

Sustainability Report  
Excerpt from the Annual Report 2013





## A multi-faceted approach to sustainability

The term “sustainability” is interpreted in different ways by individual readers. Some regard it as a vague generic term for unnecessary measures to promote social welfare, while others consider it to be the very cornerstone of long-term business success. At Vontobel, our commitment to sustainability is based on a number of guidelines that clearly define the concept and explain the various aspects of a sustainable approach to business. They include the Global Reporting Standard, which specifies the information that should be provided in sustainability reporting and forms the basis of this report. One thing is certain: for companies, sustainability encompasses a host of different dimensions. At Vontobel, we are convinced that our commitments in this area make an important contribution towards our success.

Vontobel's efforts in the field of sustainability centre on our commitment to provide our clients with attractive services through the smart integration of sustainability aspects into our investment processes. The views expressed by a number of our wealthy private clients in interviews have confirmed that we are on the right track. The majority of them indicated that they consider it important to take account of the way in which companies manage finite resources, environmental risks and stakeholder expectations when taking investment decisions.

As the host of the first Swiss Annual Conference of the CDP – an organization that seeks to provide greater transparency about environmental risks – Vontobel clearly demonstrated how aspects such as these can be integrated into financial analysis in practice. At the same event, various Swiss industrial firms explained the way in which they address sustainability risks and provided practical insights into the relationship between sustainability management and long-term business success.

At Vontobel, sustainability is also about structuring our banking operations in a way that allows us to make efficient use of resources. In 2013, our Investment Banking business moved to a newly renovated building. Its new offices feature energy-saving equipment and lighting systems that help to reduce electricity consumption. Since 2013, Vontobel has – for the first time – purchased electricity from renewable sources for all of its international locations as we have been doing in Switzerland for many years. This was possible thanks to an innovative product from Southpole Carbon, which enables companies to purchase “Gold Power” no matter where they consume electricity – thus promoting the expansion of global capacity to produce renewable energy. Experience has shown that there are many areas in which we can benefit from adopting a long-term perspective. This is therefore a core aspect of the way we do business.



Dr Zeno Staub, CEO of the Vontobel Group

### **Sustainability – committed to continuous improvement**

As a financial services provider, Vontobel is closely connected with the economy and society in all the locations where it operates. Consequently, the nature and design of our products and services and the way in which we conduct our banking operations have an impact on the sustainable development of this integrated world. We believe that promoting sustainable development in our markets in a variety of ways is both an economic necessity and a moral duty. This includes creating attractive jobs and offering innovative and sustainable products and services, as well as paying taxes. We also make a contribution by saving energy and resources and by engaging in an active dialogue with the public about the role of banks.

Our mission statement forms the basis for our sustainability commitments. The core values defined by the Board of Directors in our mission statement are expressed in concrete terms in two documents:

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

The documents are available on our website at: [www.vontobel.com/sustainability](http://www.vontobel.com/sustainability).

Our sustainability commitments are focused on our main groups of stakeholders: clients, shareholders, employees, society and the environment. The Sustainability Committee, which is chaired by the CEO, defines the strategic thrusts of our Group-wide sustainability activities and determines the measures that we must take to realize our objectives. We strive to achieve constant improvements in this context. The gathering of key sustainability data is an important means of measuring our progress and of prioritizing our next steps. The Sustainability Committee consists of representatives from our three business units – Private Banking, Investment Banking and Asset Management – as well as all relevant Group functions. The measures defined by the Committee are implemented by the Sustainability Management unit in collaboration with the relevant specialist departments.

A transparent information policy is vital in order to operate sustainably. At Vontobel, we consider it important to provide our stakeholders with clear and comprehensible information about the different challenges and opportunities for Vontobel with regard to environmental, social and governance (ESG) issues. This enables us to strengthen trust in our company. Our sustainability report has been produced for the third time in accordance with the principles set out in the Global Reporting Initiative (GRI). The report is supplemented by a GRI index, which is available at: [www.vontobel.com/sustainability](http://www.vontobel.com/sustainability). The index shows all of the GRI indicators and provides an overview of where the corresponding information can be found. A statement issued by the GRI (see page 21) confirms that this report has achieved the Level B standard for sustainability reporting.

Our sustainability commitments have also been recognized by external organizations. One example is the CDP – an organization that promotes transparency about environmental topics. In its latest study, it called on 350 companies in Germany, Austria and Switzerland to disclose information about their strategies, measures and results in the area of climate protection by completing a detailed questionnaire. In view of our efforts in this area and our transparent information policy, Vontobel ranks in the top 10% of all these companies and thus qualified for inclusion in the Carbon Disclosure Leadership Index for the second time. The rating awarded to Vontobel by the sustainability rating agency Inrate was also well above average for both the environmental and the social dimension and our bank was thus classed as “sustainable”.

These and other results give us an incentive to strive for continuous improvements in the different areas of our sustainability commitments. The information provided in the following sections shows the progress made in the year under review.

#### **Focusing on clients**

At Vontobel, our first priority when conducting our daily business activities is to ensure that our clients are satisfied with our offering. We therefore strive to continuously improve our services and products.

In Private Banking, the individual advice offered by Vontobel is one of the most important factors underpinning our good relationship with clients. Our relationship managers take time to understand the wishes and needs of each of our clients and they conduct a structured assessment of their personal circumstances in order to offer them services that are tailored to their individual requirements. To ensure that our clients only purchase products that are suitable and appropriate for them in terms of their personal financial market experience and risk capacity, a new risk profile was developed in 2013 and was subsequently adapted to each client. All transactions are checked using a system-based approach to determine whether they are in line with this risk profile.

