



ESG Accord Sponsor Statement

Second Edition

Company profile

LGT is a UK-based wealth management firm and is part of the private banking LGT Group, owned by the Princely Family of Liechtenstein.

LGT Group is the largest private banking and asset management group in the world that is wholly owned by a single family. As at 30 June 2022, LGT managed over £253.3 billion in assets and the Group benefits from a well-diversified revenue base and economies of scale. LGT has one of the strongest balance sheets in the industry with high levels of liquidity and an equity capitalisation significantly above regulatory requirements. LGT Bank has a credit rating of A+ Standard & Poors; Aa2 Moody's.

LGT was founded in 2008 to provide a transparent offering to clients and advisers. As at 30 September 2022, LGT managed over £20.8 billion in assets. Its private ownership structure allows it to take a genuinely long-term approach to your investments.

Why did you want to sponsor the report/database?

Sustainable thinking and action have been cornerstones of the Princely Family for generations. This is why these values are also deeply anchored in LGT's corporate culture: sustainable thinking and action are an integral part of our corporate philosophy. A long-term perspective and responsibility for the environment and society are guiding principles of our corporate culture.

We believe that integrating sustainability analysis within an investment process can help avoid environmental, social and governance (ESG) risks, and assists with identifying growth opportunities. This analysis contributes to the funds selected for our Sustainable Model Portfolio Service (MPS), which is a discretionary investment service comprising diversified portfolios to meet a range of objectives and risk profiles. The ultimate aim of the Sustainable MPS is to generate strong and consistent investment returns for clients, whilst supporting our sustainable philosophy.

We have partnered with financial advisers to provide investment services since our inception, and we understand the importance of transparency and the availability of appropriate tools for advisers to determine the best solution for clients. The ESG Accord MPS report provides a useful comparison between sustainable investment services, so advisers can easily identify the appropriate portfolio for their client.

What are you actively doing in the ESG & Sustainable space?

Sustainability is truly at the heart of our business, with the Chairman, CEO and all members of senior leadership being involved in sustainable governance. Aside from that, our commitments to sustainability speak for themselves:

- Carbon Neutral since 2010
- Commitment to net-zero by 2030 in operations and investments
- Development of the LGT 2025 Sustainability Goals

- Signed air capture agreement with Climeworks
- LGT Forest
- LGT Fitter Planet Fund
- Principles for Responsible Investment
- United Nations Global Compact
- Principles for Responsible Banking
- Institutional Investors Group on Climate Change
- Partnership for Carbon Accounting Financials
- Net-Zero Banking Alliance
- Climate Action 100+
- Task Force on climate-related Financial Disclosures
- Finance for Biodiversity pledge

Since 2010, LGT has been Carbon Neutral, offsetting our emissions through a wind project in India. This reduces over 100,000 tonnes of CO₂. We achieved this by switching entirely to renewable energy in our buildings and purchasing carbon credits for those emissions that we could not remove ourselves. These credits give the right to emit 1 tonne of carbon dioxide.

At LGT, we have curated our own 2025 sustainability goals to ensure progress is made in reducing our negative impact on the environment. Aside from the fact that we purchase and use renewable energy in our offices, we have also established a Sustainable Business Committee to discuss future potential ideas for our goals. Initiatives that have since been put into action include the launch of our client portal and mobile app, which enables paperless interactions with clients. There has also been the establishment of the LGT UK Forest, where for every client that goes paperless, a tree is planted.

In December 2021, LGT UK signed a ten-year agreement with the Swiss company Climeworks, making us the first bank to conclude an agreement of this size. Climeworks offers companies the ability to remove both past and present CO₂ emissions from the air permanently using direct air capture machines. This is then either upcycled into commercial products or stored permanently within rock formations underground. By choosing Climeworks, we are increasing our ability to reach net-zero by 2030.

Important information

LGT Wealth Management UK LLP is authorised and regulated by the Financial Conduct Authority (FCA). Our registration details are set out in the FCA Register: Firm Reference No. 471048, www.fca.org.uk/register. Registered in England and Wales: OC329392. Registered office: 14 Cornhill, London, EC3V 3NR.

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