

Vontobel

Corporate Responsibility & Sustainability

2023

Chapter of the Annual Report



About the cover:

**Girl with Peonies (Sassa)**, 2019, the cover image of this year's Sustainability Report, shows a work by German artist Oskar Schmidt (\*1977 Erlabrunn) from the Art Vontobel Collection.

The work is part of his series **Echoes**, for which the Berlin-based artist focuses on portraiture, a central element of modernist painting, and mimics poses, expressions and motifs of great masters like Cezanne or a young Picasso. In transcribing well-known paintings from art history into the present of the photographic, Schmidt's portraits are indicative of the Eurocentric perspective that has shaped the canon of art history. Rather than showing them in their everyday environments, the protagonists pose in front of a monochrome backdrop. This digital void refuses any assignment to contexts; emotional anchors are removed, and identity, heritage and social structures fall into the background. Furthermore, figures that for a long time were absent within the Western art historical context are moved to the centre. In doing so, **Echoes** critically reflects the formal language of modernity and proposes a reassessment of a collective visual memory that is predominantly a European construction.

Art Vontobel mirrors the company as a globally active investment firm with a forward-looking approach: Since its establishment, our Collection explores how contemporary, international artists today seek new ways of capturing and conveying the human experience in a rapidly changing world through photographic and image-based art. The decision to focus the Collection on one medium alone allows for a view of the present that is at once dynamic and resolute, a blend we believe offers a unique platform for new perspectives and dialogue concerning the many complex narratives that define our era.

Girl with Peonies (Sassa), 2019, Archival Pigment Print, 95 x 76 cm, Oskar Schmidt

[www.vontobel.com/art](http://www.vontobel.com/art)

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### COMMENTS ON THE FIGURES

The amounts shown in the numerical part of the report are rounded. The figures presented may therefore not add up precisely to the totals provided in the tables and text. Percentages and percent changes are calculated based on rounded figures displayed in the tables and text and may not precisely reflect the percentages and percent changes that would be derived from figures that are not rounded. A blank field indicates that the corresponding position does not contain a value. 0.0 means that the corresponding position contains a value that amounts to 0.0 when rounded.

## **Corporate Responsibility & Sustainability**

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\* Page numbering is according to the Vontobel Annual Report 2023



# Foreword

The transformation to a sustainable economy requires a resilient consensus between politics, business and society; both nationally and internationally. 2023 has once again proven how challenging it is to achieve this.

There are numerous complex issues, such as the energy transition towards renewable sources, which cannot be accomplished overnight. Moreover, tackling such a challenging task requires that every segment of society is included. At the same time, the critical window in which we can successfully limit global warming and maintain or gradually regenerate the earth's nature is becoming narrower. However, despite these challenges, there is some good news: December 2023 was marked with COP28. Despite mixed expectations prior to the event, the conference delivered on the promise to accelerate the energy transition by recognizing the need to move away from fossil fuels and to channel funds towards strengthening the resilience of countries to the effects of climate change. While the goals outlined in the Paris Agreement are far from being achieved, this shift in governmental policies will bring the tailwind for emerging opportunities, with the EU, China and US leading the way.

In our industry, we are aware of the levers we have to contribute to this transition. As a globally active investment firm—both a decision-maker influencing the allocation of capital and a corporate citizen—we have formulated the demands that we place on ourselves in our Sustainability Positioning, and we are working step-by-step towards our six Sustainability Commitments that define the relevant measures that will allow us to contribute to a more sustainable future.

We would like to provide you with more detailed information about this in our 2023 Sustainability Report. This report, which has been fundamentally reviewed and revised for the current reporting season, provides our stakeholders with transparency about how far we have come and what still lies ahead of us.

In the year under review, we further expanded and strengthened our expert teams for ESG investments within our boutiques and ESG investment advice within wealth management.

We have committed to incorporate ESG considerations into active investment decisions because we believe that ESG consideration is part of our fiduciary duty, requires investment team accountability and demands transparency. To deliver on this commitment, we invested in our ESG data platform and strengthened our ESG investment governance.

With regard to the private client side of our business, we put great store in the dialogue we carry out with these clients in order to understand their preferences for making ESG investments. Based on our proprietary ESG framework, these preferences are then integrated into our advisory processes and the individual investment decisions arising from them. What is crucial in this approach is the classification and evaluation of our offer, based on the client's preferences as well as on transparent reporting.

While recognizing that the path towards sustainability is an ongoing endeavor, we look forward to the future and remain committed to playing a constructive role and contributing to the journey.



**Dr. Zeno Staub**  
Chief Executive Officer Vontobel



**“We have formulated the demands that we place on ourselves in our Sustainability Positioning, and we are working step-by-step towards our six Sustainability Commitments that define the relevant measures that will allow us to contribute to a more sustainable future.”**

**Dr. Zeno Staub**  
Chief Executive Officer

# A dialogue with our Chairman

## What achievement around sustainability are you personally most proud of?

I'm most proud of our Positioning and our six Sustainability Commitments. Over the past year, we have further set out our six Sustainability Commitments and established KPIs for each of them. This marks an important milestone on our path to sustainability from a twofold perspective: first, it empowers us to report progress to our stakeholders. Second, it empowers our stakeholders to hold us accountable for our actions. We take pride in this accomplishment as it reflects our commitment to being a transparent business partner and corporate citizen.

## What is different about this year's report?

While Vontobel has reported on sustainability for the past 17 years, this report has undergone a significant revamp and shows a different and more refined structure. This corresponds to our various stakeholders' interests and their different expectations as to how we manage sustainability at Vontobel:

**Clients** are increasingly looking for investment advice and portfolio management services beyond the strategies that they are invested in; some want to be assured that the financial institution that they are buying these services from has a broad and holistic commitment to sustainability.

**Shareholders** have a very differentiated perspective on the topic. On one hand, they want to see that the companies they are invested in address the topic of sustainability in its broadest sense. At the same time, they want to be sure that the firm's governance delivers against regulatory and other requirements. Companies need to minimize the risks associated with the transition towards a more sustainable economy and society as well as risks of misselling and greenwashing.

Sustainability is a topic that is close to the hearts of **employees**. A credible commitment to the topic across the entire value chain, including the culture of an organization, can present a significant differentiator when attempting to recruit and retain talent.

**Regulators** globally are stepping up their game around sustainability. It is important that companies demonstrate their compliance through disclosures that are prepared in accordance with recognized global standards. There is an increasing expectation for companies to transparently outline their contribution to global goals, such as the United Nation's Sustainable Development Goals.

The **community and society** at large have become increasingly concerned with a company's broader societal impact that goes beyond the environment. Sustainability and Corporate Responsibility have consequently taken on a new meaning.

To reflect these different perspectives, our Executive Team together with the Board of Directors have developed our six Sustainability Commitments against which we will measure the progress of sustainability at Vontobel. And this year, for the first time, they provided the guiding structure of the Sustainability Report.

## How does the Board of Directors ensure we deliver on these six Sustainability Commitments?

The Board of Directors is regularly informed about sustainability issues through the reporting described in the sustainability governance. In addition to that, now that the KPIs per commitment have been defined, the Board reviews the progress towards the six Commitments on an annual basis. We are in a continuous dialogue with our stakeholders to ensure that the Commitments and respect



**“If we fulfill our Sustainability Commitments and we truly deliver against our Positioning, we will have a better-performing and more sustainable business that will optimally serve our stakeholders.”**

—  
**Andreas E.F. Utermann**  
Chairman of the Board of Directors

tive KPIs still reflect their expectations and, if necessary, we would act and adapt.

**Why should a client choose Vontobel and what differentiates us in our approach to sustainability?**

For Vontobel, as a majority family-owned company, sustainability in its broader sense has a long tradition. This manifests in two aspects. First, in the importance of inter-generational longevity. This leads to long-term oriented management of the business and an orientation towards a broad range of stakeholders compared to a narrow focus on short-term performance metrics. Secondly, it manifests in the way that Vontobel already has approached its societal responsibility in the past. Corporate responsibility was traditionally very important to Vontobel, especially when going public in 1986. Today, the Vontobel foundation continues to hold 14.9 percent of the total share capital and disperses the dividends that Vontobel pays for the betterment of society at large.

Against this backdrop, clients should have the trust that Vontobel is a credible partner when it comes to sustainability-related transparency, at both a product and a corporate level.

**Looking forward, what are the biggest risks for Vontobel related to sustainability from your perspective?**

The biggest risk for Vontobel on this topic, like many other topics, is losing trust. To gain and retain trust from our stakeholders, we must walk the talk and we cannot afford to cut any corners or to exploit certain trends for marketing reasons only. We need to genuinely mean to have an impact, and if we approach this topic too much from a marketing perspective, we risk losing the trust of our stakeholders, which is the biggest risk to me.

**And what do you consider Vontobel's biggest opportunity around sustainability?**

If we fulfill our Sustainability Commitments and we truly deliver against our Positioning, we will have a better-performing and more sustainable business that will optimally serve our stakeholders.

# Sustainability at Vontobel

## Our company

At Vontobel, all our clients have one thing in common: they come to us for active investment solutions. Our multi-boutique structure enables us to offer distinct and independent options spanning Equities, Fixed Income and Multi Asset. As a leader in financial products, we also provide access to our expertise in structured solutions. In addition, we offer a variety of wealth planning services. We firmly believe that bringing all of these different aspects of investing together in one investment firm has made Vontobel a clear choice for investors worldwide.

### A globally active financial expert with Swiss roots

Vontobel provides service and advice based on in-depth worldwide investment expertise to private clients, institutional investors and financial market intermediaries in the domestic Swiss market and key international focus markets. We leverage technology to deliver high-quality, tailored client solutions. We are positioned as a pure buy-side investment firm. We are a family-oriented organization to this day through a majority shareholding and haven been listed on the SIX Swiss Exchange since 1986.

### A client-centric investment firm

Our advisory expertise is provided through the specialized Client Units Asset Management, Wealth Management and Digital Investing. Relationship Managers within the Client Units can concentrate fully on meeting the wishes and needs of our clients.

**Vontobel Asset Management** focuses primarily on institutional clients such as pension funds, insurance companies and sovereign wealth funds, as well as third-party banks in the wholesale fund business.

**Vontobel Wealth Management** serves wealthy private clients and External Asset Managers (EAMs). This allows clients with complex international asset structures to benefit from the advisory services used by institutional clients.

**Vontobel Digital Investing** focuses on investment solutions for self-directed private investors, either directly or via ecosystems, and it also concentrates on the end-client business with structured products.

All Client Units have full access to our investment and solutions expertise within our Centers of Excellence including Investments and Structured Solutions & Treasury.

## Active participant in economic life

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. As an employer and taxpayer and as an active participant in economic life—e.g. in our role as a purchaser of goods and services, as an investor and provider of innovative and sustainable financial services—we also contribute to the creation of value at a regional level in the locations in which we operate and to the welfare and the stability of the communities in which we work.

Promoting art and incorporating it into our everyday lives is also a part of our corporate culture (see page 134). 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 Spendenstiftung Bank Vontobel (Charitable Foundation).

## Economic value distributed

| CHF M                        | 2023               | 2022  | 2021    |
|------------------------------|--------------------|-------|---------|
| Value creation <sup>1</sup>  | 954.9              | 933.7 | 1,209.8 |
| Taxes <sup>2</sup>           | 24.3               | 44.4  | 90.3    |
| Dividend for the fiscal year | 167.9 <sup>3</sup> | 168.0 | 167.7   |

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 (CHF 3.00 per share, unchanged from the previous year)

## More information on this report

This report has been produced in accordance with the principles set out by the Global Reporting Initiative (GRI) for the 13th time. The reporting frequency is annual.

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## Sustainability Positioning and long-term vision

Sustainability and corporate responsibility have a long history at Vontobel. Since its founding in 1924, the Vontobel owner family has always been a promoter of long-term value creation, which is important for our path towards sustainability.

## Responsible corporate citizen, pioneer in ESG investing and advice

Vontobel acts as a responsible corporate citizen and employer, supporting communities and considering environmental aspects when running its own operations. Sustainability also plays a relevant role in our business activities. As a pioneer in this field, we have been offering our clients a range of investment solutions that incorporate ESG considerations since the 1990s. Private and Institutional investors can obtain an entire range of sustainable



**“As owners thinking for the long term, we support Vontobel’s efforts to play an active role in the sustainable transformation of our economy and society for future generations.”**

**Dr. Maja Baumann**  
Member of the Board of Directors

## Our Sustainability Positioning

**“Sustainability has always been a focus for our owner families, now in their fourth generation.**

**As corporate citizens, we honor their commitment by contributing to the health of our local communities.**

**As a global investment firm, we empower investors with the necessary knowledge, tools and investment options to consider sustainability in the building of their better futures.**

**Through these efforts, we contribute to the UN’s SDGs and aim for our impact to be proportionate to our reach.”**



investment solutions from Vontobel. These include various investment solutions in which sustainability aspects form an important criterion for the valuation and selection of companies.

This philosophy was formalized into our ten sustainability principles in 2007, emphasizing Vontobel’s commitment as a provider of investment solutions, employer and corporate citizen.

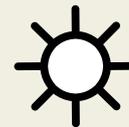
### Vontobel’s six Sustainability Commitments and progress

Throughout the years, Vontobel has continued to empower clients to build a better future. In 2022, the Board of Directors laid the strategic foundations for Vontobel’s sustainability commitment from 2023 onwards. In collaboration with the Executive Committee, the Board of Directors revised the previous sustainability principles and defined the Group’s Sustainability Positioning and six Sustainability Commitments instead. The Sustainability Commit-

ments set out the key levers that we have as a global investment firm and as a corporate citizen to deliver on the promise we have made based on our Sustainability Positioning. We are working systematically across all our Client Units and Centers of Excellence to deliver on our six Sustainability Commitments and, in doing so, are helping to drive the transition to a more sustainable economy and society.

In the past year, we have continued to further set out our six Sustainability Commitments and have defined actionable measures and KPIs to monitor and measure progress and success. For the first time, this report comments on a selection of KPIs that have been defined in this context to report our progress regarding our six Sustainability Commitments (see table on next page).

Vontobel is committed to contributing to a more sustainable economy and society.



**1998**

First ESG product launched.



**2008**

Vontobel becomes a signatory of the Carbon Disclosure Project (CDP) and a founding member of Swiss Climate Foundation. The firm launches its first environmental investment solution.

**2010**

Vontobel becomes a signatory of the Principles for Responsible Investments.



**2014**

Vontobel becomes a founding member of Swiss Sustainable Finance.



**2019**

Vontobel publishes its Sustainable Investing Policy.

**2022**

Vontobel replaces “Sustainability principles” from 2007 with Sustainability Positioning and Commitments.



**2007**

Vontobel defines its ten “Sustainability principles”.

**2009**

Vontobel is offsetting all its operational carbon emissions (Scope 1-3) through purchase of CO2-certificates.

**2011**

Group-wide exclusion of controversial weapons.

**2017**

Commitment to support the UN Global Compact Principles.

**2021**

Vontobel becomes a signatory to the UK Stewardship Code.

## Our six Sustainability Commitments



### Empower our stakeholders to challenge us through governance and transparency.

We see transparency as a key tool for empowering our clients to track how we deliver on our sustainability ambitions. And we see good governance (the “G” in ESG) as a key mechanism to ensure delivery of our ESG strategy, at both the product and corporate levels. We report on our sustainability-related performance using state-of-the-art reporting standards.



### Advise our private clients on the benefits, opportunities and risks of ESG investments.

We advise our private clients on the risk/return characteristics of ESG investments to help them build portfolios that meet their goals, and we want to offer them a comprehensive product shelf to choose from. This will entail the creation of sustainability profiles for clients, based on their investment needs, across different regions and jurisdictions.



### Incorporate ESG consideration into active investment decisions.

We believe that ESG consideration is part of our fiduciary duty, requires investment team accountability and demands transparency. For this reason, our investment teams subscribe to four ESG Investment Principles. This foundation enables us to offer a wide range of ESG solutions, in response to our clients’ desired investment objective(s), which can be any one, or a balance of, the following:

1. optimizing risk-adjusted performance through the consideration of financially material ESG issues;
2. mitigating negative environmental and social impact from investments; and
3. investing in companies that provide products and services that aim to actively and positively contribute to the UN Sustainable Development Goals (SDGs).



### Achieve net-zero by 2030 in our banking book investments and operations.

By 2030, we aim to be net-zero<sup>1</sup> with our greenhouse gas emissions (GHG) in our operations and banking book investments. Additionally, we aim to be net-zero with our GHG emissions in our trading book bond investments by 2050.



### Continue creating a great workplace where everyone can thrive.

Our work practices advance equality, diversity and inclusion and foster a workplace environment where everyone has the opportunity to develop and reach their full potential. Mutual respect and openness, without discrimination, shape our culture.



### Be an active member of the local community.

Vontobel operates with the spirit of citizenship to foster quality of life in the places we live and work. We do this by providing jobs and enabling and encouraging our employees to play an active role in their local communities. Vontobel and the charitable Vontobel-Foundation have sponsored projects in the areas of social welfare, medical research, nature and culture since 1993.

<sup>1</sup> Net-zero means achieving a balance between emissions and removals of GHGs from the atmosphere (ISO IWA 42:2022), Scope 1-3 in our own operations and Scope 1-2 in our banking book bond investments in non-sovereign issuers. Our commitment is aligned with the 2015 Paris Agreement goal to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. We plan to reduce emissions as far as possible and we aim to offset residual emissions at the net-zero target year and any GHG emissions thereafter.

**Progress on our six Sustainability Commitments**

| COMMITMENT   | SELECTION OF MEASURES & KPIS  | 2023 DEVELOPMENTS & ACHIEVEMENTS  |
|--|---|---|
|  Empower our stakeholders to challenge us through governance and transparency           | <ul style="list-style-type: none"> <li>Define a clear sustainability / ESG governance and processes</li> <li>Establish state-of-the-art ESG trainings for employees and increase number of ESG-related trainings</li> </ul> | <ul style="list-style-type: none"> <li>We have sharpened our existing sustainability governance at a Group level; each Commitment is owned by a senior management team member who is represented in the Corporate Sustainability Committee that meets at least on a quarterly basis</li> <li>Launch of two ESG video trainings on ESG awareness with key terms and regulatory relevance and on ESG fundamentals addressing the EU regulatory framework for sustainable finance</li> </ul> |
|  Incorporate ESG considerations into active investment decisions                        | <ul style="list-style-type: none"> <li>Measurement and monitoring of ESG Investment Principles</li> </ul>   | <ul style="list-style-type: none"> <li>We have invested in our ESG data platform and strengthened our ESG investment governance</li> <li>We have included the four ESG Investment Principles in the performance assessment of our Boutique Heads</li> </ul>   |
|  Advise our private clients on the benefits, opportunities and risks of ESG investments | <ul style="list-style-type: none"> <li>Collect ESG preferences for all private clients</li> <li>Enhance our client advisory process with ESG characteristics</li> </ul>   | <ul style="list-style-type: none"> <li>The rollout of our Private Clients ESG Framework started in 2023 with the collection of ESG preferences for additional clients, providing them access to our full Vontobel ESG capabilities</li> <li>Several portfolio-level ESG reportings on advised and managed mandates have been enhanced by relevant ESG metrics, providing additional insights and clarity to our clients</li> </ul>  |
|  Achieve net-zero by 2030 in our banking book investments and operations              | <ul style="list-style-type: none"> <li>For operations: Scope 1–3 operational GHG emissions</li> <li>For banking book: Scope 1–2 GHG emissions for bond investments in non-sovereign issuers</li> </ul>                      | <ul style="list-style-type: none"> <li>For operations: we have defined and implemented a concept for an internal carbon price that applies to air travel</li> <li>For banking book: we have introduced a new Key Risk Indicator (KRI). In addition, we have defined a reduction path, and looking ahead, the quarterly KRI reporting starts in Q1 / 2024</li> </ul>   |
|  Continue to creating a great workplace where everyone can thrive                     | <ul style="list-style-type: none"> <li>Representation of females in managerial positions</li> <li>Representation of females in senior management positions</li> </ul>   | <ul style="list-style-type: none"> <li>We have increased accountability of senior leadership through the inclusion of DE&amp;I targets in goal setting</li> <li>Introduction of DE&amp;I dashboard for Executive Committee and Executive Board displaying current data and trends to achieve 2030 goals; a review takes place on a quarterly basis</li> </ul>   |
|  Be an active member of the local community   | <ul style="list-style-type: none"> <li>Engage in corporate partnerships and philanthropy</li> <li>Number of trainees and apprenticeships</li> </ul>   | <ul style="list-style-type: none"> <li>Together with the ICRC, we have launched an internal fundraising initiative around the topic of “Forgotten conflicts”</li> <li>Over the past reporting year, we employed a total of 17 GTPs and 32 apprentices</li> </ul>  |

**Our approach to climate change**

As mentioned above, the six Sustainability Commitments provide the guiding structure underlying our sustainability strategy with an emphasis on climate change considerations. The Commitments affect our internal operations, philanthropic actions, investment solutions and advice, as well as voting and engagement on behalf of our clients. Furthermore, we strive to serve the financial markets by improving the transparency of climate-relevant information for our products and services and we collaborate with data providers and our peers in Switzerland through our engagement in various industry associations.

Within our own engagement, we are committed to reducing as many emissions as possible by 2030. This entails

our operational activities as well as the bond investments in our banking book (Scope 1–3 in our own operations and Scope 1-2 in our banking book bond investments in non-sovereign issuers). We aim to offset potentially remaining emissions in the target year through high-quality carbon offset and removal options. For this purpose, we are collaborating with third-party vendors and are relying on projects that have been verified using international standards such as the Verified Carbon Standard (“Verra”).

Environmental aspects have been incorporated into our tendering process since 2021 and serve as a guide when awarding new contracts. The relevant details are set out in Vontobel’s “Guidelines for sustainable procurement,” which address matters such as environmental protection, amongst others.

We support climate action through our philanthropic actions. 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. The foundation supports small and medium-sized companies that develop climate-innovative projects that have a significant impact on climate protection. We contribute to activities carried out by the foundation, such as the selection of funded projects through our representation on the foundation's board and its advisory board.

Through our participation in various expert committees of our industry associations and national government institutions, such as the Swiss State Secretariat for International Finance (SIF), we provide ongoing support for the Swiss financial center in its development into a leading center for sustainable financial solutions.