In the area of portfolio management, retrocession-free share classes of investment funds will be used in future wherever possible. This measure will make a significant contribution towards improving cost transparency in the area of portfolio management mandates.

We conducted a survey of our private clients that once again produced very positive results. A large proportion of clients (84%) indicated that they are satisfied with Vontobel, and this is reflected by our high level of client loyalty. The survey also indicated that compared to the competition, Vontobel clients were very willing to recommend our bank to others. Vontobel is committed to further enhancing client satisfaction by offering even more customized advice, combined with specific investment proposals and more comprehensive financial solutions.

Vontobel's ability to satisfy its clients' wishes depends to a large extent on the professionalism and expertise of its relationship managers. We therefore offer special training programs in all of our business units to help employees to continuously develop their specialist knowhow and advisory skills. A new e-learning platform makes it possible to swiftly train employees in different countries about current topics.

Vontobel has extensive experience in the management of foundations as well as in the field of sustainable investing. These two areas ideally complement each other, since it makes sense for foundations to align their investments with their charitable objectives. An issue of the Vontobel client magazine "Blue" provided a detailed insight into targeted giving in a series of articles written by experts in this field. This topic was also explored in detail at a client event, during which Vontobel provided practical examples to illustrate the potential of sustainable investing for foundations. In Italy, Vontobel lent its support to the first "Philanthropy Day" – launched by the Fondazione Lang Italia – and illustrated how sustainable investing can be combined effectively with charitable commitments. In addition, Vontobel held two events for family offices at which it provided information about sustainable investment strategies – attracting a large amount of interest from the participants.

In 2013, Vontobel hosted the CDP Annual Conference in Switzerland, at which the results of climate risk reporting by Swiss companies were presented. At the conference, the Head of Global Equities at Vontobel Asset Management outlined the importance of climate information for financial analysis. He provided examples to show how financial analysts include data on the opportunities and risks associated with climate change in their research. Vontobel also gave presentations at three different events: the first-ever Zurich Forum for Sustainable Investments, the "Settimana SRI" Italian theme week on sustainable investing and the Triple Bottom Line Investing Conference. At this conference – one of the most important events in this field in Europe – experts from Vontobel engaged in a dialogue with other specialists about sustainable investment practices.

Vontobel once again received various awards in 2013 in recognition of its efforts in this field. For example, it took second place in the category "Best Environmental Fund Management Group" and received the rating "highly commended" at the renowned Environment, Ethical, Social & Governance Investment (ESGI) Awards presented by the UK magazine Investment Week.

#### **Sharper focus on opportunities and risks in the investment business**

In order to pursue a comprehensive sustainability strategy, it is essential for wealth and asset managers to consider environmental, social and governance criteria when conducting their investment activities. As a signatory to the Principles for Responsible Investment (PRI) – a UN initiative to promote a sustainable approach to investment – Vontobel continued to take account of environmental, social and governance risks in its wealth and asset management business during 2013.

Our investment products that focus on sustainability criteria enable clients to invest in future-oriented themes and to thus achieve a financial return while contributing to

sustainable development. The focus here is on various funds that address aspects of global change and sustainable business using different approaches.

The funds in the Global Leaders line reflect the belief that companies that actively address resource-related and social challenges in an increasingly globalized and dynamic world have better prospects of success and gain a competitive advantage over other firms that focus solely on the short-term generation of profits. The Global Leaders funds invest in selected companies that generate a high return on invested capital. To ensure that the returns are driven by the long-term strength of the business – and do not just reflect a good performance in the short term – the funds perform a fundamental analysis that takes account of specific sustainability criteria. This process was developed by financial analysts based on their extensive knowledge of the industry and the companies in question and incorporates environmental, social and governance criteria. All Vontobel funds that consider sustainability aspects bear the Eurosif transparency logo, which guarantees that investors are fully informed about the funds' investment processes and selection criteria. In total, the Global Leaders funds reported CHF 623 mn of assets under management at the end of 2013. Regular discussions with portfolio managers in other areas ensure that the relevant recommendations are also incorporated into other products such as balanced mandates.

In addition to the Global Leaders products, a range of theme funds are available that focus on various key trends such as the restructuring of the energy system, the more efficient use of resources and the supply of clean technologies. At the end of 2013, the three theme funds New Power, Future Resources and Clean Technology reported total assets under management of CHF 415 mn. At the prestigious Environment, Ethical, Social & Governance Investment (ESGI) Awards presented by the UK magazine Investment Week at the end of November 2013, the Vontobel Fund New Power was named "Best Clan Energy Fund" – beating renowned competitors and impressing the jury with its performance and investment concept.

In the case of both the Global Leaders products and the theme funds, voting rights are exercised actively and – in cooperation with an external partner – a dialogue is conducted with the management of the companies they invest in. On behalf of these different funds, votes were cast on over 2,000 individual agenda items at more than 200 annual general meetings in the course of 2013. In terms of voting patterns, almost 60% of these votes were cast in favour of the items proposed on the agenda, while 40% comprised votes against the proposals or abstentions. Additional discussions about critical issues were conducted with around 70 companies included in these funds. For example, talks were held with various retail chains during the year under review to address working conditions for textile suppliers and the steps taken by the companies in question to improve them. Discussions were also held with a South American oil firm in order to improve the representation of small shareholders on its Board of Directors. This type of dialogue provides our equity analysts with a profound insight into the opportunities and risks facing these companies. At the same time, the discussions lead to gradual improvements in standards and help to minimize risks.

