

RAIFFEISEN

Supplement to the Annual Report 2020

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GRI content index

Since 2018, Raiffeisen has based its reporting on the standards of the Global Reporting Initiative (“comprehensive” option). This GRI content index refers to the relevant information in the Raiffeisen Annual Report 2020 (report.raiffeisen.ch/downloads).

Principles

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
GRI 101: Principles (2016)		
GRI 102: General disclosures		
Organisational profile		
102-1 Name of the organisation	Annual Report p. 178	
102-2 Activities, brands, products and services	Annual Report, p. 30–39	
102-3 Location of headquarters	Annual Report p. 178	
102-4 Location of operations	Annual Report, p. 77–80	In addition, the Raiffeisen Group has operations throughout Switzerland. Raiffeisen Switzerland and the Raiffeisen banks do not have a sales network outside Switzerland. Relationships with clients domiciled abroad are in principle entered into restrictively in line with the Raiffeisen Group's basic strategy.
102-5 Ownership and legal form	Annual Report, p. 77–80	
102-6 Markets served	Annual Report p. 56	
102-7 Size of the organisation	Employees: Annual Report p. 44; Branches: Annual Report p. 77–80; Net sales: Annual Report p. 119; Total capitalisation: Annual Report p. 120; Scope of products and services provided: Annual Report; p. 118	
102-8 Information on employees and other workers	Annual Report p. 44	In addition, independent contractors do not represent a significant proportion of the workforce, except in the IT department.
102-9 Supply chain	Annual Report p. 51	
102-10 Significant changes to the organisation and its supply chain	Annual Report, p. 6–7	
102-11 Precautionary principle or approach		The precautionary principle is a guiding principle of Swiss environmental law (Art. 1 (2) of the Environmental Protection Act). Raiffeisen observes the precautionary principle by respecting the Swiss legal framework. While the precautionary principle is not explicitly recognised, it is part of Raiffeisen's self-image.
102-12 External initiatives	Annual Report p. 49	
102-13 Membership of associations and interest groups	Annual Report p. 49	In addition, Swiss Funds and Asset Management Association SFAMA, Swiss Structured Products Association SSPA, Coordination Domestic Banks, IG Genossenschaftsunternehmen, International Raiffeisen Union.
Strategy		
102-14 Statement from senior decision-maker	Annual Report p. 45	
102-15 Key impacts, risks and opportunities	Annual Report, p. 11–12	In addition, Disclosure in line with the TCFD in this document, p. 8–10.
Ethics and integrity		
102-16 Values, principles, standards and behavioural standards	Annual Report p. 8–9, 45–46	
102-17 Mechanisms for advice and concerns about ethics		Client complaint process, banking ombudsman, whistleblowing process at Raiffeisen Switzerland.

