



**PUBLIC TRANSPARENCY REPORT**

**2023**

**LAIQON AG**

Generated 15-12-2023

# About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

## Disclaimers

### Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

### Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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# SENIOR LEADERSHIP STATEMENT (SLS)

## SENIOR LEADERSHIP STATEMENT

### SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

#### Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Responsible Investment in particular and Sustainability in general are one of the three cornerstones of LAIQON's overall strategy (the other two being "client centricity" and "digitalization"). We consider Sustainability as the most important part with the potential to shape our overall strategy since it affects everything we do and all of our core businesses. We pursue our responsible investing path because we firmly believe that this will add value for our clients, that our clients consider this to be part of our fiduciary duty so that we can proactively accommodate upcoming demand. At the end of 2020 we have committed to the Science Based Targets initiative and at the end of 2022 we have submitted our targets. These now find themselves in the validation process of the SBTi team.

After the strategic reorientation of the former Lloyd Fonds in 2018, the company has quickly become a signatory to the PRI in 2019. We have subsequently launched internal guidelines, joined relevant initiatives for our business model and implemented changes to our product portfolio and investment approaches. In order to underline our commitment to responsible investing, we have articulated an ambition to position our entire product offering as Article 8 or Article 9 of SFDR. Even for investment strategies that promote environmental or social characteristics it is our goal to establish a minimum share of sustainable investments. Our investment approach is guided by a forward-looking approach centered around the contributions to the Sustainable Development Goals. Although we do make use of exclusion lists to fulfil regulatory requirements or external certification, our belief is to invest in transformation and to enable companies in their strategy towards more sustainability. We believe that responsible investing should not only focus on following static and backward looking exclusion lists but taking a forward looking approach towards (SDG-)contribution and create a positive contribution on sustainability in the form of sustainable investments (according to EU Taxonomy or SFDR)

#### Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
  - refinement of ESG analysis and incorporation
  - stewardship activities with investees and/or with policymakers
  - collaborative engagements
  - attainment of responsible investment certifications and/or awards

2022 has been a year of transition for LAIQON – marked inorganic growth through completing M&A strategies and for articulating our strategy “Strategie 2023 / 2025” and ultimately “Growth25”. In this strategic guidance we want to take a leading role in the industry (the “L” in LAIQON) by combining Artificial Intelligence (AI) with human skill and knowledge (IQ). We have successfully integrated MFI Asset Management and Selection Asset Management (who was in turn a PRI signatory). Throughout 2022, LAIQON has experienced significant acceleration in the implementation of its strategic ambitions until 2025. This not only includes the rebranding of formerly Lloyd Fonds into LAIQON but also the full consolidation of previously acquired subsidiaries BV Bayerische Vermögen (Wealth Management space), MFI Asset Management GmbH (LAIQON Asset Management) and growney GmbH (part of Digital Wealth). In the fourth quarter of 2022, it has been decided to establish an own department dealing with sustainability and responsible investing. Our new Head of Group Sustainability Dr. Robin Braun reports directly to the CEO of LAIQON and chairs this department. Various measures have already been taken which will be further accelerated under the leadership of our Head of Group Sustainability.

- We have submitted our targets for SBTi at the end of 2022
- our Senior Advisor to the Board of LAIQON (former CIO and board member of former Lloyd Fonds) is a member of the Sustainable Finance Advisory Board of Germany and chairs the sustainable finance cluster in Germany. Even though there is no direct policy advocacy by LAIQON employees we are frequently informed about political developments
- We have underscored our commitment to the Science Based Targets Campaign of CDP by being an endorser to the campaign and by endorsing the non-disclosure campaign of the CDP
- We are implementing a more refined tracking of our engagement efforts with investee companies. Our engagement activities take an integrated approach through financial and ESG topics combined. On selected target topics we engage individually on sustainability topics only.
- Our fixed income analysts and portfolio managers have developed an investee questionnaire focusing on the sustainable development goals (SDGs) in particular.
- We have accelerated and formalized our use of internal policies on controversial weapons and adherence to international norms and have published them on our website.
- We have broadened our existing partnership with the WWF into a technical assistance partnership with the goal of letting the whole LAIQON platform benefit from WWFs expertise rather than only a single fund
- our Responsible Investment efforts have been awarded “silver” by Zielke Research Consulting based on our Responsible Investment and Engagement Report 2022
- FNG 2023 - six of our mutual funds have been certified with the “FNG Siegel” by Forum Nachhaltige Geldanlagen. We are in the process of renewing this certification and apply for additional “stars” for two of our mutual funds (Green Dividend World and Sustainable Yield Opportunities)
- Scope Research has highlighted the ESG integration capabilities the LAIC Advisor Artificial Intelligence Engine. This AI powered engine is a cornerstone of our strategy and will be used in sustainability analyses and impact analysis subject to data availability. certified with the “FNG Siegel” by Forum Nachhaltige Geldanlagen. We are in the process of renewing this certification and apply for additional “stars” for two of our mutual funds (Green Dividend World and Sustainable Yield Opportunities)

### Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

It has been our commitment to position as many products as possible as at least Article 8 or Article 9 under SFDR. We have developed various approaches for measuring environmental or social contribution for our investments under SFDR. These include but are not limited to SBTi validation status, investing in green / social bonds that follow the green / social bond principles by ICMA, SDG progress tracking, investing into Paris Aligned Benchmark constituents and following binding CO2 Emission reduction rules that are in line with the Paris Agreement. We invest into technology and digitalization in order to enable all of our three core operating segments (asset management, wealth management and digital wealth) to invest responsibly and to tighten existing investment policies in order to follow responsible investment parameters.

The implementation of these specific steps has already started under the supervision of our new Head of Group Sustainability. An additional focus will be placed on internal training of our staff in order to mainstream the concept and LAIQON's mission on sustainability.

We have also formulated internal targets with respect to the orientation along international norms, most notably UN Global Compact. We have broadened our ESG data availability across legal entities within LAIQON to enable a better use of ESG data. We have initiated internal training, which is mandatory for all employees who directly face sustainability topics in order to mainstream the activities on responsible investment. As a result, we publish a glossary of our understanding of ESG terms and responsible investment.

An additional step will be a monthly visibility of principal adverse impact (PAI) data for every of our mutual funds that is at least Article 8 of SFDR. We welcome the strategic direction from SFDR and approach the requirements proactively and see regulation as an opportunity for us.

Further we have assembled internal working groups to accelerate "Growth25 2.0", among others positioning and strengthening responsible investment better and working with other participants in the market, most notably our clients. We see ourselves in a strong position through the interaction of artificial intelligence, our data capabilities from our data-warehouse and human capital (IQ) – with a digital offering ("on" / online) of products and solutions.

### Section 4. Endorsement

**'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.**

Name

Achim Plate

Position

CEO of LAIQON AG

Organisation's Name

LAIQON AG

A

**'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.**

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# ORGANISATIONAL OVERVIEW (OO)

## ORGANISATIONAL INFORMATION

### REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

## SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

## ASSETS UNDER MANAGEMENT

### ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 6,008,469,000.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

### ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].



	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	>10-50%	>10-50%
(B) Fixed income	>10-50%	>10-50%
(C) Private equity	0%	0%
(D) Real estate	>0-10%	>0-10%
(E) Infrastructure	0%	0%
(F) Hedge funds	>0-10%	>0-10%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>0-10%	>0-10%
(J) Off-balance sheet	0%	0%

**(I) Other - (1) Percentage of Internally managed AUM - Specify:**

This includes for example cash deposits with banks or structured notes / warrants on single issuers or indices

**(I) Other - (2) Percentage of Externally managed AUM - Specify:**

includes for example investments into multi asset products

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>10-50%	>0-10%	>10-50%	>0-10%	>0-10%
(B) Passive	>50-75%	>0-10%	>10-50%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	>10-50%	>50-75%
(B) Listed equity - passive	0%	>75%
(C) Fixed income - active	>10-50%	>75%
(D) Fixed income - passive	>0-10%	>75%
(F) Real estate	>0-10%	>75%
(H) Hedge funds	0%	>75%

## ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

**Provide a further breakdown of your internally managed listed equity AUM.**

(A) Passive equity 0%

(B) Active – quantitative >10-50%

(C) Active – fundamental >50-75%

(D) Other strategies >0-10%

**(D) Other strategies - Specify:**

structured notes, warrants

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

**Provide a further breakdown of your internally managed fixed income AUM.**

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA >10-50%

(D) Active – corporate >50-75%

(E) Securitised >0-10%

(F) Private debt >0-10%

## ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed real estate	GENERAL

**Provide a further breakdown of your internally managed real estate AUM.**

(A) Retail >0-10%

(B) Office >0-10%

(C) Industrial 0%

(D) Residential >50-75%

(E) Hotel 0%

(F) Lodging, leisure and recreation 0%

(G) Education 0%

(H) Technology or science 0%

(I) Healthcare 0%

(J) Mixed use >0-10%

(K) Other 0%

## ASSET BREAKDOWN: INTERNALLY MANAGED HEDGE FUND

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 HF	CORE	OO 5	OO 11	PUBLIC	Asset breakdown: Internally managed hedge fund	GENERAL

**Provide a further breakdown of your internally managed hedge fund assets.**

(A) Multi-strategy 0%

(B) Long/short equity >75%

(C) Long/short credit 0%

(D) Distressed, special situations  
and event-driven fundamental 0%

(E) Structured credit 0%

(F) Global macro 0%

(G) Commodity trading advisor 0%

(H) Other strategies 0%

## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

**What percentage of your organisation's externally managed assets are managed by PRI signatories?**

>75%

## GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

**How much of your AUM in each asset class is invested in emerging markets and developing economies?**

### AUM in Emerging Markets and Developing Economies

(A) Listed equity	(3) >10 to 20%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(4) >20 to 30%
(D) Fixed income – securitised	(1) 0%
(E) Fixed income – private debt	(1) 0%
(G) Real estate	(1) 0%
(I) Hedge funds	(2) >0 to 10%

## STEWARDSHIP

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

  

	(6) Real estate	(8) Hedge funds	(11) Other
(A) Yes, through internal staff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(D) We do not conduct stewardship



## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

(A) Yes

(B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Hedge funds
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

**For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?**

**Percentage of your listed equity holdings over which you have the discretion to vote**

(A) Listed equity – active	(6) >40 to 50%
(B) Listed equity - passive	(3) >10 to 20%
(C) Hedge funds	(9) >70 to 80%

## STEWARDSHIP NOT CONDUCTED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship not conducted	2

**Describe why your organisation does not currently conduct stewardship and/or (proxy) voting.**

Stewardship, excluding (proxy) voting

(F) Real estate

Real Estate is only held within LAIQON Wealth Business. Real estate are held as part of private wealth management accounts held on behalf of individual or family office clients, these are direct investments into physical single asset buildings. These do not constitute a major part of our overall portfolios.