Vontobel Asset Management also manages sustainability and theme funds with a volume of CHF 2,562 mn for cooperation partners such as Raiffeisen. Through its involvement in responsAbility, an organization specializing in social investments and microfinance investing, Vontobel supports the provision of microfinance funds and other innovative financial products.

The bank has a policy to prevent investments from being made in companies that manufacture controversial weapons. Appropriate processes are in place to ensure that none of our investment funds or actively managed assets are invested in manufacturers of cluster munitions and land mines and that none of these companies are actively recommended to investors.

#### Sustainable and theme funds managed by

Vontobel	2013	2012	2011
Volume of sustainable funds (CHF mns)	<b>3,118</b>	2,798	2,409
Volume of theme funds (CHF mns)	<b>483</b>	449	418

Vontobel offers private clients a portfolio management mandate that takes account of sustainability criteria and is broadly diversified across several asset classes. Three different investment strategies are available. Unlike in the case of other traditional portfolio management mandates, all of the investments undergo a clearly defined sustainability review. This gives investors the opportunity to participate in the success of sustainable companies and to combine their personal values with their investment activities.

Sustainable investments	2013	2012	2011
Volume of sustainable investments (CHF mns) <sup>1</sup>	<b>4,381</b>	3,751	3,755
Share of sustainable investments (in % of AuM) <sup>2</sup>	<b>3.8</b>	3.4	4.0

<sup>1</sup> Including volume of structured products

<sup>2</sup> Excluding volume of structured products

The volume of sustainable investments managed by Vontobel in 2013 increased by 17 % compared to the previous year. This segment grew more strongly than all other investments. Measured as a proportion of total assets under management, sustainable investments therefore increased by 0.4 of a percentage point to 3.8 %.

For more than a decade, clients who wish to use part of their wealth to promote worthwhile causes have been able to lend their support to a variety of projects focusing on social issues, culture, ecology, education or medicine through Vontobel's charitable foundation. In its anniversary year, the charitable foundation placed an emphasis on assisting environmental projects. Biovision – a foundation for ecological development – received support for its project "CLEVER – test your shopping intelligence". An interactive mobile exhibition educated the public about the environmental impacts of consumer behaviour and provided advice on responsible purchasing. Over the next three years, Vontobel's charitable foundation will support a research project entitled "Making intelligent use of biodiversity" that is being conducted by the Research Institute of Organic Farming in Frick. The Eriwis "nature workshop",



which is located in a former opalinus clay pit close to Schinznach-Dorf, comprises a variety of natural spaces covering an area of around 135,000 m<sup>2</sup> that have helped to increase local biodiversity. Different programmes were carried out by groups of volunteers – under the guidance of experts – to expand the biotope. It has also benefited from funding from Vontobel's charitable foundation. In the area of medicine, support was provided for organizations including the Institute of Psychology at the University of Berne, which is conducting basic research in the area of child and youth psychiatry with a focus on Asperger syndrome.

### A high level of employee satisfaction

Vontobel is reliant on the skills and expertise of its 1,406 employees (1,337.8 full-time equivalents/FTEs) who work in 5 locations in Switzerland and 16 locations internationally. In 2013, Vontobel's headcount decreased by 3% compared to the previous year. As part of Vontobel's efforts to concentrate its activities in its defined focus markets, Private Banking's offices in Dubai, Milan and Austria were closed. This is the main reason for the reduction in headcount.

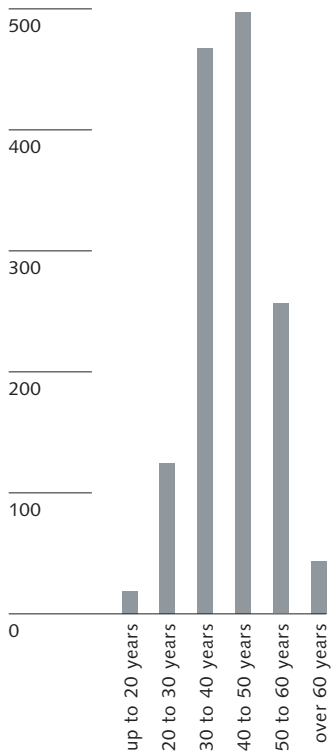
In addition to employees with permanent contracts, a total of 82 temporary employees worked for Vontobel as of the end of 2013. These individuals either have fixed-term contracts or are available on an "on call" basis to assist the company when needed.

Number of employees by domicile	31-12-13			31-12-12		
	Number of women	Number of men	Total	Number of women	Number of men	Total
Switzerland	341	812	1,153	353	820	1,173
Germany	33	44	77	35	46	81
USA	28	30	58	23	31	54
Austria	19	8	27	24	10	34
U.A.E	2	11	13	7	18	25
Italy	6	6	12	9	13	22
Luxembourg	9	9	18	8	8	16
Liechtenstein	9	4	13	8	4	12
United Kingdom	4	7	11	4	7	11
Hong Kong	4	8	12	4	7	11
Singapore	0	8	8	1	4	5
Sweden	0	1	1	0	2	2
Spain	0	2	2	0	2	2
Cayman Islands	1	0	1	1	0	1
<b>Total</b>	<b>456</b>	<b>950</b>	<b>1,406</b>	<b>477</b>	<b>972</b>	<b>1,449</b>

Numbers include trainees

Vontobel's workforce is diverse in many respects – including in terms of nationality, gender and age. The principle of non-discrimination is firmly enshrined in our Code of Conduct. We consider it important when recruiting new employees to ensure that suitable candidates are selected to enhance the diversity of our workforce. Regular discussions about employee development are now held with all business units. Structured long-term succession planning is an important topic that is addressed in this context. Measures to increase team diversity are also discussed on a targeted basis.

