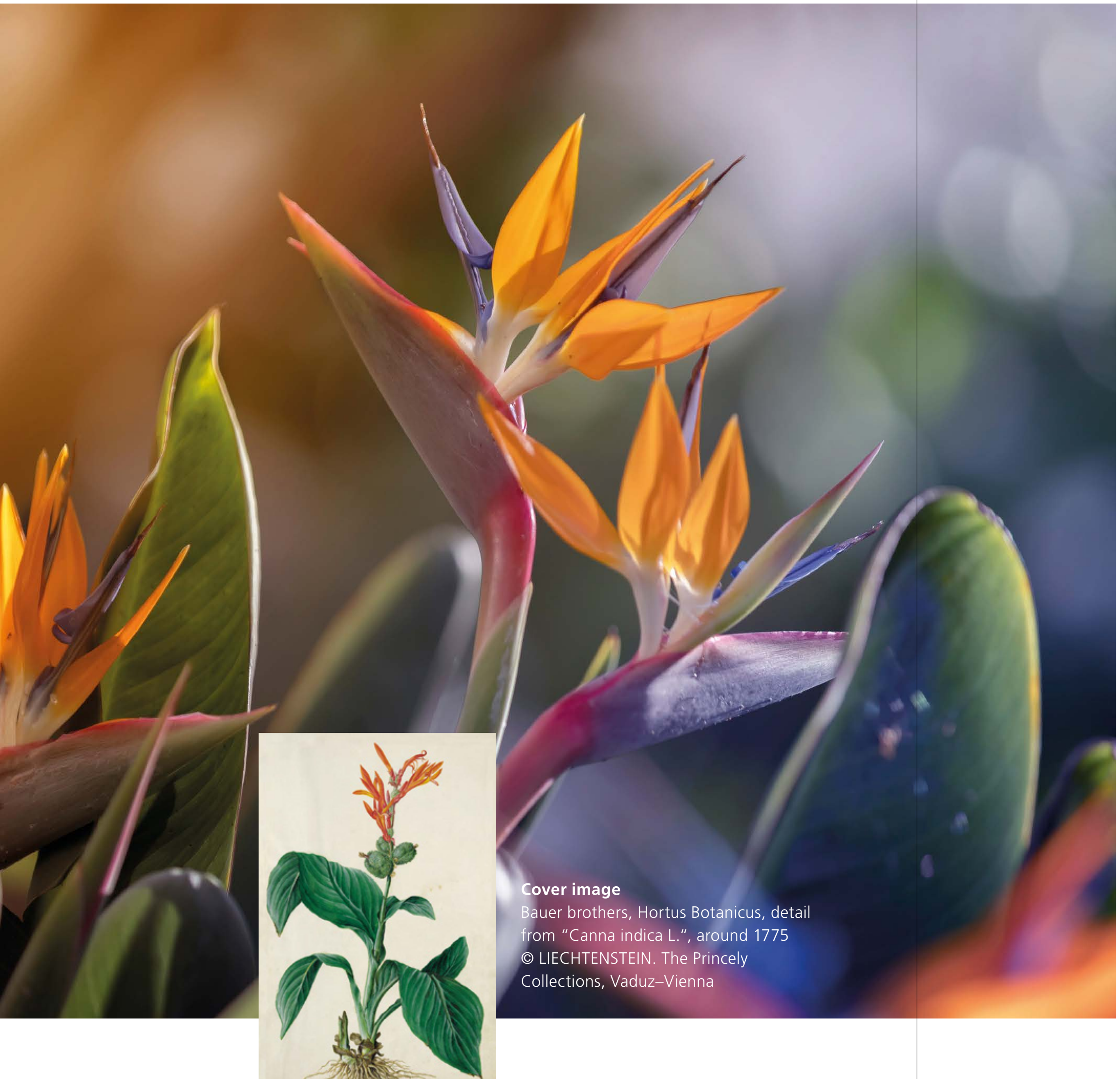
Wealth
Management

Sustainable Model Portfolio Service

Together, small changes can have a large impact

Forward-looking
for generations