The world is facing powerful trends involving major economic, environmental and social changes. These trends result in risks and opportunities for investors. Through the incorporation of ESG considerations into our investment processes, we aim to improve the long-term risk-return characteristics of our portfolios and/or at reflecting clients' values. We strongly believe that an effective identification of material sustainability risks and opportunities requires thorough analysis. After all, material ESG factors are often of a medium- to long-term nature and are difficult to quantify as contributors to near term performance. In the context of sustainability risks and opportunities, climate change is a relevant example. Vontobel believes that industries associated with high greenhouse gas (GHG) emissions (e.g. thermal coal, oil sands and coal power generation) can introduce significant risks to a portfolio, par-

ticularly in the context of potential for new regulation, taxation or other constraints.

On the other hand, today's problems motivate companies to provide innovative solutions leading to potential new investment opportunities (e.g. reducing air pollution).

Against this backdrop, we are mindful of industries with high GHG emissions. Some of our investment strategies therefore exclude carbon-intensive investments altogether, while others consider risks of these investments on a case-by-case basis as an integrated part of their investment process. Moreover, we offer specific investment strategies that invest in companies providing climate solutions. In particular, Vontobel manages different products, enabling clients to invest in companies contributing positively to social or environmental issues. For a number of products, we actively monitor and regularly disclose specific ESG information, including a carbon footprint and other climate-related performance indicators.

We believe that voting and engagement can have a positive impact on a company's long-term returns by influencing its values and behavior. In this way, it can strengthen its longer-term contribution towards building more sustainable economies and societies and protecting the environment and our climate. As an active asset manager, we are committed to using this important lever to act in the best interest of our clients.

Over the coming years, we will continue to develop our climate strategy so that we can use the opportunities available to us in the best possible way to contribute to achieving the goals outlined in the Paris Agreement, while

### Case study: Swiss Climate Scores

Switzerland and its financial market participants are committed to transitioning to net-zero greenhouse gas emissions (GHG) by 2050. Honoring this commitment requires decreasing GHG emissions to limit global temperature increase to well below 2°C. To achieve this goal, the Swiss Federal Council launched the Swiss Climate Scores with a purpose to improve climate-related financial disclosures, assess the alignment of investments with the Paris Agreement and foster investment decisions that contribute to reaching climate goals. The Swiss Climate Scores are a set of six current-state and forward-looking indicators applied to financial products: GHG emissions, exposure to fossil-fuel activities, investee companies' verified commitments to net-zero, management to net-zero, credible climate stewardship and global warming potential. The federal government recommends applying them to all investment products and client portfolios where appropriate. Primarily, they are intended to be used by asset managers, banks and insurance companies for their institutional and private clients.

As of end of 2023, the Swiss Climate Scores are disclosed on a voluntary basis.

Vontobel is actively participating in several working groups that support the Secretariat for International Finance (SIF) in developing the Swiss Climate Scores, including the one from Swiss Bankers Association (SBA) and the joint one from Swiss Sustainable Finance (SSF) and Asset Managers Association (AMAS). Since its launch, the feedback from relevant stakeholders (financial sector experts, methodology providers, NGOs and academia) has been discussed and integrated into a new draft, released in June 2023; a further update on the revision of the Swiss Climate Scores was published in December 2023. Vontobel is one of the early adopters of the Swiss Climate Scores and offers dedicated reporting for selected products and on request. A wider adoption is expected in 2024.

More information about Swiss Climate Scores:  
[www.sif.admin.ch/swissclimatescores](http://www.sif.admin.ch/swissclimatescores)

safeguarding the assets of our clients from climate change risks.

### Vontobel’s contribution to the UN SDGs

While sustainability may mean different things to different people, the SDGs have become a common denominator on how to address the economic, social and environmental dimensions of sustainable development.

In an historic vote on September 25, 2015, all United Nations member states ratified the Agenda 2030. At its heart are the 17 Sustainable Development Goals (SDGs) and their 169 targets. The SDGs represent an urgent call to action to tackle the global challenges we face, including climate change and inequality, as well as the need for peace and justice. The SDGs also provide an opportunity to develop and implement business-led solutions and technologies to address the world’s biggest sustainable development challenges.

While the SDGs have been agreed by governments, all stakeholders—including governments, civil society, the world of academia, the private sector and others—need to contribute to the realization of the new agenda. This is precisely what Vontobel’s stakeholders expect from us too.

We believe that through our operations and corporate activities, we can contribute to Sustainability Goals 5, 8, 12, 13, 16 and 17.

| SDG  | REFERENCES TARGET(S)   | MORE INFORMATION ON VONTOBEL BUSINESS ACTIVITIES  |
|--|--|---|
|  | 5.5 Ensure full participation in leadership and decision-making  | – Diversity, equality and inclusion: our long-term goals, targeted for 2030, include at least 30 percent of management positions and 25 percent of team leadership roles to be held by individuals from underrepresented genders  |
|  | 8.8 Protect labor rights and promote safe and secure working environments  | – Critical ESG events: We monitor ESG controversies such as modern slavery and conditions of workers of companies included in our portfolios<br>– Great workplace: Vontobel entertains a partnership with the “Great Place to Work” global authority on workplace culture |
|  | 12.6 Encourage companies to adopt sustainable practices and sustainability reporting   | – Incorporate ESG consideration into active investment decisions; voting and engagement: we can encourage companies to produce sustainability disclosures   |
|  | 13.2 Integrate climate change measures into policies and planning  | – Our approach to climate change<br>– Environment and climate: we aim to reach net-zero in our own operations and banking book bond investments in non-sovereign issuers by 2030  |
|  | 16.5 Substantially reduce corruption and bribery in all their forms<br>16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels | – Sustainability governance and oversight<br>– Compliance management: anti-bribery, corruption and money laundering   |
|  | 17.G Enhance the Global Partnership for Sustainable Development  | – Our approach to climate change<br>– Community engagement  |

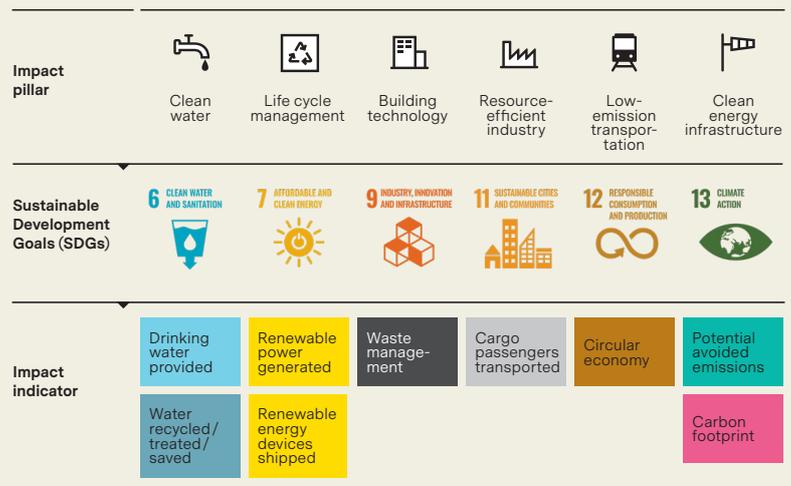
### Case study: Global Environmental Change investment strategy—Impact and SDG framework

- We enable our clients to invest in companies that contribute to the UN SDGs and seek to generate a positive impact via our SFDR Article 9 investment strategies.
- We currently manage three SFDR Article 9 Investment Strategies, the “Global Environmental Change” investment strategy being one of them.
- For this strategy, our investment experts have defined six impact pillars and mapped them to the corresponding UN SDGs. To be included in this investment strategy, companies need to align with at least one of the six impact pillars and provide solutions through their products and services.
- This case study outlines how we leverage the UN SDGs and how they can provide a useful framework to identify companies with a positive contribution.

More details on our SFDR Article 9 strategies can be found under [am.vontobel.com](https://am.vontobel.com)

Please note that our AM products are only available for institutional/ professional/ sophisticated investors. Certain products might not be available in your jurisdiction. SFDR is not a labelling regime, but a disclosure regime. Accordingly, SFDR-article-products are not quality labels for sustainability and investors shall not take the mere presence of an SFDR-article-product disclosure as an indication of sustainability or quality label for sustainability per se

#### We measure impact where it matters



For illustrative purposes only. Source: United Nations, Vontobel

## Our memberships and initiatives

Vontobel is a member of various organizations and a co-signatory of several investor initiatives. In this way, we promote sustainable development and responsible investing.

Vontobel has been a signatory to the Principles for Responsible Investment (PRI), a UN initiative to promote responsible investing, since 2010. The Principles were launched by the then UN Secretary General in 2006 and contribute to a better understanding of the impact of investment activities on environmental, social and governance issues—ESG for short—and take account of the increasing relevance of 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 committed to support its 10 principles in the areas of human rights, labor, environment, and anti-corruption. Within our sphere of influence as a company, we are thus helping to promote sustainability principles around the globe.

Since 2019, Vontobel Asset Management is an active member of the Global Impact Investing Network’s (GIIN) working group on listed equities. In March 2023, the GIIN published the “Guidance for Pursuing Impact in Listed Equities” which is the result of a multi-year project involving more than 100 investors. The guidance covers the four main aspects of listed equities impact investing: setting a fund or portfolio strategy, portfolio design and selection, engagement, and the use of performance data.

In 2021, Vontobel Asset Management and TwentyFour Asset Management LLP became first list signatories to the UK Stewardship Code 2020. The Code contains principles for institutional investors as well as service providers in the financial sector. Signatories to this demanding standard must submit a Stewardship Report to the UK’s Financial Reporting Council for review. In their report, they must demonstrate how they have applied the Code’s principles in the previous 12 months. Signing the Code is testimony to our commitment to effective stewardship.

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

# Governance, transparency and risk management

“We see transparency as a key tool for empowering our clients to track how we deliver on our sustainability ambitions. And we see good governance (the “G” in ESG) as a key mechanism to ensure delivery of our ESG strategy, at both the product and corporate levels. We report on our sustainability-related performance using state-of-the-art reporting standards.”

In 2021 as part of our commitment to transparency and disclosure, we issued a statement regarding the recommendations of the Task Force for Climate-related Financial Disclosures (TCFD). We are now pleased that this report for the first time includes a TCFD index. We speak intentionally of a journey during which we will continue to supplement and improve our reporting on climate-related factors.

## Stakeholder engagement and materiality assessment

Our six Sustainability Commitments center around our main groups of stakeholders: clients, shareholders, employees, regulators and the community in which we live and work. These are either impacted by Vontobel’s business activities and/or have a substantial influence on the success of the company. At established points of contact, such as our Client Units, Investor Relations or Corporate Responsibility, potential stakeholders are recorded based on the queries we receive. For Vontobel, interacting with our stakeholders is an important component of our day-to-day business and is key to gaining a better understanding of stakeholders’ interests and expectations.

Vontobel is committed to engaging with its stakeholders by providing relevant information regarding challenges and opportunities relating to sustainability matters.

### Overview of stakeholder interaction

| STAKEHOLDER   | REASON FOR INTERACTION   | DESCRIPTION OF ENGAGEMENT  |
|---|--|--|
| <br>Clients      | Vontobel is a client-centric global investment firm. Engaging in a dialogue with our clients to understand their preferences and providing them with relevant information is a central part of Vontobel’s commitment.  | <ul style="list-style-type: none"> <li>– Direct interaction with clients</li> <li>– Regular client surveys around ESG topics (e.g. “Vontobel 2023 Impact Investing Survey”)</li> <li>– Organization of client events</li> </ul>  |
| <br>Shareholders | As a public listed company since 1986, we engage regularly with our shareholders. Our total share capital is made up of free float shares (49%) and shares held by Vontobel families (51%).  | <ul style="list-style-type: none"> <li>– Meeting and engaging with investors and potential investors globally</li> <li>– Communication of financial results and performance to shareholders</li> <li>– Organization of and participation in investor conferences together with management</li> <li>– Collaboration with legal and governance teams to facilitate the proxy voting process during shareholder meetings</li> </ul> |
| <br>Employees    | Vontobel has formulated a commitment to continue creating a great workplace for its employees where everyone can thrive. Vontobel aims to create awareness around sustainability matters among employees to ensure the buy-in of internal stakeholders on the path of sustainability.  | <ul style="list-style-type: none"> <li>– Regular employee surveys</li> <li>– Annual diversity benchmark with the University of St. Gallen</li> <li>– Institutionalized top-down and bottom-up feedback sessions</li> <li>– Internal trainings</li> <li>– Manager survey</li> </ul>   |
| <br>Regulators   | Vontobel is active in different legal and regulatory jurisdictions and needs to comply with different regulatory frameworks. It is vital that Vontobel understands the different requirements, can deliver the required information to the respective regulatory bodies and can be transparent with regard to its sustainability activities. | <ul style="list-style-type: none"> <li>– Participation in industry associations and respective working groups on sustainability/ESG topics, e.g. sustainable finance</li> <li>– Direct interaction with regulators</li> </ul>  |
| <br>Community    | Vontobel is an active member of the community in which it operates. As such, it is important to understand the expectation that the community and further stakeholders have in relation to Vontobel and its impact and contribution to sustainability.   | <ul style="list-style-type: none"> <li>– Engagement in industry associations and forums (e.g. Building Bridges, ICRC Corporate Support Group)</li> <li>– Organization of events open to the public in order to foster a dialogue</li> <li>– Sponsoring of cultural and art events</li> </ul>   |

The “Overview of stakeholder interaction” graphic summarizes why the mentioned stakeholders are important to us and how we interact with them.

### Materiality for sustainability reporting

As part of our regular interaction with stakeholders as described above, Vontobel identifies and prioritizes topics that are or may become material to our business activities and stakeholders and therefore need active management.

Material topics may evolve over time, in line with changes in stakeholders’ interests and expectations and changes to the company and its operating environment. To review our material topics for the actual reporting period we took into account issues arising from regulatory developments<sup>1</sup>, our collaboration with industry associations, external ESG ratings and ESG data providers, peer reviews and internal developments. We then compared them to the sustainability topics that Vontobel had already identified as material in previous reporting cycles. Since our six Sustainability Commitments represent the main levers that we believe we have as a global investment firm and corporate citizen, they form the main categories for grouping the material topics and, as of this year, the guiding structure of the report.

The Corporate Sustainability Committee (CSC), as the main governance and decision-making body for corporate sustainability with delegated authority from the Executive Committee, assesses and prioritizes the identified issues. In addition, a cross-functional team of experts has been in place since mid-2022, providing a platform for dialogue, coordinating and aligning views, and fostering the formation of opinion on operational, Group-wide sustainability matters.

<sup>1</sup> For example, Art. 964a-c of the Swiss Code of Obligations, which had to be observed starting with the business year 2023. For further information, please refer to our “Swiss corporate reporting on non-financial matters index.”

Sustainability within products and the integration of material topics with regard to investment decisions is managed within the respective boutiques. On the other hand, other sustainability topics such as human rights issues or importing precious metals may be less material on an operational level since Vontobel, as a financial service provider, is not active in the manufacturing of products. Furthermore our main business activities are carried out in Switzerland—where the Vontobel headquarters are located—as well as in other countries that have laws and regulations in place to combat child labor and forced labor. With regard to Art. 964 lit. j - lit. l of the Swiss Code of Obligations, Vontobel has assessed whether we comply with the requirements for due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labor. It was concluded that Vontobel is exempt from the corresponding requirements pursuant to Art. 964 j. Further information on the Vontobel website is in preparation. For more details, please refer to the section on engagement and voting and “Risk management in our supply chain”.

No significant changes were made to the list of material topics for the 2023 report compared to the previous reporting period. The material topics were applied to the report prepared in accordance with GRI standards.

In line with our regulatory reporting responsibilities under the EU Corporate Sustainability Reporting Directive (CSRD), we plan to update our materiality assessment in 2024. We will perform a designated double materiality assessment that includes both an impact and financial materiality dimension.



**“The number of binding ESG regulations in the jurisdictions of our core markets is constantly increasing, which means that ESG issues in our industry have become considerably more complex. As a result, the requirements for transparent reporting and communication on the part of our stakeholders are also increasing. Vontobel recognized these developments at an early stage and proactively addressed them in the Legal and Compliance team.”**

—  
Dr. Maria-Antonella Bino  
General Counsel

## Sustainability governance and oversight

In 2023, we updated and sharpened our sustainability governance so that we are adequately equipped to deliver on our Commitments. Effective governance with clearly allocated roles and responsibilities is a key feature in the transition towards a sustainable future and is necessary for an organization to operate efficiently.

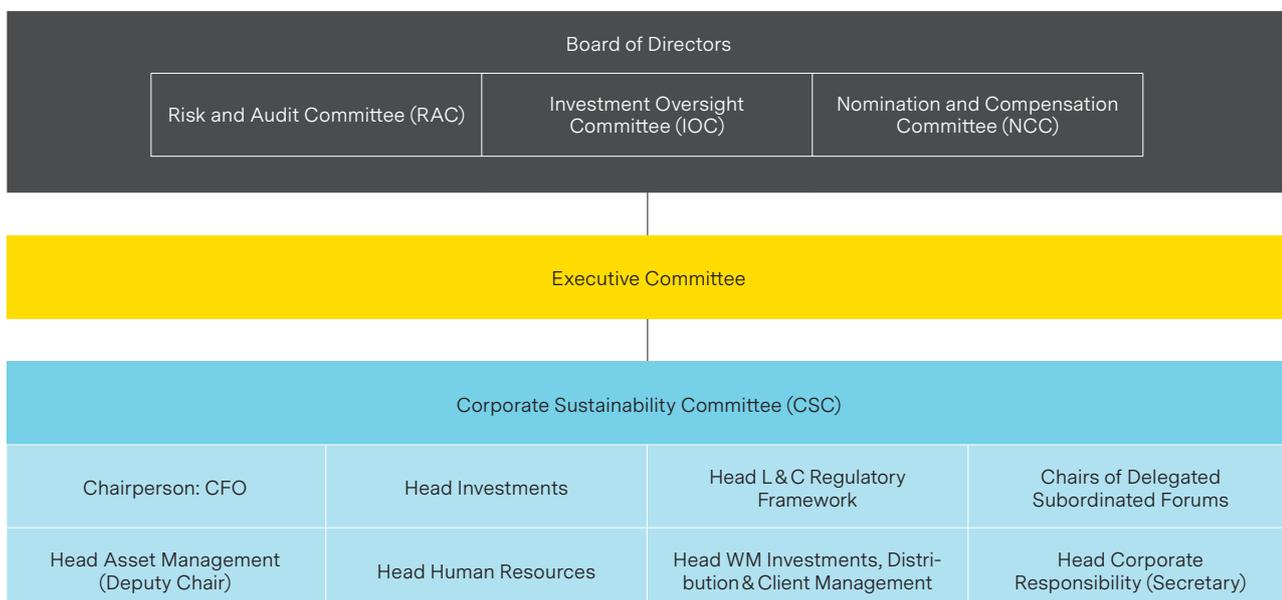
The Board of Directors (BoD) of Vontobel Holding AG is responsible for defining the overall strategic direction of Vontobel and for the approval of the strategy. As such, the BoD has a decisive influence on Vontobel’s strategy, structure and culture. In order for the Board of Directors (BoD) to perform these duties credibly and to act independently from the Executive Committee (ExCo), it must be composed of qualified and experienced members.

With regard to sustainability, the BoD, together with the ExCo, has defined Vontobel’s Sustainability Positioning and our six Sustainability Commitments in 2022. These Commitments lay out the foundation for our sustainability strategy and are our key levers for delivering on our Positioning.

On an operational level, the Corporate Sustainability Committee (CSC) is the main governance and decision-making body for corporate sustainability. It has delegated authority from the Executive Committee and is responsible for governing and overseeing the Group-wide sustainability initiatives, including ongoing activities (“run”) and “change”

oversight. The CSC is responsible for the supervision and implementation of the six Sustainability Commitments and external regulatory frameworks and for avoiding any form of greenwashing. Sustainability within products and the integration of ESG factors in our investment solutions is managed directly within the respective boutiques under the oversight of the Investment Management Committee (IMC). The Head Investments is a member of both the IMC and the CSC and provides regular updates to the CSC regarding these topics.

The CSC meets at least quarterly to discuss and decide on sustainability activities and initiatives. The CSC reports directly to the Executive Committee on a semi-annual basis, at least. The Executive Committee reports to the Board of Directors on sustainability. Sustainability matters, including climate-related issues including risks and opportunities, are thematized in the ordinary BoD meetings. In this context, the BoD is informed of and able to monitor progress of the six Sustainability Commitments. Over the past reporting year, sustainability was an important topic for the Board of Directors and was discussed in five meetings, including one dedicated ESG Board training session provided by external consultant. The training session focussed on the opportunities and challenges regarding sustainability and ESG aspects in the financial service sector, specifically on the regulatory developments in the EU and Switzerland, as well as the implication for and responsibilities of members of the Board of Directors. In 2022, the BoD, together with the management, was responsible for defining the company’s overall Sustainability Positioning





**“Governance and Transparency are crucial building blocks for ensuring that we achieve our sustainability goals. “Governance” is about ensuring that we have the right organization, processes, interfaces, roles and responsibilities to achieve our goals as soon as possible. “Transparency” both internal and external, is about giving stakeholders the information they need to enable them to make well-informed decisions. For example, it is important that our clients understand the consequences of their investment strategy.”**

—  
**Dr. Thomas Heinzl**  
 CFO/CRO/CSC Chair

and thereby laying the strategic foundation for Vontobel’s sustainability strategy and targets for the coming years.

In addition to its ordinary meetings, the Board of Directors holds an annual strategy workshop at which it addresses focus topics that are important for Vontobel’s development over the medium and long term. The BoD consults with external experts, depending on the topic.

The CSC is chaired by the Vontobel Holding AG CFO/CRO (Chief Financial Officer/Chief Risk Officer) and its members involve all relevant areas in order to ensure that transformation is coordinated and driven forward across all Client Units and Centers of Excellence. Each of the six Sustainability Commitments is allocated to a dedicated member of the senior management team, who acts as the Commitment Owner and is operationally responsible for implementing and managing the respective commitment (e.g. the Head Human Resources owns the Great Workplace Commitment). All Commitment Owners are members of the CSC. The CSC members include the chairs of the three delegated subordinate forums: ESG Investment Forum, ESG Private Clients Forum and ESG Structured Products Forum. The subordinated forums are key to knowledge sharing among the different business areas and ensure horizontal communication around sustainability/ESG topics.

#### **ESG Investment Forum**

The ESG Investment Forum contributes to good ESG product governance by assessing new or re-positioned investment product quality through reviews of the investment approaches of boutiques and strategies in terms of ESG quality, resources, team set-up and ESG data usage, to name a few. The ESG Investment Forum discussions are centered on reviewing and challenging ESG approaches.

