

# Group Sustainability Report 2023



# About this report

This is the Pictet Group's first annual sustainability report. It has been prepared by Pictet & Cie Group SCA, on behalf of the Pictet Group and refers to the 2023 calendar year.

This report covers the non-financial reporting requirements for Banque Pictet & Cie SA, Pictet Asset Management SA and Bank Pictet & Cie (Europe) AG.

The report has been prepared in accordance with the EU Non-Financial Reporting Directive (NFRD)<sup>1</sup>, including the EU Taxonomy Regulation's interpretation for Article 8<sup>2</sup>. The report is prepared in accordance with Articles 964a-964c of the Swiss Code of Obligations<sup>3</sup>. The information cited in the GRI content index has further been prepared with reference to the GRI Standards<sup>4</sup>.

In line with the transition to a more resilient and sustainable economy that takes both a company's financial risks and environmental and social impacts into account, we have implemented a double materiality approach to reporting on topics material to our corporate operations.

We publish this report as a static PDF. Complementary to this report, the Pictet Group also publishes an annual report, available on our website as at end April 2024.

The contents of this report have been validated by the highest competent governing bodies of Pictet & Cie Group SCA, Banque Pictet & Cie SA, Pictet Asset Management SA and Bank Pictet & Cie (Europe) AG.

For more information, please contact [us here](#).

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<sup>1</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0095>

<sup>2</sup> [https://finance.ec.europa.eu/system/files/2021-07/sustainable-finance-taxonomy-article-8-faq\\_en.pdf](https://finance.ec.europa.eu/system/files/2021-07/sustainable-finance-taxonomy-article-8-faq_en.pdf)

<sup>3</sup> [https://www.fedlex.admin.ch/eli/cc/27/317\\_321\\_377/en](https://www.fedlex.admin.ch/eli/cc/27/317_321_377/en)

<sup>4</sup> <https://www.globalreporting.org/>

# Foreword

2023 was marked by geopolitical tensions, rising interest rates, and debate over the quickening pace of AI and its implication for our communities and societies. It was also, by quite a margin, the hottest year on human record. Record greenhouse gas levels, record sea surface temperatures and sea level rise, record low Antarctic sea ice cover. These are not records humanity should be consistently breaking. While we should tackle challenges like conflict and social tension in the short-term, we cannot afford to put the sustainability imperative on the backburner. As the crises of today are interrelated and interconnected, we must address them systemically and through a long-term lens.

This year we are publishing our first Group-wide sustainability report, going beyond the regulatory disclosure requirements in what we share. This is because we recognise that the transition to a more resilient and sustainable economy and society requires transparency. As an independent and privately-owned partnership, we do not think in quarterly or even annual disclosures, nor do we act on them. Taking the long view has been a mainstay of our strategy, governance and structure. Over the last two centuries, the average tenure of a Managing Partner at Pictet has been more than 20 years. This produces very different strategic conversations than if that figure was in the single digits. Long-term thinking, as one of Pictet's five guiding principles, has helped us focus beyond short- and medium-term challenges, no matter how grave. Through this we avoid reacting and take the time to reflect on themes holistically.

As an investment firm, the majority of our impact in the real economy is tied to how we allocate capital. Among the convictions we share across the Pictet Group is that, as investors, we have three key actions to take in advancing the sustainable transition: invest in solutions, invest in companies with a credible transition plan, and engage for change. This means engaging in the broadest sense – not only with issuers and clients, but also our industry and local communities. This report details how

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our colleagues have implemented these three actions, all of which are critical to maintaining sustainable investment leadership – one of our key materiality topics.

We also practice what we preach and influence change throughout our operations and our employees. For Pictet, this means empowering our colleagues to participate in our groupwide sustainability strategy and priorities. We practice an embedded approach to sustainability. Alignment on our convictions does not equate to a top-down, prescriptive directive – it must be owned and lived at all levels of the firm.

To better inform our strategy and our disclosures, we ran a double-materiality mapping assessment in 2023. We looked at key sustainability topics through two lenses: how environmental and social issues create risks and opportunities for Pictet and how our business impacts the environment and society. The process made us reflect more deeply on how our business operates within the broader, evolving and complex context beyond our clients and industry. The outcomes are shared throughout this report and will continue to steer our strategy.

Maintaining focus and humility will be essential to humanity's success in navigating the transition. The same is true for us as a firm. These key materiality topics help provide focus. Just like planetary resources, organisational resources are finite. Given the acceleration needed, it is critical each part of the system intervenes wherever it is likely to create maximum positive impact.

Finally, as the transition itself is also an evolution, this report captures a single year of a journey which has occupied us for much longer, and which will continue over the coming decades. We cannot be the best at everything, but we strongly believe that if we uphold sustainability as a key strategic priority, it will help secure our leadership as a financial services company over the long term.

LAURENT RAMSEY  
*Managing Partner*



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# Key 2023 highlights

**32.8%**  
managed assets with SBTi-validated  
science-based targets (SBTi) as at end 2023<sup>1</sup>

**-15.7%**  
absolute emissions reduction  
(scope 1 and 2) in 2023

**CHF 41.6**  
billion in funds with an  
environmental or social objective<sup>2</sup>

Engaged with  
**397**  
companies on over  
650 ESG issues

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<sup>1</sup> Managed assets across single line equity and corporate fixed income.

<sup>2</sup> Pictet funds included: Biotech, China Environmental Opportunities, Clean Energy Transition, Global Environmental Opportunities, Health, Nutrition, Regeneration, Timber, Water, Global Megatrend Selection, Global Thematic Opportunities, Human, SmartCity, Private Equity Health, and Private Equity Environment.

# About Pictet

The Pictet Group is a privately owned leader in wealth and asset management with over 200 years' experience. As an investment-led service company, the Pictet Group offers wealth management, asset management and related services. The Group does not engage in investment banking, nor does it extend commercial loans.

The Pictet Group comprises all the entities over which the Managing Partners of the Pictet & Cie Group SCA have joint control.

For further details, please refer to our [Annual Report](#).

On 1 April 2024, a further 48 senior executives, known as Equity Partners, held equity in the Group. Each leads a strategically important function and plays a central role in the development of Pictet. Elections are held every second year. When selecting new employees and promoting career advancement, Pictet aims for diversity of gender, background and education, which together contribute to diversity in thought, opinion and experience. But diversity also goes hand-in-hand with inclusion — that is, making each employee feel valued and giving them a voice in daily business.

The Pictet Group comprises four business units: asset management, alternative advisors, wealth management and asset services.

Pictet Asset Management provides specialist investment management services across a range of strategic capabilities including multi-asset solutions, thematic equities, emerging markets and alternatives for clients including financial institutions, pension funds, foundations and financial advisors.

Pictet Alternative Advisors provides alternative investment services in private equity, real estate and hedge funds, both directly and through selected external managers.

Pictet Wealth Management provides comprehensive solutions to wealthy individuals and families. This includes investment, wealth and banking solutions, as well as trading services.

Pictet Asset Services serves fund managers, independent asset managers and institutional investors as an asset-servicing boutique offering standard and bespoke

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custody, fund and trading solutions, in addition to cash and securities settlements, corporate actions, valuations and reporting.

Across our business activities, our environmental and social impact is largely due to our exposure to companies and countries through our clients' portfolios.

For more on our business units' activities, please refer to our [Annual Review](#).

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# Strategy

For Pictet, the transition to a more resilient and sustainable economy is a strategic priority. It represents both an urgent challenge and an investment opportunity. As an investment-led service company, we operate within the broader financial system – the people, institutions and businesses that facilitate the real economy through financial transactions. Our role is to allocate capital to stimulate innovation, development and returns on investments for the long-term benefit of our clients. This also supports broader financial stability.

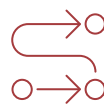
Environmental and social issues are increasingly materialising in our portfolio companies. They manifest as insurance premiums, litigation, inflated input prices, policy responses and the physical costs associated with environmental disasters. This bears on portfolio returns and is why we aim to account for material environmental and social factors to deliver long-term returns in line with our fiduciary responsibility. It also extends beyond our investments to our business activities, from risk management to how we run our operations.

As an investment firm, our environmental and social impact is largely attributable to our exposure to companies and countries through our clients' portfolios. While outside of our direct control, we recognise our role in

Our sustainability strategy is grounded  
in three pillars of action



Invest in companies providing **solutions** that enable the transition to a more resilient and sustainable economy



Direct capital towards issuers with credible **transition plans**



**Engage** for change with issuers, our clients, our peers and local communities

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*The Observer and the Observed N° 6, 1991*  
© Susan Derges

An observing face is apparently looking at a series of falling water drops, but on closer examination, the face tends to disappear as we notice the individual faces captured within each drop. The observer becomes

fused with the observed and, as a metaphor, the image suggests the impossibility of a neutral position in relation to the world. Every action impacts and is reflected in everything else.

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supporting and enabling these companies and issuers to transition. We believe this will help reduce risks and deliver long-term returns to our clients.

We also play our role in the transition beyond our clients' portfolios by improving practices in our own operations and encouraging our employees to participate. Consistent with our guiding principles of independence, long-term thinking, responsibility, partnership and entrepreneurial spirit, we apply an embedded approach to sustainability. In practice, this means our colleagues are empowered to invest in accordance with their convictions within a set of shared principles and common frameworks. This is also true for key functions beyond investing, throughout Pictet. This approach allows the organisation to remain nimble in the fast-evolving and complex sustainability landscape, while fostering accountability at all levels.

Finally, success in enabling and benefitting from the economy's sustainable transition will come from staying focused on the most material themes where we have investment expertise, credibility and the ability to influence positive change. As a private-sector actor, we think our capacity to act is greatest in environmental issues, where policy, data and the business context are most supportive. This is why, over the last 25 years, we have focused first on the environmental themes that are foundational to human society.

Given the dynamic nature of this transition, our scope will evolve alongside our inputs. Indeed, there is growing evidence that social foundations will determine the speed and scale of the transition. Our enduring commitment to our communities, employees, and to improving diversity, equity and inclusion across our organisation will also reinforce the work we have started to better understand our role when it comes to social factors.

Ultimately, our ability to interpret material environmental and social issues for the benefit of our clients and the resilience of our business will come down to our people. It is their grasp and ownership of sustainability in their area of expertise that will be the determining factor in investment leadership, product innovation and commercial success over the long term.

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# Responsible corporate governance

The purpose of good governance is to reinforce trust. Responsible corporate governance provides checks and balances, a mechanism through which an organisation and its people are held accountable.

“When the average tenure of a partner is over 21 years, the pressure is long-term, rather than short-term. That kind of future-oriented thinking extends throughout Pictet. It explains the value we attach to long-term thinking both in our relationships with clients and in business strategy, it promotes our sense of responsibility towards clients, colleagues and communities, it safeguards our independence of mind and action, and it feeds our entrepreneurial spirit.”

MARC PICTET  
Managing Partner

Pictet’s ownership structure and core business model are well-suited to managing the transition to a more resilient and sustainable economy. Independence enables our leadership to focus on material topics without pressures or distraction from external shareholders. With an average tenure of 21 years, our Managing Partners are also accountable over multiple decades for decisions taken today. This combination of independence and long leadership tenure enables an unwavering focus on the long term.

Read about [Pictet’s independent partnership model](#) and how our unique value proposition underpins our responsible corporate governance leadership.

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## GOVERNANCE WITHIN THE GROUP

The Board of Managing Partners **B** is responsible for the highest level of management of the Group. It defines the Group's strategy and supervises its implementation.

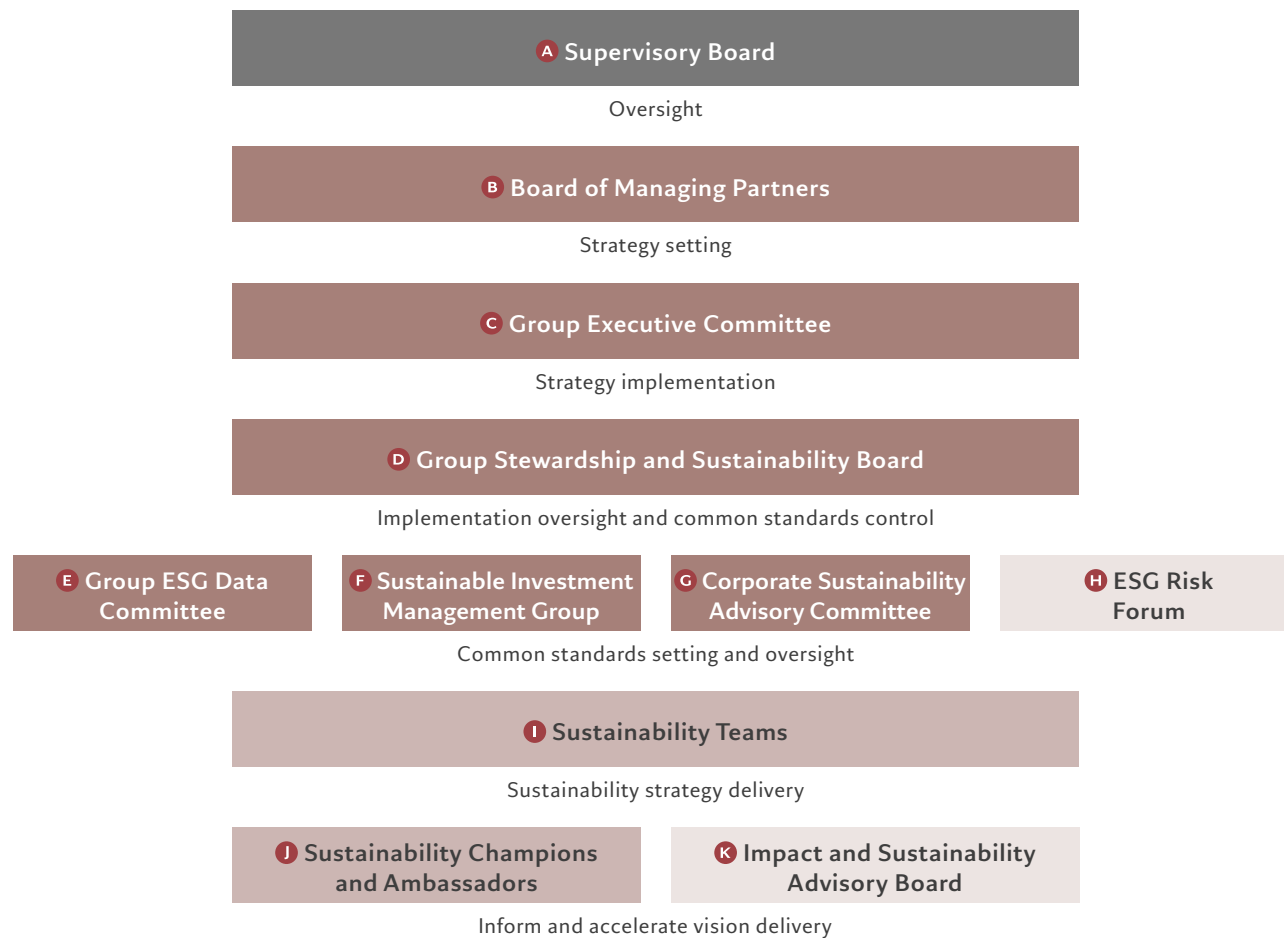
The Group Executive Committee (GEC) **C** is responsible for implementing the Group's strategy as set and approved by the Board of Managing Partners. It also monitors the implementation of the strategy within the Group.

Finally, the Supervisory Board **A** acts as an independent body that oversees the management of the Pictet Group by the Board of Managing Partners. Performance of the Supervisory Board is reviewed annually by self-assessment.

For more about Pictet Group governance, please refer to the [Annual Report](#).

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## SUSTAINABILITY GOVERNANCE

### Group Stewardship and Sustainability Board **D**

The Group Stewardship and Sustainability Board (GSSB) is the dedicated body in charge of proposing our ESG, stewardship and sustainability strategy, ensuring the highest standards of sustainability governance within the Group's operational level. It also validates common minimum standards across Pictet.

The GSSB is chaired by Laurent Ramsey, Managing Partner. Among its members, the GSSB includes two other Managing Partners, the Head of Group Sustainability and Stewardship, and other key Sustainability and Investment representatives of Pictet Asset Management, Pictet Wealth Management, Pictet Asset Services and Pictet Alternative Advisors. The Chief Risk Officer is also one of the mandatory members.

The GSSB meets on a quarterly basis and reports as often as necessary to the Group Executive Committee, Supervisory Board and Board of Managing Partners, which sets and approves our sustainability strategy. Composition of the GSSB is reviewed on a yearly basis.

Read more about Pictet's governance in the [Pictet Group Annual Report](#).

### GSSB governance

The GSSB has a number of associated committees to analyse and manage some of the most critical sustainability issues for the group. These include:

1. Sustainable Investment Management Group **F**  
Created in 2023 to uphold the framework by which we define what qualifies as a sustainable investment, the Sustainable Investment Management Group meets at least monthly.
2. Group ESG Data Committee **E**  
Convening monthly, the Group ESG Data Committee drives ESG data, scorecard and portal strategy and development, including overseeing data quality.
3. Corporate Sustainability Advisory Committee **G**  
Meets quarterly or as needed to identify and recommend corporate sustainability initiatives for Pictet's operations.

### Sustainability teams **I**

The Group Sustainability and Stewardship team coordinates the firm's sustainability and stewardship strategy and its implementation, as well as common forums and boards. Business-line Sustainability teams implement the firm's ESG, stewardship and sustainability strategy within their respective business lines, driving business line-specific actions and supporting committees. Together, the sustainability teams are also responsible for setting the GSSB agenda.

### Sustainability champions and ambassadors **J**

Sustainability champions and ambassadors are an essential component of an embedded sustainability strategy. Serving as expert intermediaries between their business functions and sustainability teams, both to relay sustainability priorities to their functions and to relay client and business sustainability needs and challenges to each other and the sustainability teams. In 2023, the number of champions in our business units and corporate functions rose to over 150.

### Impact and Sustainability Advisory Board **K**

Given the dynamic context around sustainable finance, our structure remains adaptable to address its evolutionary nature. In 2023, inspired by our long-running use of [advisory boards for our \*thematics\* investment strategies](#) we launched a Group-level advisory board composed of internal and external experts. They provide strategic and tactical insights and support us in our definitions and on key sustainability topics. Impact and Sustainability Advisory Board members have expertise in ethics, sustainable finance and impact, across geographies.