(K) Other

These are mostly structured notes or derivatives on indices where the counterparty is mostly the issuing investment bank. We do not consider to see ourselves in a position to exert any leverage in these special asset classes

# ESG INCORPORATION

## INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

**For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?**

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(B) Listed equity - active - quantitative	<input checked="" type="radio"/>	<input type="radio"/>
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(D) Listed equity - other strategies	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Fixed income - securitised	<input type="radio"/>	<input checked="" type="radio"/>
(H) Fixed income - private debt	<input type="radio"/>	<input checked="" type="radio"/>
(J) Real estate	<input type="radio"/>	<input checked="" type="radio"/>
(M) Hedge funds - Long/short equity	<input checked="" type="radio"/>	<input type="radio"/>

(V) Other: This includes for example cash deposits with banks or structured notes / warrants on single issuers or indices

## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

**For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?**

**(1) Yes, we incorporate ESG factors when selecting external investment managers**

**(2) No, we do not incorporate ESG factors when selecting external investment managers**

(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input type="radio"/>	<input checked="" type="radio"/>
(H) Hedge funds	<input type="radio"/>	<input checked="" type="radio"/>
(K) Other: includes for example investments into multi asset products	<input type="radio"/>	<input checked="" type="radio"/>

## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input type="radio"/>	<input checked="" type="radio"/>
(H) Hedge funds	<input type="radio"/>	<input checked="" type="radio"/>
(K) Other: includes for example investments into multi asset products	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input type="radio"/>	<input checked="" type="radio"/>
(H) Hedge funds	<input type="radio"/>	<input checked="" type="radio"/>
(K) Other: includes for example investments into multi asset products	<input checked="" type="radio"/>	<input type="radio"/>

## ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

### Describe how your organisation incorporates ESG factors into the following asset classes.

Externally managed  
(F) Other

We evaluate a target funds ESG characteristics on the basis of its disclosed ESG report, from the European ESG Template (EET) if applicable or disclosed and evaluate the share of underlying companies that could potentially violate our understanding of sustainability or our minimum principles. Based on the information in the EET we can also evaluate a minimum share of sustainable investments and the potential principal adverse impact (PAI) indicators. We also closely evaluate whether the investment manager of the target fund follows the principles for responsible investments (PRI)

## ESG NOT INCORPORATED

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG not incorporated	1

### Describe why your organisation does not currently incorporate ESG factors into your investment decisions.

Internally managed  
(G) Fixed income – securitised

The data availability in this asset class is limited and similarly is the extent to which we can influence any issuer when we invest through this type of vehicle.

(H) Fixed income – private debt

We hardly hold any investments in this asset class

(J) Real estate

The holdings at LAIQON that directly invest into real estate are on behalf of few individual clients in our wealth management business. Some of them residential nature. Due to the low amount of direct real estate held on behalf of individual wealth management clients, our client relationship management and investment management teams have not seen a way to approach the client on this.

(O) Other

low amount of holdings and lack of data

Externally managed  
(U) Real estate

lack of data but with PAI reporting for target funds we expect this to improve in 2023 and beyond.

(W) Hedge funds

externally managed hedge fund strategies benefit from the degrees of freedom that they invest in. often investments into these target funds (which are very limited at LAIQON) occur upon specific client requirement or demand, which we often accommodate as fiduciaries.

(Z) Other

insufficient data and low amounts of holdings.

## ESG STRATEGIES

### LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

**Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?**

**Percentage out of total internally managed active listed equity**

(A) Screening alone	>10-50%
(B) Thematic alone	>0-10%
(C) Integration alone	>10-50%
(D) Screening and integration	>0-10%
(E) Thematic and integration	>0-10%
(F) Screening and thematic	0%
(G) All three approaches combined	>10-50%
(H) None	>0-10%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>10-50%
(C) A combination of screening approaches	>75%

## FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Screening alone	>10-50%	>10-50%
(B) Thematic alone	0%	>0-10%
(C) Integration alone	>10-50%	>10-50%
(D) Screening and integration	>0-10%	0%



(E) Thematic and integration	0%	0%
(F) Screening and thematic	>0-10%	>0-10%
(G) All three approaches combined	0%	>0-10%
(H) None	>10-50%	>10-50%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

**What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?**

	(1) Fixed income - SSA	(2) Fixed income - corporate
(A) Positive/best-in-class screening only	0%	0%
(B) Negative screening only	>50-75%	>10-50%
(C) A combination of screening approaches	>10-50%	>10-50%

## ESG/SUSTAINABILITY FUNDS AND PRODUCTS

### LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

**Do you explicitly market any of your products and/or funds as ESG and/or sustainable?**

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>10-50%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

**Additional information: (Voluntary)**

At the inception of Sustainable Finance Disclosure Regulation in Europe, LAIQON's predecessor firm (Lloyd Fonds) has quickly begun to change its mutual fund offering and adopt certain sustainability related investment guidelines & exclusions. We have also articulated an ambition to position our mutual fund and solution offering to Art 8 and Article 9 of SFDR. At the end of 2022, approximately 1.2bn € of the total 5.7bn € have been either Article 8 or Article 9. Within our insitutional asset management division of MFI Asset Management GmbH, certain bespoke institutional mandates also have sustainability related exclusion list which we fulfil on the basis of external ESG data vendors. We plan to actively approach institutional clients to adopt minimum sustainability principles or even allocate a certain amount into sustainable investments based on our measurement approach.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

**Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?**

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications  
Provide the percentage of AUM that your labelled and/or certified products and/or funds represent:

>75%

- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

**Which ESG/RI certifications or labels do you hold?**

- (A) Commodity type label (e.g. BCI)
- (B) GRESB
- (C) Austrian Ecolabel (UZ49)
- (D) B Corporation
- (E) BREEAM
- (F) CBI Climate Bonds Standard
- (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- (I) EU Ecolabel
- (J) EU Green Bond Standard
- (K) Febelfin label (Belgium)
- (L) Finansol
- (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- (N) Greenfin label (France)
- (O) Grüner Pfandbrief
- (P) ICMA Green Bond Principles

- (Q) ICMA Social Bonds Principles
- (R) ICMA Sustainability Bonds Principles
- (S) ICMA Sustainability-linked Bonds Principles
- (T) Kein Verstoß gegen Atomwaffensperrvertrag
- (U) Le label ISR (French government SRI label)
- (V) Luxflag Climate Finance
- (W) Luxflag Environment
- (X) Luxflag ESG
- (Y) Luxflag Green Bond
- (Z) Luxflag Microfinance
- (AA) Luxflag Sustainable Insurance Products
- (AB) National stewardship code
- (AC) Nordic Swan Ecolabel
- (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- (AE) People's Bank of China green bond guidelines
- (AF) RIAA (Australia)
- (AG) Towards Sustainability label (Belgium)
- (AH) Other

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

**What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?**

**Percentage of your total environmental and/or social thematic bonds labelled by the issuers**

(A) Green or climate bonds	>50-75%
(B) Social bonds	>0-10%
(C) Sustainability bonds	>0-10%
(D) Sustainability-linked bonds	>0-10%
(E) SDG or SDG-linked bonds	>0-10%
(F) Other	0%
(G) Bonds not labelled by the issuer	0%

# SUMMARY OF REPORTING REQUIREMENTS

## SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) Listed equity – active – quantitative	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(C) Listed equity – active – fundamental	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(D) Listed equity – other strategies	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(E) Fixed income – SSA	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(M) Hedge funds – Long/short equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive

(V) External manager selection, appointment and monitoring (SAM) – fixed income - active

(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive

## SUBMISSION INFORMATION

### REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

## POLICY, GOVERNANCE AND STRATEGY (PGS)

### POLICY

#### RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees

- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here
- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

**Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?**

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- (C) Specific guidelines on other systematic sustainability issues
- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

**Which elements of your formal responsible investment policy(ies) are publicly available?**

- (A) Overall approach to responsible investment

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Umsetzung\\_von\\_Nachhaltigkeit\\_bei\\_LAIQON\\_q22023\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Umsetzung_von_Nachhaltigkeit_bei_LAIQON_q22023_website.pdf)

- (B) Guidelines on environmental factors

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Umsetzung\\_von\\_Nachhaltigkeit\\_bei\\_LAIQON\\_q22023\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Umsetzung_von_Nachhaltigkeit_bei_LAIQON_q22023_website.pdf)

- (C) Guidelines on social factors

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Internationale\\_Normen\\_Vorgaben\\_LAIQON\\_vfinal\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Internationale_Normen_Vorgaben_LAIQON_vfinal_website.pdf)

- (D) Guidelines on governance factors

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Umsetzung\\_von\\_Nachhaltigkeit\\_bei\\_LAIQON\\_q22023\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Umsetzung_von_Nachhaltigkeit_bei_LAIQON_q22023_website.pdf)

