LEXINGTON PARTNERS

# Responsible Investment

## 2024 Annual Report

New York | Boston | Menlo Park | Miami | London | Hong Kong | Santiago | Luxembourg

# A Message from Lexington's President

I am pleased to share Lexington's 2024 Responsible Investment Report highlighting our latest achievements, commitments, and insights as we embark on the year ahead.

As we celebrated Lexington's 30th anniversary in 2024, we had the opportunity to reflect on how far we've come as an organization – growing from six professionals in one office to more than 185 professionals across eight global offices and over $76 billion of total commitments. While strong corporate citizenship and social responsibility have been hallmarks of Lexington's culture since our founding, we – along with many of our peers in the private equity industry – have made considerable leaps in supporting responsible investment. Throughout market cycles, geopolitical events, and evolving regulation, we have remained steadfast in our belief that a commitment to responsible investment can mitigate significant business risk and enhance long-term investment performance for our limited partners.

Lexington is fortunate to benefit from our broad industry network and global reach, which allow us to observe a cross-section of perspectives. From our distinctive vantage point, many alternatives allocators and fund managers spanning various sectors and geographies are continuing efforts to mitigate downside risks and identify compelling opportunities. Enhanced data collection and analysis enabled by AI and the digital transformation, coupled with increasingly standardized metrics, are allowing investors to better map risks across their portfolios. As a global firm with over 1,300 investors from over 50 countries and 900 sponsor relationships, we believe we are well-positioned to encourage adoption of responsible investment principles and standardized metrics across our vast network.

Lexington continues to enhance our own data collection and analysis, and we are committed to leveraging our informational advantage, technolgy-enabled solutions, and relationships to improve our capabilities. We work closely with leading industry groups, service providers, and peers to monitor evolving regulations, frameworks, and trends. In addition, we are fortunate to benefit from Franklin Templeton's thought leadership and considerable expertise in sustainability and stewardship.

We continue to scale Lexington's global platform as tremendous growth in secondary and co-investment markets drives demand for our products. We were pleased to have welcomed 26 new joiners in 2024, each of whom plays an important role in the success of our business. Even with our growing team, we operate as a cohesive, global team unified by our strong culture and shared values.

This report outlines progress on our responsible investment workstreams and key findings from our annual survey of sponsors around the world and across sectors. We believe our team's efforts can provide enduring value for our limited partners and contribute to sustainable growth in our industry. We encourage you to reach out to our team as we work to promote sustainable practices within our firm, our industry, and our communities.

**Wilson Warren**
Partner & President, Lexington Partners

# Our Commitment to Responsible Investment and Stewardship

Lexington firmly believes that strong responsible investment and stewardship policies and practices can create lasting value for our limited partners, enhance long-term investment performance, and promote responsible investment principles in our industry and society.

## A Year in Review

Our goal in 2024 was to reinforce governance and accountability, elevate our data set and analysis capabilities, and improve transparency and reporting in line with key frameworks and regulations. The year's achievements include voluntarily issuing our inaugural Task Force on Climate-Related Financial Disclosures ("TCFD") report, establishing a process for collecting detailed portfolio company information for certain strategies leveraging the ESG Data Convergence Initiative ("EDCI") template, continuing to integrate an ESG risk data tool (RepRisk) into our investment due diligence and monitoring processes, and expanding our annual ESG survey to collect additional climate and emissions information.

At the firm level, we once again measured Scope,1, Scope 2, and Scope 3 (business travel) emissions, calculated using the GHG Protocol Corporate Accounting and Reporting Standard and emissions factors from the EPA and DEFRA. Lexington's 2024 carbon footprint for Scope 1, Scope 2, and Scope 3 emissions totaled 1,119 metric tons, which we plan to offset with verified carbon credits. In addition, Lexington's 2024 Annual Meeting was carbon neutral for the third consecutive year as we offset 137 metric tons of associated carbon emissions.

While the Lexington funds do not pursue an ESG strategy, we believe the adoption of strong responsible investment policies and practices can mitigate investment risk and positively impact long-term performance, consistent with our fiduciary duty. While, as a secondary investor or co-investor alongside a lead sponsor, we are rarely positioned to directly influence a sponsor or portfolio company on ESG topics, we remain focused on engaging with our underlying sponsors and limited partners to encourage awareness, measurement, and management of ESG issues. We look forward to building upon our progress in the year ahead.

# Lexington helped pioneer the development of the institutional secondary market 35 years ago and created one of the first discretionary co-investment programs 27 years ago.

