



J. SAFRA SARASIN



Sustainable Swiss Private Banking since 1841

Principles for Responsible Banking – PRB Reporting and Self-Assessment

Bank J. Safra Sarasin
June 2022

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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 publications:

- AR 2021 Annual Report 2021, available here ([PDF](#))
- SR 2021 Sustainability Report 2021, as part of the AR 2021, p. 88ff. ([PDF](#))

Where other resources are 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
<p>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>		
<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 ingrained in our philosophy and processes 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 an 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 2021</p> <ul style="list-style-type: none"> - Consolidated Key Data (p. 10-11) - Bank J. Safra Sarasin (p. 26) - Group Chairman's Foreword & Report of the Board of Directors (p. 6-9) - Year in Review by the Bank's Chairman and CEO (p. 14-17) <p>SR 2021</p> <ul style="list-style-type: none"> - Bank J. Safra Sarasin (p. 106)
<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 ingrained 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 (PRI) and of the PRB. Furthermore, 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 net-zero outcome by 2035 with a clear transition pathway for all assets under management. In September 2020, the Bank was the first Swiss institution to sign the Finance for Biodiversity Pledge. In November 2020, the Bank's Sustainable Asset Management created a concept aiming to integrate sustainability aspects into all strategies managed in-house. In 2021, J. Safra Sarasin Sustainable Asset Management joined the Net Zero Asset Managers Initiative in support of its Climate Pledge, and participated in the first reporting during UN Climate Change Conference in Glasgow, COP 26.</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 set up the internal Corporate Sustainability Board, which is part of the Bank's sustainability governance.</p>	<p>AR 2021</p> <ul style="list-style-type: none"> - Group Chairman's Foreword & Report of the Board of Directors (p. 6-9) - Year in Review by the Bank's Chairman and CEO (p. 14-17) <p>SR 2021</p> <ul style="list-style-type: none"> - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - Objective 3: We live a sustainable corporate culture (p. 113-115) - Objective 4: We are part of the society (p. 115-119) - Objective 5: We manage resources efficiently (p. 119-120)

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
<p>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>		
<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 net-zero outcome by 2035 for all assets under management. The policy and implementation of the Climate Pledge outline its integration along the existing Sustainable Investment Tools and investment process with annual reduction targets. By the end of 2021, the implementation of the Climate Pledge reached 19% of the assets under management and will continue. In 2021, J. Safra Sarasin Sustainable Asset Management joined the Net Zero Asset Managers Initiative in support of its Climate Pledge. In the Annual Sustainability Report, the integration of specific sustainability objectives, such as Climate, into the sustainable investment process is outlined.</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. In the Annual Sustainability Report, the integration of specific sustainability objectives, such as biodiversity, into the sustainable investment process is outlined. In 2021, the Bank participated in the UN PRB working group that developed guidance on biodiversity target-setting. The Bank participated in an investor group as part of a WWF working group to develop a company-specific biodiversity risk tool.</p> <p>Stakeholder engagement The Bank actively and regularly engages with stakeholders including clients, employees, investee companies and organisations where it is a member. The Bank has established an Active Ownership approach led by a dedicated team. The approach involves direct dialogue with companies, collaborative and public policy engagement. While material ESG issues specific to the investment case are discussed at company level, 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. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - J. Safra Sustainable Asset Management Climate Pledge and Implementation (p. 99-101) - Bank J. Safra Sarasin Active Ownership strategy (p. 97-99) - Objective 4: We are part of the society (p. 115-119) - - Bank J. Safra Sarasin is a founding signatory of the Finance for Biodiversity Pledge (p. 117) <p>Other:</p> <ul style="list-style-type: none"> - Our Climate Pledge – Policy and Implementation - Biodiversity and its Materiality for Investors - UN PRB Guidance on Biodiversity Target-Setting
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p>		
<p>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. Going forward, the Bank aims to utilise the PRB Impact Analysis tool.</p>		

