



## Principles for Responsible Banking – PRB Reporting and Self-Assessment Lombard Odier Group May 2022

The Principles for Responsible Banking (<https://www.unepfi.org/banking/bankingprinciples/>) are a framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement. The framework consists of 6 Principles designed to bring purpose, vision and ambition to sustainable finance. They were created in 2019 through a partnership between founding banks and the United Nations. Signatory banks commit to embedding these 6 principles across all business areas, at the strategic, portfolio and transactional levels.

## Principle 1: Alignment

Reporting and Self-Assessment Requirements	High-level summary of bank's response	References
<p><b>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.</b></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>Lombard Odier is a global wealth and asset manager with CHF 358 bn clients assets at the end of 2021. An independent firm, Lombard Odier is organised as a partnership and is wholly owned and managed by its seven Managing Partners. Our clients are private or institutional clients, and our sole business is helping them manage their assets.</p> <p>Founded in 1796, our global headquarters are located in Geneva, Switzerland. We have offices in Geneva, Zurich, Lausanne, Fribourg, Vevey, Abu Dhabi, Bermuda, Brussels, Dubai, Frankfurt, Hong Kong, Johannesburg, London, Luxembourg, Madrid, Milan, Nassau, New York, Panama, Paris, Rotterdam, Sao Paulo, Singapore, Tel Aviv, and Tokyo. Lombard Odier Group employs more than 2,500 people around the world.</p>	<p><a href="#">Lombard Odier   Swiss Private Bank Since 1796</a></p> <p><a href="#">Offices   Private Bank   Lombard Odier</a></p> <p><a href="#">who we are   Lombard Odier</a></p>
<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>Sustainability is at the core of our strategy. We strongly believe that the world is undergoing profound changes and that we all have a part to play in the transition to a more sustainable economy. Numerous developments within our Group ensure the continued integration of sustainability across our products and services, and at a corporate level. As a certified B Corp since 2019, we take into account the social, environmental and economic effects of our actions on all our stakeholders. As an investor, we support the transition of our economies to more inclusive and sustainable models. Sustainability is the single biggest factor determining our engagement with companies today. We believe that sustainability themes are increasingly becoming a driver of risk and return.</p> <p>In 2021, we launched our Target NetZero strategy to invest in the transition, not merely today's low-carbon companies. We also launched our Natural Capital strategy to focus on investing in companies preserving or leveraging the regenerative power of nature. Other related investment products include Climate Bonds and our Climate Transition strategy. We have built what we believe is a robust sustainability investment framework,</p>	<p><a href="#">Rethink Sustainability   Lombard Odier</a></p> <p><a href="#">Corporate Sustainability   Lombard Odier</a></p> <p><a href="#">Lombard Odier - Certified B Corporation - B Lab Global</a></p> <p><a href="#">Lombard Odier Investment Managers launches four Target Net Zero strategies   Lombard Odier</a></p>

