

Vontobel

Chapter of the Annual Report

2020

Corporate Responsibility & Sustainability



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## Corporate Responsibility & Sustainability

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\* Page numbering is according to the  
Vontobel Annual Report 2020

# Foreword

## Vontobel delivers a further broad-based improvement in its sustainability performance

Vontobel recognizes its responsibility to actively contribute towards building a more sustainable economy and society. In 2020, our company delivered a further broad-based improvement in its sustainability performance and once again embedded the topic of sustainability in its 2022 business strategy; we achieved this in an environment that proved extremely challenging due to Covid-19.

At the Swiss Sustainable Funds Awards (SSFA), Vontobel was named “Best Swiss Asset Management Company”. With these awards, the jury recognizes the best asset managers and funds that demonstrate the greatest commitment to socially responsible investments (SRI). In 2020, Vontobel also once again achieved an above-average score from the “Principles for Responsible Investment” (PRI) for its sustainable investment strategies. In the 2020 reporting, our score was higher than average for five of the seven modules that were assessed. Vontobel has been a signatory to the PRI since 2010.

Our Swiss Equity Research Team now applies ESG criteria as an integral component of its analysis of Swiss equities. ESG stands for “environmental, social, governance”. Our analysts evaluate the sustainability performance of businesses and incorporate their assessment into their price target for the shares of the respective companies.

In 2020, we put our investment solutions to the test from an ESG perspective. In this context, we defined two sustainable product categories: “Integrated ESG” and “Sustainable”. The funds and mandates that are part of our Quality Growth Strategies are now included in “Integrated ESG” assets. As of December 31, 2020, these two product categories comprised a total of CHF 126.5 billion.

To mark the 20th anniversary of the UN Global Compact, I joined other CEOs in signing the “Statement from Business Leaders for Renewed Global Cooperation”. In doing so, we pledged to uphold principles relating to the elimination of systemic inequalities and to partnering with the UN, government and civil society. Through this initiative, we also call on governments to protect human rights, create an enabling environment to serve the interests of people and planet, and combat corruption.

In 2020, Vontobel signed up to an initiative launched by CDP together with the World Resources Institute, the UN and WWF. The initiative calls on 1,800 companies to set

Science Based Targets in line with the 1.5-degree climate goal and it is supported by almost 140 financial institutions globally. As a CDP signatory, we reported according to the new methodology for financial services providers for the first time in the year under review, with a focus on financed emissions.

Vontobel also joined the Global Impact Investing Network (GIIN) in 2020. GIIN is a global organization supporting impact investing and it is committed to increasing its global scale and effectiveness. Through our membership of GIIN, we can engage in a dialogue with specialists around the world who are active in this rapidly growing market. We are primarily interested in expanding the area of Impact Investing with listed equities.

At Vontobel, we consider it important for our employees to be able to effectively combine their professional and family life. Vontobel has therefore introduced extended leave for parents: We have increased the amount of paternity leave granted from five days to four weeks, while the maternity leave offered to new mothers totals six months, irrespective of their number of years of service. With these new arrangements, Vontobel far exceeds the statutory minimum requirement and is thus contributing to social sustainability.

As part of our overarching project to perform a scenario analysis based on guidance from the Task Force for Climate-related Financial Disclosure (TCFD), we have decided on the methodology that we want to use in future to measure our climate risks and opportunities. Further, in connection with the project relating to the “EU Action Plan for Sustainable Finance”, we have defined the strategy that we will use to measure and report the financial risks of climate change in the future. We are also playing an active role in industry associations to support efforts to strengthen the position of the Swiss financial center as a leading hub for sustainable investing.

Information about our latest projects and activities is available at: [www.vontobel.com/responsibility](http://www.vontobel.com/responsibility).



**Dr Zeno Staub**  
CEO Vontobel

# Sustainable Investing

## Product portfolio

### 103-1 Explanation of the material topic and its boundary

Vontobel has been committed to acting and investing in a value-oriented and farsighted manner for generations. As a pioneer in this field, we have been offering our clients a wide range of sustainable investment solutions since the 1990s.

The integration of environmental, social and governance (ESG) factors into our product and service portfolio is a key part of Vontobel's Sustainability Strategy as a globally operating financial expert. We regard the integration of these factors as an effective lever in order to foster the sustainable development of the economy and society. Our aim is for our clients to be able to contribute to sustainable development, generate financial returns and select investment themes that reflect their own values and investment objectives. Our four Client Units (Wealth Management, Asset Management, Platforms & Services, and Digital Investing) work together closely to help achieve this.

### 103-2 The management approach and its components

#### No investments in controversial weapons

All our investments have to fulfil certain minimum requirements. Cluster bombs and land mines are banned by international conventions. In 2011, Vontobel therefore approved Group-wide guidelines that prohibit investments in companies that manufacture these types of arms. Stringent processes ensure that no manufacturers of cluster bombs and land mines are included in our investment funds, discretionary mandates or investment recommendations.

Our guidelines on cluster bombs and land mines can be found here: [www.vontobel.com/principles-policies](http://www.vontobel.com/principles-policies).

#### Investment solutions

As a globally operating financial expert with a long track record in sustainable investing, Vontobel has a large offering for clients interested in this field. Our goal is to generate higher returns while reducing portfolio risk and to present our clients with investment opportunities that correspond to their values.

We focus on active asset management based on a multi-boutique model with independent centers of competence, highly specialized investment teams and dedicated ESG analysts. This organizational set-up allows us to align the boutiques' investment processes with the specific requirements of the respective asset classes and geographies and to pursue a clear investment philosophy. A universal ESG approach would not allow these different requirements and goals to be met. We therefore develop

specialized ESG strategies that are tailored to each investment strategy – enabling us to cover a broad range of client needs.

The ESG Investment Governance Committee is responsible for the coordination of the different sustainability-related investment strategies and the overarching principles and guidelines. Further, it advances ESG throughout the various investment teams at Vontobel. The Committee consists of representatives of all the investment boutiques and meets once each month. It reports to the Vontobel Asset Management Executive Committee.

In 2020, we put all our investment solutions – especially our sustainability-oriented solutions – to the test from an ESG perspective. In this context, we defined two sustainable product categories: “Integrated ESG” and “Sustainable”. Each boutique presented its investment solutions to the ESG Investment Governance Committee in order for them to be analyzed and categorized. Based on the ESG investment approach and investment philosophy, the Committee assigned the investment solutions to one of these two product categories.

In the case of “Integrated ESG” products, the focus is on analyzing ESG risks and communicating transparently how they influence our investment decisions. To gain a holistic view of companies and issuers, Vontobel – as an active manager – does not generally rely on a single source of information. We work with various leading providers of sustainability data, e.g. MSCI ESG or Sustainalytics, as well as with local or specialized ESG data providers. Our investment specialists also use their direct contact with companies to obtain additional ESG insights. See page 88 for further information about our active ownership activities.

Based on these sources of information and our own ESG research, we form our own opinion about companies and themes. Our ESG specialists are an integral part of our investment teams: They work together to develop processes and tools that are tailored to the specific goals of each strategy.

The continuous monitoring of ESG risks is also a key element of our risk management. Our ESG specialists and investment teams discuss current ESG risks during research meetings.

Finally, we assign a high level of importance to transparency. Our reporting methods are designed to provide an accurate account of our investment processes, to meet the needs of our clients, and to comply with applicable

regulations. We strive to make ongoing improvements to our reporting.

For “Sustainable” products, we additionally apply sector exclusions (e.g. tobacco, controversial arms, coal extraction) based on values and standards and we engage in an active dialogue with companies or other stakeholders and exercise our voting rights. All products in the “Sustainable” category meet these requirements. Some strategies go one step further, e.g. our Listed Impact solutions: They invest in companies that contribute to the sustainable development of the economy and society and capture the opportunities arising from this transition.

#### — Equities

Our equities solutions follow a clearly defined investment philosophy that is based on strong convictions. Environment, social and governance are important elements of our bottom-up approach.

The **Quality Growth strategies** invest with a long-term investment horizon, managing long only equity portfolios. The foundation to the investment approach is the “High Quality Growth at a Sensible Price” philosophy. The aim is to deliver returns based on long-term investments into solid businesses able to sustain stable rates of growth. Alongside growth, the approach aims to identify and understand ESG risks that underwrite the predictability of investment potential. ESG is seen as range of real world risks and opportunities where management choices can impact long term returns for investors. If a management is able to effectively balance the interests of its stakeholders (including customers, employees and the environment), the company should be better placed to achieve its potential for investors.

Within the investment process, Quality Growth takes a deep dive approach to research. The investment team has a broad set of backgrounds including three senior analysts with backgrounds in investigative journalism. Quality Growth considers its approach to stock ownership as Active Stewardship. Active Stewardship involves regular engagement with managements and other stakeholders to deepen the understanding of strengths and risks as they evolve over time. Engagements range from regular updates with management to those that can be elevated to senior management and the board of directors when concerns arise. Quality Growth exercises its votes independently in the way the team believes will best represent the interests of its investors, and represents a key element of Active Stewardship.

The **mtx strategies** are based on the belief that there is a strong positive correlation between improvements in a company’s return on invested capital (ROIC) and its share price. We focus on a limited number of stocks that are in the top quartile in terms of their ROIC and their industry ranking and are trading at a discount relative to their intrinsic value. For all assets managed according to the mtx strategies, we seek to examine whether ESG data is material to the alpha source of the investment strategy in a selected group of top-performing stocks and whether ESG performance can support ROIC. Central to this ESG integration approach is our in-house benchmark, the so-called minimum standard framework (MSF). Sector-specific MSFs with up to 25 material ESG factors with a possible influence on future cash flows help us evaluate both the companies’ ESG risks and opportunities. In 2020, we made new appointments to further strengthen the ESG analysts team.