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 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 In May 2020, J. Safra Sarasin Sustainable Asset Management launched its Climate Pledge, which includes:</p> <ul style="list-style-type: none"> • Aiming for net-zero outcome in all assets under management by 2035 • Engaging with all financial market participants and fostering collaboration • Investing in companies whose solutions enable emission reductions <p>The Climate Pledge and its methodology are outlined in the Climate policy. The standard methodology outlines a starting point at the end of 2020, 30% below the benchmark and an annual decarbonisation of 7% until 2030. By that time, a share of roughly 50% of financed carbon emissions will be reduced. From 2030 on, the financed emissions are linearly reduced until it reaching net-zero by 2035. The implementation of investment strategy level is ongoing and at the end of 2021, the Climate Pledge was implemented for 19% of the assets under management. In 2021, the Bank's Sustainable Asset management joined the Net Zero Asset Managers Initiative and participated in the inaugural reporting during COP 21. 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>Biodiversity loss 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 indicators, metrics and methodologies to help banks set biodiversity targets across activities and provide guidance on biodiversity target-setting. The Bank participated in an investor group as part of a WWF working group to develop a company-specific biodiversity risk tool.</p>	<p>SR 2021</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 and Implementation (p. 99-101) - Objective 4: We are part of the society (p. 115-119) - - Bank J. Safra Sarasin is a founding signatory of the Finance for Biodiversity Pledge (p. 117) - Objective 5: We manage resources efficiently (p. 119-120) <p>Other:</p> <ul style="list-style-type: none"> - Our Climate Pledge – Policy and Implementation - Biodiversity and its Materiality for Investors - UN PRB Guidance on Biodiversity Target-Setting
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p> <p>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. Going forward, the Bank aims to utilise the PRB Impact Analysis tool.</p>		

2.3	<p>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. In the Sustainability Report, the amount of sustainable assets under management are tracked, as well as the implementation of the Climate Pledge. Furthermore, a number of financial, social and environmental key performance indicators are disclosed and tracked. A limited assurance on the chosen key performance indicators is conducted and included in the Sustainability Report. A monthly client reporting was introduced for the sustainable investment strategies with comprehensive ESG analytics, tracking ESG, climate and SDG performance, including a net-zero monitor for strategies with implemented Climate Pledge.</p>	<p>SR 2021</p> <ul style="list-style-type: none"> - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - Objective 3: We live a sustainable corporate culture (p. 113-115) - Objective 4: We are part of the society (p. 115-119) - Objective 5: We manage resources efficiently (p. 119- 120) - UN Global Compact: Communication on Progress (p. 122-123) - Assurance statement (p. 124-125)
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

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 are well established.

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
<p>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.</p>		
<p>3.1 Provide an overview 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>	<p>For over 30 years, sustainability has been ingrained 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. How sustainability is considered in the Bank's core investment offering is outlined in the Sustainability Report. The aim is for all in-house investment strategies of J. Safra Sarasin Sustainable Asset Management to become sustainable across asset classes and product families. This implementation is ongoing. At the end of 2021, approximately 85% of assets under management were sustainable according to the in-house sustainable investment approach. The Sustainable Investment Policy outlines the sustainable investment process and the applied sustainable investment tools.</p>	<p>SR 2021</p> <ul style="list-style-type: none"> - Introduction (p. 88-89) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - Bank J. Safra Sarasin – Thought-leadership in sustainability over more than 30 years (p. 106) <p>Other: Sustainable Investment Policy</p>
<p>3.2 Describe 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>	<p>Sustainability is embedded in the Bank's core investment offering and ESG considerations are integrated across the entire investment process as well as advisory processes. 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. J. Safra Sarasin Sustainable Asset Management increasingly expands client reporting on ESG KPIs and advances the implementation of its Climate Pledge. A number of sustainable investment strategies aim for sustainable outcomes aligned with SDGs that include contribution to social and/or environmental objectives.</p>	<p>SR 2021</p> <ul style="list-style-type: none"> - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - Case Study: Global Climate 2035 (p. 102-103) - Case Study: Sustainable Outcomes at J. Safra Sarasin (p. 103-104)

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 Describe 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, undertakes collaborative engagements with bigger shareholder groups, and carries out public policy engagements. The annual Active Ownership Report outlines the Bank's engagement activities.</p> <p>Furthermore, the Bank actively participates in civil society initiatives through various sustainability commitments and working groups. This includes the Principles for Responsible Investment UN PRI, UN PRB, Finance for Biodiversity Pledge, Swiss Sustainable Finance, Swiss Climate Foundation to name a few.</p> <p>The different engagements yield different insights and outcomes in support of the Bank's five sustainability objectives and the Bank's contribution to the achievement of society's sustainability goals.</p>	<p>SR 2021</p> <ul style="list-style-type: none"> - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - Bank J. Safra Sarasin Active Ownership strategy (p. 97-99) - Objective 4: We are part of the society (p. 115-119) <p>Other:</p> <ul style="list-style-type: none"> - Active Ownership Report 2021 - Active Ownership Policy - Corporate Governance and Proxy Voting Guidelines - J. Safra Sarasin Voting Portal