	<p>identifying three systems changes that are central to the transition from a WILD (wasteful, idle, lopsided and dirty) to a CLIC™ (circular, lean, inclusive, clean) economy; a transformation in food production, electrification, and the shift to a circular economy for materials. We are conducting thematic and industry research on these themes, which we believe will shape risk, return and corporate success over the next decade.</p> <p>In addition to shaping risk &amp; return, we believe that these themes and thus the transition to the CLIC™ economic model, are instrumental in reshaping a sustainable tomorrow for generations to come.</p> <p>Our partnership with the University of Oxford has further developed, allowing us to embed scientific insights into our sustainability strategy and investment decisions at an even deeper level.</p> <p>As signatories to the UN PRB we have committed to the Group achieving net zero by 2050. We have submitted an interim carbon reduction target to the Net Zero Asset Managers Initiative (NZAMI), which is due for publication in late May 2022.</p> <p>As regards to our fund management business and investment selection process, we use investment stewardship to make a positive contribution to the sustainable economic model. Our overarching stewardship objectives are: 1) encourage companies to align themselves with appropriate transition pathways, 2) promote best-in-class business practices, and 3) manage controversies. We employ the Oxford Martin Principles for Climate-Conscious Investment to engage with investee companies. Through the framework, we focus not only on whether the firm has a commitment to a net business plan but also on whether the company has a profitable net zero business model.</p> <p>We have committed to net zero by 2030 for our own operations, focusing on the four key axis of our carbon footprint: business travel, energy, supply chain, and waste management. We also aim to ensure that our new global headquarters in Geneva, currently under construction, embody the highest possible sustainability standards, both throughout the construction process and thereafter.</p> <p>Lombard Odier strives to provide an ethical and inclusive workplace for all employees, as outlined in our Code of Conduct</p>	<p><a href="#"><u>Investing in Natural Capital   Lombard Odier</u></a></p> <p><a href="#"><u>CLIC™ Economy   Sustainable Investment   Lombard Odier</u></a></p> <p><a href="#"><u>University of Oxford and Lombard Odier's new study   Lombard Odier</u></a></p> <p><a href="#"><u>The Net Zero Asset Managers initiative – An international group of asset managers committed to supporting the goal of net zero greenhouse gas emissions</u></a></p> <p><a href="#"><u>Stewardship   Lombard Odier</u></a></p> <p><a href="#"><u>Corporate Sustainability   Lombard Odier</u></a></p> <p><a href="#"><u>Diversity and inclusion   EDGE certification   Lombard Odier</u></a></p> <p><a href="#"><u>Homepage - EDGE Certification (edge-cert.org)</u></a></p>
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	<p>and Shared Values and other internal policies. We are EDGE certified since 2014 and were in 2021 awarded a higher level of certification, recognising the progress the Group has made in offering equal opportunities in the workplace. EDGE is a leading global assessment methodology and business certification standard for gender equality. Employee-related initiatives in 2021 include a gender pay gap analysis, audited by an independent third party. We also extended paternity leave, and ensured that our global Women’s Leadership Programme continues to support the Group’s women in their career progression. Lombard Odier’s Gender Diversity Committee and the LOIM Diversity and Inclusion Committee are key forces supporting Lombard Odier’s diversity efforts.</p> <p>Long-term engagement and social impact are values at the core of Lombard Odier throughout our history, defining our approach to philanthropy. At the onset of the Covid-19 pandemic in 2020, we launched the <i>Covid-19 Relief Initiative</i> to support and help those most affected, such as the homeless and people suffering from mental or physical disabilities. In 2021, we pursued actions with a special focus on support to cultural institutions in Switzerland. Our corporate foundation, <i>Fondation Lombard Odier</i>, carries out the philanthropic activities of our Group and its Managing Partners by funding forward-looking solutions to pressing challenges with a focus on humanitarian affairs and education. Since 2008, we also offer an umbrella foundation solution through <i>Fondation Philanthopia</i>, which help its donors carry out their philanthropic initiatives.</p> <p>Our Group CSR Ambition provides a common framework for Lombard Odier’s corporate sustainability objectives interlinked with our overall sustainability strategy. The Group CSR Ambition frames how we manage our commercial, social and environmental impact.</p>	<p><a href="#"><u>Principles For Climate Conscious Investment Feb2018.pdf (ox.ac.uk)</u></a></p> <p><a href="#"><u>Philanthropy   Lombard Odier</u></a></p> <p><a href="#"><u>Group CSR Ambition 04.2021 EN.pdf (lombardodier.com)</u></a></p>
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## Principle 2: Impact and Target Setting

