

## SFDR – Website Product Disclosure

**Website product disclosure in respect of Article 10(1) of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (“SFDR”), concerning the following financial product:**

**Product Name: LGT CP Multi-Assets SICAV – LGT CP Sustainable Strategy 5 Years (the “Fund”)**

**Legal Entity Identifier: 391200T6SG631WD1S355**

All capitalised terms herein contained shall have the same meaning in this SFDR – Website Product Disclosure as in the Prospectus for the Fund, unless otherwise indicated. For further details on the definitions used herein, please refer to the Prospectus for the Fund.

### (a) Summary

It is considered that the Fund meets the criteria in Article 8 of SFDR to qualify as an ESG Oriented Fund. This can be reassessed at any time. If it is determined at any future point that the Fund does not meet the criteria to qualify as an ESG Oriented Fund, the Fund supplement, which forms part of the prospectus (the “**Fund Supplement**”) and this Website Product Disclosure shall be updated accordingly.

The Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Fund promotes environmental and/or social characteristics and at least 75% of the assets of the Fund will be allocated to investments aligned with environmental and/or social characteristics. While the Fund does not have sustainable investment as its objective, a minimum proportion of 30% of the assets of the Fund will be committed to sustainable investments with an environmental and/or social objective. In respect of corporate issuers, the Investment Manager also seeks to ensure that good governance practices are followed by such issuers in respect of the Fund.

Whether the Fund is attaining the environmental and/or social characteristics it promotes will be based on an assessment of whether the Investment Manager in respect of the Fund has successfully and consistently (i) applied its assessment in respect of the proportion of underlying funds in which the Fund invests (the “**Underlying Funds**”) that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds; and (ii) applied the Securities and Instruments ESG Rating System (as defined below) including the Investment Manager’s policy relating to sustainable investments, the United Nations (“**UN**”) Sustainable Development Goals (“**UN SDGs**”) as well as its ESG exclusion policy; as well as whether it (iii) applied the Manager ESG Rating System (as defined below).

The Investment Manager measures and monitors the environmental and/or social characteristics promoted by the Fund using its own data sources in addition to multiple third-party ESG data sources. The Investment Manager also carries out several steps of due diligence on the individual investments.

While the Investment Manager strives to ensure the robustness of its ESG-related analyses, there may be certain limitations of data. However, it is not foreseen that these limitations significantly alter or affect the attainment of the environmental and/or social characteristics promoted by the Fund.

In addition, the Investment Manager applies a comprehensive active ownership policy to the Fund, which includes interactions with investee companies, issuers and/or fund managers through engagement and proxy voting.

The Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.

### (b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

A minimum proportion of 30% of the assets of the Fund will be committed to sustainable investments:

- with an environmental objective in economic activities that do not qualify as environmentally sustainable under the Regulation on the Establishment of a Framework to Facilitate Sustainable Investment (Regulation EU/2020/852) as may be amended from time to time (the “**EU Taxonomy**”); or
- with a social objective.

## (c) Environmental or social characteristics of the financial product

The Investment Manager in respect of the Fund promotes environmental and/or social characteristics through certain direct and indirect investments it makes:

- Environmental considerations include a company's or issuer's energy consumption, its carbon footprint and its impact on land; and
- Social considerations include a company's or issuer's relationship with its employees and the communities in which they operate.

In terms of ensuring that the sustainable investments do not cause significant harm to any environmental or social sustainable investment objective, a requirement for sustainable investments is the positive contribution to UN SDGs, which cover a broad set of ESG activities.

In addition, the portfolio is systematically screened for controversies across environmental and/or social issues as part of the Investment Manager's “do no significant harm” (“**DNSH**”) assessment in respect of issuers as well as in respect of projects that are financed through the use of proceeds (“**UOP**”) instruments. A sudden drop due to an ESG controversy will generally lead to an alert to be triggered so further assessment and action can be taken.

As an additional safeguard, the mandatory principal adverse impacts set out in Annex 1 of the regulatory technical standards supplementing the SFDR are used to further screen against activities that may significantly harm any of the environmental or social objectives, whereby investments that do not meet minimum thresholds applied by the Investment Manager for each of the mandatory principle adverse impact indicators in Annex 1 shall be excluded from investment consideration.