**(E) Guidelines on sustainability outcomes**

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Engagement\\_Richtlinie\\_LAIQON\\_Final\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Engagement_Richtlinie_LAIQON_Final_website.pdf)

**(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Umsetzung\\_von\\_Nachhaltigkeit\\_bei\\_LAIQON\\_q22023\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Umsetzung_von_Nachhaltigkeit_bei_LAIQON_q22023_website.pdf)

**(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Internationale\\_Normen\\_Vorgaben\\_LAIQON\\_vfinal\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Internationale_Normen_Vorgaben_LAIQON_vfinal_website.pdf)

**(I) Guidelines tailored to the specific asset class(es) we hold**

**(J) Guidelines on exclusions**

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Umsetzung\\_von\\_Nachhaltigkeit\\_bei\\_LAIQON\\_q22023\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Umsetzung_von_Nachhaltigkeit_bei_LAIQON_q22023_website.pdf)

**(L) Stewardship: Guidelines on engagement with investees**

Add link:

[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Engagement\\_Richtlinie\\_LAIQON\\_Final\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Engagement_Richtlinie_LAIQON_Final_website.pdf)

**(O) Stewardship: Guidelines on (proxy) voting**

Add link:

[https://www.universal-investment.com/-/media/Compliance/PDF/UID-English/Participation-policy\\_UID\\_EN\\_02-2022.pdf](https://www.universal-investment.com/-/media/Compliance/PDF/UID-English/Participation-policy_UID_EN_02-2022.pdf)

**(Q) No elements of our formal responsible investment policy(ies) are publicly available**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

**Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?**

**(A) Yes**

Elaborate:

According to our understanding at LAIQON, sustainability has the potential to influence politics, society and the economy at large. This implies a comprehensive transformation of economic models. We believe that the incorporation of ESG or investing responsibly considers both sustainability risks and leads to better investment outcomes. We are also convinced that for marketing our mutual funds products as sustainable they need to pursue certain minimum sustainability criteria. We believe that there is consensus that the integration of sustainability (and thereby considering long-term sustainability risks and opportunities) should be part of our responsibilities as fiduciaries as outlined in our responsible investment policy ("Umsetzung von Nachhaltigkeit"). However, our investment products must not lose sight of return expectations of our investors as they are core of our fiduciary responsibilities as asset managers.

We also firmly believe that investing responsibly and including material extrafinancial information into investment decisions leads to better investment outcomes. And that consideration of principal adverse impacts can improve environment and society

**(B) No**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Which elements are covered in your organisation’s policy(ies) or guidelines on stewardship?**

- (A) Overall stewardship objectives**
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities**
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation**
- (E) Approach to escalation in stewardship**
- (F) Approach to collaboration in stewardship**
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa**
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

**Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?**

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors**
- (B) Yes, it includes voting principles and/or guidelines on specific social factors**
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors**
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme
- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

## RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

### Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment

(B) Guidelines on environmental factors

(C) Guidelines on social factors

(D) Guidelines on governance factors

(4) >70% to 80%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

**What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?**

**AUM coverage**

(A) Specific guidelines on climate change

(2) for a majority of our AUM

(B) Specific guidelines on human rights

(2) for a majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?**

**(A) Listed equity**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

For some of our direct holdings in listed equity, the respective legal entity of LAIQON (especially in the wealth management business) does not hold the voting rights but the end investor does. Consequently we do not directly engage with those investees on behalf of securities held in those types of portfolios. It can however be that those holdings are indirectly covered by a stewardship activity carried out by a different legal entity. Some of our equity investments may also take place via derivatives or structured notes.

**(B) Fixed income**

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

As direct holdings in fixed income do not come with voting rights, the stewardship potential is generally lower. Nevertheless our fund managers enter into discussions with investee companies in fixed income corporates and they are bound to do so by virtue of . Due to the size of LAIQON and resource constraints, we have not yet entered into any engagement with an SSA issuer or performed any regulatory advocacy or collaborative engagement. The wealth management units within LAIQON (namely Lange Asset & Consulting and BV Bayerische Vermögen) explicitly take engagement with issuers outside of their scope of activities.

(F) Hedge funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

**What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?**

**(A) Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

remaining equity AuM lies with fragmented asset management companies who have their own policies and approaches

- (B) Passively managed listed equity
- (C) Direct listed equity holdings in hedge fund portfolios

## GOVERNANCE

### ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

**Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?**

- (A) Board members, trustees, or equivalent
- (B) Senior executive-level staff, or equivalent

Specify:

the management board at every LAIQON legal entity is responsible for implementing LAIQON's sustainability strategy that is communicated by LAIQON's CEO and Head of Group Sustainability. Every 6 weeks, an update to the implementation is presented and discussed in an in person meeting in Hamburg. The Head of Group Sustainability is a permanent participant to that meeting and Sustainability is a standing agenda item. This person also conducts regular mandatory training for all employees.

- (C) Investment committee, or equivalent

Specify:

Within LAIQON both SPSW Capital and MFI Asset Management (both are the relevant legal entities that perform asset management services) have monthly meetings where investment related topics are discussed. LAIQON's head of Group Sustainability is a participant to those meetings and ESG / Responsible Investment is a standing agenda item.

- (D) Head of department, or equivalent

Specify department:

During 2022 it was decided that the responsibility for LAIQON's overall sustainability strategy should be assumed by a dedicated role as Head of Group Sustainability. This person reports directly to the CEO LAIQON and participates in board level meetings every 6 weeks in Hamburg Germany. The Head of Group Sustainability assigns tasks which are necessary for expediting LAIQON's sustainability strategy

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

**Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?**

	<b>(1) Board members, trustees, or equivalent</b>	<b>(2) Senior executive-level staff, investment committee, head of department, or equivalent</b>
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

- (A) Yes
- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

(A) Internal role(s)

Specify:

LAIQON's Head of Group Sustainability assumes everything around sustainability strategy, the implementation, product development, regulatory compliance (together with Compliance and Reporting) as well as external reporting (such as for fund certifications at FNG) and communication (together with Marketing and Communications). Prior to this role, the former Chief Investment Officer at the former Lloyd Fonds assumed this role in his capacity as CIO.

(B) External investment managers, service providers, or other external partners or suppliers

Specify:

our management companies (Master-Service KVG) in Germany are producing the regulatory publications for our mutual funds marketed as "sustainable" and investment guideline compliance lies with them and our depositary bank / custodians / brokers.

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Explain why: (Voluntary)

We have yet to formalize this. Since LAIQON has grown significantly via inorganic growth over the past two years, this still needs to be formalized.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?**

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)
- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Explain why: (Voluntary)

Every of LAIQON's approximately 30 senior level executives is responsible for implementing the strategic directions of LAIQON's responsible investment objectives. Variable compensation is determined among others by the extent to which the individual senior executive contributes to the implementation of the strategy. This includes but is not limited aligning our product and solution offering to Article 8 or Article 9 of SFDR and implementing the strategic policies, best practices and minimum standards which are communicated by LAIQON's head of group sustainability. In our wealth management business, the ability to introduce binding sustainability guidelines depends on the individual's willingness to do so. Our investment professionals within the wealth management business integrate sustainability and sustainability risk as part of their investment management responsibilities. Due to Compliance requirements we cannot - as of today - prescribe a requirement to the mutual fund or segregated accounts that the fund manager's variable compensation is determined by the ESG quality of the portfolio.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

**What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?**

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="checkbox"/>	<input type="checkbox"/>

## EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

### What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?**

- (A) Yes, including all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures

**(E) None of the above**

Explain why: (Voluntary)

Our prior CIO publicly expressed his support of the TCFD and our investment professionals evaluate any investees' support or disclosure in line with the TCFD positively. LAIQON as a financial market participant so far did not yet fall under Non-Financial Reporting Directive (NFRD) and has yet to establish internal processes and responsibilities to disclose climate related information in line with the TCFD. LAIQON's Head of Group Sustainability will assume this responsibility going forward, also in anticipation of CSRD requirements of LAIQON. Our internal processes are geared towards implementing the recommended disclosures.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?**

**(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**

Link to example of public disclosures

[https://laiqon.ag/fileadmin/user\\_upload/Nachhaltigkeitsbezogene\\_Offenlegungen\\_Maerz2021\\_vupdate.pdf](https://laiqon.ag/fileadmin/user_upload/Nachhaltigkeitsbezogene_Offenlegungen_Maerz2021_vupdate.pdf)

- (B) Disclosures against the European Union's Taxonomy
- (C) Disclosures against the CFA's ESG Disclosures Standard
- (D) Disclosures against other international standards, frameworks or regulations
- (E) Disclosures against other international standards, frameworks or regulations
- (F) Disclosures against other international standards, frameworks or regulations
- (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

**During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?**

- (A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Explain why:

We are a member of VuV (Vereinigung unabhängiger Vermögensverwalter, association of independent asset managers) but we have very little influence on the degrees of political engagement and passively attend discussions.

- (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

## STRATEGY

### CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**Which elements do your organisation-level exclusions cover?**

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements
- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

**How does your responsible investment approach influence your strategic asset allocation process?**

(A) We incorporate ESG factors into our assessment of expected asset class risks and returns

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

(B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns

(C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns

(D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

(E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns

(F) Not applicable; we do not have a strategic asset allocation process

**STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?**

(1) Listed equity

(2) Fixed income

(6) Hedge funds

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees’ contribution to systematic sustainability issues.