Age structure 2013

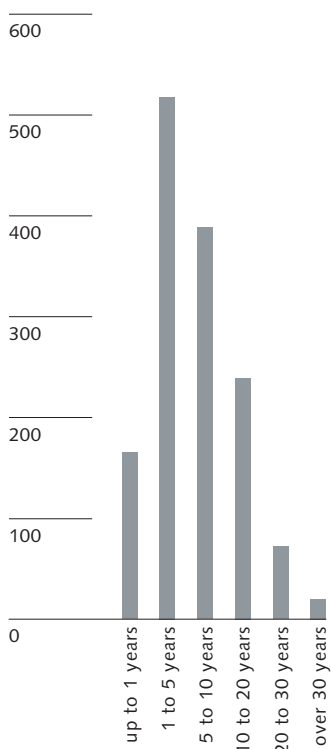


The following tables show the various nationalities represented within Vontobel, the proportion of men and women at different levels of the company, the age structure of employees and their period of service.

Nationalities of employees	31-12-13		31-12-12	
	Number	in %	Number	in %
Switzerland	959	68	982	68
Germany	167	12	177	12
Austria	37	3	42	3
Italy	51	4	64	4
USA	54	4	49	3
Spain	10	1	10	1
France	16	1	14	1
United Kingdom	22	1	24	2
Other	90	6	87	6
<b>Total</b>	<b>1,406</b>	<b>100</b>	<b>1,449</b>	<b>100</b>

Age structure	31-12-13		31-12-12	
	Number	in %	Number	in %
Up to 20 years old	19	1	20	1
20 to 30 years old	124	9	146	10
30 to 40 years old	467	33	499	34
40 to 50 years old	497	36	490	34
50 to 60 years old	256	18	244	17
More than 60 years old	43	3	50	4
<b>Total</b>	<b>1,406</b>	<b>100</b>	<b>1,449</b>	<b>100</b>

Seniority structure 2013



Age structure Board of Directors	31-12-13		31-12-12	
	Number	in %	Number	in %
40 to 50 years old	1	12	4	50
50 to 60 years old	4	50	1	12
More than 60 years old	3	38	3	38
<b>Total</b>	<b>8</b>	<b>100</b>	<b>8</b>	<b>100</b>

Seniority structure	31-12-13		31-12-12	
	Number	in %	Number	in %
Up to 1 year	166	12	160	11
1 to 5 years	519	37	571	40
5 to 10 years	389	28	377	26
10 to 20 years	240	17	247	17
20 to 30 years	72	5	73	5
More than 30 years	20	1	21	1
<b>Total</b>	<b>1,406</b>	<b>100</b>	<b>1,449</b>	<b>100</b>

### Proportion of males/females at different levels of management in 2013

	Number of women	Proportion of women	Number of men	Proportion of men
Employee	140	52%	127	48%
Middle management	215	48%	235	52%
Senior management	101	15%	582	85%
Group Executive Management	0	0%	6	100%
<b>Total</b>	<b>456</b>	<b>32%</b>	<b>950</b>	<b>68%</b>
Board of Directors	1	12%	7	88%

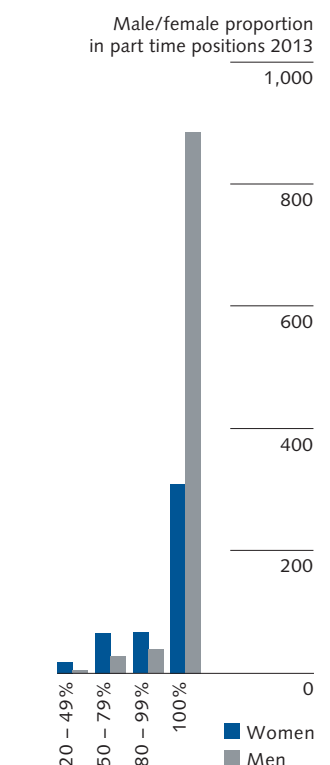
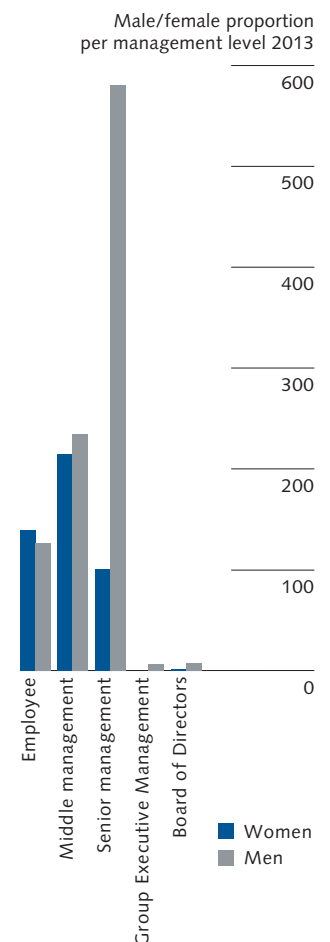
Vontobel offers its employees attractive working conditions to motivate them to deliver a good performance and to contribute to the realization of the bank's objectives in the future. This includes promoting a healthy work/life balance. For example, the maternity leave and paternity leave granted to working parents exceeds the statutory minimum. After completing six years of service, female employees benefit from six months of maternity leave on full pay, while members of staff who have been with the company for a shorter period of time are entitled to four months of maternity leave. New fathers are granted five days of paternity leave. Vontobel has, for many years, been a member of Childcare Service, an organization that advises parents on childcare issues and runs a group of nurseries. Vontobel is also a member of kcc group (globegarden), which offers families complete childcare solutions. Wherever possible from an operational perspective, Vontobel endeavours to meet requests for part-time working arrangements from employees, including members of middle management.

