings. In the case of exclusions, pre-trade checks are in place that prevent investments into securities from excluded issuers.
Breaches are automatically detected and handled like all other breaches of contractual or regulatory restrictions:

- portfolio managers and supervisors are informed.
- the breach has to be rectified
- the breach is recorded by internal audit

(B) Implementation: Thematic

FI 08	Mandatory	Public	Core Assessed	PRI 1
--------------	------------------	---------------	----------------------	--------------

FI 08.1	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines..
----------------	--

- We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects
- We require the issuer (or 3rd party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated
- We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated
- We require issuers to report at least once per year on the projects to which proceeds have been allocated including a description of those projects
- Other, specify
- None of the above

FI 08.2	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
----------------	--

If we experience uses of proceeds that are not in accordance with the offering documents, we reassess the situation and divest if necessary.

FI 09	Mandatory	Public	Additional Assessed	PRI 1
--------------	------------------	---------------	----------------------------	--------------

FI 09.1	Indicate how you assess the environmental or social impact of your thematic investments.
----------------	--

- We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- We ensure independent audits are conducted on the environmental or social impact of our investments
- We have a proprietary system to measure environmental and social impact
- We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- Other, specify
- None of the above

(C) Implementation: Integration

FI 10	Mandatory	Public	Descriptive	PRI 1
--------------	------------------	---------------	--------------------	--------------

FI 10.1	Describe your approach to integrating ESG into traditional financial analysis.
----------------	--

We think that integrating ESG information into classical financial analysis helps us to arrive at a more complete view on our investments, and to much better identify and quantify risk and return opportunities.

We believe that the performance on material ESG topics has an very significant impact on long-term value creation for companies and that financial markets do not fully incorporate the varying levels of performance into valuations.

We also believe that performance on ESG topics of countries as debt issuers have an impact on global competitiveness, long-term financial strength and credit ratings.

Screening is applied to exclude companies or countries that are deemed to be strongly detrimental to developing a sustainable economy or society, and to restrict investments into activities we as a company do not want to be associated with.

We apply screening as a two-step process:

1. elimination of companies or countries by defined negative criteria
2. focus on ESG opportunities by positive screening

ESG value drivers are then integrated into classical financial modelling for the definition of core industry lists and portfolio investments.

FI 10.2	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.
----------------	---

SSA

Performance on ESG issues is used to assess the following:

- business climate and competitiveness
- future inflation developments / financial discipline
- functioning of governments
- future financial burdens for public spending needs

The results are then incorporated into the credit and financial analysis of governments as debt issuers.

Corporate (financial)

Companies' valuation models incorporate an comprehensive assessment of corporate governance. Also material E and S issues are systematically taken into account.

Controversies on ESG topics as well as poor ESG performance identified by our ESG assessment are incorporated into earnings / cash flow projections (e.g. allowing for litigation costs) and into the discount rate applied.

Corporate (non-financial)

Companies' valuation models incorporate an comprehensive assessment of corporate governance. Also material E and S issues are systematically taken into account.

Controversies on ESG topics as well as poor ESG performance identified by our ESG assessment are incorporated into earnings / cash flow projections (e.g. allowing for litigation costs) and into the discount rate applied.

FI 11	Mandatory	Public	Core Assessed	PRI 1
--------------	------------------	---------------	----------------------	--------------

FI 11.1	Indicate how ESG information is typically used as part of your investment process.
----------------	--

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is used to adjust the internal credit assessments of issuers.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into portfolio weighting decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 12	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.
---------	---

	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

FI 12.2 Please provide more detail on how you review E, S and/or G factors in your integration process.

SSA

- The decision which ESG factors to include is regularly reviewed. New development and upcoming topics are monitored and their relevance, the data needed to assess the topic and potential additions are assessed. Each person involved can forward ideas on that to the ESG committee, which then review it.
- This comprises E, S and G factors.
- Constant research efforts are undertaken to source unused data, assess their relevance and possible use in the ESG assessment.

Corporate (financial)

- The decision which ESG factors to include is regularly reviewed. New development and upcoming topics are monitored and their relevance, the data needed to assess the topic and potential additions are assessed. Each person involved can forward ideas on that to the ESG committee, which then review it.
- This comprises E, S and G factors.
- Constant research efforts are undertaken to source unused data, assess their relevance and possible use in the ESG assessment.
- The materiality of the different factors is also regularly assessed and adapted if necessary.

- The decision which ESG factors to include is regularly reviewed. New development and upcoming topics are monitored and their relevance, the data needed to assess the topic and potential additions are assessed. Each person involved can forward ideas on that to the ESG committee, which then review it.
- This comprises E, S and G factors.
- Constant research efforts are undertaken to source unused data, assess their relevance and possible use in the ESG assessment.
- The materiality of the different factors is also regularly assessed and adapted if necessary.