

Pictet Group

Annual report 2024



CONTENTS

Key figures	3
Reflections on 2024	4
Consolidated balance sheet	5
Consolidated income statement	6
Consolidated cash-flow statement	7
Statement of changes in equity	9
Pictet Group governance at 31 December 2024	10
Notes	29
Accounting principles	29
Risk management	37
Hedge accounting	43
Events after the balance sheet date	44
Notes to the balance sheet	45
Notes to off-balance sheet transactions	68
Notes to the income statement	71
Report of the auditor	77

KEY FIGURES

CHF thousand	2024	2023
Consolidated income statement		
Operating income	3 160 208	3 161 546
Total expenses before tax	2 343 921	2 424 425
Operating result	816 287	737 121
Consolidated profit for the year	665 374	576 691
Cost/income ratio	74%	77%
<hr/>		
CHF thousand	31.12.2024	31.12.2023
Consolidated balance sheet		
Total assets	43 236 177	40 060 322
Total equity	3 782 034	4 103 556
Basel III CET1 solvency ratio	24.2%	28.7%
Basel III Total solvency ratio	24.5%	29.0%
Liquidity coverage ratio (LCR)	212%	198%
Return on equity	16.9%	14.0%
Leverage ratio	6.5%	7.7%
<hr/>		
Other indicators		
Assets under management or custody (CHF bn)	724	633
Staff (in FTE)	5 496	5 439
in Switzerland	3 250	3 226
abroad	2 246	2 213
Banque Pictet & Cie SA's rating FitchRatings/Moody's	AA-/Aa2	AA-/Aa2

REFLECTIONS ON 2024

We are honoured to present the Annual Report of the Pictet Group for the year ending 31 December 2024.

The past year was characterised by elections in more than 70 countries, deepening geopolitical fragmentation and a resilient global economy buoyed by technological innovation.

For markets, 2024 was largely a positive year. Price pressures eased, many central banks lowered interest rates and transformative innovations such as generative AI continued to gain traction. The S&P 500 closed the year up 25%, and the Shanghai Composite Index rose by 13%, ending a two-year decline. At the same time, gold, the ultimate safe haven, achieved a remarkable 27% return in USD.

Amid this environment boosted by strong market effects and investment performance, our assets under management reached an all-time high of CHF 724 billion and the Group recorded CHF 11 billion in net new money.

The Group maintained its financial strength, with consolidated profit up 15% at CHF 665 million. Operating income remained steady at CHF 3.2 billion, consistent with the previous year.

The Group's equity, regulatory liquidity and capital ratios remained robust. Total equity amounted to CHF 3.8 billion, while the liquidity coverage ratio was 212%, exceeding the 100% requirement under Basel III. The total capital ratio stood at 24.5% at year-end 2024 and was comfortably above the 12% requirement set by the Swiss regulator, FINMA.

2024 also saw the retirement of Renaud de Planta from the partnership. The Group is now owned and managed by seven Managing Partners, together with 43 Equity Partners who form the senior management. We thank Renaud for his more than 25 years of dedication and bid him a fond farewell. He played a pivotal role in the development of the firm and was always guided by a purpose that has defined Pictet since 1805: honouring our commitment to enduring quality.

As we celebrate our 220th anniversary in 2025, this purpose remains at the core of everything we do.

I would like to close by thanking our clients for their loyalty and trust and our employees for their remarkable work in these challenging times.

MARC PICTET
Senior Managing Partner

CONSOLIDATED BALANCE SHEET

Assets (CHF thousand)	Notes	31.12.2024	31.12.2023
Liquid assets		3 234 305	5 123 932
Amounts due from banks	10	2 132 451	1 144 735
Amounts due from securities financing transactions	1	8 775 000	8 795 000
Amounts due from customers	2;16	7 273 379	7 169 783
Trading portfolio assets	3	19 908	16 351
Positive replacement values of derivative financial instruments	4	2 685 209	2 375 198
Other financial instruments at fair value	3	1 463 390	1 037 504
Financial investments	5;10	16 047 839	12 893 533
Accrued income and prepaid expenses		816 100	739 808
Non-consolidated participations	6;7	5 011	4 035
Tangible fixed assets	8	437 650	337 386
Other assets	9	345 935	423 057
Total assets		43 236 177	40 060 322
Total subordinated claims		-	-
Liabilities (CHF thousand)	Notes	31.12.2024	31.12.2023
Amounts due to banks		696 660	1 585 676
Liabilities from securities financing transactions	1	2 971 186	2 672 992
Amounts due in respect of customer deposits	11;16	30 278 141	26 109 507
Trading portfolio liabilities	3	1 739	9 624
Negative replacement values of derivative financial instruments	4	1 906 681	2 334 798
Liabilities from other financial instruments at fair value	3;13	1 621 784	1 135 171
Accrued expenses and deferred income		1 222 617	1 220 134
Other liabilities	9	440 008	562 637
Provisions	14	315 327	326 227
Total equity		3 782 034	4 103 556
Equity owners' contribution	15;17	530 897	674 819
Capital reserve		11 664	11 664
Retained earnings reserve		2 605 083	2 858 620
Currency translation reserve		(30 984)	(18 238)
Consolidated profit for the year		665 374	576 691
Total liabilities		43 236 177	40 060 322
Total subordinated liabilities		-	-

Consolidated off-balance-sheet transactions

CHF thousand	Notes	31.12.2024	31.12.2023
Contingent liabilities	2;23	8 377 998	8 408 034
Irrevocable commitments	2	68 359	105 714

CONSOLIDATED INCOME STATEMENT

CHF thousand	Notes	2024	2023	Change
Interest and discount income	27	871 835	816 762	
Interest and dividend income from financial investments		474 137	346 126	
Interest expense	27	(853 448)	(581 203)	
Gross result from interest operations		492 524	581 685	-15%
Changes in value adjustments for default risks and losses from interest operations	2;14	(781)	1 120	
Subtotal net result from interest operations		491 743	582 805	-16%
Commission income from securities trading and investment activities		3 372 295	3 277 240	
Commission income from lending activities		2 449	3 455	
Commission income from other services		17 341	11 392	
Commission expenses		(917 612)	(887 942)	
Subtotal result from commission business and services		2 474 473	2 404 145	3%
Result from trading activities and the fair value option	26;27	188 868	172 315	10%
Result from the disposal of financial investments		-	-	
Income from other non-consolidated participations		1 578	1 658	
Result from real estate		2 654	2 860	
Other ordinary income		1 124	1 178	
Other ordinary expenses		(232)	(3 415)	
Subtotal other result from ordinary activities		5 124	2 281	125%
Subtotal operating income		3 160 208	3 161 546	0%
Personnel expenses	12;28	(1 573 017)	(1 529 919)	
General and administrative expenses	29	(715 116)	(717 040)	
Subtotal operating expenses		(2 288 133)	(2 246 959)	2%
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	6;8	(37 367)	(40 670)	
Changes to provisions and other value adjustments and losses	14;30	(18 421)	(136 796)	
Operating result		816 287	737 121	11%
Extraordinary income	30	6 640	610	
Extraordinary expenses	30	-	-	
Taxes	32	(157 553)	(161 040)	
Consolidated profit for the period		665 374	576 691	15%