Lexington's global presence and heritage as a leading secondary and co-investment manager position us to engage effectively with our partners worldwide to encourage responsible practices.

Lexington is a global firm with offices strategically located in major centers for private equity and alternative investing – New York, Boston, Menlo Park, Miami, London, Hong Kong, Santiago, and Luxembourg. Our global platform enables Lexington to be knowledgeable of ESG risks, opportunities, and trends in various regions of the world and, at the same time, encourage sponsors in our network to adopt best practices.

Lexington's 26 partners are among the most experienced and highly regarded in the secondary and co-investment markets, averaging 20 years of private equity experience and 18 years together at Lexington. The firm has experienced a high rate of retention since inception, which we believe is a result of a team-oriented, supportive corporate culture and broad alignment of interest. Since inception, Lexington has analyzed thousands of investment opportunities, completing more than 700 secondary transactions and 530 co-investments and acquiring over 5,000 interests managed by over 900 sponsors. Lexington believes the broad portfolio diversification and the quality of underlying assets in our secondary and co-investment funds enable us to mitigate ESG risk and capture value during periods of economic turbulence.

**$76B**
total capitalization

**21**
secondary funds

**6**
co-investment funds

**1,000+**
investors in 40+ countries

***26*** *partners averaging* ***18*** *years together at Lexington*


***185+*** *employees across* ***8*** *global offices*

**700+**
secondary transactions

**4,000+**
secondary interests

**530+**
co-investments

**700+**
primary investments

**900+**
sponsor relationships

## Leadership and Oversight

Strong governance and accountability are central to Lexington's responsible investment philosophy.

### ESG Steering Committee

Lexington has a cross-disciplinary ESG Steering Committee to provide diverse perspectives: secondary, co-investment, investor relations, legal and compliance, and operations. We believe that overlap across the firm's governing bodies is important in ensuring firmwide attention to and senior-level support of responsible investment efforts.

## Committee Responsibilities:

- Upholding, revising, and ensuring adherence to the ESG and Stewardship Policy
- Implementing the responsible investment strategy and reviewing and tracking progress
- Disclosing material ESG concerns to internal committees
- Educating professionals on key issues and priorities
- Supporting transparency and timely reporting of ESG topics
- Engaging with Franklin Templeton's Sustainability and Stewardship Council ("SSC")

*"The sustainability landscape is constantly evolving. Lexington's ESG Steering Committee has played an important role in ensuring all groups within the firm are informed and empowerd to drive positive change."*

**Pål Ristvedt**
Partner, Secondaries
IC Co-Chair

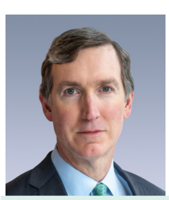
Jeff Bloom
Partner, LCVI

Lutz Fuhrmann
Partner, CIP

John Loverro
Partner, CIP

Pål Ristvedt
Partner, Secondaries

Taylor Robinson
Partner, Secondaries



John Rudge
Partner, Secondaries

Erica Castle
Managing Director, IR

Deepa Thimmapaya
Director, Legal

Alexis Godefroy,
Vice President, Legal

## Lexington's Approach to Responsible Investment

**Operational Sub-Committee:** Our secondary and CIP investment committees, with the input of the ESG Steering Committee, ensure new commitments meet each respective fund's investment criteria. In addition, Lexington has an Operational Sub-Committee representing the firm's ESG, legal and compliance, finance and accounting, and tax interests. Before a deal can advance to the relevant investment committee, the deal team is required to submit a completed questionnaire to the Operational Sub-Committee describing any known material ESG risks identified during due diligence and confirming alignment with Lexington's Exclusions Policy. Deal teams are expected to consult a list of relevant illustrative ESG indicators, as outlined in Annex A of the ESG and Stewardship Policy, during due diligence in conjunction with the consideration of other factors.

One advantage of Lexington's diversified secondary strategy is that private equity partnerships are typically already significantly invested when Lexington funds acquire interests in them. This provides us with visibility into the operations, governance, and internal controls of underlying funds prior to acquisition and reduces Lexington's exposure to potential material "blind pool" risks. For co-investments, Lexington's CIP professionals can leverage extensive asset-level due diligence conducted by high-quality sponsors, which increasingly incorporates ESG.