### Principal adverse impacts

Principal adverse impacts on sustainability factors are considered in the following manner:

- Principal adverse impact indicators are captured under the DNSH principle for sustainable investments outlined above and in the section entitled “How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?” in Section H of the Fund Supplement.
- Principal adverse impacts are assessed as part of the ESG rating system.
- Principal adverse impact indicators are reported on as outlined in the section entitled “Does this financial product consider principal adverse impacts on sustainability factors?” in Section H of the Fund Supplement.

### Alignment with OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

The Investment Manager monitors breaches and controversies for new and existing investments which largely relies on the quality of data supplied by external data providers.

Where the Investment Manager identifies clear breaches of norms outlined in the a) OECD Guidelines for Multinational Enterprises, b) the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work, and c) the International Bill of Human Rights the Investment Manager will seek to exclude the issuer from investment by the Fund. However, it cannot be guaranteed that all investments, especially in jurisdictions where data scarcity is pronounced, can be assessed and thereby excluded.

## (d) Investment strategy

The Fund will seek to achieve its investment objective by investing (either directly or indirectly) primarily in equity and fixed income securities and instruments and to a lesser extent in other securities. In addition, the Fund may be (indirectly) exposed to the economic risks of assets classes such as commodities, hedge funds, private equity or real estate.

The Fund does not pursue a specific sectoral focus. For further information, please refer to the Section 4 titled “Investment Management” of the Fund Supplement.

When selecting investments, the Investment Manager undertakes an ESG analysis of the investment universe of the Fund in order to promote environmental and/or social characteristics, according to the description in this Website Product Disclosure.

## Good governance practices

The Investment Manager seeks to ensure that good governance practices, as reasonably determined by the Investment Manager, are followed by investee companies in respect of the Fund.

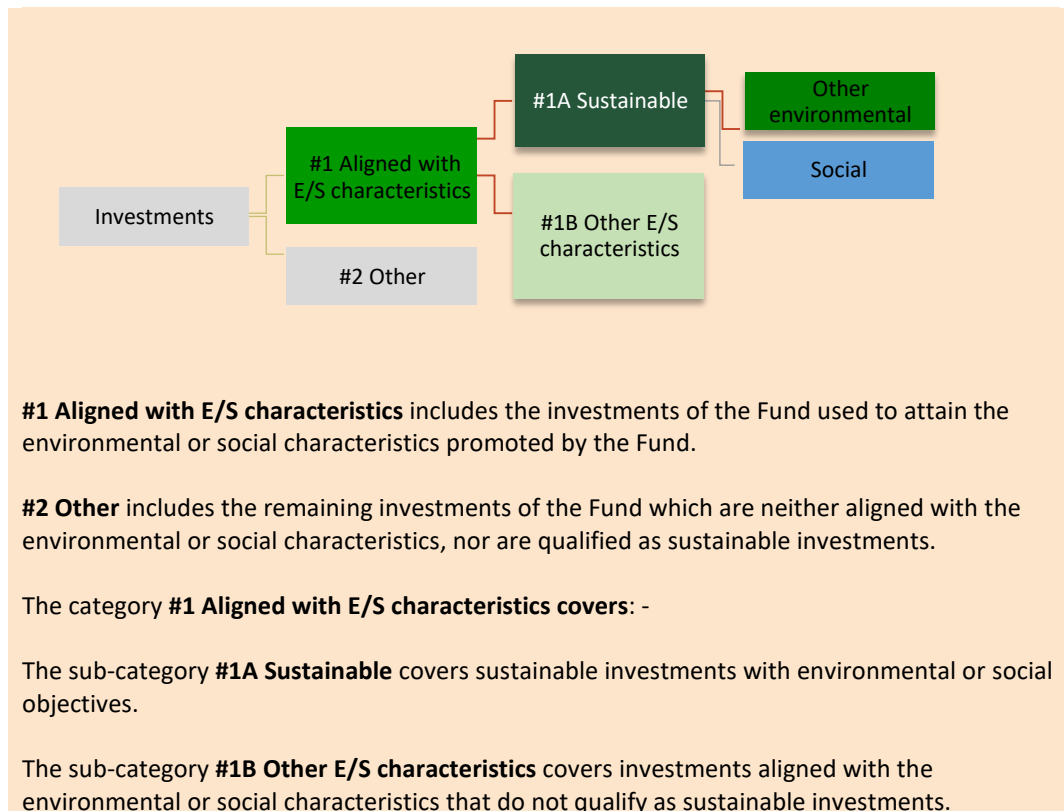
In order to ensure this, in terms of direct investments in certain asset types, the Investment Manager’s quantitative screening of corporate governance considers the independence and competency of investee company boards in terms of leadership and composition, existing and independent key committees, compensation policy, the degree of integration of long-term and ESG related targets, and minority shareholder protections. In addition, good governance is a factor in the qualitative assessment of individual companies prior to investment.