CONSOLIDATED CASH-FLOW STATEMENT

CHF thousand	2024		2023	
	Cash inflows	Cash outflows	Cash inflows	Cash outflows
Cash flow from operating activities (internal financing)				
Consolidated result for the year	665 374	-	576 691	-
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	37 367	-	40 670	-
Provisions and other value adjustments	14 649	25 549	31 129	21 632
Change in value adjustments for default risks and losses	2 979	1 005	1 621	1 285
Accrued income and prepaid expenses	-	76 292	-	78 262
Accrued expenses and deferred income	2 483	-	-	102 584
Other items	96 206	141 713	168 813	244 188
Previous year's dividends	-	830 228	-	599 600
Subtotal	819 058	1 074 787	818 924	1 047 551
Cash flow from shareholders' equity transactions				
Share capital/participation capital/endowment capital, of which, equity owners' contribution	-	143 922	-	16 318
Recognised in reserves	-	12 746	-	11 849
Subtotal	-	156 668	-	28 167
Cash flow from transactions in respect of participations, tangible fixed assets and intangible assets				
Participations	2 881	3 950	-	31
Real estate	86	108 264	2 138	80 114
Other tangible fixed assets	342	29 702	2 338	44 882
Subtotal	3 309	141 916	4 476	125 027

CHF thousand	2024		2023	
	Cash inflows	Cash outflows	Cash inflows	Cash outflows
Cash flow from banking operations				
Medium- and long-term business (>1 year)				
Amounts due in respect of client deposits	-	6 799	-	3 533
Amounts due from customers	23 462	-	117 664	-
Financial investments	-	508 977	2 411 090	-
Short-term business (<1 year)				
Amounts due to banks	-	889 016	-	170 695
Liabilities from securities financing transactions	298 194	-	598 666	-
Amounts due in respect of customer deposits	4 175 433	-	-	4 917 304
Trading portfolio liabilities	-	7 885	8 810	-
Negative replacement values of derivative financial instruments	-	428 117	367 289	-
Liabilities from other financial instruments at fair value	486 613	-	-	434 222
Amount due from banks	-	987 716	603 416	-
Amount due from securities financing transactions	20 000	-	-	3 212 480
Amount due from customers	-	129 032	1 426 661	336
Trading portfolio assets	-	3 557	-	2 714
Positive replacement values of derivative financial instruments	-	310 011	182 358	-
Other financial instruments at fair value	-	425 886	381 881	-
Financial investments	-	2 645 329	3 131 314	-
Liquidity				
Liquid assets	1 889 627	-	-	110 520
Subtotal	6 893 329	6 342 325	9 229 149	8 851 804
Total	7 715 696	7 715 696	10 052 549	10 052 549

STATEMENT OF CHANGES IN EQUITY

CHF thousand	Equity owners' contribution	Capital reserve	Retained earnings reserve	Currency translation reserves	Result of the period	Total
Equity at 1.1.2024	674 819	11 664	2 858 620	(18 238)	576 691	4 103 556
Capital increase/decrease	(143 922)	-	-	-	-	(143 922)
Currency translation differences	-	-	-	(12 746)	-	(12 746)
Dividends and other distributions	-	-	(830 228)	-	-	(830 228)
Other allocations to (transfers from) the other reserves	-	-	576 691	-	(576 691)	-
Consolidated profit for the period	-	-	-	-	665 374	665 374
Equity at 31.12.2024	530 897	11 664	2 605 083	(30 984)	665 374	3 782 034

PICTET GROUP GOVERNANCE
AT 31 DECEMBER 2024

Structure and ownership of the Pictet Group

The Pictet Group is a privately owned leader in wealth and asset management. As an investment-led service company, the Pictet Group offers wealth management, asset management and related asset 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 Partners of the Pictet & Cie Group SCA have joint control. These entities are listed in note 7 “Main legal entities of the Group”. The holding entities are listed in the accounting principles section.

The Group's equity comprises contributions from the equity owners, that is the Managing Partners and other holders of equity capital in the companies that, in combination, control the Pictet Group.

The significant equity owners are the Managing Partners: Marc Pictet, Laurent Ramsey, Sébastien Eisinger, Elif Aktuğ, François Pictet, Sven Holstenson and Raymond Sagayam.

Pictet Group governing bodies

The three main governing bodies are the Board of Managing Partners, the Group Executive Committee and the Supervisory Board of Pictet & Cie Group SCA.

The Board of Managing Partners is made up of the Managing Partners of Pictet & Cie Group SCA. It is responsible for the top management of the Group. It defines the Group's strategy, supervises its implementation, sets the Group's risk appetite and exercises consolidated supervision of the Group's activities.

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

The Supervisory Board acts as an independent body that oversees the management of the Pictet Group by the Board of Managing Partners. To support its oversight responsibilities, the Supervisory Board has constituted a Risk & Compliance Committee and an Audit Committee, each comprising three independent members of the Supervisory Board.

Risk management

The 'risk management' note to the Annual Report of the Pictet Group describes the Group's risk policy and the risk profile, as well as the oversight, controlling and management of the risks incurred by the Pictet Group.

Supervisory Board

Members

Shelby du Pasquier, *Chairman**
Hans Isler*
Jacques de Saussure**
Nicolas Pictet*
Daniel Wanner*
Jürg Brun*
Isabelle Romy*
Susanne Haury von Siebenthal*
Rémy Best

Audit Committee

Daniel Wanner, *Chairman**
Jürg Brun*
Isabelle Romy*

Risk & Compliance Committee

Hans Isler, *Chairman**
Shelby du Pasquier*
Susanne Haury von Siebenthal*

*Independent members

**until 31st December 2024,
Renaud de Planta from 1st January 2025

Organisation

The Supervisory Board is made up of at least three people elected by the annual general meeting of Pictet & Cie Group SCA. The composition of the Supervisory Board meets the independence criteria imposed by FINMA.

The members of the Supervisory Board are elected for a term of one year and may be re-elected. The members of the Supervisory Board cannot be Partners or employees of the Pictet Group.

The Supervisory Board meetings are called at least four times per year.

Responsibilities

As the body with oversight over the Board of Managing Partners, the Supervisory Board verifies that the measures taken by the Board of Managing Partners comply with law, regulations and the articles of association of Pictet & Cie Group SCA. In this context the Supervisory Board, either directly or through its Committees, oversees the risk controls and the following tasks, among others:

- monitoring the existence of a risk management framework and policy that reflect the strategy and risk profile of the Pictet Group,
- critically assessing the main risks and ensuring that the Board of Managing Partners responds to them,
- verifying that the level of equity is in line with the strategy and risk profile of the Pictet Group,
- monitoring the adequacy of the organisation of the Pictet Group's control functions.

The Supervisory Board also exercises a control function over the internal and external audit through its Audit Committee. In this capacity, it examines and approves the annual audit plan and reviews the work carried out by internal and external audit and the measures that have to be taken. It evaluates the integrity of the financial statements of the Group.

