



BROWN 
BROTHERS
HARRIMAN

ANNUAL STEWARDSHIP REPORT

2020

EXECUTIVE SUMMARY



LETTER FROM OUR MANAGING PARTNER BILL TYREE



“The concept of sustainability is constantly evolving, but what is constant is our commitment to doing the right thing for our employees, our clients, and the communities where we live and work.”

2020 was an extraordinarily important time to be focused on making a positive impact for our people, our communities, and our clients. Our second annual Stewardship report details our progress against our ten sustainability goals, during a time when we were all facing a pandemic, social justice movements across the world, environmental disasters, and unprecedented volatility in global markets. Perhaps more than anything else, 2020 highlighted the urgent need for all of us, together, to commit to creating a sustainable future.

In recent years, business leaders and investors have recognized that prioritizing environmental, social, and governance (ESG) initiatives

is critical for managing risk, attracting and retaining top talent, and adapting to the ever-changing marketplace. But the relationship between sustainability and business continuity was never more apparent than it was in 2020, when just operating our business meant changing everything about the way we work and live. That was hard enough, but we had to make those fundamental changes while delivering uninterrupted service to our clients, upgrading our business processes, and focusing on the physical, financial, and personal well-being of our nearly 6,000 employees.

Through all of this, BBH was able to transition 97% of our global workforce to remote working arrangements by late March of 2020, during

one of the most volatile markets on record, and with no major service disruptions for our clients. We kept our people safe; we kept our teams intact; and we supported our clients as they made similar work adjustments and later revisited their own values, investment objectives, and philanthropy.

Meanwhile, our employees rose to the occasion. They not only managed to do their jobs in extraordinary and stressful circumstances, in many cases they found ways to do things better. Our people met our client commitments, progressed major projects, supported each other, and developed new skills—all while balancing personal challenges brought on by the pandemic.

The circumstances that created so much disruption are absolutely tragic and we are only now beginning to see our way out. But 2020 was also full of silver linings and proved to be transformative for our business and a catalyst for how we plan to operate it going forward. As you'll read throughout this report, many of the policies and digital processes we put in place to cope with the "Doing Business during COVID" environment provide benefits—for our employees, clients, society, and the environment—and that's what we hope to carry forward.

While BBH made significant progress across all ten sustainability focus areas, the events of 2020 prompted us to lean into three related areas: employee well-being; diversity, equity, and inclusion; and community engagement.

Looking at Employee Well-Being from All Angles

We have always strived to encourage and help our employees live healthy, balanced, and fulfilling lives, and in 2020 we provided greater support for the growing complexity of our employees' needs. Our first priority was to see to the safety and health of our people. We acted quickly to move BBH employees out of the office, provide them with the technology and tools they needed, and offer additional flexibility to take care of themselves and their families.

We also zeroed in on personal well-being programming to help our employees learn to adapt in the face of adversity, trauma, or other significant sources of stress. Through our newly expanded BBH Assist program, employees and their families had easy and confidential access to increased mental health resources. Through virtual events, communications, and manager training, we sought to destigmatize mental health and offer employees multiple ways to connect with peers and feel supported by each other, managers, and the firm.

\$875K

BBH contributed an additional \$875,000 in support of our employees and their families who were impacted by COVID-19.

Prioritizing Diversity, Equity, and Inclusion

In 2020, the combination of a global health pandemic, racial injustice movements, and increased acts of hate shone a bright light on the socio-economic differences, accessibility gaps, and related challenges in achieving work-life well-being within our world. Our work related to diversity, equity, and inclusion has been extensive for decades, but notably, in 2020 we made a public commitment to increase Black representation in our U.S. offices by more than 50% by 2024. This is part of a broader goal of ensuring that 50% of our global workforce are women and 35% of our U.S. workforce are underrepresented groups. Overall, our principle is that the diversity of BBH's workforce should match the communities in which we live and the people who we serve.