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 5: Governance & Culture: We will implement our commitment to these Principles through effective governance and a culture of responsible banking.		
5.1 Describe 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 (CSB) In 2014 the Group Executive Board set up the internal Corporate Sustainability Board, comprising members of the Group Executive Board 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, and identify strategically relevant environmental, especially climate-related, as well as social themes.</p> <p>Sustainability Advisory Council (SAC) The Corporate Sustainability Board is advised by the external Sustainability Advisory Council, which has been set up to ensure regular guidance and advice related to recent developments in sustainable finance. It consists of selected, experienced international experts.</p> <p>ESG Committee The ESG Committee was established at J. Safra Sarasin Sustainable Asset Management to provide advice and facilitate decision making pertaining to the sustainable investment process.</p>	<p>SR 2021 - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92)</p> <p>Other: Objective 1: corporate sustainability strategy and governance at J. Safra Sarasin Website</p>
5.2 Describe 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 the 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 on-boarding and participate in continuous learning and development programs. The Bank's remuneration structures and performance management incentivize 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 2021, experts and analysts from J. Safra Sarasin Sustainable Asset Management participated in a wide variety and range of high-level on-site and virtual trainings to advance the Bank's sustainability agenda and provide insights to the Bank's sustainable investment approach and sustainability challenges.</p>	<p>SR 2021 - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92) - Objective 2: We incorporate sustainability considerations in our investment activities (p. 92-113) - Objective 3: We live a sustainable corporate culture (p. 113-115) - Knowledge-sharing and communication (p. 111)</p> <p>Other: J. Safra Sarasin Sustainable Asset Management Website</p>
5.3 Governance Structure for Implementation of the Principles Show 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 in the Corporate Sustainability Board (CSB, see point 5.1) include the CEO and the COO, who is also the Chairman of the CSB. The responsibilities of the Corporate Sustainability Board encompass the monitoring and operational implementation of strategic sustainability initiatives as well as monitoring of on-going activities and measures based on environmental and social Key Performance Indicators (KPIs).</p>	<p>AR 2021 - Bank J. Safra Sarasin (p. 26) - Group Chairman's Foreword & Report of the Board of Directors (p. 6-9) - Year in Review by the Bank's Chairman and CEO (p. 14-17)</p> <p>SR 2021 - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92)</p>
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 continuously reviews the sustainability governance and policies and where necessary strives to 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
<p>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>		
<p>6.1 Progress on Implementing the Principles for Responsible Banking</p> <p>Show 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>Show 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>Show 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 further strengthened the Bank's commitments to sustainable development and further contributing to the implementation of the six principles.</p> <p>In 2020, the Bank's Asset Management issued a Climate Pledge aiming for net-zero outcome by 2035. In 2021, the J. Safra Sarasin Sustainable Asset Management joined the Net Zero Asset Managers Initiative (NZAM) in support of its Climate Pledge and participated in the inaugural reporting during the Un Climate Change Conference, COP 21 in Glasgow. This was outlined as part of a text and video on activities by Bank J. Safra Sarasin on Climate Action. A publication entitled "A little less conversation, a little more (climate) action" highlighted the NZAM membership and reporting, as well as outlined the Climate Pledge and its implementation.</p> <p>The Bank was a founding signatory of international sustainability initiatives and is actively involved in investor initiatives, contributing to various working groups and policy engagements to further develop best practices. The Bank makes continuous progress and will enhance the assessment of its impact in the two areas of climate change and biodiversity loss on an on-going basis. The Bank aims to enhance its reporting and implementation of the PRB's six principles over time. The main sustainability publication is the Sustainability Report. Other publications and policies can be found on the Bank's website.</p>	<p>SR 2021</p> <ul style="list-style-type: none"> - Introduction (p. 88-89) - Objective 1: We embed sustainability in our corporate strategy and governance (p. 90-92) - Objective 4: We are part of the society (p. 115-119) <p>Other:</p> <ul style="list-style-type: none"> - J. Safra Sarasin Sustainable Asset Management Website - Objective 1: corporate sustainability strategy and governance at J. Safra Sarasin Website - Objective 4: Sustainability memberships and initiatives at J. Safra Sarasin Website - What does our Bank do for Climate Action (Video) - Climate Action at Bank J. Safra Sarasin (Text) - A Little Less Conversation, a Little More (Climate) Action

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Sustainability Rating Methodology

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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