The Supervisory Board informs the Board of Managing Partners of its findings relating to the supervision and the controls performed.

Backgrounds of the members of the Supervisory Board

Shelby du Pasquier

Education

- Columbia University School of Law, New York City (LL.M.)
- University of Geneva, School of Law (Bachelor's)
- University of Geneva School of Economics and Social Sciences (Bachelor's)

Professional experience

- Since 1988: Lenz & Staehelin, Geneva (partner since 1994)

*Appointments**

- Member of the International Bar Association, Swiss Bar Association, Geneva Bar Association
- Member of the Council of the Swiss National Bank, until 30 April 2024
- Member of the Board of Directors of SGS SA, until 26 March 2024
- Member of the Board of the Grand Théâtre de Genève Foundation, Geneva
- Member of the Board of the Fondation du Musée d'art moderne et contemporain, Geneva

Hans Isler

Education

- Swiss Certified Public Accountant
- Master's in Economics, University of St. Gallen

Professional experience

- Since 2012: independent Board Member
- 2002 – 2011: Ernst & Young SA, Switzerland, Partner and member of the Board of Directors
- 1980 – 2002: Arthur Andersen SA, Switzerland, partner (from 1994 to 2002) and member of the Board of Directors
- 1978 – 1980: Delegate to the International Committee of the Red Cross

*Appointments**

- Vice-chairman of the Board of Directors of Banque du Léman SA, Geneva
- Chairman of the Board of Directors of Valcourt SA, Geneva
- Member of the Board of Directors of MKS Pamp SA, Geneva, of Pamp Ventures SA, Geneva, of MMTC PAMP India pvt. Ltd, Dehli and Goldavenue SA, Geneva
- Member of the Finance Commission of Doctors Without Borders Switzerland, Geneva, until 31 October 2024
- Chairman of the Compagnie Financière Taler SA, Luxembourg
- Chairman of the Board of Directors of Hymob SA, Le Mont sur Lausanne.
- Member of the Board of Trustees of "Geneva Call", Geneva
- Foundation Audemars Piguet pour le Bien Commun, Member of the Board of Trustees

Jacques de Saussure

Education

- MIT Sloan School of Management, Boston
- Degree in applied Mathematics and Computing, Ecole Polytechnique de Lausanne

Professional experience

- 1980 – 2016: Pictet Group (partner from 1986 to 2016)
- 1978 – 1979: Intersec Research

*Appointments**

- Chairman of the Board of Directors of Symbiotics Group SA, Geneva
- Chairman of the Board of Directors of EuroSite Power Inc., Waltham (United States)
- Member of the Council of Europa Nostra, The Hague
- Chairman of the Board of the EPFL Plus Foundation, Lausanne
- Member of various Boards of charitable foundations

Nicolas Pictet

Education

- Law degree and bar exam, Geneva

Professional experience

- 1984 – 2019: Pictet Group (partner from 1991 to 2019)
- 1982 – 1984: Oppenheimer & Richard Butler, London
- 1978 – 1982: Schellenberg Wittmer Avocats, Geneva

*Appointments**

- Member of various Boards of charitable foundations

Daniel Wanner

Education

- Swiss Certified Public Accountant
- Master's in economics and management, HEC, Lausanne

Professional experience

- 1995 – 2019: Pictet Group (Group Chief Financial Officer from 2000 to 2019)
- 1994 – 1995: STG-Coopers & Lybrand SA, partner in charge of bank audit, Geneva
- 1983 – 1994: Ofor Révision Bancaire SA, Président de la direction, Geneva

*Appointments**

- Chairman of the Board of Foundation Philanthropique Takoha E&D Wanner
- Chairman of the Conseil Paroissial de St-Prex, St-Prex

Jürg Brun

Education

- Swiss Certified Public Accountant
- BA of Economics

Professional experience

- Since 2015: Brun Advisory GmbH
- 1998 – 2014: Ernst & Young AG, Switzerland
Partner Financial, Regulatory & IT Audit
Chief Knowledge Officer
- 1996 – 1997: Ernst & Young LLP, Cleveland (USA)
Lead Technology of Global Audit Innovation
- 1980 – 1995: Ernst & Young AG, Switzerland
- *Appointments**
 - No other appointments

Isabelle Romy

Education

- Professoral thesis at the University of Fribourg
- Doctoral thesis (PhD) at the University of Lausanne
- University of Lausanne, Law degree

Professional experience

- Since 2021: Attorney at law, Partner at Kellerhals Carrard in Zürich
- 2012 – 2021: Attorney at law, Partner at the law firm FRORIEP Legal AG
- 2003 – 2008: Deputy Judge at the Swiss Federal Supreme Court
- 1995 – 2012: Associate (1995-2002), then Partner (2003-2012) at the law firm Niederer Kraft & Frey Ltd in Zurich
- 1994 – 1996: Teaching Assistant at the Law School of the University of Lausanne (Criminal law)
- 1992 – 1994 Visiting scholar at Boalt Hall, School of Law, University of California at Berkeley

*Appointments**

- Vice-Chair of the Sanction Commission (SaKo) of the SIX Swiss Exchange (since 2008; Member of the commission since 2002)
- University of Fribourg – Ordinary professor
- Federal Institute of Technology in Lausanne (EPFL)

Susanne Haury von Siebenthal

Education

- MTh, Master of Theology, University of Bern
- BTh, Bachelor of Theology, University of Bern
- PhD HSG, Doctor of Economics, University of St. Gallen
- Lice. oec. HSG, Licentiate of Business Administration / Economics, University of St. Gallen

Professional experience

- 2004 – 2013: Swiss Federal Pension Fund PUBLICA (Head Asset Management and Deputy CEO)
- 1989 – 2004: Various full-time positions in banks and the Swiss federal administration

*Appointments**

- Since 2021: AOZ Asylorganisation Zürich, Member of the board of directors
- Since 2020: Pictet Asset Management Holding S.A., Independent Non-executive member of the board of directors
- Since 2020: Theologischer Verlag Zürich AG, Member, now Chair of the board of directors since 2022
- Since 2020: Wohnbau Zurzach AG, Member of the board of directors
- Since 2017: Lang-Stiftung, Member of the board of trustees
- Since 2015: Fondation Botnar, Vice-Chair of the investment committee
- 2015 – 2019: BlackRock Asset Management Switzerland AG, Independent non-executive member of the board of the Swiss subsidiary
- 2014 – 2019: Pensionskasse Graubünden, Chair of the investment committee
- 2008 – 2019: Swiss Takeover Board / Commission des OPA, Member

Rémy Best

Education

- Master's in Business Administration, INSEAD, Fontainebleau
- Bar exam of the Geneva Bar Association, University of Geneva
- Law degree, University of Geneva

