

**Bank J. Safra Sarasin Ltd**

**Hong Kong Branch**

**Key Financial Information Disclosure Statement**

**As at 31 December 2020**

**Bank J. Safra Sarasin Ltd  
Hong Kong Branch  
Key Financial Information Disclosure Statement  
As at 31 December 2020**

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Bank J. Safra Sarasin Ltd  
Hong Kong Branch  
Profit & Loss Account  
For The Year Ended 31 December 2020

		31 Dec 2020	31 Dec 2019
	Notes	HKD'000	HKD'000
Interest income		150,680	300,468
Interest expense		(44,346)	(189,211)
Net interest income		106,334	111,257
Other operating income	1	293,641	265,453
Total operating income		399,975	376,710
Total operating expenses	2	(431,997)	(309,298)
Provisions for loans and advances		61	2,125
(Loss) / Profit before taxation		(31,961)	69,537
Tax credit / (expense)		5,414	(15,432)
<b>(Loss) / Profit after taxation</b>		<b>(26,547)</b>	<b>54,105</b>

Bank J. Safra Sarasin Ltd  
Hong Kong Branch  
Balance Sheet  
As at 31 December 2020

		31 Dec 2020	30 Jun 2020
	Notes	HKD'000	HKD'000
<b>Assets</b>			
Cash and balances with banks		378,728	550,248
Due from Exchange Fund		3,436	12,049
Amount due from overseas offices		2,851,732	2,091,819
Certificates of deposit held		-	441,773
Loans and receivables	4	8,431,206	7,224,854
Investment securities		1,796,675	1,086,454
Property, plant and equipment		120,785	28,700
<b>Total assets</b>		<b><u>13,582,562</u></b>	<b><u>11,435,897</u></b>
<b>Liabilities</b>			
Deposits and balances from banks		-	7,925
Deposits from customers	5	8,452,409	6,848,497
Amount due to overseas offices		4,668,731	4,376,475
Other liabilities		461,422	203,000
<b>Total liabilities</b>		<b><u>13,582,562</u></b>	<b><u>11,435,897</u></b>

Bank J. Safra Sarasin Ltd  
Hong Kong Branch  
Notes to the Financial Statements

		31 Dec 2020	31 Dec 2019
	Notes	HKD'000	HKD'000
<b>1 Other operating income</b>			
Gains less losses arising from dealing in foreign currencies		39,271	69,416
Gains less losses arising from trading in other derivatives		30,189	7,185
Gains less losses on securities designated at fair value through profit and loss		204	2,436
Net fees and commission income	3	217,560	186,244
Other		6,417	172
		<u>293,641</u>	<u>265,453</u>
<b>2 Total operating expenses</b>			
Staff and rental expenses		(398,938)	(272,198)
Other expenses		(33,059)	(37,100)
		<u>(431,997)</u>	<u>(309,298)</u>
<b>3 Net fees and commission income</b>			
Fees and commission income		391,013	360,436
Less: Fees and commission expenses		(173,453)	(174,192)
		<u>217,560</u>	<u>186,244</u>

		31 Dec 2020	30 Jun 2020
	Notes	HKD'000	HKD'000
<b>4 Loans and receivables</b>			
Loans and advances to customers	6	8,157,824	7,019,156
Accrued interest and other accounts		273,651	205,848
Provisions for bad and doubtful debts		(269)	(150)
- general provisions		(269)	(150)
- specific provisions		-	-
		<u>8,431,206</u>	<u>7,224,854</u>
<b>5 Deposits from customers</b>			
Demand deposits and current accounts		7,292,124	5,178,933
Time, call and notice deposits		1,160,285	1,669,564
		<u>8,452,409</u>	<u>6,848,497</u>