Compared to the previous year, there was virtually no overall change in the proportion of employees who work on a part-time basis: the proportion of female employees who work part-time rose by 2 percentage points to 33%, while the proportion of men in part-time positions remained at 7%. This means that 16% of Vontobel's workforce was employed on a part-time basis – demonstrating the company's willingness to promote solutions that help employees to combine their professional activities and family commitments.

### Proportion of males/females in part-time positions in 2013

	Number of women	Proportion of women	Number of men	Proportion of men	Total number	Proportion of total
20 – 49%	18	4%	4	0%	22	2%
50 – 79%	65	14%	32	3%	97	7%
80 – 99%	66	15%	36	4%	102	7%
100%	307	67%	878	93%	1,185	84%
<b>Total</b>	<b>456</b>	<b>100%</b>	<b>950</b>	<b>100%</b>	<b>1,406</b>	<b>100%</b>

A new online performance management system was rolled out during the reporting year. It combines the annual employee appraisals and the management by objectives (MbO) process. The core components of performance management were redefined and aligned with Vontobel's target corporate culture. Training about goal setting and



instructions on the use of the new online tool are being provided for all employees who perform a line management function. The online tool will be used as the basis for annual employee appraisals in all Vontobel locations and will help employees and their line managers to define individual measures to support their development.

The continuous training and development of employees is of key importance for the business and also enhances Vontobel's attractiveness as an employer. A new learning platform – the Vontobel Academy – has been launched that not only offers internal and external courses on specialist subjects, working methods, personal development and leadership but also contains e-learning modules. The platform allows Vontobel to swiftly develop new training modules and roll them out globally. During annual appraisals, employees and their line managers discuss the need for further training and development and the form it should take. This includes the option of completing external courses with the support of the company. Each year, Vontobel hires university graduates for its Graduate Trainee Programme in Investment Banking. Over a period of between 18 months and 2 years, the trainees complete a varied program that provides them with an insight into different aspects of one area of business within Investment Banking.

<b>Turnover and training</b>	<b>2013</b>	2012	2011
Fluctuation rate (in %)	<b>7.2</b>	7.5	8.5
Training costs (CHF 1,000)	<b>1,529</b>	1,847	2,349
Training costs (CHF/FTE)	<b>1,087</b>	1,275	1,579
Number of trainees	<b>21</b>	21	22

The rate of employee turnover for 2013 was 7.2%, a slight decrease of 1 percentage point compared to the previous year. During the year under review, the guidelines governing employee training were revised and a more restrictive approval process was introduced. As a result, expenditure on training declined both in absolute terms and per employee. Vontobel once again provided attractive training positions for young people in the form of 21 apprenticeships in 2013. This, in turn, benefits Vontobel by providing it with access to a pool of well-qualified young professionals who can be offered a permanent position.

Vontobel regularly holds "Welcome Day" events for new employees at which members of the Group Executive Management inform them in person about the company's strategy, objectives and culture. Each member of the Group Executive Management introduces his own specific area of responsibility and answers questions from the participants. New employees respond very positively to the fact that the managers personally take part in this event, which reflects Vontobel's culture of promoting an open dialogue. In the year under review, the "Welcome Day" event was relaunched in a new and more interactive format. Reflecting the increasingly international nature of Vontobel's workforce, the event was offered in English for the first time.

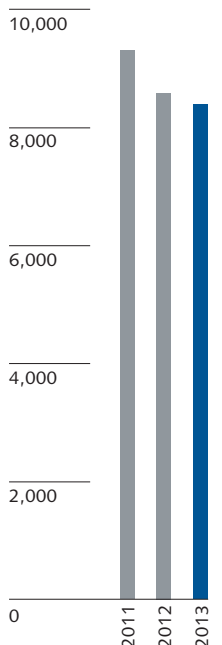
The “Seitenwechsel” programme offers senior managers the opportunity to further develop their leadership and social skills. Vontobel executives spend one week in a social institution of their choice – ranging from homes for people with disabilities and clinics for people suffering from addiction to asylum centres. The programme enables them to discover a very different type of working environment and provides them with a new perspective. Managers from all of the bank’s business units took part in the program again in 2013. They found the experience to be enriching and gave very positive feedback about the programme.

Vontobel assigns considerable importance to actively promoting health and wellbeing in the workplace. For example, it regularly offers free influenza immunizations to employees. The staff restaurant at Vontobel’s head office is especially popular with employees, who can enjoy a healthy meal there each day. In addition, fresh fruit is offered to employees in the workplace on a daily basis. Vontobel’s sports club enables employees to participate in different forms of exercise in order to strike a physical balance with their work. The club also gives them a chance to get to know their colleagues in a different environment.