Professional experience

- 2003 – 2023: Pictet & Cie Group SCA
Managing Partner
- 2002 – 2003: Pictet & Cie, Geneva
Interim Position between the responsibility of Pictet Luxembourg and the responsibility as Managing Partner
- 1998 – 2002: Banque Pictet & Cie (Europe) SA, Luxembourg
Delegated Administrator
- 1997 – 1998: Pictet & Cie Geneva
Interim position between the arrival at Pictet & Cie, Geneva and the responsibility of Pictet Luxembourg
- 1991 – 1996: McKinsey & Company
Geneva – Responsibility of conducting strategic studies for external clients under the leadership of a partner
Zürich – Responsibility of conducting strategic studies for external clients under the leadership of a partner
- 1988 – 1990: Traineeship as lawyer

*Appointments**

- Chairman of the INSEAD Campaign Board
- Member of the Assembly of the International Committee of the Red Cross, Geneva
- Chairman of the Board of the Cercle du Grand Théâtre de Genève

* Appointments outside the Pictet Group

Board of Managing Partners

Composition

Marc Pictet*
Laurent Ramsey
Sébastien Eisinger
Elif Aktuğ
François Pictet
Sven Holstenson
Raymond Sagayam**

*Senior Managing Partner since 1st July 2024,
Renaud de Planta until 30th June 2024

**Since 1st June 2024

Organisation

The Board of Managing Partners meets as often as business requires, at least twice per month, and is chaired by the Senior Managing Partner. It works by consensus.

Responsibilities

The Board of Managing Partners is the most senior level of management of the Pictet Group and its business activities. It defines and implements the Group's strategy and objectives, sets the acceptable level of risks and takes all decisions laying down the general framework of the Group's business activities. The Board of Managing Partners also carries out the consolidated supervision of the activities of the Pictet Group.

The responsibilities of the Board of Managing Partners include:

- determining and following up on the strategy, objectives and budget of the Pictet Group,
- setting the risk and compliance policy of the Pictet Group,
- monitoring the internal control system,
- setting the human resources policy,
- appointing and dismissing the Head of Internal Audit and the auditor of the Pictet Group on advice of the Supervisory Board,
- determining the principles to be used for accounting and financial controlling,
- reviewing and approving the interim and annual consolidated financial statements of the Pictet Group,
- allocating equity and determining the cash management principles for the Pictet Group as a whole.

The Board of Managing Partners is responsible for implementing the internal audit, risk management and

compliance functions related to the consolidated supervision of the Pictet Group. These functions are carried out by resources provided by certain entities of the Group.

Apart from their collegiate responsibility, the members of the Board of Managing Partners oversee individual and reporting responsibilities for corporate functions or business lines of the Pictet Group. These responsibilities are decided by the Board of Managing Partners.

Backgrounds of the members of the Board of Managing Partners

Marc Pictet

Education

- MBA, Boston University
- International Management Program, Kobe
- Bachelor of Science, Bryant College, Smithfield, Rhode Island

Professional experience

- Since 2024: Senior managing partner of Pictet Group
- Since 2002: Pictet Group (partner since 2011)
- 2001 – 2002: Sal. Oppenheim, Cologne
- 1997 – 2000: Prudential Investments, Newark

*Appointments**

- Member of the Board of Trustees of Avenir Suisse, Zurich
- Member of the Board of Directors of the Swiss Bankers Association
- Vice-Chairman of the Association of Swiss Private Banks
- Chairman of the Fondation pour Genève, Geneva

Laurent Ramsey

Education

- Certified Portfolio Manager and Financial Analyst (CFPI), Lausanne
- Master's in International Management, HEC Lausanne
- Bachelor's in Business Administration, HEC Lausanne

Professional experience

- Since 1995: Pictet Group (partner since 2016)

*Appointments**

- Vice-chairman of the Committee of Genève Place Financière Foundation, Geneva
- Vice-chairman of the Building Bridges Foundation, Geneva
- Member of the Board of Directors of the Swiss Finance Council, Zurich

Sébastien Eisinger

Education

- Master's degree in Mathematics, Jussieu, Paris

Professional experience

- Since 1999: Pictet Group (partner since 2019)
- 1994 – 1999: Lazard Frères Gestion, Paris

*Appointments**

- Member of the FIFDH Foundation (International Film Festival and Forum on Human Rights), Geneva
- Member of the Board of Directors of the Asset Management Association (AMAS), Basel

Elif Aktuğ

Education

- Master of Business Administration, Stanford School of Business,
- MA, Institut d'Etudes Politiques de Paris, major Finance and Economics

Professional experience

- Since 2011: Pictet Group (partner since 2021)
- 2001-2010: Goldman Sachs International, London
- 1997-1999: Goldman Sachs International, London

*Appointments**

- No other appointments

François Pictet

Education

- MBL, Master of Advanced Studies (MAS) in Business Law, Universities of Geneva and Lausanne
- Certificate in English Legal Methods, University of Cambridge
- Bachelor's in Law, University of Geneva

Professional experience

- Since 2015: Pictet Group (partner since 2021)
- 2012-2014: AEA Investors, Private Equity Fund, London
- 2008-2011: Credit Suisse AG, Zurich
- 2006-2007: Aga Khan Agency for Microfinance, Geneva
- 2006: Ethos Foundation, Geneva
- 2004-2005: UBS Securities LLC, New York
- 2003: Euroclear, Brussels
- 2002-2003: Hennerkes, Kirchdörfer & Lorz, Stuttgart

*Appointments**

- No other appointments

Sven Holstenson

Education

- Certified International Investment Analyst, SFAA
- Master of Business Administration, INSEAD, Paris
- Master's in Production Engineering, Swiss Federal Institute of Technology (EPFL), Lausanne
- Bachelor's in Microengineering, Swiss Federal Institute of Technology (EPFL), Lausanne

Professional experience

- Since 2012: Pictet Group (Partner since 2023)
- 2011-2012: McKinsey & Company, Geneva
- 2010: Alphabet, London (MBA internship)
- 2006-2009: Procter & Gamble, Geneva

*Appointments**

- Member of the Board of Directors and Audit Committee of the SIX Group, Zürich

Raymond Sagayam

Education

- Master's Degree, Theology - Contemporary Theology in the Catholic Tradition, Heythrop College, University of London
- Bachelor's Degree, Economics, London School of Economics & Political Science (LSE)

Professional experience

- Since 2010: Pictet Group (partner since 2024)
- 2001-2009: Swiss Re
- 1999-2001: Bank Brussels Lambert
- 1998-1999: FNX
- 1997-1998: ING Barings

*Appointments**

- No other appointments

* Appointments outside the Pictet Group

Group Executive Committee (GEC)

Composition

Members of the Board of Managing Partners
(above)

Xavier Barde
Jean-Philippe Nerfin
Grégory Petit
Peter Wintsch
Cynthia O’Gorman Schem
Carole Bonjour*

*Since 1st July 2024

Composition

The GEC is made up of the seven members of the Board of Managing Partners as ex officio members. The other members of the GEC are appointed by management from among the heads of the Group’s main support functions.

Organisation

The GEC meets as often as business requires, but in principle at least once a month, chaired by the Senior Managing Partner.

Responsibilities

The GEC is responsible for implementing the Group’s strategy as set and approved by the Board of Managing Partners. It monitors the implementation of the strategy within the Group by ensuring that the decisions of the management are properly passed down to the business lines and Group entities. The GEC also defines the internal control framework.