Reporting and Self-Assessment Requirements	High-level summary of bank's response	References
<p><b>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.</b></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 fulfills the following elements:</p> <p>a) <u>Scope</u>: 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) <u>Scale of Exposure</u>: 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) <u>Context &amp; Relevance</u>: 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) <u>Scale and intensity/salience of impact</u>: 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</p>	<p>Lombard Odier has an impact on the world around us through our role as a global wealth and asset manager as well as through our role as a corporate citizen.</p> <p>When considering our impact on and responsibilities towards our stakeholders, we look to several key global frameworks. Lombard Odier is, for example, a signatory of the United Nations Global Compact and supports its Ten Principles on human rights, labour, the environment and anti-corruption. A complete list of our participations and commitments can be found in our "memberships, certifications and signatories" section of our sustainability report.</p> <p>As a global wealth and asset manager, our impact is through our own products, such as investment funds and structured products, and via our clients' investment decisions. We have been integrating ESG criteria into our investment decisions for 25 years and we have a dedicated sustainability team, the Sustainable Investment Research, Strategy and Stewardship Team (SIRSS), of more than 20 people with diverse experience ranging from policy, academia, data science to investment management. SIRSS is responsible for identifying, analysing and mapping material sustainability challenges likely to affect the long-term viability of companies' business activities and models. It achieves this through a suite of metrics to measure portfolio alignment and climate risk exposure, and by conducting in depth thematic analysis. The team is also responsible for stewardship and developing ESG indicators to monitor business practises and controversies.</p> <p>Lombard Odier's impact analysis is work in progress and will be included in future PRB reports aligned with the expected timeline.</p>	<p><a href="#">Lombard Odier   UN Global Compact</a></p> <p><a href="#">Corporate Sustainability   Lombard Odier</a></p> <p><a href="#">Rethink Sustainability   Lombard Odier</a></p> <p><a href="#">Sustainable investing   Lombard Odier</a></p> <p><a href="#">The Alliance to End Plastic Waste and Lombard Odier Investment Managers join forces to launch circular plastic fund</a></p>

<p>activities and provision of products and services. (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"> <li>• Identified and disclosed its areas of most significant (potential) positive and negative impact</li> <li>• Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts</li> </ul>		
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p>		
<p>Lombard Odier's impact analysis is work in progress and will be reported in line with the PRB timeline.</p>		
<p>2.2 Target Setting</p> <p>Show that the bank has set and published a minimum of two <b>Specific, Measurable</b> (can be qualitative or quantitative), <b>Achievable, Relevant and Time-bound (SMART)</b> 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</p>	<p>This item will be developed within the time framework proposed for PRB signatories.</p> <p>We are in the process of setting an interim carbon emissions reduction target for Lombard Odier Investment Managers (LOIM), under NZAMI. This commits us to use to the tools available to us to promote decarbonisation in the real economy in line with a 1.5°C pathway. This target will be framed in terms of the Implied Temperature Rise (ITR) of our AUM. ITR answers the question of what the resulting global warming would be if every company in the economy acted with the same level of ambition as the companies in our portfolio. It takes account of differences in the decarbonisation roadmaps available for different sector, to avoid penalising transitioning companies in high-emitting sectors.</p> <p>At COP26, we signed an open letter committing ourselves to strive towards eliminating commodity-driven deforestation from our investment and lending portfolios by 2025. By 2023, we have pledged to disclose our deforestation risk and mitigation activities in our portfolios. We have built a metric to assess deforestation risk internally and will be using this to guide stewardship with 'at risk' companies.</p>	<p><a href="#">DFF-Commitment-Letter-.pdf (unfccc.int)</a></p> <p><a href="#">LOIM - Designing Temperature Alignment Metrics.pdf (lombardodier.com)</a></p>

<p>particular year) and have set targets against this baseline.</p> <p><i>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.</i></p>		
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</p>		
<p>Lombard Odier's target setting is work in progress and will be reported in line with the PRB timeline.</p>		
<p>2.3 Plans for Target Implementation and Monitoring</p> <p><i>Show that your bank has defined actions and milestones to meet the set targets.</i></p> <p><i>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.</i></p>	<p>This item will be developed within the time framework proposed for PRB signatories.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>Lombard Odier's plans for target implementation is work in progress and will be reported in line with the PRB timeline.</p>		

<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></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>To be reported aligned with 2.2 and 2.3 above.</p>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets</p>		
<p>Lombard Odier's progress on implementing targets will be reported in line with the PRB timeline.</p>		



