



J. SAFRA SARASIN



Sustainable Swiss Private Banking since 1841

Principles for Responsible Banking – PRB Reporting and Self-Assessment

Bank J. Safra Sarasin
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Introduction

The Principles for Responsible Banking (PRB) are a framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future as expressed in the Sustainable Development Goals (SDGs) and the Paris Climate Agreement. The PRB provide a framework for a sustainable banking system which helps the industry to demonstrate how it makes a positive contribution to society. The signatories embed sustainability in the strategic, portfolio and transactional levels, and across all business areas. As a founding signatory of the PRB, Bank J. Safra Sarasin is strengthening its efforts to align itself with the Paris Agreement, as well as the SDGs.

This document outlines Bank J. Safra Sarasin's PRB Reporting and Self-Assessment with references to the following publication:

- **AR 2020** Annual Report 2020, available here: [Link](#) (PDF)
- **SR 2020** Sustainability Report 2020 (as part of the AR 2020, from p. 107ff. [Link](#), PDF)

When other resources were used, they are indicated in the report. The dedicated Bank J. Safra Sarasin Sustainability website is available here: [Link](#).

Principle 1: Alignment

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
Principle 1 Alignment: We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Bank J. Safra Sarasin (the "Bank") is a leading Swiss full-service private bank, which has consciously opted for sustainability as a key component of its corporate philosophy, which has been engrained for over 30 years. The Bank's offering includes personalised asset management and advisory services. The Bank provides a high level of service and expertise when acting as investment advisor and asset manager for private and institutional clients. As a family owned bank, sustainability is in the Bank's DNA and its mission is to enable clients to achieve their financial and sustainability goals by providing superior investment solutions.</p>	<p>AR 2020</p> <ul style="list-style-type: none"> - Consolidated Key Data (p. 18-19) - Bank J. Safra Sarasin (p. 56) - Group Chairman's Foreword & Report of the Board of Directors (p. 14-17) - Year in Review by the Bank's Chairman and CEO (p. 22-25) <p>SR 2020</p> <ul style="list-style-type: none"> - Bank J. Safra Sarasin (p. 124)
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>For over 30 years, sustainability has been engrained in the investment philosophy, processes and corporate values of the Bank. As a pioneer and thought-leader in sustainability, the Bank is constantly enhancing its corporate strategy to remain at the forefront of the market for sustainable investments and relevant global initiatives.</p> <p>Bank J. Safra Sarasin was a founding signatory of the Principles of Responsible Investment and of the PRB. Thus, the Bank strengthened its efforts to align itself with the Paris Agreement, as well as the UN Sustainable Development Goals (SDGs). In May 2020, the Corporate Sustainability Board published a Climate Pledge for J. Safra Sarasin Asset Management, seeking a carbon neutral outcome by 2035. In September 2020, the Bank was the first Swiss institution to sign the Finance for Biodiversity Pledge. In November 2020, the Bank's Asset Management was re-branded as J. Safra Sarasin Sustainable Asset Management, creating a concept to integrate sustainability aspects into all strategies managed in-house.</p> <p>The Bank has a firmly established sustainability strategy with five objectives and the Sustainability Report is structured accordingly:</p> <ol style="list-style-type: none"> 1. Objective 1: We embed sustainability in our corporate strategy and governance 2. Objective 2: We incorporate sustainability considerations in our core investment offering 3. Objective 3: We live a sustainable corporate culture 4. Objective 4: We are part of society 5. Objective 5: We manage resources efficiently <p>To ensure that high sustainability standards, including governance of climate-related risks, are firmly embedded in the core business strategy, the Group Executive Board has also set up the internal Corporate Sustainability Board, which is part of the Bank's sustainability governance.</p>	<p>AR 2020</p> <ul style="list-style-type: none"> - Group Chairman's Foreword & Report of the Board of Directors (p. 14-17) - Year in Review by the Bank's Chairman and CEO (p. 22-25) <p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - Objective 3: We live a sustainable corporate culture (p. 131-133) - Objective 4: We are part of the society (p. 133-137) - Objective 5: We manage resources efficiently (p. 137-139)