Lexington's primary objective is to generate strong, risk-adjusted returns and to ensure the firm's interests are strongly aligned with those of our clients. Lexington only considers ESG factors in the investment decision-making to the extent that it is consistent with our fiduciary duty and contractual obligations to the relevant client. We believe the consideration of ESG risks and opportunities is an important aspect in evaluating risks and protecting financial returns. While our funds do not directly manage underlying portfolio companies, we leverage our strong sponsor relationships and information database to share insights and encourage responsible practices across our extensive network of GPs.

We seek to provide our professionals with the latest information and tools to evaluate the impact of ESG risks and opportunities on our funds. Lexington has engaged Malk Partners to provide customized training focused on ESG risk analysis and key issues to consider in underwriting and decision-making. We will continue to conduct regular training to help deal professionals identify the relevance and impact of ESG factors on our investment and portfolio monitoring activities.

### Key Features of Lexington's ESG and Stewardship Policy:

- Applies to all secondary, primary and co-investment activity
- Outlines illustrative ESG factors to consider during due diligence
- Includes Lexington's Exclusions Policy
- Outlines approach to stewardship and human rights
- Updated periodically in accordance with industry best practices / PRI guidelines
- Publicly available on Lexington's website

> We have integrated responsible investment principles into secondary and co-investment policies and procedures and believe that consideration of ESG during due diligence for every deal is essential in anticipating and mitigating risk.

As part of our rigorous investment analysis, we approach ESG factors the same way we would approach other considerations. Lexington's secondary and co-investment professionals evaluate all aspects of a transaction, including short-term and long-term ESG risks and opportunities, that may materially impact the future financial performance of the transaction. This process combines detailed "bottoms-up" analysis with a qualitative assessment of the sponsor's strategy and reputation. As an investor in interests managed by over 900 sponsors, Lexington is well-positioned to evaluate a sponsor's record and ability to mitigate ESG risk. Lexington has incorporated RepRisk, an ESG risk platform, to enhance our analysis and monitoring capabilities for secondary and co-investment transactions by providing comprehensive company risk data and research.

Post-investment, we continue to monitor ESG updates from sponsors and their underlying holdings where possible, including through our annual ESG survey and use of watchlists on RepRisk. In addition, Lexington's co-investment professionals will request that underlying sponsors complete the EDCI template on an annual basis for existing investments going forward for actively investing CIP funds. The EDCI has a broad base of membership that includes many of our sponsors, who are often already gathering this data on their portfolios. By leveraging a widely recognized industry standard for ESG data, we are able to collect information on material ESG performance factors in a synergistic manner with sponsors' established ESG processes.

## Lexington's Responsible Investment Playbook

### Training
Training for deal professionals to enable identification of material ESG risks and opportunities

### Due Diligence
Consideration of ESG issues in "bottoms-up" transaction due diligence and analysis of underlying GPs

### Decision-Making
Operational Sub-Committee and investment committees ensure material ESG risks are appropriately identified and mitigated

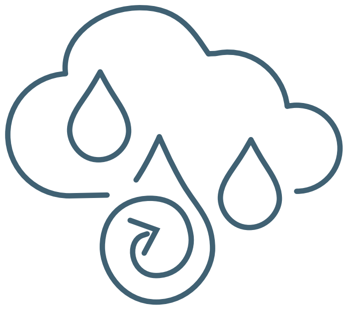
### Monitoring
Annual survey and scoring of underlying sponsors regarding ESG policies and approach

### Reporting
Annual Responsible Investment Report with survey results published on website; Annual PRI reporting

# 2024 ESG Survey Highlights

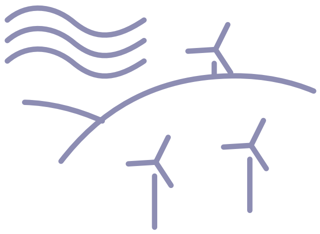
**97%**

of respondents have an ESG policy (or similar)



**97%**

of respondents integrate ESG into their investment analysis



**83%**

of respondents conduct ESG training for employees

**89%**

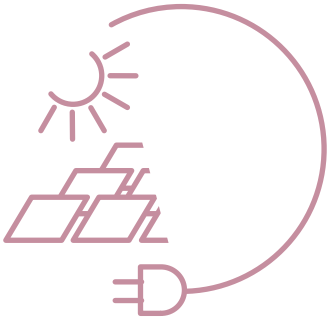
of respondents who incorporate ESG into ownership track ESG-related KPIs, up from 79% in 2023

**67%**

of respondents assess climate-related risks and opportunities

**66%**

of respondents calculate GHG emissions at the portfolio level, up from 56% in 2023



## Survey Overview

Lexington issues an annual survey to its underlying sponsors to understand the evolution of ESG in our portfolios and the broader industry, and shares survey results publicly each year to promote transparency among sponsors, investors, and other industry stakeholders. The survey represents a core component of Lexington's post-investment stewardship and portfolio monitoring, and we refine our survey questions and approach each year to improve our view into ESG across the private markets.

