

LGT Crestone – managing and growing wealth

Our mission....

To help clients manage and grow wealth. Using our local scale and LGT Group's global reach to deliver best-in-class investments and services to the high and ultra-high-net-worth, family groups, entrepreneurs, NFP's and endowments.

- Listed securities
- Private equity/debt
- Venture capital
- Lombard lending
- FX forwards
- Discretionary portfolio management
- Managed funds
- Capital markets
- Mortgages

By the numbers....

- **80 year heritage**, now one of the world's largest privately-owned wealth managers, LGT Group
- **300+ employees**
- **\$A15bn growth** in assets under management locally, to \$A31bn
- **\$A500bn** in assets under management globally, as part of the LGT Group.

Strong partnerships and global access....



Deep insights....

From a dedicated Chief Investment Office, lead by Scott Haslem



Complimented by external research providers....





crestone.

Navigating the increasingly complex ESG landscape

September 2024



1 The increasingly complex ESG landscape

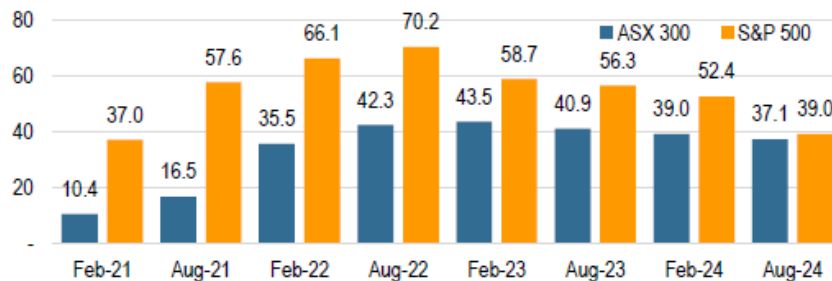
ESG Considerations – hush hush or a competitive advantage?

- ESG considerations have increasingly become a contentious aspect of financial markets
- Political backlash in the US, rising interest rates has led to many companies deprioritising ESG initiatives.
- BUT despite this shift, ESG remains an important area of focus, particularly in Australia, where companies are dedicating more time to the topic than pre-covid. During the most recent reporting season, over 100 companies published 1 or more slides on their ESG targets, initiatives or policies.



Figure 1: ESG | Transcript mentions per stock (AU vs. US)

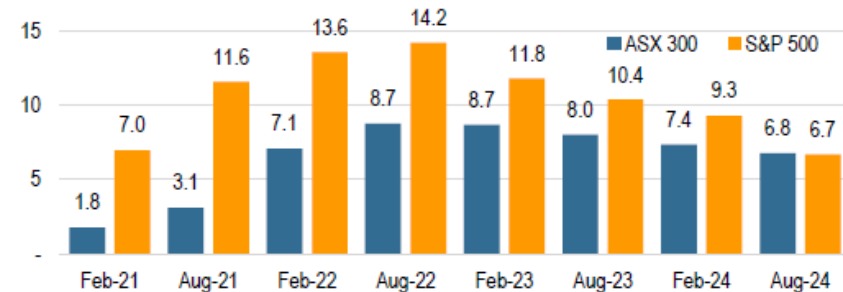
Rolling 12M



Source: Bloomberg Finance L.P.

Figure 2: Climate Change | Transcript mentions per stock (AU vs. US)

Rolling 12M



Source: Bloomberg Finance L.P.

Snapshot of the landscape here in Australia post reporting season

- **Australian Sustainability Reporting Standards (ASRS) are imminent:** Numerous companies have highlighted their extensive work underway to be ready for the mandatory climate – related reporting rules, set to come in effect FY26.
- **Net zero commitments:** A number of new commitments, changes to existing commitments and target achievements were announced.
- **Carbon credits – or go it alone?** Several corporates aim to achieve their net zero targets through operational decarbonisation, while others endorse the use of voluntary offsets.