## Principle 3: Clients and Customers

<i>Reporting and Self-Assessment Requirements</i>	<i>High-level summary of bank's response</i>	<i>References</i>
<p><b>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.</b></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>Our Group Code of Conduct and Shared Values sets out the key principles and practices that define our behaviour, the way we do business and share values. We apply these values to all aspects of our business.</p> <p>The Principles of the Code are grouped into seven core values, which underpin Lombard Odier's approach to doing business:</p> <ul style="list-style-type: none"> <li>- We act with integrity</li> <li>- We respect our clients</li> <li>- We avoid conflicts of interest</li> <li>- We protect the reputation of our firm</li> <li>- We respect the individual</li> <li>- We are open and honest in our communication</li> <li>- We are committed to the common good</li> </ul> <p>In addition to our Code of Conduct and Shared Values, all employees are required to follow annual compulsory training that, in general, is of regulatory nature (risk, legal, compliance, etc.).</p>	<p>Lombard Odier Group Code of Conduct and Shared Values (internal document)</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>Lombard Odier is a signatory of the six United Nations Principles for Responsible Investing since 2007 and we are committed to developing our business in line with these principles.</p> <p>We have incorporated ESG criteria into investment analysis and decision-making processes for 25 years, and we have developed our own proprietary models to ensure that we benefit from the most robust, decision-relevant information possible. We are an active owner with sustainability criteria incorporated in ownership policies and practices.</p> <p>Over the past year, we have significantly expanded our in-house sustainable investment expertise and resources to continually enhance our ability to help clients position their portfolios for the transition to a sustainable economy across asset classes.</p> <p>We review each client's portfolio to incorporate sustainability targets in line with the client's values and targets. We integrate a number of restrictions and exclusions into our clients' portfolios:</p> <ul style="list-style-type: none"> <li>• SRI restrictions on tobacco, coal and unconventional oil &amp; gas, and level 5 controversies. Our policy specifically places a restriction on investment in companies that derive more than 10% of their revenues from thermal coal extraction, more than 10% of their revenues from coal power generation or more than 10% in aggregate of their revenues from any of tar sands, shale oil and gas, and arctic oil and exploration.</li> <li>• Monitoring exposure of stocks ranked in the bottom two ESG quartiles on a GICS sector level 2 basis.</li> <li>• Monitoring overall portfolio compliance with the investment process using internal benchmarks to compare holdings.</li> <li>• Exclusions of controversial weapons and essential food commodities.</li> </ul> <p>For selected actively managed funds that obtained the Central Labelling Agency (CLA) Towards Sustainability label, we are applying a higher bar of restrictions.</p> <p>In line with our commitment to stewardship and transparency, we disclose our proxy voting records on a retrospective</p>	<p><a href="#"><u>Working towards a net-zero world   Lombard Odier</u></a></p> <p><a href="#"><u>Building Bridges : Where Finance and SDGs Connect - Home</u></a></p> <p><a href="#"><u>Towards Sustainability Funds Memo_Mar22.pdf (lombardodier.com)</u></a></p> <p><a href="#"><u>LOIM Stewardship Report 2020.pdf (lombardodier.com)</u></a></p> <p><a href="#"><u>The Zero-Hour Sessions   Lombard Odier</u></a></p> <p><a href="#"><u>CLIC™ academy   sustainable investing   Lombard Odier</u></a></p> <p><a href="#"><u>Building Bridges : Where Finance and SDGs Connect - Home</u></a></p>
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	<p>quarterly basis. We also publish an annual Stewardship Report where we describe our stewardship work, in alignment with the Financial Reporting Council's 2020 Stewardship Code. (This paragraph refers to LOIM only).</p> <p>We engage actively with our clients on sustainability issues that relate to their portfolios and to an overall view on the economy and sustainability trends. We inform via meetings, in-person events and webinars, as well as via regular newsletters and other communication channels.</p> <p>Lombard Odier is a certified B Corp, and we frequently engage with our clients on the subject of B Corp certification, the holistic approach of the B Corp movement and how it pushes companies toward a sustainable transition.</p> <p>We aim to be thought leaders in the transition to a sustainable economic model, and have in the past 12 months engaged with our clients and other stakeholders through our participation in COP26. We hosted the Zero-Hour Sessions, a series of events exploring the power of nature, the importance of policy, and how companies and sectors need to decarbonise to reach net zero. We are a founding and active organiser of Building Bridges, a four-day event in Geneva bringing together stakeholders representing the financial sector, governments, UN agencies, NGOs, and academia, who came together around the shared vision of making finance a catalyst for change. We are currently running a series of executive education sessions on sustainable investment with our partners at the University of Oxford. We see this as an opportunity to communicate to our clients that the transition to a circular, lean, inclusive and clean economy holds great commercial opportunity, and that they can be part of that transformation.</p>	
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## Principle 4: Stakeholders