#### **ESG Private Clients Forum**

The ESG Private Clients Forum is responsible for the Wealth Management and Digital Investing Client Units to ensure that ESG-related governance in respect to external regulations and internal directives in connection with product approval and client advisory is set up and that all controls are in place for ensuring that ESG governance is followed. Furthermore, it supports Wealth Management and Digital Investing with technical questions and exchanges with the relevant governance bodies in order to ensure an alignment on ESG-related matters with the other Client Units and Centers of Excellence.

#### **ESG Structured Products Forum**

The ESG Structured Products Forum serves as the platform for discussing, reporting and agreeing on the way forward within the Structured Solutions & Treasury Center of Excellence and its offering and for ensuring that the defined ESG standards are enforced. It discusses regulatory developments as well as market trends.

### **Risk management**

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. We always strive to pursue these goals in accordance with applicable laws, rules and regulations, and an efficient and effective risk management approach is an integral part of doing so.

The next section elaborates on the overall risk management approach of Vontobel and comments on the corresponding risk governance, key processes, and roles and responsibilities involved. It details how Sustainability and ESG risks are incorporated into our Group-wide approach.

At Vontobel, the Group-wide risk management framework forms the institutional basis for the overall risk governance and management practices of all Vontobel entities and all business activities. It describes Vontobel’s general approach to risk management and details the annual risk cycle, and includes the following process steps: identification of risks, assessment of risks, monitoring of risks, control assessment and risk reporting. These are applied in order to guarantee an effective risk management system. The risk appetite describes the amount of risk Vontobel is willing to take as it pursues its strategic goals. A risk appetite is composed of a set of definitions, qualitative statements, key risk indicators (KRIs) and corresponding thresholds and limits along all of Vontobel’s risks as defined by the Board of Directors, accompanied by a response framework, should the KRIs be in breach of the appetite.

Overall, the risks that arise from Vontobel’s business activities are the following: credit risk, operational risk, market risk, liquidity risk and reputational risk (arising as a consequential risk from the first ones).

For further details regarding Vontobel’s approach to risk management and risk control, please refer to the Annual Report page 167ff.

**Risk governance**

At Vontobel, the Board of Directors (BoD) is the highest governance body and is responsible for ensuring adequate risk management. The BoD selects and dismisses the members of the Risk and Audit Committee (RAC), the members and chair of the Executive Committee (including the Chief Financial Officer / Chief Risk Officer) and the Head of Group Internal Audit. The RAC monitors and assesses the institution-wide risk management framework, the integrity of financial statements, the Internal Control System, and the effectiveness of Internal Audit and the audit firm, as well as their interaction. The RAC receives the periodic consolidated risk reports for the attention of the BoD. It also periodically reviews the institution-wide risk management framework to determine its appropriateness and effectiveness, including the approval of the combined Group-wide stress tests together with the scenarios used and the relevant methods, as well as the approval of the detailed results of these stress tests. The RAC may conduct special reviews of or studies on important issues and request additional internal and/or external resources.

The Executive Committee is responsible for the operational management of the Group and for maintaining suit-

able processes in general, thus also for controlling the risks.

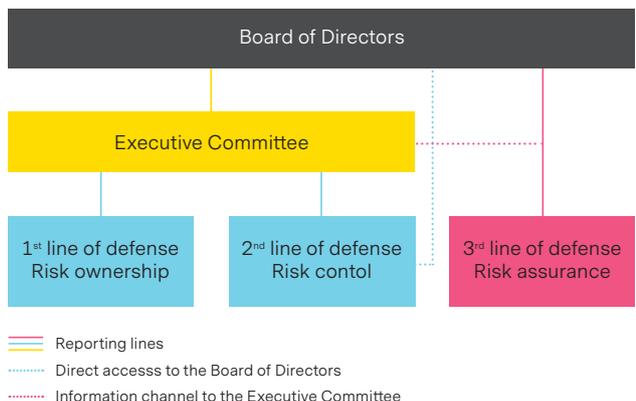
The Non-Financial Risk team oversees the practical application of the risk appetite framework. This includes defining risk limits and thresholds with KRI owners and relevant Client Units and Centers of Excellence, as well as monitoring Vontobel’s risk profile.

**Sustainability and ESG risk**

Our approach to risk management also applies to Sustainability/ESG, including climate-related risks, and we are committed to continuing to fully integrate these into our risk management framework by means of appropriate procedures, practices and tools. As such, these risks are managed in accordance with the Three Lines of Defense Model and rely on the existing Internal Control System.

Under the Three Lines of Defense Model, the first line has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks. The second line consists of the activities of specialist control functions, which monitor and facilitate effective risk management by the first line and ensure the flow of information on risk up and down the organization. The third line is Internal Audit.

While the three lines are organizationally segregated and their roles in the risk management organization are distinct, the model relies on a culture of collaboration, transparency and challenge between and within the lines of defense. The second line of defense functions—and in particular the independent control functions Risk Control and Compliance—must collaborate and share information to ensure comprehensive risk coverage and clear responsibilities and to avoid overlaps and control gaps.



Specific to ESG, the Non-Financial Risk team, which coordinates with colleagues from Primary Risk, acts as the second line of defense and, among other things, it is responsible for defining and propagating the Sustainability/ESG risk framework, developing the tools for identifying and assessing Sustainability/ESG risks, supporting scenarios, and undertaking stress testing. The first line is the Business that may be supported by a dedicated Business Risk Manager. These colleagues are responsible for implementing the Sustainability/ESG risk framework and must seek to identify and manage the related risks by designing and operating controls in accordance with Group standards.

In addition to the existing Group-wide risk management framework, we developed a dedicated Sustainability/ESG risk policy in 2023. This policy applies to all Vontobel legal entities and employees and lays out the areas in which the Client Units and Centers of Excellence need to develop and implement additional guidance and processes with regard to Sustainability/ESG risk. Vontobel identifies Sustainability/ESG risks as a driver of the existing risk categories rather than a fundamentally distinct risk category. Sustainability/ESG factors are relevant for all business and risk processes and, as such, the identification of possible impacts is done across all existing risk categories of the taxonomy, such as credit risk, operational risk, market risk and liquidity risk.

We define Sustainability risks as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. ESG risks refer more broadly to any negative financial impact on the institution stemming from the current or prospective impacts of ESG factors on its counterparties or invested assets. We therefore identify environmental risks, social risks as well as governance risks within our risk management approach.

In the context of climate-related risks, we consider the following risk drivers:

- Transition risk refers to Vontobel’s or our clients’ financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy. This process may be affected especially by changes in policy, technology and consumer and market preferences.
- Physical risk refers to the impact of a changing climate (e.g. flooding) and environmental degradation. Physical risk can be split as follows:
  - Acute physical risks refer to those that are event-driven, including increased severity of extreme

weather events (e.g. cyclones, hurricanes or floods).  
 – Chronic physical risks refers to long-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heat waves.

There are further environmental risks for which physical risks are also relevant, such as environmental degradation in the form of water stress, biodiversity loss and pollution.

- Litigation risk refers to Vontobel’s financial or reputational loss that can result directly or indirectly from climate-related litigation such as failing to take appropriate climate action or a breach of underlying frameworks.

Direct financial impact can be experienced through stranded assets, which are assets that have suffered from unanticipated or premature write-downs, devaluations, or conversion to liabilities.

In addition to environmental risk drivers, Vontobel also considers social risk drivers, such as employee relationships/labor rights and standards, human rights’ violations, and changes in social policies to name a few, as well as governance risk drivers, such as governance practices including inclusiveness, executive remuneration, board independence, corruption and bribery, and the ways in which these risk drivers could potentially impact existing risk categories.

#### **Key risk management processes**

Vontobel conducts an annual exercise to identify and update the list of key Sustainability/ESG risks that could—if they were to occur—cause an actual or a potential negative material impact for Vontobel. The negative impact could be financial or non-financial.

In addition, a top-down climate scenario analysis/stress testing exercise is conducted across the books to assess the forward-looking vulnerability and resilience of Vontobel’s business towards climate-related risks. Such a quantitative analysis enhances the risk management processes and aims to provide additional insights on the risks due to a transition to a low-carbon economy or due to intensified physical risks.

#### **Risk management for our investment products**

The way that Vontobel integrates Sustainability risks in its investment decisions and advisory services is detailed in our “Sustainable Investing and Advisory” Group policy.

As described on the previous pages, our risk management is based on the principles of clear delineation of roles and responsibilities and, accordingly, the Three Lines of

Defense Model is also applied within our investment solutions.

### **1st Line of Defense: investment teams and investment risk**

Our investment teams, and especially the portfolio managers, are the principal risk owners. They are responsible for identifying and managing Sustainability/ESG risks as part of our investment process. They identify and monitor controversies based on the data from third-party providers and based on our own research. The investment manager's integration of Sustainability/ESG risks in the investment decision-making process is reflected in the Sustainable Investing and Advisory Policy. More information on how the Sustainable Investing and Advisory policy is implemented in specific products can be found at: [www.vontobel.com/SFDR](http://www.vontobel.com/SFDR).

Our ESG specialists and analysts are embedded within all our investment boutiques to ensure knowledge transfer and collaboration in the risk identification and management process. Further, in the research meetings between the ESG specialists and the investment teams, there is a dedicated timeslot to discuss Sustainability and ESG risks and assess their impact on the portfolios. This process is further supported by the availability of trainings on ESG for the investment teams to ensure that they can adequately assess and manage these risks in their role of risk owners. Within the first line of defense, our investment teams are supported by the Investment Risk team, which assesses and advises on the mitigation of investment risks. It plays a crucial role in assessing the management of Sustainability risk considerations during regular portfolio reviews, especially for the products that integrate ESG criteria in their investment process.

### **2nd Line of Defense: Group investment control**

In addition to the Group functions Non-Financial Risk and Legal and Compliance, the Group Investment Control function is responsible for independently overseeing the efforts of the first line; in this case, of the investment teams. Pre-trade and post-trade checks are the two main instruments of the second line in exercising control of investment risks and, specifically, of ESG. Pre-trade checks are used by a dedicated team in Compliance to assess whether an investment adheres to the investment guidelines, including ESG specifications. The system generates an alert (also within trade simulations) before the trade is executed to indicate to the portfolio manager that a breach would occur if the trade were to materialize. Trade-generated alerts are reviewed by Compliance and cleared if the trade would not in fact result in a breach.

Post-trade checks are conducted in the process of the daily portfolio review by the independent Investment Control team using our portfolio management system. In case of a breach, the portfolio managers are consulted for clarification, with corrective measures taken where appropriate, with consideration given to the investors' interests. If necessary, issues are escalated to the Boutique Head, the Head of Investments Risk Management and Compliance.

Further details on the investment risk management process and examples can be found in the AM ESG Integration and Stewardship report and in the respective fund prospectus.

### **Risk management in our supply chain**

Vontobel strives to conduct its own operations in accordance with high environmental and social standards and we therefore also expect our business partners to adhere to the principles of responsible business conduct. These aspects are incorporated into our tendering process and serve as a guide when awarding contracts since 2021. The relevant details are set out in Vontobel's Guidelines for sustainable procurement. They address matters such as employment conditions, child labor, forced labor (modern slavery) and human trafficking, environmental protection, and the prevention of corruption. We expect our contractors to comply with these guidelines in order to work with Vontobel and to ensure that these guidelines are also observed by their own suppliers, subcontractors and employees. In 2023, more than 80 percent of our third-party spend was made in countries that can be assumed to have a low risk in relation to child labor, according to the UNICEF Children's Rights in the Workplace Index (Switzerland, Germany, UK).

As part of Vontobel's supplier management framework, new partners have to provide information about their environmental and social standards. In addition, Vontobel makes use of an external rating platform to monitor the volume and relevance of Sustainability risks related to its main suppliers. The platform monitors issues with regards to environment, human and labor rights, such as child labor and forced labor. The issues have been selected and defined in accordance with key international standards, such as the OECD Guidelines for Multinational Enterprises, the ILO Conventions and the ten principles of the UN Global Compact.

There were no significant changes to the supply chain compared to the previous reporting period. For more details, please refer to our Guidelines for sustainable procurement at: [www.vontobel.com/principles-policies](http://www.vontobel.com/principles-policies).

## Compliance management

Effective compliance forms the basis of our long-term success and is therefore a core aspect of our business. Vontobel implements 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 business areas using appropriate compliance processes to ensure that they are legally compliant. New employees are issued with the Employee Handbook, which sets out specific guidelines and instructions. The most recent version of the Employee Handbook is always available on the intranet. All Vontobel employees are subject to specific directives setting out Vontobel's principles and guidelines. Current and comprehensive policies are accessible at any time and include the "Group policy on Conflicts of Interest". The values in the Code of Conduct are regularly addressed and are demonstrated from the top down.

### Anti-bribery, corruption and money laundering

One of the main focus areas 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 for monitoring our relationships with politically exposed persons (PEPs). Material issues are addressed during regular Legal and Compliance meetings, which are attended by representatives of the Executive Committee. In urgent cases, meetings are held on an ad hoc basis or decisions are reached by circular letter. Legal and Compliance produces half-yearly compliance reports for submission to the Executive Committee.

Another key area of focus in adhering to our compliance requirements is the provision of employee training on relevant topics in the area of anti-bribery and anti-corruption. All Vontobel employees have to complete mandatory compliance training (with the exception of Corporate Real Estate Management, the Reception and external employees). The training covers topics such as money laundering and terrorist financing, market conduct rules, anti-corruption measures and the protection of personal data. Moreover, all employees are obligated to undergo specialized training focused on conflicts of interest. This training utilizes specific scenarios to enhance awareness and hone the ability to recognize potential conflicts of interest. New employees are automatically enrolled in the training and have to complete compliance courses related specifically to their role or business area. VAMUS and TwentyFour Asset Management employees receive targeted training.

In addition, we periodically conduct specific classroom-based training courses in the Client Units.

At departmental level, further training courses are offered to address the management of specific risks. These measures prevent breaches of internal and external rules and regulations.

### Conflicts of interest

Vontobel strives to prevent conflicts of interest from arising in the first place. If they cannot be avoided, Vontobel has a structured process in place to ensure that they are documented and disclosed.

Employees are required to adhere to the Conflicts of Interest policy, which outlines guidelines for managing external mandates, gifts, entertainment and interactions with related parties. A system is in place to facilitate employees in systematically recording conflicts of interest.

Our public Conflict of Interest policy statement is available at: [www.vontobel.com/mifid](http://www.vontobel.com/mifid).

Members of the Board of Directors (BoD) and Executive Committee (ExCo) must conduct their personal and business affairs in such a way as to avoid any conflicts of interests as far as possible. In particular, this obligation applies to matters relating to other mandates they hold or activities they perform that could give rise to a conflict of interests. Each member of the Board of Directors must inform the Chair of the BoD (or, in case of the Chair, the Vice-Chair) of any conflict of interests—whether of a general nature or related to a specific matter to be discussed at a BoD meeting—as soon as the BoD member becomes aware of its existence. Executive Committee members have a duty to inform the CEO (or, in case of the CEO, the CFO/CRO) without delay about any such conflicts of interest. A conflicted BoD or ExCo member is not permitted to participate in related discussions and must abstain from voting. Additional measures may be considered appropriate to address a conflict of interest, including restrictions on the flow of information to the conflicted member of the BoD or ExCo member.

External mandates of BoD members are to be disclosed to the Chair (or, in case of the Chair, to the Vice-Chair) and approved by the Nomination and Compensation Committee (NCC) of the Board of Directors. External mandates of Executive Committee members are to be disclosed to the CEO (or, in case of the CEO, to the Chair) and approved by the NCC. External mandates of BoD and ExCo members are reviewed annually by the NCC. The BoD is informed by the NCC of any such mandates.

Over the last reporting period, there were no confirmed employee misconduct cases within our employee sanction management tool referring to corruption, bribery or conflicts of interest.

#### **Data privacy and information security**

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 place considerable importance to protecting client data and complying with all legal requirements in this context. The parameters for compliance with legal requirements relating to the protection of client data (such as banking confidentiality and data protection law) are defined and monitored by cross-divisional departments such as Legal and Compliance (with the Group Data Privacy Officer), Group Information Security (with the Chief Information Security Officer) and IT Security.

- Further information on how we gather and process personal data can be found on our webpage: [www.vontobel.com/privacy-policy](http://www.vontobel.com/privacy-policy)
- Further information on IT security is available at: [www.vontobel.com/it-security](http://www.vontobel.com/it-security)

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

#### **Product compliance**

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.

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 provide greater transparency for investors, as well as complying with the corresponding provisions. In addition, Vontobel is a signatory of the Principles for Responsible Investment (PRI) since 2010 in the signatory category investment manager.

We strive to ensure that our products and services comply with the relevant applicable legal and regulatory requirements with regards 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.

### **Our whistleblowing system**

The success of our company and our positioning as an attractive employer both depend on our ability to foster an inclusive, open and inspiring corporate culture where individuals feel that they can safely express their opinion—or speak out about challenges or misconduct. Employees are encouraged to voice their concerns directly to their line manager or, alternatively, to the responsible contact person within Human Resources, Legal & Compliance and/or Internal Audit.

For regulatory reasons and to ensure that a process is in place to give individuals in conflict situations a platform, Vontobel has decided to introduce a new whistleblowing system. This makes it possible to not only report compliance breaches and misconduct anonymously and without fear of reprisals but to also communicate criticisms or propose improvements.

Since October 1, 2023, it has been possible for all employees as well as third parties to report an issue in English or German via one of the five different communication channels within the whistleblowing system: They can use the digital reporting platform, send an e-mail or letter, use the telephone hotline or submit a report during an in-person meeting. Comprehensive information on how to use the individual communication channels can be found on the externally managed homepage [vontobel.integrityline.io](https://vontobel.integrityline.io). It also provides general information on the need to give as much detail as possible when submitting a report and underscores how important it is to act in “good faith”. The technical aspects of the homepage are managed separately from the Vontobel infrastructure, which means that Vontobel cannot determine the identity of the sender.

All whistleblowing reports undergo a preliminary review by a specialist Swiss law firm. It then determines the extent to which the reported incident constitutes a legitimate protected disclosure.

As part of its initial evaluation, the law firm also offers legal advice and issues recommendations to the General Counsel of the Vontobel Group on possible next steps. Based on this input, the General Counsel decides whether an internal investigation should be launched. The General Counsel is responsible for overseeing the incident that is to be investigated; where necessary, internal and/or external specialists are also involved in the process.

To ensure the transparency of the process, the whistleblower is not only informed that the report has been received but is also notified about the next steps in the investigation. Vontobel itself does not have direct access to the information contained in the original report, and if any other communication with the whistleblower is necessary, this is carried out via the law firm; the whistleblower can opt to remain anonymous. Whether or not they remain anonymous, all whistleblowers who are acting in good faith are fully protected against any form of reprisals.

We are convinced that this new whistleblowing system will make a further contribution towards fostering a working environment in which each individual can develop and realize their full potential. Mutual respect, openness and freedom from discrimination are of key importance in this context, as is the creation of a transparent culture of collaboration in which we take the concerns of employees and third parties seriously and promote and preserve a speak-up mentality.

# ESG investing and advice

As a global investment firm, Vontobel believes that our business activities investing and investment advisory represent one of our main levers that we can use to support the transition to a more sustainable future. Vontobel has formulated two commitments that relate to our core activities in Asset and Wealth Management. In Asset Management, our commitment focuses on the inclusion of ESG considerations into our investment decisions as part of our fiduciary duty. In Wealth Management, our commitment focuses on advising our clients about the benefits, opportunities, and risks of ESG investments.

## Incorporate ESG consideration into active investment decisions

**“We believe that ESG consideration is part of our fiduciary duty, requires investment team accountability and demands transparency. For this reason, our investment teams subscribe to four ESG Investment Principles. This foundation enables us to offer a wide range of ESG solutions, in response to our clients’ desired investment objective(s), which can be any one, or a balance of, the following: 1. optimizing risk-adjusted performance through the consideration of financially material ESG issues; 2. mitigating negative environmental and social impact from investments; and 3. investing in companies that provide products and services that aim to actively and positively contribute to the UN Sustainable Development Goals (SDGs)”**

For generations, Vontobel has acted and invested for the long-term. As an active investment firm, the integration of environmental, social and governance (ESG) factors into our product and service offering is a key part of our sustainability strategy. We incorporate ESG criteria into investment decisions to empower our clients to build better futures.

As a pioneer in this field, we have been offering our clients a range of investment solutions that incorporate ESG criteria since the 1990s. We focus on active asset management based on a multi-boutique model with highly specialized investment teams and dedicated ESG analysts. Our investment teams subscribe to four common ESG Investment Principles because we believe that ESG consideration is part of our fiduciary duty, requires investment team accountability, and demands transparency. The implementation of these principles is monitored in the Corporate Sustainability Committee (CSC), using selected key performance indicators (KPIs). This foundation enables us to offer a wide range of investment solutions, in response to our clients’ desired investment objectives.

## Our four ESG Investment Principles

1

We incorporate ESG considerations into our investment processes to enable our clients to better achieve their investment objectives.

3

Our investment teams are accountable for the application of our ESG Investment Principles.

2

As active managers, we leverage the tools of engagement and voting.

4

We are committed to transparency through disciplined disclosure, reporting and dialogue with all our stakeholders.



**“We are investment-led and, to me, being investment-led means to display investment integrity in everything that we do. We can only help and partner with our clients if we do not compromise on the quality of what we do. This approach also underpins the path to sustainability. When it comes to ESG, we have aligned our multi-boutique business model, which consists of multiproduct, multi-investment teams, with four ESG Investment Principles.”**

—  
**Dr. Christel Rendu de Lint**  
 Head Investments

**Principle 1: We incorporate ESG considerations into our investment process to enable our clients to better achieve their investment objectives.**

Vontobel offers a range of ESG solutions. To ensure transparency and comparability, we have grouped all our investment solutions that integrate ESG criteria into three categories<sup>1</sup>:

- “Integrated ESG Risks” (SFDR Article 6): Exclusion of controversial weapons and consideration of sustainability risks.
- “Promote ESG” (SFDR Article 8): In addition to the integration of Sustainability risks, these products consider material ESG factors and certain negative impacts on society and the environment during the investment process. Furthermore, subject to asset owners’ consent and operational feasibility, voting and engagement are aligned with the ESG strategy, and ESG reporting is available.
- “Sustainable” (SFDR Article 8 or 9): In addition to the criteria applied to the “Promote ESG” category, these products further apply exclusions of certain sectors and industries. Moreover, SFDR Article 9 products mostly invest in companies that contribute to the realization of environmental and/or social objectives. These companies play a positive role in the sustainable development of the economy and society and capture opportunities arising from this transition.