(B) Maximise our individual investments’ risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees’ contribution to systematic sustainability issues.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?**

For LAIQON's AuM the stewardship efforts are assumed by the respective management companies that hold service provider relationships with us - this mostly concerns the exercise of voting rights which the licensed legal entities of LAIQON can opine on and influence to a certain extent. LAIQON legal entities may also engage with investees as asset manager but never on behalf of the fund (the fund is domiciled by our management companies and legally owned by the management company). We evaluate potential stewardship efforts case by case but our general actions that we take stem from our internal analysis of principal adverse impacts on portfolio and single issuers. The prioritization takes place internally in monthly meetings. the stewardship efforts are assumed individually by portfolio managers of mutual funds or managed accounts with oversight of our head of group sustainability. For the wealth management business, the voting rights lie with the individual clients and we currently do not assume any stewardship efforts. Stewardship may be assumed indirectly by other licensed legal entities of LAIQON that hold the same security. Our stewardship activities for corporate bonds differs from listed equity due to the absence of voting rights. We have engaged with various issuers or corporate bonds. As of today we have not yet engaged with SSA issuers due to our size and lack of resources for public advocacy.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?**

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Elaborate on your organisation’s default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.**

Even though Sustainability and Responsible Investments have become core of Lloyd Fonds (predecessor of LAIQON) overall strategy already in 2019, there have been significant changes to LAIQON's structure and inorganic growth in size and business models. As such the approach to sustainability requires a tailored approach to the various business models and asset classes. LAIQON's product portfolio has generally been more tilted towards European issuers or small and mid cap issuers. Not every collaborative engagement is meaningful for our investment portfolio since we for example hold hardly any positions in metals and mining or oil & gas. Therefore we choose collaborative stewardship activities (for example with CDP or the PRI) in light of the issuers we hold and the degree to which we can participate in any collaborative engagement. The decision is taken by LAIQON's Head of Group Sustainability together with the affected portfolio managers. Given the size of our AuM we generally consider collaborative stewardship activities as a meaningful complementary element to our overall engagement activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Rank the channels that are most important for your organisation in achieving its stewardship objectives.**

- (A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**  
 Select from the list:  
 1
- (B) External investment managers, third-party operators and/or external property managers, if applicable**  
 Select from the list:  
 4
- (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**  
 Select from the list:  
 3
- (D) Informal or unstructured collaborations with investors or other entities**  
 Select from the list:  
 5
- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**  
 Select from the list:  
 2
- (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?**

(A) Example(s) of measures taken when selecting external service providers:

Proxy voting is assumed through our management companies of our mutual funds or German Spezialfonds. The management companies have a stewardship policy which was part of the selection criteria when LAIQON engaged with the firms. LAIQON analyzes the proposals to vote and may interfere. The proxy voting decision is analysed based on Glass-Lewis as part of the stewardship policy (example Universal Investment GmbH). Different asset management companies may adopt different proxy voting rules

(B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:

(C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**How are your organisation's stewardship activities linked to your investment decision making, and vice versa?**

Our mutual funds at LAIQON SPSW Capital GmbH invest on the basis of a fundamental analysis where a regular dialogue between portfolio managers and investees plays a crucial role. In doing so, we discuss operating, financial or sustainability related challenges and opportunities around corporate governance or climate change in particular. In case our stewardship or engagement efforts do not lead to any substantial improvement, LAIQON may decide to exit or reduce the existing positions. Te success depends upon reaching relevant milestones and fulfilling the requests that we as investors have articulated towards the investee companies. The involved parties are always the respective portfolio manager with oversight of the Head of Group Sustainability (in case of sustainability related engagement topics) and if required management board representatives of the licensed legal entity. There may be a monthly revision of engagement targets and discussions internally in the portfolio manager meetings where the head of group sustainability and LAIQON's CEO participate in.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**If relevant, provide any further details on your organisation's overall stewardship strategy.**

Due to the inorganic growth of LAIQON and SPSW Capital and MFI Asset Management (both being the largest asset management units within LAIQON with approx. 3.5bn EUR AuM) being both part of LAIQON we are currently working on harmonization of internal processes and where possible also streamlining existing internal processes in order to leverage synergies. Within the institutional asset management space we also note that various mandates are bespoke when it comes to the exercise of voting rights. Upon supervision of our Head of Group Sustainability we will prioritize the harmonization in order to position LAIQON consistently and stronger.

**STEWARDSHIP: (PROXY) VOTING**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?**

**(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

- (1) in all cases
- (2) in a majority of cases**
- (3) in a minority of cases
- (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear
- (C) We ensure consistency with our voting policy by reviewing external service providers' voting recommendations only after voting has been executed
- (D) We do not review external service providers' voting recommendations
- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How is voting addressed in your securities lending programme?**

- (A) We recall all securities for voting on all ballot items
- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting
- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes
- (B) Yes, for the majority of (proxy) votes



Add link(s):

[https://laiqon.ag/fileadmin/user\\_upload/Engagement\\_Report\\_20220617-final\\_updated\\_01.pdf](https://laiqon.ag/fileadmin/user_upload/Engagement_Report_20220617-final_updated_01.pdf)

- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?**

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) **Within one year of the AGM/EGM**
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?**

**(1) In cases where we abstained or voted against management recommendations**

**(2) In cases where we voted against an ESG-related shareholder resolution**

(A) Yes, we publicly disclosed the rationale

(B) Yes, we privately communicated the rationale to the company

(C) We did not publicly or privately communicate the rationale, or we did not track this information

(3) for a minority of votes

(3) for a minority of votes

○

○

(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year

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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

**How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?**

Our head of Portfolio Management Operations is in contact with Portfolio Management and our management company performs these tests.

**STEWARDSHIP: ESCALATION**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

**For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

**(1) Listed equity**

**(2) Direct listed equity holdings in hedge fund portfolios**

(A) Joining or broadening an existing collaborative engagement or creating a new one

(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal

(C) Publicly engaging the entity, e.g. signing an open letter	<input type="checkbox"/>	<input type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Litigation	<input type="checkbox"/>	<input type="checkbox"/>
(H) Other	<input type="checkbox"/>	<input type="checkbox"/>
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

- (A) **Joining or broadening an existing collaborative engagement or creating a new one**
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) **Not investing**
- (D) **Reducing exposure to the investee entity**
- (E) **Divesting**
- (F) Litigation
- (G) Other
- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	OO 8, OO 5.3 FI	N/A	PUBLIC	Stewardship: Escalation	2

**Describe your approach to escalation for your internally managed SSA and/or private debt fixed income assets.**

(A) SSA - Approach to escalation

we do not have an engagement approach to begin with given the small size of our SSA portfolio and our size overall

(B) Private debt - Approach to escalation

we do not have an engagement approach to begin with given the small size of our private debt portfolio and our size overall

## STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

**Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?**

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

**During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?**

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups
- (D) We engaged policy makers on our own initiative
- (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- (A) We publicly disclosed all our policy positions
- (B) We publicly disclosed details of our engagements with policy makers
- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

Explain why:

lack of resources and lack of demand from our stakeholders. we will discuss this possibility going forward.

## STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Disclosure on measures to reduce Scope 3 emissions

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Our equity fund managers sought for disclosure with Henkel in Germany to engage their supply chain companies to also set themselves climate targets and to replace fossil fuels with renewable energies. The company reacted very responsive to our proposals.

(B) Example 2:

Title of stewardship activity:

Resolving controversies on human rights abuse and labor rights violations

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Following a controversy, our fund managers have engaged with PostNL to provide a statement, adequate disclosure and a strategy to resolve investigations in Belgium regarding various allegations of human trafficking, modern slavery and inadequate labor conditions. We divested our holdings given the severity of the allegations but remain in contact via sell-side analysts or via PostNL's investor relations team.

(C) Example 3:

Title of stewardship activity:

Seeking disclosure on nuclear weapons involvement

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry

- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Our fund managers engaged with Veolia to provide further information on whether the company is truly involved in nuclear weapons, through a delivery of a component. Following a discussion with the company it turned out that the company indeed maintains a joint-venture with the French marine that generates a certain amount of revenues. This leads to the fact that this issuer is not eligible for our mutual fund strategy, hence the position had to be sold.

(D) Example 4:

Title of stewardship activity:

Seeking transparency and disclosure around sustainability as well as external verification through a rating

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In our MFI Asset Management GmbH subsidiary, our sustainability team engaged with a property company in order to provide further disclosure in accordance with GRI about the sustainability credentials. The disclosure of the company has strongly improved since then, we remain in close discussions and observe the company over a longer period of time.

(E) Example 5:

Title of stewardship activity:

German bank support of russian oil & gas financing

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

- (3) Asset class(es)
  - (1) Listed equity
  - (2) **Fixed income**
  - (3) Private equity
  - (4) Real estate
  - (5) Infrastructure
  - (6) Hedge funds
  - (7) Forestry
  - (8) Farmland
  - (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

We asked the company about a reported controversy from last year. This matter involved allegations that the company provided "massive" support to the Russian oil and coal industry. Considering those allegations, we requested information on possible investigations into the incidents and a response regarding consequences that have been implemented. The company provided us with the following:

"As part of our stakeholder and reputation risk management, we also monitor such press reports and take them seriously. The explicitly mentioned figures "According to Urgewald, Deutsche Bank has provided the four leading Russian oil and gas companies between 2016 and 2021 with loans and mandates worth nearly of nearly \$1.5 billion, ranking it fourth in Europe. At DZ Bank, the was around 380, at Landesbank Hessen-Thüringen 320, at Commerzbank 220 and at BayernLB 48 million dollars..." were not comprehensible for our institute. We can confirm, however, that BayernLB generally complies with existing sanctions and embargoes in connection with the terrible in connection with Russia's terrible war of aggression on Ukraine and continues to monitor the overall situation closely."

In our view, the answer was satisfactory and did not lead to a discontinuation of the initial investment.

## CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

**Has your organisation identified climate-related risks and opportunities affecting your investments?**

- (A) **Yes, within our standard planning horizon**  
Specify the risks and opportunities identified and your relevant standard planning horizon:



As a financial market participant, our asset management business is primarily focussed on European small and mid caps with very little exposure to fossile fuels or oil and gas in particular. On a fund by fund basis we have introduced various CO2 emission intensity reduction measures. In 2020 we have committed to the Science Based Targets initiative in order to proactively position LAIQON's business model for the future. Through our ESG data vendors ISS-ESG and Urgentem we are in a position to analyse the CO2 footprint or CO2 Emission intensity of our investee companies. In our wealth management business we start to proactively approach clients to decarbonize their portfolios. Our digital wealth business offers the possibility for retail clients to choose a "sustainable" version that include climate change considerations in the allocation.

- (B) Yes, beyond our standard planning horizon
- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

**Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?**

**(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

climate related risks affect the investment strategy in so far that for most of our mutual funds, investments in fossile fuels (in particular coal, oil sands and fracking) is prohibited. This strongly affects the allocation. Our mutual funds also track the CO2 emissions intensity. Our financial planning is strongly dependent on how our ESG products perform, which we position accordingly. Sustainability overall is part of LAIQON's strategy which includes changing the products if necessary. Our entire products and solution offering should be positioned sustainably.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

**Which sectors are covered by your organisation's strategy addressing high-emitting sectors?**

**(A) Coal**

Describe your strategy:

We exclude it from our direct investments where possible, almost none of our mutual funds can invest here.

**(B) Gas**

Describe your strategy:

We exclude it from our direct investments where possible, almost none of our mutual funds can invest here.

**(C) Oil**

Describe your strategy:

We exclude it from our direct investments where possible, almost none of our mutual funds can invest here.

**(D) Utilities**

Describe your strategy:

We exclude it from our direct investments where possible (if the electricity mix is sourced from coal), almost none of our mutual funds can invest here.

- (E) Cement
- (F) Steel
- (G) Aviation
- (H) Heavy duty road
- (I) Light duty road
- (J) Shipping
- (K) Aluminium

**(L) Agriculture, forestry, fishery**

Describe your strategy:

We engage with companies in order to evaluate the environmental impacts or set targets

- (M) Chemicals
- (N) Construction and buildings**

Describe your strategy:

we prefer green bonds from this sector

- (O) Textile and leather
- (P) Water
- (Q) Other
- (R) We do not have a strategy addressing high-emitting sectors

**Provide a link(s) to your strategy(ies), if available**

<https://solutions.laiqon.com//952783/2022-01-03/23br>  
<https://solutions.laiqon.com//952783/2022-01-03/23fk>  
<https://solutions.laiqon.com//952783/2022-01-03/23d5>  
[https://laiqon.com/fileadmin/LAIQON/01\\_Top\\_Level\\_Navigation/Unternehmen/03\\_Nachhaltigkeit/Umsetzung\\_von\\_Nachhaltigkeit\\_bei\\_LAIQON\\_q22023\\_website.pdf](https://laiqon.com/fileadmin/LAIQON/01_Top_Level_Navigation/Unternehmen/03_Nachhaltigkeit/Umsetzung_von_Nachhaltigkeit_bei_LAIQON_q22023_website.pdf)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

**Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?**

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios**

Specify:

As part of our science based target validation we are using the temperature tool of the SBTi for our subsidiaries SPSW Capital and LAIC; i.e about 20% of our AuM. We plan to increase the scope of this commitment upon validation of our targets.

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

**Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?**

- (A) Yes, we have a process to identify and assess climate-related risks
- (B) Yes, we have a process to manage climate-related risks
- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Explain why: (Voluntary)

We subscribe to Urgentem and the climate impact calculator of ISS-ESG. Our Head of Group Sustainability performs the analyses ad hoc if required. For our asset management business, especially the mutual fund possible risks are discussed internally. We will have to roll this out to the rest of LAIQON as a company and include in the relevant risk management practices. For most of our mutual funds we aim to exclude climate related risks by sectoral exclusions, in particular fossile fuels. For the wealth management business we want to proactively approach clients as well as for the the institional client business within asset management and derive next steps.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?**

- (A) Exposure to physical risk
  - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
    - (1) Metric or variable used
      - (2) Metric or variable used and disclosed
      - (3) Metric or variable used and disclosed, including methodology
- (B) Exposure to transition risk
  - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
    - (1) Metric or variable used
      - (2) Metric or variable used and disclosed
      - (3) Metric or variable used and disclosed, including methodology
- (C) Internal carbon price
- (D) Total carbon emissions

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
  - (1) Metric or variable used
  - (2) Metric or variable used and disclosed
  - (3) Metric or variable used and disclosed, including methodology
- (E) Weighted average carbon intensity
  - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
    - (1) Metric or variable used
    - (2) Metric or variable used and disclosed
    - (3) Metric or variable used and disclosed, including methodology
  - (F) Avoided emissions
  - (G) Implied Temperature Rise (ITR)
  - (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
  - (I) Proportion of assets or other business activities aligned with climate-related opportunities
  - (J) Other metrics or variables
    - (K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

**During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?**

- (A) Scope 1 emissions
  - (1) Indicate whether this metric was disclosed, including the methodology
    - (1) Metric disclosed
    - (2) Metric and methodology disclosed
  - (2) Provide links to the disclosed metric and methodology, as applicable
    - [https://laiqon.ag/fileadmin/user\\_upload/Engagement\\_Report\\_20220617-final\\_updated\\_01.pdf](https://laiqon.ag/fileadmin/user_upload/Engagement_Report_20220617-final_updated_01.pdf)
- (B) Scope 2 emissions
  - (1) Indicate whether this metric was disclosed, including the methodology
    - (1) Metric disclosed
    - (2) Metric and methodology disclosed
  - (2) Provide links to the disclosed metric and methodology, as applicable
    - [https://laiqon.ag/fileadmin/user\\_upload/Engagement\\_Report\\_20220617-final\\_updated\\_01.pdf](https://laiqon.ag/fileadmin/user_upload/Engagement_Report_20220617-final_updated_01.pdf)
- (C) Scope 3 emissions (including financed emissions)
  - (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

## SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

**Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

**Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?**

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights
- (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

## HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

**During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?**

**(A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

we engaged with PostNL regarding allegations against the company regarding human trafficking, modern slavery etc. Upon unsatisfactory disclosure of the company we divested from our holdings. we demanded a clear strategy and disclosure including relevant KPIs on the matter. We wanted to avoid negative outcomes on this matter.

- (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
- (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
- (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
  - (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?**

**(A) Workers**

Sector(s) for which each stakeholder group was included

- (1) Energy
- (2) Materials
- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services**
- (10) Utilities
- (11) Real estate
- (B) Communities
- (C) Customers and end-users**

Sector(s) for which each stakeholder group was included

- (1) Energy
- (2) Materials
- (3) Industrials
- (4) Consumer discretionary
- (5) Consumer staples
- (6) Healthcare
- (7) Finance
- (8) Information technology
- (9) Communication services
- (10) Utilities
- (11) Real estate
- (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?**

**(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

We use company reports and sustainability reports of our (potential) investees and analyse them

(B) Media reports

(C) Reports and other information from NGOs and human rights institutions

(D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

**(E) Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

We use ISS-ESG, Bloomberg and RepRisk in order to analyse potential controversies or developments with actual or potentially negative outcomes for people connected to our investment activities.

**(F) Human rights violation alerts**

Provide further detail on how your organisation used these information sources:

Data feed from reprisk

(G) Sell-side research

**(H) Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

participation in engagements led by networks such as PRI

(I) Information provided directly by affected stakeholders or their representatives

(J) Social media analysis

(K) Other



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

**During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?**

- (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities
- (B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities
- (C) **No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year**

Explain why:

we have been able to avoid some of those instances. Otherwise our holdings have been too limited in order to exert a strong position there. In those cases our holdings have been divested if required.

# MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

## OVERALL APPROACH

### EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

**For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)
<b>Organisation</b>				
(A) Commitment to and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(B) Responsible investment policy(ies)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(C) Governance structure and senior-level oversight and accountability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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**People and Culture**

(D) Adequate resourcing and incentives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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**Investment Process**

(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**Stewardship**

(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(O) Results of stewardship activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Performance and Reporting</b>				
(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

**Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?**

- (A) Incorporation of their responsible investment policy into advisory services
- (B) Ability to accommodate our responsible investment policy
- (C) Level of staff's responsible investment expertise
- (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- (E) Other
- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers

● (G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers

## POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.

Provide example(s) below

(A) Selection	In our wealth management and digital wealth business, the allocation into third party funds / pooled funds is made based on a risk-return consideration (also powered by artificial intelligence) contingent upon client requirements and specifications. We also offer a sustainability concept where the allocation strategy would consider only third party funds that fulfil minimum sustainability criteria of the target funds, hence not investing into coal, UNGC violators, tobacco or defense. WE try to avoid involvement into controversial weapons where possible. The manufacturer of the third party fund should be a signatory to the principles for responsible investment (PRI)
(B) Appointment	identical to selection
(C) Monitoring	if the third party fund is invested as part of our sustainability concept within wealth management or digital wealth, we have to monitor the target fund with respect to the underlyings and if any of the underlyings violate the sustainability concept.

## SELECTION

## RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

- (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
- (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
- (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

### Organisation

(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

### People and Culture

- (D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)
- (E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

#### Investment Process

- (F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

- (H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

#### Performance and Reporting

- (I) ESG disclosure in regular client reporting

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (J) Inclusion of ESG factors in contractual agreements

- (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

- (A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities

- (C) Their participation in collaborative engagements and stewardship initiatives

- (D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues

- (E) Details of their engagement activities with policy makers

- (F) Their escalation process and the escalation tools included in their policy on stewardship

- (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 7	CORE	OO 9, SAM 4	N/A	PUBLIC	Stewardship	4

**During the reporting year, which aspects of (proxy) voting did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?**

**(A) The alignment of their policy(ies) or guidelines on (proxy) voting with the investment mandate**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

(B) Historical information on the number or percentage of general meetings at which they voted

(C) Analysis of votes cast for and against

(D) Analysis of votes cast for and against resolutions related to risks connected to systematic sustainability issues

(E) Details of their position on any controversial and high-profile votes

(F) Historical information of any resolutions on which they voted contrary to their own voting policy and the reasons why

(G) Details of all votes involving companies where the external investment manager or an affiliate has a contractual relationship or another potential conflict of interest

(H) We did not review and evaluate any of the above aspects of (proxy) voting when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

(I) Not applicable; our organisation did not select new external investment managers or allocated new mandates to existing investment managers for listed equity and/or hedge funds that hold equity.