Backgrounds of the members of the Group Executive Committee

Members of the Board of Managing Partners (above)

Xavier Barde

Education

- Swiss Certified Public Accountant
- Bachelor's in Economics, specialisation in banking, University of St. Gallen

Professional experience

- Pictet Group: since 2000
since 2020: Equity partner
since 2018: Group Chief Risk Officer
2000 - 2018: deputy CFO and various positions in the Group
- 1995 - 2000: Arthur Andersen (Audit manager)

Jean-Philippe Nerfin

Education

- Law degree and bar exam, Geneva
- International and European Economic & Commercial Law (LL.M)

Professional experience

- Pictet Group: since 2010
since 2022: Equity partner
since 2019: Group General Counsel
2017 - 2018: General Counsel Pictet Group Banks
2010 - 2016: various positions in the Legal Department
- 2003-2009: Pestalozzi Attorneys at Law, Geneva

Grégory Petit

Education

- Swiss Certified Public Accountant
- Diploma in International Financial Management, Conservatoire National des Arts et Métiers, Paris
- Master's in Finance, Paris School of Business, Paris

Professional experience

- Pictet Group since 2008:
since 2020: Equity partner
since 2018: Group Chief Financial Officer
2008 - 2017: various positions in the Internal Audit Department of the Pictet Group
- 2002 - 2007: Ernst & Young
- 2001 - 2002: Andersen
- 1999 - 2000: Arthur Andersen
- 1996 - 1998: Caisse d'Épargne France

Peter Wintsch

Education

- Bachelor of Science in Economics, specialisation in marketing and information systems, University of Geneva

Professional experience

- Pictet Group since 2000:
 - since 2015: Equity partner
 - since 2005: Group Chief Technology Officer
 - 2021 - 2024: Group Chief Operating Officer
 - 2000 - 2005: Head of the Organisation Department
- 1995 - 2000: JP Morgan Suisse SA
- 1994 - 1995: Price Waterhouse Management Consultancy Services (Suisse)
- 1989 - 1994: IBM Suisse SA

Cynthia O’Gorman Schem

Education

- Master of Arts, International Business, Webster University, Bellevue
- Bachelor of Arts, Management and Business Administration, Webster University, Bellevue
- High School Academic Diploma, Collège du Léman, Versoix

Professional experience

- Pictet Group since 2013:
 - since 2023: Global Head of Human Resources
 - 2018 – 2023: PAM Ltd, Chief Operating Officer
 - 2017 - 2018: PAM SA, Chief Operating Officer
 - 2013 - 2017: PAM SA, Head of Fund Administration & Portfolio Transitions
- 1998 - 2013: Capital Group Geneva
- 1995 - 1997: HellerSud Servicios Financieros
- 1995: Superintendence of Financial Institutions Banco Central de la República Argentina

Carole Bonjour

Education

- Faculty of Business and Economics (HEC Lausanne), Business management

Professional experience

- Pictet Group since 2002:
 - since 2024: Group Chief Operations Officer
 - 2018–2024: Head of Banking Operations, Tech & Ops division
 - 2016–2018: Head of Project Management Office, Operations division
 - 2002–2016: Senior Program Manager, Operations division
- JP Morgan Switzerland SA:
 - 2001–2002: Head of Static data, pricing & reporting, Operations division
 - 1994–2001: Project Manager, Operations division

Remuneration

Board of Managing Partners

The members of the Board of Managing Partners receive a fixed remuneration and receive the fee conditions and other benefits offered to staff.

No part of the remuneration of the members of the Board of Managing Partners changed in 2024.

Group Executive Committee

The members of the GEC receive a fixed and variable remuneration. They also receive the fee conditions and other benefits offered to staff.

Supervisory Board

All members of the Supervisory Board receive a fixed remuneration.

The members of the Supervisory Board who used to be Managing Partners or employees of the Pictet Group receive the preferential fee conditions for transactions carried out within the Pictet Group. They do not receive other special conditions offered to staff.

The members of the Supervisory Board are not entitled to any compensation at the end of their appointment.

No part of the remuneration of the members of the Supervisory Board changed in 2024.

Auditors

The external audit is an integral part of the governance. The auditor of the consolidated financial statements of the Pictet Group is PricewaterhouseCoopers Ltd (PwC), Switzerland. The existing appointment was renewed for 2024. Beresford Caloia is the auditor in charge since 2023.

PwC presents the planning of the audit work and their reports to the Supervisory Board.

Note 29 'Other operating expenses' of the Annual Report of the Pictet Group details the fees paid to the external auditor in 2024, including a breakdown between auditing fees and consulting fees. The latter related to assignments that do not impair the independence of the auditors.

Internal audit

The internal audit unit of the Group provides Pictet & Cie Group SCA's Supervisory Board and Board of Managing Partners with independent assurance on the operations and the control and governance process of the Pictet Group. In addition, it provides independent and objective advice and points of view, in order to create added value and improve the management of the Group.

To ensure the independence of this department, it only reports to the Chairman of the Supervisory Board's Audit Committee and the Senior Managing Partner of the Board of Managing Partners.

NOTES

Accounting principles

Consolidated accounts at 31 December 2024

Name and legal status of the Group

The Pictet Group's (the "Group") accounts comprise the financial statements of all companies in which the Managing Partners of the Pictet Group owned, either directly or indirectly, over 50% of the capital or voting rights at 31 December 2024.

The Group's scope of consolidation therefore covers a number of corporate entities that are either interlinked through business combinations or consolidated into one or more of the business combinations. The link results from these entities coming under the common control of the Managing Partners of Pictet & Cie Group SCA.

Those entities that are directly controlled by the Managing Partners are: Pictet & Partners, Cologny; Pictet Holding LLP, Singapore; Pictet Capital SA, Cologny; Sopafin (Luxembourg) SA, Luxembourg; Sopafin SA, Cologny, and Pictet Canada LP, Montreal.

Accounting principles and valuation method

The Group's consolidated financial statements have been drawn up in accordance with the provisions of the Swiss Federal Law on Banks and Savings Banks, its relevant implementing ordinance as well as the Swiss Financial Market Supervisory Authority's (FINMA) Accounting ordinance (FINMA-AO) and the accounting rules for banks (FINMA Circular 2020/1).

The financial statements have been compiled to present a true and fair view of the Group's assets, financial position and results.

This report should be read in conjunction with the 'Pictet Group capital adequacy and liquidity disclosure at 31 December 2024' (in accordance with the FINMA Circular 2016/01).

The main accounting methods applied are described below.

General valuation principles

Assets and liabilities, together with off-balance sheet business are valued on an individual basis.

Recording of transactions

All transactions are recorded and valued in accordance with generally accepted principles. As a rule, they will be recognised in the balance sheet as of the settlement date, or the trade date in the case of trading and cash-management transactions.