Principle 2: Impact and Target Setting

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
Principle 2 Impact and Target Setting: We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.		
<p>2.1 Impact Analysis: Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfils the following elements:</p> <p>a) Scope: The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.</p> <p>b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.</p> <p>d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p>(your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))</p> <p>Show that building on this analysis, the bank has</p> <ul style="list-style-type: none"> - Identified and disclosed its areas of most significant (potential) positive and negative impact - Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<p>The Bank has firmly embedded sustainability in its corporate strategy including in its core investment offering. Therefore, the Bank routinely analyses sustainability impacts and opportunities. The Sustainable Investment approach and Sustainable Investment Tools outline how the Bank identifies ESG risks, reports on impacts and creates opportunities aligned with society's goals by contributing to the realisation of the SDGs and the Paris Agreement. The Bank has identified two key risk areas, namely climate change and biodiversity loss.</p> <p>Climate change The Bank is convinced that risks and opportunities stemming from climate change are material to its business, and has set out to consider them throughout its Sustainable Investment approach. Mitigating climate change calls for forceful emissions reductions and a global transformation to a low-carbon economy. Consequently, in May 2020 the J. Safra Sarasin Sustainable Asset Management Climate Pledge was published aiming for a carbon-neutral outcome by 2035 for assets under management. The policy and implementation of the Climate Pledge outlines its integration along the existing Sustainable Investment Tools and investment process. The implementation along the different strategies will continue well into 2021.</p> <p>Biodiversity loss In September 2020, the Bank was the first Swiss institution to sign the Finance for Biodiversity Pledge. As a signatory, the Bank recognises the need to protect biodiversity. Besides collaborating and sharing knowledge, the Bank commits to engaging with companies by including biodiversity in its ESG policies. The Bank also pledges to assess its own biodiversity impact and set science-based targets in order to increase our positive impact significantly, while minimising any negative effects. A recent publication by the Bank outlines how biodiversity is integrated in the investment process.</p> <p>Stakeholder Engagement The Bank actively engages regularly with stakeholders including clients, employees, investee companies and organisations where it is a member. The Bank has established an Active Ownership approach and pursues direct dialogue with companies, collaborative and public policy engagement. While at company level material ESG issues specific to the business case are discussed, the Bank participated in collaborative investor activities to promote decarbonisation and address climate-related risks. For many years, the Bank has been actively involved in numerous initiatives and organisations, which work towards sustainable development.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - J. Safra Sustainable Asset Management Climate Pledge (p. 111) - Implementation of the Climate Pledge (p. 119-120) - Bank J. Safra Sarasin Active Ownership strategy (p. 116) - Objective 4: We are part of the society (p. 133-137) - Bank J. Safra Sarasin is a founding signatory of the Finance for Biodiversity Pledge (p. 135) <p>Other:</p> <ul style="list-style-type: none"> - Our Climate Pledge – Policy and Implementation (Link: https://www.jsafrasarasin.com/inter-net/com/jss_climatepolicy.pdf) - Biodiversity and its Materiality for Investors (Link: https://am-ch.jsafrasarasin.com/internet/amss-ch/amss-ch-index/amss_sustainability_research.htm)
Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.		
Bank J. Safra Sarasin has partially fulfilled the requirements regarding Impact Analysis. The Bank routinely analyses impacts and opportunities through its embedded sustainability strategy. Furthermore, it has identified two key risk areas. In 2021, the Bank aims to utilise the PRB Impact Analysis tool.		