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
Governance		
102-18 Governance structure	Annual Report, p. 48, 96	
102-19 Delegating authority	Annual Report, p. 48 – 49	
102-20 Executive-level responsibility for economic, environmental and social topics	Annual Report, p. 48 – 49	
102-21 Consulting stakeholders on economic, environmental and social topics	Annual Report, p. 49	In addition, the Board of Directors does not maintain a systematic stakeholder management process regarding economic, environmental and social issues. However, members of the Board of Directors are free to engage with stakeholders.
102-22 Composition of the highest governance body and its committees	Annual Report, p. 86 – 94	In addition, with the exception of members of the Board of Directors of three Raiffeisen banks, no Raiffeisen Group executives sit on the Board of Directors of Raiffeisen Switzerland. One member is female (11%); one member is originally from Ticino and another member from Romandy; the Chairman of the Board of Directors helped shape a cantonal bank's sustainability programme while he was its manager; one member of the Board of Directors previously held a position in which he was responsible for the sustainability topics of a banking group.
102-23 Chair of the highest governance body	Annual Report, p. 87	In addition, the Chairman of the Board of Directors of Raiffeisen Switzerland is not – and by law is prohibited from being – part of the Executive Board of Raiffeisen Switzerland.
102-24 Nominating and selecting the highest governance body	Annual Report, p. 92	In addition, the Board of Directors of Raiffeisen Switzerland submits nominations to the General Meeting; representatives of the Raiffeisen banks are involved in the nomination process. There is no explicit requirement for gender diversity, the representation of other stakeholders or expertise in economic, environmental and social topics. Raiffeisen generally meets the requirements imposed by FINMA in Circular 2017/01 "Corporate governance – banks" regarding the independence of the Board of Directors as the top management body.
102-25 Conflicts of interest		Raiffeisen Switzerland's Terms and Conditions of Business set out the rules for avoiding conflicts of interest on the Board of Directors of Raiffeisen Switzerland and for officers and directors of Raiffeisen Switzerland. A similar provision set out in the Raiffeisen banks' Terms and Conditions of Business applies to the Raiffeisen banks. Under these Terms and Conditions of Business, people cannot be elected to the Board of Directors if professional or other circumstances expose them to conflicts of interest that would significantly impair their ability to exercise their mandate. Members of the same family and registered partners may not be members of the same Board of Directors at the same time. Members of the Board of Directors (and members of the Executive Board) recuse themselves from any transactions that affect their own interests or those of related parties or companies with which they are personally affiliated. At Raiffeisen Switzerland, the Board of Directors ensures compliance with these disclosure and recusal obligations. It reviews the personal affiliations of the members of the Board of Directors, Executive Board and Internal Auditing every year.
102-26 Role of highest governance body in setting purpose, values and strategies	Annual Report, p. 10, 92 – 94	
102-27 Collective knowledge of the highest governance body	Annual Report, p. 48	
102-28 Evaluating the highest governance body's performance	Annual Report, p. 48	In addition, The General Meeting assesses the performance of Raiffeisen Switzerland's Board of Directors by approving the annual report, income statement and balance sheet, ratifying the actions of the Board of Directors and electing and dismissing members of the Board of Directors. There is no specific assessment in terms of the management of economic, environmental and social topics.
102-29 Identifying and managing economic, environmental and social impacts	Annual Report, p. 45 – 47	
102-30 Effectiveness of risk management processes	Annual Report, p. 48 – 49	In addition, The Board of Directors of Raiffeisen Switzerland generally approves the adequacy and effectiveness review of the entire risk management process. It does not explicitly categorise economic, environmental and social factors. However, they are included in the regular review if they affect the risk management process. This is an annual review which is brought to the Board of Directors' attention as part of risk reporting. If there are any shortfalls, the Board of Directors may decide on measures to take. The Risk Committee prepares the definition of the measures for presentation to the Board of Directors. In addition, Disclosure in line with the TCFD in this document, p. 8.
102-31 Review of economic, environmental and social topics	Annual Report, p. 48 – 49	
102-32 Highest governance body's role in sustainability reporting	Annual Report, p. 48 – 49	Sustainability reports are approved first by the Executive Board and then by Raiffeisen Switzerland's Board of Directors as part of the annual report.

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
102-33 Communicating critical concerns	Annual Report, p. 48 – 49	In addition, as part of the annual Legal & Compliance reporting to the Board of Directors.
102-34 Nature and total number of critical concerns		The relevant information is not available and cannot be recorded. Various types of critical concerns can be brought to the attention to the Board of Directors of Raiffeisen Switzerland. These may be addressed by the committees of the Board of Directors and the Board of Directors. But concerns are not categorized as critical or non-critical.
102-35 Remuneration policies	Remuneration Report, p. 108	
102-36 Process for determining remuneration	Remuneration report, p. 109 – 110	In addition, an external expert was consulted in 2018 while revising the remuneration regulations for the Board of Directors of Raiffeisen Switzerland. Raiffeisen Switzerland is not known to have any other relationships with this external expert.
102-37 Stakeholders' involvement in remuneration	Remuneration Report, p. 108	In addition, The Board of Directors unanimously adopted the remuneration regulations for the Board of Directors.
102-38 Annual total compensation ratio		Omission: not applicable (a resolution to change the remuneration system was reached in the current year).
102-39 Percentage increase in annual compensation ratio		Omission: not applicable (a resolution to change the remuneration system was reached in the current year).
Stakeholder involvement		
102-40 List of stakeholder groups	Annual Report, p. 40	In addition, cooperative members, clients, employees, strategic partners, business associations, NGOs, media, public sector.
102-41 Collective bargaining agreements	Annual Report, p. 41	
102-42 Identifying and selecting stakeholders	Annual Report, p. 46	
102-43 Approach to stakeholder engagement	Annual Report, p. 46, 49	
102-44 Key topics and concerns raised	Annual Report, p. 46 – 47	
Reporting procedure		
102-45 Entities included in the consolidated financial statements	Annual Report, p. 80	
102-46 Defining report content and topic boundaries	Annual Report, p. 45 – 47	
102-47 List of material topics	Annual Report, p. 46 – 47	
102-48 Restatements of information		No relevant reformulations.
102-49 Changes in reporting		Sustainability Report 2020 restructured in line with the new strategy, exclusively ad-hoc additions to the content.
102-50 Reporting period		1 January 2020 to 31 December 2020.
102-51 Date of most recent report		April 2020.
102-52 Reporting cycle		Annually.
102-53 Contact point for questions regarding the report		Raiffeisen Switzerland, Corporate Responsibility & Sustainability, nachhaltigkeit@raiffeisen.ch .
102-54 Claims of reporting in accordance with the GRI standards	Annual Report, p. 48	This report was prepared in accordance with the GRI standards using the "comprehensive" option.
102-55 GRI content index		This document.
102-56 External assurance		No other external assurance was provided. A qualified external partner was brought in to help develop the 2018 report. The GRI materiality disclosures service was also used for the 2018 GRI content index, which this index follows closely.