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## EMBEDDING SUSTAINABILITY IN OUR RISK MANAGEMENT INFRASTRUCTURE

Risk management is core to any investment-led service provider. Our approach to managing sustainability-related risks is to ensure that management of such risks is embedded throughout the firm's value chain and across all three lines of defence – the first line being primarily responsible for identifying and managing risks, the second line for independently overseeing the first line, the third (with internal audit) providing an independent challenge to the assurances achieved by business operations and oversight functions.

Applying a systematic and integrated risk management approach, based on consistent concepts for all the Group entities, makes it possible to better grasp and better manage overall exposure to risks.

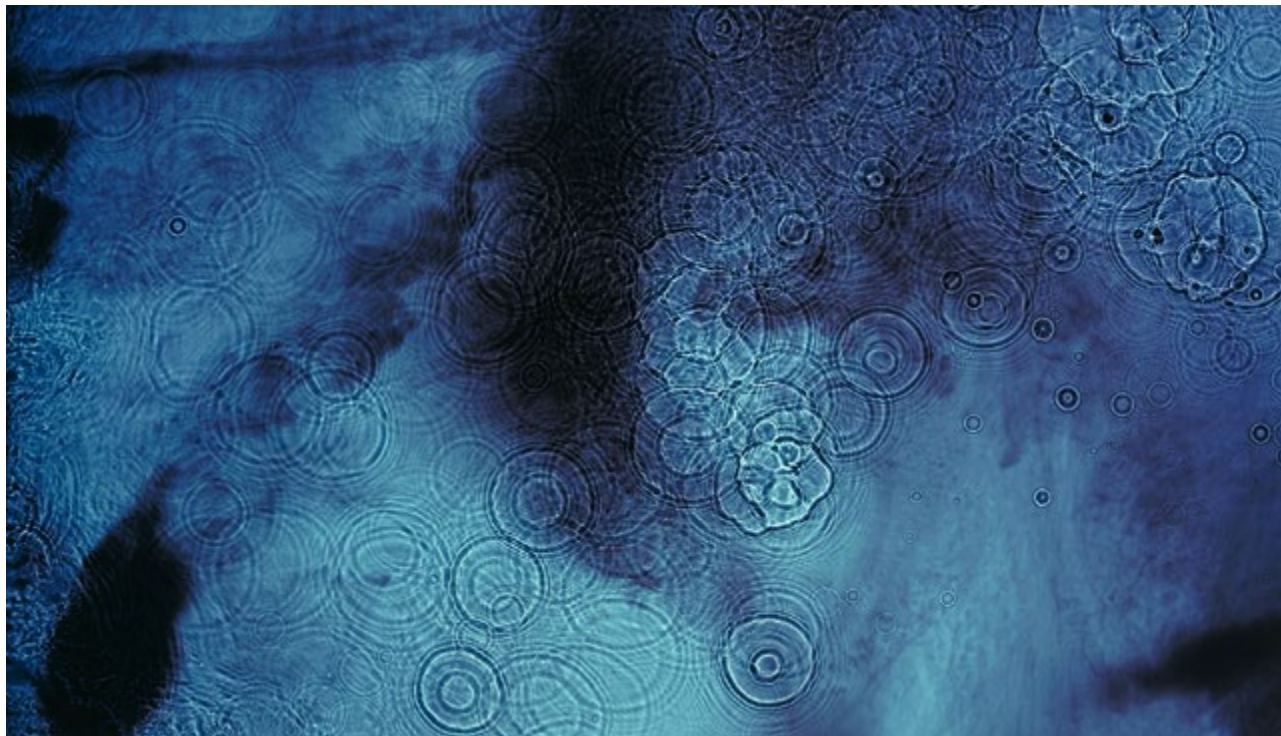
The Group pursues the following objectives with regard to risk management to:

1. Promote a risk management culture within the Group
2. Operate with transparency
3. Avoid exposure to risks that are not understood or managed in an appropriate manner
4. Ensure that the Group risk profile is commensurate with its tolerance.

In 2023, we created an ESG Risk Forum to incorporate sustainability risk considerations into Pictet risk policies and our risk management framework. Composed of representatives from both first and second lines of defense (ESG teams, Investment Risk and Group Top Management), the Forum's main objectives are to: (1) design and rollout of ESG key risk indicators (KRIs) and define associated Group risk tolerance levels, and (2) reinforce the internal control system with respect to sustainability-related risks mapped to Pictet key business activities.

For more about Pictet's sustainability risk assessment and management, please refer to our [Climate-related Disclosures Report](#) and the [Pictet Group Annual Report](#).

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# I. Our investments

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# At the core of our sustainability strategy is the conviction that our greatest impact comes from how we advise our clients and deploy and steward the assets that are entrusted to us.

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As an investment-led company, our most material impact lies in the investment services we offer our clients, including institutional investors, financial intermediaries (asset management and asset services) and private clients (wealth management).

[Read more about our asset management offering](#)

[Read more about our wealth management offering](#)

[Read more about our asset services offering](#)

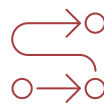
In light of this, investors across Pictet have a shared set of standards and frameworks within which they can cultivate their investment convictions. These frameworks enable implementation of our three strategic pillars: invest in solutions, invest in transitioners and engage for change.

To reduce noise, it is important to be grounded in science and common global standards wherever possible. The Science Based Targets initiative (SBTi), UN Global Compact and planetary boundaries are examples that have been used to inform the investment frameworks and standards that apply across the Pictet Group. Their application is governed by the Group Stewardship and Sustainability Board.

Our sustainability strategy is grounded in three pillars of action



Invest in companies providing **solutions** that enable the transition to a more resilient and sustainable economy



Direct capital towards issuers with credible **transition plans**



**Engage** for change with issuers, our clients, our peers and local communities

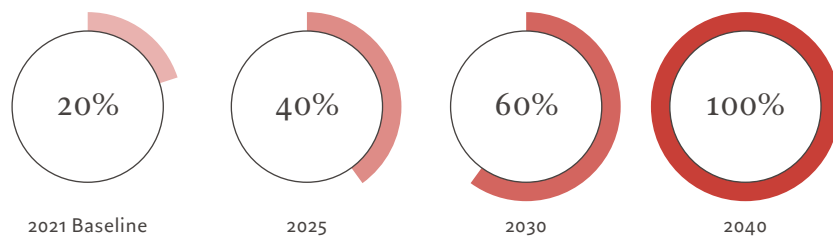
# Our framework for climate action<sup>1</sup>

Our climate-change strategy is grounded in our Climate Investment Principles, a set of investment convictions that ultimately underpin our commitment to Net Zero. These include:

1. Climate change will have a material impact on asset prices and investment returns.
2. The investment decisions taken today will have a strong bearing on how climate change and its consequences ultimately unfold.
3. No economic system will be immune to the impacts of severe climate change, therefore such a risk cannot be easily diversified or hedged.

Read more about Pictet's Climate Investment Principles [here](#).

**Pictet's targets for listed equity and fixed income**  
Proportion invested in assets with validated 1.5°C science-based targets (% AUM) SBTi validated



2021 Baseline

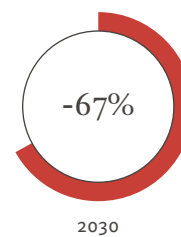
2025

2030

2040

The current baseline and expected future will differ by asset class and geography.

**Our target for real estate**  
Emissions intensity (kgCO<sub>2</sub>e/m<sup>2</sup>) SBTi validated



2030

2021 baseline year

As an investment company, over 99% of Pictet's greenhouse gas emissions footprint comes from the investments we manage on behalf of our clients. To address these, Pictet's [climate action plan](#) sets out externally verified science-based targets for 2025, 2030 and 2040. In line with our sustainability strategy, Pictet's climate action plan is based on developing investment solutions that foster the low-carbon transition (invest in solutions

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<sup>1</sup> <https://www.pictet.com/ch/en/responsible-vision/climate-action-plan>

In recognition of the powerful role philanthropic capital has to play in the fight against climate change, in 2023 we published *A World Fit for Life*: a guide for asset owners who seek to go beyond their investments and adopt a climate lens to their philanthropy.

and transitioners), engaging with issuers to set science-based targets and motivating other stakeholders to participate in the net-zero transition (engage for change).

For our managed investments, we have set targets<sup>1</sup> in line with limiting global warming to 1.5 °C in by the end of the century.

Approximately 32.8% of our managed assets within scope<sup>2</sup> were invested with issuers with science-based 1.5°C targets, while 16% had committed<sup>3</sup> to setting targets in the next two years. This puts us on track for our end of 2025 target of 40% of managed assets in scope with science-based targets. The positive momentum behind Net Zero across sectors has driven this progress on our commitments. Beyond this, we play a proactive role through our engagement efforts, encouraging issuers to develop, publish and externally validate science-based emissions reduction targets. In 2023 we engaged with over 135 companies on greenhouse-gas emissions management.

At the end of 2022, the emissions intensity of our real-estate<sup>4</sup> portfolio was 13% lower than the 2021 baseline, putting us on track for our end-2030 public target of -67% reduction in tCO<sub>2</sub>e/m<sup>2</sup>. This was achieved through changes to the composition of the portfolio; for example, the acquisition of more industrial warehouse distribution centres which have a lower emissions intensity vs other types of assets. We are in the process of gathering asset level data for the 2023 reporting period. We will report progress on our target in H2 2024. Furthermore, we are engaging with SBTi to encourage the adoption of a methodology that is suited for private equity real estate investments. In addition, the scope of emissions include both landlord and tenant areas, which means the emissions performance of our real-estate portfolio is not fully within our control.

For further details about our scope 1, 2 and 3 emissions, refer to our [Climate-related Disclosures Report](#).

<sup>1</sup> Science-based validated targets in 2022

<sup>2</sup> Managed assets exclude execution-only and custody businesses, as the underlying assets are not directly managed by Pictet. At the end of 2021, 56% of our managed assets were in scope of our target, driven by the availability of methodologies. For our target, we measure our exposure to total single-line investments with SBTi validated 1.5° targets, as a share of actively and passively held long managed listed equities and non-securitised corporate fixed income in PAM

and PWM Discretionary Portfolio Management. It also includes our corporate fixed income treasury book and equity certificates held on our balance sheet. The target excludes sovereign fixed income and advisory mandates.

<sup>3</sup> Company commitments converting to targets is not guaranteed.

<sup>4</sup> The 2030 real estate SBT relates to co-investments and direct investments and is not material from an emissions' point of view in our overall targets as a firm. The target considers the

whole building approach, which ensures that a building's complete operational energy consumption from landlord and tenant controlled-spaces are included. Note that we recalculated our 2021 emissions baseline in 2022 to better reflect the emissions of the portfolio (e.g. more accurate emission factor and use of reported energy consumption data), but this did not change the ambition of our target. We currently await SBTi's validation of our new baseline.

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# KEY TAKEAWAYS FROM CIOs ON THE ENERGY TRANSITION

Fossil fuels account for 75% of global greenhouse gas emissions<sup>1</sup>. Effectively addressing climate change requires a comprehensive transformation of our energy systems. Known as the Energy Transition, it encompasses significant physical, economic and political dimensions. To better address this, we are currently building upon our existing Climate Investment Principles through a deep dive on the energy transition, steered by Chief Investment Officers from across Pictet. This research aims to provide a common understanding of the energy transition across the firm, while better informing our firm-wide policies and investment guidelines. Three of these CIOs share their key takeaways.

## INVESTMENT RISK VS OPPORTUNITY

*"Because it spans all sectors of the economy and involves multiple interdependencies, it is tricky to say whether the energy transition presents more opportunities or risks. Within this transition, it will be up to investment managers to manage the downside risks for their clients and capture the opportunities to the best of their abilities.*

*Both energy demand and supply must be addressed in order to achieve an orderly and just transition. The higher future energy demand is, the lower the likelihood that low-carbon sources can ramp up sufficiently fast to meet it, and the more difficult it will be to phase down fossil fuels. At the same time, overinvestment in fossil-fuel production capacity bears the risk of locking in future fossil-fuel use (and thus emissions), crowding out investment into low-carbon energy sources and leaving energy companies with stranded assets."*

CESAR PEREZ RUIZ  
Head of Investments and CIO,  
Wealth Management



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<sup>1</sup> <https://www.un.org/en/climatechange/science/causes-effects-climate-change>

## IMPORTANCE OF EMERGING MARKET POLICY

*"Emerging-market policy is critical. Globally, there remains a gap between the commitments made in countries' Nationally Determined Contributions to the transition and the actual policies in place. This is a gap that needs bridging and presents a potential engagement opportunity. There's a lot of leverage investors have yet to unlock in engaging with sovereign issuers and I see this space as a huge opportunity."*

*In many emerging markets, there is also a significant leapfrogging opportunity. Countries that don't already have heavy infrastructure in place to support a fossil-fuel economy can bypass these investments that are costly both from a financing and time perspective."*

MARY-THERESE BARTON  
CIO Fixed Income,  
Asset Management

## IMPLICATIONS FOR REAL ESTATE

*"Finding appropriate diversification opportunities can be especially complex when severe weather events that could impact physical assets are increasing in both frequency and severity across the globe – no one location is completely immune to this type of risk. In real estate, for example, certain locations are increasingly vulnerable to hurricanes and floods, like Florida, where insurance is now unavailable in certain areas due to these risks."*

*There are significant opportunities from the transition as well. For real estate owners, greener buildings, particularly in Europe, now present an ever-growing "greenium" in some locations, with higher rents and exit values. This is in part due to large opportunities to gain in energy efficiency, therefore lowering the costs to tenants – from heat pumps in buildings to refurbishment that improve building insulation."*

ZSOLT KOHALMI  
Deputy CEO and  
Global Head of Real Estate,  
Alternatives Advisors

## ENERGY TRANSITION WORKING GROUP – CONTEXT AND PRINCIPLES

**The purpose of the resulting Energy Transition Principles is threefold:**

- 1. KNOWLEDGE SHARING**  
Provide a comprehensive understanding of potential future changes in energy systems, drawing on the latest literature and leveraging Pictet's internal network of experts.
- 2. COMMON GROUNDS**  
Establish a broad, informed, and consensus-driven basis that investment teams can build upon to develop their own investment theses and strategies.
- 3. SUITABLE POLICIES**  
Inform our internal frameworks for engagement, exclusion, and exemption.

**At the same time, acknowledging:**

- This assessment must continue on a regular basis as technologies, economic and political contexts evolve.
- Our investment teams will be able to leverage the work produced by the Energy Transition working group to build their own investment convictions. Their views may diverge on different technologies, based on their investment styles and theses.

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Foundational to both our strategy and reaching our climate targets is active ownership – through both engagement and proxy voting. We believe active ownership is an integral part of a sound governance framework of strong checks and balances. This means strengthening our engagement efforts and exercising our voting rights on behalf of our clients wherever possible.

This is why, in addition to ongoing engagements driven by our investment teams, we have developed a “Group Engagement Focus” framework to foster a robust and structured approach across the firm on a set of priority holdings.

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# A framework to focus our engagement across Pictet

To focus our engagements and optimise our efforts, Pictet's Group Engagement Focus identifies our most material holdings primed for engagement, based on three main screening filters:

1. Companies active in high-ESG risks activities (as detailed in our Responsible Investing policies)
2. Companies subject to a UN Global Compact violation<sup>1</sup>
3. Companies exposed to risks and opportunities from four priority engagement areas: climate, water, nutrition and long-termism.

The framework subsequently deploys an additional layer of qualitative assessment and combines engagement efforts across our wealth management and asset management businesses. As a result, engagement efforts are focused down to ~90 engagement targets. This list is updated periodically. At the end of 2023, we were engaging with 76 issuers on this list, which will evolve over time, given priorities and portfolio evolution.

Read about our active ownership activities in [Pictet Asset Management's Responsible Investing report](#) and [Pictet Wealth Management's Active Ownership report](#).

## EXIT VS VOICE

Responsible shareholders have two options when invested in a company that is exposed to risk, transition or otherwise, or behaves in a way counter to its principles. The first option is to dissociate and divest. The second is to engage in dialogue to initiate positive change.

Although active ownership increases administrative and indirect costs, this has been shown to lead to higher returns, especially when engagement is successful and conducted in collaboration with other investors.

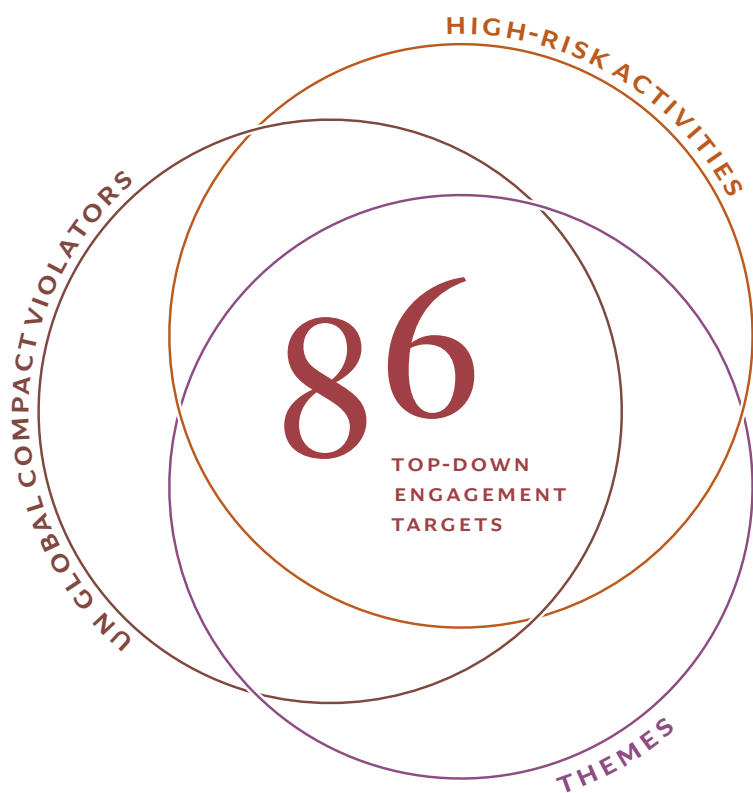
Read more in an E4S study we supported "[Active Ownership: for what impact?](#)".

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<sup>1</sup> The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.