Reporting and Self-Assessment Requirements	High-level summary of bank's response	References
<b>We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.</b>		
<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>We understand that banks play a central role in our economy and society, and that what will make them thrive in the long term will also be good for business. As a global wealth and asset manager, we believe it is our fiduciary duty to help our clients mitigate the risks and capture the opportunities associated with the transition to a Circular, Lean, Inclusive and Clean (CLIC™) economy. This involves working collectively with a range of stakeholders. As a certified B Corp, collaborative engagement is a key part of our interactions with all our stakeholders.</p> <p>Employee engagement is key to improving our footprint and to offering a healthy working experience. We encourage input from our employees and follow up on suggestions and requests. Our annual employee satisfaction survey gives us detailed feedback on engagement levels and highlights areas for improvement. We also collaborate with Alaya, a social engagement platform, with whom we are creating initiatives around sustainability and volunteerism for our colleagues globally. Lombard Odier offers all our employees one paid day off for volunteering per year.</p> <p>Since 2005 we are a founding member of the Corporate Support Group of the International Committee of the Red Cross (ICRC) where we provided, among other projects, expertise and seed funding to incubate the Program for Humanitarian Impact Investment (PHII), also known as the "Humanitarian Impact Bond". In 2021, Fondation Lombard Odier continued to support ICRC's efforts in the field of New Financing Models for humanitarian action. Another example is our collaboration with local organisations such as Terre des Hommes Switzerland, which hosted in 2021 its 30<sup>th</sup> edition of the "Walk of Hope", which each year unites thousands of children to walk in favour of children rights, sponsored by their families. To mark the occasion, a new "Corporate Walk of Hope," specifically for companies and their employees, was created in parallel to the traditional event and made possible thanks to the seed financing of Fondation Lombard Odier. This year, the funds raised were allocated to three programmes located in Haiti, Peru, and Mali.</p> <p>We seek to engage with suppliers who have adopted meaningful corporate responsibility policies and programmes</p>	<p><a href="#">Lombard Odier Group Supplier Code of Conduct .pdf</a> (<a href="http://lombardodier.com">lombardodier.com</a>)</p> <p><a href="#">Group CSR Ambition 04.2021 EN.pdf</a> (<a href="http://lombardodier.com">lombardodier.com</a>)</p> <p><a href="#">Predictors of Success in a Greening World</a> (<a href="http://ox.ac.uk">ox.ac.uk</a>)</p> <p><a href="#">Driving Innovative Finance for Impact - Innovative Finance IMD Program</a></p> <p><a href="#">Home - C4DT</a></p> <p><a href="#">Alaya - The Corporate Giving &amp; Volunteering software for employees</a> (<a href="http://alayagood.com">alayagood.com</a>)</p> <p><a href="#">Business as a force for good   B Lab Switzerland</a> (<a href="http://blab-switzerland.ch">blab-switzerland.ch</a>)</p>