Cover image
Bauer brothers, Hortus Botanicus, detail from "Canna indica L.", around 1775
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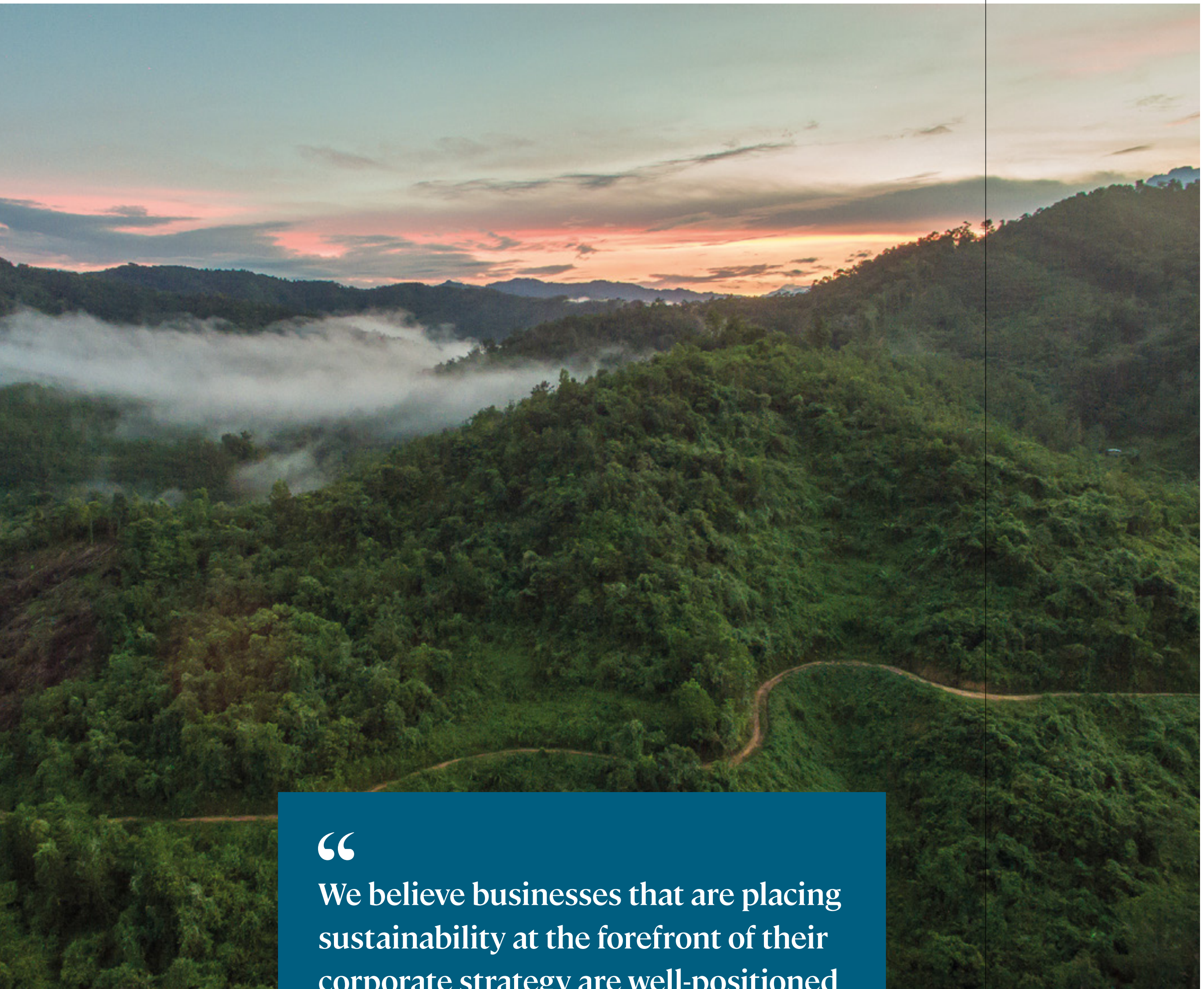