HIGH ESG RISK ACTIVITIES	
<b>Energy</b>	Thermal coal – Extraction
	Thermal coal – Power generation
	Oil and Gas – Arctic drilling oil and fracking
	Oil and Gas – Production
	Nuclear power generation
<b>Weapons</b>	Controversial weapons
	Small arms civilian customers
	Small arms law enforcement and key components
	Military contracting weapons
	Military contracting weapons related products
<b>Food and health</b>	Tobacco production
	GMO development and growth
	Pesticides retail and production
<b>Others</b>	Adult entertainment
	Gambling

Group engagement focus



FOUR THEMES AND EIGHT ANGLES	
<b>Climate</b>	1. Low carbon transition
	2. Sustainable forests
<b>Water</b>	3. Water conservation
	4. Water quality
<b>Nutrition</b>	5. Healthier food
	6. Biodiversity
<b>Governance</b>	7. Long-term performance culture
	8. Talent development and retention

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# Applying common minimum standards to foster coherence

To strengthen consistency in our responsible investing products and solutions, we apply a shared set of standards on investing in corporate equity and debt, as well as for sovereigns across the Group. In 2023, we built upon these standards to define what qualifies as a sustainable investment at the issuer level.

We apply similar standards for our responsible investing client offering to inform guidelines for our own investments – notably our balance sheet. In addition, since 2020, we have excluded pureplay fossil fuel producers and extractors (thermal coal and oil and gas companies deriving more than 25% of their revenues from related activities) from our balance sheet. In 2023, we applied our corporate and sovereign responsible investment standards to our treasury.

Read more about the standards and how each business line applies these in our responsible investment policies for [Pictet Asset Management](#), [Pictet Wealth Management](#) and [Pictet Alternative Advisors](#).

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# A common data portal to facilitate sustainability research

One of our Multi-asset investment beliefs is that companies pursuing sustainable business practices are more likely to thrive in the long term as they are better at identifying, understanding and managing longer-term challenges, be they economic, social, environmental or regulatory in nature. We therefore believe that integrating environmental, social and governance practices is not only the right thing to do, but adds value to our clients' portfolios.

Robustly evaluating these ESG factors relies on the procurement, management and accessibility of good quality data. To this end, we engage with data providers to improve data quality where possible.

To facilitate user accessibility of ESG data, Pictet has a proprietary, groupwide ESG scorecard and portal. The ESG Portal is the central platform used for finding, analysing and extracting all relevant ESG data across Pictet. It covers listed equities, corporate, and sovereign fixed income issuers. The ESG Portal enables users to share a common view of material corporate and sovereign risks and opportunities to support bottom-up research, investment decisions and active-ownership activities. It is also a critical lever for better transparency and disclosure for the ESG and Sustainability characteristics of our managed assets. The development of the ESG Portal and the curation of the ESG data it hosts is governed by the cross-business-line ESG Data Committee. All data and

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providers for the ESG Portal are reviewed at least annually to ensure they are the most current and relevant available on the market.

### LEVERAGING SUSTAINABILITY DATA FOR ENHANCED CLIENT REPORTING

While most of our efforts are focused on the assets we manage directly, we have a significant business in asset servicing and custody activities.

For these activities, the ability to offer transparency on the portfolios we hold in custody is how we can make a difference. This is why we offer portfolio reporting that includes sustainability ratings and indicators for corporate equities and bonds, funds and sovereign debt.

[Read more about Pictet Asset Services](#)

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# Past and future rooted in continuous innovation

As robust risk and control processes are necessary to keeping our foundation solid and secure, innovation is critical to our continued success.

Pictet's entrepreneurial spirit has enabled this over the last two centuries by empowering our investors to develop their convictions. Through this, our thematic franchise was launched in 2000 with the world's first water strategy, giving way to a suite of environmental strategies.

## PLANETARY BOUNDARIES – A FRAMEWORK BEYOND CLIMATE CHANGE

Thanks to its holistic approach, the planetary boundaries have been a guiding framework for product innovation and investment at Pictet. At the end of 2023, our environmental thematic equities teams managed CHF 26.8 bn<sup>1</sup> in strategies that invest in companies finding solutions to help us move back into a safe operating space, or support adaptation to the consequences of transgressing our planetary boundaries.

Our long track record of working with the planetary boundaries has led to a partnership with the Stockholm Resilience Centre to devise a way of applying the framework to investments. Learn more about the outcomes [here](#).

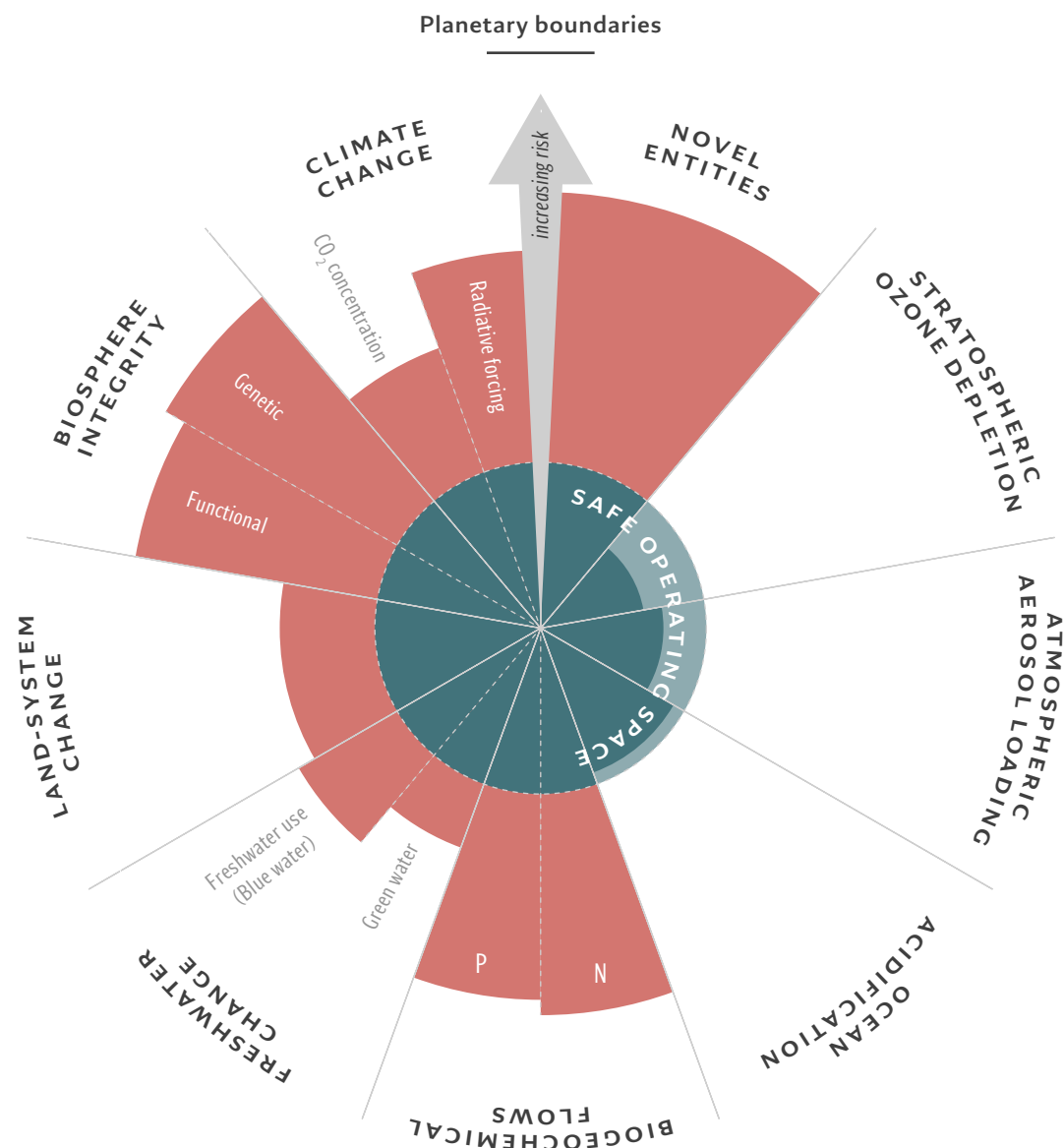
The framework also serves to develop and support new strategies beyond listed markets. Pictet Alternative Advisors' environmental investment strategies build on

Developed by a team of scientists in 2009, the planetary boundaries framework describes the limits to the impacts of human activities on the Earth system. It identifies the nine most critical environmental dimensions that demarcate a "safe operating space" for human activities and societies. In September 2023, a team of scientists published the first quantitative mapping of all nine planetary boundaries, showing that six of them were already breached.

[Read here](#) for explanations of the nine boundaries and why they matter.

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<sup>1</sup> Source: Thematic Equities, for Water, Clean Energy Transition, Regeneration, Timber, Global Environmental Opportunities, China Environmental Opportunities, Nutrition



Source: Stockholm Resilience Centre

this existing expertise and have started implementing the planetary boundaries framework for co-investments. The model helps assess the footprint that a company's economic activities have on the nine planetary boundaries' dimensions. These insights also help create engagement opportunities with General Partners or companies' management teams, often improving understanding of how a firm's business is managing and minimising environmental trade-offs.

Finally, in 2023, we applied our expertise to building a new tool for measuring company level biodiversity impact (see Case study).

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# HARNESSING VAST AMOUNTS OF DATA TO BUILD A BIODIVERSITY IMPACT MODEL

Analysing the interactions between nature and economic activities is a complex undertaking. At Pictet, we aim to draw on scientific insights and adapt them for use in portfolios. In 2023, we developed a proprietary biodiversity impact measurement tool that provides investment managers with an estimate of the species loss that a company risks causing for every dollar of revenue it generates.

First, relying on scientific resources we prepare regionally-explicit impact indicators. They give us measures of biodiversity impact across five environmental phenomena (shown in part 1) that have the greatest bearing on species loss across the planet.

The aim is to understand the intensity of the effect that each of these processes has on species loss

globally. The impact calculations are based on a metric that scientists refer to as Potentially Disappeared Fraction of species (PDF), which approximates how far biodiversity richness has declined as a result of human pressures. Once this has been determined for each of the five components, we then perform calculations that convert them to country, industry and company-level data.

To carry out this conversion, we first determine the environmental pressures, like water usage, emissions and land use (refers to part 2), exerted by countries and sectors including their global supply chain linkages (part 3).

The result of these calculations is a data series offering PDF estimates per dollar of revenue generated for around 20,000 unique supply chains (part 4) – and the industries and companies that operate within them.

For any company within our universe, the model allows us to estimate a number of impacts and their distribution across regions and sectors (part 5). For example, it can show how a Swedish chemical firm's US operations affect local wildlife,

breaking down the impact across several dimensions. Scoring similar companies on these metrics informs our securities selection for environmental strategies like Pictet Regeneration.

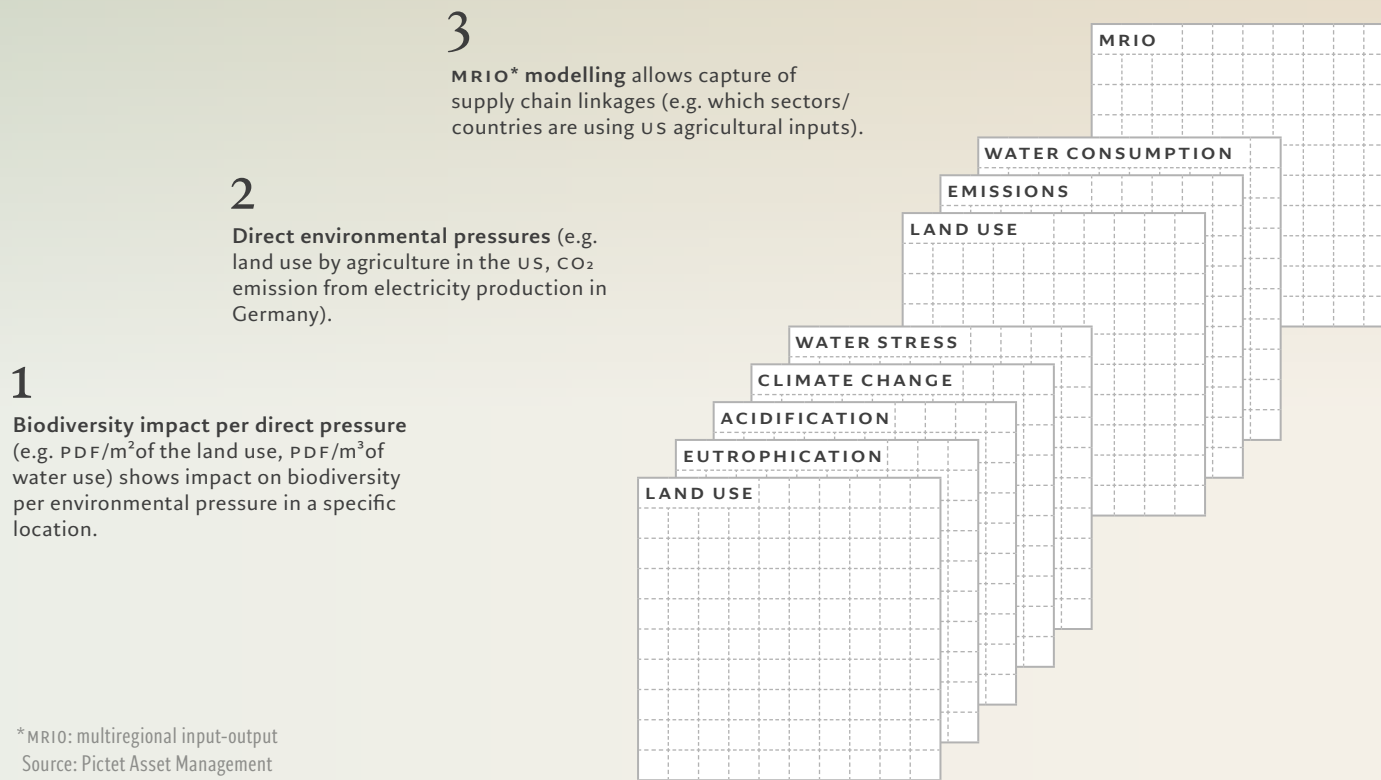
The modelling relies on large quantities of data pulled from national and international statistical agencies, scientific publications and data providers, and exemplifies how our investment teams are applying technology and large quantities of data to lead in sustainable investing. Today, it is applied to relevant environmentally-themed Pictet investment strategies.

VIKTORAS KULIONIS  
*Investment Manager,  
Thematic Equities,  
Pictet Asset Management*



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The biodiversity impact model has several layers

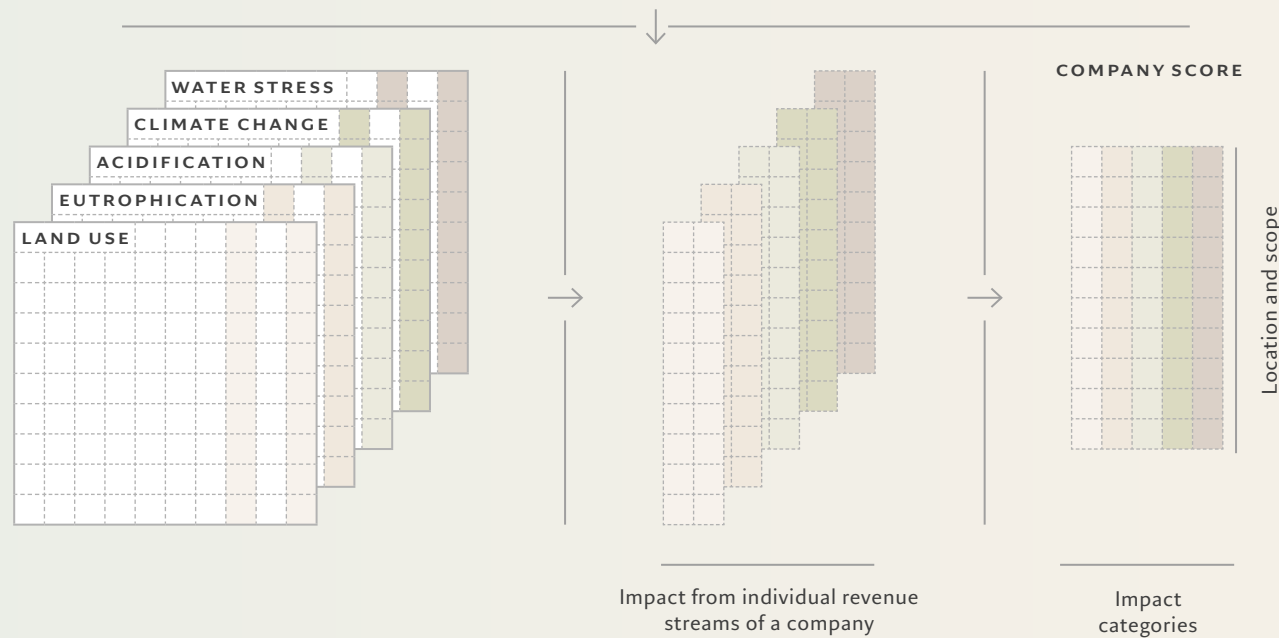


**1**  
**Biodiversity impact per direct pressure**  
 (e.g. PDF/m<sup>2</sup> of the land use, PDF/m<sup>3</sup> of water use) shows impact on biodiversity per environmental pressure in a specific location.

**2**  
**Direct environmental pressures** (e.g. land use by agriculture in the US, CO<sub>2</sub> emission from electricity production in Germany).

**3**  
**MRIO\* modelling** allows capture of supply chain linkages (e.g. which sectors/countries are using US agricultural inputs).

\*MRIO: multiregional input-output  
 Source: Pictet Asset Management



**4**  
 By combining 1, 2 and 3, we obtain overall biodiversity impact due to land use, eutrophication, acidification, climate change and water stress. These impacts are estimated for about 20,000 unique supply chains, allowing for a thorough company level analysis.

**5**  
 In this step, company reported revenue data by sector and region is mapped onto biodiversity impacts from 4. This allows us to estimate company-specific impacts on biodiversity along the following dimensions: (a) impact category (how much is due to land use vs climate change); (b) scope (direct vs indirect/scope3); (c) location (where in the supply chain impacts are caused).

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While our most material sustainability impacts lie in how we allocate capital, fundamental to our strategy is the embedding of sustainability across our business activities, including how we manage our operations and people.

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# The materiality of sustainability topics

A constant undercurrent of our strategy and ethos is an emphasis on focus. By focusing on the most critical topics to our business, we avoid diluting our efforts with distraction. Environmental and social factors influence the risk-reward profile of our own business and our business practices influence the broader system we are part of. Today, a company's long-term license to operate is inextricably linked to the impact it has on the biophysical environment and society.

Effective management of our impacts can make us better stewards of capital for our clients and stronger contributors to Swiss and global financial stability.