For clients with a focus on Switzerland, the **Swiss Equities** team has been offering sustainable investment solutions for more than 15 years and has a broad range of strategies. When determining exclusion criteria and “best-in-class” approaches, analysts and portfolio managers work primarily with external sustainability rating agencies such as Inrate or Ethos (“Sustainable” product category). In the integrated approach, ESG criteria are an important component of the investment process. The analysts assess the company from both a financial and a sustainability perspective. Analysts define qualitative ESG information for all portfolio stocks – similar to the mtx approach – with ESG criteria being assigned different weightings depending on the sector. The team has one of the largest volumes of actively managed Swiss equities in the sustainable investing space.

Our **Listed Impact strategies** address global trends and challenges such as climate change, the scarcity of natural resources or urbanization based on a targeted approach. The solutions invest in companies whose products and processes have a positive impact on the environment. In this context, we take into account the entire life cycle of these products and processes, since the largest environmental impact often occurs while the product is in use. There are various ways to measure this. For example, we assess energy savings achieved as a result of innovative product developments or optimized processes, such as weight reductions in the area of transportation. Moreover, we have developed a method called “Potential Avoided Emissions” (PAE) together with the ISS ESG consultancy. This solution-oriented approach records the contribution that energy-efficient, climate-friendly products and services are expected to contribute to the reduction of CO<sub>2</sub>

emissions in the portfolio. When a company is being considered for possible investment, we look at financial as well as ESG criteria, its contribution to the achievement of the UN Sustainable Development Goals (SDGs) and the measurability of the positive impact generated using indicators defined by us. An Impact Calculator on our website shows the impacts of that investment on the environment, explains the Impact Report and provides details on the positive impacts that have been measured.

#### — Bonds

When investing in government or corporate bonds, we apply a series of sustainability approaches that meet a variety of client needs and take account of the characteristics of different fixed income market segments.

In **Fixed Income strategies**, ESG factors form part of the fundamental risk analysis for countries and companies. In terms of companies, we not only take account of financial data but also of ESG factors and assess their influence on credit quality and credit ratings. In the case of government issuers, our country analysis is based on macro data and political analysis as well as ESG factors, and we take account of their influence on a country's credit rating. We use the assessments of recognized ESG research agencies for this purpose and then take an in-depth look at critical ESG issues using our in-house capabilities and methodologies.

Our subsidiary **TwentyFour Asset Management** manages all portfolios using an ESG integration approach, where ESG factors are evaluated alongside traditional credit metrics in a proprietary ESG database. For the sustainable fund range ("Sustainable"), further negative and positive screening is applied beyond simple ESG integration. Negative screening excludes sectors such as tobacco, alcohol, controversial weapons, gambling, adult entertainment and carbon intensive energy. Positive screening means that investments are only made in companies that have ESG scores from our in-house scoring model that rank within the top two-thirds of potential scores.

Engagement is a key factor for credit investors who are unable to vote in the same way as shareholders. TwentyFour is convinced that active engagement enables it to influence the conduct of companies. Engagement activities are disclosed on the website and are discussed in regular client reporting. TwentyFour Asset Management LLP signed up to the UK Stewardship Code back in 2012.

#### — Multi Asset

Binding minimum ESG standards have applied to all underlying securities for all mandates managed by the **Global Balanced Solutions** team since 2018. In this context, we exclude certain arms manufacturers, thereby applying the exclusion lists of the Swiss Association for Responsible Investment (SVVK-ASIR) and Vontobel. Moreover, companies must satisfy a minimum standard in their ESG assessment. This approach excludes particularly high-risk securities, improves risk management, and allows for the structuring of more robust portfolios. We rely on the experience of our own ESG analysts, which is also recognized by external agencies.

The existing and proven best-in-class approach naturally remains a key pillar of our multi-asset offering for clients who wish to have a stronger sustainability focus. Here, companies in critical sectors must meet more stringent requirements. In addition, individual value-based exclusion criteria are applied in customized solutions.

The basic portfolio of the quantitative Multi Asset funds consists of bonds with a minimum ESG rating. The active positions are built using index investments. We observe the market for sustainable indices in this context and take account of relevant products with sufficient liquidity.

In the area of wealth management, our product range includes two dedicated sustainable portfolio management mandates. The first solution is a Multi-Asset mandate. This is a standard solution based on three sustainable investment strategies defined by Vontobel – Conservative, Balanced and Growth – and aligned with the client's risk profile. This mandate solution invests according to sustainability criteria via collective investment vehicles (funds and certificates) in the asset classes cash, fixed income and equities, and it is diversified across various sustainability approaches. Sound, long-term strategic asset allocation provides a robust basis for this mandate. We also cover "high conviction" themes (e.g. clean tech, water or healthy living).

The second mandate solution is an individual mandate that is tailored to the client's wishes regarding sustainability criteria, investment strategy, and the use of asset classes and financial instruments. A specialized portfolio management team is responsible for managing the mandates. Our relationship managers – together with the portfolio manager and sustainability experts – conduct personal consultations with clients to regularly discuss the performance of the portfolio in terms of financial returns and the generation of positive environmental and social impacts.

### — Structured Solutions

With its structured solutions, Vontobel ranks as one of the leading issuers in Switzerland and the rest of Europe. We actively offer various structured products that focus on sustainable themes. At the same time, our clients have the option of structuring individual products based on sustainable underlyings. When defining and implementing ESG criteria, we draw on the expertise of in-house specialists as well as external ESG ratings and ESG data providers.

In the case of theme-based, publicly offered investment products, the specific ESG approach is indicated in the term sheet. We offer these types of thematic ESG investment products via the online product platform “investerest”. In addition, products with sustainable underlyings now appear with the ESG logo in derinet and can easily be identified by interested investors using the relevant filter in the product search function.

Investerest allows us to offer products to a broad public via a central marketplace. Investors, for their part, can create customized products, rate and share them using various functions. investorest thus makes it possible to place sustainable products with a large community.

Our range of solutions include indices on themes such as climate change, hydrogen as an energy source, sustainability leaders, meat alternatives, the circular economy, diversity, etc.

The Aqua Index is especially worth mentioning. At the Swiss Derivative Awards, Vontobel won the award for best ESG product in 2020 with the index. The actively managed certificate aims to generate a positive environmental and social impact as well as an attractive financial return. Its strategy is to globally select companies offering commercial solutions to mitigate environmental and social problems such as water scarcity and water pollution. It also invests in attractive trend themes such as seawater desalination to increase the supply of drinking water or satellite-based water leak detection to reduce water waste. The index strategy is focused on niche players in combination with sector leaders in the area of water production and storage, water infrastructure and water efficiency.

For our Climate Impact Index, companies that help to combat climate change are selected. The products and services of these companies should primarily generate a positive impact. Further ESG criteria are taken account of.

With the Solactive Global Sustainability Leaders Performance Index, investors gain access to a dynamic index of

20 stocks that are selected semi-annually according to strict ESG criteria. The index also draws on the expertise of Sustainalytics, a leading and independent provider of sustainability analysis.

The Solactive Hydrogen Top Selection Index comprises 15 companies from industrialized nations whose business activities are related to hydrogen.

The actively managed certificate on the Power of Diversity II Index is devoted to diversity as a driver of innovation and the solidity of companies. This strategy focuses on companies that promote gender diversity (especially at Board of Directors and Executive Committee level), as well as diversity in terms of nationalities and generations.

### Investment advisory

In the area of investment advisory, we support our private clients when investing in equities, fixed income or collective investments that are in line with Vontobel Wealth Management’s sustainability approach and are the subject of buy recommendations by primary or secondary research providers as well as our in-house fund research team. In addition, our relationship managers can filter the investment universe according to fundamental analysis using a web-based tool in combination with the list of recommendations to identify sustainable stocks. This allows them to compile sustainable portfolios more efficiently and to provide our clients with appropriate advice about sustainable stocks. Since the fourth quarter of 2020, our team of analysts covering Swiss equities has fully integrated ESG criteria into their company valuations.

In the area of wealth planning (e.g. pensions), we offer our clients the opportunity to invest through cooperation partners in investment funds that combine the goals of capital preservation and capital growth with ethical, environmental and social aspects.

### Client communications

Our investors receive comprehensive information about the investment processes, ESG approaches and selection criteria of the individual funds and mandates based on the respective investment policy. Examples include methodology white papers, benchmark comparisons, impact reports (including CO<sub>2</sub> reporting) or impacts based on the UN Sustainable Development Goals (SDGs). We also provide ESG profiles and assessments for underlying individual positions.

Our ESG study “Drive positive change with ESG”, which we published in cooperation with Longitude (a Financial Times Group company) in 2019 – attracting a high level of

attention – was updated in 2020. More than 5,100 people from 16 countries in Europe, North and South America, Singapore and Hong Kong were asked about the topic of sustainable investing for the study. The findings revealed a significant knowledge gap among investors and showed that there is considerable untapped potential in the area of sustainable investing: 55% of the respondents were not even aware that it is possible to adopt an ESG approach to saving and investing. 64% believe that responsible companies generate better returns. In addition, 46% of the respondents expressed the wish to have more support and advice about sustainable investment themes from their financial service providers.

In 2020, we further strengthened our presence on communications channels such as the Internet, social media, newspapers and magazines in order to better inform our clients about sustainability and to foster a dialogue about developments in the field of sustainable investing.

The ESG campaign “Act ESG” launched in September 2020 coordinates various initiatives by the Client Units. Here, we invite our clients to explore the topic of sustainable investing and we show them how personal and financial values can go hand in hand.

As part of our series of “Insights & Trends” events in Switzerland and Germany – which took place via live streams since spring 2020 – we once again selected “sustainable investing at Vontobel” as a key theme alongside the current market outlook. This generated a lively discourse and met with a positive response from clients.

The “Wealth Management Expert Circle Sustainable Investing” provides a platform for regular dialogue about sustainability topics as part of the expansion of our range of client services. Through the discussion of new developments in the area of sustainability, the Expert Circle aims to ensure the transfer of knowledge within our organization and to create the basis to embed this topic within our client communications.

### Training

To increase the focus on sustainability and ESG topics among our relationship managers, Vontobel Wealth Management held internal road shows at selected branches and gave detailed presentations about our sustainability approach and related investment solutions.