Consolidation

Entities either directly or indirectly controlled by the Group or over which the Group exercises a dominant influence are consolidated according to the full consolidation method. This means that the assets, liabilities, off-balance sheet transactions, income and costs of fully consolidated companies are included in the Group's financial statements. All material business relations between consolidated companies are eliminated from assets, liabilities, costs, income and off-balance sheet transactions. Net assets of Group companies are consolidated according to the purchase method. In the case of combined entities, the combination is an amalgamation of the accounts, performed in keeping with the same rules as described above.

If a significant influence is exercised over an entity, the equity method is used for consolidation purposes. If the consolidated companies' accounts are closed on a date other than 31 December, interim financial statements will be drawn up.

Entities are consolidated as from the date effective control over them passed to the Group; they are removed from the scope of consolidation as from the date such control ceases.

Foreign-currency translation

Costs and income denominated in foreign currencies for each Group company are converted in the individual company accounts at the exchange rate prevailing on the transaction date. Assets and liabilities in foreign currencies are converted at the exchange rate applicable on the period-closing date. Currency gains and losses resulting from translation are included in the respective income statements of the individual companies.

Upon consolidation, the assets and liabilities of Group companies are converted into Swiss francs at the exchange rate on the period-closing date. Group companies' equity is converted at the historical exchange rate. Income and costs are converted at the exchange rate averaged over the reporting period.

Exchange differences resulting from conversion into Swiss francs of individual financial statements are recognised in equity ('Currency translation reserves'). The main exchange rates used to convert foreign currencies into Swiss francs are as follows:

	31.12.2024	31.12.2023	Average exchange rate
EUR	0.9384	0.9297	0.9501
USD	0.9063	0.8417	0.8787
JPY	0.0058	0.0060	0.0058
GBP	1.1350	1.0729	1.1226

Liquid assets

Cash and sight deposits with central banks are booked in the balance sheet at nominal value.

Amounts due from banks and from customers

Amounts due from banks and from clients are booked in the balance sheet at nominal value, with due account being taken of any requisite value adjustments.

Value adjustments for default risk

Impaired loans/receivables are valued on an item-by-item basis. Off-balance sheet transactions, such as firm commitments, guarantees and derivatives, are also included in this valuation. Any value impairment charge is covered by individual value adjustments to reflect the disparity between the book value of the receivable and the amount expected to be received as reimbursement.

A loan/receivable is deemed to be impaired when telltale signs make future contractual payments due in the form of capital and/or interest unlikely or, at the latest, when any such payments are in arrears for over 90 days.

Amounts due from customers are composed by Lombard credits backed by securities and therefore no value adjustments for non-impaired loans are considered.

*Disclosures concerning the treatment
of past due interest*

Interest due and in arrears by over 90 days is regarded as being past due. The Group does not recognise any past due interest or interest from impaired loans/receivables in the consolidated income statement. Furthermore, all receivables arising from such interest that have accrued by the end of the 90 days are written off using income statement item 'Changes in value adjustments for default risks and losses from interest operations'.

*Methods applied for identifying
default risks and assessing whether value
adjustments need to be made*

When a loan of a client or a group exceeds the limit granted, when a current account is overdrawn without an approved limit in place, or when the value of pledged collateral falls below the relevant limit drawdown, the Credit monitoring team immediately notifies the Client

Relationship Manager who must take remedial steps in coordination with the debtor.

If it becomes unlikely the debtor will be able to honour their obligations, an individual value adjustment may be made on a case-by-case basis as decided by the relevant decision-making bodies and based on a proper valuation of any collateral security.

*Valuation of collateral security for credit,
in particular significant criteria
applied to assess current economic values
and the values of pledged assets*

Granting credit to clients comes second to the management and custody of clients' assets, which constitute the Pictet Group's core business. The credit facilities are granted primarily in the form of Lombard loans, i.e. credit that is secured by collateral pledged by the borrower.

Collateral accepted as security for Lombard loans are accounts with Group companies, fiduciary deposits with authorised correspondent banks, precious metals and selected negotiable securities.

Current economic values of such assets are based on their ongoing market value. Loan-to-value ratios are conservative, varying depending on the diversification, quality, volatility and liquidity of the assets to be pledged as collateral security.

Securities financing transactions

The Group undertakes repurchase and reverse repurchase (repo/reverse repo) transactions for the purposes of its cash management, as well as securities lending/borrowing transactions on its clients' behalf.

Cash amounts exchanged and accrued interest are recognised in the balance sheet at nominal value. An item is only recognised in the balance sheet for securities where the transferring party also transfers economic control.

In cases where securities are lent or borrowed, those transactions in which the Group acts as principal and for which economic control have been transferred are recognised in the balance sheet. Such transactions undertaken for clients with the Group acting as agent are treated in compliance with rules for fiduciary transactions.

*Trading portfolio assets
and trading portfolio liabilities*

Equities, bonds, precious metals, investment funds and derivatives not acquired as long-term investments or for the purpose of covering client purchases of certificates issued by the Group are included under 'Trading portfolio assets/liabilities'. Trading positions are valued at fair value

on the balance-sheet date. Securities not traded on regular markets are valued at their acquisition cost subject to any requisite write-down of value (principle of the lower of cost or market value).

Interest and dividend income from trading portfolios are booked under 'Result from trading activities and the fair value option'. The refinancing costs of the trading portfolios are offset directly under 'Result from trading activities and the fair value option'. Unrealised income stemming from the valuation, as well as realised income, are booked under 'Result from trading activities and the fair value option'.

*Derivative financial instruments
and their replacement values*

Trading portfolios

Derivative financial instruments ('derivatives') recorded on the balance-sheet date are marked to market ('fair value'). Positive and negative replacement values are recognised in the balance sheet under 'positive replacement values of derivative financial instruments' or 'negative replacement values of derivative financial instruments'.

For derivative contracts traded on clients' behalf on stock exchanges, only that portion of replacement values exceeding the margin calls is recognised in the balance sheet.

Hedging transactions

The Group may use derivatives to hedge interest-rate and currency risks for the purposes of its asset/liability management. Hedging transactions are valued according to the same principles as those for the underlying transactions being hedged. Income/losses on hedging transactions are booked under the same item under which the result from the underlying asset being hedged is booked.

*Other financial instruments
at fair value and liabilities from financial
instruments at fair value*

The Group enables its clients to purchase certificates corresponding, in the main, to shares in equity baskets.

The amount of investments by clients in such certificates is recorded as a liability in the balance sheet under 'Liabilities from other financial instruments at fair value'. Amounts corresponding to the underlying financial assets are recorded on the assets side of the balance sheet under 'Other financial instruments at fair value'.

The difference between the amounts invested by clients, shown under liabilities, and positions held to cover

the certificates, shown on the assets side, is essentially due to a cash component recorded under 'Liquid assets' on the assets side of the balance sheet and the replacement values of derivative financial instruments purchased in accordance with the investment strategy of the certificates.

Changes in the value of the certificates and underlying positions are recorded under 'Result from trading activities and the fair value option' in the consolidated income statement.

Financial investments

Debt securities intended to be held to maturity are valued on the basis of amortised cost. Gains/losses resulting from a sales transaction prior to maturity or reimbursed early are accrued over the remaining term to the scheduled maturity date of the sold or reimbursed security and recorded under the items "Other assets" and "Other liabilities". In cases where value adjustments are related to default risk, that portion related to default risk is recognised under 'Changes in value adjustments for default risks and losses from interest operations'.