## **DOUBLE MATERIALITY – A HOLISTIC VIEW OF RISKS, OPPORTUNITIES AND IMPACTS**

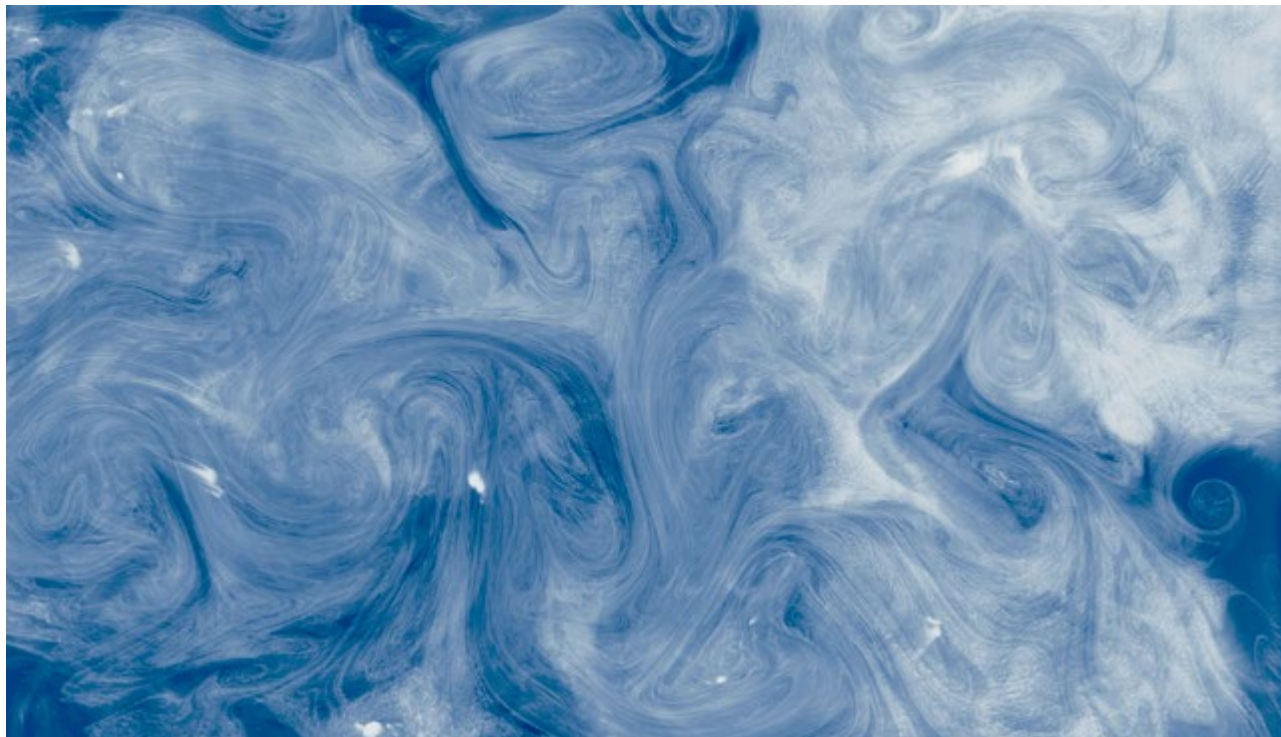
The integration of both environmental and social financial risks and opportunities alongside our impacts is commonly referred to as double materiality. In 2023, Pictet conducted a double-materiality assessment on our business operations to identify the sustainability issues with highest financial and impact significance. This is a first step towards a full double-materiality assessment, which will include the investments we manage from 2025 onwards.

As the science and understanding of how environmental and social factors influence our economy and financial system grow, so does the need to better translate this information into corporate strategy. Regulatory expectations and transparency obligations are also fast moving in this direction, notably in Europe, one of our most important markets.

If done rigorously, a double materiality analysis can also help inform how we operate as responsible corporate citizens within our broader economic, social and environmental contexts. As the double-materiality reporting practice is more broadly adopted and evolves, a company's stakeholders will be given more information and more voice. This will ultimately enable better decision making by perpetuating a virtuous cycle of responsible corporate citizenship.

To read more about our methodology, refer to the [annex](#).

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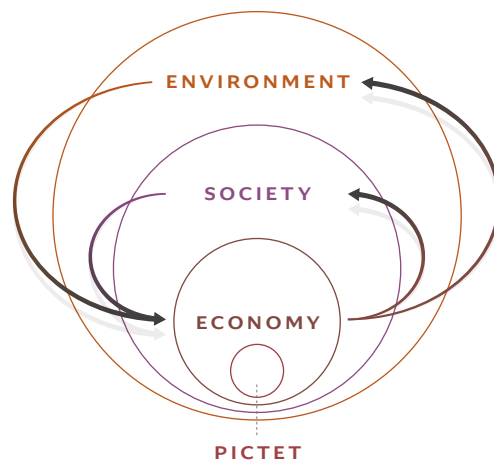
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Double materiality is an extension of the key accounting concept of materiality of financial information. It considers a company's activities from two perspectives.

*Financial materiality:*  
How society and / or the environment create risks or opportunities for a company.



*Impact materiality:*  
How a company has positive or negative impacts on the environment and/or society.

### Materiality topics

The result of this exercise was the identification of the following six topics as most material to Pictet's business operations.

Because, by their nature, these material topics have implications across our business activities and organisation, how each is managed is addressed throughout this report. Please refer to the hyperlinks in the table on the following page to read more on how each topic is managed.

During this in-depth work, we also assessed Pictet's potential exposure in relation to Articles 964j-964l of the Swiss Code of Obligations for due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labour. As a financial services company, we have no direct exposure to minerals and metals or child labour in the value chain of our operations. It has therefore been concluded that the Pictet Group is out of scope from Articles 964j-964l of the Swiss Code of Obligations and the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour.

The Pictet Group's indirect exposure to minerals and metals is primarily related to the gold allocations in our client portfolios. To address this, we have taken steps to ensure the provenance of the gold in our Multi-Asset

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Responsible Investing portfolio and work with a provider that can ensure transparency, authenticity and traceability in the supply chain and responsible sourcing.

We are committed to continue building in consideration of critical human rights issues in the supply chains of the companies in which we invest through acquisition and integration of available ESG data. Where data is unavailable, we will continue to address these issues through our active-ownership activities.

Pictet's most material topics	Impact, risks and opportunities (IRO)
1. <u>Business ethics</u> (G)	<p>How Pictet manages its business ethics could have implications for the reputation of Swiss financial institutions and (to a lesser extent) the financial services industry more broadly:</p> <ul style="list-style-type: none"> <li>• Failing to meet statutory reporting and tax payments/filing requirements</li> <li>• Greenwashing</li> <li>• Market access and integrity</li> <li>• Risk of dealing in unauthorised activities or providing services that are illegal or unsuitable in the beneficiary's jurisdiction</li> <li>• Risk linked to the effect geopolitical events may have on the business performance and profitability</li> <li>• Financial transparency</li> </ul>
2. <u>Climate change</u> (E)	<ul style="list-style-type: none"> <li>• Exposure to companies active in fossil fuel sector</li> <li>• Energy management</li> <li>• Increased stakeholder concern of negative feedback with regards to climate change activities</li> <li>• Increased direct costs due to keeping in line with regulation on climate-related risks in the financial sector</li> </ul>
3. <u>Data privacy and security</u> (S)	<ul style="list-style-type: none"> <li>• Customer welfare: Fair messaging, privacy and data security</li> <li>• Risk linked to cyber attacks, including financial loss, activity disruptions, impact on the company's image or of its reputation as a result of deliberate malicious actions</li> </ul>
4. <u>People management</u> (S)	<ul style="list-style-type: none"> <li>• Employee engagement to foster responsibility</li> <li>• Diversity, equity, inclusion and engagement</li> <li>• Employee attraction and retention linked to health and wellbeing offering</li> </ul>
5. <u>Responsible corporate governance</u> (G)	<ul style="list-style-type: none"> <li>• Partnership model with long partner tenure</li> <li>• Regulatory environment</li> <li>• Weak governance structures</li> </ul>
6. <u>Sustainable investment leadership</u> (E) (S) (G)	<ul style="list-style-type: none"> <li>• Risk arising from the inadequate offering of products and services relative but not limited to, client needs, target market, regulatory requirements includes the risk of non-alignment with the Group new products and services directive</li> </ul>

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# Our operations

Pictet has been a responsible steward of its operations since the early 2000s. Since then, we have further developed our stewardship, with an operational environmental strategy based on three pillars: optimising infrastructure efficiency, supporting green mobility and streamlining our consumption.

In 2023 we took the following actions:



## EFFICIENT INFRASTRUCTURE

- Replaced lighting with LED at Pictet HQ
- Optimised temperature in technical rooms and data centres in Geneva and Zurich to reduce electricity consumption
- Installed open-door alerts for cold storage rooms

## GREEN MOBILITY

- Switched to 100% electric cars at lease renewal
- Added 70 electric vehicle chargers in Geneva office parking



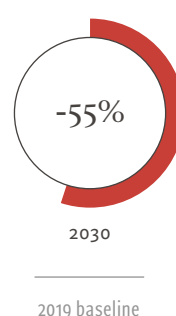
## CONSUMPTION OPTIMISATION

- Launched initiative to reduce food waste by selling leftover meals in Pictet HQ cafeteria at half price
- Removed PET plastics from HQ vending machines

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In addition, our operations are also in scope of our climate action plan. Targets for our operations have been validated by the Science Based Targets initiative to verify they are in line with science:

Absolute scope 1 and 2 emissions  
SBTi validated



We are committed to reducing our absolute scope 1 and 2 emissions by 55% by 2030 from 2019 levels.

Our key levers of action to achieve this include:

- Building a cutting-edge low-carbon headquarters (see Campus Pictet de Rochemont) in Geneva and moving to less fossil fuel-intensive offices abroad.
- Decarbonising our electricity consumption through Energy Attribute Certificates. We use a market-based methodology to account for emissions from electricity consumption, in line with GHG Protocol Scope 2. This also aligns with Carbon Disclosure Project recommendations and the Science Based Targets initiative.
- Raising awareness on climate change and planetary boundaries and improving eco-friendly behaviour.

For further details about our emissions, refer to [data tables](#) at the back of this report.

#### CAMPUS PICTET DE ROCHEMONT

The Praille Acacias Vernets (PAV) project is a dynamic area combining industrial, commercial and residential complexes in Geneva. It aims to transform Geneva's largest and oldest industrial and artisanal zone into a mixed-use urban district where people will want to live and work. Within the PAV, the Campus Pictet de Rochemont (under construction at time of publication) has integrated environmental impact considerations into all phases of the project.

During the ongoing construction phase, this includes:

- Transporting a portion of construction debris by Swiss train network
- Recycling and upcycling demolished materials
- Using recycled aluminium (90% of facade) and low-carbon concrete.

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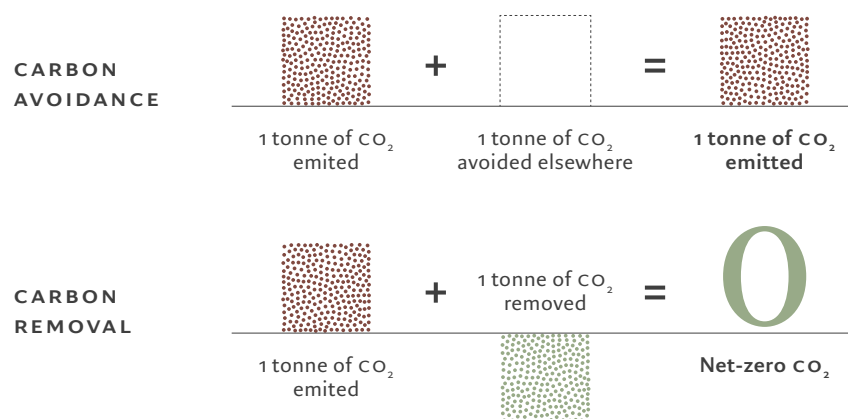
# Pictet's carbon offsetting strategy

As part of our climate action plan, we have committed to reducing our absolute scope 1 and 2 emissions by 55% by 2030 from 2019 levels. While acknowledging we will need to continue to reduce these emissions beyond this, we commit in the meantime to continue offsetting our operational emissions using high-quality carbon credits that follow a remove or sequester approach.

2023 was a tumultuous year for the Voluntary Carbon Market, which was plagued by multiple controversies, notably around inflated claims linked to deforestation avoidance offsets. In the absence of strong and common regulation, the risks of fraud and greenwashing remain, but the market is adapting and setting new standards for high-quality carbon credits.

We recognise the importance of financing emissions reduction and avoidance projects, especially when they can benefit those who need them most. However, they will not remove a tonne of carbon from the atmosphere for every tonne we emit. This is why we prioritise carbon-removal projects over emissions-avoidance projects.

We finance carbon-removal projects to offset our remaining emissions



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# CARBON REMOVAL PROJECTS FUNDED IN 2023

We select which offsetting projects to fund annually. In 2023, Pictet funded three projects to offset 2022 emissions in accordance with our strategy. Nature-based projects are selected to address Scope 3 emissions. Technical solutions, which capture and store long-term emissions, are financed to address our Scope 1 and 2 emissions.

## Sequestration

Financing projects that expand existing carbon sinks through afforestation, reforestation and revegetation (ARR), as well as protection and restoration of marine ecosystems (blue carbon).

## Technological solutions

Financing projects that capture and store carbon for over 100 years. Examples include biochar, olivine-enhanced weathering and direct access capture.

### SHORT TERM

Scope 3 emissions

### LONG TERM

Scope 1 and 2 emissions

## Afforestation through timber, Uruguay, VCS<sup>1</sup> and CCBS<sup>2</sup> certified

The main objective of the project is to develop a Forest Stewardship Council-certified pine and eucalyptus plantation to produce timber for sawmills and energy for the Uruguayan market.

The project also provides jobs in the region, increases the gross value of production and its diversification and preserves biodiversity while improving soil quality.

## Deraytaw mangroves, Myanmar, VCS<sup>1</sup> certified

Mangroves are powerful carbon sinks, storing up to 10 times more carbon than forests. Mangrove deforestation in Myanmar is usually done for commercial uses or resource extraction.

The Deraytaw mangroves project aims to establish and maintain a sustainably-managed mangrove ecosystem for carbon sequestration, natural disaster risk reduction, poverty reduction via sustainable livelihoods in the coastal communities.

## Biochar, USA and Brazil, Puro.earth certified

These projects aim to use waste biomass to create a high-quality biochar that remains stable for 100+ years.

Alongside the pure carbon removal benefits, the projects also produce a clean energy source, and the biochar is used as a soil enhancer.

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PIERRE DE LA BOURDONNAYE  
Corporate Sustainability Manager

<sup>1</sup> Verified Carbon Standard

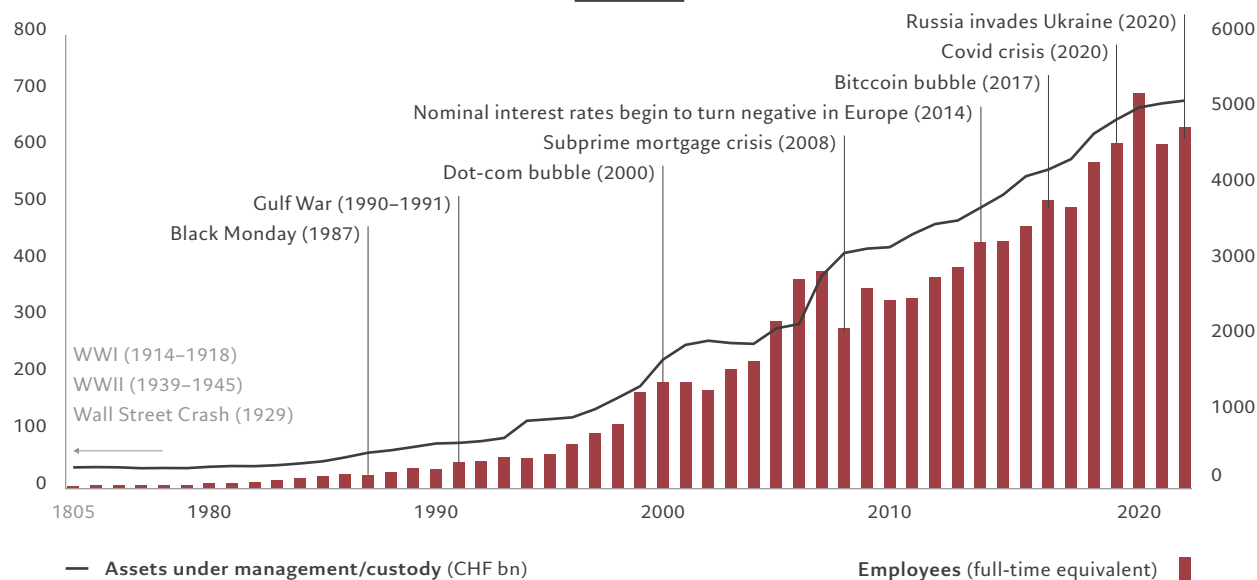
<sup>2</sup> Community and Biodiversity Standard

# Our people

Pictet's global presence spans 30 offices in 19 countries, with more than 5,000 employees contributing to a multi-cultural workforce.

As an investment firm, we operate in an industry facing significant competition for skilled employees. The development of more complex financial products, evolving sustainability preferences, changing client mix and rapid technological innovation makes our ability to attract and retain skilled and diverse employees existential. The recognition of this has translated to low employee turnover relative to industry peers<sup>1</sup>. When inevitable economic disruptions hit, we aim to prioritise our people, avoiding massive hiring and redundancy cycles.

Prioritising our people for over two centuries



Much of this report has been focused on environmental issues. The reality is that so long as people face immediate challenges linked to the insecurity of their own and their families' health, safety and wellbeing, they

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<sup>1</sup> Pictet's global employee turnover was 7.1% in 2023

will not focus on longer-term issues like climate change or nature loss. To remain focused on the long term, we must alleviate pressures linked to meeting basic needs.

The growing focus on social issues is set to continue. In 2023, we started work to formulate the meaning and implications of social for an organisation like Pictet, both from an investment and an organisational perspective. This work has already revealed that as an employer, our largest scope for social impact is our people.

As a signatory to the UN Global Compact, we also understand that promoting diversity, equity and inclusion throughout business operations is an important step in tackling inequality and eliminating discrimination beyond our organisation. Our people must also reflect the communities we operate in and the clients we serve, with a diverse representation of colleagues at all levels of the organisation.

For further details about our people, refer to [data tables](#) at the back of this report.