Despite uncertainty in the U.S. around legislative reactions to ESG activities, many investors in the U.S. and abroad continue to encourage the adoption of ESG as a risk mitigant and value creation driver, a sentiment which is reflected in this year's survey findings. ESG continues to be an important part of investment analysis and decision-making both pre- and post-investment. Although we have seen and expect that some GPs' public messaging may shift in response to legislative and market developments in the U.S., our survey does not suggest that firms are moving to remove ESG entirely from their investment approach, particularly if non-pecuniary factors are not being promoted over investment returns.

## Survey Methodology and Responses

In the latest iteration of Lexington's survey, we introduced new questions to deepen insights into how investors assess climate-related risks and monitor their portfolios' management of corporate responsibility, based on growing emphasis on these topics from regulatory bodies and corresponding attention from investors and sponsors.

### New Questions in 2024

1. Do you report on TCFD-aligned climate disclosures, either as part of your ESG report or as a separate document?
2. Have you assessed climate-related risks and opportunities affecting your investments?
3. Have any of your portfolio companies been involved in a violation of UNGC principles or OECD Guidelines for Multinational Enterprises within the last 12 months?

This year, we received survey responses from 144 sponsors representing ~$4.3T of AUM from our most recent secondary and co-investment funds. Reflecting our investment focus, the most common primary investment strategy among respondents is traditional private equity buyout (74%), followed by growth equity (18%), venture capital (6%), and 2% in credit, energy, and infrastructure. The responding sponsors are primarily based in North America (65%) and the U.K./Europe (30%), with 5% in other regions.

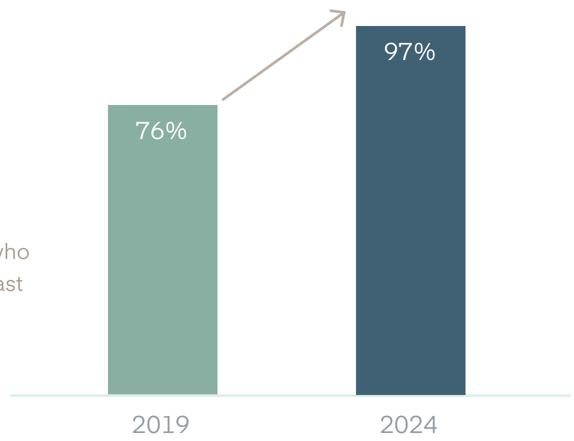
## ESG Policies

This year's results show that ESG policies remain near-universal across sponsors (97%), particularly for buyout (98%) and growth (96%) strategies. In venture capital, 78% of firms report having an ESG policy demonstrating significant progress compared to just 41% in 2021. Among all sponsors that responded to the survey over the past two years, only one firm indicated that they maintained a policy in 2023 but no longer maintain one in 2024.