MANDATORY CLIMATE REPORTING



Preparation underway for ASRS in FY26:

- **ARB** - steps toward TCFD implementation
- **AUB** - ASRS to lead to ESG report audit
- **BPT** - Readiness assessment undertaken
- **JBH** - Adherence to ASRS in FY26
- **MFG** - inaugural climate report published
- **REG** - \$2m to fully align to ASRS
- **TCL** - Readiness for mandatory reporting

CARBON CREDITS



To offset or not to offset?

- **TLS** - pivot away from offsetting in favour of direct investments
- **FMG** - reiterated S1/S2 net-zero targets without the use of offsets
- **ASX** - seek to introduce clearing and settlement for ACCUs
- **CQE** - committed to S1/S2 net-zero targets through operational decarbonisation

EMISSIONS REDUCTION TARGETS



New and updates to existing commitments:

- **EVT** - 50% reduction in S1/S2 and 25% in S3 by 2030
- **MND** - interim target of 20-40% reduction in S1/S2 by 2030
- **VNT** - net-zero targets formalised by SBTi
- **TLS** - raised S1/S2 reduction target from 50% to 70% by 2030
- **UNI** - 2030 reduction targets are being "refined"
- **CQE** - net-zero operational emissions achieved

Australian Sustainability reporting Standards (ASRS) are imminent

The ASRS comprises of:

AASB S1 – General Requirements for Disclosure of Sustainability – related Financial Information (voluntary)

AASB S2 – Climate – related Disclosures (mandatory)

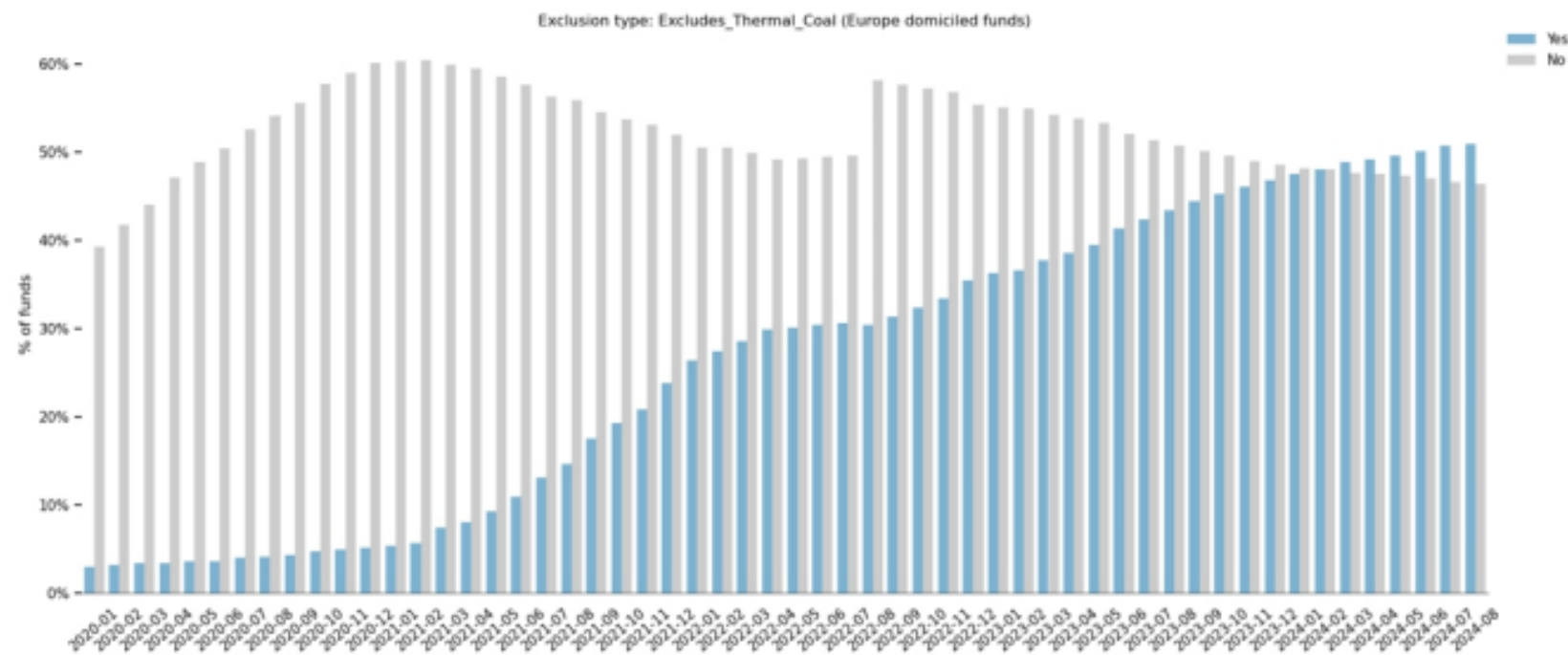
AASB S2 sets out the disclosure requirements with the following metrics consistent for all industries:

1. **GHG Emissions** – Scope 1, 2 and 3 measured in accordance with the GHG protocol. Scope 3 not required until second period of reporting.
2. **Transition Risks** - \$ and % of assets or business activities vulnerable to transition risks
3. **Physical Risks** - \$ and % of assets or business activities vulnerable to physical risks
4. **Climate – related opportunities** - \$ and % of assets or business activities aligned with climate-related opportunities
5. **Capital deployment** - \$ of capex, financing or investment deployed towards climate-related risks and opportunities
6. **Internal carbon price** – where used \$ per metric tonne of GHG emissions
7. **Remuneration** - % of executive management linked to climate-related considerations in the current period.

First annual reporting periods starting on or after	Large entities and their controlled entities meeting at least <u>two of three</u> criteria:			National Greenhouse and Energy Reporting (NGER) Reporters	Asset Owners
	Consolidated revenue	EOFY consolidated gross assets	EOFY employees		
1 July 2024 Group 1	\$500 million or more	\$1 billion or more	500 or more	Above NGER publication threshold	N/A
1 July 2026 Group 2	\$200 million or more	\$500 million or more	250 or more	All other NGER reporters	\$5 billion assets under management or more
1 July 2027 Group 3	\$50 million or more	\$25 million or more	100 or more	N/A	N/A

Exclusionary Policy trends – more not less sustainable solutions

Proportion of funds that do / do not exclude thermal coal



Australians want more not less sustainable solutions

Aussie's commitment to ESG outcomes

Committed to continual improvement

Environmental

Carbon footprint

- Carbon neutral for scope 1 and 2 emissions
- Scope 3 emission inventory under development
- Total carbon emissions increased in line with Company growth

Reducing overall footprint

- Carbon offset credits
- Transition to 100% renewable energy on owned and operated sites is underway
- Working towards carbon reduction across the supply chain

Social

Addressing social challenges

- Committed to Pledge 1%
- 1000+ hours of employee community service leave
- Impacted almost 220k people via our community programs
- Small Change Big Change raised over \$652k to date
- Proud partner of NBN's School Student Broadband Initiative
- Focused approach on inclusion & diversity
- Adapt Action Plan submitted for Domestic and Family Violence Industry response
- Low Income and Digital Inclusion Forum member
- Industry leading paid parental leave scheme

Governance

Rigorous governance

- Aligned Constitution's purpose with B-Corp requirements to support ESG goals
- Implemented mechanisms to govern our ESG approach
- Mandatory compliance training
- Strengthened our cyber resiliency, including a focus on people, processes, and technology

Certified **7,0** business **19**

B Corporation

ABB is the largest telco in Australia to be B Corp Certified

The purpose of the company is to deliver returns to shareholders while creating overall positive impact on society and the environment

