
Appendix C

Adverse Impacts on Society and the Environment



Adverse impacts on society and the environment

We consider and, where possible mitigate adverse impacts of our investments on society and the environment through a combination of portfolio management decisions, active ownership activities, and exclusion of certain categories of issuers (see Appendix B).

Subject to data availability, Bank Pictet & Cie (Europe) A.G. is committed to report on a best effort basis the principal adverse impacts of its investments on sustainability factors through the indicators and metrics listed in the table below.

Key indicators and metrics applicable to investments in companies

Adverse Sustainability Indicator (Group)	Adverse Sustainability Indicator	Metric
Greenhouse gas emissions	PAI 1. GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		Scope 3 GHG emissions
		Total GHG emissions
	PAI 2. Carbon footprint	Carbon footprint
	PAI 3. GHG intensity of investee companies	GHG intensity of investee companies
	PAI 4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
Energy performance	PAI 5. Share of nonrenewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as percentage
	PAI 6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of Investee companies, per high impact climate sector
	PAI 7. Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas
Water	PAI 8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
Waste	PAI 9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average

Social and employee matters	PAI 10. Violations of UN Global Compact (UNGC) principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	PAI 11. Lack of processes and Compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance / complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	PAI 12. Unadjusted gender pay gap PAI 13. Board gender diversity	Average unadjusted gender pay gap of investee companies Average ratio of female to male board members in investee companies
Human rights	PAI 14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons
Other Adverse Sustainability Indicator (Group)	Other Adverse Sustainability Indicator	Metric
Emissions	AI 4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
Anti-corruption and anti-bribery	AI 15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption

Key indicators and metrics applicable to investments in sovereign issuers

Adverse Sustainability Indicator (Group)	Adverse Sustainability Indicator	Metric
Fossil fuels	PAI 17. Exposure to fossil fuel through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels
Energy efficiency	PAI 18. Exposure to energy-inefficient real estate assets	Share of investments in energy inefficient real estate assets