> “We believe businesses that are placing sustainability at the forefront of their corporate strategy are well-positioned to benefit from the evolution to a more sustainable economy.
>
> Phoebe Stone
> Partner, Head of Sustainable Investing

Welcome

Dear investor,

We have been providing investment services for the sustainably minded clients of financial advisers since our launch in 2008. We have a long-standing partnership with your financial adviser, and we work collaboratively to ensure your investments stay in line with your financial plan. We provide you with an investment portfolio that matches your investment and sustainability requirements, whilst your adviser continues to take care of your wider financial needs, incorporating your objectives and long-term goals.

As part of LGT Group, the family-owned global private bank, we have a strong corporate culture and shared values. Our private ownership by the Princely Family of Liechtenstein provides stability and financial strength, alongside a long-term approach to wealth management and sustainable business practices.

Thank you for choosing our Sustainable Model Portfolio Service.

Yours sincerely,

Phoebe Stone,
Partner and Head of Sustainable Investing

Your Sustainable Model Portfolio

Portfolios with purpose, designed for a range of outcomes

A Model Portfolio Service (MPS) is a professional investment approach that provides you with a diversified and expertly managed investment portfolio. The sustainable range of portfolios within the service are designed to meet your specific financial goals and align to our sustainable investing framework.

We manage a Sustainable MPS consisting of five diversified investment portfolios, which are exclusively available to clients through an accredited financial adviser, who can provide financial guidance. Your financial adviser will lead you through the process of selecting the most suitable portfolio for your individual needs.

In addition to our Sustainable MPS, we have alternative investment services that all follow our sustainable investment framework

International Sustainable Model Portfolio Service
The International Sustainable MPS is managed across three currencies, USD, GBP and EUR and is specifically designed for clients who reside abroad.

Sustainable Portfolio Service
The sustainable portfolio service provides a bespoke service to clients, creating individual portfolios with the ability to invest in both funds and direct investments.

Verus multi-asset Fund
The Verus Sustainable Balanced Fund follows the same asset allocation as our SMPS Balanced portfolio. The fund structure allows assets to be bought and sold within it without triggering capital gains tax and also provides the ability to invest into direct equity and bond investments.

Allocating capital to sustainable investments

The Sustainable MPS utilises a wide range of asset classes including equities, bonds and cash. However, the funds selected for your portfolio have sustainability at the core of their investment thesis. These funds focus on investing in companies that are embedding sustainability across their business model, from how they operate to the products and services they provide.

Dedicated team

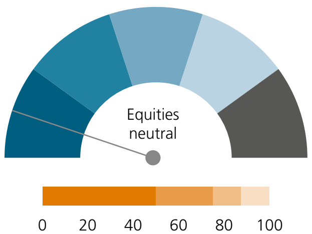
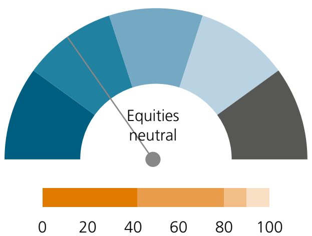
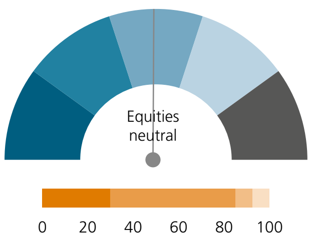
Our dedicated team of experienced and passionate sustainable investment professionals work in conjunction with your financial adviser to ensure your investment needs are achieved.