Committed to a sustainable future

ESG FY24 ratings and recognitions

MSCI ESG RATINGS
(ENV, S, GOV, SOC, A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z, AA, AB, AC, AD, AE, AF, AG, AH, AI, AJ, AK, AL, AM, AN, AO, AP, AQ, AR, AS, AT, AU, AV, AW, AX, AY, AZ, BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ, BK, BL, BM, BN, BO, BP, BQ, BR, BS, BT, BU, BV, BW, BX, BY, BZ, CA, CB, CC, CD, CE, CF, CG, CH, CI, CJ, CK, CL, CM, CN, CO, CP, CQ, CR, CS, CT, CU, CV, CW, CX, CY, CZ, DA, DB, DC, DD, DE, DF, DG, DH, DI, DJ, DK, DL, DM, DN, DO, DP, DQ, DR, DS, DT, DU, DV, DW, DX, DY, DZ, EA, EB, EC, ED, EE, EF, EG, EH, EI, EJ, EK, EL, EM, EN, EO, EP, EQ, ER, ES, ET, EU, EV, EW, EX, EY, EZ, FA, FB, FC, FD, FE, FF, FG, FH, FI, FJ, FK, FL, FM, FN, FO, FP, FQ, FR, FS, FT, FU, FV, FW, FX, FY, FZ, GA, GB, GC, GD, GE, GF, GG, GH, GI, GJ, GK, GL, GM, GN, GO, GP, GQ, GR, GS, GT, GU, GV, GW, GX, GY, GZ, HA, HB, HC, HD, HE, HF, HG, HH, HI, HJ, HK, HL, HM, HN, HO, HP, HQ, HR, HS, HT, HU, HV, HW, HX, HY, HZ, IA, IB, IC, ID, IE, IF, IG, IH, II, IJ, IK, IL, IM, IN, IO, IP, IQ, IR, IS, IT, IU, IV, IW, IX, IY, IZ, JA, JB, JC, JD, JE, JF, JG, JH, JI, JJ, JK, JL, JM, JN, JO, JP, JQ, JR, JS, JT, JU, JV, JW, JX, JY, JZ, KA, KB, KC, KD, KE, KF, KG, KH, KI, KJ, KK, KL, KM, KN, KO, KP, KQ, KR, KS, KT, KU, KV, KW, KX, KY, KZ, LA, LB, LC, LD, LE, LF, LG, LH, LI, LJ, LK, LL, LM, LN, LO, LP, LQ, LR, LS, LT, LU, LV, LW, LX, LY, LZ, MA, MB, MC, MD, ME, MF, MG, MH, MI, MJ, MK, ML, MM, MN, MO, MP, MQ, MR, MS, MT, MU, MV, MW, MX, MY, MZ, NA, NB, NC, ND, NE, NF, NG, NH, NI, NJ, NK, NL, NM, NN, NO, NP, NQ, NR, NS, NT, NU, NV, NW, NX, NY, NZ, OA, OB, OC, OD, OE, OF, OG, OH, OI, OJ, OK, OL, OM, ON, OO, OP, OQ, OR, OS, OT, OU, OV, OW, OX, OY, OZ, PA, PB, PC, PD, PE, PF, PG, PH, PI, PJ, PK, PL, PM, PN, PO, PP, PQ, PR, PS, PT, PU, PV, PW, PX, PY, PZ, QA, QB, QC, QD, QE, QF, QG, QH, QI, QJ, QK, QL, QM, QN, QO, QP, QQ, QR, QS, QT, QU, QV, QW, QX, QY, QZ, RA, RB, RC, RD, RE, RF, RG, RH, RI, RJ, RK, RL, RM, RN, RO, RP, RQ, RR, RS, RT, RU, RV, RW, RX, RY, RZ, SA, SB, SC, SD, SE, SF, SG, SH, SI, SJ, SK, SL, SM, SN, SO, SP, SQ, SR, SS, ST, SU, SV, SW, SX, SY, SZ, TA, TB, TC, TD, TE, TF, TG, TH, TI, TJ, TK, TL, TM, TN, TO, TP, TQ, TR, TS, TT, TU, TV, TW, TX, TY, TZ, UA, UB, UC, UD, UE, UF, UG, UH, UI, UJ, UK, UL, UM, UN, UO, UP, UQ, UR, US, UT, UU, UV, UW, UX, UY, UZ, VA, VB, VC, VD, VE, VF, VG, VH, VI, VJ, VK, VL, VM, VN, VO, VP, VQ, VR, VS, VT, VU, VW, VX, VY, VZ, WA, WB, WC, WD, WE, WF, WG, WH, WI, WJ, WK, WL, WM, WN, WO, WP, WQ, WR, WS, WT, WU, WV, WW, WX, WY, WZ, XA, XB, XC, XD, XE, XF, XG, XH, XI, XJ, XK, XL, XM, XN, XO, XP, XQ, XR, XS, XT, XU, XV, XW, XX, XY, XZ, YA, YB, YC, YD, YE, YF, YG, YH, YI, YJ, YK, YL, YM, YN, YO, YP, YQ, YR, YS, YT, YU, YV, YW, YX, YY, YZ, ZA, ZB, ZC, ZD, ZE, ZF, ZG, ZH, ZI, ZJ, ZK, ZL, ZM, ZN, ZO, ZP, ZQ, ZR, ZS, ZT, ZU, ZV, ZW, ZX, ZY, ZZ