In 2020, 65 people completed the Vontobel Curriculum for Relationship Managers. This training course, which was developed specifically for Vontobel Wealth Management, consists of four days of classroom learning as well as

around 25 hours of online training about topics such as finance, regulation, and advisory capabilities. A key component of the curriculum is the transfer of knowledge about sustainable investing and the broadening of our expertise in this field across the whole of Wealth Management.

On-the-job-training is an effective tool to expand and firmly establish knowledge about ESG themes within the investment teams: Through close daily collaboration between ESG analysts, financial analysts and portfolio managers, we foster the ongoing exchange of expertise. General developments in the field of ESG are discussed in research meetings. In addition, we regularly invite external specialists from our ESG research providers to come and share a new perspective on relevant topics.

Training courses on ESG strategies and general training about ESG themes are regularly integrated into mandatory global sales training.

In 2020, we once again presented sustainable investing as part of our First Week Entry Training for new employees in Wealth Management. This induction program, which lasts several days, introduces them to the company and is an ideal preparation for their demanding roles.

Since 2020, our Vontobel Academy has offered four e-learning modules from the industry association Swiss Sustainable Finance in English and German for all employees interested in completing further training.

### Outlook

In 2021, we will focus on expanding our advisory process and on broadening our range of internal and external sustainable investment solutions in the areas of portfolio management and investment advisory. We will also expand and deepen our training about the topic of sustainability for relationship managers.

As a Swiss wealth and asset manager, we will also continue to address the “EU Action Plan for Sustainable Finance” in 2021 and we are committed to working with our clients to master the resulting challenges and to capture the opportunities it creates.

Further information can be found on our website: [www.vontobel.com](http://www.vontobel.com).

**103-3 Evaluation of the management approach  
FS6 Percentage of the portfolio for business lines by  
specific region, size and by sector**

See pages 19 and 201–203.

**FS8 Products and services designed to deliver a  
specific environmental benefit  
FS11 Percentage of assets subject to positive and  
negative environmental or social screening**

IN BN CHF	2020	2019	2018
Sustainable	30.6	30.7	23.3
Integrated ESG	95.9	-	-
<b>Total</b>	<b>126.5</b>	-	-
<b>IN % OF AUM</b>			
Sustainable	13.9	15.4	13.6
Integrated ESG	43.7	-	-
<b>Total</b>	<b>57.6</b>	-	-

At 31.12.2020, Vontobel had a total of CHF 126,515 mn of assets under management invested according to sustainability criteria. In 2020, the reported product categories were redefined and the requirements governing existing products were tightened. At the same time, further investment strategies integrated ESG risk factors into their investment processes. There figures for the previous year are therefore only comparable with the current figures to a limited extent. Further information on this topic is provided in the “Investment solutions” section (page 83).

## Active Ownership

### 103-1 Explanation of the material topic and its boundary

Material ESG issues can impact the success of a company and consequently its capacity for future investments and growth. At Vontobel, we believe that voting and engagement can have a positive influence on a company’s values and behavior and strengthen its longer-term contribution towards building more sustainable economies and societies and protecting the environment.

### 103-2 The management approach and its components

#### Exercising of voting rights

Vontobel works with specialist research providers who support portfolio managers with their research and voting recommendations. However, the final decision is made by the portfolio manager in consultation with the relevant management company.

We exercise voting rights for our investment funds where possible. In the case of investments in the mtX and Listed Impact strategies, Vontobel has been working with Hermes Equity Ownership Services (Hermes EOS) since 2011. For the Quality Growth strategies, we use the services of Institutional Shareholder Services, Inc. (ISS). We also work with Ethos Services for other strategies.

The guidelines followed by Hermes EOS, ISS and Ethos have been reviewed and approved by Vontobel. Due diligence is also regularly performed on the services used. The proxy voting providers use their own research in order to issue recommendations to their clients on how they should exercise their voting rights. Our portfolio managers and analysts receive alerts of forthcoming shareholder meetings together with voting recommendations that are based on standardized proxy voting provider guidelines approved by Vontobel. Portfolio managers and analysts review the voting recommendations and if they agree with them, Vontobel votes accordingly. If they disagree because the standard recommendation does not match their in-depth knowledge of the company in question and its management, the analyst or portfolio manager can change the vote on an item on the agenda. This process ensures that we execute all of our voting obligations and that our analyst and portfolio managers retain the authority to personally make decisions in the interests of our investors.

Further information on the exercising of voting rights can be found at: [am.vontobel.com/sustainable-investing](http://am.vontobel.com/sustainable-investing).

### Engagement

We consider active cooperation with companies to be an essential part of sustainable investing. At Vontobel, we have both direct and indirect engagements.

As part of their fundamental research activities, our analysts and portfolio managers engage with the management of companies informally on relevant topics. ESG topics are not covered in all company reports or by all our research providers. We therefore carry out informal fact-finding engagements to better understand a company's sustainability performance and standards (e.g. its governance policies or environmental performance). This includes assessing the impact of its products and services on the environment – looking in particular at whether they can help to reduce or eliminate carbon emissions.

Through these engagements, we encourage companies to improve their risk management practices and ESG disclosures in general and to also report on the impacts of their products over their entire life cycle. For the Listed Impact strategies, a questionnaire was sent to all the companies in the investment fund in connection with our annual Impact Report. In the report, we outline our request for data for the nine environmental indicators in the Impact Report. More than 30 companies took the time to complete the questionnaire. As a result, we were able to update the environmental indicators based on the relevant data from the firms.

In addition to direct engagement activities, we also carried out indirect engagements for our mtx and Listed Impact strategies based on our partnership with Hermes EOS. Our collaboration with Hermes EOS strengthens our position because it facilitates our cooperation with other investors. This enables us to exert greater influence than our own investment volume would allow.

In 2020, Vontobel signed up to an initiative launched by CDP (formerly the Carbon Disclosure Project) together with the World Resources Institute, the UN and WWF. The initiative calls on 1,800 companies to set Science Based Targets in line with the 1.5-degree climate goal and it is supported by a total of 137 financial institutions globally.

### 103-3 Evaluation of the management approach FS10 Portfolio-based engagement on social or environmental issues

Each year, Vontobel publishes a Voting and Engagement Report ([www.vontobel.com/voting](http://www.vontobel.com/voting)), which provides examples of engagement. The report for 2020 will be published in mid-2021.

Further information on sustainable investing at Vontobel can be found at: [www.vontobel.com/sustainable-investing](http://www.vontobel.com/sustainable-investing).

# Economic Sustainability

## Economic Performance and Indirect Economic Impacts

### 103-1 Explanation of the material topic and its boundary

We assume our corporate responsibility by considering the needs of our clients and pursuing a risk-conscious approach while running our business successfully on a long-term basis. By doing so while complying with ethical business standards, we can make a contribution to the economy.

At Vontobel, we have a long tradition of social responsibility and of supporting the community. Our company is an integral part of the global economic system and we benefit from the excellent operating environment in our Swiss home market, with its high standards of education, good infrastructure, and political stability. We therefore have a responsibility to promote the welfare and stability of the communities in which we work, and we invest in a variety of initiatives and projects in this context.

### 103-2 The management approach and its components

As an employer and taxpayer and as an active participant in economic life – e.g. in our role as a purchaser and investor – we contribute to the creation of value at a regional level in the locations in which we operate. This includes the corporate taxes that we pay annually, as well as the payment of salaries and the provision of innovative and sustainable financial services for private and institutional clients. We also make a contribution through the efficient use of energy and resources, by serving communities, and by engaging in an active dialogue with the general public about the role of financial services providers.

Since 2004, our clients have been able to lend their support to a variety of projects focusing on social issues, culture, ecology, education or medicine through the Vontobel Charitable Foundation.

### 103-3 Evaluation of the management approach

#### 201-1 Direct economic value generated and distributed

Value creation increased by around 2% compared to the previous year, while taxes paid rose by more than 40%. The Board of Directors' confidence in Vontobel's strategy and its active capital management are demonstrated by the proposed dividend of CHF 2.25, unchanged from the previous year. Further information on the operating result is provided on page 112.

## Economic value distributed

CHF MN	2020	2019	2018
Value creation <sup>1</sup>	967.2	945.5	842.3
Taxes <sup>2</sup>	68.9	46.6	50.5
Dividend for the fiscal year <sup>3</sup>	127.1	126.5	117.7

1 Income less general expense and depreciation of property, equipment (incl. software) and intangible assets

2 Includes income tax, tax on capital and other taxes and contributions

3 As per proposal submitted to the General Meeting

### 201-3 Defined benefit plan obligations and other retirement plans

Information on pension and other employee benefit plans and benefit pension liabilities is provided in the tables on pages 146 and 164.

### 203-1 Infrastructure investments and services supported

In 2020, the Vontobel Charitable Foundation contributed a total of around CHF 552,500 of donations and sponsorship funding (2019: CHF 580,000). In the year under review, the Charitable Foundation supported initiatives including the project "Use of functional agro-biodiversity to improve ecosystem services in vineyards" run by the Research Institute of Organic Agriculture (FiBL), Frick. Further information: [www.fibl.org](http://www.fibl.org).

In addition, Vontobel donated a total of CHF 671,847 in the year under review (2019: CHF 276,091). Of this sum, a significant amount was donated to Winterhilfe Schweiz: As part of a holiday donation program carried out in spring 2020, for every vacation day that was taken in Switzerland during the first lockdown, CHF 25 was donated to a fund to support families hard hit by the corona crisis. We also made donations to the Swiss Climate Foundation and the International Committee of the Red Cross (ICRC). Our 2020 fundraising campaign supported the ICRC "Restoring Family Links" program.

## Anti-corruption

### 103-1 Explanation of the material topic and its boundary

We operate our business with a focus on maintaining the satisfaction and trust of our clients, as well as on protecting and building the wealth they have entrusted to us. These goals are to always be pursued in accordance with applicable laws, rules and regulations – especially when taking steps to combat terrorism and corruption.

**103-2 The management approach and its components**

Anti-corruption measures are an important part of our compliance system. Effective compliance forms the basis of our long-term success and is therefore a core aspect of our business. Vontobel takes comprehensive, state-of-the-art measures to ensure continuous compliance with laws and regulatory requirements. As part of our Group-wide risk analysis, teams of specialists regularly assess all our areas of business using appropriate compliance processes to ensure they are legally compliant.