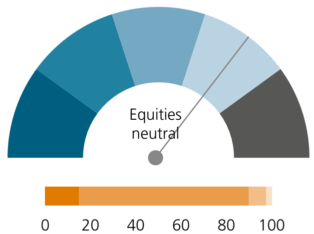
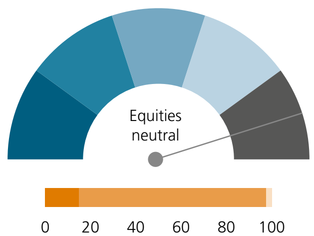
Sustainable MPS benefits

- Aims to provide attractive long-term returns with a sustainable focus
- Risk managed portfolios
- Industry-leading sustainable investment service

Selecting a portfolio that is right for you

A sustainable future without compromising financial return

Portfolio	Description
Defensive 	The main goal of this portfolio is to safeguard your investment. It is spread across various types of assets, but we keep the portion invested in stocks and other risky assets relatively low to minimise potential risks.
Cautious 	This portfolio aims to steadily increase your capital. It includes a mix of different types of investments, with a balanced focus on funds that invest in stocks and other moderately risky assets.
Balanced 	This portfolio is designed to help your capital grow beyond the effects of inflation. We spread your investments across different types of assets, with a moderate focus on funds that invest in stocks and other assets with some level of risk.

Portfolio	Description
Growth 	The main goal of this portfolio is to achieve capital growth that surpasses the average. Your investments are spread across various types of assets, with a balanced to slightly higher focus on funds that invest in stocks and other assets with some level of risk.
Adventurous 	The main goal of this portfolio is to achieve substantial capital growth. Your investments are diversified across different types of assets, with a significant focus on funds that invest in stocks and other assets with some level of risk.

- Fixed income
- Equities
- Alternatives
- Cash

Our sustainable investment approach

The economic and investment landscape has changed considerably over recent years, with one of the most seismic shifts coming from government policy and regulation.

Evolving the model: system change

The dominant socioeconomic model of the past century has created wealth and social progress, but it has also contributed to significant sustainability-related challenges such as climate change. There is increasing recognition that these challenges have very real economic costs. Therefore, moving forward, a healthy and robust economy requires a healthy and robust environment and society. This provides the long-term structural support for industries and companies that are positively contributing to this economic transition.

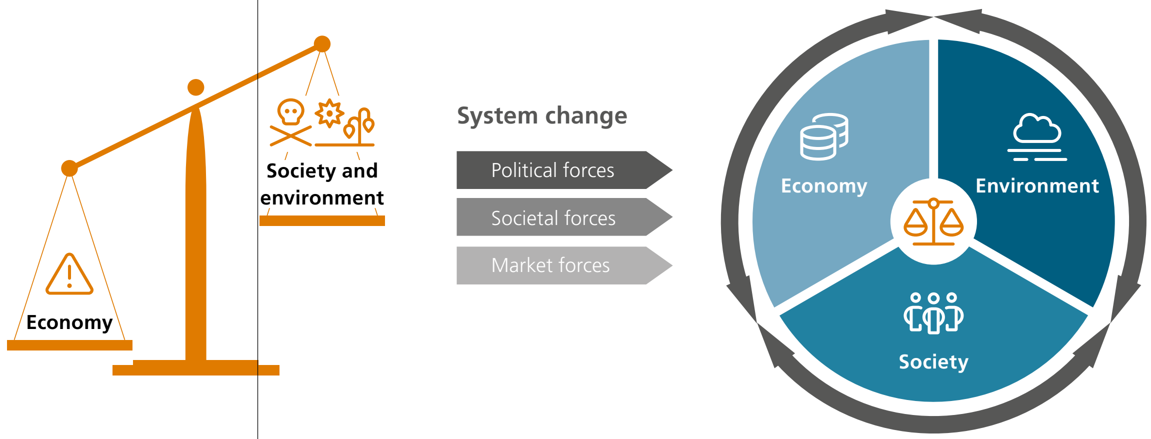
Evolving the model

Traditional model

Unbalanced and unsustainable

Sustainable model

Balanced and mutually enforcing



Through this evolution we will create a more resilient and productive world to deliver longer-term prosperity

Investing for sustainable value creation

To understand the true economic value of an investment, we have a central belief that we must understand the dynamic between the economy, society, and environment and how these factors impact a company's ability to operate and succeed.

The concept of sustainable value creation (SVC) is an evolution of the traditional economic model into a more sustainable economic model, which will create better outcomes for investors and wider stakeholders over the longer term.