PERCENTAGE OF RESPONDENTS WITH AN ESG POLICY

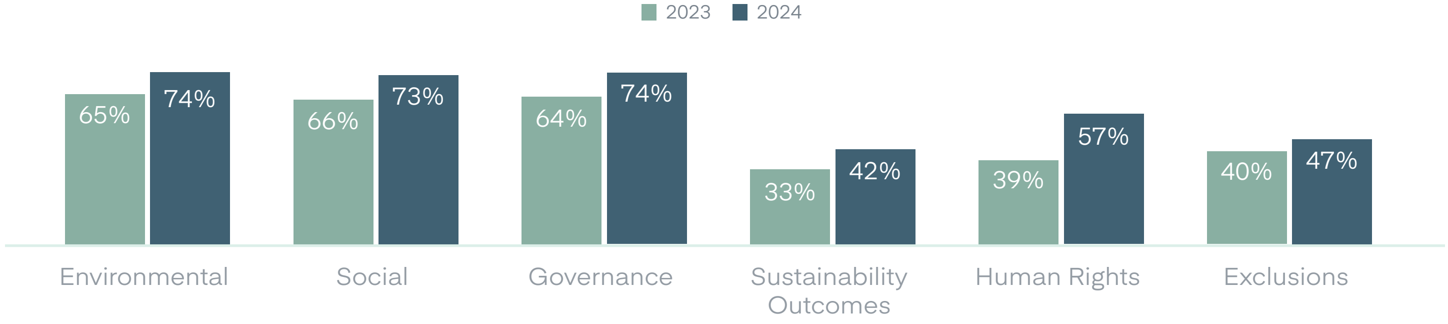
**+21%**

growth rate of respondents who have an ESG policy in the past 5 years



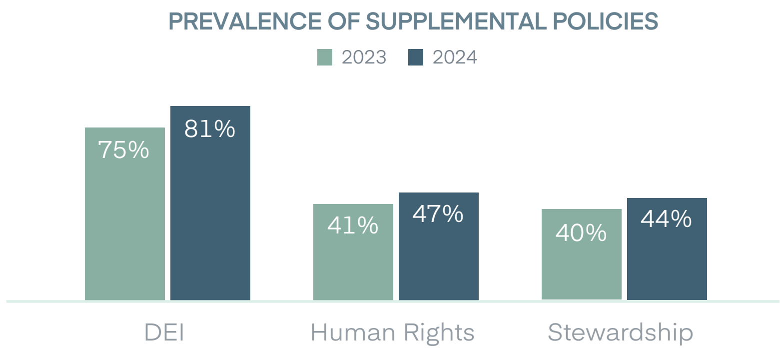

As ESG policies have become standard, Lexington's survey has evolved to understand how sponsors are continuing to move towards more detailed and nuanced approaches to their ESG philosophy. In this year's responses, GPs are consistently more likely than in previous years to provide more detailed guidelines across all surveyed topics. This shift suggests that as ESG programs mature, GPs are formalizing their approach to a wider array of ESG topics. Interestingly, while there has been rising scrutiny of exclusionary investment policies in the U.S. market, 47% of sponsors with an ESG policy maintain guidelines on investment exclusions, up from 40% last year. In particular, 12 respondents who responded to both the 2023 and 2024 surveys reported adding exclusion lists this year.

ELEMENTS COVERED IN SPONSORS' ESG POLICIES



## Supplemental Policies

In addition to an overall ESG statement, many sponsors now maintain multiple ESG-related policies, reflecting more comprehensive ESG integration. Human rights policies continue to gain traction, which may be driven by investor interest as well as a regulatory emphasis on modern slavery in countries such as the U.K., Canada, and Australia. Adoption of Diversity, Equity, and Inclusion ("DEI") policies remained widespread at the time of the survey.




## ESG Commitments and Reporting

**77% of respondents reported belonging to one or more ESG industry initiatives or frameworks—almost exactly in line with 2023 results—with the most common frameworks being UN PRI (61%), EDCI (48%), and ILPA DIA (41%).**

For firms operating in the EU, SFDR classification remains a salient consideration. Among respondents, 28% report managing an Article 8 fund, which promotes environmental and social characteristics, while Article 9 funds—those with a sustainability objective—remain less common at just 7%. This represented a minor increase from 2023, when 24% reported maintaining Article 8 registration and 6% maintained Article 9. While the proportion of SFDR registered funds remained similar year-over-year, Lexington expects that future surveys may see larger changes, as the European Commission prepares to publish a review of the regulation in 2025 that is expected to change the current classification system. Notably, 95% of European respondents reported being signatories to at least one collaborative ESG initiative or aligning with an ESG framework, underscoring the region's emphasis on leadership in ESG integration.

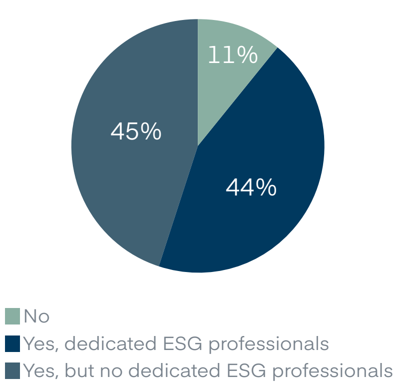
Beyond signaling commitment to ESG through industry participation, sponsors may publish ESG reports to update investors and stakeholders on specific areas of focus within their responsible investment programs. 71% of respondents indicate that they prepare an ESG report. In 2024, 47% of respondents indicated they make reports publicly available, a decline compared to 60% in 2023. From 2023 to 2024, four respondents indicated that they created an ESG report in 2023 but not in 2024, and two respondents indicated that reports were previously public but are no longer being shared widely. These currently represent relatively small changes compared to the total number of respondents; tracking this data point in future surveys will help clarify whether firms are limiting public ESG messaging.