## FOSTERING DIVERSITY OF THOUGHT

Pictet considers diversity, equity and inclusion (DEI) an integral part of our strategic ambitions and people strategy. Our Code of Ethics and Professional Conduct outlines our DEI policy and convictions. Our approach to DEI is broad and multi-dimensional, inspired by the desire to bring about change. Our goals are centred on four key principles:

### TALENT

Advancing inclusive and equitable policies and practices to attract, develop and retain a diverse pipeline of talent.

### MEASUREMENT

Measuring and reporting on our progress to drive better results and improve transparency and accountability.

### CULTURE

Cultivating and promoting an inclusive company culture where all employees feel heard, respected and valued.

### COMMUNITY

Promoting diversity, equity and inclusion beyond our business, in the wider industry and the communities in which we operate.

Our Group Head of Diversity, Equity and Inclusion drives DEI initiatives across the organisation and ensures consistent execution of the DEI strategy, as agreed

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with the Board of Managing Partners and Pictet's HR Executive Committee.

The key principle of measuring and reporting is to improve transparency and ensure accountability applies across all levels of leadership. We regularly review representation, hiring, promotion, attrition and other key data metrics to evaluate our progress and identify areas for improvement on the way to achieving our DEI goals.

As promotion of DEI is a collective responsibility, we regularly engage with employees on how to incorporate DEI into everyday activities. Within each region and across business lines we have established DEI Committees to contribute to various DEI initiatives.

Pictet is especially committed to improving gender equality and increasing female representation at every level of the organisation. We continued our concerted efforts to attracting, developing, and retaining female talent and have seen a 6.3% increase in women in senior roles<sup>1</sup> and a 7.5% increase in female promotions in 2023.

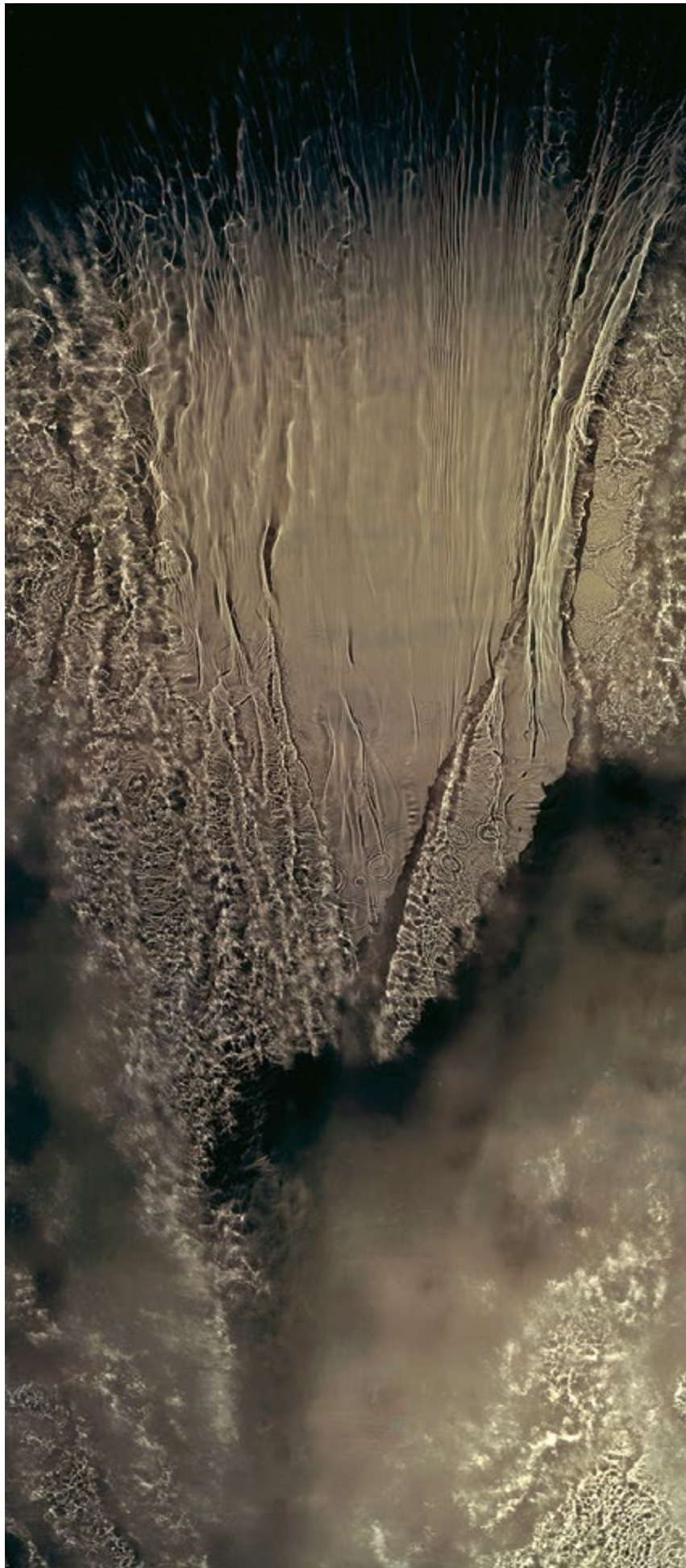
Pictet was re-certified at EDGE Level 2 (Move) and also attained the new EDGEplus certification in 2023, in recognition of our continued efforts towards advancing gender equity in the workplace and confirming our commitment to other aspects of diversity.

Read more in [Pictet Asset Management's DEI report](#).

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<sup>1</sup> Executive Director and above



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## EDGE AND EDGEPLUS CERTIFICATION

EDGE (Economic Dividends for Gender Equality) is the leading international assessment methodology and business certification standard for gender equality. There are three levels of certification: Assess, Move and Lead. A certification at the EDGE Assess level recognises commitment, one at the EDGE Move level showcases progress, and a certification at the EDGE Lead level acknowledges success in fostering gender equitable workplaces. Certification at any level is valid for two years, after which it is re-evaluated to ensure progress has been made.

An EDGEplus certification further recognises commitment to analysing intersectional issues between gender and one (or several) of the following additional dimensions: race/ethnicity, sexual orientation, working with a disability, nationality and age.

EDGE certification brings internal and external credibility to Pictet's DEI progress through independently verified certification conducted by a third-party auditor. Certification follows assessment in the following areas:

- Representation of women
- Gender pay equity
- Effectiveness of policies and practices to ensure equitable career development
- Employee experience (inclusiveness of company culture).

Based on the results of our latest assessment, an action plan was formulated with EDGE and Pictet commits to its implementation prior to the next certification process in 2025.



ZAHRA SHEIKH  
*Head of Diversity,  
Equity and Inclusion,  
Pictet Group*



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## EMBEDDING SUSTAINABILITY THROUGH BOTTOM-UP ENGAGEMENT

Caring for our people also means empowering them to be part of our collective journey. Embedding sustainability across Pictet requires multiple layers of change agents, each acting within their area of expertise and competence. To encourage this, we aim to raise awareness among employees throughout the organisation through educational campaigns and training on sustainability topics. In addition, communities provide opportunities for employees to connect on environmental and social topics beyond those pertaining to their business functions.

### Empowering participation through employee communities

Employee networks, created and led by Pictet colleagues, play a vital role in changing mindsets and creating meaningful change. They help Pictet support the difference in representation, diversity of thought and intersectionality each employee brings to the workplace. These internal networks enable employees to foster open dialogue, raise awareness, and influence positive action.

Our longest running employee network is the Pictet Women's Network, which aims to reinforce the professional development and advancement of women at Pictet. The network held multiple events in 2023.

Other employee networks include those on the subjects of race and ethnicity (Race at Work (RAW) and LGBTQ+ (Proud+) – the social side of sustainability.

### Training and education across multiple formats to maximise impact

As our people are central to our long-term success, investment in the ongoing growth and development of our employees is a priority for the Group. In 2023, Pictet spent over CHF 2,000 per permanent employee on training and development opportunities, significantly above average among mid- and large-sized organisations<sup>1</sup>.

Given the focus of this report, we highlight some of the sustainability training and education offerings in

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<sup>1</sup> Learn Experts, 2023

this section. This applies to both the organisation's leadership, whose endorsement and support is necessary to setting a robust sustainability strategy, as well as those responsible for that strategy's implementation.

#### Sustainability masterclasses for Pictet leadership

In 2023, we partnered with Enterprise for Society, a collaboration between IMD Business School, HEC Lausanne and EPFL, to design a curriculum that would raise and deepen awareness on material sustainability topics among Pictet's top leadership. This includes Pictet's Managing Partners, Equity Partners and Group key functions. Topics included climate science and the macroeconomic implications of overshooting the planetary boundaries. Two full-day workshops took place in 2023 with the rollout planned for continuation throughout 2024 with the aim of 100% completion across senior leaders, our boards and relevant non-executive directors.

#### Climate and biodiversity collage ("fresks") for all employees

We cannot effectively tackle any challenge without understanding it. Climate and biodiversity fresks offer accessible and interactive workshops designed to demystify the basic science behind climate change and biodiversity. By offering these fresks to all employees, irrespective of business function or seniority level, we aim to empower action through knowledge. In addition to participating in these fresks held on site at Pictet's Geneva HQ, Pictet employees are encouraged to become fresk facilitators and have started leading fresks for colleagues. We held several of these half-day workshops over the course of 2023.

#### Sustainability training

In 2023, over 2,000 employees from across the Group had successfully completed training on sustainability at Pictet. Beyond this, specific sustainability and ESG trainings are managed by the Sustainability teams in each of the business lines.

[Read more.](#)

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## Encouraging hands-on community action

At Pictet, we maximise impact in the places where we work by mobilising our most valuable resource – our people – through hands-on community engagement. All Pictet staff members are given two days of volunteering during their work hours per year. In 2023, over 689 volunteering opportunities were offered to Pictet employees globally, an increase of 35% over 2022. We know there is more to do in this area and are working on strengthening our employee volunteer offering.

Dedicated employee committees coordinate global volunteering activities across various business lines. These committees identify local engagement opportunities with support from the Pictet Group Foundation. These efforts are focused on the following key areas: environment and education, nutrition, and water.

Read more in our [Pictet Group Foundation Impact Report](#).

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# Our advocacy and partnerships

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# For Pictet, being a responsible investor means going beyond our clients' investments, our operations and our people by advocating and partnering for positive change in our own sphere of influence.

Our advocacy efforts are focused on areas that are particularly material to our business, and where we can apply expertise to provide valuable inputs to our strategic partners. We define strategic partnerships as those that support responsible investment leadership through one or more of the following:

- Reinforce active ownership efforts and strengthen our Group Engagement Focus across priority themes (see [Case study on Finance for Biodiversity Foundation](#))
- Accelerate organisational learning for expert teams, leadership and our champions (Read about the [Finance to revive Biodiversity programme](#))
- Contribute to financial systems change to allow capital to flow where it is needed most (see [Case study on Building Bridges](#)).

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# Advocacy in 2023

In 2023, we leveraged our strategic partners to advocate in the areas of responsible investing, biodiversity loss, climate change and DEI:

## RESPONSIBLE INVESTING

### May

- Signed WBA's Investor Statement on Ethical AI, asking that companies disclose a commitment to abide by principles for ethical AI development and application. It also commits us to engaging with companies on the target list.

### October

- Hosted an investor workshop on investing in the energy transition in collaboration with the Institute of International Finance (IIF) at Building Bridges (see case study).

## BIODIVERSITY LOSS

### May

- Signed Investor call for urgent action to reduce plastics from intensive users of plastic packaging.

### July

- Signed FAIRR investor letter to the G20 Agricultural Subsidies.
- Signed Finance for Biodiversity Foundation's Financial Institutions Statement for Governments on Deep Seabed Mining.

### November

- Signed VBDO investor letter to governments supporting UN Global Plastics Treaty ahead of INC 3.
- Signed FAIRR Protein Diversification with a commitment to send letters to all 20 companies and act as supporting engagers for Costco, Tesco and Walmart.
- FAIRR Seafood Traceability with a commitment to sign letters to all 7 companies.
- Publicly-supported the Mining 2030 initiative as Commission Investor Supporter.

## CLIMATE CHANGE

### July

- Responded to public consultation for SBTi's Building Sector project.

### August

- Responded to SBTi consultation on 3 draft financial-sector resources. Once final, these documents are to be followed to set science based targets.

### November

- IIGCC – Banks Net Zero with a commitment to engage with China Construction Bank and Agricultural Bank of China and Bank of China.

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## ADVANCING DIVERSITY, EQUITY AND INCLUSION THROUGH PARTNERSHIPS

Our corporate values of long-term thinking and responsibility naturally lead to a culture of collaboration and partnership. We are committed to making diversity, equity and inclusion an integral part of this culture by taking every step to encourage greater diversity in the workplace and fostering an environment that allows all individuals to thrive.

To this end, for several years, Pictet Asset Management has been part of the steering committee of the Diversity Project, which aims to promote DEI across the broader investment industry. We also continued our work with Sponsors for Educational Opportunity and the 10,000 Interns Foundation to promote career opportunities for under-represented communities and help build our pipeline of talent.

In 2020, Pictet became a signatory to The Valuable 500, a global movement calling on 500 corporations to commit to putting disability on the business leadership agenda. Since then, we have put in place initiatives to recruit and support disabled staff within the Group.

To assist with providing support for our employees in their personal and professional lives, we engage with various partners including 100 Women in Finance, Advance, MyFamily Care and Profawo.

## PHILANTHROPY AS A CATALYST

Partnerships and bridge-building are critical to advancing change. We believe that philanthropic capital can catalyse solutions to some of the most persistent global challenges. At Pictet, we not only embrace this conviction through our own philanthropic initiatives, but also in how we advise and support our clients in their impact journeys. The cornerstone of our approach is the Pictet Group Foundation, which actively collaborates with our investment and sustainability teams to optimise our efforts, particularly around water and nutrition.

A concrete example is the Valuing Water Finance Initiative, a global investor-led effort to engage 72 companies with a high water footprint. This initiative aims to influence these firms to value water as a financial risk

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and drive the necessary large-scale change to better protect water systems. The Foundation provided funding to support the research that defined the Initiative. Today, more than 90 investors representing USD 17trn in assets have committed to engage with the 72 companies defined. Launching these types of initiatives is often not possible without catalytic philanthropic capital.

Read more in the [Pictet Group Foundation's Impact Report](#).

Beyond the Pictet Group Foundation, our philanthropic strategy includes empowering our wealth management clients to optimise and align their philanthropic actions. Our dedicated team of philanthropy and impact strategists provides comprehensive services tailored to assist philanthropic individuals, families, foundations and family offices in achieving their unique aspirations. Through personalised guidance and expert advice, our goal is to improve the efficiency and effectiveness of philanthropic capital allocation.

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# Prix Pictet to raise awareness on environmental and social issues

## THE PRIX PICTET

Founded by the Pictet Group in 2008, the Prix Pictet has become the world's leading photography prize on the theme of sustainability. The aim of the award is to harness the power of photography to draw global attention to the most pressing social and environmental issues today.

## THE SERIES

The photographs which appear throughout this report are from Susan Derges's 2004 series, *Eden*, which explores the theme of the hydrological cycle and how the element of water permeates and cycles through our planet and its interconnected complex systems of weather, oceans and land. The fifteen images in the series move from cloud through to rain, into water bodies forming, rivers becoming torrents and emerging into oceans from which water evaporates, condenses, then freezes ultimately cycling back into cloud again. The large format prints were made using light-sensitive photo paper submerged in various bodies of water in order to achieve a visceral sense of water's numerous qualities as it takes on its different forms within this cycle of change and renewal.

## THE ARTIST

Derges's photographs have been shown in solo and group exhibitions around the world. Her work is included in public and private collections such as The Metropolitan Museum of Art, New York, the Victoria and Albert Museum, London and the Hara Art Museum, Tokyo, Japan. Derges was shortlisted for *Water*, the first cycle of the Prix Pictet in 2008.

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# FINANCE FOR BIODIVERSITY FOUNDATION

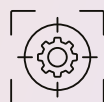
As part of our work to support the buildout of knowledge and standards around nature in the financial industry, Pictet joined the Finance for Biodiversity Pledge, signed by 163 financial institutions representing EUR 21.7trn across 25 countries. Pictet is also actively involved in a number of its working groups.

A pledge to Finance for Biodiversity implies five things:



## SHARING COLLABORATION AND KNOWLEDGE

We will collaborate and share knowledge on assessment methodologies, biodiversity-related metrics, targets and financing approaches for positive impact.



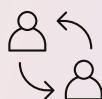
## SETTING TARGETS

We will set and disclose targets based on the best available science to increase significant positive and negative impacts on biodiversity.



## ASSESSING IMPACT

We will assess our financing activities and investments for significant positive and negative impacts on biodiversity and identify drivers of its loss.



## ENGAGING WITH COMPANIES

We will incorporate criteria for biodiversity in our ESG policies, while engaging with companies to reduce their negative and increase positive impacts on biodiversity.



## REPORTING PUBLICLY

We will report annually and be transparent about the significant positive and negative contribution to global biodiversity goals linked to our financing activities and investments in our portfolios.

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We have made good progress against these expectations, but it is early days and the journey will require a lot more work.

1. In 2022, Pictet was selected as a founding partner for the MISTRA Finance to Revive Biodiversity (FinBio) partnership, a four-year multi-partner research programme overseen by institutions such as Stockholm Resilience Centre, Oxford University, the UN Principles for Responsible Investment and the Finance for Biodiversity Foundation. It aims to support the financial sector in developing strategies to protect nature and halt biodiversity loss. In 2023, several of our investment specialists collaborated with FinBio scientists to develop more sophisticated methods for corporations to assess their biodiversity footprints. The research should support investors to improve biodiversity risk measurement and reporting tools. It can also better inform on the investment universe of nature-related opportunities that are attractive for our clients in the future.
2. Our Group Engagement Focus has a specific axis on biodiversity, which we have continued to build out during the course of 2023, notably through joining the Nature Action 100 initiative.
3. We are working on assessing our groupwide impact on biodiversity loss and are currently identifying potential data providers to enable this. At the product level, most of our thematic equity strategies are already able to measure ex-post impact through proprietary tools. In 2023, we developed a proprietary biodiversity impact model (see [case study](#)).
4. Rather than design a new plan to address biodiversity loss in our portfolios, our strategy is to deepen our [climate action plan](#) to embed other material and interrelated environmental topics, including biodiversity and deforestation. Because effective organisational change management requires focus, we aim to anchor our developments in how they relate to our existing frameworks and expertise. This also helps maintain a coherent narrative and stakeholder engagement.
5. This sustainability report helps us improve our public reporting on the actions taken to date. We expect our reporting to improve over time as our experience doing so deepens and expectations become clearer.