Material disclosures

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
Series 200 (Economic disclosures)		
Economic performance		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 51 – 52	
103-2 The management approach and its components	Annual Report, p. 51 – 52	
103-3 Evaluation of the management approach	Annual Report, p. 51 – 52	
GRI 201: Economic performance (2016, FSS requirements for EC1, 2013)		
201-1 Direct economic value generated and distributed	Annual Report, p. 52	Omission: 201-1 b, not applicable, Raiffeisen transacts almost all of its business in the Swiss market.
201-2 Financial implications and other risks and opportunities due to climate change	Annual Report, p. 51	In addition, Disclosure in line with the TCFD in this document, p. 8–9.
201-3 Defined benefit plan obligations and other retirement plans	www.raiffeisen.ch/pensionskasse/de/service/publikationen/jahresberichte.html (German) Annual Report, p. 55 – 56	
201-4 Financial assistance received from government	Annual Report, p. 51	
Anti-corruption		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 50	
103-2 The management approach and its components	Annual Report, p. 50	
103-3 Evaluation of the management approach	Annual Report, p. 50	
GRI 205: Anti-corruption (2016)		
205-1 Operations assessed for risks related to corruption	Annual Report, p. 50	
205-2 Communication and training about anti-corruption policies and procedures	Annual Report, p. 50	In addition, members of the Board of Directors of Raiffeisen Switzerland receive an annual report on legal and compliance topics. This is where corruption issues would be addressed. Omission: 202-5 (more detailed information): not available, will be disclosed by 2021.
205-3 Confirmed incidents of corruption and actions taken	Annual Report, p. 51	
Series 300 (Environmental disclosures)		
Emissions (GHG)		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 58 – 59	
103-2 The management approach and its components	Annual Report, p. 58 – 59	
103-3 Evaluation of the management approach	Annual Report, p. 58 – 59	In addition, Disclosure in line with the TCFD in this document, p. 8–9.

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
GRI 305: Emissions (GHG) (2016)		
305-1 Direct (Scope 1) GHG emissions	Annual Report, p. 59 – 60	In addition, the disclosures cover the following greenhouse gases (GHG) from the Greenhouse Gas (GHG) Protocol (or Kyoto Protocol): carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF ₆) and nitrogen trifluoride (NF ₃). There are no biogenic emissions. The base year is 2012, which is when Group-wide data collection and modelling began. Changes in the SAP evaluation method and the sale of several subsidiaries (Vescore, Notenstein La Roche, various companies with small energy footprints) required a recalculation of emissions in the 2012 baseline year. The ecoinvent 3.1 factors are used to calculate the global warming potential. Consolidation is based on the operational control approach. The calculation used VfU indicators of 16.11.2015 – VfU indicators 16.11.2015 – Version 1.0 of the 2015 update with greenhouse gas conversion factors from ecoinvent 3.1.
305-2 Energy indirect (Scope 2) GHG emissions	Annual Report, p. 59 – 60	In addition, see 305-1.
305-3 Other indirect (Scope 3) GHG emissions	Annual Report, p. 59 – 60	In addition, see 305-1. The disclosures included transports of precious metals and banknotes based on settlement amounts (expenses, charges) and paper consumption.
305-4 GHG emissions intensity	Annual Report, p. 59 – 60	In addition, see 305-1. The parameter used for the calculation is full-time equivalents (FTEs). All the emissions included in Scope 1 to 3 were used for the calculation: building energy (electricity, heat), business travel (passenger and freight), fresh water and paper.
305-5 Reduction of GHG emissions	Annual Report, p. 59 – 60	In addition, see 305-1.
305-6 Emissions of ozone-depleting substances (ODS)		Omission: Not applicable, material topic is CO ₂ emissions.
305-7 Nitrogen oxides (NO _x), sulphur oxides (SO _x) and other significant air emissions		Omission: Not applicable, material topic is CO ₂ emissions.