Climate is a rising area of focus in reporting, with 24% of sponsors indicating that they publish disclosures aligned to the TCFD recommendations, either within a broader ESG report or as a separate document. This represents an increase from 2023, when 17% of respondents indicated alignment to TCFD (TCFD reporting was not surveyed last year, but we suspect it was likely even lower, given not all aligned firms publish disclosures). In addition to regulatory requirements, such as a mandate for U.K. managers of U.K.-authorized funds with over £5bn in AUM to publish TCFD-aligned climate reports, sponsors continue to be encouraged by limited partners to address climate-related risks and opportunities in a more structured and transparent way.

## ESG Accountability

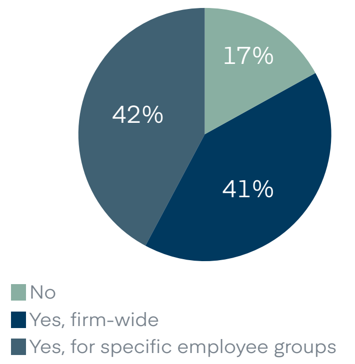
**Nearly all (89%) sponsors have formalized oversight of ESG integration, with around half of respondents (45%) employing dedicated ESG professionals.**

FORMALIZED ESG OVERSIGHT




Among respondents surveyed in both 2023 and 2024, formalized ESG oversight was similar year over year (90% to 91%), and a greater percentage maintain dedicated ESG staff (55%) compared to the full respondent group. Regional differences remain notable—77% of U.K./European sponsors report having dedicated ESG professionals, compared to 36% of North American sponsors. This disparity reflects the sustained momentum behind ESG in Europe, where there is stronger consensus on ESG as a value creation tool, while North American firms have been slower to grow dedicated ESG teams, particularly as sponsors monitor potential pushback in the U.S. While not all firms leverage dedicated ESG staff, many sponsors

IMPLEMENTATION OF ESG TRAININGS



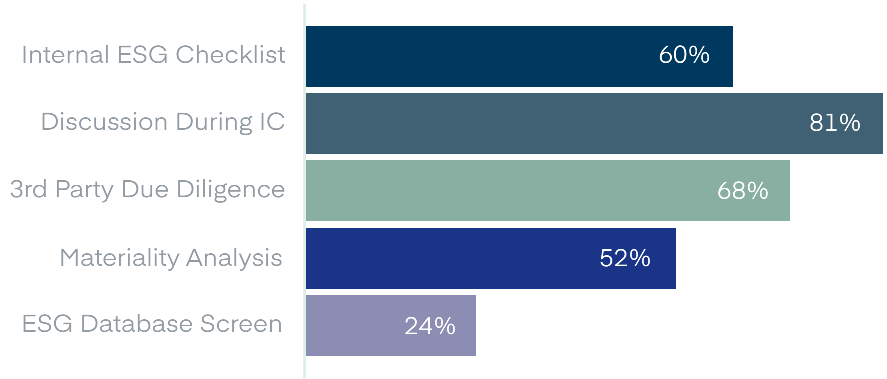

are working to build knowledge of ESG topics and trends among their employees. Firms appear to be expanding the scope of ESG education—of those providing training, 51% now provide this content to all employees, up from 46% last year.

Further, 49% of respondents reported leveraging third-party advisors (e.g., Anthesis, Apex, Bridge House, ERM, EY, Malk Partners) to assist in executing ESG commitments and developing ESG strategy. Among sponsors with dedicated ESG staff, the proportion of firms who additionally engage third-party advisors remains the same (49%). Rather than substituting advisors for in-house ESG teams, third-party advisors can expand a sponsor's ability to meet ESG needs across the investment lifecycle, especially for firms with growing portfolios who are managing ESG expectations across multiple funds, investment strategies, and/or asset classes.

## ESG Integration

ESG considerations remain embedded in investment analysis for almost all sponsors, with 97% reporting that ESG factors play a role in their decision-making. The result remains a strong indication that ESG is a fundamental consideration when evaluating investment targets.

