

The Farsight Award 2010/11 PRESS RELEASE

Bank Sarasin receives the Farsight Award 2010/11 for their outstanding report “The World in a Dilemma between Prosperity and Resource Protection”

On Thursday 3 February 2011, the Farsight Award 2010/11 was presented to Adam Frost, representing Bank Sarasin at the Sustainable City Awards ceremony at Mansion House.

London, 4 February 2011 - The Farsight Award is one of 12 award categories in the Sustainable City Awards sponsored by the City of London Corporation. It is supported by Gresham College, Universities Superannuation Scheme, Z/Yen Group and the London Accord. The objective of the Farsight Award is to honour the best individual piece of analysis by an investment research institution that integrates traditional financial analysis with longer-term environmental social and governance (ESG) issues such as climate change, resource scarcity, fair trade, corporate governance and human capital. The award is a ‘Man Booker’ Prize for the ‘best read’ in long-term research.

The judges convened in December 2010 to discuss over 34 reports. They were extremely pleased by the high quality of the research submitted and by the wide range of ESG issues explored. After a heated discussion, the judges reached the following decision:

- ◆ Winner of The Farsight Award 2010/11 : Bank Sarasin for the report “The World in A Dilemma between Prosperity and Resource Protection”
- ◆ Highly commended entrants:
 - JP Morgan for the report “Shedding Light on Microfinance Equity Valuation: Past and Present”
 - UniCredit Group for the report “The Halo’s Creed”
- ◆ Two entrants were shortlisted:
 - Deutsche Bank for the report “Hard to Credit: Offset Use Again in the Spotlight”
 - Credit Suisse for the report “Electric Vehicles: Back to the Future”

“The World in a Dilemma between Prosperity and Resource Protection” (March 2010) was written by Balazs Magyar, member of the Sustainability Research team led by Eckhard Plinke at Bank Sarasin in Basel, Switzerland. In the context of growing depletion of natural resources, this report provides an attempt to rate countries according to their resource availability and productive efficiency in order to identify how countries’ credit standing will be affected in the long term. The report can be downloaded via the link below:

http://www.london-accord.co.uk/index.php?option=com_content&view=article&id=231&Itemid=61

The judges found Bank Sarasin’s report to reflect “a very interesting but also extremely ambitious effort” and felt it “sent an important message to economists of all governments about how growth cannot be decoupled from sustainability”.

Bank Sarasin received a trophy yesterday and will also be given a lecture opportunity with Gresham College as well as receiving recognition from the London Accord community – www.london-accord.co.uk.

In addition to the distinction of winning the Farsight Award, and in recognition of its integrated approach to sustainability across its corporate policies and banking activities, Bank Sarasin was proclaimed the **Sustainable City Awards 2010/11 overall winner**.

The criteria for the Farsight Award are originality; quality; readability and clarity; sophistication and depth; and financial usefulness. For this year’s competition the judges evaluated 34 reports

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shared with the London Accord during the preceding 12 months, all of which are accessible free of charge on the London Accord website. Reports entered in 2010/2011 considered a wide range of topics including microfinance, resource scarcity, carbon emissions trading and clean technologies.

The judging panel for the Farsight Award 2010/11 comprised:

- ◆ Alice Chapple, Director of Sustainable Financial Markets at Forum for the Future;
- ◆ Melissa Brown, Managing Director, IDFC Capital;
- ◆ Professor Gwen Griffith-Dickson, Director, The Lokahi Foundation;
- ◆ Simon Mills, Principal Policy Officer for Sustainable Development, City of London Corporation;
- ◆ Jan-Peter Onstwedder, Head of Portfolio & Risk, 3i
- ◆ Professor Avinash Persaud, Chairman of Intelligence Capital Limited;
- ◆ Pierre Stiennon, Senior Financial Analyst - Responsible Investment, AXA Investment Managers;
- ◆ Professor Michael Mainelli, Executive Chairman of Z/Yen Group Limited, who also chaired the panel of judges.

Professor Michael Mainelli said: “The judges were particularly pleased this year with the continuously improving quality of submissions, especially two positive trends. The first was that environmental, social and governance (ESG) studies now encompass much more than climate change. The second was that firms are attempting to integrate ESG into their overall investment methodologies. If these trends continue, Farsight approaches to longer-term finance may soon predominate.”

Notes to Editors:



About Gresham College – www.gresham.ac.uk

Gresham College was founded by Sir Thomas Gresham in 1597 and is an independently funded educational institution supported by the Mercers’ Company and the City of London. Based in Barnard’s Inn, Holborn, in the centre of London, it has provided free lectures for the past 400 years delivered by its eight professors of astronomy, commerce, divinity, geometry, law, music, physic and rhetoric, and initiated the Royal Society. The lectures were established by Sir Thomas, a leading London merchant who founded the Royal Exchange, and are designed to engage Londoners in research and intellectual debate on matters which concern the city. Professors have included Robert Hooke, Sir Christopher Wren, Professor Colin Pillinger (Beagle-2 expedition to land a craft on Mars), renowned mathematician Sir Roger Penrose and Templeton Prize winner Professor John Barrow.



About USS – Universities Superannuation Scheme – www.ushq.co.uk

USS is the second largest pension fund in the United Kingdom and the principal pension scheme for UK universities, acting for 378 universities and academic institutions. It has more than £30 billion

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in assets, and approximately 250,000 members. USS has a commitment to long-term and active share ownership. To exercise this commitment, the fund has created a Responsible Investment (RI) team that works with its internal and external fund managers, and other market participants, on a range of extra financial issues such as corporate governance and corporate responsibility. USS has initiated and participates in a number of collaborative investor projects covering issues as diverse as climate change and the Pharma business model, to US corporate governance and executive remuneration.



About Z/Yen Group Limited – www.zyen.com

Z/Yen is the City of London's leading commercial think-tank, founded to promote societal advance through better finance and technology. Z/Yen 'asks, solves and acts' on strategy, finance, systems, marketing and intelligence projects in a wide variety of fields. Z/Yen activities include the development of an award-winning risk/reward prediction engine, which helped a global charity win a good governance award; and benchmarking transaction costs across global investment banks. Z/Yen produces a wide variety of research, including the Global Financial Centres Index.. Z/Yen creates and leads communities of interest, such as the London Accord with Gresham College and City of London Corporation; and more recently the Long Finance community, which engages with the question of how to create a sustainable financial system.



About the London Accord – www.london-accord.co.uk

The London Accord is the largest cooperative investment research group on environmental, social and governance (ESG) issues. To date over 40 contributors, most of whom are from the financial services sector, share their investment research on ESG with the London Accord. Over 150 reports are available free of charge on the London Accord website, thereby providing insights for policy-makers, entrepreneurs, innovators, NGOs and members of the public.

The London Accord acts as a nexus between the financial services industry and society to encourage long-term thinking on ESG issues. The London Accord is supported by the City of London Corporation, Gresham College, Universities Superannuation Scheme and Z/Yen Group.

About extra-financial issues

Academic analysis indicates that a substantive part of a company's value is related to its extra-financial performance or intangibles, often known as environmental, social and governance (ESG) issues. Extra-financial issues are best described as fundamentals that have the potential to impact on companies' financial performance or reputation in a material way; yet they are generally not part of traditional financial analysis. Current extra-financial issues include, but are not limited to, climate change, corporate governance, employment standards, human resources, executive remuneration, environmental and social areas and reputational risk.

FOR MORE INFORMATION on the Farsight Award:

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