Series 400 (Social topics)

Training and education

GRI 103: Management approach (2016)

103-1 Explanation of the material topic and its boundaries	Annual Report, p. 42 – 43	
103-2 The management approach and its components	Annual Report, p. 42 – 43	
103-3 Evaluation of the management approach	Annual Report, p. 42 – 43	

GRI 404: Training and education (2016)

404-1 Average hours of continuing education per year per employee		Omission: not available (due to COVID-19 and working from home predominantly online and therefore not recorded).
404-2 Programmes for upgrading employee skills and transition assistance programmes	Annual Report, p. 42 – 43	
404-3 Percentage of employees receiving regular performance and career development reviews	Annual Report, p. 43	

Diversity and equal opportunity

GRI 103: Management approach (2016)

103-1 Explanation of the material topic and its boundaries	Annual Report, p. 40	
103-2 The management approach and its components	Annual Report, p. 40	
103-3 Evaluation of the management approach	Annual Report, p. 40	

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
GRI 405: Diversity and equal opportunity (2016)		
405-1 Diversity of governance bodies and employees	Annual Report, p. 40, 41	
405-2 Ratio of basic salary and remuneration of women to men	Annual Report, p. 109	Omission: Results broken down by category are confidential (data available for Raiffeisen Switzerland, more detailed information following the next data collection, presumably 2022)
Marketing and labelling		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 56	
103-2 The management approach and its components	Annual Report, p. 56	
103-3 Evaluation of the management approach	Annual Report, p. 56	
GRI 417: Marketing and labelling (2016)		
417-1 Requirements for product and service information and labelling	Annual Report, p. 56	
417-2 Incidents of non-compliance concerning product and service information and labelling	Annual Report, p. 57	
417-3 Incidents of non-compliance concerning marketing	Annual Report, p. 57	
Protecting client data		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 57	
103-2 The management approach and its components	Annual Report, p. 57	In addition, the information security management system (ISMS) includes an instruction and control system with technical and organisational measures to protect (client) data. In addition to the general level of protection, the internal regulations and processes of the Raiffeisen Group define explicit and risk-based actions to protect client data.
103-3 Evaluation of the management approach	Annual Report, p. 57	
GRI 418: Protecting client data (2016)		
418-1 Substantiated complaints concerning breaches of client privacy and losses of client data	Annual Report, p. 57	
Socioeconomic compliance		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 50	
103-2 The management approach and its components	Annual Report, p. 50	
103-3 Evaluation of the management approach	Annual Report, p. 50	
GRI 419: Socioeconomic compliance (2016)		
419-1 Non-compliance with laws and regulations in the social and economic area	Annual Report, p. 51	

GRI standard	Pages/URL	(Additional) information, omission (incl. reasoning)
Financial services sector supplement		
Product portfolio		
GRI 103: Management approach (2016, including FSS requirements, product portfolio FS 1 to FS 5, 2013)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 53 – 54	
103-2 The management approach and its components (including FS 1 to FS 5)	Annual Report, p. 53 – 54	Omission: more specific information not available (will be disclosed by 2021)
103-3 Evaluation of the management approach	Annual Report, p. 53 – 54	
Product portfolio (FSS requirements, product portfolio FS 6 to FS 8, 2013)		
FS 6 Composition of the portfolio in percentages	Annual Report, p. 55	
FS 7 & FS 8 Products and services designed to deliver a specific social/environmental benefit	Annual Report, p. 55	
Active ownership		
GRI 103: Management approach (2016)		
103-1 Explanation of the material topic and its boundaries	Annual Report, p. 54	
103-2 The management approach and its components	Annual Report, p. 54	
103-3 Evaluation of the management approach	Annual Report, p. 54	
Active ownership (FSS requirements, active ownership FS 10 and FS 11, 2013)		
FS 10 Percentage and number of companies held in the institution's portfolio with which the organisation has interacted on environmental or social issues		Omission: not available (will be disclosed by 2021)
FS 11 Percentage of assets subject to positive and negative environmental or social screening	Annual Report, p. 55	

Disclosures according to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) – handling of climate-related risks and opportunities

Governance

The organisation's governance in relation to climate-related risks and opportunities

Raiffeisen Switzerland is responsible for strategy and risk management at the Group level, including strategic sustainability considerations and the associated risks and opportunities. This explicitly encompasses the consideration of sustainability factors in risk management and includes risk drivers such as climate change. Raiffeisen Switzerland's Board of Directors sets and monitors guidelines on sustainability issues, which are implemented by Raiffeisen Switzerland's Executive Board with the support of all relevant departments. The "Corporate Responsibility & Sustainability" unit, which reports to the Chairman of the Executive Board, assumes overall coordinating responsibility, is responsible for strategic issues, provides leadership and acts as a key point of contact for operational issues relating to environmental, social and governance (ESG) topics, focusing on climate change at present.