SVC requires us to have a long-term mindset, to conduct robust financial analysis with an integrated assessment of sustainability and to be active owners and support the companies we invest in on this journey.

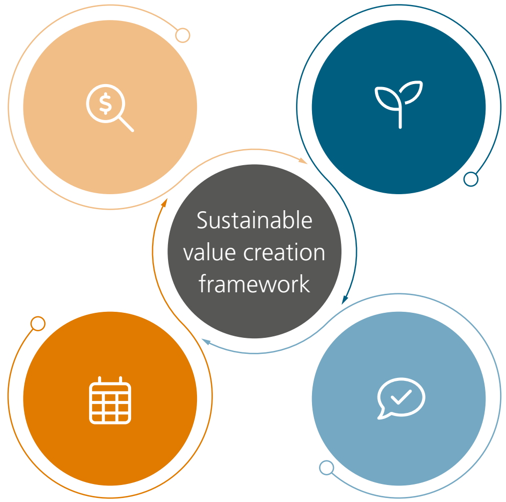
Our sustainable value creation framework

Robust financial analysis

An assessment of financial strength is at the core of the investment decision

Holistic sustainability assessment

Material sustainability factors are central to determining risks and opportunities



Long-term mindset

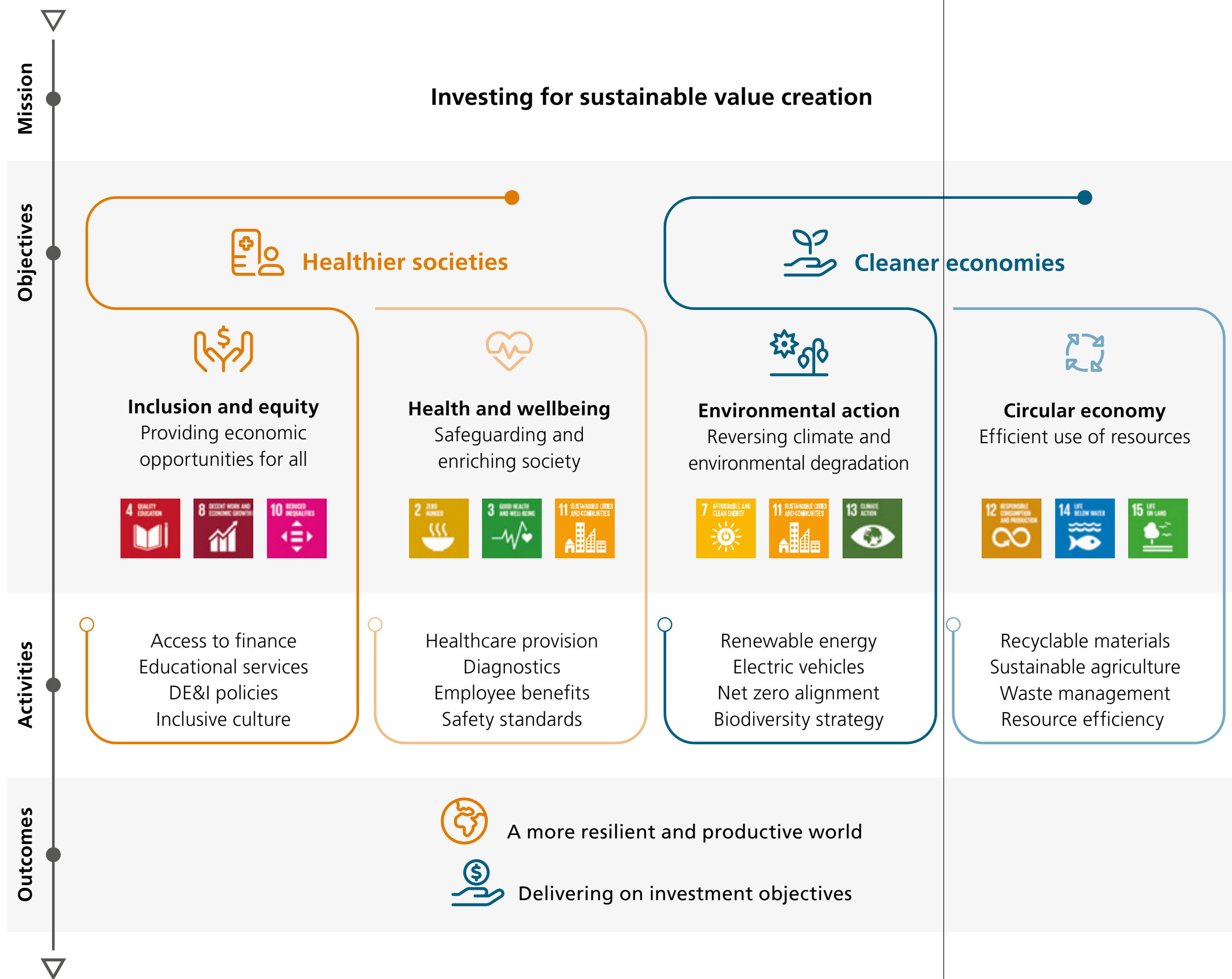
Understanding economic, societal and environmental dynamics requires a long-term approach