Bank J. Safra Sarasin Ltd  
Hong Kong Branch  
Notes to the Financial Statements

	31 Dec 2020	30 Jun 2020
	HKD'000	HKD'000
<b>6 Analysis of gross amount of loans and advances to customers</b>		
a. Breakdown by Economic sectors		
Loans and advances for use in Hong Kong		
Industrial, commercial and financial		
Financial concerns	354,159	266,524
Individuals		
Others	1,344,436	1,451,455
Loans and advances for use outside Hong Kong	6,459,229	5,301,177
	<u>8,157,824</u>	<u>7,019,156</u>
b. Breakdown by Secured and Unsecured		
Secured	8,157,824	7,019,156
Unsecured	-	-
	<u>8,157,824</u>	<u>7,019,156</u>
c. Breakdown by significant geographical areas after taking into account the transfer of risk and excluding loans and advances to subsidiaries		
British Virgin Islands	4,435,397	3,490,742
Hong Kong	1,880,544	2,121,203

**7 Loans and advances to customers and banks which are overdue and rescheduled**

The branch does not have any overdue and rescheduled loans and advances to customers and banks as at 31 Dec 2020 and 30 Jun 2020.

The branch does not have any impaired loans to customers and banks as at 31 Dec 2020 and 30 Jun 2020.

**8 Other assets which are overdue, rescheduled and repossessed**

The branch does not have any assets which are overdue, rescheduled and repossessed as at 31 Dec 2020 and 30 Jun 2020.

## 9 International Claims

International claims information discloses exposures to locations of counterparties on which the ultimate risk lies and the transfer of risk has been taken account of. The following information is prepared in accordance with the HKMA Return of International Banking Statistics MA(BS)21 completion instructions. Countries or geographical segments (including Hong Kong) constituting 10% or more of the aggregate amount of international claims are disclosed.

31 Dec 2020 HKD million						
	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
Developed countries	3,649	749	77	171	-	4,646
of which Switzerland	3,142	-	-	-	-	3,142
Offshore centres	31	-	4,672	2,118	-	6,821
of which Hong Kong SAR	-	-	67	1,431	-	1,498
of which British Virgin Islands	-	-	4,436	1	-	4,437
	<b>3,680</b>	<b>749</b>	<b>4,749</b>	<b>2,289</b>	<b>-</b>	<b>11,467</b>

30 Jun 2020 HKD million						
	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
Developed countries	2,996	356	76	175	-	3,603
of which Switzerland	2,505	-	-	-	-	2,505
Offshore centres	33	-	3,655	2,152	-	5,840
of which Hong Kong SAR	-	-	64	1,550	-	1,614
of which British Virgin Islands	-	-	3,492	-	-	3,492
	<b>3,029</b>	<b>356</b>	<b>3,731</b>	<b>2,327</b>	<b>-</b>	<b>9,443</b>

**Bank J. Safra Sarasin Ltd**  
**Hong Kong Branch**  
**Notes to the Financial Statements**

**10 Mainland Activities Disclosures**  
(HKD million)

Types of Counterparties	31 Dec 2020			30 Jun 2020		
	On-balance sheet exposure	Off-balance sheet exposure	Total	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-	-	-	-
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	424	214	638	184	128	312
4. Other entities of central government not reported in item 1 above	-	-	-	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-	-	-	-
6. PRC nationals residing outside Mainland China or other entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-	-	-	-
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	49	-	49	36	-	36
<b>Total</b>	<b>473</b>	<b>214</b>	<b>687</b>	<b>220</b>	<b>128</b>	<b>348</b>
Total assets after provision	13,583			11,436		
On-balance sheet exposures as percentage of total assets	3.48%			1.92%		