Strategy

Material impact of climate-relevant risks and opportunities on business, strategy and financial planning

The Raiffeisen 2025 strategy focuses on the retail business and the Swiss market. It contains a clear commitment to sustainability. In October 2020, Raiffeisen Switzerland's Executive Board adopted a strategic sustainability framework that bases its "Net zero by 2050" and "Net zero in operations by 2030" goals on this commitment. By the end of 2021, Raiffeisen will set science-based climate targets and define climate measures for operational implementation.

As part of this business focus, Raiffeisen is deliberately setting priorities to take advantage of opportunities arising from increased awareness of climate change and to actively minimise potential risks, especially in the medium to long term. In home financing, for example, Raiffeisen sets great store on raising clients' awareness of opportunities for energy efficiency upgrades. Raiffeisen also continues to strengthen its range of designated sustainable and climate-compatible investment and retirement products.

Since Raiffeisen's business focus is Swiss retail business, climate change mainly affects credit risk through the high weighting given to lending activity. Raiffeisen currently estimates the overall potential damage to be very low in the short term and low in the medium to long term. The business strategy is considered fundamentally resilient to climate change:

- In mortgage business, increased physical risks would not increase defaults in the short term due to the de facto duty to obtain building insurance (including against natural disasters) in Switzerland. In the medium to long term, regions with increased losses would be faced with declining property values alongside rising insurance premiums and specific design specifications for new buildings that could increase construction and operating costs. However, the portfolio would not be significantly affected due to the focus on the Swiss market and the broad regional diversification. With a view to transition risks, factors such as a high CO₂ tax or ambitious limits could drive up operating costs or tighten investment requirements, which could also lower property values and increase default rates under certain circumstances. However, Switzerland's political system of direct democracy makes the adoption of drastic climate regulations that could significantly influence property values or affordability in mortgage business

By the end of 2021, Raiffeisen will set **science-based climate targets** and define climate measures.

quite unlikely. Plus, according to an externally commissioned study, the buildings financed by Raiffeisen have a slightly below-average emissions intensity and would therefore not be overly affected by any such regulations.

- In the corporate clients business, physical risks can cause direct damage to operating buildings and equipment and result in business interruptions and consequential costs. Although some of the damage can be insured, non-existent or limited insurance cover or underinsurance could affect debt serviceability in isolated cases. However, the restricted local focus and smaller volume compared to mortgage business mean that only a small part of the portfolio would be affected.

Raiffeisen does **not finance companies** that **extract fossil fuels** or **operate coal-fired power plants**.

With respect to transition risks, Raiffeisen has a relatively low exposure to emission-intensive sectors in its corporate clients business. Very few corporate loans go to companies in particularly emission-intensive sectors (electricity generation, road freight, airborne transport, waterborne transport, cement, lime and plaster production, metal production and metalworking) according to initial NOGA code-based surveys. The figure is only 0.6% after excluding electricity generation, which emits relatively little CO₂ in Switzerland. Raiffeisen does not finance companies that extract fossil fuels or operate coal-fired power plants. Raiffeisen would therefore feel little impact from a higher default rate in emission-intensive sectors.

- Transition risks may affect the market values of investments in equities and bonds controlled by Raiffeisen (Raiffeisen investment and retirement products, asset management and proprietary investments). However, an emission intensity analysis of investments in equities and corporate bonds initiated by the Federal Office for the Environment and the State Secretariat for International Financial Matters showed that Raiffeisen is only marginally invested in these sectors, and the potential losses in market value would have a very small impact.
- In terms of operational risks, climate change can initially manifest itself through increased physical risks, such as building damage or business interruptions, and through new regulations related to the transition to a climate-friendly financial system. These threats are actively managed through comprehensive operational risk management and business continuity management.
- With regard to reputational risk, expectations for sustainable business practices grow with the increasing awareness of clients and market participants, which may lead to negative business performance if expectations are disappointed. Raiffeisen sees its reputational risk due to its explicit strategic focus on sustainability as limited.