% OF RESPONDENTS INCORPORATING ESG INTO INVESTMENT PROCESS BY ACTIVITY
(OF THOSE REPORTING TO INCORPORATE ESG INTO THE INVESTMENT PROCESS)



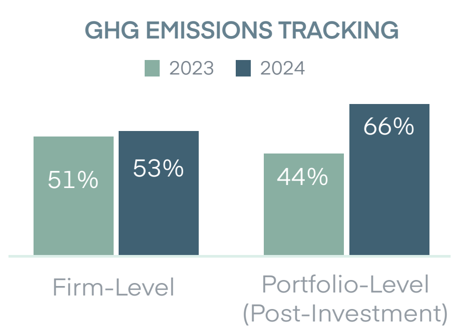

**Among respondents who integrate ESG into ownership practices (84%), 88% track ESG-related KPIs, a significant increase from 79% in 2023.**

This growing focus on structured data collection highlights the prioritization of measurable outcomes, which may be used in fund- or firm-level reporting, portfolio scorecards and benchmarking, and support evidence of ESG value creation upon exit. Additionally, 97% of sponsors who integrate ESG into ownership now engage directly with portfolio company management teams on ESG matters, up from 91% last year. Regular touchpoints with a portfolio company's management team can open the door for sponsors to support the implementation of ESG-related value creation initiatives and embed ESG into a company's overall business strategy.

In addition to monitoring overall ESG performance, firms were asked a new question about tracking violations of UN Global Compact ("UNGC") principles or Organisation for Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises, one of the Principal Adverse Indicators ("PAIs") that are tracked by SFDR Article 8 and 9 funds. No respondents indicated that any of Lexington's underlying holdings have been involved in such a violation. 60% of respondents indicated that they do not actively track this information, which aligns with the proportion of firms with SFDR-registered funds, suggesting that this is not widely tracked outside of regulatory requirements.

## Climate Change

As firm-level greenhouse emissions tracking remained steady year over year, sponsors appear to be more focused on their investments' emissions. In addition to sponsors' reporting requirements from LPs and industry frameworks (e.g., EDCI, SFDR), portfolio companies are also receiving stakeholder pressure for climate data. Portfolio companies that serve blue-chip, publicly listed customers are likely to be asked for emissions to fulfill their customers' scope 3 reporting requirements, with some public corporations requiring emissions disclosure to maintain supplier relationships. Furthermore, as companies scale, they are likely to face regulatory requirements that mandate emissions reporting alongside other climate and ESG disclosures, including the Corporate Sustainability Reporting Directive ("CSRD") in the EU and SB 253 and 261 in California.



Further reflecting the emphasis on climate at the portfolio company level, this year's survey found that two-thirds (67%) of respondents reported assessing climate-related risks and opportunities affecting their investments, a new data point that highlights growing recognition of physical and transition climate change risks as a material financial and operational consideration.

Targets and Commitments: 27% of respondents maintain a formal climate commitment, a decrease from 32% in 2023. Out of 30 respondents who maintained climate commitments in 2023, seven firms reported that they no longer hold commitments in 2024. This may reflect signatory exits from initiatives such as the Net Zero Asset Managers Initiative ("NZAM") in the past few months, as well as NZAM's decision to suspend implementation activities in early 2025 as it conducts a review of the initiative. Firms that remained signatories at that time may be awaiting further clarity on NZAM's future direction.

However, among sponsors who continue to maintain a formal climate commitment, alignment with the Science-Based Targets initiative ("SBTi") increased from 27% in 2023 to 41% in 2024. Furthermore, although public commitments may become less common, particularly from U.S. firms, there continues to be an emphasis on climate change as a financially material consideration, given the large percentage of firms that reported assessing climate risks and opportunities in investments and tracking portfolio-level emissions.

# Culture and Values

Lexington believes a talented workforce with diverse experiences, skills, and perspectives drives results – enhancing decision-making, continued strong performance for our limited partners, and a rich firm culture. We are committed to fostering an inclusive work environment that celebrates differences and encourages input from all perspectives.

## Culture is Our Cornerstone

Lexington's 26 partners are among the most experienced and highly regarded in the secondary and co-investment markets, averaging 20 years of private equity experience and 18 years together at Lexington.

Our team is at the heart of our reputation as a respected, trusted leader in secondaries and co-investments. At Lexington, relationships are fundamental, serving as the cornerstone of our approach. Our team's sincere dedication to fostering close connections with colleagues, partners, and investors stems from our genuinely team-centric attitude. Our firm's long-tenured senior leadership and collaborative culture contribute to a differentiated cumulative body of relationships, insights, and experiences.