**Bank J. Safra Sarasin Ltd**  
**Hong Kong Branch**  
**Notes to the Financial Statements**

**11 Foreign currency exposures**  
(HKD million)

<b>31 Dec 2020</b>									
	USD	GBP	JPY	EUR	CHF	AUD	GOL	Others	Total
Spot assets	6,655	295	1,325	1,668	816	435	188	415	11,797
Spot liabilities	(6,505)	(231)	(810)	(1,666)	(814)	(332)	(187)	(766)	(11,311)
Forward purchases	2,094	50	118	752	21	28	63	661	3,787
Forward sales	(2,256)	(114)	(632)	(753)	(21)	(131)	(63)	(308)	(4,278)
Net options positions*	-	-	-	-	-	-	-	-	-
Net long (short) position	<b>(12)</b>	-	<b>1</b>	<b>1</b>	<b>2</b>	-	<b>1</b>	<b>2</b>	<b>(5)</b>
Net structural position	-	-	-	-	-	-	-	-	-

<b>30 Jun 2020</b>									
	USD	GBP	JPY	EUR	CHF	AUD	GOL	Others	Total
Spot assets	4,214	252	942	1,974	470	273	308	342	8,775
Spot liabilities	(4,152)	(251)	(586)	(2,225)	(469)	(258)	(308)	(524)	(8,773)
Forward purchases	1,302	35	14	941	-	104	20	278	2,694
Forward sales	(1,368)	(37)	(369)	(688)	-	(118)	(20)	(94)	(2,694)
Net options positions*	-	-	-	-	-	-	-	-	-
Net long (short) position	<b>(4)</b>	<b>(1)</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	-	<b>2</b>	<b>2</b>
Net structural position	-	-	-	-	-	-	-	-	-

\*Internal reporting method is adopted as basis of calculating the net options positions.

**12 Events after the reporting period**

The J. Safra Sarasin Group has entered into an agreement with Bank of Montreal on 18 December 2020 to acquire its private banking business in Hong Kong and Singapore by way of an asset purchase agreement. The acquisition includes clients and their experienced relationship management teams and is expected to be completed during the course of the first half of 2021. The Branch did not recognize assets and liabilities arising from the acquisition as at year end as the effective date of the transfer is not fixed and the acquisition is subject to regulatory approvals as at year end.

Bank J. Safra Sarasin Ltd  
Hong Kong Branch  
Off Balance Sheet Information  
As at 31 December 2020

	31 Dec 2020	30 Jun 2020
<b>1 Contingent liabilities and commitments</b> (contractual amounts)	HKD'000	HKD'000
Direct credit substitutes	587	556
Other commitments	23,089,692	22,382,646

	31 Dec 2020			30 Jun 2020		
2 Derivatives instruments (HKD '000)	Fair Value		Total Notional Amount	Fair Value		Total Notional Amount
	Positive	Negative		Positive	Negative	
Exchange rate contracts (exclude forward foreign exchange contracts arising from swap deposit arrangements)	109,599	124,002	7,271,844	43,710	42,632	5,932,612
Equity contracts	73,247	73,247	2,413,098	62,541	62,541	1,863,570
Interest rate contracts	1,401	1,401	77,539	1,768	1,768	77,504
Others	4,255	-	30,703	310	54	15,193

**Liquidity Risk Management**

The liquidity risk essentially refers to the potential inability of the Bank to meet its payment obligations or failure to meet the requirements imposed by banking regulations. Within the Bank J. Safra Sarasin Group (the "Group"), the Group Treasury Committee is responsible for monitoring liquidity. The prime objective is to guarantee the Bank's ability to meet its payment obligations at all times and to ensure compliance with legal requirements on liquidity. A key task of the Committee is to monitor all the relevant liquidity risk factors. These include money flows between subsidiaries, branches and the parent company, inflows and outflows of client funds and changes in the availability of liquidity reserves. The liquidity aspects are considered in aggregate but also per currency. As a supporting strategy, target bandwidths are set for surplus coverage of minimum liquidity.

The Group maintains a Contingency Funding Plan which defines measures that must be taken upon the trigger of certain escalation levels. The Contingency Funding Plan is reviewed by the Group Treasury Committee at least once a year.