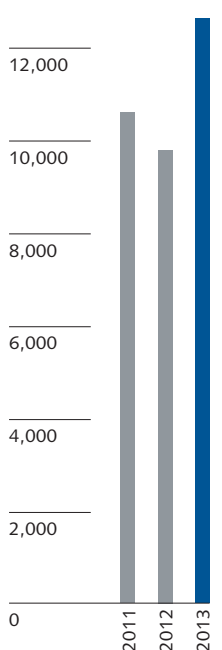
A global employee survey was carried out again in 2013 – following a long interval – to gain an insight into employee engagement and to assess the most important factors that influence it. In view of the high response rate (79%), the results provide a very accurate picture of employee views. Particularly positive aspects of the results are the high level of employee identification with Vontobel’s corporate values, the trust that employees have in the Group Executive Management, and their loyalty to the company. Scope for improvement was identified in the area of internal communication across business units. Employees also indicated that they would like to have the opportunity to learn from clear feedback from their line managers and to understand their individual development goals. In addition, several employees expressed doubts about whether equal opportunities really apply in all cases at Vontobel. In response to the findings, dialogue platforms will be established for all business units in all of Vontobel’s major locations with the aim of providing updates about targets and results twice annually as well as to create a basis to discuss questions. During the training courses about the new performance management tool, particular attention will also be assigned to the topic of further development and to emphasizing the importance of diversity.

Vontobel has, for many years, been implementing a compensation concept that motivates employees to contribute to the sustained success of the company. Further information on this topic can be found in the compensation report (Annual Report page 53ff.). Our compensation system places a strong emphasis on the Group’s long-term success and defers the payment of a proportion of the variable compensation awarded to the employees concerned. In this way, we encourage and reward responsible and risk-conscious conduct that is in the best interests of the company.

Total energy consumption per employee (kWh/FTE)



Business travel per employee (km/FTE)



## Environmental and climate protection

Vontobel is committed to reducing the environmental and climate-related impacts of its processes and products and gathers comprehensive environmental data each year in order to measure its progress. The first table below shows our key sustainability indicators in absolute figures. The second table shows all of the figures in relation to the number of employees (FTEs) at Vontobel. Despite various achievements during the year, the overall picture regarding our environmental performance in 2013 is mixed.

### Environmental key figures absolute

	2013 <sup>1</sup>	2012 <sup>1</sup>	2011 <sup>1</sup>
<b>Total energy consumption (MWh)</b>	<b>11,141</b>	11,973	12,922
Electricity consumption (MWh)	7,447	8,525	9,060
Heat consumption (MWh)	3,469	3,166	3,168
District heating usage (MWh)	225	282	694
<b>Business travel (1,000 km)</b>	<b>16,812</b>	13,678	14,748
<b>Paper consumption (t)</b>	<b>198</b>	172	194
Proportion of recycled paper used (%)	13	12	12
Proportion of FSC-label paper used (%)	80	81	81
<b>Water consumption (drinking water, m<sup>3</sup>)</b>	<b>17,509</b>	19,657	21,462
<b>Volume of waste (t)</b>	<b>254</b>	288	309
Recycling ratio (%)	67	66	71
<b>Total greenhouse gas emissions (CO<sub>2</sub> equivalents in t)<sup>2</sup></b>	<b>3,978</b>	3,554	3,799
Greenhouse gas emissions: scope 1 and 2 (CO <sub>2</sub> equivalents in t) <sup>2</sup>	1,383	1,324	1,365
Greenhouse gas emissions: scope 3 (CO <sub>2</sub> equivalents in t) <sup>2</sup>	2,595	2,230	2,434

<sup>1</sup> The figures are based on the period from 1 October in the previous year to 30 September

<sup>2</sup> Definition according to GHG Protocol

### Environmental key figures per employee (in FTE<sup>2</sup>)

	2013 <sup>1</sup>	2012 <sup>1</sup>	2011 <sup>1</sup>
<b>Total energy consumption (kWh/FTE)</b>	<b>8,390</b>	8,581	9,305
Electricity consumption (kWh/FTE)	5,608	6,110	6,524
Heat consumption (kWh/FTE)	2,612	2,269	2,281
District heating usage (kWh/FTE)	170	202	500
<b>Business travel (km/FTE)</b>	<b>12,660</b>	9,803	10,619
<b>Paper consumption (kg/FTE)</b>	<b>149</b>	123	139
<b>Water consumption (drinking water, l/FTE)</b>	<b>13,185</b>	14,088	15,454
<b>Volume of waste (kg/FTE)</b>	<b>191</b>	206	223
<b>Total greenhouse gas emissions (CO<sub>2</sub> equivalents in kg/FTE)<sup>3</sup></b>	<b>2,996</b>	2,548	2,735
Greenhouse gas emissions: scope 1 and 2 (CO <sub>2</sub> equivalents in kg/FTE) <sup>3</sup>	1,042	949	982
Greenhouse gas emissions: scope 3 (CO <sub>2</sub> equivalents in kg/FTE) <sup>3</sup>	1,954	1,599	1,753

<sup>1</sup> The figures are based on the period from 1 October in the previous year to 30 September

<sup>2</sup> FTE = Full Time Equivalent

<sup>3</sup> Definition according to GHG Protocol

There was another significant decrease in electricity consumption in 2013, both in absolute terms and per employee. The transfer of further computing capacity to one of the most modern data centres in Europe, as well as a reduction in cooling capacity in one larger building, contributed to the decrease in electricity usage. Vontobel's efforts to group workspaces together within a smaller number of locations both in Zurich and abroad also helped to lower electricity consumption. In addition, numerous individual measures (changeover to LED lighting, replacement of the systems that insure an uninterrupted supply of electricity) led to additional savings. Fuel usage rose during the year under review due to a change of premises – resulting in a reduction in the use of district heating – as well as to increased heating needs following a colder winter in Switzerland. Overall, developments relating to the use of electricity and heating resulted in a 7% decrease in energy consumption compared to the previous year.