One of the main areas of focus of our risk analysis is the identification of risks arising from money laundering or terrorist financing. The aim is to avoid business relationships that are used for money laundering or terrorist financing. In addition, we have a special process in place to monitor our relationships with politically exposed persons (PEPs). Material cases are discussed by participants at the monthly Legal & Compliance meeting, which is also attended by two members of the Executive Committee. In urgent cases, the Committee meets on an ad hoc basis or reaches decisions via circular letter. Legal and Compliance produce half-yearly compliance reports for the Executive Committee.

A key area of focus in adhering to our compliance requirements is the provision of employee training on relevant topics in the area of anti-corruption. All new employees have to attend an introductory compliance course that also addresses the subject of corruption. In addition, classroom training is carried out each year on specific topics within the Client Units. At departmental level, further training courses are offered to also address the handling of specific risks. Our objective is to provide training for all employees on an annual basis. These measures prevent breaches of internal and external rules and regulations. New employees are also issued with the Employee Handbook, which contains specific regulations and instructions, as well as the Code of Conduct. The most recent version of the Employee Handbook is available on the Intranet. All employees can access current and comprehensive policies at any time. They include the “Group policy on anti-corruption and the handling of gifts”, as well as the “Group policy on conflict of interest”.

**103-3 Evaluation of the management approach**  
**205-1 Operations assessed for risks related to corruption**

Our Group-wide risk management framework also addresses the topic of anti-corruption and covered all of our locations worldwide in the reporting year.

**205-2 Communication and training about anti-corruption policies and procedures**

In the year under review, 100% of all employees received information about our anti-corruption strategies and measures or received anti-corruption training.

**205-3 Confirmed incidents of corruption and actions taken**

There were no incidents of corruption involving employees at Vontobel in the year under review.

In the case of suspected breaches of legal or regulatory requirements, internal guidelines or ethical standards, a whistleblowing system is in place to allow employees to report these incidents anonymously. No such reports were made in 2020.

Further information on economic sustainability at Vontobel can be found at: [www.vontobel.com/economic-sustainability](http://www.vontobel.com/economic-sustainability).

# Environmental Sustainability

## 103-1 Explanation of the material topic and its boundary

Vontobel is committed to using processes that reduce the environmental impacts of our activities and help to protect the climate. For many years, we have engaged in various activities to protect the environment and are particularly committed to climate protection. Our stakeholders also expect this of us. The sparing use of resources, energy efficiency and the reduction of greenhouse gas emissions therefore have an important role to play in our operating processes. As a result of the more efficient use of resources, we are often able to generate an additional economic benefit in different areas.

## 103-2 The management approach and its components

Based on Vontobel's Sustainability Principles, the Vontobel Sustainability Committee defines the Sustainability Strategy and specific targets. This includes environmental and climate protection at Vontobel. The Committee, which is chaired by the CEO, meets on a quarterly basis. Its meetings are attended by representatives of the relevant Centers of Excellence and Client Units.

The business divisions and units have responsibility for the operational implementation of measures in the areas of environmental and climate protection. In particular, the Facility Management, Procurement, and Logistics units have an important role to play in this area.

Our Corporate Real Estate Strategy is linked to our Sustainability Strategy. When selecting and renovating office buildings, we systematically focus on environmentally friendly and energy-efficient measures to achieve energy savings. High energy standards and the good insulation of building envelopes are part of this approach. The use of energy-saving LED lighting is a standard feature of all our new and renovated office buildings. Wherever possible, we also install LED lighting in existing buildings in view of the massive reductions in electricity and maintenance costs that can be achieved. This form of lighting results in less waste that requires special disposal. Vontobel has been purchasing electricity from renewable sources for all of our locations globally since 2013 – either directly or otherwise indirectly through regional Guarantees of Origin. The indirect purchase of renewable energy in the form of regional Guarantees of Origin is the approach taken if it is not possible to directly purchase electricity from renewable sources. This is the case if, for example, Vontobel leases its offices in one location and cannot influence the electricity mix used in those premises. When purchasing Guarantees of Origin, we comply with the requirements of the CDP. It calls for the expansion of global capacity for the production of electricity from renewable sources.

Vontobel strives to conduct its own operations according to high environmental and social standards and we also expect our business partners to help protect the environment and to offer good employment conditions. These aspects are incorporated into our tendering process and serve as a guide when selecting suppliers. The relevant details are set out in Vontobel's "Guidelines for sustainable procurement". They address matters such as employment conditions, child labor and forced labor, environmental protection, and the prevention of corruption. These guidelines are available at [www.vontobel.com/principles-policies](http://www.vontobel.com/principles-policies) and form part of Vontobel's general purchasing guidelines.

Vontobel purchases a large quantity of products and services from external providers, including facility management services, IT infrastructure, and the design and production of printed materials, as well as catering and cleaning services. Wherever possible, we work with local suppliers to ensure that goods are transported over short distances. We are committed to building fair, long-term partnerships with our suppliers. We purchase fruit for our employees from a Swiss family-owned company, for example, and all of our print orders in Switzerland are awarded to Swiss printing companies. A major proportion of the advertising and Christmas gifts used throughout the company are also purchased from Swiss providers. In the reporting year, we continued the "One Two We" program introduced in our employee restaurant in 2013 and the related "One Climate Menu" launched in connection with the program. The aim is to offer more meals that mainly use seasonal produce and include fewer products that are transported by air and less meat, while making increased use of different types of cereals as an alternative to rice – thus reducing the carbon footprint in the food chain. The "Vegan Corner" was introduced this year. It is likely to be the first vegan buffet to be permanently available in an employee restaurant in Switzerland. The SV Group that operates the employee restaurant on behalf of Vontobel sends its chefs to Hiltl, the world's oldest vegetarian restaurant, for further training in this area.

Vontobel has been carbon-neutral since January 1, 2009 (Scope 1, 2 and 3). We offset the greenhouse gas emissions we produce each year by purchasing CO<sub>2</sub> emissions certificates to support projects that save the same volume of emissions. The Vontobel Sustainability Committee once again selected a climate neutrality project with a focus on rainforest conservation in 2020. Detailed information about the project is available at: [www.vontobel.com/environmental-sustainability](http://www.vontobel.com/environmental-sustainability). As a founding member of the Swiss Climate Foundation, we donate a significant proportion of our refunded CO<sub>2</sub> levy to the Foundation, which

then uses these funds to finance projects to improve the energy efficiency of small- and medium-sized companies. The projects supported by the Climate Foundation in 2020 included innovative solutions for more energy-efficient buildings as well as projects for long-term carbon capture in order to remove CO<sub>2</sub> from the atmosphere. Further information is available at: [www.vontobel.com/responsibility-news](http://www.vontobel.com/responsibility-news) and [www.klimastiftung.ch](http://www.klimastiftung.ch).

## Materials<sup>1</sup>

### 103-3 Evaluation of the management approach

#### 301-1 Materials used by weight or volume

#### 301-2 Recycled input materials used

	2020	2019	2018 <sup>2</sup>
<b>Materials (absolute)</b>			
Water (drinking water, m <sup>3</sup> )	29,053	24,006	16,137
Food (t)	111	103	96
Paper (t)	95	99	127
Proportion of recycled paper used	90%	93%	88%
<b>Materials (per full-time position)</b>			
Water (drinking water, l/FTE)	14,403	11,826	8,906
Food (kg/FTE)	55	51	53
Paper (kg/FTE)	47	49	70

1 Figures are based on the period from October 1 in the previous year to September 30

2 Excluding Notenstein La Roche

Measures to prevent the spread of the Covid-19 virus, such as regular and thorough handwashing under running water and the more frequent cleaning of business premises, led to an increase in water consumption. In addition, in June 2020, we moved into a new and larger building in Zurich that contributed to higher water consumption. Further, it is not always possible to clearly determine the amount of water supplied for each year of operations. We receive invoices at different times, depending on the water supplier.

Paper consumption was further reduced on both an absolute basis and per FTE in the year under review.

We moved into a new building at Genferstrasse 8 in Zurich during the reporting period and thus increased our capacity in the city center by around 170 workspaces. We were able to implement various environmentally relevant measures in cooperation with the building owner, such as energy-saving LED lighting and environmentally friendly heating and cooling systems that use water from the lake.

## Energy<sup>1</sup>

### 103-3 Evaluation of the management approach

#### 302-1: Energy consumption within the organization

#### 302-3: Energy intensity

#### 302-4: Reduction of energy consumption

	2020	2019	2018 <sup>2</sup>
<b>Energy (absolute)</b>			
Heat consumption (MWh)	3,180	3,570	2,298
Renewable energy consumption (MWh)	189	107	124
Electricity consumption (MWh)	6,818	6,863	6,183
District heating/cooling usage (MWh)	993	804	309
Total energy consumption (MWh)	11,180	11,343	8,914
Business travel (1,000 km)	8,619	18,387	20,103
<i>of which business flights (1,000 km)</i>	<i>8,068</i>	<i>16,955</i>	<i>18,720</i>
Commuting (1,000 km)	18,036	24,420	20,752
<b>Energy (per full-time position)</b>			
Total energy consumption (kWh/FTE)	5,542	5,588	4,919
Business travel (km/FTE)	4,273	9,058	11,093
<i>of which business flights (km/FTE)</i>	<i>4,000</i>	<i>8,352</i>	<i>10,330</i>
Commuting (km/FTE)	8,941	12,030	11,453

1 Figures are based on the period from October 1 in the previous year to September 30

2 Excluding Notenstein La Roche

After rising in 2019, total energy consumption remained virtually unchanged in the year under review, and we were able to increase the proportion of sustainable energy sources used.

In terms of environmental key figures, the measures taken to prevent the spread of Covid-19 had a significant impact on business travel in particular: Since almost no travel was possible in the second half of the reporting period (October 1, 2019, to September 30, 2020), air travel and commuting decreased substantially. Separately from this, we have been installing video-conferencing technology as a standard feature in all our meeting rooms globally for a number of years. These investments are being made specifically to allow our employees to hold meetings around the globe at any time. We benefited from these forward-looking investments in 2020.