## APPOINTMENT

### SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13	N/A	PUBLIC	Segregated mandates	4

**Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?**

- (A) Their commitment to following our responsible investment strategy in the management of our assets
- (B) Their commitment to incorporating material ESG factors into their investment activities
- (C) Their commitment to incorporating material ESG factors into their stewardship activities
- (D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities
- (E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities
- (F) Exclusion list(s) or criteria
- (G) Responsible investment communications and reporting obligations, including stewardship activities and results
- (H) Incentives and controls to ensure alignment of interests
- (I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD

- (J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights
- (K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments
- (L) Other
- (M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

## MONITORING

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)
<b>Organisation</b>				
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>People and Culture</b>				



(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

### Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

### Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)

(J) Inclusion of ESG factors in contractual agreements

(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**During the reporting year, which information did your organisation, or the service provider acting on your behalf, monitor for externally managed ESG passive products and strategies?**

**(1) Listed equity (passive)**

**(2) Fixed income (passive)**

(A) How the external investment managers applied, reviewed and verified screening criteria

(B) How the external investment managers rebalanced the products as a result of changes in ESG rankings, ratings or indexes

(C) Evidence that ESG passive products and strategies meet the responsible investment criteria and process

(D) Other

(E) We did not monitor ESG passive products and strategies ○ ○

(F) Not applicable; we do not invest in ESG passive products and strategies ○ ○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.**

The business model of LAIQON foresees a combination of Artificial Intelligence (AI) with human intelligence, IQ. Whereas the responsible investment capabilities of third party funds are automatically analyzed with the help of European ESG Template (EET) data through our LAIC Advisor we have an IQ-based process and monitor third party managers through our regular due diligence process. In our investment committee meetings of our wealth management business we aim to choose for an ESG-variant of an ETF when we decide on an investment theme assuming that costs and risk-return estimations are comparable. We aim to formalize this ambition level and process in the fourth quarter of 2023. There are regular calls with the investment managers of third party funds in order to evaluate the fund composition and ESG characteristics.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)
(A) At least annually	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(C) On an ad hoc basis

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(4) Fixed income (passive)
(A) Any changes in their policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) The degree of implementation of their policy(ies) or guidelines on stewardship	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) How they prioritise material ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) How they prioritise risks connected to systematic sustainability issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Their investment team's level of involvement in stewardship activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(I) Whether they participated in collaborative engagements and stewardship initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(K) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(L) We did not monitor our external investment managers' stewardship practices during the reporting year	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 14	CORE	OO 9, OO 21	N/A	PUBLIC	Stewardship	1, 2

**For the majority of your AUM in each asset class where (proxy) voting is delegated to external investment managers, which aspects of your external investment managers' (proxy) voting practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

**(2) Listed equity (passive)**

(A) Any changes in their policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>
(B) Whether their (proxy) voting decisions were consistent with their stewardship priorities as stated in their policy and with their voting policy, principles and/or guidelines	<input type="checkbox"/>

(C) Whether their (proxy) voting decisions were consistent with their stated approach on the prioritisation of risks connected to systematic sustainability issues

(D) Whether their (proxy) voting track record was aligned with our stewardship approach and expectations

(E) The application of their policy on securities lending and any implications for implementing their policy(ies) or guidelines on (proxy) voting (where applicable)

(F) Other

(G) We did not monitor our external investment managers' (proxy) voting practices during the reporting year

## ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.**

As we require an increasing amount of data through the European ESG Template (EET) to process ESG disclosure of target funds automatically in our digital wealth business we engaged with third party managers to improve disclosure. Our investment professionals thereby engage with asset management companies in order to provide the required data in the EET. We also engage with asset management companies on their ESG disclosure in fund annual reports or general data transparency.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring

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## VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

**For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?**

	(1) Listed equity (active)	(2) Listed equity (passive)	(3) Fixed income (active)	(4) Fixed income (passive)
(A) We checked that the information reported was verified through a third-party assurance process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) We checked that the information reported was verified by an independent third party	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) We checked for evidence of internal monitoring or compliance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



# LISTED EQUITY (LE)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?**

	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) Yes, our investment process incorporates material governance factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(2) for a majority of our AUM	(2) for a majority of our AUM	(2) for a majority of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?**

**(2) Active - quantitative      (3) Active - fundamental      (4) Other strategies**

(A) Yes, we have a formal process that includes scenario analyses

(B) Yes, we have a formal process, but it does not include scenario analyses

(3) for a minority of our AUM

(3) for a minority of our AUM

(3) for a minority of our AUM

(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion

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(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies

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**(B) Yes, we have a formal process but it does not include scenario analysis - Specify: (Voluntary)**

Currently still lack of data availability (Urgentem as data provider can only be used by two legal entities and not in the wealth management business) and we still need to establish internal processes and responsibilities to address this accordingly. Also absence of demand in the wealth management business.

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?**

	(1) Active - quantitative	(2) Active - fundamental	(3) Other strategies
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases	(3) in a minority of cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases	(3) in a minority of cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(3) in a minority of cases	(3) in a minority of cases	(3) in a minority of cases
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?**

	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(3) in a minority of cases	(2) in a majority of cases	(3) in a minority of cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases	(3) in a minority of cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(2) in a majority of cases	(2) in a majority of cases	(3) in a minority of cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(3) in a minority of cases	(3) in a minority of cases	(3) in a minority of cases

(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process

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## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.**

Within our Article 9 Equity fund we perform an SDG-based sustainability analysis completely internally with the help of publicly available information (annual reports or sustainability reports), the screening of possible controversies is also performed internally. We prefer to use raw sustainability data rather than derived ratings in order to screen adverse media reports better and faster. We evaluate those internally and are part of the final SDG-score that we derive ourselves. If we detect material controversies which the investee companies fails to address we engage with the company in order to understand possible remediation or solutions. Our entire fundamental research process centers around the so-called LAIQON Seven Select, where sustainability is integral part of the financial and operating analysis of an investee. In case we spot that material ESG trends (such as biodiversity) are not addressed at companies where this should be material (e.g. Glencore) we decide not to invest. We discussed this in a management meeting call with a potential investee and decided against the investment due to a lack of awareness at the company.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

	(2) Active - quantitative	(3) Active - fundamental	(4) Other strategies
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(2) for a majority of our AUM	(3) for a minority of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(3) for a minority of our AUM	(3) for a minority of our AUM
(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(3) for a minority of our AUM	(3) for a minority of our AUM
(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process			
(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○	○

## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

**What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?**

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

(1) Active - quantitative

(2) Active - fundamental

(3) Other strategies

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion



(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 11	PLUS	OO 21	N/A	PUBLIC	Performance monitoring	1

**Provide an example of how the incorporation of ESG factors in your listed equity valuation or portfolio construction affected the realised returns of those assets.**

Within our Art 9 Equity fund we closely monitor and evaluate how global sustainability trends influence the business model and future competitive positioning of a company. This can be change in consumer behaviour of demographic shift. WE also evaluate the contribution to sustainable development goals and how this influences demand of a certain products. We are convinced that such issuers have the ability to outperform over longer horizons. The value stocks in our portfolio continuously maintained or increased their dividend payments, even throughout Covid. This shows the resilience of their business model and that our investees are strongly positioned when it comes to ESG.

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our listed equity assets subject to ESG screens

# FIXED INCOME (FI)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?**

	(1) SSA	(2) Corporate
(A) Yes, our investment process incorporates material governance factors	(3) for a minority of our AUM	(3) for a minority of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(3) for a minority of our AUM	(3) for a minority of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(3) for a minority of our AUM	(3) for a minority of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?**

**(1) SSA**

**(2) Corporate**

(A) Yes, we have a formal process that includes scenario analyses

(B) Yes, we have a formal process, but does it not include scenario analyses

(3) for a minority of our AUM

(3) for a minority of our AUM

(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion

○

○

(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets

○

○

**(B) Yes, we have a formal process, but it does not include scenario analyses - Specify: (Voluntary)**

similar to equity part, currently lack of data availability within LAIQON, or there are only few licenses to make use of a vendor that includes scenario analysis. We are still putting internal processes and responsibilities in place to perform scenario analysis and discuss this accordingly. Within the wealth management business currently a lack of client demand

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?**

	(1) SSA	(2) Corporate
(A) We incorporate material environmental and social factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?**

	(1) SSA	(2) Corporate
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)		(2) for a majority of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector		(2) for a majority of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	<input type="radio"/>	<input type="radio"/>
(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers	<input checked="" type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?**

	(1) SSA	(2) Corporate
(A) We incorporate it into the forecast of financial metrics or other quantitative assessments	(3) for a minority of our AUM	(2) for a majority of our AUM
(B) We make a qualitative assessment of how material ESG factors may evolve	(3) for a minority of our AUM	(2) for a majority of our AUM

(C) We do not incorporate significant changes in material ESG factors

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## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?**

**(1) SSA**

**(2) Corporate**

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(2) for a majority of our AUM

(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(2) for a majority of our AUM

(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(3) for a minority of our AUM

(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways

(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

(1) SSA

(2) Corporate

(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations

(2) for a majority of our AUM

(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits

(3) for a minority of our AUM

(2) for a majority of our AUM

(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors

(D) We use another method of incorporating material ESG factors into our portfolio's risk management process

(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

**(1) SSA**

**(2) Corporate**

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents



(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion

(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process

## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

**Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.**

We believe that companies that incorporate ESG into their business models and incorporate sustainability trends, are more resilient and are less likely to default or experience any adverse events. We engaged with a German bank after the Russian invasion into Ukraine and asked the company about any loans to Russia pursuant to an NGO report and our re-risk indicators. Upon satisfactory answer of the company we've been able to assess reputational risks for the company better and the bank could proactively communicate their standpoint to capital markets.