The Contingency Funding Plan comes into action at the first or second escalation level as soon as:

- the internal liquidity situation drops materially and for a prolonged period where the eligible liquid assets are less than 100% but greater than 90% of the internal liquidity requirement which represents the first escalation level;
- the internal liquidity situation drops where the eligible assets are less than 90% of the internal liquidity requirement which represents the second escalation level;
- the results of the stress-test lie within the zone of the first or second escalation level.

The Contingency Funding Plan lists the possible organisational and liquidity-providing measures. The final selection of appropriate measures is made by the Group Treasury Committee according to the specific scenario and stress situation.

Asia Asset and Liability Committee (ALCO) is responsible for the review and monitoring of the funding and liquidity risk profile of Bank J. Safra Sarasin Ltd, Hong Kong Branch on an ongoing basis. A quarterly (or ad-hoc when required) meeting is organized to review liquidity-related limits and parameters and stress test results.

Liquidity Maintenance Ratio ("LMR") is prepared on a daily basis in accordance with the requirement of the Hong Kong Monetary Authority ("HKMA"). An internal target LMR of not less than 35 per cent has been set by ALCO so as to provide an early warning signal to the management. A forecast on LMR for the next four business days is prepared based on the projected intercompany placements and funding transactions, as well as significant customer loans and deposits.

Recovery Planning, in conjunction with the Supervisory Policy Manual – Recovery Planning (RE – 1), has also been drafted to incorporate the recovery plans with regard to effective monitoring, triggering and the execution when required under severe stress to restore its financial stability and viability. An internal Recovery Trigger ratio of 30% has been drawn up in addition to the internal target LMR as mentioned above.

Bank J. Safra Sarasin Ltd, Hong Kong Branch also maintains a liquidity cushion in the form of unencumbered, high-quality liquid assets to meet unexpected cash outflows or client shifts from cash into investments. These are actively monitored and corresponding measures are taken if liquidity falls below the specified targets. Stress testing allows for the impact of larger outflows combined with the deterioration of Group assets on the liquidity indicators to be assessed.

Bank J. Safra Sarasin Ltd, Hong Kong Branch currently has very minimal reliance on external wholesale funding with its funding needs met almost entirely by Head Office or other entities within the Group. Accordingly no concentration limit has been assigned to sources of funding.

Liquidity Exposures

	<b>Q4 2020</b>	<b>Q4 2019</b>
Average Liquidity Maintenance Ratio	<b>42.17%</b>	44.32%

The average LMR is calculated based on the arithmetic mean of the average value of LMR for each calendar month during the last quarter of the annual reporting period.

**Bank J. Safra Sarasin Ltd**  
**Hong Kong Branch**  
**Liquidity Information**  
**As at 31 December 2020**

Maturity Profile

(HKD million)

The following information on maturity profile is prepared in accordance with the HKMA Return on Liquidity Monitoring Tools MA(BS)23 completion instructions