Where the Manager ESG Rating System is applied, the Investment Manager expects managers to consider good governance factors.

## (e) Proportion of investments

At least 75% of the assets of the Fund will be allocated to investments aligned with environmental and/or social characteristics (#1). At least 30% of the assets of the Fund will be committed to sustainable investments (#1A). The minimum environmental and social safeguards and the purpose of the remaining portion of investments are outlined in Section H of the Fund Supplement.

The below graphical representation contextualises the types of investment considered.



The Fund does not use derivatives specifically for the purpose of attaining the environmental and/or social characteristics it promotes. Rather, the Fund may use derivatives for ordinary purposes, which may include, for investment purposes, hedging, efficient portfolio management and/or overlay purposes and in certain cases this may therefore incidentally relate to the Fund attaining the environmental and or/social characteristics it promotes.

## (f) Monitoring of environmental or social characteristics

The Investment Manager has in place internal control and governance mechanisms to measure and monitor the environmental and/or social characteristics promoted by the Fund on an ongoing basis. Such measuring and monitoring includes regular reporting of key ESG parameters and current ESG positioning in respect of the Fund. The monitored ESG parameters are subject to change and can be reassessed from time-to-time, however, the Investment Manager expects continuous improvements to lead to such reassessments and subsequently further improvement of its ESG monitoring capabilities over time.

Reporting in terms of the monitoring of environmental and/or social characteristics promoted by the Fund will take place as part of the SFDR periodic reporting.

ESG parameters may be considered by the Fund's auditor in annual financial audits.

Whether the Fund attains the environmental and/or social characteristics it promotes is based on an assessment of whether the Investment Manager in respect of the Fund has successfully and consistently applied and executed the sustainability indicators as described in section (g) "Methodologies for environmental or social characteristics".

## (g) Methodologies for environmental or social characteristics

Depending on whether the Fund invests in an underlying fund or directly in securities or instruments, the following factors will be considered in determining whether the Fund is attaining the environmental and/or social characteristics it promotes, based on one or more of the following components:

- The proportion of underlying funds in which the Fund invests (the "**Underlying Funds**") that meet the criteria to be identified as ESG Oriented Funds or ESG Focused Funds (which have ESG-related binding elements of their own) form the first category for attaining environmental and/or social characteristics.
- For investments that do not fall into the first category above or as deemed appropriate for an asset class or type, application of the Investment Manager's proprietary ESG rating system of securities and instruments (the "**Securities and Instruments ESG Rating System**"). This proprietary ESG rating system is based on data from external data providers that provides objective, relevant and systematic ESG information and which measures the environmental and/or social characteristics of companies and issuers.
  - a. **ESG Exclusion Policy.** Exclusions are applied in the investment selection process based on ESG factors, including for inhumane weapons and coal.
  - b. **Screening based on ESG Rating.** Following the application of the above exclusions, the Investment Manager utilises its ESG rating system in respect of the remaining eligible investments. The Investment Manager has developed a proprietary ESG rating system based on external data providers and sources that provides objective, relevant and systematic ESG information. The ESG rating provides a ranking based on ESG criteria, whereby companies or issuers with more attractive ESG values are scored more highly than others.

The ESG rating serves as a main indicator in addition to traditional financial or credit metric to identify risks and opportunities that are not yet factored in the current prices and are expected to impact the spreads negatively.