Progress towards ESG goals in H2

- Certified carbon neutral through Climate Active for the fourth consecutive year
- 19% YoY increase in carbon emissions primarily driven by additional travel required to support global investments¹
- Launched Reflect Reconciliation Action Plan in Play, endorsed by Reconciliation Australia
- \$400,000 raised for community partners through Ready24 customer event²
- Accelerated program of work centred on systems security health and introduced secure password-less logins for customers
- Initiated an assessment of climate related risks and opportunities for REA India

21 REA Group (1) REA Internal data Jul 22 - Jun 23 vs. Jul 23 - Jun 24 (2) REA Internal data



ESG as a competitive advantage - FY24 progress

Health, Safety & Wellbeing

The health, safety and wellbeing (HSW) of our people is the top priority in everything we do.

Achievement
A healthy and safe workplace contributed to zero harm.

Targets and metrics
Zero harm. Ongoing goal. Top quartile LTI & DARTs rate.

Thriving People

We invest in our people to develop a high performing, highly-engaged, and diverse workforce.

Achievement
Delivered top quartile level of staff engagement in our businesses.

Targets and metrics
Top quartile staff engagement.

Sustainable Sourcing

We partner with suppliers to build their strength and capability to improve business, social and environmental outcomes.

Achievement
Sustainable sourcing chain contribution to ethical sourcing.

Targets and metrics
100% Newcomer 70% goal by 2025. 100% Newcomer 70% goal by 2025.

Energy and Emissions

We will act and collaborate to reduce the carbon emissions of our business, products, and value chain.

Achievement
Reduced emissions in our business and the value chain.

Targets and metrics
Carbon reduced 10% by 2025. Carbon reduced 10% by 2025.

Electric Vehicle Transition

We will actively manage our portfolio in line with our partners, and lead by example in the EV of the market.

Achievement
Become a leader in the EV of the market in Australia and New Zealand.

Targets and metrics
100% EV fleet by 2025. 100% EV fleet by 2025.

Waste

We will aid customers in reducing their waste footprint, and lead by example in our business operations.

Achievement
Enhanced the sustainability of our packaging design and materials.

Targets and metrics
APCO Advanced level by 2025. APCO Advanced level by 2025.

Other ESG highlights

Priorities that deliver social and environmental value for our communities and our people



SEEK's 2024 Sustainability Report will be released late August 2024
SEEK's 2023 Modern Slavery Statement is available at <https://www.seek.com.au/about/sustainability/>

Social impact

- Connected over 124,000 volunteers to opportunities through SEEK Volunteer
- Published new SEEK Labour Market Mismatch Indicator Report to provide insights into supply and demand trends in the Australian labour market and continued other insights reporting¹
- Launched SEEK's First Nations Reconciliation Strategy focused on placements for Indigenous candidates and supporting Indigenous businesses
- Increased SEEK's social spend in ANZ by 9% to \$628k with a focus on First Nations suppliers

Data and cyber

- Simplified the technology environment with Platform Unification leading to more consistent data security and controls
- Continued implementation of actions and recommendations from cybersecurity governance audit and data privacy audit
- Completed cyber maturity reviews and addressed findings for several SEEK subsidiaries (e.g., Sourc, GradConnection, SEEK Pass) resulting in enhancements to security plans
- Continued responsible AI reviews to test if AI-based services remain aligned to SEEK's Responsible AI Principles

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You will also go into the draw to win a bottle of Champagne!

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