Because what gets measured can be actively managed to get results, we launched an enhanced Self-ID program in 2020. This voluntary, confidential, self-identification

survey requests information from employees on identity, such as ethnicity, gender, sexual orientation, disability status, veteran status, and pronouns. The program launched in our U.S. offices in early 2021, and we are now in the process of introducing locally relevant Self-ID programs in Europe and Asia.

As we continue our journey, it's critical to understand that while data helps drive informed decisions, the lived experiences of those around us also help us understand the numbers. To support this effort, we increased education on cultural awareness and racial equity, and all assistant vice presidents and above attended inclusive leadership training. Together these activities encouraged us all to embrace the authenticity in each of us, show empathy and compassion, and embrace a range of communication and work styles to enable all team members to deliver their personal best.

Caring for the Communities that Sustain Us

Looking outside our BBH walls to the broader community in which we live and work, we maintained our support of long-standing partner agencies and increased financial support to organizations focused on issues related to COVID-19, or whose operations or fundraising were impacted because of the pandemic.

Although physical volunteer work was understandably limited, our employee-led volunteer groups got creative about lending their time and talent to those in need. With virtual channels, BBHers made an impact through skills-based volunteerism, such as by building websites, teaching financial literacy, reviewing résumés, and tutoring and mentoring children and young adults in underserved communities.

Taking a Portfolio Approach to Sustainability

While sustainability was front and center within BBH, businesses and investors across the board continued to shift their priorities as well. As private bankers and investment managers, we saw first hand how the events of 2020 accelerated interest in values-based planning and ESG investing. In 2020, we received 21% more



In addition to unlimited volunteer time through our BBHcares program, in 2020 we increased our annual paid time off to provide all employees one additional day to make an impact in their community to causes that matter most to them.

ESG-related request for proposal inquiries, building on a 33% increase experienced in 2019.

Just as we run our organization with a sustainable mindset, we manage our investment portfolios with a close eye to environmental, social, and governance practices. We believe that ESG isn't an investment category; it's a fundamental part of the investment process. In 2020, we further strengthened our commitment to ESG by becoming signatories in the United Nations Principles of Responsible Investment (PRI), which is an international organization that works to promote the incorporation of ESG into investment decision-making.

Mitigating Our Climate Impact

At the same time that we strive to understand our portfolio companies' environmental impact, we are looking to understand and minimize our own. As a services company, our biggest contribution to greenhouse gases is through the operation of our facilities and the travel of our employees. With most of our employees working from home in 2020, we saw an opportunity to make energy-efficient improvements in most of our locations. Some of these were immediate, such as reducing paper and single-use plastic. Others will come in time as we look to optimize our office space and rethink our business travel for what will likely be a more flexible work environment.



In 2021, we are looking to better measure our Greenhouse Gas (GHG) impact so we can map out a plan toward carbon neutrality.



Perhaps the biggest takeaway for 2020 is that sustainability is more than an objective. It's a mindset. It requires setting meaningful goals and integrating key programs and practices into our business, while constantly adapting to the changing needs and preferences of our stakeholders."

No doubt, adjusting to a virtual environment has been challenging, but the last year has shown that it's possible to both stay connected and be productive from afar. Looking ahead, we hope to build on this to better support our employees, clients, and other stakeholders by incorporating virtual communication and collaboration tools into our normal routines. In doing so, we think we cannot only improve employee quality of life and client outcomes, but we can also significantly reduce our environmental footprint in the process.

Perhaps the biggest takeaway of 2020 is that sustainability is more than an objective; it's a mindset. It requires thought and reflection, setting meaningful goals and making decisions. We will succeed when we integrate key programs and practices into our business and by constantly adapting to the changing needs and preferences of our employees, clients, and communities.

The following pages of this report provide a window into our sustainability focus areas and programs so that we can continue to hold ourselves accountable and refine our approach. Our intent is not just to help you, our stakeholders, understand how we think about sustainability, but also to create a platform through which we can learn and improve together. On behalf of all of BBH, I welcome your questions and ideas.