<sup>1</sup> Not all of our products fall within the scope of the European regulation SFDR. Since at present, there is no uniform internationally recognized framework for financial products that integrate ESG criteria, in the case of investment solutions that are not subject to SFDR, the classification has been applied mutatis mutandis. SFDR stands for Sustainability Related Financial Disclosures Regulation, namely Regulation (EU) 2019 / 2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector. SFDR is not a labelling regime, but a disclosure regime. Accordingly, SFDR-article-products are not quality labels for sustainability and investors shall not take the mere presence of an SFDR-article-product disclosure as an indication of sustainability or quality label for sustainability per se.

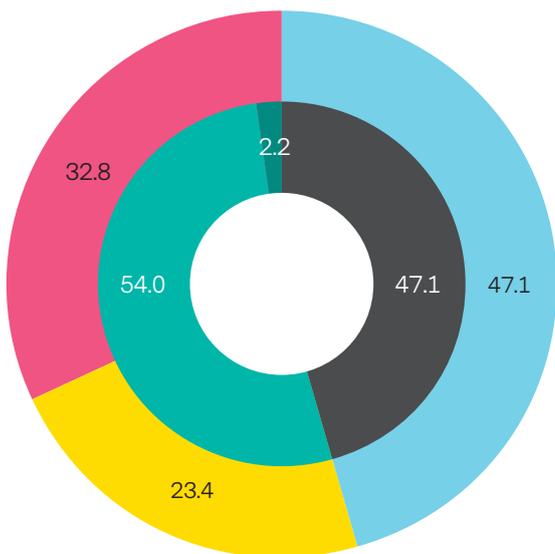
We currently manage over 20 distinct strategies that integrate ESG criteria. In 2024, we plan to revise our product categories and product classification based on anticipated regulatory changes, particularly in the EU.

As of December 31, 2023, Vontobel had a total of CHF 103.3 billion of assets under management invested into solutions that incorporate ESG criteria (excludes Structured Investments). Due to rapid regulatory developments, categorization of Vontobel products has changed significantly and figures 2021 are comparable to the following years only to a limited extent. Non-discretionary mandates and Actively Managed Certificates (AMCs) are excluded from the figures after 2021. In 2021, total investment solutions that incorporate ESG criteria would be CHF 141.6 billion without these products (58.1% of AUM).

**Principle 2: As active managers, we leverage the tools of engagement and voting.**

As a signatory to the UN Principles for Responsible Investment, Vontobel Group commits to being an active owner and to incorporate environmental, social, and corporate governance (ESG) issues into its ownership policies and practices. We believe active ownership adds value between long-term partners. At the same time, we are convinced that voting and engagement can have a positive influence on companies, economies, societies, and the environment. Since 2019, Vontobel Asset Management has had voting and engagement policies in place, corresponding statements can be found under [www.vontobel.com/esg-library](http://www.vontobel.com/esg-library). We engage with issuers for updates and issues of concern. As an active investment manager, we prefer to engage with the management of investee companies directly. We also use collaborative engagements, performed by third parties. Reasons to engage can include business strategy, corporate governance issues, change in the capital structure, remuneration issues and identified environmental and social risks. An important part of active ownership is our voting activities.

Investment solutions that incorporate ESG criteria<sup>1,2</sup>  
IN B CHF



**Vontobel Categories**  
 ■ Integrated ESG Risks  
 ■ Promote ESG  
 ■ Sustainable

**SFDR Disclosure Categories<sup>3</sup>**  
 ■ Article 6 (Consider ESG risks)<sup>4</sup>  
 ■ Article 8 (Promote ESG characteristics)  
 ■ Article 9 (Sustainable investment objective)

| IN B CHF                       | 2023         | 2022         | 2021         |
|--------------------------------|--------------|--------------|--------------|
| Sustainable                    | 32.8         | 32.4         | 36.4         |
| Promote ESG                    | 23.4         | 21.5         | -            |
| Integrated ESG Risks           | 47.1         | 53.7         | 107.6        |
| <b>Total</b>                   | <b>103.3</b> | <b>107.6</b> | <b>144.0</b> |
| <b>IN % OF AUM<sup>5</sup></b> |              |              |              |
| Sustainable                    | 15.9         | 15.9         | 14.9         |
| Promote ESG                    | 11.3         | 10.5         | -            |
| Integrated ESG Risks           | 22.8         | 26.3         | 44.2         |
| <b>Total</b>                   | <b>50.0</b>  | <b>52.6</b>  | <b>59.1</b>  |

1 Excludes Structured Investments

2 To ensure transparency and comparability, we have classified all of our investment solutions that integrate ESG criteria according to the SFDR. In the case of investment solutions that are not subject to SFDR, the classification has been applied mutatis mutandis. SFDR is not a labelling regime, but a disclosure regime. Accordingly, SFDR-article-products are not quality labels for sustainability and investors shall not take the mere presence of an SFDR-article-product disclosure as an indication of sustainability or quality label for sustainability per se

3 The change in AuM for the different SFDR categories in 2023 is partly due to a reclassification of products from Article 6 to Article 8.

4 Article 6 of the SFDR relates to products that disclose if and how ESG risks are taken into account. For all of the investment solutions considered here, the continuous monitoring of ESG risks forms part of the risk management process. This chart only shows those products covered by Article 6 of the SFDR that take account of ESG criteria.

5 Assets under management, see page 11.

Vontobel Asset Management recognizes that portfolio management of the assets of clients, which include stocks, may include an obligation to vote in relation to the stock. If authorized to do so, Vontobel Asset Management will vote in a manner which it reasonably believes to be in the best interest of the client and in line with any specific legal or regulatory requirements that may apply.

For further information regarding voting and engagement, please refer to the AM ESG Integration and Stewardship Report at: [www.vontobel.com/esg-library](http://www.vontobel.com/esg-library).

Each year, Vontobel publishes a Voting and Engagement Report ([www.vontobel.com/esg-library](http://www.vontobel.com/esg-library)), which provides examples of engagement. The report for 2023 will be published in mid-2024.

**Principle 3: Our investment teams are accountable for the application of our ESG Investment Principles. ESG capabilities are embedded in our investment boutiques**

We believe ESG considerations require investment team accountability. Our dedicated ESG analysts are embedded within our investment teams and their work is integrated into the investment process. This allows them to collaborate closely with financial analysts and portfolio managers, fostering a continuous exchange. It also ensures that our clients benefit from deep expertise in specific asset classes. In total, more than 30 specialists with different backgrounds work on ESG-related topics, be portfolio management, ESG research or overarching topics. They build on several years of investment experience and a strong track record in the ESG field. 14 of them are ESG analysts and are fully dedicated to ESG topics. They conduct ESG research and work on the further development of the integration of ESG considerations in our investment strategies. There are currently 35 portfolio managers that manage “Promote ESG” and “Sustainable” funds (19 are

managing “Sustainable” funds). They apply the ESG investment process and work in close collaboration with the ESG analysts.

Complementing the work of the ESG analysts embedded in our investment boutiques, the ESG Center advises investment teams on the latest regulatory, market and product developments. This team plays an instrumental role in the continuous development of Vontobel’s ESG framework, building the link between the investment teams and other functions. Each boutique is represented by an ESG Lead in the ESG Investment Forum which, among other tasks, serves as a platform to review and challenge ESG approaches and product governance structures. The members of the ESG Investment Forum shape the ESG product strategy, formulate investment-related ESG policies and assess investor-led ESG initiatives. The ESG Lead is appointed by the head of each boutique. In addition to the collaboration within the ESG Investment Forum, the exchange between ESG analysts is fostered through dedicated working groups.

**Principle 4: We are committed to transparency through disciplined disclosure, reporting and dialogue with all our stakeholders.**

**Disciplined disclosure**

We commit to transparently disclosing the ESG process that we apply for our financial products, where those integrate ESG criteria in the investment process. This information is typically included in the respective pre-contractual disclosures. The extent and focus of the disclosures depend on the ESG process applied, ranging from the sole consideration of financially material sustainability risks to investments in companies that positively contribute to an environmental or social objective.

**Regular reporting on our ESG activities**

In addition to the Sustainability Report, we regularly report on Vontobel’s ESG activities through our yearly reports.

For Vontobel Group:

- UN PRI Transparency Report
- Statement on principal adverse impacts (PAI) of investment decisions on sustainability factors

For Vontobel Asset Management:

- ESG Integration and Stewardship Report
- Voting and Engagement Report
- Voting records

In recent years, we further developed specialized reporting at product level, including:

- The disclosure of ESG data included in fund fact-

sheets (available on a monthly basis on our website)

- Regulatory SFDR fund reports (available on an annual basis for our investment funds in scope of SFDR)
- Impact reports for listed impact strategies
- Individual reports for clients

While factsheets include standardized data, such as the fund’s MSCI ESG rating or E, S and G scores, other reports are designed to be in line with the respective investment process and goals. The information covers for example aspects such as the ESG profiles and ESG ratings of certain investments, the ESG profiles of our mandates and funds—including benchmark comparisons—and CO<sub>2</sub> reporting or impact-related information based on the UN Sustainable Development Goals (SDGs). Regulatory ESG reports as well as the Impact Reports produced for selected strategies are available on our website at: [am.vontobel.com](http://am.vontobel.com).

Engaging in a dialogue with our clients and stakeholders is a central part of our commitment, reflected in client surveys such as the “Vontobel 2023 Impact Investing Survey”. Since 2022, Vontobel has been an advisory partner to the Financial Times Moral Money Forum and is participating in the FT Moral Money Forum’s Advisory Board. The FT Moral Money Forum examines important issues in the ESG debate and highlights the macro and philosophical questions involved, as well as exploring and presenting different solutions being developed by participating organizations. Through the advisory partnership, Vontobel has two seats on the Advisory Board, and we are thus helping to shape the topics covered in the Moral Money reports.

**Advise our private clients on the benefits, opportunities and risks of ESG investments**

**“We advise our private clients on the risk/return characteristics of ESG investments to help them build portfolios that meet their goals, and we want to offer them a comprehensive product shelf to choose from. This will entail the creation of sustainability profiles for clients, based on their investment needs, across different regions and jurisdictions.”**

In Wealth Management Vontobel offers discretionary mandate solutions for multi and single asset mandates based on the client’s needs and preferences for sustainable investing. Vontobel Wealth Management has developed its own ESG Framework which offers the basis for the classification of investment instruments and client preferences.

The ESG classifications are divided into the following three standards:

- **Risk-adjusted performance:** Optimizing risk-adjusted performance through the consideration of financially material ESG issues. This is the minimum standard which, unlike the other ESG classifications, does not pursue any explicit ESG objectives.
- **Mitigation of negative effects:** Mitigating negative environmental and social impact from investments. This is the middle standard, which builds upon the previous classification, and on top of it excludes certain sectors and companies that have a negative environmental and/or social impact measured by predefined indicators.
- **Positive contribution:** Investing in companies that provide products and services aiming to actively and positively contribute to the UN SDGs. In this classification in addition to the consideration of ESG risks and the exclusion of certain sectors and companies, a focus is placed on investments in companies that have a positive impact on the environment and/or society.

Within the Vontobel investment universe, an instrument or product is either assigned to one of these three ESG classifications, or it is categorized as an instrument that is not covered or not recommended.

The ESG Framework is continuously being reviewed to adapt to the changing market conditions and regulatory requirements. It is also modified in accordance with the applicable client's domicile and protection level as well as the corresponding regulatory requirements.

In the area of investment advisory, Vontobel supports private clients when investing in equities, fixed income or collective investments that are in line with one of the three ESG classifications defined for the offering for private clients and are covered by primary or secondary research providers, as well as our in-house fund research team. Within the Vontobel investment universe an instrument or

product is either assigned to one of the three ESG classifications, or it is categorized as an instrument that is not covered or not recommended.

In order to systematically and efficiently provide sustainable investment advice to our clients, all our relationship managers and investment advisors have access to internal and external ESG research and analysis. This allows them to screen the investment universe not only based on fundamental analysis but also by taking account of ESG assessments and any controversial activities in combination with the internal list of recommendations of sustainable and ESG investments.

Our research team for Swiss equities has fully integrated ESG criteria into its company valuations and thus supports advisory services by providing in-depth guidance on sustainability issues related to Swiss stocks.

Additionally, our IT systems incorporate ESG criteria in order to monitor client portfolios—allowing for systematic oversight of the portfolios and supporting active communication with clients and the provision of appropriate advice. The majority of our research analysts, relationship managers and investment advisors hold the AZEK certificate “ESG for Client Advisors” (ESG-CA), enhancing our in-house ESG expertise.

All of these measures enable us to offer our clients more in-depth advice about the sustainability of investments on an ongoing basis.

We guide our clients by providing a holistic portfolio view that considers overall exposures to ESG risks and opportunities while remaining aligned with the Vontobel market outlook and the client's risk profile. We offer our advisory clients the opportunity to choose from three ESG preferences to align their investment decisions with their personal values and to participate in companies with solutions for a sustainable future.



**“By introducing an expanded ESG Framework, we have given our relationship managers a tool to help them integrate ESG aspects into our advisory offering and to enhance the way in which we talk to clients about sustainability.”**

—  
**Georg Schubiger**  
 Head Wealth Management.

In the area of wealth planning, we offer our clients the opportunity to invest in pension solutions (Pillar 3a, vested benefits and management pensions) that focus on investments that combine the goals of capital preservation and capital growth with ethical, environmental and social aspects.

## A leading issuer of structured solutions

For many years, Vontobel has ranked as one of the leading issuers of structured solutions in Switzerland and the European Economic Area. We believe that structured products are important components of a diversified financial investment. However, these products are not directly covered by the scope of application of the relevant European legislation related to sustainability aspects of financial products. If investors express certain sustainability preferences, the largest possible number of different products should be available to meet those individual preferences. We look at two different levels of criteria when considering the specific sustainability features of a structured product: Criteria at the level of the issuer, or the group that the issuer is part of, and criteria at the level of the underlying. The classification of structured products and the identification of the sustainability features of a specific product are performed based on Vontobel's ESG product and transparency standards. For example, in addition to applying a dedicated ESG strategy to the selection of potential underlyings and taking account of exclusion criteria at the level of the underlying, the only products that can be classified as products with sustainability features are investment products—not leverage products. Investment products that profit from a downward movement of the relevant underlying are also excluded from being classified as a structured product with sustainability features. When selecting the underlying, Vontobel follows an ESG strategy that considers certain qualitative requirements (such as minimum exclusions) as well as other criteria (such as in-house research insights). Within the framework of the ESG strategy, the results of the respective Vontobel investment team as well as external data suppliers serve as the data source.

Company- and country-specific ESG assessments are prepared based on an in-house analytical approach. The valuation model used considers a broad range of ESG indicators. It is based on a modified best-in-class approach: In each sector, those issuers that meet sector-specific ESG criteria are eligible for investment. Stricter requirements apply in sectors with a major impact on the environment and society. For a core universe of issuers of shares and bonds, a detailed analysis is also carried out by the team of ESG analyst; this analysis also includes primary information

from the respective companies and from publicly accessible sources. Externally sourced data is always subject to a plausibility check. This plausibility check is also important due to the current lack of uniform requirements regarding ESG ratings. Interested investors can identify structured products with sustainability features on our website [markets.vontobel.com](https://markets.vontobel.com) by selecting a filter when using the product search function. Our clients also have the option of structuring individual products with sustainability features. In addition, we offer structured solutions that focus on sustainability themes.

## Critical ESG events

We define critical ESG events as controversies and breaches of international norms. They are often related to Principal Adverse Sustainability Impacts such as significant negative impact on the environment, forced labor, or child labor. Since these events can signal insufficient management of sustainability risks by an issuer and excessive harm to society or the environment, it is important to identify and monitor them.

To identify and monitor Potential Critical ESG Events (PCEE), Vontobel investment teams are informed by ESG data and assessment methodologies provided by external ESG data providers such as MSCI or Sustainalytics. The ESG assessment methodology of such providers typically takes into account the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the ILO Core Conventions, and the UN Global Compact (UNGC). A full description of the respective ESG rater's methodology can be found on their webpages. Since the data obtained from third-party data providers may be incomplete, inaccurate, or unavailable, there is a risk of incorrectly assessing a security or issuer. To address this risk and to properly understand the impact and validity of PCEE, our investment teams conduct their own research to assess their impact on the relevant portfolio and on wider stakeholders.

Cluster bombs and land mines are banned by international conventions. In 2011, Vontobel therefore approved firm-wide guidelines that prohibit investments in companies that manufacture these types of arms and applies to all our investments. 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 at: [www.vontobel.com/principles-policies](http://www.vontobel.com/principles-policies).

## Ensuring training and knowledge management

Since the internal certification for relationship managers known as the “Vontobel Curriculum” was launched, the topic of sustainability and ESG investing has been a significant standing component of the training. Developed specifically for Vontobel Wealth Management, this course consists of four days of classroom training as well as around 25 hours of e-learnings about topics such as finance, regulation and advisory capabilities. In 2023, the training sequence about ESG investing as part of the Vontobel Curriculum was fully updated, thus ensuring that employees across the entire Wealth Management have a thorough understanding of this topic.

As part of the commitment to continuous employee development within Vontobel Wealth Management, targeted training on the Vontobel ESG Framework was provided in 2023. This included the implementation of the self-regulation by the Swiss Bankers Association in the field of sustainable finance and means that Vontobel clients receive seamless service and advice at every stage of the investment process—from determining their ESG preferences and investing in suitable products to the ESG reporting in their statement of assets. This additional training component builds on the explanation of ESG aspects in various other training and development offerings.

Vontobel’s focus on sustainability as well as the topic of sustainable investing were additionally covered in the monthly training courses for new employees in Wealth Management in 2023. This WM Entry Training, which is conducted over several days, ensures that new employees are ideally prepared to assume their demanding roles.

At Vontobel, we believe that on-the-job learning is the most effective form of training. Through our setup and the resulting close daily collaboration between ESG analysts and investment teams in Asset Management, we effectively foster the continuous sharing of ESG knowhow. During research meetings, general developments in the area of ESG are discussed. Further, certain mandatory training integrates ESG-related topics. For example, we run regular sales training that addresses ESG strategies as well as general training on ESG topics. Our analysts and investment professionals also have access to leading service providers such as MSCI ESG, Sustainalytics and brokers to access data research, and engagement. This allows

them to not only learn more about the companies they are analyzing, but also to access best-in-class studies and webinars about ESG. We also regularly invite external specialists from our ESG research providers to provide an outside view on relevant issues.

**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.

# Environment and climate

**“By 2030, we aim to be net-zero<sup>1</sup> with our GHG emissions in our operations and banking book investments. Additionally, we aim to be net-zero with our GHG emissions in our trading book bond investments by 2050.”**

We recognize the need to take action and contribute towards the goals of the Paris Agreement in order to limit global warming and tackle climate change. Against this backdrop, Vontobel has formulated its Net-Zero Commitment which forms the basis of our climate strategy. While we have already outlined how we support our clients in their journey towards a sustainable future (see the “ESG investing and advice” section), our Net-Zero Commitment addresses our own operations as well as parts of our own assets (banking/trading book).

We acknowledge that at this point there is a thematic focus on climate within environmental matters. This is due



**“Within our own operations, air travel is the largest source of emissions. By measuring these emissions, we foster transparency and through the implementation of an internal carbon price, we are internalizing the cost of these emissions. By doing this, we not only raise awareness but also cultivate a culture where responsible choices are incentivized.”**

**Felix Lenhard**  
Chief Operating Officer

to the relative maturity of guidance from standard-setters and regulators—notably the TCFD recommendations—compared to other topics. As part of our journey, we aim to cover further environmental topics in the future.

## Our own operations

We aim to reach net-zero in our operations by 2030. In line with market best practice, we have set ourselves this ambitious target and aim to reduce as much of our emissions as possible, and to offset the remaining emissions using high-quality carbon-offset and removal options.

Included in our Scope 3 operational emissions are energy-related emissions not included in Scope 1 or 2, busi-

<sup>1</sup> Net-zero means achieving a balance between emissions and removals of GHGs from the atmosphere (ISO IWA 42:2022), Scope 1-3 in our own operations and Scope 1-2 in our banking book bond investments in non-sovereign issuers. Our commitment is aligned with the 2015 Paris Agreement goal to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. We plan to reduce emissions as far as possible and we aim to offset residual emissions at the net-zero target year and any GHG emissions thereafter.

ness travel with external vehicles, commuting, food, paper, printing, mailings, waste, and water. From this reporting period (2022/2023) onwards, we have also included IT devices. Other Scope 3 emissions are not included. Since 2009, Vontobel has been compensating all its operational emissions through the purchase of CO<sub>2</sub> emission certificates to support external projects that save the equivalent volume of emissions. In the context of its climate strategy, Vontobel is planning to develop its removal strategy and, from 2023 on, aims to gradually include CO<sub>2</sub> removal projects in its CO<sub>2</sub> certification portfolio.

For Scope 1 and 2, our measures are centered around the reduction of emissions through switching to energy-efficient measures. Our corporate real estate strategy is following the business strategy and is therefore also linked to our sustainability strategy.

The method used to prepare our greenhouse gas balance sheet is aligned with the requirements set out in the International Organization for Standardization (ISO) standard 14064-1, as well as the accounting standards defined in the Greenhouse Gas Protocol. In addition to ISO 14064-1, the recommendations set out in the GHG Protocol Corporate Standard issued by the WRI and WBCSD have been taken into account.

When selecting and renovating office buildings, we systematically focus on 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 of our new and renovated office buildings. Wherever possible, we also install LED lighting in existing buildings in view of the substantive reductions in electricity and maintenance costs that can be achieved. This form of lighting also results in less waste requiring special disposal. Since 2021, all buildings on the Zurich Campus have been heated and cooled using heat pumps that operate on the basis of geothermal probes or are fed with water from Lake Zurich

### Achievements in reducing our energy consumption

Our energy consumption fell significantly in the reporting year, primarily thanks to the reduction in fuel consumption from non-renewable sources (e.g. heating oil). This reduction is noticeably reflected in the reported data for Scope 2 emissions and was realized through the correct inclusion of some of the locations in the data collection process (heated by district heating and heat pumps), the discontinuation of one office location in Zurich, and overall lower heating requirements. The operation of heat pumps means that electricity volumes have increased slightly.