Debt securities that are not intended to be held to maturity are valued based on the lower of cost or market value. As a rule, negative value adjustments are booked under 'Other ordinary expenses' and positive value adjustments are recorded under 'Other ordinary income'. In cases where value adjustments are broken down into components related to default risk and market conditions, that portion related to default risk is recognised under 'Changes in value adjustments for default risks and losses from interest operations'.

Precious metals are valued at market value on the balance sheet date. They serve primarily as hedges for clients' 'Metal' accounts recorded under 'Amounts due in respect of customer deposits' on the liabilities side of the balance sheet.

Equities and shares of funds intended to be held as long-term investments are valued at the lower of their acquisition cost or market value on the balance-sheet date.

Non-consolidated participations

Non-consolidated participations are valued at their acquisition cost, less any required write-down of their value.

Tangible fixed assets

Tangible fixed assets include buildings, software (excl. self-developed software booked as an expense in the income statement), IT and telecommunications equipment as well as furniture, fixtures and fittings.

Tangible fixed assets are valued at their acquisition cost, less accumulated depreciation computed according to the straight-line method over the estimated useful lifetimes of the assets. The accuracy of the valuation is reviewed on an annual basis.

Depreciation charges are booked under 'Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets' in the consolidated income statement.

Scheduled useful lifetimes

Buildings for own use	50 years
Other buildings	50 years
Software	3 years
IT equipment	3 years
Other equipment and furniture	3-5 years

Provisions

A provision is set aside for any probable obligation, based on a past event, whose amount and/or due date is uncertain, but can be reliably estimated.

Liabilities relating to pension schemes

The Pictet Group has set up several occupational pension schemes for its staff and employees in Switzerland and abroad.

Contributions paid into schemes are presented as 'Personnel expenses' in the income statement for the consolidated financial year to which they apply.

Every year, the Group examines whether, from its standpoint, there are economic benefits (overfunding) or obligations (underfunding) with regard to the pension schemes. Any difference with the corresponding value for the previous reporting period is booked under 'Personnel expenses' in the consolidated income statement.

The annual examination is undertaken on the basis of contracts, annual financial statements (for which the period closing date is not longer than 12 months earlier) drawn up in accordance with Swiss GAAP FER 26 for Swiss pension schemes, and any other calculations.

An economic benefit may be booked if permissible and the intended use of the surplus is to lower future employer contributions, to reimburse contributions to the employer or to utilise them outside regulatory benefits. This benefit (surplus) appears under 'Other assets' in the balance sheet and is booked in the income statement under 'Personnel expenses'. The obligation (shortfall) is registered in the same way in the income statement. It is, however, booked under 'Provisions' in the balance sheet.

Taxes

Current taxes on income and capital are booked as an expense for the reporting period during which the income was generated.

Deferred taxes, stemming from temporary timing differences between the taxable and accounting values of assets and liabilities, are booked as deferred taxes under 'Provisions' on the liabilities side of the balance sheet.

Off-balance sheet fiduciary transaction

Such transactions cover customer deposits, loans, participations, and securities lending and borrowing transactions entered into or granted by the Group in its own name, but exclusively for the customer's account and risk. Amounts reported under other fiduciary transactions in the breakdown of fiduciary transactions relate to customers' deposits held by the Group in its own name as a nominee, on clients' behalf and sole risk.

Change in accounting principles

There were no changes in the accounting principles in 2024.

Risk management

Risk policy

General provisions

Risk management forms a cornerstone of the Pictet Group's corporate strategy and governance. The Pictet Group's Management is defined by the Board of Managing Partners and the GEC. The Pictet Group's Management defines the Group's general risk policy, which is applied to all companies in the Pictet Group and is intended to cover all types of major risk to which the Group is exposed.

Specific factors related to the various categories of risk are covered in specific risk policies or in-house directives or guidelines. The risk policy is implemented at several different levels:

- The Pictet Group's Management ratify and oversee the implementation of general risk policy;
- The Boards of Pictet Group companies supervise the proper implementation of the policy by the Executive Committees, which put operational measures into practice to apply it;
- Specific committees are responsible for managing risks in their respective fields;
- The individual business units are responsible for managing risks specific to them.

In addition, the Pictet Group strives to foster a corporate culture in which risk management is given a high priority and made an integral part of all management activities. As such, risk management (for all risk categories) must be perceived by every member of staff as being one of their responsibilities as well.

Monitoring of overall risk profile

A risk management framework is in place. The Group Risk Department compiles a consolidated report on overall risk exposure for the Pictet Group's management bodies on a quarterly basis. This report presents an impartial overview of the overall situation and level of risk for the Pictet Group.

Attitude to and tolerance for risk

Considering the nature of the Pictet Group's business, risks cannot be entirely eliminated. Risks associated with the Group's business activities are accepted, in compliance with legal or internal regulations, provided they do not exceed the Group's risk tolerance (including in so-called 'stress' situations) and can be monitored and controlled thanks to documented processes in keeping with the Group's general risk policy.

Any new business activity, product or major change within an area of business is subject to a prior risk analysis. The Pictet Group's Management is required to give its formal approval.

The tolerance for market, credit, interest-rate and liquidity risks at the Group level is translated into quantified limits, and the tolerance for other categories of risk, such as operational and business risks, is translated into qualitative as well as quantified limits. These limits on risk are sub-divided into sub-limits where deemed necessary. These limits are regularly reviewed by the Pictet Group's Management.

Risks that do not come under the heading of risks related to the Pictet Group's business activities or which exceed the limits laid down are avoided, lessened or transferred. Similarly, business activities involving risks that are not adequately rewarded are avoided.

Credit risk

Credit risk arises out of the possibility of a counterparty defaulting on its financial obligations towards the Pictet Group. It covers settlement risks and risk factors associated with a particular country. All forms of credit obligations involving non-banking clients, banks or organised markets constitute a credit risk.

Clients

Providing credit to clients comes second to the management and custody of assets on behalf of third parties, which constitute the Pictet Group's core business. Credit facilities granted are primarily in the form of Lombard loans, i.e. credit that is secured by collateral pledged by the borrower.

Risks are limited by stringent criteria in terms of the quality, liquidity, valuation and diversification of assets pledged as collateral, as well as by the application of conservative loan-to-value ratios, differentiated by asset class.

All liabilities stemming from credit granted are reviewed periodically by the Pictet Group's management bodies. Such reports may be compiled more frequently in the event of high market volatility or in the case of credit obligations calling for special monitoring.

Banking counterparties

The Pictet Group selects top-tier correspondent banks and banking counterparties. In addition to diversification criteria, risks are reduced by resorting to legal or contractual compensation, guarantees, credit derivatives or hedging taking the form of different financial assets.

Settlement risk is limited through recourse to centralised settlement systems of the Continuous Linked Settlement (CLS) type and the Central Clearing Houses.