In respect of companies and supranationals as issuers, the application of the ESG rating screening process is applied to the total universe of such issuers analysed through the Investment Manager's proprietary rating tool and the lowest scoring 25% of companies and supranationals analysed, in terms of their ESG score, are excluded from investment consideration. It should be noted that the range of companies and supranationals analysed through the Investment Manager's proprietary rating tool may be wider than the target investment universe of the Fund, meaning that the actual amount of investments excluded from the Fund's scope of investments may effectively be a minimum rate that is lower than 25%.

Investors should note that the screening and reduction of 25% of lowest scoring companies and supranational issuers does not apply to countries as issuers.

- c. **Sustainable Investments.** The aggregate weight of sustainable investments held by the Fund shall be calculated and used to measure the attainment by the Fund of the environmental and/or social characteristics it promotes. In order for an investee entity to be considered a sustainable investment, it must be assessed by the Investment Manager as meeting the following criteria: (i) it must contribute to an environmental or social objective (which may be assessed on the basis of alignment of such investments with the UN SDGs, as considered further below); (ii) it must do no significant harm to any other environmental or social objective; and (iii) in respect of investee companies, it must follow good governance practices. At least 30% of the assets of the Fund will be committed to sustainable investments.
- d. **UN SDGs.** Sustainable investments of the Fund target a combination of environmental and social objectives across the spectrum based on the alignment of such investments with the UN SDGs. Thus, another factor contributing to whether the Fund is attaining the environmental and/or social characteristics it promotes will be an assessment of whether the Fund has successfully and consistently applied its policy relating to investing in sustainable investments. The Investment Manager considers as sustainable investments, which are aligned with SFDR, only instruments which either:
  - i. qualify as a Green, Social or Sustainable UOP instrument according to the principles of the International Capital Markets Associations ("**ICMA**"), which align with UN SDGs, or
  - ii. have a positive net contribution to UN SDGs by virtue of the issuer's net SDG score, based on the

outputs from the ESG rating system. For the avoidance of doubt, the net positive SDG score, and therefore, the level of sustainable investments, is determined on the basis of how an investment contributes, in terms of a total impact contribution (which includes an analysis of products, services and operational alignment) to an environmental or social objective.

- For investments that do not fall into categories one or two above, application of the Investment Manager’s “**Manager ESG Rating System**” whereby fund managers are assessed on their ESG practices (in the areas of commitment to ESG, investment process, ownership and reporting). Managers receive a score of 1 to 4 (where 1 = excellent, 2 = good, 3 = fair, 4 = poor) on each of the four measures (commitment to ESG, investment process, ownership and reporting), resulting in an overall rating for each manager, which is then documented in the Investment Manager’s monitoring system and taken into consideration during the asset selection and monitoring processes. Managers rated 1-3 form the third category for attaining environmental and/or social characteristics and managers rated 4 do not attain environmental and/or social characteristics.

## (h) Data sources and processing

The Investment Manager may rely on its own data sources in addition to third-party ESG data or research providers to produce any ESG-analysis, as further described below.

The Investment Manager reviews fund offering documentation and engages otherwise as necessary to screen Underlying Funds in respect of whether these are meeting the criteria of ESG Oriented Funds or ESG Focused Funds.

Data collected from fund managers is used for the Investment Manager’s proprietary Manager ESG Rating System. The Investment Manager’s proprietary Manager ESG Rating System is used to provide a ranking based on fund managers’ ESG practices for which the Investment Manager collects relevant information about fund managers’ commitment to ESG, investment process, ownership and reporting in an annual questionnaire received from fund managers. Fund managers are first scored on each of the four measures. These are then further combined into an overall ESG score.

The Investment Manager uses third-party ESG data from external providers for the Securities and Instruments ESG Rating System which provides objective, relevant and systematic ESG information. The Securities and Instruments ESG Rating System provides a ranking based on ESG criteria, whereby companies and issuers within the investment universe with more attractive ESG values are scored more highly than others. Companies and issuers are first scored across the environmental, social and governance themes. These scores are then further combined into an overall ESG score.

Third-party ESG data is further used to implement the ESG exclusion criteria.