Managing climate risks

Identification of climate risks, assessment and management

Raiffeisen has a comprehensive risk management framework in place that is not only based on common best practices but also meets the regulatory requirements for an institution of Raiffeisen's size and complexity. The physical and transition risks associated with climate change and other ESG risks are not mapped as a separate risk type but as risk drivers for existing risk types and are integrated into the existing risk framework as such. Raiffeisen has taken the first concrete measures in this regard in 2020 and will continue to drive integration forwards in 2021:

- Risk management uses three lines of defence. The front-office units form the first line of defence. Raiffeisen Switzerland's Risk & Compliance department forms the second line of defence and is advised by "Corporate Responsibility & Sustainability" as the coordinating specialist unit for sustainability and ESG. Internal Auditing forms the third line of defence.
- The risk strategy defines the key aspects for risk management on the basis of the business strategy and is operationalised by the Raiffeisen Group's risk appetite and risk policy. Environmental changes and climate change are explicitly considered as potentially relevant risk drivers according to risk policy.
- The risk register was subjected to a detailed qualitative analysis with regard to the effect of climate change on the existing risk types and supplemented with climate-related risk drivers and transmission pathways.
- This analysis forms the basis for scenario calculations in 2021. This will generate initial estimates of the potential losses associated with climate risk and concrete starting points for the further development of quantification methods. Climate risk analyses are not currently part of internal risk reporting. Reporting will be enhanced in 2021 as a result of the steps listed above.

Risk management uses **three lines of defence**.

Metrics and targets

Material information for assessing and managing relevant climate-related risks and opportunities

Raiffeisen focused on qualitative factors when **assessing climate risks and opportunities.**

In 2020, Raiffeisen focused mainly on qualitative aspects in the assessment of relevant climate-related risks and opportunities and carried out isolated quantitative analyses. This produced an initial framework that will be refined and strengthened in 2021, laying the groundwork for broader disclosure. The metrics used thus far have been, in particular, exposure to highly emission-intensive sectors in the corporate lending business and in equities and investment bonds, the CO₂ intensity of the mortgage portfolio, and CO₂ emissions from the operation of building infrastructure and business travel (see the management report on sustainability).

UNEP Principles for Responsible Banking

Raiffeisen signed up to the UNEP Principles for Responsible Banking in **2021**.

In 2020, Raiffeisen decided to sign up to the UNEP Principles for Responsible Banking. The six principles are already largely part of the strategic sustainability framework that Raiffeisen defined in 2020. The following section shows where the principles are already reflected in disclosure today. Raiffeisen intends to strengthen disclosure further in the years ahead based on the UNEP Principles for Responsible Banking.

Principle 1: Alignment

Raiffeisen will align its business strategy to be consistent with and to contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement and other relevant national and regional frameworks.

References

- Strategy 2021, Annual Report p. 11 – 15
- Important events, Annual Report p. 6 – 7
- Facts&Figures, Annual report cover page
- Sustainability: Strategy, Annual Report p. 45 – 47

Principle 2: Impact and target setting

Raiffeisen will continuously increase its positive impacts while reducing the negative impacts on, and managing the risks to, people and the environment resulting from its activities, products and services. To this end, Raiffeisen will set and publish targets where it can have the most significant impacts.

References

- Sustainability: Strategy, Annual Report p. 45 – 47
- Sustainability: Strategic goals: Annual Report p. 48

Principle 3: Clients and customers

Raiffeisen will work responsibly with its clients and consumers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

References

- Sustainability, clients: Annual Report p. 56
- Sustainable products and services, Annual Report p. 53

Principle 4: Stakeholders

Raiffeisen will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve social goals.

References

- Stakeholders, Annual Report p. 49

Principle 5: Governance and culture

Raiffeisen will implement its commitment to these principles through effective governance and a culture of responsible banking.

References

- Governance, Annual Report p. 48, 81 – 100
- Observe the legal framework, Annual Report p. 50 – 51
- Sustainable products and services, Annual Report p. 53 – 54
- Contain climate change, Annual Report p. 57 – 59

Principle 6: Transparency and accountability

Raiffeisen will review its individual and collective contributions to the implementation of these principles and ensure transparency and accountability for its positive and negative impacts on as well as its contributions to social objectives.

References

- Transparent reporting, Annual Report p. 49 – 50
- Sustainability strategy: Annual Report p. 45
- Strategic sustainability goals, Annual Report p. 48

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Annual reporting

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