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 at a location and cannot influence the electricity mix used in those premises. When purchasing Guarantees of Origin for renewable electricity, we comply with the requirements of the CDP and obtain them from the countries where the electricity consumption actually occurs. This drives the expansion of global capacity for the production of electricity from renewable sources.

### A focus on business travel

Scope 3 emissions—especially business travel—have historically, and in the past reporting year, been Vontobel's largest source of operational emissions.

In the year under review, our business travel and commuting increased significantly again. This was driven by the complete lifting of travel restrictions following the Covid-19 pandemic and the full integration of our colleagues of Vontobel Swiss Financial Advisers (SFA) after August 2022.

Due to their high relevance in Vontobel's operational GHG accounting, Scope 3 emissions and business travels are included into Vontobel's Net-Zero Commitment and Vontobel is currently defining measures on how to reduce these emissions as much as possible. One measure that is currently in its implementation process is the introduction of an internal carbon price for business travels.

### Materials and gastronomy

Although less significant for our overall footprint, Vontobel also measures its use of materials. We purchase 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. For example, we have been sourcing fruit for our employees from a Swiss family business for many years, 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. At the end of 2023, we had around 2,000 suppliers in total, of which 80 percent were based in Switzerland.

In the reporting year, we continued the One Two We program introduced in our employee restaurant in 2013 and the One Climate Menu launched in connection with that program. The aim is to offer more meals that mainly use seasonal products 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 permanent buffet “Vegan Corner”, which was introduced in 2020, has become popular with vegans and non-vegans alike. In 2021, the offering was expanded to include a selection of raw vegetables and fruit. 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.

In the reporting year, the consumption of recorded resources and materials increased again, driven primarily by the return of more employees to Vontobel's offices after previously working from home.

Water consumption data can only be compared to previous years to a limited extent: we receive invoices at different times, depending on the water supplier. It is not always possible to clearly determine the amount of water supplied.

## Our own investments

Our banking book constitutes an important lever along our path towards sustainability and for delivering on our Sustainability Positioning. To set ourselves an ambitious target, in 2022, we committed to achieving net-zero in our own bond investments for non-sovereign issuers by 2030 for our banking book and by 2050 for our bonds in the trading book.

In the case of the bond investments in the banking book, we have a fiduciary duty. In 2022, we added a dimension to

our fiduciary role, namely to invest proceeds from deposits not only safely and in a liquid manner, but also responsibly and in line with the commitment to achieving net-zero by 2030 in case of bond investments. The Paris Agreement aims for net-zero greenhouse gas emissions by 2050 in order to limit the temperature increase to 1.5°C by 2100. This is a challenge insofar as many corporates and sovereigns globally are not targeting net-zero emissions until 2030, since they follow the Paris Agreement. This means that, by 2030, the GHG emissions from bond investments financed through the banking book may not be zero. In this case, offsetting projects will be selected to compensate the GHG emissions eventually.

Our “net-zero strategy by 2030” is based on the guidance provided by the Partnership for Carbon Accounting Financials (PCAF) and the Greenhouse Gas Protocol Category

In 2023, we decided to align the metrics and targets with the latest developments as guided by the Greenhouse Gas Protocol and PCAF. Therefore, we plan to report on quantitative targets and metrics in the Sustainability Report 2024.



**“With our Net-Zero Commitment for our banking book bond investments, we are adding a dimension to our fiduciary role, namely to invest not only safely and in a liquid manner, but also responsibly.”**

**Markus Pfister**  
Head Structured Solutions & Treasury

15: Investments (Technical Guidance for Calculating Scope 3). We track the financed GHG emissions of the bond portfolio compared to the decarbonization path aligned with our Net-zero Commitment by 2030. In scope for the strategy are corporates and corporate-like issuers (e.g. supranational organizations and government-related entities). We track issuers’ Scope 1 and 2 GHG emissions. Scope 3 emissions are out of scope as the data situation is still insufficient, imprecise, and double counting cannot be ruled out. In addition, we apply forward-looking metrics such as the implied temperature rise provided by MSCI ESG research and verified SBTi (Science-Based Target Initiative) targets to identify issuers with a credible decarbonization strategy. As mentioned above, to be aligned with the Paris Agreement, corporates will mostly set their decarbonization strategies to reach net-zero by 2050. This means that by the end of 2030, the financed GHG emissions of corporate and corporate-like bonds in the banking book may not be zero.

## Environment and climate in figures

### Operational emissions<sup>1,2,3</sup>

|   | ☑ 2023       | 2022 <sup>9</sup> | 2021         |
|---|--------------|-------------------|--------------|
| <b>Emissions (absolute)</b>   |              |                   |              |
| Total greenhouse gas emissions (t CO <sub>2</sub> e <sup>2</sup> ) <sup>4</sup> | 6,248        | 5,044             | 2,866        |
| Greenhouse gas emissions Scope 1 <sup>5,6</sup> (t CO <sub>2</sub> e)           | 213          | 717               | 626          |
| Greenhouse gas emissions Scope 2 <sup>7</sup> (t CO <sub>2</sub> e)             | 234          | 368               | 377          |
| Greenhouse gas emissions Scope 3 <sup>6,8</sup> (t CO <sub>2</sub> e)           | 5,801        | 3,959             | 1,863        |
| <i>of which business flights (t CO<sub>2</sub>e)</i>                            | <i>4,383</i> | <i>3,100</i>      | <i>1,103</i> |
| <i>of which commuting (t CO<sub>2</sub>e)</i>                                   | <i>502</i>   | <i>253</i>        | <i>236</i>   |
| <b>Emissions (per full-time person)</b>   |              |                   |              |
| Total greenhouse gas emissions (kg CO <sub>2</sub> e/FTE)                       | 2,265        | 2,314             | 1,382        |
| Greenhouse gas emissions Scope 1&2 (kg CO <sub>2</sub> e/FTE)                   | 162          | 498               | -            |
| Greenhouse gas emissions Scope 3 (kg CO <sub>2</sub> e/FTE)                     | 2,103        | 1,816             | -            |
| <i>of which business flights (kg CO<sub>2</sub>e/FTE)</i>                       | <i>1,589</i> | <i>1,422</i>      | <i>532</i>   |
| <i>of which commuting (kg CO<sub>2</sub>e/FTE)</i>                              | <i>182</i>   | <i>116</i>        | <i>114</i>   |

### Mobility<sup>1,3</sup>

|  | 2023          | 2022 <sup>11</sup> | 2021         |
|--|---------------|--------------------|--------------|
| <b>Travel (absolute)</b>                                 |               |                    |              |
| Business travel (1,000 km)                               | 13,708        | 9,896              | 3,493        |
| <i>of which business flights (1,000 km)<sup>10</sup></i> | <i>11,987</i> | <i>8,883</i>       | <i>3,043</i> |
| Commuting (1,000 km)                                     | 19,810        | 14,347             | 12,005       |
| <b>Travel (per full-time person)</b>                     |               |                    |              |
| Business travel (km/FTE)                                 | 4,970         | 4,540              | 1,685        |
| <i>of which business flights (km/FTE)</i>                | <i>4,346</i>  | <i>4,075</i>       | <i>1,467</i> |
| Commuting (km/FTE)                                       | 7,182         | 6,582              | 5,789        |

### Energy<sup>1,3</sup>

|   | ☑ 2023     | 2022         | 2021         |
|---|------------|--------------|--------------|
| <b>Energy (absolute)</b>  |            |              |              |
| Total energy consumption (MWh) <sup>12,13</sup>                   | 10,792     | 12,321       | 11,902       |
| Electricity consumption (MWh) <sup>14</sup>                       | 6,471      | 6,785        | 6,275        |
| District heating / cooling usage (MWh)                            | 3,087      | 3,390        | 3,103        |
| Electric heat pump (MWh)  | 379        | -            | -            |
| Fuel consumption (MWh)  | 856        | 2,146        | 2,524        |
| <i>from non-renewable sources (natural gas, heating oil, MWh)</i> | <i>823</i> | <i>2,105</i> | <i>2,426</i> |
| <i>from renewable sources (biogas, MWh)</i>                       | <i>33</i>  | <i>41</i>    | <i>98</i>    |
| <b>Energy (per full-time person)</b>                              |            |              |              |
| Total energy consumption (kWh/FTE)                                | 3,912      | 5,653        | 5,786        |

**Materials<sup>1,3</sup>**

|   | 2023   | 2022   | 2021   |
|---|--------|--------|--------|
| <b>Materials (absolute)</b>             |        |        |        |
| Water (drinking water, m <sup>3</sup> ) | 25,677 | 21,006 | 22,369 |
| Food (t)                                | 115    | 86     | 86     |
| Paper (t)                               | 79     | 79     | 68     |
| Proportion of recycled paper used       | 99%    | 84%    | 94%    |
| <b>Materials (per full-time person)</b> |        |        |        |
| Water (drinking water, l/FTE)           | 9,309  | 9,637  | 10,787 |
| Food (kg/FTE)                           | 42     | 40     | 41     |
| Paper (kg/FTE)                          | 29     | 36     | 33     |

**Environment and climate in figures – footnotes:**

- 1 Figures are based on the period from October 1 in the previous year to September 30
- 2 We base our carbon emission calculations on the GHG Protocol. The emissions factors used were compiled using various sources, including Ecoinvent, IPCC, mobitool, Defra, Messmer, Frischknecht, Treeze and BAFU/BFE. The Global Warming Protocol (GWP) is usually 100 years. The figures comprise all of the “Kyoto greenhouse gases” (CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>) and are therefore stated in CO<sub>2</sub>e. Consolidation approach for emissions: Operational control
- 3 Where no invoices or measured data are available, we use projections with conservative assumptions. Projections and relative figures (per FTE) are based on the number of people using Vontobel's facilities as of 30.09.2023 in full-time equivalents. This also includes on-site external staff that is not employed by Vontobel. The internal process for data collection and reporting of HR data and reporting has been specified and refined in 2023. As a result, environmental data is only comparable with previous years to a limited extent (data from previous years has not been restated)
- 4 CO<sub>2</sub>e or CO<sub>2</sub> equivalent: Each greenhouse gas can be converted to carbon dioxide (CO<sub>2</sub>) in terms of its greenhouse effect
- 5 Scope 1 comprises emissions from heating (natural gas, biogas and heating oil), refrigerant leakage as well as business travel (vehicles owned by the company)
- 6 There was no biogenic CO<sub>2</sub> emission from combustion or biodegradation of biomass
- 7 We calculate our Scope 2 emissions according to the market-based approach, which takes account of electricity purchased individually by Vontobel (e.g. electricity from renewables) in locations in which information is available about the energy mix purchased. Find the calculation according to the location-based approach in our TCFD index
- 8 Operational Scope 3 emissions include energy-related emissions not included in Scope 1 or 2, business travel with external vehicles, commuting, food (meat, fish, vegetable and fruit from the staff restaurant in Zurich), paper, printing, shipping, waste and water. In 2023, IT-Devices were included for the first time. Without these, GHG emissions would be 257 t lower, or 4.4% (Scope 3) and 4.1% (total emissions). Other Scope 3 emissions are not included
- 9 The emission from business flights for 2022 has been restated to include TwentyFour Asset Management (+155t CO<sub>2</sub>e). Figures for Total, Scope 3 and per FTE have been restated accordingly
- 10 Flights of contingent staff cannot be recorded by Vontobel and are therefore not included
- 11 The number of business flights for 2022 has been restated to include TwentyFour Asset Management (+336,000 km). The Total and the relative key figures were restated accordingly
- 12 1 kilowatt hour (kWh) corresponds to 3,600,000 joules (J)
- 13 no steam consumed or sold
- 14 incl. home office energy consumption

# Great workplace

**“Our work practices advance equality, diversity and inclusion and foster a workplace environment where everyone has the opportunity to develop and reach their full potential. Mutual respect and openness, without discrimination, shape our culture.”**

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 active investment firm, Vontobel has to compete with major players and increasingly also with new, smaller companies in our industry, both in the domestic Swiss market and internationally. We therefore want to offer our employees attractive employment conditions. Corporate Human Resources (HR), which reports to the CEO, is responsible for supporting Vontobel and its leadership in delivering on our strategic priorities, ensuring the smooth delivery of people operations globally, and positioning Vontobel as an attractive employer.

## Employment

Our Code of Conduct lays out the principles that shape the way we work at Vontobel, along our values and behaviors. It is the overarching framework that guides how we engage with our stakeholders, including our employees, and therefore provides the basis for our internal policies, HR programs and processes, and standards regarding employment.

Our HR setup gives support to our colleagues across geographies. We have HR presence in Switzerland, Germany, Luxembourg, the UK and the US, and we tailor people practices to align with local laws, customs and workplace cultures while maintaining a cohesive global company culture. We provide comprehensive and local employee handbooks that cover employment conditions, benefits, training and other relevant information.

As a future-oriented employer, Vontobel offers employees attractive benefits:

- Holiday entitlement that exceeds the statutory requirement: Since 2016, our employees in Switzerland have had the option of purchasing a maximum of 10 individual days of holiday in addition to their normal holiday entitlement.
- Collective agreements offered by health insurers at reduced rates together with their spouses or registered partner and their children.
- Attractive share participation plan, mortgage products and attractive pension products at preferential rates.

- Six months of maternity leave or four weeks of paternity leave on full pay in Switzerland, which goes beyond the statutory requirement. Depending on the employee’s personal needs, this period of leave can be taken on a fixed or flexible basis. This benefit is granted irrespective of the employee’s number of years of service .
- As a member of kcc group (globegarden), we offer facilitated access to childcare solutions.
- Free-of-charge lunches to employees in our staff restaurant in Zurich.
- We meet requests for remote and part-time working arrangements from employees wherever possible from an operational perspective.

The benefits offered by the company may differ depending on the location, country or contractual basis.

Vontobel fosters an inclusive culture where feedback is key. We carry out a firm-wide employee survey every three years. The purpose of this global survey is to evaluate where the organization as a whole can improve and where we are already performing well. Our collaboration with an external partner enables us to produce an industry comparison as well as benchmarking with other high-performing organizations.

The last global employee survey was conducted in 2021. Our high response rate of 81 percent (up from 78 percent in 2018) is a sign of employee engagement in itself and goes against external trends, where global survey response rates have dropped over recent years. Overall, results were significantly better than the industry benchmark and also stronger than in 2018 across most categories and topics. Employees also felt significantly more confident about our survey follow-up (+11 percent).

Collaboration, leadership, image and competitive position were key drivers of engagement and 93 percent of our employees are proud to work for Vontobel. Since the survey in 2018, we have also recorded a significant improvement in the “Diversity and Inclusion” category and have observed positive trends in the “Line Management,” “Image” and “Communication” categories.

As part of our way of measuring employee engagement, we also conducted a manager survey in 2023 with overall results stabilizing at a high level of satisfaction and, again, a high response rate of 78 percent. Top strengths are managers showing respect and consideration (95 percent favorable score) and manager communication (91 percent favorable score). Both scores had increased since the last survey in 2020. While favorability scores are high across

the board, there is most room for improvement—compared to the high-performance norm group—in terms of managers reaching out for upward feedback (65 percent favorable score) and increasing their focus on the development of their team members (80 percent favorable score). Follow-up actions are already being implemented to address these areas for improvement.

## Training and education

Vontobel's ability to achieve its business goals is reliant to a significant extent on the skills and motivation of our people. Employees have high expectations regarding the provision of training and development opportunities within a company. Moreover, life-long learning is growing increasingly important.

To remain attractive as an employer, meet the increasing demands of our clients and reinforce workplace engagement, we offer targeted training and development opportunities. Our development curriculum covers an exciting range of topics and caters for different skills and learning needs to address the requirements of leaders, managers, teams and all employees.

Most of our training continues to be carried out face to face and virtually to ensure that it is accessible to all employees worldwide.

All new employees start by completing our onboarding program. New joiners worldwide can now connect to our systems and benefit from our new onboarding e-learning, which was launched in 2023. They all have access to the internal "Getting started" platform, which offers comprehensive information to ensure that their career at Vontobel gets off to a smooth start. Furthermore, we place strong emphasis on our buddy program, which allows new joiners to quickly ramp up and build personal connections.

During the onboarding phase, new joiners can also take part in a networking session with our CEO and other leaders.

Vontobel invests in learning solutions and resources for leaders, managers and all colleagues that focus on non-technical professional skills, such as communication, influencing, time management and project management.

In 2021, we introduced a professional skills development curriculum for all employees that we continue to offer. In 2023, the topics covered were identified based on the

findings of a training needs survey conducted across business units and different employee levels. Programs included topics around productivity, mental wellbeing, collaboration and execution. The programs offered a combination of online content and virtual instructor-led classes, as well as peer-to-peer assignments that helped participants embed their learning in their day-to-day work.

We also collaborated with Leqture, a curator of expert speakers, and delivered two short virtual expert talks on growth mindset and time management that attracted over 500 employees and received very positive feedback.

In 2022, we ran a proof of concept with over 500 managers, offering them access to high-quality digital resources, including articles, podcasts and videos, on strategic challenges facing the organization. In the reporting year, this digital library was made accessible to all colleagues in Vontobel via our intranet. Employees also have access to the online learning platform Degreed, which offers self-directed online learning resources from LinkedIn Learning and Udemy for Business.

With our External Education Guidelines, we provide further support for employees seeking to complete external training that involves business-specific qualifications, such as the Master in Banking and Finance, Bachelor or Master in Business Administration, CFA or CIIA. We offer to pay part or all of the costs of training, depending on whether it is essential to the employee's role at Vontobel or for their personal development. Managers can coach and decide how to support the development of their team members.

Since 2020, the Swiss Association for Quality (SAQ) has recognized the training courses offered to relationship managers in Vontobel Wealth Management as recertification measures. The corresponding offering was updated in 2023. This is a benefit for relationship managers, since the completion of trainings according to this nationally accredited SAQ standard further enhances their own employability.

To assess the quality of our programs, we ask participants to complete a survey about the content and design of courses and their relevance to their role. We then evaluate the quantitative and qualitative responses to the survey. This feedback enables us to make comparisons with training and development activities from previous years, as well as with industry benchmarks. It also allows us to make immediate improvements to the design and

delivery of training courses and helps us decide on future collaboration with providers.

### **Our young talent program**

The Vontobel Graduate Trainee Program (GTP) has been promoting the successful integration of young talent within our organization since 2011. In October 2021, the program was extended to all areas of our business for the first time.

A new group of 6 graduates joined the company in October 2022 and we were excited to welcome the new GTP cohort of 9 talents in October 2023. Our goal is to attract the most diverse group of candidates possible for our program. In 2022, half of the recruited talents were female; in 2023, more than half were female. The GTP includes a development plan with different networking and development opportunities.

To further support our emerging talent, we continued with our internal mentoring program for 45 employees at Vontobel. Each of the participants had a senior mentor who enabled them to articulate their personal goals, prepare an action plan and progress towards their objectives. We worked with the Singapore-based training company Protégé, which ran skills development workshops virtually for the participants and their mentors to help them make the most of the mentoring relationships.

### **Our goal-setting and development process**

We consider it important for employees to take responsibility for their own development. We are therefore continuing to invest in our Performance & Development process. Setting clear goals and managing performance are key responsibilities for managers and employees as this ensures clear focus and alignment regarding the achievement of our targets.

Vontobel's performance and development process covers goal-setting, ongoing and annual reviews, and the provision of regular feedback. Employees can also draw up a personal development plan in consultation with their line manager that focuses on their strengths, weaknesses and career goals. To reinforce our feedback culture, we encourage all employees to request and provide feedback via our HR systems throughout the year as part of the ongoing and annual review process.

In 2023, we launched the Dive into your Development campaign to put a spotlight on careers and performance and how to use development to improve current performance and make progress towards future career goals.

At the end of 2023, more than 97 percent of employees had begun or completed their annual performance review process.

As a rapidly growing organization, we believe that the development of managers from within our own ranks is a priority to achieve our strategic objectives and drive our success. While leading a team is a privilege, it comes with responsibility. Our Leadership Development Framework is therefore designed to ensure that our managers have the skills and confidence necessary to effectively meet the diverse needs of the business units and teams they lead.

Between 2020 and 2022, 123 senior leaders (out of over 150) completed the IMD Leadership Program, learning about inspiring leadership, global and cross-cultural thinking, and self-reflection.

Managers have the opportunity to participate in "Leading high-performance teams through feedback" training, which is run in conjunction with the University of St. Gallen (HSG). 300 out of more than 400 managers completed the program, which focuses on building trust, delivering direct and constructive feedback, and managing performance conversations.

In 2022, all managers who had previously completed the IMD Leadership Program or the HSG "Leading high-performance teams through feedback" course were invited to complete "Leading with Impact" which was also developed in collaboration with the University of St. Gallen and focuses on team impact and strategy communication. Through 2022 and 2023, out of over 300 leaders and managers who were invited, 209 completed the Leading with Impact program.

We have increased collaboration within teams by delivering TypeCoach workshops, which use an MBTI assessment and help teams understand each other's differences and collaborate more effectively. We have also designed and run customized workshops for teams that focus on engagement and feedback.

## Training<sup>1</sup>

|   | 2023  | 2022  | 2021  |
|---|-------|-------|-------|
| Hours of training (per employee) <sup>2,3</sup> | 16.6  | 15.3  | -     |
| <i>Permanent employees</i>                      | 16.8  | 15.7  | -     |
| <i>Temporary employees</i>                      | 14.3  | 9.8   | -     |
| Training expenses (1,000 CHF) <sup>4</sup>      | 1,815 | 2,374 | 1,805 |
| Number of apprenticeships                       | 32    | 29    | 28    |

1 GRI Disclosure 404-1

2 Internal Training

3 Based on the number of employees who received training in the reporting year

4 Including external training covered by a training agreement

## Diversity, equality and inclusion

Vontobel is dedicated to cultivating an equitable and inclusive workplace, endorsing diversity and eliminating discrimination. These principles are encompassed in our Code of Conduct, an essential component of our employment agreements.

Our Diversity, Equality & Inclusion (DE&I) Strategy is designed to develop a work culture that meets the needs of all employees, attracting, nurturing and retaining top talent. This strategy is woven into our overarching business strategy to fulfill the expectations of our diverse stakeholders.

In 2022, we approved our DE&I principles, providing clear guidelines to strengthen diversity and inclusion throughout the organization. These principles mirror our global strategy.