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	PLUS	OO 20, OO 21	N/A	PUBLIC	Thematic bonds	3

**What percentage of environmental, social and/or other labelled thematic bonds held by your organisation has been verified?**

**As a percentage of your total labelled bonds:**

(A) Third-party assurance	(4) >50–75%
(B) Second-party opinion	(4) >50–75%
(C) Approved verifiers or external reviewers (e.g. via CBI or ICMA)	(4) >50–75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

**What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?**

- (A) The bond's use of proceeds
- (B) The issuers' targets
- (C) The issuers' progress towards achieving their targets
- (D) The issuer profile and how it contributes to their targets
- (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in
- (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

**During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?**

- (A) We engaged with the issuer
- (B) We alerted thematic bond certification agencies
- (C) We sold the security
- (D) We blacklisted the issuer
- (E) Other action

- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

## SUSTAINABILITY OUTCOMES (SO)

### SETTING TARGETS AND TRACKING PROGRESS

#### SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

**What specific sustainability outcomes connected to its investment activities has your organisation taken action on?**

- (A) Sustainability outcome #1
  - (1) Widely recognised frameworks used to guide action on this sustainability outcome
    - (1) The UN Sustainable Development Goals (SDGs) and targets
    - (2) The UNFCCC Paris Agreement
    - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
    - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
    - (5) The EU Taxonomy
    - (6) Other relevant taxonomies
    - (7) The International Bill of Human Rights
    - (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
    - (9) The Convention on Biological Diversity
    - (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

(1) Environmental

(2) Social

(3) Governance-related

(4) Other

(3) Sustainability outcome name

Carbon emission intensity reduction of 7% year on year for our Article 9 funds

(4) Number of targets set for this outcome

(1) No target

(2) One target

(3) Two or more targets

(B) Sustainability outcome #2

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

(2) The UNFCCC Paris Agreement

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

(1) Environmental

(2) Social

(3) Governance-related

(4) Other

(3) Sustainability outcome name

Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)

(4) Number of targets set for this outcome

(1) No target

(2) One target

(3) Two or more targets

(C) Sustainability outcome #3

(1) Widely recognised frameworks used to guide action on this sustainability outcome

(1) The UN Sustainable Development Goals (SDGs) and targets

(2) The UNFCCC Paris Agreement

(3) The UN Guiding Principles on Business and Human Rights (UNGPs)

(4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

(5) The EU Taxonomy

(6) Other relevant taxonomies

(7) The International Bill of Human Rights

(8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

(9) The Convention on Biological Diversity

(10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- (1) Environmental
- (2) **Social**
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

Alignment to the UN Global Compact and UNGPs

(4) Number of targets set for this outcome

- (1) **No target**
- (2) One target
- (3) Two or more targets

(D) **Sustainability outcome #4**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- (1) The UN Sustainable Development Goals (SDGs) and targets
- (2) The UNFCCC Paris Agreement
- (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (5) The EU Taxonomy
- (6) Other relevant taxonomies
- (7) The International Bill of Human Rights
- (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (9) The Convention on Biological Diversity
- (10) **Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

- (1) Environmental
- (2) Social
- (3) Governance-related
- (4) **Other**

(3) Sustainability outcome name

Alignment of our product and solution offering according to Art 8 and Art 9 of SFDR

(4) Number of targets set for this outcome

- (1) **No target**
- (2) One target
- (3) Two or more targets

- (E) Sustainability outcome #5
- (F) Sustainability outcome #6
- (G) Sustainability outcome #7
- (H) Sustainability outcome #8
- (I) Sustainability outcome #9
- (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

**(A1) Sustainability Outcome #1: Target details**

(A1) Sustainability Outcome #1:	Carbon emission intensity reduction of 7% year on year for our Article 9 funds					
(1) Target name	Carbon emission intensity reduction within LAIQON					
(2) Baseline year	2022					
(3) Target to be met by	2025					
(4) Methodology	As part of our commitment to the Science Based Targets initiative (SBTi) we aim for a year-by-year reduction of CO2 footprint of our investment portfolio, in this case mutual funds managed by SPSW Capital and LAIC. We can reduce this by various ways 1) introducing investment limits, 2) reallocating to issuers which have set themselves Science based targets or 3) engaging with investee companies. Within this overall target some of our Article 8 and all of our Article 9 funds have a carbon reduction path as aim.					
(5) Metric used (if relevant)	CO2 Emission intensity as defined by paris aligned benchmarks or SFDR (means S123 divided by either EVIC or net revenue respectively)					
(6) Absolute or intensity-based (if relevant)						(2) Intensity-based
(7) Baseline level or amount (if relevant):	not applicable, fund specific					
(8) Target level or amount (if relevant)	We are in the middle of converting the funds and have yet to review the ambition level, the products should generally decarbonize by 7% year over year but we cannot at this point say how many products will follow the approach					

(9) Percentage of total AUM covered in your baseline year for target setting 20%

(10) Do you also have a longer-term target for this? (1) Yes

**(B1) Sustainability Outcome #2: Target details**

(B1) Sustainability Outcome #2: Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)

(1) Target name Minimize or abolish link to controversial weapons

(2) Baseline year 2022

(3) Target to be met by 2024

(4) Methodology Exposure to issuers linked to controversial weapons, this includes nuclear weapons, biological or chemical weapons (ABC weapons), cluster munitions, anti-personnel mines, white phosphorous or depleted uranium. These issuers will either be avoided through the introduction of investment guidelines in this respect (for Art 8 and Art 9 funds) and we will engage with issuers if there is any evidence from our external data providers.

(5) Metric used (if relevant) % of holdings through direct investments (equity or bonds)

(6) Absolute or intensity-based (if relevant) (1) Absolute

(7) Baseline level or amount (if relevant): 5%

(8) Target level or amount (if relevant) 0-2%

(9) Percentage of total AUM covered in your baseline year for target setting 80%

(10) Do you also have a longer-term target for this? (2) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: Carbon emission intensity reduction of 7% year on year for our Article 9 funds	Carbon emission intensity reduction within LAIQON	2030	50% reduction of carbon intensity in our scope 1, 2, and 3 emissions. This is our aim in the context of our SBTi commitment and validation process.

## FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
  - (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
  - (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.3	PLUS	SO 3	N/A	PUBLIC	Focus: Setting net-zero targets	General

**Provide details of your net-zero targets for specific mandates or funds.**

**(A) Fund or mandate #1**

(1) Name of mandate or fund

LF Green Dividend World

(2) Target details

In addition to a minimum share of sustainable investments of 80% pursuant to Art 9 of SFDR the fund also aims for an annual CO2 emission intensity reduction of 7%. So far the fund has achieved this in every year since inception in 2019

**(B) Fund or mandate #2**

(1) Name of mandate or fund

LF AI Impact Equity and LF AI Impact Equity US

(2) Target details

both mutual funds are managed by an artificial intelligence algorithm and quasi-index a paris aligned benchmark. In addition the fund follows the minimum set of exclusion criteria prescribed by German target market concept and Bafin requirements. The fund has to reduce its annual CO2 emission intensity by 7% every year.

- (C) Fund or mandate #3
- (D) Fund or mandate #4
- (E) Fund or mandate #5
- (F) Fund or mandate #6
- (G) Fund or mandate #7
- (H) Fund or mandate #8
- (I) Fund or mandate #9
- (J) Fund or mandate #10

## TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

**Does your organisation track progress against your nearest-term sustainability outcomes targets?**

**(A1) Sustainability outcome #1:**

(A1) Sustainability outcome #1: Carbon emission intensity reduction of 7% year on year for our Article 9 funds

Target name: Carbon emission intensity reduction within LAIQON

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

**(B1) Sustainability outcome #2:**

(B1) Sustainability outcome #2: Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)

Target name: Minimize or abolish link to controversial weapons

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

**(A1) Sustainability Outcome #1: Target details**

(A1) Sustainability Outcome #1:	Carbon emission intensity reduction of 7% year on year for our Article 9 funds
(1) Target name	Carbon emission intensity reduction within LAIQON
(2) Target to be met by	2025
(3) Metric used (if relevant)	CO2 Emission intensity as defined by paris aligned benchmarks or SFDR (means S123 divided by either EVIC or net revenue respectively)
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	We have initiated major fund reclassification and introduced sustainability related investment limits with a focus on climate. We expect carbon emission intensity to drop as a result
(6) Methodology for tracking progress	quarterly assessment of PAI statistic internally that includes CO2 emission intensity. We do this on an organisational level primarily within SPSW Capital GmbH within LAIQON. This is a significant component of our AUM and we will extend this also to asset managed on behalf of institutional clients subject to approval

**(B1) Sustainability Outcome #2: Target details**

(B1) Sustainability Outcome #2:	Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)
(1) Target name	Minimize or abolish link to controversial weapons
(2) Target to be met by	2024
(3) Metric used (if relevant)	% of holdings through direct investments (equity or bonds)
(4) Current level or amount (if relevant)	
(5) Other qualitative or quantitative progress	published a LAIQON wide policy explaining our position, guiding our client relationship managers and portfolio managers.