The main third-party ESG data sources used by the Investment Manager are: Refinitiv, MSCI, ISS ESG, RepRisk and Sustainalytics (non-exhaustive):

- For the Securities and Instruments ESG Rating, the Investment Manager primarily uses data from Refinitiv, supplemented by RepRisk, ISS ESG and MSCI.
- For the ESG exclusion policy, the Investment Manager primarily uses data from MSCI, supplemented by Refinitiv and RepRisk and controversial weapons data from Sustainalytics.
- In respect of UN SDGs, the Investment Manager primarily uses data from ISS ESG, Refinitiv, MSCI and RepRisk.

Data is frequently sourced and updated. The Investment Manager continuously assesses the availability and quality of data and may adjust its approach to the use of data or use new or different third-party providers, if deemed appropriate or necessary. The quality of automated and manual data is plausibility checked and periodic checks are executed to ensure consistency and reliability.

Investors should note the sourced data may occasionally include estimated data, which may be inaccurate. It is currently difficult to fully specify the proportion of estimated data as information about a certain proportion of estimated data is not made available by the third-party ESG data sources used by the Investment Manager.

## (i) Limitations to methodologies and data

The Investment Manager strives to ensure the robustness of its ESG-related analyses through stringent quality checks of third-party vendors and in respect of its own sourced data. The aim of the Investment Manager is to have a high calculation accuracy, which leads to meaningful results. However, there are certain limitations which may impact the reliability of such assessment:

- The Investment Manager relies on third-party data for some of its calculations. Such data or research may be imprecise, incorrect or unavailable and the resulting analysis or use of such data by the Investment Manager may be impacted.

- Sourced data may be outdated or there might be a significant time discrepancy between the period of time such data relates to and the actual reported date of such data.
- There might be differences in the definition and methodologies used to compile data, impacting the comparability of the results.

While the Investment Manager recognises these limitations, it is not foreseen that these limitations significantly alter or affect the attainment of the environmental and/or social characteristics promoted by the Fund given that a lot of the data used is typically rather static, as it does not tend to be subject to rapid change, and quality checks are performed to assure a reasonable level of accuracy of the data used. Data providers are engaged with on a regular basis to fully comprehend any data-related specifications and/or identified anomalies.

## (j) Due diligence

The Investment Manager carries out several steps of due diligence on an ongoing basis in respect of the individual investments:

- The quality of input data is checked and assessed to ensure accuracy relating to a specific investment.
- Investment professionals engage on fundamental as well as ESG-related research on individual investments and verify or, if required, adjust the quantitative data used.
- Internal risk management-related checks are carried out to ensure compliance with investment restrictions and consistent alignment with the binding elements relating to the Fund.

## (k) Engagement policies

Given the reliance on Underlying Funds, the Fund has limited opportunities to engage directly with investee companies of Underlying Funds on an ongoing basis compared to a direct trading strategy.

To the extent it can be applied, the Investment Manager applies a comprehensive active ownership policy to the Fund, which includes interactions with investee companies, issuers and/or fund managers through engagement and proxy voting, including the following:

### **Direct Engagement**

- The Investment Manager aims to establish and maintain ongoing dialogue with investee companies, issuers and/or fund managers on topics related to the attainment of the Fund's strategy and investment objective.
- The Investment Manager engages directly with investee companies, issuers and/or fund managers on arising sustainability related controversies (reactive engagements), as well as clearly defined topics related to the environmental and/or social characteristics promoted by the Fund (proactive engagements).

### **Indirect Engagement**

- The Investment Manager engages with investee companies and/or issuers indirectly through its active participation in industry associations or organizations on sustainability related topics that partake in dialogue with investee companies and/or issuers. The Investment Manager is committed to being an active collaborator and thought leader on ESG-related issues, which is further demonstrated through its participation in UN Principles for Responsible Investment, the Institutional Investors Group on Climate Change and the Climate Action 100+ initiative.
- With respect to proxy voting, the Investment Manager closely follows the SRI International Proxy Voting Guidelines provided by the Institutional Shareholder Services Inc. (ISS). As part of this collective of 1,900 investors, the Investment Manager aims to have a more significant impact on the accountability of large corporations and their actions.