**“We want to be the employer of choice within the industry, where everyone is proud to be part of the team.”**

—  
**Caroline Knöri**  
Head Human Resources

To achieve our DE&I objectives, these topics are actively addressed by our management team. DE&I training has been integrated into our leadership development programs and all HR processes. DE&I goals that support our long-term goals have been introduced for all members of the Executive Committee, the Global Executive Board and their direct reports. Introducing a DE&I Dashboard that shows current, up-to-date data means we can regularly review our progress and trends and act upon these. We

monitor our progress through internal evaluations and external benchmarks, such as the Advance Gender Intelligence Report and the University of St. Gallen’s Diversity Benchmarking Report.

We also run initiatives to raise employee awareness about DE&I. Our long-term goals for 2030 include:

- **Equal opportunities:** at least 30% of management positions and 25% of team leadership roles are to be held by individuals from underrepresented genders.
- **Cultural diversity:** an international workforce that understands our clients’ diverse nationalities and needs.
- **Demography:** a workforce that is diverse in age.

To support these goals, we are part of alliances such as Advance, Fondsfrauen, University of St. Gallen, parents@work, Womenbiz, Data+Women and ElleXX. We run skill-building programs for managers from underrepresented genders in partnership with Advance and offer workshops for all managers to encourage inclusive leadership.

Our Parents@work peer coaching program assists working parents in balancing their professional and family lives, with coachees receiving support from a colleague for a year.

In terms of **cultural diversity**, we rely on a multitude of diverse voices to understand our clients’ needs and innovate solutions that fit. With headquarters in Zurich and offices in 27 locations globally, we build our teams to ensure a balance between our Swiss roots and the nation-

alities of our clients: our employees represent over 60 nationalities.

**Demographically**, the varied experience and sharing of knowledge within our teams is critical for sustainable company success. Young professionals and experienced colleagues work together to benefit our clients with solutions that are future-oriented, fresh and feasible.

At Vontobel, inclusion implies providing everyone with equal access to opportunities and resources and fostering a respectful environment where every individual contributes to the company's success. We expect our managers to encourage this culture and actively participate in initiatives that promote our goals.

In 2023, we held two entire weeks dedicated to DE&I. With nearly 40 engaging events (25 Vontobel internal events, 2 events with our cooperation partner Advance and 12 events by University of St. Gallen), more than 40 speakers, co-hosts, panelists, facilitators and almost 1400 registrations from Vontobel employees, it was an extraordinary journey that showcased our collective commitment to fostering an inclusive and diverse workplace. The attendance at the events demonstrated the genuine interest and commitment of our Vontobel community in relation to creating a workplace that celebrates diversity and inclusion.

We remain committed to promoting equality among all genders and are signatories to the Advance Diversity Charter (CH) and the Women in Finance Charter (UK), affirming our commitment to gender balance. We continuously strive to increase the representation of individuals from underrepresented genders in leadership roles, ensuring balanced gender representation in hiring and promotion processes, while promoting fair and transparent selection procedures.

By addressing these DE&I issues, we aim to create a harmonious and inclusive working environment. We believe that this commitment to diversity will benefit all our employees and will help our business to thrive in an increasingly diverse and global market.

In relations to the above, the annual Diversity Benchmarking by the University of St. Gallen attests to Vontobel having a relatively high proportion (33 percent) of employees that identify as female, with 45 percent of these in junior management roles, which indicates a strong diverse pipeline. However, we face a drop in female representation in higher leadership positions. The share of women among external hires is, however, above the current share, which shows a positive trend.

In 2021, the Competence Center for Diversity & Inclusion (CCDI) at the University of St. Gallen performed an equal pay analysis for Vontobel. The results showed that Bank Vontobel AG and Vontobel Asset Management AG have a minimal pay gap within the acceptable range set by industry standards. This analysis, reviewed by the Social Partnership Centre for Equal Pay in the Banking Industry (SF-LoBa), has led to us being recognized with the "Equal

pay audited in accordance with the requirements of the Equal Opportunities Act" label. Further information is available on page 81.

All employees have the right to have their personal integrity protected at work. We define this as their physical and psychological integrity, which are to be protected in particular against sexual harassment, mobbing and discrimination.

Any case of potential employee misconduct has to be reported to the responsible Line Manager (up to CEO), the responsible HR Business Partner, the Employee Sanctioning Competence Center and/or the Safety and Security Unit. Guidance can be found in Vontobel's Employee Handbook (Switzerland) and the Group Sanctions Policy on Employee Misconduct. Co-workers and supervisors are explicitly required to support individuals who are being harassed and discriminated against. As mentioned on page 111, Vontobel has a whistleblowing platform in place via which employees and third parties can report any misconduct—transparently or anonymously.

In addition, all Vontobel employees have access to neutral and external Employee Assistance Programs to obtain personal and confidential advice around the clock regarding—among other matters—any violations of personal integrity or workplace conflicts.

Over the last reporting period, there were no confirmed misconduct cases within our employee sanction management tool referring to discrimination.

## Great workplace in figures

Overall, in the reporting period 2023, we count a total of 2'355 permanent employees. Our employees represent over 60 nationalities. In addition to our regular employees, we had 592 contingent staff at the end of 2023. These individuals are not employed by Vontobel and are available on an on-call basis to assist the company when needed.

Information on employees by gender<sup>1,2,3</sup>

|                            | ☑ 31.12.2023 |              |              |            |              | 31.12.2022   |
|----------------------------|--------------|--------------|--------------|------------|--------------|--------------|
|                            | WOMEN        | MEN          | TOTAL        | WOMEN      | MEN          | TOTAL        |
| <b>Permanent employees</b> | <b>770</b>   | <b>1,585</b> | <b>2,355</b> | <b>726</b> | <b>1,569</b> | <b>2,295</b> |
| Full-time employees        | 526          | 1,446        | 1,972        | 491        | 1,426        | 1,917        |
| Part-time employees        | 244          | 139          | 383          | 235        | 143          | 378          |
| <b>Temporary employees</b> | <b>61</b>    | <b>98</b>    | <b>159</b>   | <b>77</b>  | <b>112</b>   | <b>189</b>   |
| Fixed-term contract        | 18           | 34           | 52           | 32         | 45           | 77           |
| Hourly paid <sup>4</sup>   | 18           | 23           | 41           | 16         | 22           | 38           |
| Graduate Trainee           | 8            | 9            | 17           | 17         | 19           | 36           |
| Trainee                    | 8            | 9            | 17           | 3          | 6            | 9            |
| Apprentice                 | 9            | 23           | 32           | 9          | 20           | 29           |
| <b>Total</b>               | <b>831</b>   | <b>1,683</b> | <b>2,514</b> | <b>803</b> | <b>1,681</b> | <b>2,484</b> |

Information on employees by region<sup>1,2,3</sup>

|                            | ☑ 31.12.2023 |            |              |              |            | 31.12.2022   |
|----------------------------|--------------|------------|--------------|--------------|------------|--------------|
|                            | SWITZERLAND  | ABROAD     | TOTAL        | SWITZERLAND  | ABROAD     | TOTAL        |
| <b>Permanent employees</b> | <b>1,947</b> | <b>408</b> | <b>2,355</b> | <b>1,880</b> | <b>415</b> | <b>2,295</b> |
| Full-time employees        | 1,599        | 373        | 1,972        | 1,532        | 385        | 1,917        |
| Part-time employees        | 348          | 35         | 383          | 348          | 30         | 378          |
| <b>Temporary employees</b> | <b>128</b>   | <b>31</b>  | <b>159</b>   | <b>157</b>   | <b>32</b>  | <b>189</b>   |
| Fixed-term contract        | 41           | 11         | 52           | 63           | 14         | 77           |
| Hourly paid <sup>4</sup>   | 40           | 1          | 41           | 37           | 1          | 38           |
| Graduate Trainee           | 13           | 4          | 17           | 27           | 9          | 36           |
| Trainee                    | 2            | 15         | 17           | 1            | 8          | 9            |
| Apprentice                 | 32           | 0          | 32           | 29           | 0          | 29           |
| <b>Total</b>               | <b>2,075</b> | <b>439</b> | <b>2,514</b> | <b>2,037</b> | <b>447</b> | <b>2,484</b> |

Number of permanent employees by work location<sup>5</sup>

|                      | NUMBER OF WOMEN | NUMBER OF MEN | 31.12.2023 TOTAL | NUMBER OF WOMEN | NUMBER OF MEN | 31.12.2022 TOTAL |
|----------------------|-----------------|---------------|------------------|-----------------|---------------|------------------|
| Switzerland          | 624             | 1,323         | 1,947            | 581             | 1,299         | 1,880            |
| Germany              | 34              | 75            | 109              | 36              | 76            | 112              |
| USA                  | 35              | 55            | 90               | 33              | 57            | 90               |
| United Kingdom       | 27              | 51            | 78               | 27              | 54            | 81               |
| Italy                | 17              | 30            | 47               | 17              | 25            | 42               |
| Hong Kong            | 11              | 14            | 25               | 13              | 20            | 33               |
| Luxembourg           | 9               | 14            | 23               | 8               | 13            | 21               |
| Singapore            | 6               | 11            | 17               | 4               | 13            | 17               |
| United Arab Emirates | 2               | 5             | 7                | 2               | 5             | 7                |
| Spain                | 2               | 3             | 5                | 2               | 3             | 5                |
| France               | 2               | 1             | 3                | 2               | 1             | 3                |
| Japan                | 1               | 2             | 3                | 1               | 2             | 3                |
| Australia            | 0               | 1             | 1                | 0               | 1             | 1                |
| <b>Total</b>         | <b>770</b>      | <b>1,585</b>  | <b>2,355</b>     | <b>726</b>      | <b>1,569</b>  | <b>2,295</b>     |

Number of permanent employees by nationality<sup>6,7</sup>

|                | <input checked="" type="checkbox"/> 31.12.2023 |            | 31.12.2022   |            |
|----------------|--|------------|--------------|------------|
|                | NUMBER   | IN %       | NUMBER       | IN %       |
| Switzerland    | 1,456  | 62         | 1,450        | 63         |
| Germany        | 255  | 11         | 250          | 11         |
| Italy          | 130  | 6          | 111          | 5          |
| United Kingdom | 96   | 4          | 95           | 4          |
| USA            | 81   | 3          | 83           | 4          |
| France         | 60   | 3          | 62           | 3          |
| Poland         | 26   | 1          | 21           | 1          |
| Spain          | 23   | 1          | 17           | 1          |
| Austria        | 19   | 1          | 16           | 1          |
| Hungary        | 18   | 1          | 10           | 0          |
| Other          | 191  | 8          | 180          | 8          |
| <b>Total</b>   | <b>2,355</b>                                   | <b>100</b> | <b>2,295</b> | <b>100</b> |

 Breakdown of rank structure by gender<sup>7,8</sup> as of 31.12.2023

|                     | NUMBER OF WOMEN | PROPORTION OF WOMEN | NUMBER OF MEN | PROPORTION OF MEN |
|---------------------|-----------------|---------------------|---------------|-------------------|
| Employee            | 81              | 42%                 | 113           | 58%               |
| Middle management   | 396             | 47%                 | 451           | 53%               |
| Senior management   | 291             | 22%                 | 1,017         | 78%               |
| Executive Committee | 2               | 40%                 | 3             | 60%               |
| <b>Total</b>        | <b>770</b>      | <b>33%</b>          | <b>1,584</b>  | <b>67%</b>        |
| Board of Directors  | 3               | 33%                 | 6             | 67%               |

Age structure permanent employees<sup>7</sup>

|                               | <input checked="" type="checkbox"/> 31.12.2023 |            | 31.12.2022   |            |
|-------------------------------|--|------------|--------------|------------|
|                               | NUMBER   | IN %       | NUMBER       | IN %       |
| Up to 20 years old            | 5  | 0          | 1            | 0          |
| 21 to 30 years old            | 273  | 12         | 279          | 12         |
| 31 to 40 years old            | 663  | 28         | 659          | 29         |
| 41 to 50 years old            | 750  | 32         | 740          | 32         |
| 51 to 60 years old            | 569  | 24         | 529          | 23         |
| More than 60 years old        | 95   | 4          | 87           | 4          |
| <b>Total</b>                  | <b>2,355</b>                                   | <b>100</b> | <b>2,295</b> | <b>100</b> |
| <i>Average age (in years)</i> | <i>43</i>                                      |            | <i>43</i>    |            |

Age structure of the Board of Directors<sup>7</sup>

|                        | <input checked="" type="checkbox"/> 31.12.2023 |            | 31.12.2022 |            |
|------------------------|--|------------|------------|------------|
|                        | NUMBER   | IN %       | NUMBER     | IN %       |
| 41 to 50 years old     | 3  | 33         | 3          | 33         |
| 51 to 60 years old     | 5  | 56         | 5          | 56         |
| More than 60 years old | 1  | 11         | 1          | 11         |
| <b>Total</b>           | <b>9</b>                                       | <b>100</b> | <b>9</b>   | <b>100</b> |

## Years of service permanent employees

|                     | 31.12.2023   |            | 31.12.2022   |            |
|---------------------|--------------|------------|--------------|------------|
|                     | NUMBER       | IN %       | NUMBER       | IN %       |
| < 1 year            | 258          | 11         | 210          | 9          |
| 1 up to < 5 years   | 788          | 33         | 821          | 36         |
| 5 up to < 10 years  | 607          | 26         | 584          | 25         |
| 10 up to < 20 years | 522          | 22         | 498          | 22         |
| 20 up to < 30 years | 136          | 6          | 139          | 6          |
| from 30 years       | 44           | 2          | 43           | 2          |
| <b>Total</b>        | <b>2,355</b> | <b>100</b> | <b>2,295</b> | <b>100</b> |

## Breakdown of full-time and part-time positions by gender as of 31.12.2023

|              | NUMBER OF WOMEN | PROPORTION OF WOMEN | NUMBER OF MEN | PROPORTION OF MEN | TOTAL NUMBER | TOTAL PROPORTION |
|--------------|-----------------|---------------------|---------------|-------------------|--------------|------------------|
| 20-49%       | 8               | 1%                  | 1             | 0%                | 9            | 0%               |
| 50-79%       | 90              | 12%                 | 22            | 1%                | 112          | 5%               |
| 80-99%       | 146             | 19%                 | 115           | 7%                | 261          | 11%              |
| 100%         | 526             | 68%                 | 1,446         | 91%               | 1,972        | 84%              |
| <b>Total</b> | <b>770</b>      | <b>100%</b>         | <b>1,585</b>  | <b>100%</b>       | <b>2,355</b> | <b>100%</b>      |

New employee hires<sup>9,10</sup>

|                                  | ☑ 2023     |            | NUMBER     | 2022<br>IN % | NUMBER     | 2021<br>IN % |
|----------------------------------|------------|------------|------------|--------------|------------|--------------|
|                                  | NUMBER     | IN %       |            |              |            |              |
| <b>by gender</b>                 |            |            |            |              |            |              |
| Women                            | 113        | 42         | 84         | 39           | 107        | 39           |
| Men                              | 156        | 58         | 133        | 61           | 170        | 61           |
| <b>by age group<sup>11</sup></b> |            |            |            |              |            |              |
| Up to 20 years old               | 0          | 0          | 0          | 0            | 2          | 1            |
| 21 to 30 years old               | 65         | 24         | 46         | 21           | 79         | 29           |
| 31 to 40 years old               | 86         | 32         | 96         | 44           | 106        | 38           |
| 41 to 50 years old               | 80         | 30         | 58         | 27           | 69         | 25           |
| 51 to 60 years old               | 37         | 14         | 17         | 8            | 19         | 7            |
| More than 60 years old           | 1          | 0          | 0          | 0            | 2          | 1            |
| <b>by region</b>                 |            |            |            |              |            |              |
| Switzerland                      | 217        | 81         | 177        | 82           | -          | -            |
| Abroad                           | 52         | 19         | 40         | 18           | -          | -            |
| <b>Total</b>                     | <b>269</b> | <b>100</b> | <b>217</b> | <b>100</b>   | <b>277</b> | <b>100</b>   |

**Employee turnover<sup>10,12</sup>**

|                                  | ☑ 2023     |                  | LEAVERS    | 2022<br>TURNOVER IN<br>% | 2021<br>TURNOVER IN<br>% |
|----------------------------------|------------|------------------|------------|--------------------------|--------------------------|
|                                  | LEAVERS    | TURNOVER IN<br>% |            |                          |                          |
| <b>by gender</b>                 |            |                  |            |                          |                          |
| Women                            | 100        | 13.4             | 74         | 10.5                     | -                        |
| Men                              | 169        | 10.7             | 146        | 9.5                      | -                        |
| <b>by age group<sup>11</sup></b> |            |                  |            |                          |                          |
| Up to 20 years old               | 0          | 0.0              | 1          | 50.0                     | -                        |
| 21 to 30 years old               | 50         | 18.2             | 33         | 11.7                     | -                        |
| 31 to 40 years old               | 77         | 11.7             | 73         | 11.3                     | -                        |
| 41 to 50 years old               | 76         | 10.2             | 56         | 7.9                      | -                        |
| 51 to 60 years old               | 38         | 6.9              | 42         | 8.1                      | -                        |
| More than 60 years old           | 28         | 30.8             | 15         | 18.6                     | -                        |
| <b>by region</b>                 |            |                  |            |                          |                          |
| Switzerland                      | 201        | 10.5             | 179        | 9.9                      | -                        |
| Abroad                           | 68         | 16.5             | 41         | 9.8                      | -                        |
| <b>Total</b>                     | <b>269</b> | <b>11.6</b>      | <b>220</b> | <b>9.8</b>               | <b>10.7</b>              |

**Great workplace in figures – footnotes:**

- 1 Reported as headcount at the end of the reporting period
- 2 GRI disclosure 2-7
- 3 Restated numbers for 2022 to include trainees. 2022 numbers without trainees: 180 temporary employees, 2475 total
- 4 Referring to GRI disclosure 2-7 term of “non-guaranteed hours employees”
- 5 Changed title from “domicile” to the more accurate term “work location”
- 6 Primary citizenship by choice of the employee
- 7 GRI disclosure 405-1
- 8 The Chairman of the Board of Directors is included under “Board of Directors” here. Since he has a regular employment relationship in Switzerland, he is included as an employee in the other tables
- 9 Permanent employees
- 10 GRI disclosure 401-1
- 11 More granular age groups than in the previous report, making it easier to identify trends
- 12 Employee turnover: permanent employees who leave the organization voluntarily or due to dismissal, retirement, or death in service.  
Turnover rate: number of leavers / average headcount (permanent employees)

# Community engagement

**“Vontobel operates with the spirit of citizenship to foster quality of life in the places we live and work. We do this by providing jobs and enabling and encouraging our employees to play an active role in their local communities. Vontobel and the charitable Vontobel-Foundation have sponsored projects in the areas of social welfare, medical research, nature and culture since 1993.”**

The social sustainability of companies is an essential prerequisite for the quality of life of the societies in which they operate. At Vontobel, social sustainability not only encompasses our responsibility as an employer but also our comprehensive Commitment to serving communities.

Vontobel made donations totaling almost CHF 201,000 in the year under review. Of this sum, a significant amount was donated to the International Committee of the Red Cross (ICRC) and to the Swiss Climate Foundation.

## Vontobel Fundraising Initiative

Vontobel has been a member of the International Committee of the Red Cross' (ICRC) Corporate Support Group since 2005. In the context of this partnership, we have carried out the Vontobel Fundraising Initiative since 2015. The money raised through this internal campaign is used to support the work of the ICRC. Vontobel always doubles the amount donated by employees. In 2023, Vontobel supported three projects with a different focus so that employees could provide financial support for the project that met their individual motivation. We supported ICRC's food security programs in Africa, the provision of ambulances for Yemen and rehabilitation programs in South Sudan.



**“As one of the founding members of the ICRC's Corporate Support Group in 2005, Vontobel has been a valued partner ever since. The generosity of Vontobel's employees during their annual fundraising initiative has gone a long way to support our life-saving activities around the world. This year, their donations will help us to ensure that people affected by conflict in Somalia, South Sudan and Yemen are not forgotten.”**

—  
Robert Mardini  
Director-General, ICRC

## Swiss Climate Foundation

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. The foundation supports small and medium-sized companies that develop climate-innovative projects that have a significant impact on climate protection. We contribute to the activities carried out by the foundation, such as the selection of funded projects through our representation in both the foundation's board and its advisory board.

## Vontobel-Foundation

The Vontobel Foundation was established in 1993 as a charitable foundation by Dr. Hans Vontobel through the dedication of a package of Vontobel Holding shares. Together with other donations, this package forms the core of the foundation's assets. Today the Vontobel-Foundation holds 14.9 percent of the overall Vontobel shares. The foundation invests the dividends that Vontobel pays for its shares for charitable purposes. As an example, in 2023 the Vontobel-Foundation supported the project “The Loop Zurich” medical research center. The Vontobel-Foundation is convinced that translational interdisciplinary research is crucial for the development of new treatment methods in precision medicine for the future.

## Spendenstiftung Bank Vontobel

The Spendenstiftung Bank Vontobel (Charitable Foundation) makes it possible for donors who do not want to set up a foundation of their own to nevertheless donate to the charitable causes of their choice. The foundation supports institutions in Switzerland and abroad that are engaged in the areas of social welfare, ecology, education, medical science and culture.

In 2023, the Bank Vontobel Charitable Foundation contributed a total of around CHF 350,800 of donations and grants (2022: CHF 446,200). Among the causes that the foundation supported in the reporting year was the Wildnispark Zürich Foundation, which it supported in setting up an emergency care station for injured bats. Structural measures, further training for animal care staff and an aviary are needed so that the animals can be examined and cared for. Further information can be found at: [www.wildnispark.ch](http://www.wildnispark.ch).

## Americas community engagement

As part of the Americas Community Engagement commitment, a new volunteering initiative was launched in 2023 by Vontobel New York. This initiative was launched together with “New York Cares,” which is the largest volunteer network in New York City. The organization pairs volunteers with non-profit organizations and schools across all five Boroughs of New York City. Vontobel joined hands with them to kick off the Americas Community Engagement commitment with a volunteer project to help those in need within the local New York City area. The team was paired with non-profit organization “Project Hospitality”, whose mission is to serve low-income and homeless residents of Staten Island who are experiencing loneliness and isolation.

The team packed 200 care packages—each of them filled with puzzles, art supplies, and comfort and pamper items for the holiday season—and produced more than 230 handmade cards. The team aspires to expand these efforts in the future—the next volunteer event is in the spring of 2024, with plans to volunteer off-site in one of the many public parks or schools, as they would like to contribute as a team to the cleanliness and beautification of the local environment.