## Emissions<sup>1</sup>

### 103-3 Evaluation of the management approach

#### 305-1 Direct (Scope 1) GHG emissions

#### 305-2 Energy indirect (Scope 2) GHG emissions

#### 305-3 Other indirect (Scope 3) GHG emissions

#### 305-4 GHG emissions intensity

#### 305-5 Reduction of GHG emissions

	2020	2019	2018 <sup>2</sup>
<b>Emissions (absolute)</b>			
Total greenhouse gas emissions (t CO <sub>2</sub> e)	5,103	7,953	7,915
Greenhouse gas emissions scope 1 (t CO <sub>2</sub> e)	781	939	543
Greenhouse gas emissions scope 2 (t CO <sub>2</sub> e)	356	293	112
Greenhouse gas emissions scope 3 (t CO <sub>2</sub> e)	3,966	6,720	7,260
of which business flights (t CO <sub>2</sub> e)	2,927	5,637	6,249
of which commuting (t CO <sub>2</sub> e)	413	408	418
<b>Emissions (per full-time position)</b>			
Total greenhouse gas emissions (kg CO <sub>2</sub> e/FTE)	2,530	3,918	4,367
of which business flights (kg CO <sub>2</sub> e/FTE)	1,451	2,777	3,448
of which commuting (kg CO <sub>2</sub> e/FTE)	205	201	231

1 Figures are based on the period from October 1 in the previous year to September 30

2 Excluding Notenstein La Roche

Since business travel has a large influence on our CO<sub>2</sub> footprint, our CO<sub>2</sub> emissions also decreased significantly during the reporting period. However, a proportion of commutes were made using motorized private vehicles instead of public transport – resulting in a much higher CO<sub>2</sub> footprint per kilometer.

It is essential to have a solid set of data in order to develop and implement environmental and climate protection measures in a targeted and effective manner. In the year under review, we achieved further improvements in data quality for various environmental key figures at our international locations.

Further information on environmental sustainability at Vontobel can be found at: [www.vontobel.com/environmental-sustainability](http://www.vontobel.com/environmental-sustainability).

# Social Sustainability

We define social sustainability as our responsibility as an employer and our comprehensive commitment to serving communities. Further information about our support for the International Committee of the Red Cross (ICRC) and other social commitments is available here: [www.vontobel.com/serving-communities](http://www.vontobel.com/serving-communities).

## Employment

### 103-1 Explanation of the material topic and its boundary

The skills and expertise of our employees are vital to Vontobel's long-term success. We are aware of the competition that exists for skilled employees: As a globally operating financial expert, Vontobel has to compete with major players and increasingly also with small new firms in our industry, both in our Swiss home market and internationally. We therefore want to offer our employees attractive employment conditions.

### 103-2 The management approach and its components

Corporate Human Resources, which reports to the Executive Committee, is responsible for positioning Vontobel as an attractive employer. Corporate Human Resources defines our Human Resources Principles, which are also set out in the Vontobel Employee Handbook and determine the objectives of our human resources and leadership processes and the measures taken to achieve them.

The Employee Handbook applies to permanent employees in Switzerland and is available on the Intranet. It contains comprehensive information about employment conditions, social benefits, training, compliance, and security guidelines. It is supplemented by internal policies that can always be accessed via the Intranet too. Locations outside Switzerland have their own employee handbooks, which are available on the Intranet.

Our measures to support employees include an extensive range of benefits:

- Holiday entitlement that exceeds the statutory requirement: Since 2016, our employees in Switzerland have had the option of purchasing a maximum of ten individual days of holiday in addition to their normal holiday entitlement.
- Employees can join collective agreements offered by health insurers at reduced rates together with their spouse or registered partner and their children.
- We offer an attractive share participation plan, mortgage products and attractive pension products at preferential rates.
- In the case of both maternity and paternity leave, the benefits that Vontobel grants to working parents go

beyond the statutory minimum requirements: Female employees in Switzerland are granted six months of maternity leave on full pay that can be taken on a fixed or flexible basis, depending on their personal needs. This benefit is granted irrespective of their number of years of service. Vontobel grants new fathers four weeks of paternity leave on full pay that can be taken as individual days or as one period of block leave.

- We have now launched a peer-coaching program for parents in collaboration with [parents@work](http://parents@work). The program supports working parents when they return to the workplace or helps them address the challenges of combining professional and family life. The coachees are supported by a colleague for a period of one year.
- For a number of years, we have been a member of kcc group ([globegarden](http://globegarden)), an organization that offers families complete childcare solutions.
- In Zurich, we offer lunches to employees free of charge in our staff restaurant.
- Wherever possible from an operational perspective, Vontobel endeavors to meet requests for part-time working arrangements from employees, including members of middle management.

In principle, part-time employees receive the same benefits as full-time employees. Different benefits apply in the case of temporary employees or staff who are available on an "on call" basis.

To increase the diversity of our workforce, we actively invest in various networks and cooperations, such as:

- [Fondsfrauen](http://Fondsfrauen)
- [Advance](http://Advance) (Gender Equality in Business)
- [Womenbiz](http://Womenbiz)
- [Data+Women](http://Data+Women)

Annual reports are submitted to the Executive Committee for the purpose of reviewing the targets and measures implemented in this area. They also serve as a control instrument.

In addition to the regular Group-wide Employee Surveys conducted in previous years, the Manager Survey (referred to as "upward feedback") that we conducted for the first time in 2019 was repeated in 2020. The results of this survey provide helpful input about the areas where managers have scope for further development as well as indicating where the organization as a whole can improve. To support the recruitment of talents and to strengthen our Employer Branding, Vontobel has created a Talent Acquisition team.

To intensify informal discussions and feedback within small groups across departmental and hierarchical boundaries, regular Skip Level Sessions (online and international) are organized by senior management.

The Vontobel Graduate Program (GTP) has been promoting the successful integration of young talents within our organization since 2011. This program has now been extended to all Centers of Excellence and Client Units for the first time and features a new design and program structure. When hiring new employees, we seek to foster diversity (nationality, gender) and look for candidates who think and act in an entrepreneurial manner.

**103-3 Evaluation of the management approach**

**401-1 New employee hires and employee turnover**

Compared to the previous year, the number of employees increased (see also 102-8 Information on employees and other workers, page 101).

**Employee turnover**

	2020	2019	2018 <sup>1</sup>
Turnover rate (in %)	11.1	14.2	11.4

Employee departures by age category: up to 20: 1; 21–30: 39; 31–40: 79; 41–50: 64; 51–60: 34; 61–64: 11; from 65: 6  
 Hires by age category: up to 20: 1; 21–30: 59; 31–40: 86; 41–50: 64; 51–60: 30; 61–64: 2

<sup>1</sup> Excluding Notenstein La Roche

In 2020, the employee turnover rate decreased from 14.2% to 11.1% (see table). A total of 89 female employees and 145 male employees left Vontobel during the year. Meanwhile, a total of 242 new employees were hired during the year under review (71 women and 171 men).

**401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees**

Around 7% (previous year: 10%) of employees have made use of the option of purchasing individual days of holiday in addition to their normal holiday entitlement.

**Training and Education**

**103-1 Explanation of the material topic and its boundary**

Employees have high expectations regarding the provision of training and development opportunities within their company. Lifelong learning is growing increasingly important. To remain attractive as an employer, we are committed to promoting training and development.

**103-2 The management approach and its components**

Training and development are essential in order to keep pace with the competition. We recognize our responsibility as an employer and therefore offer a comprehensive range of training and development courses.

In 2020, we were confronted with new challenges due to the exceptional situation related to Covid-19: The majority of training was completed on a virtual basis. For example, new employees were invited to Covid-secure “First Working Day” induction events to ensure they were properly onboarded. This enabled new employees to still receive a professional introduction to key topics. Employees from Switzerland and other countries were able to take part – either in person or virtually – in “Vontobel Day” events, which are held several times a year. This gives new employees the opportunity to meet members of senior management, learn about the different areas within the company, and obtain extensive information about Vontobel’s strategy, objectives and culture. The Intranet also features “Getting started” pages to facilitate the employee onboarding process at an international level. This includes a video welcome message from the CEO and useful information and tips to help employees settle into their new roles at Vontobel.

We consider it important for employees to take responsibility for their own professional development. The annual definition of performance objectives as well as their evaluation is carried out using the “myPerformance Development” tool. Employees can also draw up a personal development plan via the tool in consultation with their line manager. This forms the basis for personal career planning. In the context of personal development, a pilot for peer feedback was carried out in 2020, giving employees the opportunity to actively seek structured feedback from their colleagues.

Vontobel supports employees who want to complete external training courses, where appropriate. These courses mainly involve business-specific qualifications such as the Master in Banking and Finance, Bachelor or Master in Business Administration, CFA or CIAA.

We launched the IMD Leadership Program for senior managers in the year under review. Participants in the program learn how to strengthen their role as a leader in an organization that is undergoing a transformation. The program focuses on the following topics: Inspiring leadership, global and cross-cultural thinking, and self-reflection. The senior managers meet across locations and divisions in order to build networks and apply what they have learned to their everyday work.

Employees now have access to the online learning platform Degreed, where training materials and learning paths are offered to them free of charge on an ongoing basis.

To review the quality of the courses and programs that are completed, we provide participants with a questionnaire on aspects such as content, design and applicability, and we evaluate their responses. In addition to qualitative reporting, we generate quantitative reports. This enables us to produce a comparison with training and development activities in previous years and also in comparison with the industry benchmark.

### 103-3 Evaluation of the management approach

#### 404-1 Average hours of training per year per employee

##### Training

	2020	2019	2018 <sup>1</sup>
Training costs (1,000 CHF)	1,262	1,773	1,654
Training costs (CHF / FTE)	626	895	829
Number of apprenticeships (incl. trainees)	33	33	32

1 Excluding Notenstein La Roche

Overall training costs as well as training costs per employee decreased in 2020. The number of apprenticeships was unchanged compared to the previous year (33).