Principles for Responsible Banking

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
<p>2.2 Target Setting</p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p> <p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<p>As a pioneer and thought-leader in sustainability, the Bank is constantly enhancing its corporate strategy to remain at the forefront of the market for sustainable investments and relevant global initiatives.</p> <p>Climate change</p> <p>In May 2020, J. Safra Sarasin Sustainable Asset Management launched its Climate Pledge, which includes:</p> <ul style="list-style-type: none"> • Aiming for carbon-neutral outcome in assets under management by 2035 • Engaging with all financial market participants and fostering collaboration • Investing in companies whose solutions enable emission reductions <p>The implementation of the Climate Pledge is ongoing and has yielded in a climate policy.</p> <p>The Bank aims to achieve commercial success while reducing its ecological footprint. It therefore seeks to increase energy and resource efficiency, and reduce energy consumption and carbon emissions.</p> <p>Founding signatory of the Finance for Biodiversity Pledge</p> <p>In November 2020, the Bank became a founding signatory of the Finance for Biodiversity Pledge. The pledge entails:</p> <ul style="list-style-type: none"> • Engaging with companies by including biodiversity in its ESG policies • Assessing its own biodiversity impact and set science-based targets <p>The Bank participates in the PRB Subgroup on Biodiversity and the Finance for Biodiversity Pledge initiative to develop guidance on indicators, metrics and methodologies to help banks set biodiversity targets across activities.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - J. Safra Sustainable Asset Management Climate Pledge (p. 111) - Implementation of the Climate Pledge (p. 119-120) - Objective 4: We are part of the society (p. 133-137) - Bank J. Safra Sarasin is a founding signatory of the Finance for Biodiversity Pledge (p. 135) - Objective 5: We manage resources efficiently (p. 137-139) <p>Other:</p> <ul style="list-style-type: none"> - Our Climate Pledge – Policy and Implementation (Link: https://www.jsafrasara-sin.com/internet/com/jss_climatepolicy.pdf) - Biodiversity and its Materiality for Investors (Link: https://am-ch.jsafrasara-sin.com/internet/amss-ch/amss-ch-index/amss_sustainability_research.htm)
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</p>		
<p>Bank J. Safra Sarasin has partially fulfilled the requirements regarding Target Setting. In 2020 it launched a Climate Pledge and joined a Biodiversity Pledge. The implementation is under way including setting specific intermediary targets and publishing relevant policies.</p>		
<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<p>The Bank has a long standing sustainability strategy in place as outlined in the first objective. The Corporate Sustainability Board (CSB) was established to ensure that high sustainability standards, including governance of sustainability and climate-related risks, are firmly embedded in the Bank's core business. The achievement of targets and contribution to sustainability commitments are continuously monitored and reviewed by different governance bodies including the CSB. Progress is reported annually in the Sustainability Report, which is aligned with the UN Global Compact and communicates on progress. A limited assurance by quantitative key performance indicators disclosed in the Sustainability Report is conducted.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111) - UN Global Compact: Communication on Progress (p. 140-141) - Assurance statement (p. 142-143)
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>Bank J. Safra Sarasin has partially fulfilled the requirements regarding Target Implementation and Monitoring. While the implementation is ongoing, the sustainability governance and continuous reporting on achieved progress is well established.</p>		

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
<p>2.4 Progress on Implementing Targets <i>For each target separately:</i></p> <p><i>Show</i> that your bank has implemented the actions it had previously defined to meet the set target.</p> <p><i>Or explain</i> why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p><i>Report</i> on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>	<p>The Bank reports achievement and progress annually in its sustainability report.</p> <p>Climate change Following the launch of the J. Safra Sarasin Sustainable Asset Management Climate Pledge, the implementation for the in-house managed strategies was launched and will continue into 2021. A recent policy and implementation document was published on the Climate Change outlining the approach to target setting, governance and reporting. The Sustainability Report highlights the contribution to the SDGs and the topic of climate change, and includes case studies.</p> <p>Since 2013 the Bank participates in the Business Energy Agency to reduce carbon emissions by 2020. The implementation is ongoing through continuous energy efficiency measures and monitoring.</p> <p>Biodiversity loss After becoming founding signatory of the Finance for Biodiversity Pledge, the Bank participates in this initiative and the PRB Sub-group on Biodiversity to help develop guidance on indicators, metrics and methodologies setting biodiversity targets for banks. A recent publication by the Bank outlines its approach to and materiality of biodiversity.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - J. Safra Sustainable Asset Management Climate Pledge (p. 111) - Implementation of the Climate Pledge (p. 119-120) - Objective 5: We manage resources efficiently (p. 137-139) <p>Other:</p> <ul style="list-style-type: none"> - Our Climate Pledge – Policy and Implementation (Link: https://www.jsafrasara-sin.com/inter-net/com/jss_climatepolicy.pdf) - Biodiversity and its Materiality for Investors (Link: https://am-ch.jsafrasara-sin.com/internet/amss-ch_in-dex/amss_sustainability_research.htm)
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets</p>		
<p>Bank J. Safra Sarasin has partially fulfilled the requirements for Implementing Targets. The implementation is ongoing and the Bank will report on achievements and progress in the annual Sustainability Report and other intermediary publications.</p>		