Sincerely,

William Tyree
Managing Partner

SUSTAINABLE BBH COMMITMENT

**OUR CLIENTS.
OUR PEOPLE.
OUR COMMUNITIES.**

BBH has been in business for more than 200 years. Sustainability—a steadfast commitment to long-term value and well-being—is core to who we are. We will steward that commitment well into the future—for our clients, our people, and our communities.

Global operations come with global complexities. Building long-term value demands resiliency and the disciplined management of evolving risks. We continue to ensure that our governance contributes to the strength and stability of our industry. And we commit not only to ensuring the positive impact of our own business, but also to examining and exerting our broader influence over our suppliers and investments.

OUR CLIENTS trust us every day with their investments, their operations, and their financial goals. To sustain their success in the long term, we must provide thoughtful and anticipatory solutions that align with their best interests and values. We must also do our part to ensure our clients can depend on the continuity, security, and stability of our operations—and the financial industry more broadly—over the long term.

OUR PEOPLE, the talented BBH team, must meet our clients' needs, striving for the highest standards of teamwork, integrity, and excellence. We, in turn, must cultivate innovation and performance by recruiting and supporting a diverse set of skills and perspectives, providing all BBHers with an inclusive environment that empowers them to contribute and succeed in their professional and personal lives.

OUR COMMUNITIES extend far beyond our office walls. We must do our share to minimize threats to a healthy planet and make a positive contribution to the communities in which we do business.

Ultimately, sustainability comes from running our firm responsibly and ethically, while contributing positively to our clients, our people, and our communities for generations to come.

GOALS



ESG Integration	Sustainable Investing	Cybersecurity	Business Continuity
<p>Engage and educate the market, our clients, and the firm on how we incorporate ESG factors in our proprietary investment strategies.</p>	<p>Help our Private Banking clients articulate and realize their vision for philanthropy, sustainable investing, and values-based planning, while leveraging BBH resources to support broader education and awareness around sustainable investing.</p>	<p>Continue to adapt cybersecurity practices in the face of an evolving threat landscape, enlisting every BBH employee in the effort to protect the privacy, intellectual property, and data of our clients, employees, and business partners.</p>	<p>Strengthen security, continuity, and connectivity through enterprise-wide incident response.</p>
Leadership & Technical Skills	Diversity, Equity, & Inclusion	Employee Well-Being	
<p>Invest in the leadership and technical skills our people need to be successful in an evolving global marketplace.</p>	<p>Advance diversity and equity at BBH, supported by a strong culture of inclusion, accountability, and employee engagement.</p>	<p>Support our employees' financial, physical, and personal well-being through robust educational program and resources that provide tangible benefits.</p>	
Environmental Responsibility	Community Engagement	Supplier Sourcing	
<p>Support environmental sustainability by reducing the carbon impact of our facilities and operations.</p>	<p>Increase the reach of our community engagement program, BBHcares.</p>	<p>Conduct comprehensive screening on ESG factors and Supplier Code of Conduct on material supplier contracts and renewals.</p>	

2020 HIGHLIGHTS



1,504

client attendees to
sustainability-related
virtual events



21%

increase in ESG-related RFP responses

81%

of AUM managed by PRI signatories



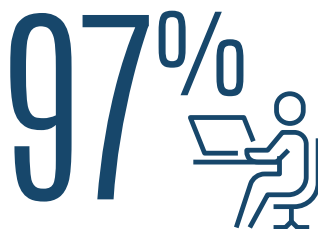
BBH Center for Women & Wealth

100%

of BBH Investment Management
investments evaluated with ESG criteria

1,500+

employee hours spent on
ESG training and education



of our workforce moved to
remote environments across
all office locations

25%

of new Capital Partners investments
in companies that are substantially
owned or led by a woman or BIPOC



51.4%

employee participation in
online well-being platform




BBH enhanced paid time off policies
for employees to bond with their children
and adapt to their new family dynamic

10 NETWORKS
65 CHAPTERS
banc

BBH Affinity Network Communities

51.5%
of new hires were female

40.6%
of new hires were people of color (U.S.)