													31 Dec 2020
													Balancing amount
													Over 5 years
													> 3 years up to 5 years
													> 2 years up to 3 years
													> 1 year up to 2 years
													> 6 months up to 1 year
													> 3 months up to 6 months
													> 1 month up to 3 months
													8 days to 1 month
													2 to 7 days
													Next day
													Total amount
<b>On-balance sheet liabilities</b>													
1	Deposits from non-bank customers												
	(a) Pledged deposits	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Demand, savings and current account deposits	7,292	7,292	-	-	-	-	-	-	-	-	-	-
	(c) Term, call and notice deposits	1,161	4	275	423	445	3	11	-	-	-	-	-
2	Amount payable arising from securities financing transactions (other than securities swap transactions)	-	-	-	-	-	-	-	-	-	-	-	-
3	Amount payable arising from derivative contracts	147	-	3	15	84	172	1,434	95	-	1	-	-
4	Due to MA for a/c of Exchange Fund	-	-	-	-	-	-	-	-	-	-	-	-
5	Due to overseas central banks	-	-	-	-	-	-	-	-	-	-	-	-
6	Due to banks	4,676	63	-	863	2,279	1,471	-	-	-	-	-	-
7	Debt securities, prescribed instruments and structured financial instruments issued and outstanding	-	-	-	-	-	-	-	-	-	-	-	-
8	Other liabilities	264	48	-	2	87	-	12	30	24	49	12	-
9	Capital and reserves	-10	-	-	-	-	-	-	-	-	-	-	-10
<b>10</b>	<b>Total</b>	<b>13,530</b>	<b>7,407</b>	<b>278</b>	<b>1,303</b>	<b>2,895</b>	<b>1,646</b>	<b>1,457</b>	<b>125</b>	<b>24</b>	<b>50</b>	<b>12</b>	<b>-10</b>
<b>Off-balance sheet obligations</b>													
11	Irrevocable loan commitments or facilities granted												
	(a) With dates and amounts of drawdown ascertained	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Others (not included in sub-item (a))	602	602	-	-	-	-	-	-	-	-	-	-
12	Contractual obligations arising from securities financing transactions (not included in item 2)	-	-	-	-	-	-	-	-	-	-	-	-
13	Contractual obligations arising from derivative contracts (not included in item 3)	-	-	-	-	-	-	-	-	-	-	-	-
14	Off-balance sheet obligations not included in items 11 to 13												
	(a) With dates and amounts of payment ascertained	1	-	-	-	-	1	-	-	-	-	-	-
	(b) Others	-	-	-	-	-	-	-	-	-	-	-	-
<b>15</b>	<b>Total</b>	<b>603</b>	<b>602</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>On-balance sheet assets</b>													
16	Currency notes and coins	-	-	-	-	-	-	-	-	-	-	-	-
17	Amount receivable arising from securities financing transactions (other than securities swap transactions)	-	-	-	-	-	-	-	-	-	-	-	-
18	Amount receivable arising from derivative contracts	137	-	2	5	85	185	1,559	100	-	1	-	-
19	Due from MA for a/c of Exchange Fund	3	3	-	-	-	-	-	-	-	-	-	-
20	Due from overseas central banks	-	-	-	-	-	-	-	-	-	-	-	-
21	Due from banks	3,230	581	568	2,081	-	-	-	-	-	-	-	-
22	Debt securities, prescribed instruments and structured financial instruments held (net of short positions)												
	(a) Readily monetizable	1,801	1,801	-	-	-	-	-	-	-	-	-	-
	(b) Not readily monetizable	-	-	-	-	-	-	-	-	-	-	-	-
	(i) Pledged to customers	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Others	-	-	-	-	-	-	-	-	-	-	-	-
23	Acceptances and bills of exchange held	-	-	-	-	-	-	-	-	-	-	-	-
24	Loans and advances to non-bank customers	8,160	155	5,579	1,953	419	31	23	-	-	-	-	-
25	Other assets	199	61	-	2	4	6	11	34	23	45	6	7
<b>26</b>	<b>Total</b>	<b>13,530</b>	<b>2,601</b>	<b>6,149</b>	<b>4,041</b>	<b>508</b>	<b>222</b>	<b>1,593</b>	<b>134</b>	<b>23</b>	<b>46</b>	<b>6</b>	<b>7</b>
<b>Off-balance sheet claims</b>													
27	Irrevocable loan commitments or facilities received												
	(a) With dates and amounts of drawdown ascertained	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Others	-	-	-	-	-	-	-	-	-	-	-	-
28	Contractual claims arising from securities financing transactions (not included in item 17)	-	-	-	-	-	-	-	-	-	-	-	-
29	Contractual claims arising from derivative contracts (not included in item 18)	-	-	-	-	-	-	-	-	-	-	-	-
30	Off-balance sheet claims not included in items 27 to 29												
	(a) With dates and amounts of receipt of payment ascertained	1	-	-	-	-	1	-	-	-	-	-	-
	(b) Others	-	-	-	-	-	-	-	-	-	-	-	-
<b>31</b>	<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>32</b>	<b>Contractual Maturity Mismatch</b>		<b>-5,408</b>	<b>5,871</b>	<b>2,738</b>	<b>-2,387</b>	<b>-1,424</b>	<b>136</b>	<b>9</b>	<b>-1</b>	<b>-4</b>	<b>-6</b>	
<b>33</b>	<b>Cumulative Contractual Maturity Mismatch</b>		<b>-5,408</b>	<b>463</b>	<b>3,201</b>	<b>814</b>	<b>-610</b>	<b>-474</b>	<b>-465</b>	<b>-466</b>	<b>-470</b>	<b>-476</b>	