#### 404-2 Programs for upgrading employee skills and transition assistance programs

In 2020, the Vontobel Academy once again offered a large number of internal and external courses on specialist, personal development, and management topics. As previously stated, we switched to the virtual delivery of all training and restructured our courses. During the year, a special focus was placed on virtual collaboration, with offerings such as “Leading Remote Teams” or “Working from Home”.

Client discussions also moved to virtual channels last year. Various training courses on the topic “Digital Client Interaction” were provided to prepare relationship managers for this change.

The Swiss Association for Quality (SAQ) has, since 2020, recognized the further development courses offered to relationship managers in Vontobel Wealth Management as recertification measures. Relationship managers benefit from this by completing training according to this nationally accredited standard, thus further enhancing their own employability.

#### 404-3 Percentage of employees receiving regular performance and career development reviews

At the end of 2020, 92% of employees had begun or completed their annual performance review process.

## Diversity, Equal Opportunity and Non-Discrimination

### 103-1 Explanation of the material topic and its boundary

The creation of a pleasant working environment that is free from discrimination and promotes diversity and equal opportunity represents a further component of our commitment to our employees.

### 103-2 The management approach and its components

To prevent discrimination in the workplace, the principle of non-discrimination is enshrined in our Employee Handbook. Both the Employee Handbook and the Vontobel Code of Conduct form an integral part of the employment contract.

Vontobel wants to strengthen employee awareness of the topic of Diversity & Inclusion. We have therefore defined three main areas that we will focus on going forward: “Gender”, “Nationality” and “Demography”. We have formulated appropriate and realistic goals – referred to as our “Aspirations 2020” – for each area. We provide comprehensive information about our various activities on the Intranet on an ongoing basis. Volunteers from all areas of the business have been actively working on the further development of this topic in close consultation with the Executive Committee and the Board of Directors.

In the “Gender” focus area, we are striving to continuously increase the number of women at senior management level or with leadership responsibilities. In addition to our cooperation with the women’s network “Fondsfrauen”, Vontobel became a member of “Advance” in 2019. In the “Nationality” focus area, we want to ensure that the composition of our workforce reflects our target markets while, at the same time, preserving our “Swissness” that is valued by our clients. Finally, in the “Demography” focus area, we aim to achieve a balanced age mix. Long-term succession planning that addresses the needs of the business divisions is an essential part of Vontobel’s long-term human resources planning. This is another area in which we take our Diversity & Inclusion focus areas into account. Most of our employees are aged between 30 and 50. Targeted measures are needed to align the potential of this age group with the divisions’ staffing needs.

We actively address the topic of Diversity & Inclusion with Vontobel's management in order to bring about changes and achieve our goals in this area. Consequently, Diversity & Inclusion is one of the subjects discussed in our leadership seminars.

### 103-3 Evaluation of the management approach

#### 405-1 Diversity of governance bodies and employees

There was no change in the proportion of employees who worked on a part-time basis compared to 2019: The proportion of female employees working part-time was 33%, while the proportion of male employees in part-time positions was 9%.

The Diversity Benchmarking performed annually by the University of St. Gallen as well as the Gender Intelligence Report published by Advance confirm that Vontobel has a relatively high proportion of women in management positions as well as a balanced age mix among employees. However, the proportion of women in leadership positions declines as the level of management seniority increases. The newly created Talent Acquisition team is therefore placing a targeted focus on ensuring an appropriate mix of female and male candidates in the area of recruitment. For these as well as further indicators, see the tables on page 99.

#### 406-1 Incidents of discrimination and corrective actions taken

No cases of discrimination were reported in 2020.

#### Breakdown of full-time and part-time positions by gender as of 31.12.2020

	NUMBER OF WOMEN	PROPORTION OF WOMEN	NUMBER OF MEN	PROPORTION OF MEN	TOTAL NUMBER	TOTAL PROPORTION
less than 20%	0	0%	0	0%	0	0%
20–49%	17	3%	1	0%	18	1%
50–79%	79	12%	22	2%	101	5%
80–99%	115	18%	108	7%	223	11%
100%	429	67%	1,323	91%	1,752	84%
<b>Total</b>	<b>640</b>	<b>100%</b>	<b>1,454</b>	<b>100%</b>	<b>2,094</b>	<b>100%</b>

## Number of employees by domicile

	31.12.2020		31.12.2019	
	NUMBER OF WOMEN	NUMBER OF MEN	NUMBER OF WOMEN	NUMBER OF MEN
Switzerland	511	1,202	520	1,179
Germany	32	72	36	67
USA	29	55	30	54
United Kingdom	26	50	23	51
Italy	14	23	9	13
Hong Kong	13	19	12	17
Luxembourg	7	10	6	11
Singapore	2	11	1	7
U.A.E	2	4	2	5
Spain	2	3	1	3
Japan	1	2	-	-
Australia	0	2	0	2
France	1	1	-	-
<b>Total</b>	<b>640</b>	<b>1,454</b>	<b>640</b>	<b>1,409</b>

## Number of employees by nationality

	31.12.2020		31.12.2019	
	NUMBER	IN %	NUMBER	IN %
Switzerland	1,374	66	1,379	67
Germany	220	11	226	11
Italy	98	5	78	4
United Kingdom	83	4	79	4
USA	78	4	73	4
France	45	2	38	2
Spain	19	1	11	1
China	16	1	16	1
Austria	13	1	11	1
Poland	12	1	12	1
Other	136	6	126	6
<b>Total</b>	<b>2,094</b>	<b>100</b>	<b>2,049</b>	<b>100</b>

## Age structure

	31.12.2020		31.12.2019	
	NUMBER	IN %	NUMBER	IN %
Up to 20 years old	8	0	7	0
21 to 30 years old	264	13	268	13
31 to 40 years old	593	28	589	29
41 to 50 years old	677	32	678	33
51 to 60 years old	493	24	450	22
More than 60 years old	59	3	57	3
<b>Total</b>	<b>2,094</b>	<b>100</b>	<b>2,049</b>	<b>100</b>
<i>Average age (in years)</i>	<i>43</i>		<i>43</i>	

## Age structure of the Board of Directors

	31.12.2020		31.12.2019	
	NUMBER	IN %	NUMBER	IN %
31 to 40 years old	1	11	1	11
41 to 50 years old	2	22	3	33
51 to 60 years old	4	44	3	33
More than 60 years old	2	23	2	23
<b>Total</b>	<b>9</b>	<b>100</b>	<b>9</b>	<b>100</b>

## Years of service

	31.12.2020		31.12.2019	
	NUMBER	IN %	NUMBER	IN %
< 1 year	239	11	229	11
1 up to < 5 years	745	36	756	37
5 up to < 10 years	535	26	517	25
10 up to < 20 years	431	21	423	21
20 up to < 30 years	103	5	84	4
from 30 years	41	2	40	2
<b>Total</b>	<b>2,094</b>	<b>100</b>	<b>2,049</b>	<b>100</b>

**Breakdown of rank structure by gender as of 31.12.2020**

	NUMBER OF WOMEN	PROPORTION OF WOMEN	NUMBER OF MEN	PROPORTION OF MEN
Employee	106	43%	139	57%
Middle management	330	44%	421	56%
Senior management	204	19%	885	81%
Executive Committee	0	0%	7	100%
<b>Total</b>	<b>640</b>	<b>31%</b>	<b>1,452</b>	<b>69%</b>
Board of Directors	3	33%	6	67%

**Marketing and Labeling, Product Compliance****103-1 Explanation of the material topic and its boundary**

Offering each of our clients the right solution or best possible service is the primary goal of our Client Units. Regulatory requirements apply in particular to producers and distributors of products and services for retail and private clients. Depending on the jurisdiction and the product or service involved, these duties include the preparation and provision of Key Information Documents describing the characteristics and functions of the products or services and the associated risks and opportunities and should ensure the comparability of products and services.

**103-2 The management approach and its components**

To continue developing our business, each business area carries out product development, client communications and marketing activities. The applicable legal regulations, such as the Swiss Financial Services Act (FinSA), the Swiss Law on Collective Investments or the Markets in Financial Instruments Directive (MiFID II) guide us in this area. We are an active member of various industry associations and help to shape rules in the area of self-regulation that are designed to increase the comparability of products and services and provide greater transparency for investors, as well as complying with the corresponding provisions. In addition, we follow the Principles for Responsible Investment (PRI).

**103-3 Evaluation of the management approach****417-1 Requirements for product and service information and labeling**

Our products and services meet the applicable legal and regulatory requirements with regard to labeling and transparency. In the reporting year, there were no cases of misconduct or financial penalties for non-compliance with regulations governing the applicable requirements.

**Customer Privacy****103-1 Explanation of the material topic and its boundary**

The trust that clients place in us forms the basis for our successful long-term collaboration and is an important asset that is highly valued at Vontobel. We therefore assign considerable importance to protecting client data and complying with all legal requirements in this context.

**103-2 The management approach and its components**

The parameters for compliance with legal requirements relating to the protection of client data (e.g. banking confidentiality and data protection law) are defined and monitored by cross-divisional departments such as Legal & Compliance, Group Tax, and IT Security. Information about data protection in our different locations can be found on our webpage about the EU General Data Protection Regulation (GDPR) at: [www.vontobel.com/gdpr](http://www.vontobel.com/gdpr). The general privacy policy of the Vontobel Group: [www.vontobel.com/privacy-policy](http://www.vontobel.com/privacy-policy). Further information on IT security: [www.vontobel.com/it-security](http://www.vontobel.com/it-security).

**103-3 Evaluation of the management approach****418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data**

In the reporting year, no authorities issued sanctions against Vontobel for breaches of privacy or losses of client data.

Further information on social sustainability at Vontobel can be found at: [www.vontobel.com/social-sustainability](http://www.vontobel.com/social-sustainability).

# General Disclosures

## Organizational profile

### 102-1 Name of the organization

Vontobel Holding AG

### 102-2 Activities, brands, products, and services

Information on our activities, brands, products, and services is provided in the following sections of our Annual Report: “One Vontobel”, pages 12–16.