Active ownership

We use our voice for change, through voting and active engagement

We believe you do not need to compromise on returns to invest sustainably

Sustainable investing framework



Sustainable investing framework

Our sustainable investment framework takes our overarching mission for sustainable value creation and translates it into investable opportunities. We focus on two structural mega-trends which we believe are paramount in delivering a transition to a more sustainable global system: 'healthier societies' and 'cleaner economies'.

Beneath these two mega-trends, we identify four investment pillars which help inform the attractive attributes of potential investments when considering both 'what' they do and 'how' they do it. Through a robust approach, where both financial analysis and sustainability factors are understood, we believe we can align your portfolio with the outcome of a more resilient and productive world, whilst delivering on your investment objectives.

Aligned with the United Nations Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are a global framework designed to influence positive economic development and improve the world through encouraging collaboration and innovation.

Whilst we do not use the SDGs as our primary framework, we do believe that our investment pillars are aligned to several of the SDGs, as illustrated below.

UN SDG alignment

A dedicated Investment Committee

Your portfolio is designed to benefit from LGT's analysis on markets, asset classes and sectors. LGT utilises a wide range of resources and tools, including external macroeconomists to provide specialist insight into specific regions. This ongoing evaluation of markets forms the monthly 'LGT market views', outlined by our central investment committee, which is comprised of a robust group of investment managers and dedicated research analysts.

On a monthly basis the sustainable investment committee reviews portfolios to ensure they remain aligned to the LGT market views, risk parameters and sustainability objectives. This means your portfolio benefits from the most current investment thinking and our best ideas through dynamic portfolio construction. At times, unexpected market events can necessitate a strategic change to your portfolio outside of the usual monthly review. In such circumstances, the Sustainable Model Portfolio team will facilitate this with the objective of always providing you with an optimised service. You are able to see the trades on your portfolio via the LGT Wealth web portal or third-party platform.

Our distinctive approach

Our sustainable investment team focuses on in depth qualitative analysis that is informed by the valuable insights that our proprietary data tools provide. Our commitment to innovation allows us to adapt to the dynamic sustainable investing landscape, supporting our ability to identify the most suitable investment solutions to meet our portfolio financial and sustainability objectives.