**Bank J. Safra Sarasin Ltd**  
**Hong Kong Branch**  
**Liquidity Information**  
**As at 31 December 2020**

Maturity Profile  
(HKD million)

													<b>30 Jun 2020</b>												
													Total amount	Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 6 months	> 6 months up to 1 year	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	Balancing amount	
<b>On-balance sheet liabilities</b>																									
1	Deposits from non-bank customers																								
	(a) Pledged deposits												-	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Demand, savings and current account deposits												5,179	5,179	-	-	-	-	-	-	-	-	-	-	-
	(c) Term, call and notice deposits												1,671	159	201	361	732	75	143	-	-	-	-	-	
2	Amount payable arising from securities financing transactions (other than securities swap transactions)												-	-	-	-	-	-	-	-	-	-	-	-	-
3	Amount payable arising from derivative contracts												62	-	-	3	3	14	1,397	390	-	-	1	-	-
4	Due to MA for a/c of Exchange Fund												-	-	-	-	-	-	-	-	-	-	-	-	-
5	Due to overseas central banks												-	-	-	-	-	-	-	-	-	-	-	-	-
6	Due to banks												4,377	76	388	726	1,769	1,418	-	-	-	-	-	-	-
7	Debt securities, prescribed instruments and structured financial instruments issued and outstanding												-	-	-	-	-	-	-	-	-	-	-	-	-
8	Other liabilities												96	25	-	3	5	8	53	2	-	-	-	-	-
9	Capital and reserves												5	-	-	-	-	-	-	-	-	-	-	-	5
<b>10</b>	<b>Total</b>												<b>11,390</b>	<b>5,439</b>	<b>589</b>	<b>1,093</b>	<b>2,509</b>	<b>1,515</b>	<b>1,593</b>	<b>392</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>5</b>	
<b>Off-balance sheet obligations</b>																									
11	Irrevocable loan commitments or facilities granted																								
	(a) With dates and amounts of drawdown ascertained												-	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Others (not included in sub-item (a))												462	462	-	-	-	-	-	-	-	-	-	-	-
12	Contractual obligations arising from securities financing transactions (not included in item 2)												-	-	-	-	-	-	-	-	-	-	-	-	-
13	Contractual obligations arising from derivative contracts (not included in item 3)												-	-	-	-	-	-	-	-	-	-	-	-	-
14	Off-balance sheet obligations not included in items 11 to 13																								
	(a) With dates and amounts of payment ascertained												1	-	-	-	-	1	-	-	-	-	-	-	-
	(b) Others												-	-	-	-	-	-	-	-	-	-	-	-	-
<b>15</b>	<b>Total</b>												<b>463</b>	<b>462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>On-balance sheet assets</b>																									
16	Currency notes and coins												-	-	-	-	-	-	-	-	-	-	-	-	-
17	Amount receivable arising from securities financing transactions (other than securities swap transactions)												-	-	-	-	-	-	-	-	-	-	-	-	-
18	Amount receivable arising from derivative contracts												63	-	-	3	4	14	1,496	391	-	1	-	-	
19	Due from MA for a/c of Exchange Fund												12	12	-	-	-	-	-	-	-	-	-	-	-
20	Due from overseas central banks												-	-	-	-	-	-	-	-	-	-	-	-	-
21	Due from banks												2,642	846	838	958	-	-	-	-	-	-	-	-	
22	Debt securities, prescribed instruments and structured financial instruments held (net of short positions)																								
	(a) Readily monetizable												1,532	1,532	-	-	-	-	-	-	-	-	-	-	-
	(b) Not readily monetizable												-	-	-	-	-	-	-	-	-	-	-	-	-
	(i) Pledged to customers												-	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) Others												-	-	-	-	-	-	-	-	-	-	-	-	-
23	Acceptances and bills of exchange held												-	-	-	-	-	-	-	-	-	-	-	-	-
24	Loans and advances to non-bank customers												7,023	1,456	3,358	1,660	418	90	41	-	-	-	-	-	
25	Other assets												119	57	-	3	6	9	8	14	-	-	-	22	
<b>26</b>	<b>Total</b>												<b>11,391</b>	<b>3,903</b>	<b>4,196</b>	<b>2,624</b>	<b>428</b>	<b>113</b>	<b>1,545</b>	<b>405</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>22</b>	
<b>Off-balance sheet claims</b>																									
27	Irrevocable loan commitments or facilities received																								
	(a) With dates and amounts of drawdown ascertained												-	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Others												-	-	-	-	-	-	-	-	-	-	-	-	-
28	Contractual claims arising from securities financing transactions (not included in item 17)												-	-	-	-	-	-	-	-	-	-	-	-	-
29	Contractual claims arising from derivative contracts (not included in item 18)												-	-	-	-	-	-	-	-	-	-	-	-	-
30	Off-balance sheet claims not included in items 27 to 29																								
	(a) With dates and amounts of receipt of payment ascertained												1	-	-	-	-	1	-	-	-	-	-	-	-
	(b) Others												-	-	-	-	-	-	-	-	-	-	-	-	-
<b>31</b>	<b>Total</b>												<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>32</b>	<b>Contractual Maturity Mismatch</b>													<b>-1,998</b>	<b>3,607</b>	<b>1,531</b>	<b>-2,081</b>	<b>-1,402</b>	<b>-48</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>33</b>	<b>Cumulative Contractual Maturity Mismatch</b>													<b>-1,998</b>	<b>1,609</b>	<b>3,140</b>	<b>1,059</b>	<b>-343</b>	<b>-391</b>	<b>-378</b>	<b>-378</b>	<b>-378</b>	<b>-378</b>	<b>-378</b>	