### 102-3 Location of headquarters

Vontobel Holding AG, Gotthardstrasse 43, CH-8022 Zurich, telephone +41 58 283 59 00, [www.vontobel.com](http://www.vontobel.com).

### 102-4 Location of operations

A current overview of all our locations can be found on the Internet at: [www.vontobel.com/locations](http://www.vontobel.com/locations).

### 102-5 Ownership and legal form

Further information about the nature of our ownership and our legal form are provided in the section “Major shareholders and groups of shareholders with pooled voting rights”, page 29.

### 102-6 Markets served

Information on markets served is provided in “One Vontobel”, pages 12–16.

### 102-7 Scale of the organization

As of 31.12.2020, Vontobel had a total of 2,094 employees.

Further key figures concerning the scale of the organization are provided on pages 10 and 11.

### 102-8 Information on employees and other workers

Of the total of 2,094 employees at Vontobel as of 31.12.2020, 1,752 held full-time positions (see table on page 98).

In addition to employees with permanent contracts, a total of 100 temporary employees and 434 contingent employees worked for Vontobel at the end of 2020. These individuals either have fixed-term contracts or are available on an “on call” basis to assist the company when needed.

For further key figures concerning our employees see the section on “Diversity, Equal Opportunity and Non-Discrimination” (page 97).

### 102-9 Supply chain

Vontobel purchases a large quantity of products and services from external providers, including facility management services, IT infrastructure, and the design and production of printed materials, as well as catering and cleaning services. Wherever possible, we work with local suppliers. For example, we purchase fruit for our employees from a Swiss family-owned company. All of our print orders in Switzerland are awarded to Swiss printing companies. A major proportion of the advertising and Christmas gifts used throughout the company are also purchased from Swiss providers. At the end of 2020, we had a total of around 2,000 suppliers, of which 80% were based in Switzerland.

### 102-10 Significant changes to the organization and its supply chain

Information on the development of the business is provided in the “Business Review”, pages 18–25, and in “Changes in the scope of consolidation” page 205. There were no significant changes to the supply chain.

### 102-11 Precautionary Principle or approach Sustainability approach

A systematic client focus, a long-term growth strategy, and a solid capital and risk policy are core elements of economic sustainability at Vontobel. Information and explanations on this topic can be found in the relevant chapters of Vontobel’s Annual Report.

Our growth strategy includes a focus on our competencies and on our offering in the area of sustainable investing. In terms of environmental sustainability, we take targeted measures when conducting our operations to achieve a significant reduction in CO<sub>2</sub> emissions and other factors that are harmful to the environment. Based on our strong commitment to supporting communities, we invest in initiatives and projects to promote social sustainability. A dedicated team addresses these topics.

As part of our overarching project to perform a scenario analysis based on guidance from the Task Force for Climate-related Financial Disclosure (TCFD), we have decided on the methodology that we want to use in future to measure our climate risks and opportunities. Further, in connection with the project relating to the “EU Action Plan for Sustainable Finance”, we have defined the strategy that we will use to measure and report the financial risks of climate change in the future.

**102-12 External initiatives**

Vontobel has been a signatory to the PRI, a UN initiative to promote sustainable investing, since 2010. The Principles were launched by the then UN Secretary General in 2006 and take account of the growing relevance of environmental, social, and governance (ESG) themes in investment practice.

In 2017, our company joined the global network of the “United Nations Global Compact” as well as the “Global Compact Network Switzerland”. We have thus pledged to align our operations and strategies with ten universal principles in the areas of human rights, labor, environment, and anti-corruption. Within our sphere of influence as a company, we thus help to promote key sustainability principles around the globe.

**102-13 Membership of associations**

Vontobel is a member of various organizations and a co-signatory of a number of investor initiatives. In this way, we promote sustainable development in an environmental and social context.

A current overview of all initiatives and memberships can be found on the Internet at: [www.vontobel.com/ratings-memberships](http://www.vontobel.com/ratings-memberships).

**Strategy**

**102-14 Statement from senior decision-maker**

See the foreword of the Sustainability Report, page 82.

**102-15 Key impacts, risks, and opportunities**

See the foreword of the Sustainability Report, page 82.

**Ethics and integrity**

**102-16 Values, principles, standards, and norms of behavior**

As a financial services provider, Vontobel is closely connected with the economy and society in all the locations in which we operate. Consequently, the nature and design of our products and services and the way we conduct our business operations have an impact on sustainable development in this integrated world. We believe that promoting sustainable development in our markets is both an economic necessity and an ethical duty.

Two key documents form the basis of Vontobel’s sustainability commitments:

- The Code of Conduct defines basic principles that employees must observe to ensure that we perform our business activities in a fair and forward-looking manner.
- The Sustainability Guidelines define the areas in which we take action to implement our Sustainability Strategy.

These as well as further principles and guidelines are available at: [www.vontobel.com/principles-and-policies](http://www.vontobel.com/principles-and-policies).

**Governance**

**102-18 Governance structure**

We permanently strive for sustainability, since it goes hand in hand with business success and stability. Sustainability and an effective business strategy are closely interconnected. For this reason, Vontobel is committed to the continuous optimization of sustainable business management in all our divisions in the long term.

Vontobel strives to continuously improve its own sustainability performance and has two committees that work towards this goal: the Vontobel Sustainability Committee consists of representatives from all Client Units and Centers of Excellence and reports to the CEO. Based on Vontobel’s Sustainability Principles, the Committee defines the Sustainability Strategy and specific targets. In the context of our “Strategy 2022”, the Committee defined strategic objectives and key performance indicators for the area “Corporate Responsibility & Sustainability”. Corporate Sustainability Management coordinates the implementation of the measures that have been decided in conjunction with the relevant units.

**Corporate Sustainability Management**



The ESG Investment Government Committee is responsible for the coordination of the different investment strategies regarding environmental, social, and governance (ESG) issues, overarching principles and policies, and generally advances ESG throughout the various investment teams at Vontobel. The Committee consists of representatives of all investment boutiques and meets once each month. It reports to the Vontobel Asset Management Executive Committee.

Information on Vontobel's overall governance structure is provided in the "Corporate Governance" section, starting on page 28.

geted support in the area of career development and the topic of constructive feedback. The Manager Survey (referred to as "upward feedback") that was carried out for the first time in 2019 was repeated in 2020. The results of this survey provide helpful input about the areas where managers have scope for further development.

The majority of clients indicated that they were very satisfied with Vontobel but we nonetheless want to achieve improvements in this area and to further strengthen client satisfaction and trust in our company. We are making good progress in these efforts: In the financial year 2020, Vontobel once again received numerous awards, demonstrating our clients' satisfaction with our services.

## Stakeholder engagement

### 102-40 List of stakeholder groups

Our sustainability commitments center on our main groups of stakeholders: clients, shareholders, employees, society, and the environment.

### 102-41 Collective bargaining agreements

In Switzerland, all employees up to and including middle management are covered by the Agreement on Conditions of Employment for Bank Employees (VAB) issued by the Employers Association of Banks in Switzerland (AVG).

### 102-42 Identifying and selecting stakeholders

For Vontobel, interacting closely with our stakeholders is a central component of our day-to-day business. We focus on our dialogue with all stakeholder groups on whom Vontobel's business activities have a significant influence or who have a substantial impact on the success of the company. At established points of contact, such as Investor Relations or Corporate Sustainability Management, potential stakeholders are systematically recorded based on the queries we receive.

### 102-43 Approach to stakeholder engagement

An open dialogue is key in order to gain a better understanding of the needs of our clients, employees, suppliers, and cooperation partners, and to take account of the interests of local communities and non-government organizations (NGOs). We want to engage with our stakeholders by providing clear and comprehensible information on different challenges and opportunities relating to ESG matters. Regular employee and client surveys are key tools in this context, as are targeted discussions with our suppliers.

### 102-44 Key topics and concerns raised

In 2020, we once again carried out employee and client surveys. Issues raised by employees included calls for tar-

## Reporting practice

### 102-45 Entities included in the consolidated financial statements

Information on the scope of consolidation is provided on pages 204–205.

### 102-46 Defining report content and topic boundaries

This report is based on the material topics that Vontobel has identified using the process defined under the GRI G4 guidelines to determine material topics and disclosures in various workshops and interviews. During this process, we discussed all the GRI topics and the Financial Sector Supplements that apply specifically to the financial sector and determined their materiality for Vontobel. The material topics have been transferred to the reporting based on the GRI Standards.

As a provider of financial products, we also incorporate sustainability aspects into our products and services and into partnerships and relationships with suppliers. Further information is available in the preceding chapters. Unless stated otherwise, the reporting boundary encompasses Vontobel Holding AG with the subsidiaries listed in the consolidated annual financial statements as well as their locations.

### 102-47 List of material topics

Material topics for our reporting:

- Economic performance
- Indirect economic impacts
- Materials
- Energy
- Emissions
- Employment
- Training and education
- Diversity and equal opportunity
- Non-discrimination
- Anti-corruption
- Product and service labeling
- Customer privacy
- Product compliance
- Product portfolio
- Active ownership

### 102-48 Restatements of information

We have not made any restatements or corrections to the previous year's disclosures.

### 102-49 Changes in reporting

We have not made any changes to our reporting.

### 102-50 Reporting period

Unless stated otherwise, the reporting period is from January 1 to December 31, 2020. The environmental key figures relate to the period from October 1, 2019, to September 30, 2020.

### 102-51 Date of most recent report

February 2020

### 102-52 Reporting cycle

This report has been produced in accordance with the principles set out by the Global Reporting Initiative (GRI) for the eleventh time.

### 102-53 Contact point for questions regarding the report

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### 102-54 Claims of reporting in accordance with the GRI Standards

This report was produced in accordance with the GRI Standards: 'Core' option.

### 102-55 GRI Content Index

See GRI Content Index from page 105.

### 102-56 External assurance

The report has not been externally assured.