Sustainable Model Portfolio investment process

The art of portfolio construction

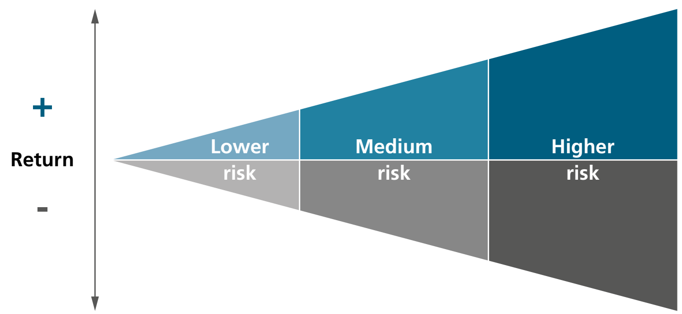
Crafting your portfolio

Your sustainable portfolio is constructed using a range of funds with sustainability at the core of their investment thesis. Our team of in-house sustainable research experts continually analyse, monitor and review funds from a growing universe, globally. Each individual fund in your portfolio is used to access various securities in a specific geography, asset class, sector or investment theme in line with the 'LGT market views' and our sustainable investment framework.

Aligned to your objectives

The funds selected for your portfolio are consistent with your portfolio objectives and associated risk profile. If you are a risk averse investor targeting a lower level of volatility which impacts your investment growth, your portfolio will typically contain a higher percentage of fixed income and alternative funds. The opposite is true for an investor targeting higher levels of capital growth. For these clients, the portfolio will contain a higher percentage of equity funds.

The theoretical relationship between risk and return



A diversified portfolio

Investing in funds ensures that your portfolio is diversified, meaning you are not exposed to any individual market risks. We invest using a conviction-led view, so your portfolio is typically comprised of 20-25 funds. We take meaningful positions to ensure that your portfolio would not suffer from being overly diversified. Being overly diversified can dilute the impact of successful investing, resulting in lower performance.

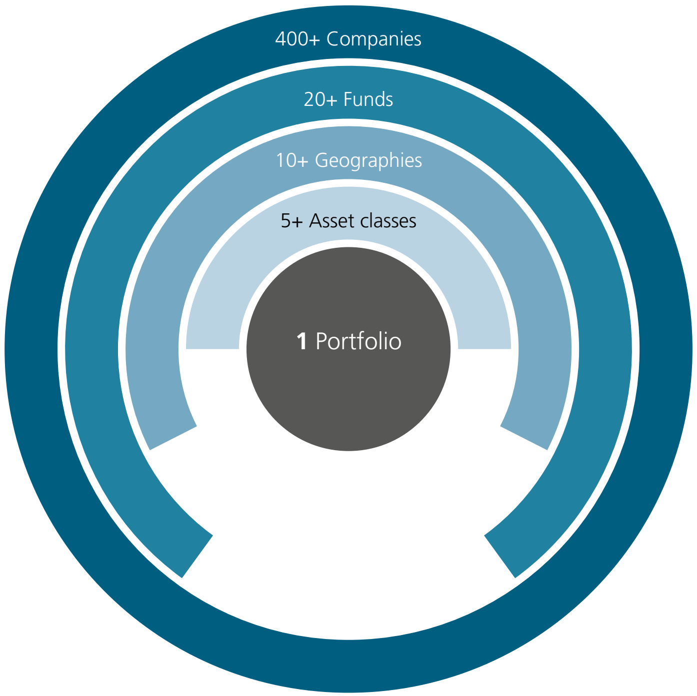
The funds within your portfolio are managed by a range of fund managers who employ various fund administrators. This means we are completely unconstrained and can move quickly when making buying or selling decisions for your portfolio.

We aim to control the duplication of underlying holdings and risk in the portfolio by assessing the complementary nature of each fund when selecting investments for your portfolio.

Investment universe exposure

Your sustainable portfolio contains a diversified selection of funds. These funds are selected to access a specific asset class, geography and sector. Below is an example of the investment universe your portfolio can have exposure to.

Investment universe exposure



Monitoring your investments

Clearly communicated

For portfolios in LGT custody, we will provide you and your financial adviser a valuation, cash statement and a transaction schedule every quarter. Portfolios in LGT custody can be viewed online via the LGT website. For portfolios held on a third party platform, valuations, performance reports, transaction schedules and tax packs are provided by the platform. Your financial adviser will be able to advise you further on how best to view your investment portfolio on a third party platform.