**Bank J. Safra Sarasin Ltd**  
**Hong Kong Branch**  
**Remuneration Disclosure**

**1 Governance structure of the remuneration system**

The Board of Directors ("the Board") of J. Safra Sarasin Holding Ltd ("the Group") decides on the Group's general principles, key terms of compensation plans, programs, profit sharing schemes, and policies. This Board also decides on the Group's total compensation pool (fixed and variable).

The Board of Bank J. Safra Sarasin Ltd. ("BJSS") decides on benefits and retirement plans (establishment, or change of benefits / retirement plan, funding guidelines and decisions).

Lead by the CEO of BJSS, the Corporate Centre & Logistics Division Head and the Group Head of Human Resources are responsible for preparing and administrating the salary and bonus process and the deferral rules for the Board's review and final approval.

**2 Design and structure of the remuneration processes**

The Group's compensation framework is applicable to all employees in Hong Kong. It consists of a fixed remuneration (i.e. base salary) and a possibility for a variable remuneration (i.e. discretionary bonus). The base salary is benchmarked against the market, while the discretionary bonus is linked to the Group's performance, the performance of the business unit and the employee's individual performance on achieving pre-defined goals and targets, plus the individual's compliance with directives, guidelines and risk measures. For senior management i.e. the management team and the regional function heads as well as key employees with significant impact to the Group's risk profile, stringent risk-mitigation measures apply.