[Read more about our strategic partnerships.](#)

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# BUILDING BRIDGES

## 2023

**Building Bridges is a joint initiative launched in 2019 by Swiss public authorities, the finance community, the United Nations and other international partners. It aims to accelerate the transition to a global financial system aligned with sustainable development. Since its founding, Pictet has been a strategic partner to the Geneva-based initiative and has deepened this collaboration and participation each year.**

At the core of the initiative is the recognition that the scale and complexity of the transition requires “building bridges” between multiple stakeholders in the finance, government and international development communities. This is aligned with Pictet’s convictions around engagement to drive change in our communities and beyond. Building Bridges provides a forum for engagement among these stakeholders who do not otherwise convene to solve for common challenges.

Pictet’s contribution to Building Bridges 2023 was the most extensive to date. Nearly 100 Pictet colleagues and clients participated in 2023. We also hosted a workshop in collaboration with the Institute of International Finance (IIF) on how professional investors are comprehending and investing in the energy transition, exploring opportunities and hurdles across four asset classes.

One outcome of this ongoing partnership is the ability to observe the evolution of the sustainable finance discourse. In 2019, only five

years ago, participants were getting to know each other’s sustainability approaches and convictions. In 2023, not only were the participants and attendees much more diverse, both in terms of industry and geography, but the conversations had matured significantly, even from the year before. In 2023, references to “ESG” was scarce, as consensus topics had evolved to *how* to rapidly mobilise capital to developing countries in line with the just transition. This is a key development, signifying a type of watershed: we are moving away from considering the E as distinct from the S and towards understanding that they are two parts of a whole and that their relationship is symbiotic. Similarly, the conversations had broadened from a myopic focus on climate change to stopping biodiversity loss and including crucial social considerations like livelihoods and human rights.

As we kick off the work on the 2024 edition, we anticipate that addressing social issues, like rising inequality, will continue. Moving beyond sustainability to regeneration will likely begin to come up as we continue to look ahead, keeping our focus long term.



MARIE-LAURE SCHAUFELBERGER  
Head of Group Sustainability and Stewardship

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# Business ethics

Trust is the primary currency of our business as well as our license to operate. This trust is cultivated by consistently acting with integrity, which cannot be created by policies or be merely mandated top down. At its essence, integrity is cultural.

At Pictet, applying absolute integrity to how we carry out our activities is a groupwide priority. To reinforce this, the Group has several policies and procedures in place to prevent and manage potential business-ethics-related risks.

Identified as a material topic for Pictet, effective management of business ethics has implications for reputational and financial risks to our business and potential to impact our global clients, the reputation of Swiss financial institutions and to a lesser extent, the financial services industry more broadly.

## PICTET'S CODE OF ETHICS AND PROFESSIONAL CONDUCT

Pictet's Code of Ethics and Professional Conduct lays out certain principles and standards that should characterise all of our business activities and employee dealings with our clients, colleagues, regulators, business partners, suppliers, vendors and communities. It is a guide for Pictet employee actions and decisions, laying down some of the core principles to be applied at all times to maintain the highest standards of honesty and fair dealing, as required by law and expected by our clients and other stakeholders.

## ANTI-BRIBERY AND CORRUPTION POLICY

Bribery and corruption as defined in Pictet's anti-bribery and corruption policy are banned.

Pictet's Anti-corruption Policy is based on the general principles laid out in the Code of Ethics and Professional Conduct and includes the Group direc-

tive concerning gifts and other advantages. It describes the risks and responsibilities attributable to each individual in ensuring effective safeguards against behaviour that is not only criminally reprehensible but also harmful to society in general.

The purpose of this policy is to combat corrupt activities and protect the reputation of the Pictet Group by ensuring that Pictet representatives are aware of the Group's core principles and integrate them in their daily activities, that there are adequate controls in place to deter and detect bribery and corruption, and to protect the business, clients and employees/representatives from allegations and any possible civil or criminal actions.

This policy covers all areas of the business and runs parallel to existing standards, practices and internal rules that also address in part the risk of bribery and corruption across the business. These include: the Group Code of Ethics and Professional Conduct, and corporate or business-specific policies governing anti-money laundering, gifts and entertainment, procurement, sanctions, remuneration, conflicts of interest, etc..

The establishment of the Pictet anti-corruption policy was accompanied by a video communication from the Senior Managing Partner, regular emphasis on absolute integrity, and regular emphasis on absolute integrity. It was accompanied by the rollout to all staff of an e-learning training programme produced by Transparency International, the establishment of a remuneration policy and detailed guidelines surrounding gifts and entertainment. Certification of compliance therewith is required on an annual basis. Financial controls cover supplier payments and business expenses, a due diligence questionnaire and anti-corruption clause was rolled out for procurement from third parties. An integrity helpline was established and incidents (or the lack thereof) are reported on a quarterly basis to Group Compliance, which performs a periodical risk assessment. The theme of corruption is included in internal audit planning.

For further details about our anti-corruption activities, refer to [data tables](#) at the back of this report.

Pictet is a signatory to independent and broadly accepted codes of conduct, and best practices, including the UN Global Compact and Principles for Responsible Investment.

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## CONFLICTS OF INTEREST

Pictet's conflict of interest policy serves as a reminder of the obligations of all staff and managers to identify, eliminate or mitigate potential and actual conflicts of interest at the expense of clients.

As set out in our Code of Ethics and Professional Conduct, we as a firm conduct our business with integrity, honesty, loyalty, due skill, care and diligence. We place the legitimate interests of our clients first at all times and treat clients fairly. We seek to avoid even the appearance of improper behaviour. No financial incentive or opportunity justifies a departure from our values.

Adopting a specific policy on conflicts of interest serves as a reminder of the obligations of each one of us to identify, eliminate or mitigate potential and actual conflicts of interest at the expense of clients. In addition to setting out guiding principles and standards about conflict management, the policy aims to meet regulatory requirements and ensure alignment with relevant industry practices.

This covers situations that might involve making a financial gain or avoiding a financial loss at the expense of a client; having diverging interests to those of a client regarding the results of a service provided to the client or of a transaction executed on behalf of the client, unduly benefitting from privileged information not available to the public, or receiving inducements other than standard commissions or fees for services provided that may favour the interests of staff or of one or more clients over others.

Pictet's conflict of interest management framework incorporates the following main principles:

- All employees are responsible for being sensitive to and identifying potential conflicts of interest.
- A register is maintained in all legal entities of potential and actual conflicts.
- Conflicts are assessed for severity and means for eliminating or mitigating them adequately.
- Business should be declined if the risk of damage to clients remains despite reasonable efforts.
- Clients may decide to continue with potentially conflicted business, provided they have been fully informed of the conflict in writing.
- Reasonable additional measures may be considered, including potential compensation.
- Top management periodically reviews conflicts and relevant mitigation measures.

Areas subject to potential conflicts of interest are identified and addressed via relevant policies and procedures, hiring and remuneration processes, training, segregation of functions and oversight committees, staff disclosures, structured monitoring and escalation measures.

## COMMUNICATION OF CRITICAL CONCERNS

Pictet's Whistleblowing Policy helps ensure that any potential instances of misconduct are identified and addressed in a timely manner.

Whistleblowers shall be comprehensively protected, in particular against reprisals. Any discrimination against a whistleblower in connection with a report is prohibited. Whistleblowers are free to choose whether to report internally (to the Chief Legal Officer, Deputy Head of Legal, Europe, Group Head Human Risks or Human Risks Manager) or externally (to the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), for example).

### Pictet Integrity Helpline and personal protection

Pictet employees who consider themselves to be the target of behaviour that undermines their personal integrity have means of action defined in a group directive. This directive defines the main principles for reporting and dealing with inappropriate behaviour and non-compliant practices, determines the roles and responsibilities of the different parties involved, and defines the principles and rules applicable to the prevention, detection, management, halting and combating of conduct that violates the personal integrity of employees of the Pictet Group. The directive applies to the reporting of any inappropriate behaviour or non-compliant practices.

Pictet's Integrity Helpline enables employees to report these cases. It comes under the responsibility of the Human Risks Department, which ensures that exchanges with employees remain confidential; offers various communication options, namely a toll-free number in all countries where Pictet operates as well as an email address.

## CONSEQUENCE MANAGEMENT

Responsibility for assessing the materiality of a breach in policy will normally fall with the individual who identifies or is informed about the breach (in most cases the line manager or a control/support function) on a case-by-case basis, taking into account the specific circumstances.

Depending on the case and relevant functional expertise, conflict of interest, sensitivity or confidentiality considerations among others, it may need

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to be referred to a specific given function for assessment. Breaches involving senior management, board members and disciplinary committee members of Group entities or business lines will be handled exclusively by the Group Integrity Committee. The Group-level Integrity Committee is the default Disciplinary Committee for BPSA, for business lines or divisions/functions that do not decide to establish a dedicated Disciplinary Committee. Any member of the Integrity Committee involved in a breach or with a conflict of interest in the case must withdraw from the process. Where such conflicts cannot be avoided, the case will be handled by the Board of Managing Partners.

Each legal entity in the Pictet Group has a Disciplinary Committee, which makes an assessment and determines sanctions in relation to material and serious breaches. Unless specified otherwise, this role is performed by the entity's Management Committee. The entity committee has ultimate responsibility for all disciplinary issues within the entity.

Group Human Resources is responsible for the maintenance of this policy and reporting on material and serious breaches to the Integrity Committee on at least an annual basis. Respective HR departments are responsible for implementing Disciplinary Committee decisions, maintaining personnel files and periodic assessment records.

Risk and Compliance functions are responsible for collecting quantitative and/or qualitative information pertaining to personal conduct for inclusion in the annual staff appraisal process, whether self-identified or communicated by other control functions, e.g. Human Resources, Group Information Security or Group HR Compliance.

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# Data privacy and security

Beyond responsible corporate governance, data privacy and security is also foundational to protecting the privacy of our clients and business partners. We are committed to safeguarding our data and systems, focusing on critical data (including client data) systems and functions. Operating to a comprehensive information security framework, we manage information security risks that arise in the course of our business activities. To reinforce this, regular communications and training are provided to employees, helping to ensure appropriate responses to potential threats. Pictet remains dedicated to ensuring a secure environment for its clients and other stakeholders.

Pictet Group's data protection governance consists of a network of Data Protection Officers (DPO) and privacy experts, reporting into a Group DPO Committee. The Pictet Group Privacy Notices for clients, employees and candidates, Group Directive on Personal Data Protection (and its complementary local policies), Group Procedures on data breach

management, data subject request and data protection impact assessment, as well as various internal guidelines and processes, form a comprehensive framework to ensure compliance with the most stringent data protection requirements, in particular stemming from the EU and Switzerland and the financial regulators.

Pictet did not face any major breach or complaints related to a breach of privacy in 2023.

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# Looking forward

While already in motion, the transformative journey we are now on has much more distance to cross ahead.

We are committed to staying focused in our progress for the benefit of our clients, colleagues and broader society. In 2024, we have three sustainability priorities:

1. We will continue to strengthen the implementation of Pictet's climate action plan. This will include work to integrate broader nature and social considerations, including those concerning the just transition and human rights, into the plan.
2. We will work to improve transparency and disclosure on products and solutions and our general disclosures, as they are key to systems change. Enhancing our data and operating model for information sharing will be key to success in this area.
3. We will build on our existing ESG data portal and scorecard to improve forward-looking indicators and incorporate more proprietary data sets.

We will continue our work towards the transition in 2024 and beyond. While this report provides a single-year snapshot of our decades-long journey, this exercise will reinforce our commitments going forward, giving our clients and other key stakeholders a better understanding of our approach.

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# Data tables

## General

2-7 Employees

Headcount as at 31/12/2023	Total	Permanent employees	Temporary employees	Full-time employees	Part-time employees
<b>Switzerland</b>	<b>3,307</b>	<b>3,103</b>	<b>204</b>	<b>2,708</b>	<b>599</b>
Male	2,210	2,088	122	1,964	246
Female	1,097	1,015	82	744	353
<b>The EU</b>	<b>1,122</b>	<b>1,040</b>	<b>82</b>	<b>960</b>	<b>162</b>
Male	730	678	52	657	73
Female	392	362	30	303	89
<b>Rest of the world</b>	<b>1,126</b>	<b>1,062</b>	<b>64</b>	<b>1,097</b>	<b>29</b>
Male	584	559	25	574	10
Female	542	503	39	523	19
<b>Total</b>	<b>5,555</b>	<b>5,205</b>	<b>350</b>	<b>4,765</b>	<b>790</b>
Male	3,524	3,325	199	3,194	329
Female	2,031	1,880	151	1,571	461

## Social disclosures

401-1 New employee hires and employee turnover

	Turnover rate 31/12/2023	Hiring # 31/12/2023
<b>Age group</b>		
<30	10.0%	96
30 - 50	6.1%	295
50+	8.4%	24
<b>Total<sup>1</sup></b>	<b>7.1%</b>	<b>415</b>
Male	6.7%	237
Female	7.7%	178

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<sup>1</sup> These figures include all headcount (HC) regardless of percentage worked.

## Social disclosures

404-1 Average hours of training that the organisation's employees have undertaken during the reporting period, by gender and employee category

	Female average training hours	Male average training hours	Total average training hours
Total	25	20	22

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

**100% of employees receive annual performance and career development reviews**

405-1 Diversity of governance bodies and employees

	Female	Male
Top	17.1%	82.9%
Upper	24.0%	76.0%
Middle	27.0%	73.0%
Junior	34.6%	65.4%
Operational	45.8%	54.2%
<b>Total employees<sup>1</sup></b>	<b>36.0%</b>	<b>64.0%</b>

Pictet supervisory boards	Female	Male
Board of Directors - BPSA	18.2%	81.2%
Supervisory Board - BPAG	20.0%	80.0%
Board of Directors - PAM SA	33.3%	66.7%

Age group	-30	30-50	50+
Top		46.6%	53.4%
Upper	0.1%	56.9%	43.0%
Middle	0.3%	72.9%	26.8%
Junior	2.8%	72.8%	24.4%
Operational	17.8%	62.5%	19.7%
<b>Total employees<sup>1</sup></b>	<b>8.5%</b>	<b>66.2%</b>	<b>25.3%</b>

## Anti-corruption

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

PCC - Anti Bribery training at 100% completion as at end 2023

205-3 Confirmed incidents of corruption and actions taken

0 incidents of corruption were confirmed in 2023

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<sup>1</sup> Aligned with Edge Certification category classification system. These figures consider headcount, where each employees are counted as 1, regardless of % work.

## Energy and greenhouse gas emissions

302-1 Energy consumption within the organisation; 302-3 Energy intensity; 302-4 Reduction of energy consumption;		305-1 Direct (Scope 1) GHG emissions; 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions; 305-4 GHG emissions intensity; 305-5 Reduction of GHG emissions	
GHG Emissions (absolute)	Unit	Value	Change Explanatory note (vs. 2022)
<b>Scope 1</b>	<b>tCO<sub>2</sub>e</b>	<b>1,329</b>	<b>+13%</b>
Building-related combustion	tCO <sub>2</sub> e	870	+3%
Fugitive emissions	tCO <sub>2</sub> e	101	-34%
Company and leased cars	tCO <sub>2</sub> e	358	+96% Fleet vehicle missing now in scope
<b>Scope 2 (market-based)</b>	<b>tCO<sub>2</sub>e</b>	<b>1,104</b>	<b>-31%</b>
Electricity (market-based)	tCO <sub>2</sub> e	569	-48% Purchase of EAC to reduce emissions
Electricity (location-based)	tCO <sub>2</sub> e	2,499	-12%
District heating	tCO <sub>2</sub> e	535	+7%
<b>Total Scope 1 + Scope 2 (market-based)</b>	<b>tCO<sub>2</sub>e</b>	<b>2,433</b>	<b>-12%</b>
<b>Scope 3</b>	<b>tCO<sub>2</sub>e</b>	<b>53,336</b>	<b>+8%</b>
Cat 1 - Purchased goods and services	tCO <sub>2</sub> e	21,228	+13%
Cat 2 - Capital goods	tCO <sub>2</sub> e	14,437	-14%
Cat 3 - Fuel and energy-related activities	tCO <sub>2</sub> e	1,240	-5%
Cat 5 - Waste	tCO <sub>2</sub> e	76	-17%
Cat 6 - Business travels	tCO <sub>2</sub> e	13,954	+52%
Cat 7 - Employee commuting	tCO <sub>2</sub> e	2,257	-26% Facility counted twice (overestimation in 2,022)
Cat 8 - Upstream leased assets	tCO <sub>2</sub> e	144	+18%
<b>Total Operational Emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>55,769</b>	<b>+7%</b>
GHG Emission intensity	Unit	Value	Change (vs. 2022)
Scope 1	kgCO <sub>2</sub> e/HC	239	+8%
Scope 2 (market-based)	kgCO <sub>2</sub> e/HC	199	-34% Includes renewable electricity sourced locally with bundled or unbundled renewable energy attributes (reduction initiative)
Scope 2 (location-based)	kgCO <sub>2</sub> e/HC	546	-13%
Scope 3	kgCO <sub>2</sub> e/HC	9,601	+3%
Operational Emissions (market-based)	kgCO <sub>2</sub> e/HC	10,039	
Energy Intensity (Facilities)			
Energy consumption	Total	MWh	31,628
Of which Electricity	Total	MWh	23,769
	Conventional	MWh	839
	Renewable	MWh	22,930
Energy consumption / HC		kWh/HC	5,694

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## REPORTING METHODOLOGY

Pictet follows the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (GHG Protocol). These generally accepted GHG accounting and reporting principles are intended to guide the GHG reporting process to ensure: (1) the reported information represents a faithful, true, and fair account of Pictet's GHG emissions; and (2) the reported information is credible and unbiased in its treatment and presentation of the issues.

This accounting is used by Pictet to set Pictet GHG reduction targets in line with Science Based Targets initiative (SBTi) framework and report to ESG disclosure frameworks (including CDP).

## CARBON-ACCOUNTING TOOL

In 2023, Pictet rolled out a carbon-accounting tool to replace spreadsheets. This tool helps to collect, categorise, analyse and report on GHG emissions throughout the organisation. This has led to a more comprehensive and accurate report on our GHG emissions, especially in Scope 3 category 1 (Purchased Goods and Services) and category 2 (Capital Goods) which are now fully based on group's financial data.

## REPORTING BOUNDARIES

Pictet reports annual GHG emissions on a calendar year basis, defined as the period of January 1 through December 31.