Cultivating a strong workplace culture begins with our ability to identify and attract strong talent. We engage with our recruiting partners to source broad applicant pools and conduct a rigorous and fair interview process to identify the best candidates for our teams. We believe our strong record of promotion and retention is a direct result of Lexington's collaborative and inclusive work environment, strong culture of mentorship, and alignment of interests. Since 2010, apart from professionals that retired or became Lexington advisors, only one partner has departed. During that period, Lexington added 23 partners, 22 of whom were promoted from within.

## 2024 Snapshot

| 26 | 67 | 30%+ |
|---|---|---|
| new hires across 4 continents | active mentor/mentee pairings | of employees with a 10+ year tenure |

## Fostering Inclusive Growth

Lexington provides employees with mentorship, training, and experiences that develop their skills to maximize performance and realize their full potential. Lexington formalized a mentorship program in 2021 available to all professionals. The program's mission is to encourage the development of relationships across geographies and disciplines, and to provide access to the insights and networks of senior professionals beyond that of day-to-day work interaction. In 2024, Lexington had 67 active mentor/mentee pairings. We believe the mutual learning from these mentorship relationships encourages improvement and creativity, and reinforces our commitment to retention and promotion from within. Lexington also issued its first employee engagement survey in 2024. We are pleased that the survey results reflected high engagement across the firm, particularly in areas related to Lexington's future opportunities, strategic alignment, and sense of inclusion.


Lexington established *Women Who Lead,* an employee resource group formed in 2021 to cultivate a supportive culture for women at the firm and provide opportunities for all members of Lexington to participate in educational, philanthropic, and community building events and discussions to foster a sense of inclusivity. In 2024, *Women Who Lead* sponsored various events including a professional development workshop in partnership with LifeLabs Learning focused on influential communication, a networking event, and an employee book club, among others.

> *"I work alongside some of the most experienced secondary and co-investment professionals in the industry who champion my continued advancement. Lexington has a distinctive heritage predicated on broad knowledge-sharing and people-oriented growth."*
>
> **Emma Inger**
> Director, Secondaries, London

## Partnerships

Over the course of several years, Lexington has established partnerships with leading organizations focused on supporting our communities and facilitating opportunities in our industry. Lexington has helped foster career advancement and leadership of underrepresented talent through its support of The Robert Toigo Foundation ("Toigo"), which through its MBA program has developed a network of more than 1,800 high-performing graduates from over 20 top MBA programs. Lexington has made a multi-year commitment to partner with Toigo to sponsor a summer internship for first-year Toigo fellows. In addition, Lexington has hosted interns from Girls Who Invest – an organization committed to increasing the number of women in portfolio management and leadership in finance. While at Lexington, the interns had the opportunity to work with various groups, including our secondary, co-investment, and investor relations teams and participated in team-building events and outings.

## Community Outreach

Lexington has consistently devoted time and resources to engage with and give back to our local communities, sponsoring and making charitable contributions aligned with our mission to expand opportunities for young professionals interested in a career in private markets and make a positive impact in our communities. The non-profit organizations and causes that Lexington supported this year include Sponsors for Educational Opportunity ("SEO") as a sponsor of the Alternative Investments Fellowship Program, the Waterside School, Part of the Solution, Girls Who Invest, Restore NYC, and the Cornelia Connelly Center, among others.

## Lexington in Action

Lexington's Hong Kong team volunteered with Food For Thought to prepare meals for refugees


Lexington sponsored the Waterside School's 5K run

Lexington's Menlo Park team participated in a beach cleanup

## Looking Forward to 2025

We are proud of the progress Lexington made towards our responsible investment objectives in 2024, a year in which we expanded our data analysis capabilities and reinforced our transparency and reporting. As we look towards 2025, Lexington plans to continue our responsible investment and stewardship initiatives, guided by our overarching firm values and signatory commitments. We continue to look for opportunities to engage with our sponsors and improve our visibility into their responsible investment efforts. We appreciate the strong support of our limited partners and look forward to continuing our commitment to transparency, alignment, and partnership as we begin a new year.

### 2025 Priorities:

- Complete firm-level carbon footprint assessment (Scope 1, 2, and 3)
- Enhance data analysis in the investment due diligence and monitoring process
- Advance technology-enabled solutions for data collection and analysis
- Broaden our partnership with leading organizations such as TOIGO, Girls Who Invest, SEO, and ABANA
- Pursue initiatives that promote sustainability, charity, and social responsibility across our global platform
- Explore synergies with Franklin Templeton's Stewardship and Sustainability Council

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