The discretionary bonus constitutes a voluntary payment and does not suggest entitlement to future bonuses. Under the current Deferral Rules, for any employee with bonus in between CHF 55,000 and CHF 100,000 or local equivalent, CHF 50,000 or local equivalent will be paid in cash and the remaining will be deferred. For any employee with bonus in excess of CHF 100,000 or local equivalent, 50% of the bonus will be paid in cash and the remaining 50% will be deferred. The deferred bonus will be paid in two instalments over two years and it will be linked to the continuous employment of the employee.

**3 Remuneration for the senior management and key personnel for the year ended 31 December 2020**

	31 Dec 2020		31 Dec 2019	
	HKD'000	HKD'000	HKD'000	HKD'000
a. Outstanding deferred remuneration				
Vested		-		2,088
Unvested		3,605		3,094
		<u>3,605</u>		<u>5,182</u>
Cash-based		3,605		5,182
Shares and share-linked instruments		-		-
		<u>3,605</u>		<u>5,182</u>
b. Deferred remuneration awarded, paid out and reduced through performance adjustments				
Awarded		3,605		2,050
Paid out		-		2,088
Reduced through performance adjustments		-		-
c. Breakdown of remuneration awards				
	<b>Non-deferred</b>	<b>Deferred</b>	Non-deferred	Deferred
Fixed remuneration				
Cash-based	21,541	-	13,772	-
Shares and share-linked instruments	-	-	-	-
Variable remuneration				
Cash-based	29,930	3,605	2,225	2,050
Shares and share-linked instruments	-	-	-	-
	<u>51,471</u>	<u>3,605</u>	<u>15,997</u>	<u>2,050</u>

During the period of January 2021, the CEO of Bank J. Safra Sarasin Ltd, the Corporate Centre & Logistics Division Head and the Group Head of Human Resources have set up meetings to review the compensation and prepare for Executive Committee and The Board of Directors' discussion. The Board approval of compensation by circular resolution has been concluded in early March 2021.

The aggregate quantitative information on remuneration for the year ended 31 December 2020 disclosed above is for thirteen senior management and key personnel of the branch (2019: seven). As the above remuneration disclosures pertain to a small number of personnel, the quantitative information on remuneration for senior management and key personnel is not separately disclosed.

During the year ended 31 December 2020, four senior management or key personnel has been awarded with guaranteed bonuses of HKD19,954,000 (2019: Nil), one with severance payments of HKD100,000 (2019: Nil) and no compensation for loss of bonus (2019: Nil).

The senior management and key personnel have responsibilities beyond Hong Kong and, as a result, do not perform services exclusively for the branch. The remuneration disclosed above has been apportioned to reflect each individual's relative contribution to the branch's results for the year ended 31 December 2020.

**J. Safra Sarasin Holding Ltd**  
**Group Consolidated Financial Information**  
**As at 31 December 2020**

	(Note 1) CHF'000	(Note 1) CHF'000
	<b>31 Dec 2020</b>	<b>30 Jun 2020</b>
<b>Total shareholders' equity including minority interest</b>	5,292,679	5,202,795

**Other financial information**

Balance sheet :

Total assets	37,995,346	37,528,660
Total liabilities	32,702,667	32,325,865
Due from customers	12,061,585	12,116,799
Due to customers	28,974,946	28,951,556

	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>
Profit and Loss :		
Profit before taxes	453,438	468,286

	<b>31 Dec 2020</b>	<b>30 Jun 2020</b>
<b>Capital adequacy ratio</b>		
CET1 ratio (Note 2)	36.7%	29.0%

Note :

(1) Group consolidated financial information for the year ended 31 Dec 2020 represented consolidated financial information of J. Safra Sarasin Holding Ltd which is the holding company of Bank J. Safra Sarasin Ltd. The group consolidated financial information has been prepared in accordance with Swiss accounting principles applicable for banks and the requirements of Swiss law.

(2) The calculation is based on the Basel III requirements. The basis used for calculating the adequacy ratio includes an allowance for market risk.