INCREASED
TIME OFF

for cultural celebrations
and community service



86%
of employees attended voluntary
online and classroom learning



2,100 PARTICIPANTS
attended inclusive
leadership training



"BEST PLACE
TO WORK"




Distinctions:

- Diversity Best Practices Inclusion Index
- Disability Equality Index
- Human Rights Campaign Corporate Equality Index
- Best Employers Excellence in Health & Well-Being

320
employees who serve on
charitable boards



\$4.72M
• firm donations
• Employee Giving Campaign
• BBH Employee Relief Fund donations




129
STRATEGIC
CHARITABLE PARTNERS




3,000
employees used new community
service leave to serve their
communities in ways not offered
by the firm

83%
of total kWh consumption generated
by renewable sources or offsets



91%
of total spend is on
suppliers who meet
materiality threshold
for ESG screening

HONORS AND PARTNERSHIPS

SUSTAINABILITY PARTNERS

Signatory of:



WE SUPPORT



Since 2020 BBH has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, the environment, and anti-corruption.

DIVERSITY, EQUITY, & INCLUSION PARTNERS

30% Club
ABSL Poland
Ascend
CEO Action for Diversity and Inclusion
City Parents
Diversity Best Practices
Diversity Hub
FuSloN (Financial Services Inclusion Network)
LGBT Great
Management Leadership for Tomorrow (MLT)
Massachusetts LGBT Chamber of Commerce
New England Center & Home for Veterans
Open Finance
Out Leadership
Prospanica
Rock the Street
Veterans on Wall Street
Women in Finance Asia (WiFA)
Women in Technology International (WITI)
Work Without Limits

BEST PLACES TO WORK HONORS

Best Employers Excellence in Health & Well-Being
Diversity Best Practices Inclusion Index
Disability Equality Index
Human Rights Campaign Corporate Equality Index

CHARITABLE STRATEGIC PARTNERS

American Women's Club Luxembourg	Habitat for Humanity Hong Kong	United Way of Central Carolinsa
Aobihneas House Women's Refuge	Habitat for Humanity Newark	United Way of Delaware
Banque Alimentaire Luxembourg	Hoboken Shelter	United Way of Greater Nashville
Basis.Point	Marian College	United Way of Greater Philadelphia & Southern New Jersey
Big Brothers Big Sisters of Greater Boston	Ministry of Caring	United Way of Hudson County
Boston Partners in Education	New England Center and Home for Veterans	United Way of Massachusetts Bay
Box of Hope	New Eyes for the Needy	United Way of Metro Chicago
Boys Club of New York	New York Common Pantry	United Way of New York City
Brookview House	Playworks	Women Rising
Business in the Community Ireland	Project Linus	Wonderfund
Cappuchin Centre	Read Ahead	Zupa na Plantach
Caritas Croix Rouge Luxembourgeoise	Rock the Street Wall Street	
Children's University	Rosie's Place	
Communtty Foodbank of New Jersey	Saoirse Women's Refuge	
Dzielo Pomocy Dzieciom (Children's Aid)	St. James Settlement	
Envision	Stemm vun der Strooss	
Focus Ireland	Sunshine Action	
Food Bank of New York City	Szlachetna Paczka	
Futures & Options	The Bowery Mission	
Generating Genius	The Childhood Trust	
God's Love We Deliver	Trussel Trust	
Habitat for Humanity Greater Boston	Two Together	



Making an impact for
generations to come.

Thank you for reading our report.

We welcome your thoughts and observations
as we believe feedback and accountability are
key to our progress.

www.bbh.com/sustainability

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