Principle 3: Clients and Customers

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
Principle 3: Clients and Customers: We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.		
3.1 <i>Provide an overview</i> of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.	<p>For over 30 years, sustainability has been engrained in the Bank's investment philosophy, processes and corporate values. Its mission is to enable clients to achieve their financial and sustainability goals by providing superior investment solutions. Therefore, the second objective of the Bank's sustainability strategy outlines how the Bank incorporates sustainability considerations in its investment activities.</p> <p>How sustainability is considered in the Bank's core investment offering is outlined in the Sustainability Report.</p> <p>A further embodiment of sustainability was the decision in 2020 to rebrand Bank J. Safra Sarasin's Asset Management as J. Safra Sarasin Sustainable Asset Management. All of the in-house managed products will be sustainable in different product ranges, which will be gradually implemented in 2021. The recently published Sustainable Investment Policy outlines the investment process and tools.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - Bank J. Safra Sarasin – Thought-leadership in sustainability over more than 30 years (p. 124) <p>Other:</p> <ul style="list-style-type: none"> - Sustainable Investment Policy (Link: https://www.jsa-frasarasin.ch/inter-net/ch/en/jss_sustainable_investment_policy.pdf)
3.2 <i>Describe</i> how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.	<p>Sustainability is embedded in the Bank's core investment offering and ESG considerations are integrated across the entire investment process. The Bank believes that the identification, analysis and management of company- and sector-specific ESG risks and opportunities enhance its investment decisions. This forms an integral part of its fiduciary duty vis-à-vis the clients it advises as well as client assets managed on a discretionary basis. One key aspect of the Bank's offering is the ability to discuss with clients their specific requirements across a broad spectrum of sustainable investing approaches and criteria, which enables it to provide customised client solutions.</p>	

Principle 4: Stakeholders

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
Principle 4: Stakeholders: We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.		
<p>4.1 <i>Describe</i> which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.</p>	<p>Focusing on its clients, while balancing the needs of its employees as well as the requirements of society for long-term prosperity and the integrity of the environment, is paramount for the long-term strategy of the Bank. Therefore, the Bank regularly engages with its stakeholders.</p> <p>As part of its second objective, the Bank pursues an Active Ownership strategy where it engages directly with investee companies, as well as collaborative investor and public policy engagement. The annual Active Ownership Report outlines the Bank's engagement activities.</p> <p>Furthermore, the Bank actively participates in civil society through various sustainability commitments and working groups. This includes the Principles for Responsible Investment, PRB, Finance for Biodiversity Pledge, Swiss Sustainable Finance, Swiss Climate Foundation to name a few.</p> <p>The different engagements yield different information and outcomes in support of the Bank's five sustainability and the Bank's contribution to the achievement of society's goals.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - Objective 4: We are part of the society (p. 133-137) <p>Other:</p> <ul style="list-style-type: none"> - Active Ownership Report (Link: https://www.jsafrasarasin.com/internet/com/activeownershipreport_2020.pdf)

Principle 5: Governance & Culture

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
Principle 4: Stakeholders: We will implement our commitment to these Principles through effective governance and a culture of responsible banking.		
5.1 <i>Describe</i> the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.	<p>The first objective outlines how sustainability is embedded in the corporate strategy and governance, which ensures high sustainability standards.</p> <p>Corporate Sustainability Board In 2014 the Group Executive Board set up the internal Corporate Sustainability Board, comprising members of the Group Executive Board, the Executive Committee and senior managers from different divisions across the Bank. Annually, several meetings are held to monitor progress against defined strategic objectives. The Corporate Sustainability Board's responsibilities are to develop the sustainability strategy as part of the Group's overall business strategy, identify strategically relevant environmental, especially climate-related, as well as social themes.</p> <p>Sustainability Advisory Council The Corporate Sustainability Board is advised by the external Sustainability Advisory Council, which has been set up to ensure regular guidance and advice relating to recent developments in sustainable investment from experienced international experts. There are two to three formal meetings every year.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111)
5.2 <i>Describe</i> the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others	<p>For Bank the most valuable capital is its employees. Therefore, it strives to live a sustainable corporate culture and foster a diverse and respectful working environment as outlined under the third objective. Employees receive sustainability training during the onboarding process and participate in continuous learning and development programmes. The Bank's remuneration structures and performance management incentivise employees to apply sustainability considerations wherever possible and conduct their duties in a sustainable, client-orientated manner. Risk awareness, including consideration of Sustainability Risks, is part of the qualitative performance assessment as indicated in the remuneration policy. The Bank engages in knowledge-sharing and leadership communication through a number of channels tackling sustainability topics. In 2020 new publication formats were launched on the website of the J. Safra Sarasin Sustainable Asset Management. Experts and analysts participated in a range of high-level video-conferences to advance the sustainability agenda and provide insights into the Bank's sustainable investment approach.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 112-131) - Objective 3: We live a sustainable corporate culture (p. 131-133) <p>Other:</p> <ul style="list-style-type: none"> - J. Safra Sarasin Sustainable Asset Management Website: http://am.jsafrasarasin.com/
5.3 Governance Structure for Implementation of the Principles <i>Show</i> that your bank has a governance structure in place for the implementation of the PRB, including: a) target-setting and actions to achieve targets set b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.	<p>At the Bank sustainability is supervised at the highest levels and embedded at the core of the Bank's strategy. In 2019 the Bank's CEO signed the PRB. The members of the Group Executive Board participating at the Corporate Sustainability Board includes the CEO and it is chaired by the COO. Among the Corporate Sustainability Board's responsibilities is the monitoring and operational implementation of the strategically developed initiatives and measures based on environmental and social Key Performance Indicators (KPIs).</p>	<p>AR 2020</p> <ul style="list-style-type: none"> - Group Chairman's Foreword & Report of the Board of Directors (p. 14-17) - Year in Review by the Bank's Chairman and CEO (p. 22-25) <p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111)
Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles for Responsible Banking:		
Bank J. Safra Sarasin has fulfilled the requirements for Governance Structure. The Bank's existing sustainability governance is supervised at the highest levels and ensures the implementation of the PRB. The Bank regularly reviews the sustainability governance and policies and where necessary strives to continuously improve.		