Pictet follows the operational control approach. Under the control approach, a company accounts for 100% of the GHG emissions from its operations over which it has control. The GHG inventory covers the entire Pictet Group. This approach best reflects the scope of operational GHG emissions on which the bank can take action.

No category of emissions has been excluded from this boundary. Scope 3 categories 4 (Upstream Transportation and distribution), 9 (Downstream transportation and distribution), 10 (Processing of sold products), 11 (Use of sold products), 12 (End-of-life treatment of sold products), 13 (Downstream leased assets) and 14 (Franchises) have been assessed and are not relevant to our business. Emissions from Scope 3 category 15 (Investments) are addressed in the next section.

## EMISSIONS FACTORS

In accordance with the GHG Protocol, emissions are computed by recording metrics of in-scope sources of emissions, and using conversion factors from relevant databases (IEA, BEIS, IPCC, Ademe, ExioBase).

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Scope 3 Financed emissions	Unit	Value
<b>Greenhouse Gas (GHG) Emissions Scope 1 and 2</b>		
Value	tCO <sub>2</sub> e	10,017,616
Covered assets		92%
Eligible assets		89%
<b>Carbon Footprint Scope 1 and 2</b>		
Value	tCO <sub>2</sub> e/CHF mn invested	53.3
Covered assets		92%
Eligible assets		89%
<b>Weighted Average Carbon Intensity (WACI) Scope 1 and 2</b>		
Value	tCO <sub>2</sub> e/CHF mn revenue	164.1
Covered assets		92%
Eligible assets		89%
<b>Greenhouse Gas (GHG) Emissions Scope 3</b>		
Value	tCO <sub>2</sub> e	55,514,482
Covered assets		92%
Eligible assets		89%
<b>Carbon Footprint Scope 3</b>		
Value	tCO <sub>2</sub> e/CHF mn invested	295.6
Covered assets		92%
Eligible assets		89%
<b>Green Bonds Exposure</b>		
Exposure	% AUM	0.77%
<b>Sovereign Bonds Productions (WACI)</b>		
Value	ktCO <sub>2</sub> e/CHF mn GDP	0.34
Covered assets		100%
Eligible assets		11%
<b>Investments with validated 1.5°C science-based targets (SBTi)</b>		
Exposure	% AUM	32.8%
Eligible assets		89%

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## NOTES ON FIGURES

### Scope:

Managed single-line equity and fixed-income (corporate and sovereign) assets of Pictet Asset Management and Pictet Wealth Management Discretionary Portfolio Management (total of CHF231bn in 2023). Eligible assets refers to the proportion of the total assets applicable for the given indicator. Covered assets refers to the proportion of eligible assets with data availability. Pictet follows the GHG Protocol and strives to adhere to PCAF guidance to account for our financed emissions (using the equity share approach).

### For Corporates:

Our portfolio emissions reflect the GHG emissions of our long managed single-line equity and corporate fixed income investments (CHF204bn in 2023). The relevant data is sourced from Sustainalytics, a third-party data provider, and used to calculate financed emissions using enterprise value including cash (EVIC).

### For Sovereigns:

Our portfolio emissions reflect total sovereign GHG emissions of our single-line sovereign bond investments (CHF26bn in 2023). The relevant data is provided by Maplecroft, a third-party data provider, and used to calculate the emissions intensity using GDP figures provided by World Bank.

### For Green Bonds:

Our exposure reflects total single-line investments into Green Bonds as a share of total single-line investments (CHF231bn in 2023). The relevant data is provided by Bloomberg, a third-party data provider.

### For science-based targets:

Our exposure reflects total single-line investments with SBTi validated 1.5° targets, as a share of actively and passively held long managed listed equities and non-securitised corporate fixed income in PAM and PWM Discretionary Portfolio Management (CHF200bn in 2023). It also includes our corporate fixed income treasury book and equity certificates held on our balance sheet (CHF 3bn in 2023).

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# Double materiality assessment process

## Our materiality assessment consisted of four steps:

# 1

### DESK-BASED RESEARCH

In the first phase, we identified a long list of sustainability topics that are potentially material to our business, in accordance with European Sustainability Reporting Standards, Global Reporting Initiative and the Swiss Code of Obligations.

# 2

### STAKEHOLDER FEEDBACK

Key Pictet stakeholders were asked to provide input on the sustainability topics longlisted from both a financial and impact materiality perspective.

These stakeholders included representatives from our Board of Managing Partners, Group Stewardship and Sustainability Board, Pictet's supervisory board, senior executives from across the firm and next generation (under 30) employees and clients.

# 3

### PRIORITY MAPPING

For each of the sustainability topics long-listed, we identified the respective impacts, risks and opportunities, which were then scored based on magnitude, likelihood and Pictet's risk criteria.

# 4

### VALIDATION

The results of the scoring exercise were then mapped according to highest impact and financial materiality. This materiality list was then validated by the Group Stewardship and Sustainability Board, Board of Managing Partners and our Group Supervisory Board.

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## ENGAGING WITH OUR STAKEHOLDERS

Engaging for change with multiple stakeholder groups is one of the three pillars of Pictet's sustainability strategy.

Stakeholder	Approach	Interactions
Clients	Pictet takes a partnership approach to clients, in line with our guiding principles	Client events throughout the year across regions Regular direct touchpoints with clients
Employees (including equity owners)	As a services company, our employees are our most crucial asset	See <a href="#">Our people</a>
Regulators	We aim to take a proactive approach with all relevant regulators, to be in compliance with their guidance	Direct contact via information sharing communications and meetings Annual (at minimum) visits to the regulator
Community	Engagement with our communities includes the financial industry and the local communities in which we operate, in particular Geneva, where Pictet is headquartered	See <a href="#">III. Our advocacy and partnerships</a>

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# Partnerships and memberships

Association name	HQ	Relationship
Access to Nutrition Initiative	Netherlands (Utrecht)	Signatory
Alternative Investment Management Association	UK (London)	Working group (deliverable output)
Asset Management Association Switzerland	Switzerland (Basel)	Board Member
Association Luxembourgeois Funds d'Investissement	Luxembourg	Working group (deliverable output)
BREEAM	UK (Watford)	-
Building Bridges	Switzerland (Geneva)	Board, Committee, Sponsor
Carbon Disclosure Project	UK (London)	Member
CERES	US (Boston)	Signatory
Climate Action 100+	-	Signatory
Climate Bond Initiative	UK (London)	Advisory Board
Copenhagen Institute for Future Studies	Denmark (Copenhagen)	Member
Earthworm Foundation	Switzerland (Nyon)	Sponsor
Economic Dividends for Gender Equality	Switzerland (Zug)	Signatory
ESG Data Convergence Initiative	-	Board
European Fund and Asset Management Association	Belgium (Brussels)	Member Committee (no deliverable output) Working group (deliverable output)
Farm Animal Investment Risk and Return	UK (London)	Member Working group (deliverable output)
Finance for Biodiversity Foundation	-	Member Working group (deliverable output)
FINMA	Switzerland (Bern)	Advisory Board
Fondation Genève Place Financière	Switzerland (Geneva)	Member
FTSE Russell	UK (London)	Advisory Board
GRESB	Netherlands (Amsterdam)	Member
Institute of International Finance	US (Washington DC)	Member
Institutional Investors Group on Climate Change	UK (London)	Member
Institutional Investors Group on Climate Change	-	Working group (deliverable output)
International Corporate Governance Network	UK (London)	Member
Japan's Stewardship Code (Financial Services Agency)	-	-

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Association name	HQ	Relationship
Net Zero Asset Managers Initiative	-	Signatory
Oxford Saïd Business School	UK (Oxford)	Sponsor
Principles for Responsible Investment	UK (London)	Signatory
Stockholm Resilience Center	Sweden (Stockholm)	Member
Sustainable Finance Geneva	Switzerland (Geneva)	Board Member
Swiss Sustainable Finance	Switzerland (Zurich)	Member Working group (deliverable output)
Science Based Targets initiative	-	Signatory
Swiss Bankers Association	Switzerland (Geneva)	Board Member
Task Force on Climate-related Financial Disclosures	US (New York)	Signatory
Task Force on Nature-related Financial Disclosures	-	Member
The Association of Swiss Private Banks (ASPB)	Switzerland (Geneva)	Board
The Emerging Markets Foundation	UK (London)	Member
The Emerging Markets Foundation	-	Board
The Investment Association	UK (London)	Committee (no deliverable output)
Transition Pathway Initiative	US (New York)	Signatory
United Nations Environmental Programme Finance Initiative and Principles for Responsible Banking	Switzerland (Geneva)	Signatory
United Nations Global Compact	US (New York)	Member
Venture ESG	UK (London)	Sponsor
World Benchmarking Alliance	-	Member
World Economic Forum	Switzerland (Geneva)	Member Committee (no deliverable output)

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# EU Taxonomy

## REPORTING PRINCIPLES

Regulation (EU) 2020/852 (hereinafter, the EU Taxonomy Regulation) was adopted in June 2020 and forms part of the EU's broader efforts to transition to a sustainable economy. The aim of the EU taxonomy regulation framework is to identify environmentally sustainable economic activities, which are in line with limiting global warming to 1.5°C.

The framework sets out six environmental objectives: 1. climate change mitigation 2. climate change adaptation 3. water and marine resources 4. circular economy 5. pollution prevention and control 6. biodiversity and ecosystems. In June 2023 the technical screening criteria to determine economic activities that contribute to objectives 3-6 were established (Commission Delegated Regulation (EU) 2023/486), thereby completing the EU Taxonomy. Based on these objectives, the regulation has also developed technical criteria to evaluate whether an activity is environmentally sustainable.

The first step is to determine if an activity matches one of the descriptions listed in either the Annexes of the CDA (climate objectives 1-2) or EDA (climate objectives 3-6), it is deemed taxonomy eligible. Once eligibility has been confirmed, a check must be performed to ensure the activity is aligned according to the EU Taxonomy. This means three technical screenings must be met: 1. Substantial contribution of the activity to one or more of the six objectives; 2. The activity does not significantly harm any of the other objectives; and 3. The activity is carried out in accordance with the minimum safeguards.

The requirements and screening criteria under the EU Taxonomy regulation have been specified in successive regulatory developments and delegated acts, resulting in a calendar for increasingly comprehensive reporting. Financial institutions must compute and include indicators relating to sustainable economic activities according to the EU Taxonomy in their non-financial reporting.

On 21 December 2023, the EU Commission published FAQs (Frequently Asked Questions) to clarify the interpretation of the EU Taxonomy Regulation. After the as-

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assessment we have implemented the clarification provided by the FAQs where these were feasible. Where this is not possible in the short term due to lack of data availability, regulatory uncertainty or technical limitations this will be done until the next reporting date.

#### DATA AVAILABILITY AND CONSTRAINTS

For our Taxonomy KPI reporting the assets of Bank Pictet & Cie (Europe) AG and its subsidiaries are in scope. On-balance sheet assets are limited to loans, most of which are not subject to NFRD disclosure requirements and do not have Taxonomy-related data due to the type of business (funds, client general purpose loans), and the treasury bond portfolio, which contains mostly sovereign exposures that are excluded from the GAR calculation. Off-balance sheet assets include financial guarantees, limited to private equity investments with data quality issues to determine the NFRD status of the object considered, and client Assets under Management, which refer to only direct single-line assets with Discretionary portfolio management mandates (i.e. not advisory or execution only mandates).

Our Taxonomy KPIs rely on information published by our counterparties. As at reporting date, many of our counterparties have not published 2023 data, therefore our reporting is based on 2022 data, using parent level information. Furthermore, for financial undertakings, data is not yet widely available for Taxonomy-aligned KPIs.

Where an economic activity contributed substantially to both of the first two environmental objectives, it is assigned to the most significant environmental objective (generally Climate Change Mitigation (CCM)) for the purposes of the calculation and to avoid double counting. EU taxonomy eligibility is zero for the additional four environmental objectives, which are being reported on for the first time by undertakings in their 2023 reports.

As we are in the process of selecting a third-party data provider, the gathering and compiling of data pertaining to the EU Taxonomy was performed independently by Pictet. We expect to include additional metrics in next

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year's reporting in line with enhancements of our systems and data sources, to capture the increasing number of financial and non-financial counterparties reporting Taxonomy KPIs. Starting with our 2024 report, we will be including a year on year comparison that will also include information on flow KPIs.

### TAXONOMY REPORTING TEMPLATES

The following pages present reporting forms in accordance with the Disclosures Delegated Act, Annex VI, and Annex XII related to nuclear and fossil-gas activities. Please note that numbers presented in the following tables may not add up due to rounding.

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**o. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation**

	Total environmentally sustainable assets <sup>1</sup>	KPI turnover	KPI CAPEX	% coverage (over total assets) <sup>2</sup>	% of assets excluded from the numerator of the GAR (Article 7.2 and 7.3 and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7.1 and Section 1.2.4 of Annex V)
<b>Main KPI</b>	<b>Green asset ratio (GAR) stock</b>	<b>0,4</b>	<b>0,0</b>	<b>0,0</b>	<b>85,0</b>	<b>71,6</b>
	<b>Total environmentally sustainable activities</b>	<b>KPI</b>	<b>KPI</b>	<b>% coverage (over total assets)</b>	<b>% of assets excluded from the numerator of the GAR (Article 7.2 and 7.3 and Section 1.1.2. of Annex V)</b>	<b>% of assets excluded from the denominator of the GAR (Article 7.1 and Section 1.2.4 of Annex V)</b>
<b>Additional KPIs</b>	<b>GAR (flow)<sup>3</sup></b>	n/a	n/a	n/a	n/a	n/a
	Trading book <sup>4</sup>	n/a	n/a	n/a		
	Financial guarantees	-	0.0%	0.0%		
	Assets under management <sup>5</sup>	14.6	0.5%	1.7%		
	Fees and commissions income <sup>4</sup>	n/a	n/a	n/a		

<sup>1</sup> Total environmentally sustainable assets used for turnover KPI. Total environmentally sustainable assets used for Capex KPI amounts to EUR 1.484 million

<sup>2</sup> % of assets covered by the KPI over banks total assets

<sup>3</sup> To be added in year on year comparison in 2024 report

<sup>4</sup> Fees and commissions and Trading Book KPIs shall only apply starting 2026

<sup>5</sup> Managed assets of Bank Pictet & Cie (Europe) AG and its subsidiaries

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1.Assets for the calculation of GAR (turnover) 2023

Million EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			TOTAL (CCM + CCA)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)					
		Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling			
<b>GAR - Covered assets in both numerator and denominator</b>													
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	2'093	49	0	-	-	-	-	49	0	-	-	-
2	<b>Financial undertakings</b>	1'041	49	0	-	-	-	-	49	0	-	-	-
3	<b>Credit institutions</b>	713	49	0	-	-	-	-	49	0	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	713	49	0	-	-	-	-	49	0	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
7	<b>Other financial corporations</b>	329	-	-	-	-	-	-	-	-	-	-	-
8	<i>of which, investment firms</i>	329	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	329	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
12	<i>of which, management companies</i>	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
16	<i>of which, insurance undertakings</i>	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	32	-	-	-	-	-	-	-	-	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	32	-	-	-	-	-	-	-	-	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	1'019	-	-	-	-	-	-	-	-	-	-	-
25	<i>of which, loans collateralised by residential immovable property</i>	-	-	-	-	-	-	-	-	-	-	-	-
26	<i>of which, building renovation loans</i>	-	-	-	-	-	-	-	-	-	-	-	-
27	<i>of which, motor vehicle loans</i>	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-

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		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		
		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	
<b>GAR - Covered assets in both numerator and denominator</b>										
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	11'114	-	-	-	-	-	-	-	-
33	<b>Financial and Non-financial undertakings</b>	7'492								
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1'185								
35	Loans and advances	875								
36	of which, loans collateralised by commercial immovable property	-								
37	of which, building renovation loans	-								
38	Debt securities	310								
39	Equity instruments	-								
40	Non-EU country counterparties not subject to NFRD disclosure obligations <sup>1</sup>	6'306								
41	Loans and advances	5'562								
42	Debt securities	745								
43	Equity instruments	-								
44	Derivatives	-								
45	On demand interbank loans	316								
46	Cash and cash-related assets	0								
47	Other categories of assets (e.g. Goodwill, commodities etc.)	3'306								
48	<b>Total GAR assets</b>	<b>13'206</b>	<b>49</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	<b>Assets not covered for GAR calculation</b>	<b>2'323</b>								
50	Central governments and Supranational issuers	1'584								
51	Central banks exposure	739								
52	Trading book	-								
53	<b>Total assets</b>	<b>15'529</b>	<b>49</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>										
54	Financial guarantees	1'018	-	-	-	-	-	-	-	-
55	Assets under management	2'972	45	15	-	-	-	-	-	-
56	Of which debt securities	1'321	12	5	-	-	-	-	-	-
57	Of which equity instruments	1'650	32	10	-	-	-	-	-	-

<sup>1</sup> Due to data challenges all undertakings assumed to be subject to NFRD disclosure obligations unless domiciled outside European Union

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1.Assets for the calculation of GAR (capex) 2023

Million EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			TOTAL (CCM + CCA)							
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)							
		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)							
		Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling	Use of Proceeds	Of which transitional	Of which enabling					
<b>GAR - Covered assets in both numerator and denominator</b>															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	2'093	16	1	-	-	-	-	-	-	16	1	-	-	-
2	<b>Financial undertakings</b>	1'041	14	0	-	-	-	-	-	-	14	0	-	-	-
3	<b>Credit institutions</b>	713	14	0	-	-	-	-	-	-	14	0	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	713	14	0	-	-	-	-	-	-	14	0	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	<b>Other financial corporations</b>	329	-	-	-	-	-	-	-	-	-	-	-	-	-
8	<i>of which, investment firms</i>	329	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	329	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	<i>of which, management companies</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	<i>of which, insurance undertakings</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	<b>Non-financial undertakings</b>	32	3	1	-	-	-	-	-	-	3	1	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including UoP	32	3	1	-	-	-	-	-	-	3	1	-	-	-
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	<b>Households</b>	1'019	-	-	-	-	-	-	-	-	-	-	-	-	-
25	<i>of which, loans collateralised by residential immovable property</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	<i>of which, building renovation loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	<i>of which, motor vehicle loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	<b>Assets excluded from the numerator for GAR calculation (covered in the denominator)</b>	11'114	-	-	-	-	-	-	-	-	-	-	-	-	-

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1.Assets for the calculation of GAR (capex) 2023