## Art Vontobel

Art Vontobel focuses on new perspectives, while building an important bridge to the past: With a passion for art, Dr. Hans Vontobel (1916–2016) founded the Arts Commission in the 1970s. While our collecting strategy refocused in 2015, this enthusiasm and philanthropic approach have shaped our approach ever since, with the collection’s purpose—then and now—being the promotion of a young generation of artists.

Our Collection explores how artists today seek new ways of capturing and conveying the human experience in a rap-

idly changing world through photographic and image-based art. Conceived as a mirror of our time, the photographic medium allows us to directly reflect upon currently relevant topics: Centered around the presentation of humanity and our actions in the present, the works that Art Vontobel collects revolve around key questions, such as: what do our societies look like today, how have they evolved, and what topics concern us at present? Moreover: What actions do people take and how do these shape our future or affect our planet? By building a young and internationally focused collection, Art Vontobel represents our corporate culture and endeavors: foresighted, reflecting diversity and human centric. This intention is further emphasized by our biannual sponsorship award for emerging talent, A New Gaze, founded in 2017. Furthermore, our key incentive is to create an inspiring environment and encourage dialogue—internally and beyond.

Our commitment to art is an expression of our social responsibility overall. We firmly believe that art and culture are important, even indispensable, agents of a functioning society, which allow the development of experimentation with many practical and theoretical approaches to producing art. We want to support these creative methods of thinking and producing. It is art that affords us a new perspective as observers, that challenges us, or simply delights us. Works of art enrich daily life, enable dialogue decoupled from the day-to-day working routine: a change of perspective. By exhibiting and collecting works of art, we wish to create an inspiring environment with long-lasting value for our employees, our clients and the public. [www.vontobel.com/art](http://www.vontobel.com/art)

# GRI content index



CONTENT INDEX  
ESSENTIALS SERVICE

2024

|                                |  |
|--------------------------------|--|
| Statement of use               | Vontobel has reported in accordance with the GRI Standards for the period from January 1, 2023 to December 31, 2023.   |
| GRI 1 used                     | GRI 1: Foundation 2021   |
| Applicable GRI Sector Standard | Not yet available for financial service providers. Therefore, the GRI industry supplement for financial service providers 2013 was used (disclosures FS6, FS10, FS11). |

| GRI STANDARD                    | DISCLOSURE   | REFERENCE (AR: ANNUAL REPORT, SR: SUSTAINABILITY REPORT)/ OMISSION  |
|---------------------------------|--|---|
| <b>General Disclosures</b>      |  |   |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details   | <ul style="list-style-type: none"> <li>– AR/ SR: 1st and 2nd cover page</li> <li>– AR p. 31: Major shareholders and groups of shareholders with pooled voting rights</li> <li>– <a href="http://www.vontobel.com/locations">www.vontobel.com/locations</a></li> </ul>   |
|                                 | 2-2 Entities included in the organization’s sustainability reporting             | <ul style="list-style-type: none"> <li>– Unless stated otherwise, the scope of the Sustainability Report includes Vontobel Holding AG with the subsidiaries listed in the consolidated annual financial statements, and the corresponding locations.</li> <li>– AR p. 244: Subsidiaries and associated companies</li> <li>– AR p. 245: Changes in the scope of consolidation</li> </ul> |
|                                 | 2-3 Reporting period, frequency and contact point                                | <ul style="list-style-type: none"> <li>– SR p. 135 Statement of use</li> <li>– SR p. 94: More information on this report</li> </ul>   |
|                                 | 2-4 Restatements of information  | We have not made any restatements or corrections to the previous year’s disclosures.  |
|                                 | 2-5 External assurance   | – SR p. 149 – 151: Independent assurance report on selected sustainability metrics  |
|                                 | 2-6 Activities, value chain and other business relationships                     | <ul style="list-style-type: none"> <li>– AR p. 12 – 17: Vontobel</li> <li>– AR p. 10 – 11: Key Figures</li> <li>– SR p. 108: Risk management in our supply chain</li> <li>– SR p. 120: Materials and gastronomy</li> <li>– AR p. 19 – 27: Business review</li> <li>– AR p. 245: Changes in the scope of consolidation</li> </ul>  |
|                                 | 2-7 Employees  | – SR p. 128 – 132: Great workplace in figures   |
|                                 | 2-8 Workers who are not employees  | – SR p. 128 – 132: Great workplace in figures   |
|                                 | 2-9 Governance structure and composition   | <ul style="list-style-type: none"> <li>– AR p. 30: Corporate Governance</li> <li>– SR p. 103 – 105: Sustainability governance and oversight</li> <li>– SR p. 128 – 132: Great workplace in figures</li> </ul>   |
|                                 | 2-10 Nomination and selection of the highest governance body                     | <ul style="list-style-type: none"> <li>– AR p. 33: Board of Directors</li> <li>– AR p. 39: Election and term of office</li> </ul>   |
|                                 | 2-11 Chair of the highest governance body  | – AR p. 33: Board of Directors  |
|                                 | 2-12 Role of the highest governance body in overseeing the management of impacts | <ul style="list-style-type: none"> <li>– AR p. 33: Board of Directors</li> <li>– SR p. 103 – 105: Sustainability governance and oversight</li> <li>– SR p. 105 – 108: Risk management</li> </ul>  |
|                                 | 2-13 Delegation of responsibility for managing impacts                           | – SR p. 103 – 105: Sustainability governance and oversight  |
|                                 | 2-14 Role of the highest governance body in sustainability reporting             | – SR p. 147: Approval process Sustainability Report 2023  |
|                                 | 2-15 Conflicts of interest   | – SR p. 109: Conflicts of interest  |
|                                 | 2-16 Communication of critical concerns  | <ul style="list-style-type: none"> <li>– SR p. 109: Anti-bribery, corruption and money laundering</li> <li>– SR p. 111: Our whistleblowing system</li> <li>– AR p. 45: Information and control instruments relating to the Executive Committee</li> </ul>   |

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for all disclosures are included correctly and aligned with the appropriate sections in the body of the report. The service was performed on the English version of the report.

| GRI STANDARD                    | DISCLOSURE  | REFERENCE (AR: ANNUAL REPORT, SR: SUSTAINABILITY REPORT)/ OMISSION   |
|---------------------------------|---|--|
| <b>General Disclosures</b>      |   |  |
| GRI 2: General Disclosures 2021 | 2-17 Collective knowledge of the highest governance body          | – SR p. 103–105: Sustainability governance and oversight   |
|                                 | 2-18 Evaluation of the performance of the highest governance body | The Board of Directors performs an annual evaluation of the achievement of its objectives and of its working practices.  |
|                                 | 2-19 Remuneration policies  | – AR p. 69–71: Compensation of the Board of Directors<br>– AR p. 72–79: Compensation of the Executive Committee  |
|                                 | 2-20 Process to determine remuneration                            | – AR p. 69–71: Compensation of the Board of Directors<br>– AR p. 72–79: Compensation of the Executive Committee  |
|                                 | 2-21 Annual total compensation ratio                              | – Vontobel cannot comply with GRI disclosure 2-21 for confidentiality constraints. Vontobel considers this information confidential and cannot report it publicly<br>– Information on compensation of the members of the Board of Directors and the Executive Committee, and on our compensation system:<br>AR p. 55–83: Compensation Report.  |
|                                 | 2-22 Statement on sustainable development strategy                | – SR p. 91: Foreword   |
|                                 | 2-23 Policy commitments   | – SR p. 95–96: Sustainability Positioning and long-term vision<br>– SR p. 96–98: Vontobel's six Sustainability Commitments and progress<br>– SR p. 124–125: Employment<br>– Code of Conduct:<br><a href="http://www.vontobel.com/code-of-conduct">www.vontobel.com/code-of-conduct</a>   |
|                                 | 2-24 Embedding policy commitments                                 | – Code of Conduct:<br><a href="http://www.vontobel.com/code-of-conduct">www.vontobel.com/code-of-conduct</a><br>– SR p. 96–98: Vontobel's six Sustainability Commitments and progress<br>– SR p. 100–101: Vontobel's contribution to the UN SDGs   |
|                                 | 2-25 Processes to remediate negative impacts                      | – SR p. 96–98: Vontobel's six Sustainability Commitments and progress<br>– SR p. 111: Our whistleblowing system<br>– SR p. 127–128: Diversity, equality and inclusion  |
|                                 | 2-26 Mechanisms for seeking advice and raising concerns           | – SR p. 111: Our whistleblowing system<br>– SR p. 127–128: Diversity, equality and inclusion   |
|                                 | 2-27 Compliance with laws and regulations                         | – SR p. 109: Anti-bribery, corruption and money laundering<br>– SR p. 110: Data privacy and information security<br>– SR p. 110: Product compliance<br>– AR p 227: Off-balance sheet business and other information  |
|                                 | 2-28 Membership associations                                      | – SR p. 101: Our memberships and initiatives   |
|                                 | 2-29 Approach to stakeholder engagement                           | – SR p. 102–103: Stakeholder engagement and materiality assessment   |
|                                 | 2-30 Collective bargaining agreements                             | In Switzerland, which is home to more than 80 percent of our workforce, 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). Information about participation in collective bargaining agreements in other countries is not available at present. |

| GRI STANDARD                                 | DISCLOSURE   | REFERENCE (AR: ANNUAL REPORT, SR: SUSTAINABILITY REPORT) / OMISSION   |
|--|--|---|
| <b>Material topics</b>                       |  |   |
| GRI 3: Material Topics 2021                  | 3-1 Process to determine material topics   | - SR p. 102 – 103: Stakeholder engagement and materiality assessment  |
|  | 3-2 List of material topics  | Material topics for our reporting:<br>- Economic performance<br>- ESG investing and advice<br>- Energy<br>- Emissions<br>- Materials<br>- Diversity and equal opportunity<br>- Non-discrimination<br>- Employment<br>- Training and education<br>- Anti-corruption<br>- Product compliance<br>- Customer privacy<br>- Indirect economic impacts |
| <b>ESG investing and advice</b>              |  |   |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  | - SR p. 112 – 118: ESG investing and advice   |
| GRI G4 Financial Services Sector Disclosures | FS6 Percentage of the portfolio for business lines by specific region, size and by sector    | - AR p. 21: Client assets by client domicile<br>- AR p. 241 – 243: Segment reporting  |
|  | FS10 Portfolio-based engagement on social or environmental issues                            | - SR p. 112 – 115: Our four ESG Investment Principles   |
|  | FS11 Percentage of assets subject to positive and negative environmental or social screening | - SR p. 112 – 115: Our four ESG Investment Principles<br>- SR p. 114: Investment solutions that incorporate ESG criteria  |
| <b>Economic performance</b>                  |  |   |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  | - SR p. 94: Active participant in economic life   |
| GRI 201: Economic Performance 2021           | 201-1 Direct economic value generated and distributed  | - SR p. 94: Economic value distributed  |
|  | 201-3 Defined benefit plan obligations and other retirement plans                            | - AR p. 187: Personnel expense<br>- AR p. 206: Other liabilities / Defined benefit pension liabilities  |
| <b>Indirect economic impacts</b>             |  |   |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  | - SR p. 94: Active participant in economic life<br>- SR p. 133 – 134: Community engagement  |
| GRI 203: Indirect Economic Impacts 2016      | 203-1 Infrastructure investments and services supported                                      | - SR p. 133 – 134: Community engagement   |
| <b>Anti-corruption</b>                       |  |   |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  | - SR p. 109: Anti-bribery, corruption and money laundering  |
| GRI 205: Anti-corruption 2016                | 205-1 Operations assessed for risks related to corruption                                    | - SR p. 105 – 108: Risk management<br>- SR p. 109: Anti-bribery, corruption and money laundering  |
|  | 205-2 Communication and training about anti-corruption policies and procedures               | - SR p. 109: Anti-bribery, corruption and money laundering  |
|  | 205-3 Confirmed incidents of corruption and actions taken                                    | - SR p. 109: Conflicts of interest  |
| <b>Materials</b>                             |  |   |
| GRI 3: Material Topics 2021                  | 3-3 Management of material topics  | - SR p. 120: Materials and gastronomy   |
| GRI 301: Materials 2016                      | 301-1 Materials used by weight or volume   | - SR p. 122 – 123: Environment and climate in figures   |
|  | 301-2 Recycled input materials used  | - SR p. 122 – 123: Environment and climate in figures   |

| GRI STANDARD                                  | DISCLOSURE   | REFERENCE (AR: ANNUAL REPORT, SR: SUSTAINABILITY REPORT)/OMISSION |
|---|--|---|
| <b>Energy</b>                                 |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 119–120: Our own operations                               |
| GRI 302: Energy 2016                          | 302-1 Energy consumption within the organization   | – SR p. 122–123: Environment and climate in figures               |
|   | 302-3 Energy intensity   | – SR p. 122–123: Environment and climate in figures               |
|   | 302-4 Reduction of energy consumption  | – SR p. 120: Achievements in reducing our energy consumption      |
| <b>Emissions</b>                              |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 119–120: Our own operations                               |
| GRI 305: Emissions 2016                       | 305-1 Direct (Scope 1) GHG emissions   | – SR p. 122–123: Environment and climate in figures               |
|   | 305-2 Energy indirect (Scope 2) GHG emissions  | – SR p. 122–123: Environment and climate in figures               |
|   | 305-3 Other indirect (Scope 3) GHG emissions   | – SR p. 122–123: Environment and climate in figures               |
|   | 305-4 GHG emissions intensity  | – SR p. 122–123: Environment and climate in figures               |
|   | 305-5 Reduction of GHG emissions   | – SR p. 119–120: Our own operations                               |
| <b>Employment</b>                             |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 124: Great workplace<br>– SR p. 124–125: Employment       |
| GRI 401: Employment 2016                      | 401-1 New employee hires and employee turnover   | – SR p. 128–132: Great workplace in figures                       |
| <b>Training and education</b>                 |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 125–127: Training and education                           |
| GRI 404: Training and Education 2016          | 404-1 Average hours of training per year per employee  | – SR p. 127: Training   |
|   | 404-2 Programs for upgrading employee skills and transition assistance programs                    | – SR p. 125–127: Training and education                           |
|   | 404-3 Percentage of employees receiving regular performance and career development reviews         | – SR p. 126: Our goal-setting and development process             |
| <b>Diversity and equal opportunity</b>        |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 127–128: Diversity, equality and inclusion                |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees   | – SR p. 128–132: Great workplace in figures                       |
| <b>Non-discrimination</b>                     |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 127–128: Diversity, equality and inclusion                |
| GRI 406: Non-discrimination 2016              | 406-1 Incidents of discrimination and corrective actions taken                                     | – SR p. 127–128: Diversity, equality and inclusion                |
| <b>Product compliance</b>                     |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 110: Product compliance                                   |
| GRI 417: Marketing and Labeling 2016          | 417-1 Requirements for product and service information and labeling                                | – SR p. 110: Product compliance                                   |
| <b>Customer privacy</b>                       |  |   |
| GRI 3: Material Topics 2021                   | 3-3 Management of material topics  | – SR p. 110: Data privacy and information security                |
| GRI 418: Customer Privacy 2016                | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | – SR p. 110: Data privacy and information security                |

# UN Global Compact index

## 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 committed to support its 10 principles in the areas of human rights, labor, environment, and anti-corruption.”

Dr. Zeno Staub, CEO of 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:<br>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                             | 128                   |
|   | Topic <b>ESG investing and advice</b>  |                       |
|   | FS10: Portfolio-based engagement on social or environmental issues                             | 112                   |
|   | FS11: Percentage of assets subject to positive and negative environmental or social screening  | 114                   |
| <hr/>   |  |                       |
| Principle 2:<br>Make sure that they are not complicit in human rights abuses  | Topic <b>Risk management</b>   |                       |
|   | GRI 2-6 Activities, value chain and other business relationships                               | 108                   |
|   | Topic <b>ESG investing and advice</b>  |                       |
|   | FS10: Portfolio-based engagement on social or environmental issues                             | 112                   |
|   | FS11: Percentage of assets subject to positive and negative environmental or social screening  | 114                   |
| <hr/>   |  |                       |
| <b>Labor</b>  |  |                       |
| Principle 3:<br>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining | Topic <b>Employment</b>  |                       |
|   | GRI 2-30 Collective bargaining agreements  | 136                   |
| <hr/>   |  |                       |
| Principle 4:<br>Elimination of all forms of forced and compulsory labor   | Topic <b>Risk management</b>   |                       |
|   | GRI 2-6 Activities, value chain and other business relationships                               | 108                   |
| <hr/>   |  |                       |
| Principle 5:<br>Effective abolition of child labor  | Topic <b>Risk management</b>   |                       |
|   | GRI 2-6 Activities, value chain and other business relationships                               | 108                   |
| <hr/>   |  |                       |
| Principle 6:<br>Elimination of discrimination in respect of employment and occupation   | Topic <b>Employment</b>  |                       |
|   | 2-7 Employees  | 129                   |
|   | 2-8 Workers who are not employees  | 128                   |
|   | GRI 401-1 New employees hires and employee turnover  | 131                   |
|   | Topic <b>Training and education</b>  |                       |
|   | GRI 404-2 Programs for upgrading employee skills and transition assistance programs            | 125                   |
|   | GRI 404-3 Percentage of employees receiving regular performance and career development reviews | 126                   |
|   | Topic <b>Diversity and equal opportunity</b>   |                       |
| GRI 405-1 Diversity of governance bodies and employees  | 130  |                       |
| <hr/>   |  |                       |
|   | Topic <b>Non-discrimination</b>  |                       |
|   | GRI 406-1 Incidents of discrimination and corrective actions taken                             | 128                   |

| PRINCIPLES   | IMPLEMENTATION AT VONTOBEL: CONTENT-RELATED TOPICS<br>AND COVERAGE ACCORDING TO GRI REPORTING | PAGE IN ANNUAL<br>REPORT |
|--|---|--------------------------|
| <b>Environment</b>   |   |                          |
| Principle 7:<br>Businesses should support<br>a precautionary approach to<br>environmental challenges               | Topic <b>Materials</b>  |                          |
|  | GRI 301-1 Materials used by weight or volume  | 123                      |
|  | GRI 301-2 Recycled input materials used   | 123                      |
|  | Topic <b>Energy</b>   |                          |
|  | GRI 302-1 Energy consumption within the organization  | 123                      |
|  | GRI 302-3 Energy intensity  | 123                      |
|  | GRI 302-4 Reduction of energy consumption   | 120                      |
|  | Topic <b>Emissions</b>  |                          |
|  | GRI 305-1 Direct (Scope 1) GHG emissions  | 122                      |
|  | GRI 305-2 Energy indirect (Scope 2) GHG emission  | 122                      |
|  | GRI 305-3 Other indirect (Scope 3) GHG emission   | 122                      |
|  | GRI 305-4 GHG emissions intensity   | 122                      |
|  | GRI 305-5 Reduction of GHG emissions  | 119                      |
|  | Topic <b>ESG investing and advice</b>   |                          |
| FS10: Portfolio-based engagement on social or environmental issues   | 112   |                          |
| FS11: Percentage of assets subject to positive and negative environmental or social screening                      | 114   |                          |
| Principle 8:<br>Undertake initiatives to promote<br>greater environmental responsibility                           | Topic <b>Materials</b>  |                          |
|  | GRI 301-1 Materials used by weight or volume  | 123                      |
|  | GRI 301-2 Recycled input materials used   | 123                      |
|  | Topic <b>Energy</b>   |                          |
|  | GRI 302-1 Energy consumption within the organization  | 123                      |
|  | GRI 302-3 Energy intensity  | 123                      |
|  | GRI 302-4 Reduction of energy consumption   | 120                      |
|  | Topic <b>Emissions</b>  |                          |
|  | GRI 305-1 Direct (Scope 1) GHG emissions  | 122                      |
|  | GRI 305-2 Energy indirect (Scope 2) GHG emission  | 122                      |
|  | GRI 305-3 Other indirect (Scope 3) GHG emission   | 122                      |
| Principle 9:<br>Encourage the development and<br>diffusion of environmentally friendly<br>technologies             | Topic <b>Energy</b>   |                          |
|  | GRI 302-4 Reduction of energy consumption   | 120                      |
|  | Topic <b>Emissions</b>  |                          |
| GRI 305-5 Reduction of GHG emissions   | 119   |                          |
| <b>Anti-corruption</b>   |   |                          |
| Principle 10:<br>Businesses should work against<br>corruption in all its forms, including<br>extortion and bribery | Topic <b>Anti-corruption</b>  |                          |
|  | GRI 205-1 Operations assessed for risks related to corruption                                 | 108                      |
|  | GRI 205-2 Communication and training about anti-corruption policies and procedures            | 108                      |
|  | GRI 205-3 Confirmed incidents of corruption and actions taken                                 | 109                      |