Vontobel purchased electricity from renewable sources for all of its locations worldwide for the first time in 2013. Although it has long been purchasing this type of electricity in Switzerland, this was previously not possible for all international locations. An innovative product from Southpole Carbon provided the solution: with "Gold Power", companies can purchase renewable energy, no matter where they consume electricity – thus promoting the expansion of global capacity for the production of renewable energy.

Business travel was 23% higher in the year under review than in 2012. This significant rise was primarily due to increased air travel. The additional flights taken by employees consisted exclusively of long-haul flights, where rail travel could not be used as an alternative. The volume of rail travel grew by 12% in 2013, while a corresponding decline in motoring was recorded. The increased level of travel reflects the more international focus of Vontobel's business model and is also attributable to various projects involving larger numbers of meetings.

Paper consumption was 15% higher in 2013 than in the previous year due to a variety of factors. Growing requirements in the area of client communications – due, in part, to increased regulation – led to a significant rise in client-related paper usage. In terms of publications, the production of the Vontobel Chronicle, which charts the history of the bank, led to a one-off increase in paper consumption following a marked decline in the previous year. There was also a marginal increase in the use of photocopying paper, which was partly attributable to a number of internal projects. Over 90% of the paper used bears the FSC label or has been produced using recycled paper.

A further reduction in water consumption was recorded in the year under review. This was mainly due to a reduction in cooling in one large building. The refuse volume also decreased, reflecting a lower volume of waste paper on the one hand, and Vontobel's withdrawal from certain international locations that generated large volumes of refuse on the other. The recycling ratio remained in line with the previous year.

Greenhouse gas emissions rose for the first time in three years. The significant increase of 12% (or 18% per employee) in 2013 was due almost exclusively to the increase in travel. Around two-thirds of Vontobel's greenhouse gas emissions result from business travel. The entire company has been carbon neutral since 2009. In conjunction with

our established partner Southpole, Vontobel purchased emissions reduction certificates that are equivalent to our annual global CO<sub>2</sub> output in order to fully offset all our greenhouse gas emissions. The proceeds from the purchase of the certificates enable companies in developing countries and emerging markets to carry out renewable energy projects. The emissions are offset via the following schemes: a geothermal project in Turkey, the construction of micro hydropower stations in rural areas of China, and the building of various wind parks in India. Detailed information on these individual projects is available on Vontobel's website.

When renovating our offices, we focus on the use of green building methods and on ensuring that its offices can be operated in an energy-efficient manner. The relocation of its Investment Banking operations and various support units to a new office location was its main focus in 2013. As part of this process, Vontobel vacated a number of other premises and grouped together workspaces in various locations. The new building is being leased by Vontobel, and we ensured that the renovations were carried out in accordance with strict energy standards and that the building envelope is well insulated. In the interior of the building, energy-saving LED lighting has been installed in all offices. A new system to ensure an uninterrupted supply of electricity was installed. Thanks to a second connection to the grid and the use of state-of-the-art technology, it was possible to reduce the size of the system – thus generating energy savings. The computer screens installed in employee workspaces feature the most efficient technology available and only use around one-third of the electricity required for the screens that were previously in use. As a result, it will be possible to achieve direct savings of around 35,000 kWh throughout the building each year. Cooling requirements are also lower.

The Vontobel staff restaurant introduced the "One Two We" programme run by our partner SV Group in 2013. This sustainability programme, which was launched in conjunction with WWF Switzerland, resulted in changes to the selection of food on offer – with more seasonal produce, fewer products that are transported by air, less meat and the increased use of different types of cereals as an alternative to rice. In addition, an energy audit was carried out to assess the usage of all kitchen appliances and to determine the optimal operating times. Employees were also asked to consider their portion sizes when using the restaurant. Once a week, they can enjoy the "One Climate Menu" – a special climate friendly meal. The programme has met with a positive response and has made it possible to reduce the climate footprint of the meals provided.

Sustainable mobility is also an important topic for a company located in the city centre. During the year under review, Vontobel increased its fees for parking spaces – bringing them into line with market rates and ensuring the equal treatment of all forms of mobility. Vontobel once again took part in the well-established Swiss "Bike to Work" programme to raise employee awareness of the benefits of cycling as a swift and healthy mode of transport. A total of 16 teams and 61 employees took part despite adverse weather conditions – the highest level of participation to date. Two "Twizy" electric vehicles produced by Renault were purchased for employees to use when commuting between two office locations. In 2013, the bank also participated in a mobility dialogue with the City of Zurich at which challenges and potential activities relating to the growing volume of commuters and business traffic were discussed.



### Social responsibility generates added value

There is a long tradition of social responsibility at Vontobel. The bank is part of the global economic system and benefits, in particular, from the excellent operating conditions in its Swiss home market in terms of high standards of education, a good infrastructure and political stability. Vontobel therefore considers it important to make a contribution that will benefit society.