(6) Methodology for tracking progress

quarterly analysis performed by head of group sustainability at LAIQON and review with the CEO and CWO of LAIQON

## INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

### LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
  - Select from drop down list:
    - (1) Individually
    - (2) With other investors or stakeholders
- (B) Stewardship: engagement with external investment managers
- (C) Stewardship: engagement with policy makers
- (D) Stewardship: engagement with other key stakeholders
- (E) Capital allocation
- (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

### CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

**(A) Across all sustainability outcomes**

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(1) Capital allocation activities used	(2) Sector allocation (4) Divestment from assets or sectors
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(2) Explain through an example	When we turned various non-ESG funds into ESG funds certain high carbon emitting sectors were prohibited and needed to be divested or shifted into other sectors
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**(B) Sustainability Outcome #1:**

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(B) Sustainability Outcome #1:	Carbon emission intensity reduction of 7% year on year for our Article 9 funds
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(1) Capital allocation activities used	(1) Asset class allocation
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(2) Explain through an example	invest into companies with verified SBTis or specifically target green bonds as investments
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**(C) Sustainability Outcome #2:**

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(C) Sustainability Outcome #2:	Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)
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(1) Capital allocation activities used	(4) Divestment from assets or sectors
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(2) Explain through an example	We published a policy that explains our position at LAIQON towards controversial weapons. We proactively approach institutional clients on the possibility to exclude those issuers
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**(D) Sustainability Outcome #3:**

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(D) Sustainability Outcome #3:	Alignment to the UN Global Compact and UNGPs
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(1) Capital allocation activities used	(4) Divestment from assets or sectors
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(2) Explain through an example when we observe severe and confirmed violations of human rights or UN global compact we engage with the issuer. If we do not see progress or a satisfactory response we may decide to divest. We regularly monitor our exposure to UNGC violators and have an additional data vendor that analyses risk trends.

**(E) Sustainability Outcome #4:**

(E) Sustainability Outcome #4: Alignment of our product and solution offering according to Art 8 and Art 9 of SFDR

(1) Capital allocation activities used (1) Asset class allocation  
(2) Sector allocation

(2) Explain through an example introducing sustainability related minimum standards affects both the sector allocation as well as individual asset class allocation.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	OO 17 FI, SO 1	N/A	PUBLIC	Capital allocation	1

**During the reporting year, did you use thematic bonds to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?**

**Thematic bond(s) label**

(A) Sustainability Outcome #1: Carbon emission intensity reduction of 7% year on year for our Article 9 funds (A) Green/climate bonds

(B) Sustainability Outcome #2: Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)

(C) Sustainability Outcome #3: Alignment to the UN Global Compact and UNGPs (B) Social bonds

(D) Sustainability Outcome #4:  
Alignment of our product and  
solution offering according to Art 8  
and Art 9 of SFDR

(A) Green/climate bonds  
(B) Social bonds

## STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

### (A) Across all sustainability outcomes

(1) Describe your approach

Our overall approach for our sustainability outcomes is to decarbonize our investment portfolio at large in the context of our SBTi commitment and targets, our subgroup of Art 9 funds are targeting to reduce our carbon emissions intensity reduction by 7% annually. In doing so, we focus on investing in companies with validated science based targets or which are part of a paris aligned benchmark.

We also seek to exclude any company with a nexus to controversial weapons and align our investment approach with the UNGC or UNGP. This means that we exclude or divest companies with severe violations of the UN global compact or which are unresponsive to our engagement efforts. We also seek to minimize our exposure (direct or indirect) to companies that are involved in controversial weapons. We further want to issue a policy focussed on fossil fuels. This means our approach is guided by shift in the product portfolio (more funds with Art 8 or Art 9 and decarbonization strategy), shift in our asset allocation (asset level and sector level), engagement and divestment / exclusion. LAIQON's head of group sustainability is in charge of driving and achieving those sustainability outcomes. We collaborate with WWF as external technical party and participate in working groups on fit for Paris, hence we proactively seek external advice.

(2) Stewardship tools or activities used

(1) Engagement  
(2) (Proxy) voting at shareholder meetings  
(7) Working directly with portfolio companies and/or real asset management teams

(3) Example The initiatives are proposed internally at an extended management board meeting towards legal entity representatives who are also in charge of implementing the sustainability outcomes below. The head of group sustainability at LAIQON oversees the implementation and is in charge of achieving these targets and objectives.

**(B) Sustainability Outcome #1:**

(B) Sustainability Outcome #1: Carbon emission intensity reduction of 7% year on year for our Article 9 funds

(1) Describe your approach Calculate our carbon emissions intensity on a portfolio basis on a regular basis and reduce this value annually for our article 9 SFDR funds.

(2) Stewardship tools or activities used (1) Engagement  
(9) Other

(3) Example Engaging with existing investee companies to adopt and validate science based targets in order to self-decarbonize our portfolio. We are increasingly introducing those objectives also into our Art 8 funds which will be rolled out over 2024 subject to relevant internal and external / regulatory approvals.

**(C) Sustainability Outcome #2:**

(C) Sustainability Outcome #2: Reduction or elimination of any link to controversial weapons (ABC weapons, cluster munition, anti-personnel mines, white phosphorous, depleted uranium)

(1) Describe your approach WE issued a policy towards all legal entities pointing towards our attitude towards controversial weapons and our ambition to minimize this exposure over the medium term. We enforce this policy through regular monitoring and proactively engage institutional clients on the possibility to exclude such issuers. Most of our mutual funds already exclude issuers with a link to controversial weapons due to their ESG certification from FNG or Austrian Ecolabel.

(2) Stewardship tools or activities used (9) Other



(3) Example

We have published a policy and began to proactively approach institutional clients on the option to exclude issuers with a confirmed nexus to controversial weapons. This is subject to contractual amendments with the clients and therefore will be implemented sequentially over the next couple of years. For indirect exposure through third party managed funds we aim for a look through and try to avoid these wherever possible. Within wealth management and digital wealth we already offer individual asset management mandates with a sustainability option that seeks to exclude such issuers.

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**(D) Sustainability Outcome #3:**

(D) Sustainability Outcome #3:

Alignment to the UN Global Compact and UNGPs

(1) Describe your approach

Screen our portfolio for possible severe violations of international norms, most notably UN global compact. We also screen our portfolio on a monthly basis for possible controversies and verify those if needed directly with our investees. Either an issuer has a "red" rating with our ESG data vendor or faces severe controversies. In the former case the issuer might not be eligible in the first place. Goal is to introduce a zero tolerance towards severe violation of international norms or to engage companies to adopt disclosure and a strategy.

(2) Stewardship tools or activities used

(1) Engagement  
(2) (Proxy) voting at shareholder meetings  
(9) Other

(3) Example

Our monthly controversy assessment of our mutual fund range seeks to minimize possible reputational risk and verify exposure towards severe violations of the UN Global Compact. Together with the head of group sustainability, any controversy needs to be commented by the fund manager and if needed the position will be divested. If the rating is beyond a certain threshold, engagement with the issuer is mandatory.

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**(E) Sustainability Outcome #4:**

(E) Sustainability Outcome #4:

Alignment of our product and solution offering according to Art 8 and Art 9 of SFDR

(1) Describe your approach

Change existing product landscape and introduce investment rules that make the product eligible for Art 8 or Art 9. in Germany this requires a minimum set of exclusions to fulfil target market requirements and make the product suitable for

(2) Stewardship tools or activities used

(9) Other

(3) Example

We seek to amend our existing AI-managed equity fund range into Art 9 with an 80% focus on sustainable investments. This comes from allocating into issuers which are part of a paris aligned benchmark.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

**How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

**(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

This is part of the portfolio manager discretion upon supervision of the head of group sustainability. not all of these companies may be relevant as large parts of our portfolio are for example not linked to UNGC violations or controversial weapons but a quarterly analysis on the exposure is being carried out centrally by the head of group sustainability. In this process the head of group sustainability proactively approaches fund managers on potential engagement targets and priorities which will be discussed by the fund manager with the investee.

Select from the list:

- 1
- 4

**(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

Our sustainability outcomes or their plans are communicated internally to the fund managers as well as the legal entity board representatives. the implementation lies with the legal entities and the fund managers to derive a plan for action with the head of group sustainability.

Select from the list:

- 3
- 4

**(C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.**

Describe how you do this:

Subject to resourcing we may decide to cover certain issuers through collaborative engagement or single issuer engagement. We have for example verified possible involvement of an issuer in controversial weapons and divested our position as a consequence. Prioritizing the right resources is key for us and bringing together the processes at LAIQON internally

Select from the list:

- 2
- 4

(D) Other

## STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

**During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?**

### (A) Initiative #1

(1) Name of the initiative	CDP Science Based Targets Campaign
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative
(3) Provide further detail on your participation in this collaborative initiative	See above, we publicly endorsed the initiative and approached individual companies in our portfolio pointing towards our position in this respect.

### (B) Initiative #2

(1) Name of the initiative	CDP Non-Disclosure Campaign
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative
(3) Provide further detail on your participation in this collaborative initiative	We believe that disclosure of emissions data is the foundation for a climate strategy. Therefore we supported and endorsed the initiative and approached certain of our investees individually.

### (C) Initiative #3

(1) Name of the initiative	WWF Pathway to Paris
(2) Indicate how your organisation contributed to this collaborative initiative	(G) We were part of an advisory committee or similar

(3) Provide further detail on your participation in this collaborative initiative

one of our portfolio managers participated in various research committee meetings in 2022 and provided the LAIQON standpoint and positioning.

**(D) Initiative #4**

(1) Name of the initiative

(2) Indicate how your organisation contributed to this collaborative initiative

(3) Provide further detail on your participation in this collaborative initiative

# CONFIDENCE-BUILDING MEASURES (CBM)

## CONFIDENCE-BUILDING MEASURES

### APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

**How did your organisation verify the information submitted in your PRI report this reporting year?**

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI**
- (H) We did not verify the information submitted in our PRI report this reporting year

## INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

### Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
- (B) Senior executive-level staff, investment committee, head of department, or equivalent**
  - Sections of PRI report reviewed
    - (1) the entire report
    - (2) selected sections of the report**
  - (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year