	<p>that cover and actively support ethical conduct, diversity, social responsibility and environmental sustainability. In our Supplier Code of Conduct, we confirm our expectation that all our suppliers will over time align their business practices with the Ten Principles of the UN Global Compact. In this context, we embed sustainability criteria in the selection of our suppliers and sourcing activities.</p> <p>We are a founding partner of the University of Geneva’s Centre for Philanthropy, where we promote research, knowledge dissemination, awareness and dialogue between professionals and stakeholders taking philanthropy into the future. Since 2020, we collaborate with the University of Oxford to support teaching and research on sustainable finance and investments. In 2021, we published our first collaborative study “Predictors of Success in a Greening World”. We are also a founding partner of the EPFL Center for Digital Trust (C4DT), a collaboration between researchers, industry, the public sector and civil society to define and realise a shared vision: re-inventing trust mechanisms that will contribute to prosperous, peaceful societies in the digital age. In 2021, Fondation Lombard Odier helped develop a new International Institute for Management Development (IMD) course program. "Driving Innovative Finance for Impact" is a 3-week program that aims to develop participants' organizational capacity to conduct innovative finance transactions in the humanitarian and development field. In addition, we are in the final stages of confirming a key partnership, with a consortium of three leading academic institutions.</p> <p>Lombard Odier supports UN Principles for Responsible Investing (UNPRI) collaborative initiatives and is actively involved with local, national and international regulatory and political authorities in promoting a sustainable finance framework. The PRI Collaboration Platform is a unique forum that allows signatories to pool resources, share information and enhance their influence on ESG issues.</p> <p>Lombard Odier is an active member of the Geneva financial centre and contributes to various initiatives that aim to accelerate the transition to a sustainable financial system. Our co-Senior Managing Partner is the President of Swiss Sustainable Finance (SSF) and of Building Bridges, an annual event that includes politicians, the financial sector, and NGOs, to discuss the climate agenda and collaborate around a common vision of advancing sustainable finance to address the</p>	
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	<p>Sustainable Development Goals (SDGs). Other examples of our engagement include the UN Environment Programme Finance Initiative (UNEP FI), The UN Principles for Responsible Investing (UN PRI), or the Task Force on Climate-related Financial Disclosure (TCFD).</p> <p>A certified B Corp, we have, during the past three years, integrated our 2019 B Impact Assessment results in our sustainability roadmap. Our performance in the five areas assessed by B Lab (governance, workers, community, environment and customers) has been analysed in detail, and a number of actions have been taken and initiatives launched. In addition, as per the requirement for certified B Corps we have modified our Articles of Association to reflect our aim to take the impact on all stakeholders into consideration in our strategic decisions.</p>	
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## Principle 5: Governance & Culture

Reporting and Self-Assessment Requirements	High-level summary of bank's response	References
We will implement our commitment to these Principles through effective governance and a culture of responsible banking		
<p>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>	<p>At the Lombard Odier Group level, our sustainability governance has two key centres of responsibility :</p> <ul style="list-style-type: none"> <li>- Our <b>Sustainability Steering Forum</b> oversees our sustainability philosophy, investment approach, and related policies;</li> <li>- Our <b>CSR Steering Forum</b> ensures that our non-investment related actions, operations and policies are aligned with our sustainability values.</li> </ul> <p>Both forums consist of senior management representatives from across our business, thus including the wide range of groups involved in driving Lombard Odier's sustainability work, The Sustainability Steering Forum and the CSR Steering Forum report to the Board of Managing Partners.</p> <p>Additional groups responsible for layers of oversight and governance around the implementation of our sustainable investment philosophy and policies report to the Sustainability Steering Forum, and one or more members of the management team oversee each group:</p> <ul style="list-style-type: none"> <li>- <b>The Lombard Odier Investment Management (LOIM) Sustainability Committee</b> is responsible for the implementation of our sustainability framework.</li> <li>- <b>The Lombard Odier Investment Management (LOIM) Stewardship Committee</b> is responsible for overseeing and guiding our stewardship responsibilities for internally managed funds.</li> <li>- <b>LOIM Sustainability Forums:</b> Within each asset class or investment team, investment professionals act as internal ESG (Environmental, Social, Governance)/SRI (Socially Responsible Investment) specialists in close collaboration with the central Sustainability and ESG teams.</li> <li>- <b>Private Client Business:</b> The Investment Committee consists of the Chief Investment Officer and the Product Category Heads. This Committee works with investment specialists across our different asset classes.</li> </ul>	<p><u>Corporate Sustainability   Lombard Odier</u></p> <p><u>LOIM's stewardship in 2021: seeking progress on climate and nature   Lombard Odier</u></p>