The payment of corporate taxes each year is one important way in which we assume our social responsibilities. Compared to the previous year, value creation increased by 12% in 2013 and tax contributions were also considerably higher in 2013 than in 2012 (23%). The dividend distributed by Vontobel Holding AG increased compared to 2012 due to an improvement in net profit in 2012 versus the previous year.

External stakeholders	2013	2012	2011
Added value (CHF mns) <sup>1</sup>	<b>615.0</b>	547.8	526.6
Taxes and dues (CHF mns) <sup>2</sup>	<b>34.4</b>	27.9	36.9
Dividends paid (CHF mns)	<b>77.1</b>	70.6	90.5

<sup>1</sup> Operating income less depreciation of fixed assets and intangible assets

<sup>2</sup> Includes profit tax, capital tax and other taxes and contributions

The bank regards compliance with applicable laws as an inherent part of its business activities that is ensured using appropriate processes. All business areas are monitored continuously as part of Vontobel's compliance processes to detect any possible legal infringements or to identify risks of corruption. Upon joining Vontobel, all employees are issued with an Employee Handbook that sets out specific regulations and instructions and contains the Code of Conduct. Regular training sessions are held to repeatedly remind employees of the need to comply with existing regulations in order to prevent breaches of internal rules or legal requirements.

Bank Vontobel supports cultural, environmental and educational activities by providing donations and sponsorship funding. In 2013, Vontobel made donations and grants totalling CHF 506,300. For every Christmas card sent by Vontobel in 2013, the bank made a donation to the international humanitarian organization Doctors Without Borders, which provides urgent medical aid to people in crisis zones regardless of their race, religion or political affiliation. These donations support the valuable work of Doctors Without Borders while meeting with a positive response from our clients and business partners. As a founding member of the Climate Foundation Switzerland, Vontobel once again provided funding for several climate protection projects conducted by small and medium-sized Swiss enterprises in 2013. Companies supported by the Climate Foundation during the year under review include a firm that manufactures an innovative wind rail that can be attached to the roofs of houses and exploits differences in air pressure at the edge of the roof to generate electricity, as well as a firm that develops machines to produce high-energy woodchips. Numerous other companies received funding to help meet the costs of installing climate-friendly heating systems.

It is not only monetary contributions that are beneficial: society can also profit from the transfer of knowledge. A number of Vontobel employees share their expertise with others by giving talks and presentations at training events that are held internally or at external educational establishments. This makes it possible to ensure the transfer of knowledge within the company and to raise public awareness about the complex interrelationships within the financial markets and the importance of the finance industry for the Swiss economy.

The Vontobel Group purchases a large quantity of products and services from external providers – ranging from facility management services and IT infrastructure to the design and production of printed materials. We therefore assign considerable importance to ensuring that our own sustainability principles are upheld by our business partners. This includes guaranteeing high employment standards, respecting human rights, making careful use of natural resources and preventing corruption. These principles are also reflected in our general purchasing conditions as well as the more detailed purchasing guidelines.

Vontobel is involved in various organizations that promote a more sustainable approach to business within the finance industry and has signed the relevant declarations. In this way, we actively support the sustainable development of both the financial system and the economy as a whole.

As a member of the Sustainability Forum Zurich (TSF), Vontobel was involved in writing a white paper that was published in June 2013 and sets out a vision for how Switzerland can become a leading sustainable financial centre. The report, which was produced in conjunction with Sustainable Finance Geneva, describes the direction and measures that should be taken to promote a more sustainable approach to business within the Swiss finance industry. Its authors believe that the implementation of these recommendations will enhance the reputation and competitiveness of the sector and create new opportunities for growth.

Our efforts to take greater account of sustainability across all areas of our business are part of a permanent commitment in this area. Vontobel will therefore strive to achieve continued improvements in the many fields of sustainable business management going forward.

At [www.vontobel.com/sustainability](http://www.vontobel.com/sustainability) we provide regular updates on our progress on the internet.

**Organizations committed to the sustainable development of the economy and finance industry of which Vontobel is a member:**

- **The Sustainability Forum (TSF)** a Swiss think-tank to promote sustainable approaches in the finance industry. Vontobel plays an active role within the organization's governing bodies and thus helps to shape its activities.
- **Climate Foundation Switzerland**, an organization that provides financial support for projects to improve energy efficiency in small and medium-sized enterprises. Vontobel is one of its founding members.
- **Öbu**, an association of Swiss companies that addresses sustainability and management topics. It offers practical tools and knowhow to promote a sustainable approach to business.
- **Energy Agency for the Economy (EnAW)**, which was founded by business associations with the aim of enhancing energy efficiency among its members and encouraging them to reduce their level of CO<sub>2</sub> emissions.
- **Principles for Responsible Investment**, a UN initiative. As one of its signatories, Vontobel has pledged to gradually implement six principles relating to the broad-based integration of sustainability criteria into investment processes.
- **Sustainable Investment Forum (FNG)**, an industry association that promotes sustainable investing in Germany, Austria and Switzerland. Vontobel is represented on its Management Board and coordinates the activities of the Swiss branch of the organization.
- **Forum per la Finanza Sostenibile**, the Italian forum for sustainable investing.





## Statement GRI Application Level Check

GRI hereby states that **Vontobel Holding AG** has presented its report “Annual Reports 2013” to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 22 January 2014

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 20 January 2014. GRI explicitly excludes the statement being applied to any later changes to such material.



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