# GRI Content Index



GRI Standard	Title	Page
<b>GRI 101:</b>	<b>Foundation 2016</b>	
<b>GRI 102:</b>	<b>General Disclosures 2016</b>	<b>101</b>
	<b>Organizational profile</b>	<b>101</b>
102-1	Name of the organization	101
102-2	Activities, brands, products and services	101
102-3	Location of headquarters	101
102-4	Location of operations	101
102-5	Ownership and legal form	101
102-6	Markets served	101
102-7	Scale of the organization	101
102-8	Information on employees and other workers	101
102-9	Supply chain	101
102-10	Significant changes to the organization and its supply chain	101
102-11	Precautionary Principle or approach	101
102-12	External initiatives	102
102-13	Membership of associations	102
	<b>Strategy</b>	<b>102</b>
102-14	Statement from senior decision-maker	102
102-15	Key impacts, risks, and opportunities	102
	<b>Ethics and integrity</b>	<b>102</b>
102-16	Values, principles, standards, and norms of behavior	102
	<b>Governance</b>	<b>102</b>
102-18	Governance structure	102
	<b>Stakeholder engagement</b>	<b>103</b>
102-40	List of stakeholder groups	103
102-41	Collective bargaining agreements	103
102-42	Identifying and selecting stakeholders	103
102-43	Approach to stakeholder engagement	103
102-44	Key topics and concerns raised	103
	<b>Reporting practice</b>	<b>104</b>
102-45	Entities included in the consolidated financial statements	104
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102-47	List of material topics	104
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102-56	External assurance	104

For the Materiality Disclosures Service, the GRI Service Team verified whether the GRI Content Index is clearly presented and the references for Disclosures 102-40 to 102-49 correspond to the relevant sections of the Report.

This GRI service was conducted on the German version of this report.

GRI Standard	Title	Page	Reason of omission
	<b>Sustainable Investing</b>	<b>83</b>	
	<b>Product portfolio</b>	<b>83</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	83, 88	
FS6	Percentage of the portfolio for business lines by specific region, size and by sector	88	
FS8	Products and services designed to deliver a specific environmental benefit	88	
FS11	Percentage of assets subject to positive and negative environmental or social screening	88	
	<b>Active Ownership</b>	<b>88</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	88, 89	
FS10	Portfolio-based engagement on social or environmental issues	89	
	<b>Economic Sustainability</b>	<b>90</b>	
<b>GRI 201:</b>	<b>Economic performance 2016</b>	<b>90</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	90	
201-1	Direct economic value generated and distributed	90	
201-3	Defined benefit plan obligations and other retirement plans	90	
<b>GRI 203:</b>	<b>Indirect economic impacts 2016</b>	<b>90</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	90	
203-1	Infrastructure investments and services supported	90	
<b>GRI 205:</b>	<b>Anti-corruption 2016</b>	<b>90</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	90, 91	
205-1	Operations assessed for risks related to corruption	91	
205-2	Communication and training about anti-corruption policies and procedures	91	
205-3	Confirmed incidents of corruption and actions taken	91	
	<b>Environmental Sustainability</b>	<b>92</b>	
<b>GRI 301:</b>	<b>Materials 2016</b>	<b>93</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	92, 93	
301-1	Materials used by weight or volume	93	
301-2	Recycled input materials used	93	
<b>GRI 302:</b>	<b>Energy 2016</b>	<b>93</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	92, 93	
302-1	Energy consumption within the organization	93	
302-3	Energy intensity	93	
302-4	Reduction of energy consumption	93	
<b>GRI 305:</b>	<b>Emissions 2016</b>	<b>94</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	92, 94	
305-1	Direct (Scope 1) GHG emissions	94	
305-2	Energy indirect (Scope 2) GHG emissions	94	
305-3	Other indirect (Scope 3) GHG emissions	94	
305-4	GHG emissions intensity	94	
305-5	Reduction of GHG emissions	94	

<b>GRI Standard</b>	<b>Title</b>	<b>Page</b>	<b>Reason of omission</b>
	<b>Social Sustainability</b>	<b>95</b>	
<b>GRI 401:</b>	<b>Employment 2016</b>	<b>95</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	95, 96	
401-1	New employee hires and employee turnover	96	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	96	
<b>GRI 404:</b>	<b>Training and Education 2016</b>	<b>96</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	96, 97	
404-1	Average hours of training per year per employee	97	
404-2	Programs for upgrading employee skills and transition assistance programs	97	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	97	
<b>GRI 405:</b>	<b>Diversity and Equal Opportunity 2016</b>	<b>97</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	97, 98	
405-1	Diversity of governance bodies and employees	98	
<b>GRI 406:</b>	<b>Non-Discrimination 2016</b>	<b>97</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	97, 98	
406-1	Incidents of discrimination and corrective actions taken	98	
<b>GRI 417:</b>	<b>Marketing and Labeling 2016</b>	<b>100</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	100	
417-1	Requirements for product and service information and labeling	100	
<b>GRI 418:</b>	<b>Customer Privacy 2016</b>	<b>100</b>	
GRI 103: 103-1/103-2/103-3	Management approach 2016	100	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	100	

# UN Global Compact: Activities and Results

## Implementing and supporting the ten principles of the UN Global Compact

“Vontobel has been a member of the UN Global Compact and of the Global Compact Network Switzerland since 2017. We have thus pledged to align our operations and strategies with ten universally recognized principles in the areas of human rights, labor, environment, and anti-corruption.”

Dr Zeno Staub, CEO of Vontobel

This Sustainability Report is our fourth Communication on Progress (COP) report about the implementation of the ten principles at Vontobel.

## The Ten Principles of the UN Global Compact

PRINCIPLES	IMPLEMENTATION AT VONTOBEL: CONTENT-RELATED TOPICS AND COVERAGE ACCORDING TO GRI REPORTING	PAGE IN ANNUAL REPORT
<b>Human Rights</b>		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Topic <b>Non-discrimination</b> GRI 406-1 Incidents of discrimination and corrective actions taken	98
	<b>Financial Sector specific indicators: product portfolio and active ownership</b> FS10: Portfolio-based engagement on social or environmental issues	89
	FS11: Percentage of assets subject to positive and negative environmental or social screening	88
Principle 2: Make sure that they are not complicit in human rights abuses	Topic <b>Organizational Profile</b> GRI 102-9 Supply chain	101
	<b>Financial Sector specific indicators: product portfolio and active ownership</b> FS10: Portfolio-based engagement on social or environmental issues	89
	FS11: Percentage of assets subject to positive and negative environmental or social screening	88
<b>Labor</b>		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Topic <b>Organizational Profile</b> GRI 102-41 Collective bargaining agreements	103
Principle 4: Elimination of all forms of forced and compulsory labor	Topic <b>Organizational Profile</b> GRI 102-9 Supply Chain	101
	Topic <b>Economic performance</b> GRI 201-3 Defined benefit plan obligations and other retirement plans	90
Principle 5: Effective abolition of child labor	Topic <b>Organizational Profile</b> GRI 102-9 Supply Chain	101
Principle 6: Elimination of discrimination in respect of employment and occupation	Topic <b>Organizational Profile</b> GRI 102-8 Information on employees and other workers	101
	Topic <b>Employment</b> GRI 401-1 New employees hires and employee turnover	96
	Topic <b>Training and Education</b> GRI 404-2 Programs for upgrading employee skills and transition assistance programs	97
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews	97
	Topic <b>Diversity and equal opportunity</b> GRI 405-1 Diversity of governance bodies and employees	98
	Topic <b>Non-discrimination</b> GRI 406-1 Incidents of discrimination and corrective actions taken	98

PRINCIPLES	IMPLEMENTATION AT VONTOBEL: CONTENT-RELATED TOPICS AND COVERAGE ACCORDING TO GRI REPORTING	PAGE IN ANNUAL REPORT
<b>Environment</b>		
Principle 7: Businesses should support a precautionary approach to environmental challenges	Topic <b>Materials</b>	
	GRI 301-1 Materials used by weight or volume	93
	GRI 301-2 Recycled input materials used	93
	Topic <b>Energy</b>	
	GRI 302-1 Energy consumption within the organization	93
	GRI 302-3 Energy intensity	93
	GRI 302-4 Reduction of energy consumption	93
	Topic <b>Emissions</b>	
	GRI 305-1 Direct (Scope 1) GHG emissions	94
	GRI 305-2 Energy indirect (Scope 2) GHG emission	94
	GRI 305-3 Other indirect (Scope 3) GHG emission	94
	GRI 305-4 GHG emissions intensity	94
	GRI 305-5 Reduction of GHG emissions	94
	<b>Financial Sector specific indicators: product portfolio and active ownership</b>	
FS10: Portfolio-based engagement on social or environmental issues	89	
FS11: Percentage of assets subject to positive and negative environmental or social screening	88	
Principle 8: Undertake initiatives to promote greater environmental responsibility	Topic <b>Materials</b>	
	GRI 301-1 Materials used by weight or volume	93
	GRI 301-2 Recycled input materials used	93
	Topic <b>Energy</b>	
	GRI 302-1 Energy consumption within the organization	93
	GRI 302-3 Energy intensity	93
	GRI 302-4 Reduction of energy consumption	93
	Topic <b>Emissions</b>	
	GRI 305-1 Direct (Scope 1) GHG emissions	94
	GRI 305-2 Energy indirect (Scope 2) GHG emission	94
	GRI 305-3 Other indirect (Scope 3) GHG emission	94
	GRI 305-4 GHG emissions intensity	94
	GRI 305-5 Reduction of GHG emissions	94
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	Topic <b>Energy</b>
GRI 302-4 Reduction of energy consumption		93
Topic <b>Emissions</b>		
GRI 305-5 Reduction of GHG emissions	94	
<b>Anti-corruption</b>		
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Topic <b>Ethics and Integrity</b>	
	GRI 102-16 Values, principles, standards, and norms of behavior	102
	GRI 205-1 Operations assessed for risks related to corruption	91
	GRI 205-2 Communication and training about anti-corruption policies and procedures	91
	GRI 205-3 Confirmed incidents of corruption and actions taken	91

**Legal information**

This Report is intended solely for information purposes. The information and views contained in it do not constitute a request, offer or recommendation to use a service, to buy or sell investment instruments or to conduct other transactions. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved.

This report also appears in German. The German version is prevailing.