# TCFD index

| RECOMMENDED DISCLOSURE  | COMMENT VONTOBEL   | REFERENCE  |
|---|--|--|
| <b>Governance</b>   |  |  |
| a) Describe the board's oversight of climate-related risks and opportunities  | <p>In 2022 the Board of Directors, together with the senior management, was responsible for defining the company's overall Sustainability Positioning and six Sustainability Commitments. The Commitments lay out the foundation for Vontobel's sustainability strategy.</p> <p>The Board of Directors is informed around sustainability matters, including climate, through the group-level sustainability governance. In this context, the Board of Directors is able to monitor progress on the six Sustainability Commitments.</p> <p>Over the past reporting year, sustainability was an important topic for the Board of Directors and was discussed in five meetings, including one dedicated ESG Board training session provided by an external consultant.</p> <p>Vontobel has defined Key Risk Indicators (KRIs) on sustainability and climate topics. KRIs are integrated to the Risk Appetite Framework. The KRIs are reported periodically to the Risk and Audit Committee (RAC).</p>   | <ul style="list-style-type: none"> <li>- Sustainability governance and oversight p. 104 – 105</li> <li>- Risk governance p. 106</li> </ul> |
| b) Describe management's role in assessing and managing risks and opportunities   | <p>The Corporate Sustainability Committee has delegated authority from the Executive Committee and is chaired by the CFO/CRO of the Vontobel Holding AG. The Corporate Sustainability Committee includes members from the senior management team (Executive Committee and Executive Board).</p> <p>Each of the six Sustainability Commitments, including the Net-Zero Commitment, is allocated to a dedicated Commitment Owner within the senior management team to ensure their implementation and to create accountability. The Commitment Owners report progress on their respective commitments on a quarterly basis to the Corporate Sustainability Committee.</p> <p>Sustainability within products and the integration of ESG-factors in our investment solutions is managed directly within the respective boutiques under the oversight of the Investment Management Committee (IMC). The Head Investments is a member of both the IMC and the CSC and provides regular updates to the CSC regarding these topics.</p> <p>In line with our Group-wide risk management framework, the Executive Committee is responsible for the operational management of the Group and for maintaining suitable processes in general, thus also for controlling the risks.</p> | <ul style="list-style-type: none"> <li>- Sustainability governance and oversight p. 104 – 105</li> <li>- Risk governance p. 106</li> </ul> |
| <b>Strategy</b>   |  |  |
| a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term | <p>Time horizons considered in the identification of climate-related risks and subsequent assessment have been tailored to the business model and risk profile; they are as follows:</p> <ul style="list-style-type: none"> <li>- short term: 0 – 3 years</li> <li>- medium term: 3 – 10 years</li> <li>- long term: +10 years</li> </ul> <p>We expect that transition risks usually impact short and medium-term while physical risks are more relevant in the long term.</p>   |  |

|  |  |   |
|--|--|---|
| <p>b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning</p>                        | <p>Our six Sustainability Commitments provide the guiding structure for our sustainability strategy with an emphasis on climate change considerations.</p> <p>The six Sustainability Commitments represent the main levers that we as an investment firm and a corporate citizen have, when supporting the transition to a low-carbon future.</p> <p>Within our own operations we aim to reach net-zero by 2030. To this end, we aim to reduce our Scope 1-3 emissions as much as possible, and to compensate the remaining emissions by purchasing high quality emission offset and removal certificates.</p> <p>Within our banking book we are committed to reach net-zero by 2030 in our bond investments. In scope of our commitment and strategy are Scope 1 and Scope 2 emissions by non-sovereign issuers. If the financed GHG emissions of corporate and corporate-like bonds in the banking book can not be reduced fully by 2030, we aim to select offsetting projects to compensate remaining GHG emissions.</p> <p>Regarding our investment strategies and product offering, we provide factsheets that incorporate CO<sub>2</sub> metrics for our EU SFDR Article 8 and 9 strategies and products (subject to sufficient data coverage). In addition, for these SFDR Article 8 and 9 type of products, the pre-contractual disclosures describe (if applicable and relevant) more details specifically to climate risk considerations.</p> <p>In general, 50% of our total AuMs consider "Sustainability Risks", which include climate-related risks.</p> <p>We plan to further develop our climate strategy in the coming years.</p> | <ul style="list-style-type: none"> <li>- Our approach to climate change p. 98 – 100</li> <li>- Risk management for our investment products p. 107 – 108</li> <li>- Incorporate ESG consideration into active investment decisions p. 112 – 115</li> <li>- Environment and climate p. 119 – 123</li> </ul> |
| <p>c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</p> | <p>Vontobel conducted extensive climate scenario analysis for its main books, using a set of short- and medium-term scenarios. The analysis included both physical and transition risk impact assessments. The focus was on a set of scenarios that is consistent with the Network for Greening the Financial System (NGFS) Scenarios, including also a scenario in line with a 2 degree pathway.</p> <p>The analysis showed that the impact on the short-term is material only to a limited extent. Vontobel will be including such forward-looking analysis in its risk management processes, which are key input for assessing its resilience.</p>  |   |

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**Risk Management**

|  |   |  |
|--|---|--|
| a) Describe the organisation's processes for identifying and assessing climate-related risks   | <p>Vontobel identifies Sustainability / ESG risks as a driver of the existing risk categories rather than a fundamentally distinct risk category. Sustainability / ESG factors are relevant for all business and risk processes, and as such, the identification of possible impacts is done across all existing risk categories of the taxonomy such as, among others, credit risk, operational risk, market risk, liquidity risk and investment risk.</p> <p>Vontobel conducts an annual exercise to identify and update the list of key Sustainability / ESG risks which could if they were to occur, cause an actual or a potential negative material impact for Vontobel. Negative impact could be financial or non-financial.</p> <p>We have developed an ESG Risk Assessment Matrix (RAM) that contains specific climate-related topics that could have a material financial impact. It also forms the basis for defining and updating the most important ESG risks in the Vontobel Risk Taxonomy. The results of the assessment are reviewed and validated by relevant stakeholders via workshops and finally signed off by the Corporate Sustainability Committee.</p> <p>We believe active ownership adds value between long-term partners. At the same time, we are convinced that voting and engagement can have a positive influence on companies, economies, societies, and the environment. We engage with companies and sovereign issuers for updates and issues of concern. As an active investment manager, we prefer to engage with the management of investee companies directly. We also use collaborative engagements, performed by third parties. Reasons to engage can include identified environmental and social risks.</p> <p>More information can be found in our ESG integration and stewardship report.</p> | <ul style="list-style-type: none"> <li>- Sustainability and ESG risk p. 106–107</li> <li>- Key risk management processes p. 107</li> <li>- ESG Integration and stewardship report: <a href="http://www.vontobel.com/esg-library">www.vontobel.com/esg-library</a></li> </ul> |
| b) Describe the organisation's processes for managing climate-related risks  | <p>The way Vontobel integrates sustainability risks in its investment decision, and advisory services, is detailed out in our Group policy "Sustainable Investing and Advisory". Sustainability risks are defined as an environmental, social or governance event or condition that if it occurs could cause an actual or a potential material negative impact on the value of the investment. ESG risk is understood as the negative materialization of ESG factors. The risk management for our products is based on the principles of clear delineation of roles and responsibilities and accordingly the three lines of defense model is also applied within our investment solutions. More information can be found under the respective paragraphs for the 1st LoD: Investment Teams and Investment Risk &amp; 2nd LoD: Group investment control.</p>   | <ul style="list-style-type: none"> <li>- Key risk management processes p. 107</li> <li>- Risk management for our investment products p. 107–108</li> </ul>   |
| c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk | <p>Our approach to risk management also extends to Sustainability / ESG risk including climate-related risks and we are committed to continue to fully integrate them into our risk management framework with corresponding procedures, practices and tools. As such, these risks are managed in accordance with our 3 Lines of Defense Model and relying on the existing Internal Control System.</p>  | <ul style="list-style-type: none"> <li>- Sustainability and ESG risk p. 106–107</li> </ul>   |

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**Metrics & Targets**

|  |  |  |
|--|--|--|
| a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | <p><b>Operations</b></p> <p>The method used to prepare our greenhouse gas balance sheet is aligned with the requirements set out in the International Organization for standardization (ISO) standard 14064-1, as well as the accounting standards defined in the Greenhouse Gas Protocol. In addition to ISO 14064-1, the recommendations set out in the GHG Protocol Corporate Standard issued by the WRI and WBCSD were taken into account.</p> <ul style="list-style-type: none"> <li>- Scope 1 comprises emissions from heating (natural gas, biogas and heating oil), refrigerant leakage as well as business travel (vehicles owned by the company)</li> <li>- We prefer the more accurate market-based approach to calculating our Scope 2 emissions. It takes account of electricity purchased individually by Vontobel (e.g. electricity from renewables) in locations where information is available on the energy mix purchased (for location based, see below)</li> <li>- In our Scope 3 operations emissions we include energy-related emissions not included in Scope 1 or 2, business travel with external vehicles, commuting, food, paper, printing, mailings, waste, and water. In this reporting period (2022 / 2023) we have also included IT devices. Other Scope 3 emissions are not included.</li> </ul> | <ul style="list-style-type: none"> <li>- Environment and climate p. 119–123</li> <li>- Statement on principal adverse impacts (PAI) of investment decisions on sustainability factors: <a href="http://www.vontobel.com/sfdr">www.vontobel.com/sfdr</a></li> </ul> |
|--|--|--|

In 2023, we have elaborated a concept for an internal carbon price that applies to air travel. Air travel is the largest source of emissions within our own operation and through this we aim to steer behavior through pricing the ton of CO<sub>2</sub> and to allocating the cost according to the polluter pays principle.

**Banking book bond investments**

Our net-zero strategy by 2030 for the banking book bond investments is based on the guidance provided from Partnership for Carbon Accounting Financials (PCAF) and the Greenhouse Gas Protocol Category 15: Investments (Technical Guidance for Calculating Scope 3).

We track Scope 1 and Scope 2 GHG emissions for corporates and corporate-like issuers (e.g. supranational organization and government-related entities).

**Impact of our investments in investee companies**

In 2023, we published our first Statement on principal adverse impacts (PAI) of investment decisions on sustainability factors as required by Regulation (EU) 2019/2088 (“SFDR”) and specified by Commission Delegated Regulation (EU) 2022/1288 (“SFDR Regulatory Technical Standards” or “SFDR RTS”) Article 4. The PAI indicators listed relate to all investments made by Vontobel, regardless of whether they consider PAI in investment decisions or not. The PAI indicator “Greenhouse gas emissions” encompasses a series of metrics applicable to investments in investee companies, including Scope 1-3 GHG emissions.

More information as well as a list of all Vontobel legal entities in scope of the statement can be found at: [www.vontobel.com/sfdr](http://www.vontobel.com/sfdr)

To embed ESG principles in Vontobel’s corporate values, we consider ESG risks and goals in our Compensation Policy.

|   |   |  |
|---|---|--|
| <p>b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks</p>                     | <p><b>Operational emissions for 2023</b><br/>                 Scope 1: 213 t CO<sub>2</sub>e<br/>                 Scope 2: 234 t CO<sub>2</sub>e (market-based)<br/>                 Scope 2: 879 t CO<sub>2</sub>e (location-based)<br/>                 Scope 3: 5801 t CO<sub>2</sub>e</p> <p>The market-based calculation method follows the logic of consumption and is therefore preferable for operational GHG management as it is more precise than the location-based method and allows measures to be derived. The market-based method is particularly preferable for calculating emissions from district heating and cooling consumption, as buildings do not receive a mix of different sources when purchasing district heating and cooling, but a specific product.</p>                 | <p>– Environment and climate p. 119–123</p>                              |
| <p><b>Banking book bond investments</b></p>   | <p>In 2023, we decided to align the metrics and targets with the latest developments as guided by the Greenhouse Gas Protocol and PCAF. Therefore, we plan to report on quantitative targets and metrics in the Sustainability Report 2024.</p>   |  |
| <p>c) Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets</p> | <p>By 2030, we aim to be net-zero with our greenhouse gas emissions (GHG) in our operations and banking book investments. Additionally, we aim to be net-zero with our GHG emissions in our trading book bond investments by 2050. Net-zero means achieving a balance between emissions and removals of GHGs from the atmosphere (ISO IWA 42:2022), Scope 1-3 in our own operations and Scope 1-2 in our banking book bond investments in non-sovereign issuers. Our commitment is aligned with the 2015 Paris Agreement goal to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. We plan to reduce emissions as far as possible and we aim to offset residual emissions at the net-zero target year and any GHG emissions thereafter.</p> | <p>– Vontobel’s six Sustainability Commitments and progress p. 96–98</p> |

# Swiss corporate reporting on non-financial matters index

| BUSINESS MODEL                    | REFERENCE TO THE ANNUAL / SUSTAINABILITY REPORT  | PAGE  |
|-----------------------------------|--|---|
| Description of the business model | For more information regarding our business model, please refer to the chapter "Strategy" in the Annual Report, and to the section "Sustainability at Vontobel" in the chapter "Corporate Responsibility & Sustainability".  | 12 – 17<br>94                                     |
| <b>NON-FINANCIAL MATTER</b>       |  |   |
| Environmental Matters             | <p>We recognize the need to take action and to contribute towards the goals of the Paris Agreement to limit global warming and tackle climate change. Against this backdrop, Vontobel has formulated its Net-Zero Commitment which forms the basis for our climate strategy. More information can be found in the sections "Our approach to climate change" and "Environment and climate". Furthermore, this report includes a "TCFD index" section where details on our approach to climate and climate-risk are provided. The section "Environment and climate" further addresses the topics of energy consumption and materials and provides details on measures taken and the respective KPIs.</p> <p>We acknowledge that at this point, there is a thematic focus on climate within environmental matters. This is due to the relative maturity of guidance from standard setters and regulators on this topic, notably the TCFD recommendations, compared to other topics. As part of our journey, we aim to cover further environmental topics in the future.</p> <p>Reference to GRI material topics: Energy, Emissions, Materials.</p>  | 98 – 99<br>119 – 123<br>141 – 144                 |
| Social issues                     | <p>We have identified the following main stakeholder groups: clients, shareholders, employees, regulators and the community. More information on why and how we engage with them can be found in the section "Stakeholder interaction and materiality assessment".</p> <p>With reference to Art 964 b, we understand social issues as topics within our value-chain and beyond our own workforce. As such, social issues include, but are not limited to, labor practices, diversity and inclusion, community engagement and customer privacy.</p> <p>Social aspects are incorporated into our tendering process since 2021 and serve as a guide when awarding new contracts. The relevant details are set out in Vontobel's Guidelines for sustainable procurement. Amongst other, they address matters such as employment conditions. More information can be found in the section "Risk management in our supply chain". Our whistleblowing system is open to both employees and third parties giving them the chance to raise issues, e.g. with regards to behavioural misconduct. More information can be found in the section "Our whistleblowing system".</p> <p>As a global investment firm, the integration of environmental, social and governance (ESG) factors into our product and service offering is a key part of our sustainability strategy. More details on our ESG approach can be found in the sections "ESG investing and advice" and "Risk management for our products". In line with our Group-wide Sustainability/ESG risk policy, Sustainability/ESG risk are seen as risk drivers of existing risk drivers. In the context of social issues, Vontobel considers social risk drivers, such as labor rights and standards, changes in social policies. More information can be found in the section "Sustainability and ESG risk".</p> <p>The trust that clients place in us forms the basis for our successful long-term collaboration. We therefore assign considerable importance to protecting client data and complying with all legal requirements in this context. More information can be found in the section "Data privacy and information security".</p> <p>Reference to GRI material topics: Diversity and equal opportunity, Non-discrimination, Customer privacy.</p> | 102 – 103<br>106 – 108<br>111<br>112 – 117<br>110 |

|                          |  |  |
|--------------------------|--|--|
| Employee-related issues  | <p>In line with our Great Workplace Commitment, we are determined to foster a workplace environment where everyone has the opportunity to develop and reach their full potential. Mutual respect, openness and freedom from discrimination are of key importance in this context. The principles that shape the way we work at Vontobel are detailed out in our Code of Conduct.</p> <p>We acknowledge that the skills and expertise of our employees are vital to our long-term success. As a globally active investment firm, Vontobel has to compete with major players and increasingly also with small new companies in our industry, both in our Swiss home market and internationally. We therefore want to offer our employees attractive employment conditions and have defined our DE&amp;I strategy to mitigate the risks of unsuccessful human capital development. Furthermore, Vontobel has a whistleblowing platform in place via which employees can report any misconduct—transparently or anonymously. In addition, all Vontobel employees have access to Employee Assistance Programs to obtain personal and confidential advice around the clock regarding—among others—any violations of personal integrity or in the event of workplace conflicts. More information can be found under “Our whistleblowing system” and in the section “Great workplace”.</p> <p>In line with our Group-wide Sustainability/ESG risk policy, Sustainability/ESG risk are seen as risk drivers of existing risk drivers. Vontobel considers social risk drivers that include employee-related issues such as employee relationships. More information can be found in the section “Sustainability and ESG risk”.</p> <p>Reference to GRI material topics: Diversity and equal opportunity, Non-discrimination, Employment, Training and education.</p> | <p>111<br/>124 – 132<br/>106 – 107</p>                 |
| Respect for human rights | <p>As a member to the UN Global Compact, we are committed to implement its ten principles. Principle 1 and 2 relate to human rights. We address respect for human rights within our own workforce, where we encourage inclusiveness and sanction any form of discrimination in line with our Code of Conduct. More information can be found in the section “UN Global Compact index” and “Employment”.</p> <p>Further, respect for human rights is considered in our value chain and in our product portfolio. Cluster bombs and landmines are excluded on group level; companies that produce weapons classified as controversial will not be financed by Vontobel nor will it invest in manufacturers of such weapons within the framework of actively managed assets. Human rights topics are incorporated into our tendering process since 2021 and serve as a guide when awarding new contracts. The relevant details are set out in Vontobel’s Guidelines for sustainable procurement. Amongst others, they address topics related to human rights such as child labor, forced labor (modern slavery) and human trafficking. More information can be found in the section “Risk management in our supply chain”. Within our investments, we monitor critical ESG controversies/ESG events. Such critical ESG events can relate, amongst others, to modern slavery such as forced labor or child labor. More information can be found in the section “Critical ESG events”.</p> <p>Amongst the social risk drivers that Vontobel considers, human rights’ violations are included. More information can be found in the section “Sustainability &amp; ESG risk”.</p> <p>Reference to GRI material topics: Non-discrimination.</p>   | <p>139<br/>124 – 125<br/>108<br/>117<br/>106 – 107</p> |
| Combatting Corruption    | <p>Effective compliance forms the basis of our long-term success and is therefore a core aspect of our business. Vontobel implements 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. Our Code of Conduct lays out the principles that shape the way we work at Vontobel along our values and behaviors and our Employee Handbook sets out specific guidelines and instructions. All Vontobel employees are subject to specific directives setting out Vontobel’s principles and guidelines. Current and comprehensive policies are accessible at any time and include the “Group policy on Conflicts of Interest”. Specifically, the area of anti-bribery and corruption is a key area of focus in adhering to our compliance requirements and is addressed by the provision of employee trainings. More information and a description of policies, processes and measures regarding combatting corruption can be found in the section “Anti-bribery, corruption and money laundering”.</p> <p>Reference to GRI material topics: Anti-corruption.</p>  | <p>108 – 109</p>                                       |

# Approval process Sustainability Report 2023

The chapter “Corporate Responsibility & Sustainability” of the Annual Report (also referred to as “Sustainability Report”) serves as a report for purposes of the Swiss Code of Obligations Art. 964 a–964 c.

We report on sustainability matters in accordance with the GRI standards. More details can be found in the section “GRI Index”. For the first time, the report contains more detailed information on the TCFD recommendations. More information can be found in the section “TCFD index”. Vontobel has been a member of the UN Global Compact and of the Global Compact Network Switzerland since 2017. We provide detail on the implementation of the Ten Principles of the UN Global Compact at Vontobel in the section “UN Global Compact index”.

The Annual Report including the Sustainability Report is produced in English and German. In addition, the Sustainability Report is published in French as a standalone document.

The Board of Directors of Vontobel Holding AG approved the Sustainability Report at its meeting on February 1, 2024; the Sustainability Report serves as a report on non-financial matters in accordance with Art. 964c para. 1 of the Swiss Code of Obligations.

The Board of Directors submits the Sustainability Report 2023 to the Annual General Meeting for approval. The Board of Directors will ensure that the report is made publicly available and that the report remains online for at least 10 years.

For the Board of Directors



Andreas E.F. Utermann

Chief Financial Officer (CFO) / Chief Risk Officer (CRO)



Thomas Heinzl





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To the Management of  
**Vontobel Holding AG, Zurich**

Zurich, 7 February 2024

## Independent Assurance Report on Selected Sustainability Metrics

We have been engaged to perform a limited assurance engagement (the engagement) on the key performance indicators marked with a “☑” (the KPIs) disclosed in Vontobel Holding AG’s (the Company’s) Annual Report 2023 in the chapter “Corporate Responsibility & Sustainability” (the report) for the reporting period from 1 January 2023 to 31 December 2023:

- ▶ FS11: Percentage of assets subject to positive and negative environmental or social screening; page 114
- ▶ GRI 2-7: Employees; page 129, 132
- ▶ GRI 302-1: Energy consumption within the organization; pages 122, 123
- ▶ GRI 302-3: Energy intensity; pages 122, 123
- ▶ GRI 305-1: Direct (Scope 1) GHG emissions; pages 122, 123
- ▶ GRI 305-2: Energy indirect (Scope 2) GHG emissions; pages 122, 123
- ▶ GRI 305-3: Other indirect (Scope 3) GHG emissions; pages 122, 123
- ▶ GRI 305-4: GHG emissions intensity; pages 122, 123
- ▶ GRI 401-1: New employee hires and employee turnover; pages 131, 132
- ▶ GRI 405-1: Diversity of governance bodies and employees; pages 130, 132

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the report, and accordingly, we do not express a conclusion on this information.



### Applicable criteria

The Company defined as applicable criteria (applicable criteria):

- ▶ Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)
- ▶ Global Reporting Initiative G4 Sector Disclosures for Financial Services

A summary of the standards is presented on the GRI homepage. We believe that these criteria are a suitable basis for our limited assurance engagement.



### Responsibility of the Management

The Management is responsible for the selection of the applicable criteria and for the preparation and presentation, in all material respects, of the disclosed KPIs in accordance with the applicable criteria. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation of the KPIs that are free from material misstatement, whether due to fraud or error.



### Independence and quality control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.



Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



### Our responsibility

Our responsibility is to express a conclusion on the above mentioned KPIs based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the KPIs in the report are free from material misstatements, whether due to fraud or error.



### Summary of work performed

Based on risk and materiality considerations we have undertaken procedures to obtain sufficient evidence. The procedures selected depend on the practitioner's judgment. This includes the assessment of the risks of material misstatements in the above mentioned KPIs. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in scope than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Although we considered the effectiveness of management's internal control when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Greenhouse Gas (GHG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited assurance procedures included, amongst others, the following work:

- ▶ Assessment of the suitability of the underlying criteria and their consistent application
- ▶ Interviews with relevant personnel to understand the business and reporting processes, including the sustainability strategy, principles and management
- ▶ Interviews with the Company's key personnel to understand the sustainability reporting systems during the reporting period, including the processes for collecting, collating and reporting the KPIs
- ▶ Checking that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the applicable criteria
- ▶ Analytical review procedures to support the reasonableness of the data
- ▶ Identifying and testing assumptions supporting calculations
- ▶ Testing, on a sample basis, underlying source information to check the accuracy of the data
- ▶ Review of the chapter "Corporate Responsibility & Sustainability" of the Annual Report 2023 regarding plausibility and consistency with the KPIs

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



**Conclusion**

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the KPIs for the reporting period from 1 January 2023 to 31 December 2023 have not been prepared, in all material respects, in accordance with the applicable criteria.

Ernst & Young Ltd



Mark Vesper  
(Qualified Signature)

Executive in Charge



Andreas Blumer  
(Qualified Signature)

Partner

**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.