Million EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			TOTAL (CCM + CCA)		
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)		
		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	
<b>GAR - Covered assets in both numerator and denominator</b>										
33	Financial and Non-financial undertakings	7'492								
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	1'185								
35	Loans and advances	875								
36	of which, loans collateralised by commercial immovable property	-								
37	of which, building renovation loans	-								
38	Debt securities	310								
39	Equity instruments	-								
40	Non-EU country counterparties not subject to NFRD disclosure obligations <sup>1</sup>	6'306								
41	Loans and advances	5'562								
42	Debt securities	745								
43	Equity instruments	-								
44	Derivatives	-								
45	On demand interbank loans	316								
46	Cash and cash-related assets	0								
47	Other categories of assets (e.g. Goodwill, commodities etc.)	3'306								
48	<b>Total GAR assets</b>	<b>13'206</b>	<b>16</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
49	<b>Assets not covered for GAR calculation</b>	<b>2'323</b>								
50	Central governments and Supranational issuers	1'584								
51	Central banks exposure	739								
52	Trading book	-								
53	<b>Total assets</b>	<b>15'529</b>	<b>16</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations</b>										
54	Financial guarantees	1'018	-	-	-	-	-	-	-	-
55	<b>Assets under management</b>	<b>2'972</b>	<b>204</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
56	of which, debt securities	1'321	29	17	-	-	-	-	-	-
57	of which, equity instruments	1'650	175	33	-	-	-	-	-	-

<sup>1</sup> Due to data challenges all undertakings assumed to be subject to NFRD disclosure obligations unless domiciled outside European Union

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2. GAR sector information (turnover) 2023

		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		TOTAL (CCM + CCA)					
		Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD				
Breakdown by sector - NACE 4 digits level (code and label)		[Gross] carrying amount	[Gross] carrying amount	[Gross] carrying amount	[Gross] carrying amount	[Gross] carrying amount	[Gross] carrying amount				
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCM + CCA)	Mn EUR	Of which environmentally sustainable (CCM + CCA)
3	(C32.9.9) Other manufacturing n.e.c.	32	0	-	-	32	0				

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2. GAR sector information (Capex) 2023

Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCM + CCA)
3	(C32.9.9) Other manufacturing n.e.c.	32	1	-	-	32	1		

Breakdown by sector - NACE 4 digits level (code and label)

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3. GAR KPI stock (turnover) 2023

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
% (compared to total covered assets in the denominator)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling					
<b>GAR - Covered assets in both numerator and denominator</b>																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	2,3	0,0	-	-	-	-	-	-	-	-	-	-	-	13,5		
2	<b>Financial undertakings</b>	4,7	0,0	-	-	-	-	-	-	-	-	-	-	-	6,7		
3	<b>Credit institutions</b>	6,8	0,1	-	-	-	-	-	-	-	-	-	-	-	4,6		
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
5	Debt securities, including UoP	6,8	0,1	-	-	-	-	-	-	-	-	-	-	-	4,6		
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
7	<b>Other financial corporations</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	2,1		
8	<i>of which, investment firms</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	2,1		
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	2,1		
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
12	<i>of which, management companies</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
16	<i>of which, insurance undertakings</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
20	<b>Non-financial undertakings</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	0,2		
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
22	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	0,2		
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	6,6		
25	<i>of which, loans collateralised by residential immovable property</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
26	<i>of which, building renovation loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
27	<i>of which, motor vehicle loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
32	<b>Total GAR assets</b>	<b>0,4</b>	<b>0,0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,0</b>		

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3. GAR KPI stock (capex) 2023

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
% (compared to total covered assets in the denominator)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling					
<b>GAR - Covered assets in both numerator and denominator</b>																	
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	0,8	0,1	-	-	-	-	-	-	-	0,8	0,1	-	-	-	13,5	
2	<b>Financial undertakings</b>	1,3	0,0	-	-	-	-	-	-	-	1,3	0,0	-	-	-	6,7	
3	<b>Credit institutions</b>	1,9	0,1	-	-	-	-	-	-	-	1,9	0,1	-	-	-	4,6	
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Debt securities, including UoP	1,9	0,1	-	-	-	-	-	-	-	1,9	0,1	-	-	-	4,6	
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	<b>Other financial corporations</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,1	
8	<i>of which, investment firms</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,1	
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,1	
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	<i>of which, management companies</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	<i>of which, insurance undertakings</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	<b>Non-financial undertakings</b>	8,2	3,4	-	-	-	-	-	-	-	8,2	3,4	-	-	-	0,2	
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	Debt securities, including UoP	8,2	3,4	-	-	-	-	-	-	-	8,2	3,4	-	-	-	0,2	
23	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	<b>Households</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,6	
25	<i>of which, loans collateralised by residential immovable property</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	<i>of which, building renovation loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	<i>of which, motor vehicle loans</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	<b>Local governments financing</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	<b>Collateral obtained by taking possession: residential and commercial immovable properties</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	<b>Total GAR assets</b>	<b>0,1</b>	<b>0,0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0,1</b>	<b>0,0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,0</b>	

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#### 4. KPI off-balance sheet exposures (turnover stock) 2023

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling			
1	Financial guarantees (FinGuar KPI) <sup>1</sup>	0.0%	0.0%	-	-	-	-	-	-	-	0.0%	0.0%	-	-	-
2	Assets under management (AuM KPI) <sup>2</sup>	1.5%	0.5%	-	-	-	-	-	-	-	1.5%	0.5%	-	-	-

#### 4. KPI off-balance sheet exposures (capex stock)

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
% (compared to total eligible off-balance sheet assets)		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling		Use of Proceeds	Of which transitional	Of which enabling			
1	Financial guarantees (FinGuar KPI) <sup>1</sup>	0.0%	0.0%	-	-	-	-	-	-	-	0.0%	0.0%	-	-	-
2	Assets under management (AuM KPI) <sup>2</sup>	6.9%	1.7%	-	-	-	-	-	-	-	6.9%	1.7%	-	-	-

<sup>1</sup> Limited to Private Equity, with object considered; Data quality issues to determine NFRD status

<sup>2</sup> Managed assets of Bank Pictet & Cie (Europe) AG and its subsidiaries

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Disclosures according to Annex XII - nuclear and fossil gas related activities

Nuclear energy related activities <sup>1</sup>		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities <sup>1</sup>		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

<sup>1</sup> Exposure deemed to be zero given Pictet's non-material exposure to Nuclear energy and Fossil gas related activities and further validated by confirming that no counterparties belong to the Energy and Utility sector

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# GRI Index

<b>Statement of use</b>		Pictet Group has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.	
GRI 1 used		GRI 1: Foundation 2021	
GRI disclosure (2021)	Location	Further information	
2-1	Organisational details	<a href="#">About Pictet</a> ; <a href="#">Pictet Annual Review "The Pictet Group"</a> ; <a href="#">Pictet Annual Report "Pictet Group Governance at 31 December 2023"</a>	2-1 Organisational details
2-2	Entities included in the organisation's sustainability reporting	<a href="#">About this report</a> ; <a href="#">Pictet Annual Report</a> ; <a href="#">Pictet Annual Review "The Pictet Group"</a> ;	
2-3	Reporting period, frequency and contact point	<a href="#">About this report</a>	
2-4	Restatements of information	<a href="#">About this report</a>	
2-5	External assurance	<a href="#">About this report</a>	
2-6	Activities, value chain and other business relationships	<a href="#">About this report</a> ; <a href="#">Pictet Annual Review</a>	As an investment services company, our input suppliers are predominately third-party data and research providers. The Pictet Group has an international reach and is established in 30 financial centres across the world
2-7	Employees	<a href="#">Data tables</a>	
2-8	Workers who are not employees		Not considered material in the context of the Pictet Group
2-9	Governance structure and composition	<a href="#">Responsible Corporate Governance</a> ; <a href="#">Pictet Annual Review "The Pictet Group"</a> ; <a href="#">Pictet Annual Report "Pictet Group Governance at 31 December 2023"</a>	
2-10	Nomination and selection of the highest governance body	<a href="#">Pictet Annual Report</a> ; <a href="#">The Pictet Model</a>	
2-11	Chair of the highest governance body	<a href="#">Pictet Annual Report</a> ; <a href="#">The Pictet Model</a>	
2-12	Role of the highest governance body in overseeing the management of impacts	<a href="#">Responsible Corporate Governance</a>	
2-13	Delegation of responsibility for managing impacts	<a href="#">Responsible Corporate Governance</a>	
2-14	Role of the highest governance body in sustainability reporting	<a href="#">About this report</a>	
2-15	Conflicts of interest	<a href="#">Business ethics "Conflicts of interest"</a>	
2-16	Communication of critical concerns	<a href="#">Business ethics "Communication of critical concerns"</a>	
2-17	Collective knowledge of the highest governance body	<a href="#">Our people "Training and awareness across multiple formats"</a>	
2-18	Evaluation of the performance of the highest governance body	<a href="#">Responsible Corporate Governance</a> ; <a href="#">Pictet Annual Report</a>	
2-19	Remuneration policies		Information provided in line with Swiss regulatory requirements pertaining to subject matter covered by disclosure
2-20	Process to determine remuneration		
2-21	Annual total compensation ratio		
2-22	Statement on sustainable development strategy	<a href="#">Foreword</a> ; <a href="#">Strategy</a>	
2-23	Policy commitments	<a href="#">Business ethics</a>	
2-28	Membership associations	<a href="#">Partnerships and memberships</a>	

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2-29	Approach to stakeholder engagement	<a href="#">Stakeholder engagement</a>	
3-1	Process to determine material topics	<a href="#">Double materiality assessment</a>	
3-2	List of material topics	II. Our firm "The materiality of sustainability topics"	
3-3	Management of material topics	Business ethics; I. Our investments, Framework 1: Climate action plan; Our operations; Data privacy and security; Our people; Responsible Corporate Governance; Strategy; I. Our investments	
201-1	Direct economic value generated and distributed	<i>Pictet Group Annual Report</i> "Consolidated income statement"; "Consolidated cash-flow statement"	
201-2	Financial implications and other risks and opportunities due to climate change	see <a href="#">Pictet Group Climate-related Disclosures</a>	
201-3	Defined benefit plan obligations and other retirement plans	<i>Pictet Group Annual Report</i> "Liabilities relating to pension schemes"; "11. Disclosures on pension schemes"; "12. Disclosure on the economic situation of own pension schemes"	
205-2	Communication and training about anti-corruption policies and procedures	<a href="#">Data tables</a>	
205-3	Confirmed incidents of corruption and actions taken	<a href="#">Data tables</a>	
302-1	Energy consumption within the organisation	<a href="#">Data tables</a>	
302-3	Energy intensity	<a href="#">Data tables</a>	
302-4	Reduction of energy consumption	<a href="#">Data tables</a>	
305-1	Direct (Scope 1) GHG emissions	<a href="#">Data tables</a>	
305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Data tables</a>	
305-3	Other indirect (Scope 3) GHG emissions	<a href="#">Data tables</a>	
305-4	GHG emissions intensity	<a href="#">Data tables</a>	
305-5	Reduction of GHG emissions	<a href="#">Data tables</a>	
401-1	New employee hires and employee turnover	<a href="#">Data tables</a>	
403-6	Promotion of worker health	<a href="#">Our people</a>	Pictet has a variety of policies, training, and general wellbeing activities that focus on both physical and mental health. Policies include those around Flexible working arrangements / Work-from-home Policy; Annualised part-time Policy; Work from Hubs; Promotion on internal mobility; Workload assessment; Management objective in appraisal; External Person of Trust world-wide; Development of KPIs and follow-ups
404-1	Average hours of training that the organisation's employees have undertaken during the reporting period, by gender and employee category	<a href="#">Data tables</a>	
404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">Our people</a>	The Pictet Academy offers a wide range of training courses and programmes covering both financial, technical, performance and other topics
404-3	Percentage of employees receiving regular performance and career development reviews	<a href="#">Data tables</a>	
405-1	Diversity of governance bodies and employees	<a href="#">Data tables</a>	

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# Swiss Code of Obligations Information pursuant to article 964b CO

	Reference in the sustainability or annual report	Page
General information on sustainability matters	Responsible corporate governance	10
	The materiality of sustainable topics	36
	Embedding sustainability in our risk management infrastructure	14
<b>Business model description</b>	<b>About Pictet</b>	<b>05</b>
	<b>Non-financial matters</b>	
<b>Environmental matters</b>		
Climate change	<b>Risks: Strategy</b>	<b>07</b>
	<b>Approach: I. Our investments</b>	<b>16</b>
	Scope 3 financed emissions	
	GHG Emissions, Scope 1 and 2 (covered assets – 92%, eligible assets – 89%)	
	Carbon footprint, Scope 1 and 2 (covered assets – 92%, eligible assets – 89%)	
	Weighted Average Carbon Intensity (WACI) Scope 1 and 2 (covered assets – 92%, eligible assets – 89%)	
	Greenhouse Gas (GHG) Emissions, Scope 3 (covered assets – 92%, eligible assets – 89%)	
	Carbon footprint, Scope 3 (covered assets – 92%, eligible assets – 89%)	
	Sovereign Bonds Productions - WACI (covered assets – 100%, eligible assets – 11%)	
	Pictet Climate Action Plan PAM RI report	
	<b>Actions: Our operations</b>	<b>40</b>
	<b>Key performance indicators:</b>	
	Scope 1	
	Building-related combustion	
	Fugitive emissions	
	Company and leased cars	
	Scope 2	
	Electricity (market-based)	
	Electricity (location-based)	
	District heating	
	<b>Total Scope 1 + Scope 2 (market-based)</b>	
	Scope 3	
	Cat 1 - Purchased goods and services	
Cat 2 - Capital goods		
Cat 3 - Fuel and energy-related activities		
Cat 5 - Waste		
Cat 6 - Business Travels		
Cat 7 - Employee commuting		
Cat 8 - Upstream leased assets		
<b>Total Operational Emissions</b>		

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	Energy consumption (facilities)	
	Electricity	
	Conventional	
	Renewables	
	Energy consumption / FTE	
	Data tables	71
	GRI 302-1, 302-3, 302-4 + 305-1 to 305-5	
<b>Sustainable investment leadership</b>	<b>Risks, Approach and Actions: Strategy</b>	<b>07</b>
	GRI 3-1, 3-2, 3-3	
<b>Employee matters</b>		
<b>People management</b>	<b>Risks, Approach, Actions: Our people</b>	<b>44</b>
	<b>Key performance indicators: Data tables</b>	<b>69</b>
	Employees	
	Male	
	Female	
	<b>Total headcount</b>	
	New employee hires and employee turnover	
	<b>Total</b>	
	Average hours of training	
	<b>Total average hours</b>	
	Percentage of employees receiving regular performance and career development reviews	
	Diversity of governance bodies and employees	
	Male	
	Female	
	GRI 2-7, 401-1, 403-6, 404-1, 404-2, 404-3, 405-1	
<b>Social matters</b>		
<b>Data privacy and security</b>	<b>Risks, Approach, Actions, Results: Data privacy and security</b>	<b>66</b>
	Total major breach or complaints related to a breach of privacy in 2023.	
	GRI 418-1	
<b>Respect for human rights</b>		
<b>Swiss and international requirements</b>	<b>Global Reporting Index (referenced)</b>	<b>93</b>
<b>Conflict minerals</b>	<b>II. Our firm</b>	<b>34</b>
<b>Child labour</b>	<b>II. Our firm</b>	<b>34</b>
<b>United nations Global compact</b>	<b>I. Our investments</b>	<b>16</b>
<b>Combating corruption</b>		
<b>Business ethics</b>	<b>Risks, Approach, Actions: Business ethics</b>	<b>63</b>
	Communications and training about anti-corruption policies and procedures – PGC Anti Bribery training	
	Confirmed incidents of corruption and actions taken	
	See sections on: Code of Ethics and Professional Conduct, Anti-bribery and corruption policy, Conflicts of interest, Communications of critical concerns, Consequence management	
	GRI 205-2, 205-3	
<b>Responsible corporate governance</b>	<b>Risks, Approach, Actions, Results: Responsible corporate governance</b>	<b>10</b>
	For more about Pictet Group governance, please refer to the <a href="#">Annual Report</a>	
	GRI 2-9	

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# Glossary

**CO<sub>2</sub>e:**

Carbon dioxide equivalent, a unit used to standardise the measurement of different greenhouse gases, based on their global warming potential.

**tCO<sub>2</sub>e:**

Metric tonnes of carbon dioxide equivalent, a unit used to standardise the measurement of different greenhouse gases, based on their global warming potential

**kgCO<sub>2</sub>e:**

Kilograms of carbon dioxide equivalent, a unit used to standardise the measurement of different greenhouse gases, based on their global warming potential

**Data Privacy and Security:**

Refers to the protection of personal data and the security measures implemented to safeguard data from unauthorized access or breaches.

**Data Protection Officer (DPO):**

A designated individual responsible for ensuring compliance with data protection laws and regulations within an organization.

**Diversity, Equity and Inclusion (DEI):**

Refers to initiatives and practices aimed at promoting diversity, equity, and inclusion in the workplace.

**Double materiality:**

Refers to an approach to reporting that considers both the financial risks and the environmental and social impacts of a company's operations and / or activities.

**EAC:**

Energy Attribute Certificates, tradeable certificates that provide information about the environmental attributes of one megawatt hour (MWh) of electricity generated from a renewable source

**EDGE and EDGEplus certification:**

EDGE is a certification standard for gender equality in the workplace, while EDGEplus extends the certification to include other dimensions of diversity.

**EU Taxonomy Regulation:**

Refers to the regulation that establishes a framework for classifying economic activities based on their environmental sustainability.

**Global Reporting Initiative (GRI):**

Refers to an international organisation that provides a framework for sustainability reporting.

**HC:**

Headcount, the total number of individuals employed by Pictet at a given time

**MWH:**

Megawatt hour, unit of energy equivalent to the amount of energy produced by one megawatt of power operating for one hour

**Non-Financial Reporting Directive (NFRD):**

Refers to the EU directive that sets out requirements for companies to disclose non-financial information, including environmental and social aspects.

**Potentially Disappeared Fraction (PDF):**

A metric used to approximate how far biodiversity richness has declined as a result of human pressures.

**Science Based Targets initiative (SBTi):**

Refers to an initiative that supports companies in setting greenhouse gas emission reduction targets in line with climate science.

**Swiss Code of Obligations:**

Refers to the Swiss legal framework that governs various aspects of corporate obligations and responsibilities.

**Whistleblowing Policy:**

Refers to a policy that provides protection and reporting mechanisms for individuals who report potential instances of misconduct or unethical behaviour.

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