We understand that you want to keep informed about your portfolio's positioning. On a monthly basis we produce a portfolio factsheet, on a quarterly basis we produce a portfolio review discussing investment performance and changes, and a sustainability report which utilises our data capabilities to provide insights into the sustainability characteristics of the portfolios.

Clearly communicated

Quarterly report
Covering topical sustainability themes, performance drivers, changes and sustainability characteristics of portfolios

Monthly factsheet
Outlining important portfolio information including top holdings, asset allocation and performance data

Weekly communications
Topical events and market driven data analysis is sent directly to your financial adviser so they are fully informed on our investment thinking and sustainable themes we are considering in your portfolio

Our fees

Transparency is at the core of our proposition

The fees we charge in relation to our Sustainable MPS are based on a percentage of the value of your portfolio. There are no dealing fees charged on model portfolios held with LGT, although underlying fund charges may apply. The underlying fund charges for the investments held in your portfolio consist of an annual management charge and other associated costs, none of which are paid to LGT.

With client service and quality at the heart of our proposition, we ensure our fee structure is transparent and simple to understand. There are no initial charges, exit charges or transfer fees for you to pay. The only fee paid is a percentage of the value of your portfolio, which aligns our interests to yours.

Our fees

- 0.25 percent per annum annual management charge
- If assets are held in LGT Wealth Management custody, there is a custody charge of 0.25 percent per annum

Your overall wealth solution

Your investment portfolio is only one part

Our Sustainable Model Portfolios can be held within a range of tax structures as well as in a core portfolio. These tax structures provide tax-efficient benefits, which your financial adviser can provide further guidance on.

Tax structures include:

- Onshore/offshore bonds
- Individual Savings Accounts (ISAs)
- Self Invested Personal Pensions (SIPPs)
- Small Self-Administered Pension Schemes (SSASs)
- Individual trusts and charity accounts

Your portfolio will likely be positioned within a wider wealth solution built by your financial adviser. The Sustainable Model Portfolios are fully diversified across asset classes and geographies so it can complement a range of other investments.

> "We are committed to providing the highest level of service to advisers and their clients.
>
> Sanjay Rijhsinghani, Chief Investment Officer

Meet the team

Phoebe Stone

Partner and

Head of Sustainable Investing

Phoebe is Head of Sustainable Investing at LGT. She is a member of the Central Investment Committee, the Authorised Collectives Committee, and the Sustainable MPS Investment Committee. Phoebe is a fellow of the CISI and has been at LGT since 2014.

Ben Palmer

Lead Sustainable Portfolio Manager

Ben Palmer is responsible for the sustainable service offering designed for financial advisers. Ben holds A BSc in Politics from University of Bristol, the Chartered Wealth Management qualification, the Investment Advice Diploma, and the CFA certificate in ESG investing.

Kevin Le

Trainee Sustainable Portfolio Manager

Kevin joined LGT in 2022, working in the Sustainable Investing team as a Trainee Sustainability Analyst. Kevin is a member of the Sustainable Investment Committee. He also holds the CFA Investment Management Certificate.

Siobhan Archer

Global Stewardship Lead

Siobhan joined the sustainable investment team in 2021 from the UN PRI to bolster stewardship at LGT and provide support to financial advisers on sustainable investment themes.

Heidi Droutsa

Stewardship Analyst

Heidi is a Stewardship Analyst, working with the global stewardship team at LGT. Heidi was previously an Equity Research Analyst within the Investment Research team.

Jenna Miller

Sustainable Investing & Intermediary Investment Services Operations Executive

Jenna joined the Sustainable Investment team at LGT in 2021 to provide operational support to financial advisers.

Jordan Kelly

Sustainable Portfolio Manager

Jordan joined LGT in October 2019 as a Trainee Investment Manager on the Sustainable MPS team. He is a member of the Sustainable MPS Investment Committee.

Dedicated additional resources:

- Research team
- Investment committee
- Dealing and operations team

Imprint

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Investors should be aware that past performance is not an indication of future performance, the value of investments and the income derived from them may fluctuate and you may not receive back the amount you originally invested.

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