## (l) Designated reference benchmark

The Fund does not use a benchmark and neither measure whether the promoted environmental and/or social characteristics are attained with a benchmark.

## Annex

### (a) Zusammenfassung

Es wird davon ausgegangen, dass der Fonds die Kriterien in Artikel 8 der Offenlegungsverordnung erfüllt, um als ESG-orientierter Fonds eingestuft zu werden. Dies kann jederzeit neu beurteilt werden. Wenn zu einem zukünftigen Zeitpunkt festgestellt wird, dass der Fonds die Kriterien für die Einstufung als ESG-orientierter Fonds nicht erfüllt, werden die Fondsergänzung, die Teil des Prospekts ist (die „**Fondsergänzung**“), und diese Website-Produktangaben entsprechend aktualisiert.

Zur Erreichung seines Investitionsziels investiert der Fonds (direkt oder indirekt) vornehmlich in Aktien und festverzinsliche Wertpapiere sowie Instrumente und in geringerem Umfang in andere Wertpapiere. Darüber hinaus kann der Fonds (indirekt) den wirtschaftlichen Risiken von Anlageklassen wie Rohstoffen, Hedgefonds, Private Equity oder Immobilien ausgesetzt sein.

Der Fonds bewirbt ökologische und/oder soziale Merkmale und mindestens 75 % der Vermögenswerte des Fonds werden Investitionen zugewiesen, die auf ökologische und/oder soziale Merkmale ausgerichtet sind. Obwohl der Fonds keine nachhaltigen Investitionen anstrebt, verpflichtet er sich, einen Mindestanteil von 30 % der Vermögenswerte des Fonds in nachhaltige Investitionen einem ökologischen und/oder sozialen Ziel zu investieren. In Bezug auf Unternehmensemittenten ist der Investment Manager außerdem bestrebt, sicherzustellen, dass diese Emittenten in Bezug auf den Fonds Verfahrensweisen einer guten Unternehmensführung einhalten.

Ob der Fonds die von ihm beworbenen ökologischen und/oder sozialen Merkmale erreicht, wird auf einer Beurteilung basieren, ob der Investment Manager in Bezug auf den Fonds erfolgreich und konsequent (i) seine Beurteilung in Bezug auf den Anteil der zugrunde liegenden Fonds, in die der Fonds investiert (die „**zugrunde liegenden Fonds**“), die die Kriterien für die Einstufung als ESG-orientierter Fonds oder ESG-fokussierter Fonds erfüllen, angewandt hat; und (ii) das ESG-Rating-System für Wertpapiere und Instrumente (wie nachstehend definiert) einschließlich der Richtlinie des Investment Managers in Bezug auf nachhaltige Investitionen, der Ziele für nachhaltige Entwicklung der Vereinten Nationen („**UN**“) („**UN SDGs**“) sowie der ESG-Ausschlusspolitik angewandt hat; sowie ob er (iii) das ESG-Rating-System (wie unten beschrieben) für Manager angewandt hat.

Der Investment Manager misst und überwacht die vom Fonds beworbenen ökologischen und/oder sozialen Merkmale mithilfe seiner eigenen Datenquellen sowie mehrerer externer ESG-Datenquellen. Der Investment Manager führt außerdem verschiedene Due-Diligence-Maßnahmen für die einzelnen Investitionen durch.

Obwohl der Investment Manager bemüht ist, die Robustheit seiner ESG-bezogenen Analysen sicherzustellen, kann es bestimmte Einschränkungen bei den Daten geben. Es ist jedoch nicht vorgesehen, dass diese Einschränkungen die Erreichung der vom Fonds beworbenen ökologischen und/oder sozialen Merkmale erheblich verändern oder beeinflussen.

Darüber hinaus wendet der Investment Manager eine umfassende aktive Eigentümerpolitik für den Fonds an, die auch Interaktionen mit Unternehmen, in die investiert wird, Emittenten und/oder Fondsmanagern durch Engagement und Stimmrechtsausübung umfasst.

Der Fonds verwendet keine Benchmark und misst auch nicht, ob die beworbenen ökologischen und/oder sozialen Merkmale mit einer Benchmark erreicht werden.