Principle 6: Transparency & Accountability

Reporting and Self-Assessment Requirements	High-level summary of bank's response	Reference(s)/Link(s) to bank's full response/ relevant information
Principle 6: Transparency & Accountability: We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals		
<p>6.1 Progress on Implementing the Principles for Responsible Banking</p> <p><i>Show</i> that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).</p> <p><i>Show</i> that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.</p> <p><i>Show</i> that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.</p>	<p>This report outlines the Bank's adherence and implementation of the six principles. It shows how the Bank's sustainability strategy and sustainable investment approach already meet requirements of the principles. Recent initiatives strengthened the Bank's commitments to sustainable development and further contributing to the implementation of the six principles.</p> <p>2020 was a landmark year for the Bank. Highlights included the Bank's Asset Management issuing a Climate Pledge aiming for carbon-neutral outcome by 2035. The asset Management was re-branded J. Safra Sarasin Sustainable Asset Management, and integrating sustainability aspects into all strategies managed in-house. This resulted in an updated Sustainability Policy and publishing a Climate Policy.</p> <p>The Bank was founding signatory of international sustainability initiatives and is actively involved in investor initiatives, contributing to various working groups, policy engagement and across other fields to further develop best-practices.</p> <p>While the Bank has made significant progress as outlined above, it will continue enhancing the assessment of its impact in the two areas of climate change and biodiversity loss.</p> <p>The Bank was founding signatory of international sustainability initiatives and is actively involved in investor initiatives, contributing to various working groups, policy engagement and across other fields to further develop best-practices. Furthermore, the Bank aims to enhance its reporting and implementation of the PRB's six principles over time. The main publication of sustainability related disclosures is the J. Safra Sarasin Sustainability Report as part of the Annual Report. Other publications including policies, reports and research can be found on the Bank's website.</p>	<p>SR 2020</p> <ul style="list-style-type: none"> - Introduction (p. 108-109) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 109-111) - Objective 4: We are part of the society (p. 133-137) <p>Other:</p> <ul style="list-style-type: none"> - J. Safra Sarasin Sustainable Asset Management Website: http://am.jsafrasarsin.com/
Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking:		
<p>Bank J. Safra Sarasin has made progress on the implementation of the six principles. The Bank aims to continuously improve and enhance its sustainability strategy and reporting. Therefore, the Bank continues to engage throughout different bodies of its sustainability commitments to actively contribute and shape the future of sustainable banking.</p>		

Important legal information

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The environmental, social and governance (ESG) analysis of companies is based on a proprietary assessment methodology developed by the Sustainable Investment Research Department of the Bank. All ratings are conducted by in-house sustainability analysts. The sustainability rating incorporates two dimensions which are combined in the Sarasin Sustainability-Matrix®:

- Sector Rating: Comparative assessment of industries based upon their impacts on environment and society.
- Company Rating: Comparative assessment of companies within their industry based upon their performance to manage their environmental, social and governance risks and opportunities.

Investment Universe: Only companies with a sufficiently high Company Rating (shaded area) qualify for Bank J. Safra Sarasin sustainability funds.

Key issues

When doing a sustainability rating, the analysts in the Sustainable Investment Research Department assess how well companies manage their main stakeholders’ expectations (e.g. employees, suppliers, customers) and how well they manage related general and industry-specific environmental, social and governance risks and opportunities. The company’s management quality with respect to ESG risks and opportunities is compared with its industry peers.

Controversial activities (exclusions)

Certain business activities which are not deemed to be compatible with sustainable development (e.g. armaments, nuclear power, tobacco, pornography) can lead to the exclusion of companies from the Bank J. Safra Sarasin sustainable investment universe.

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