<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>	<p>At Lombard Odier, we believe that sustainability must be integrated in all units, at all levels, of our business. We aim to foster knowledge and awareness on climate-related topics through a range of channels, including intranet communication, video and in-person conferences, articles, social media, but also through a number of specific initiatives. In 2021, On World Environment Day, we launched a 10-week ‘Sustainability Challenges’ initiative for our employees globally. In partnership with the social engagement platform Alaya, this initiative was part of a campaign to promote sustainable development, both in the workplace and at home. In the coming years, we plan to offer sustainability training to our employees Group-wide.</p> <p>In order to be responsible employees, all our collaborators are educated in managing risk and must complete regular training programmes, including Code of Conduct, information security and data protection training. Depending on an employee’s role, they may be required to complete specialised training.</p> <p>Our bespoke learning platform LO University offers a range of training programs, including banking skills development, technical skills development, higher education certification, as well as several leadership trainings for middle and senior management. Our continuous increase in training programs offering reflects a sustainable choice to invest in our human capital’s professional and technical expertise, soft skills and managerial competencies.</p>	<p><u>Corporate Sustainability   Lombard Odier</u></p>
<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:</p> <ul style="list-style-type: none"> <li>a) target-setting and actions to achieve targets set</li> <li>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</li> </ul>	<p>The implementation of the Principles is managed by our CSR Steering Forum and our Sustainability Steering Forum.</p> <p>Targets relating to the Principles are being developed in accordance with the PRB timeline.</p>	
<p>Please provide your bank’s conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</p>		
<p>Lombard Odier has partially fulfilled the requirements regarding Governance Structure for Implementation of the Principles. Our target setting is work in progress and will be reported in line with the PRB timeline.</p>		



## Principle 6: Transparency & Accountability

Reporting and Self-Assessment Requirements	High-level summary of bank's response	References
<b>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.</b>		
<p>1.1 Progress on Implementing the Principles</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>In the 18 months since becoming a PRB signatory, Lombard Odier has done a thorough review of its operations to determine the level of sustainability integration in our activities. We consolidate our actions in our annual Sustainability Report, annual carbon footprint analysis, and other analyses that allow us to measure and design improvement initiatives in specific areas. An internal project aims at embedding the relevant regional sustainability regulatory frameworks within our investment processes.</p> <p>Realising a sustainable economy will require collaboration between a diverse range of stakeholders. We are therefore active in a number of frameworks, which we believe reflect regional and international best practices. In the past 12 months, we joined the following initiatives:</p> <ul style="list-style-type: none"> <li>• The Sustainable markets Initiative's Natural Capital Investment Alliance</li> <li>• The Forest Investor Club</li> <li>• The Net Zero Asset managers Initiative</li> <li>• The Glasgow Financial Alliance to Net Zero</li> <li>• The Taskforce on Nature-related Financial Disclosures</li> </ul> <p>We also collaborate, through strategic partnerships, with</p> <p>(i) the University of Oxford, to support teaching and research on sustainable finance and investments, as well as integrate the latest knowledge on the relationships between investing and sustainability into our investment strategies.</p> <p>(ii) SYSTEMIQ, a system change firm. This partnership enables us to continually enhance our client offering by understanding the extent to which potential investments are aligned with the sustainability transition earlier in the process and in greater detail.</p> <p>(iii) We are in the final stages of confirming a key partnership with a consortium of three leading academic institutions.</p>	<p><u>Corporate Sustainability   Lombard Odier</u></p>

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

Lombard Odier has partially fulfilled the requirements regarding Progress on Implementing the Principles. Our target setting is work in progress and will be reported in line with the PRB timeline.