Selected banking counterparties are approved by the governance bodies at least on a quarterly basis. All limits are set according to a formal process. Limits on trading and settlement, bank deposits, fiduciary deposits and clearing limits are set on an individual basis for each counterparty.

Management and monitoring of banking counterparty risk are the responsibility of the Counterparty Risk Committee, which draws on the support of the following bodies and persons:

- the Banking Risk Committee (BRC), comprising Pictet Group financial analysts specialised in banks, gives an impartial assessment to the Counterparty Risk Committee (CRC) and the Weekly Counterparty Committee (WCC);
- the Weekly Counterparty Committee (WCC) examines requests for changes to existing limits or for new limits for banking counterparties;
- the Financial Institutions Management team checks compliance with limits for each banking counterparty.

Financial investments

The Pictet Group invests in top-quality financial assets, mainly including bonds or similar debt securities meeting very stringent criteria. These investments are intended to diversify the Pictet Group's liquidity in medium-term investments and to deliver regular returns.

The choice of investment vehicle is devolved to the Treasury Department in conformity with the investment grid authorised by the Treasury Committee. This grid, reviewed and revised depending on developments, stipulates those instruments, types of issuers and countries that are authorised, the minimum credit ratings to be met, as well as limits and sub-limits by segment, issuer and maturity date.

Market risk

Market risk refers to the Pictet Group's exposure to any adverse movements in market conditions. The main risk factors relate to interest rates, exchange rates and prices of equity securities and precious metals.

Trading operations for its own account (trading portfolio)

The Board of Managing Partners lays down the overall tolerance for market risks. This is then broken down into sub-limits under the supervision of the Group Market Risk Committee.

The Pictet Group Policy for Managing, Controlling and Monitoring Market Risk sets out the organisational framework and underlying principles with regard to managing market risks.

Trading activities for the Group's own account are aimed essentially at mitigating risk resulting from client orders. It is not the Pictet Group's prime vocation to take large directional positions for its own account with respect to its own funds. Such proprietary trading is undertaken subject to a strict framework of limits and is geared towards accumulating a more thorough understanding of markets in which the Pictet Group is active.

Proprietary trading is used primarily on currency, equity and interest rate markets.

Limits attached to such trading activities are formulated in three ways: as sensitivity or direct exposure (in-house limits), as stress tests (internal limits) and in terms of equity in accordance with FINMA rules relating to calculating capital adequacy requirements for market risks (formulated in Circular 2008/20).

Structural balance-sheet management (bank portfolio)

The Pictet Group Liquidity Management Policy sets out the organisational framework and the fundamental principles of structural balance-sheet management.

The purpose of managing the balance sheet, generally referred to as Asset & Liability Management (ALM), is to estimate and achieve a balance between liabilities (inflows) and assets (outflows) in light of the Pictet Group's tolerance for risk, subject to the constraints of achieving a desired level of profitability and adherence to a clearly delineated regulatory framework. The Treasury Committee analyses liquidity risk and interest-rate risk; it ensures that ratios imposed by FINMA are complied with.

The purpose of the Pictet Group's policy is to keep interest rate risk at a modest level. This policy is reflected in corresponding risk limits.

The Treasury Department is responsible for implementing the defined strategy at the operational level. The use of interest-rate derivatives for the purposes of hedging or managing durations is allowed as being in line with efficient cash management.

Operational risk

Operational risk can be defined as the risk of loss resulting from inadequacy or failure of internal processes, people or systems, or from external events.

The Pictet Group Operational Risk Policy defines the objectives, priorities and principles for the management of operational risk in the Pictet Group.

A process of identifying and assessing operational risks throughout the Pictet Group is performed on a regular basis. If deemed necessary, action plans are instigated to lessen risks that are assessed to exceed limits set according to the tolerance for risk.

Key risk indicators (KRIs) are defined and regularly analysed. These KRIs measure the level of risk resulting from business activities, systems, processes, etc.

All operating incidents and potentially resultant financial losses are logged so as to have an overall quantifiable view of incidents that have occurred and to ensure that plans to mitigate risk levels or extra checks and controls can be put in place in the event of a major incident.

The Pictet Group has instituted robust corporate governance geared towards anticipating risk. This involves actively exchanging information within the organisation and regular efforts to remind staff of their responsibilities and heighten their awareness about the direct and indirect impact that the Pictet Group's activities might have on its reputation as well as on that of its clients and its staff (such as changes in the political or regulatory climate). Effective management of communications, both in-house and to the outside world, is crucial in safeguarding the Pictet Group's good name and reputation. Group Corporate Communications is responsible for managing risk related to the Group's image. It monitors articles published about the Group and contacts the media if the Group's reputation could be damaged. Measures aimed at limiting risk to the Group's image and reputation include analysing and pinpointing any areas of vulnerability, carrying out internal analyses and escalation procedures as well as rules of conduct applicable to staff. Group Corporate Communications works closely with the Risks, Compliance and Legal Departments. Reputational risk, as well as the monitoring and adequacy of taken measures, are subject to particular attention by Pictet Group's Management.

The Pictet Group has implemented a crisis management process to enable it to take effective and swift action to cope with a variety of crisis events. A crisis management plan has been drawn up and members of staff appointed as 'Crisis Coordinators' have been trained. Operating procedures and communications plans have been compiled.

Business Continuity Management is geared towards safeguarding the sustainability of the Pictet Group and

protecting its clients' assets. Contingency solutions have been devised, deployed and kept operational for each Pictet Group company in keeping with the risks incurred, statutory and regulatory requirements, and need in terms of safeguarding the continuity of operations. To this end, emergency off-site workplaces and IT/technical infrastructures are available and regularly tested.

Technology and Information Security risks

As a subset of operational risks, the Group places utmost importance on technology, information security, and cyber risk management by implementing the three lines model.

A robust framework is implemented to proactively identify potential threats, fortify the technology infrastructure, and continuously monitor to promptly detect security incidents. This includes also regular awareness training for all staff. This comprehensive approach ensures the confidentiality, integrity, and availability of the Group's information system. The framework enables swift response and recovery, minimizing disruption to normal operations in case of events.

Sustainability-related risks

Sustainability risk is covered by Pictet's risk policies and risk management framework. A dedicated ESG Risk forum monitors key risk indicators (KRI) and sustainability-related risks stemming from key business activities, within the wider internal control system. Detailed information can be found in the Pictet Group Sustainability report published on www.pictet.com.

Change in risk policy

The risk policy has not been modified in 2024.

Hedge accounting

Equity of consolidated companies

Fixed forward contracts are used to hedge exchange-rate risk related to the equity of consolidated companies. The results of hedging contracts are booked in the same way as results for the underlying hedged item, i.e. under 'Currency translation reserve'.

How effective hedging contracts are, is gauged whenever the hedging is renewed or rolled over by comparing the results achieved by the hedging instrument and the hedged item. Hedging transactions that no longer or only partially fulfil their hedging purpose are equated, for their ineffective portion, to trading transactions and are treated as such.

Treasury management

The Pictet Group invests its surplus liquidity from clients' deposits in a portfolio following a long-term strategy. This portfolio holds bonds intended to be held to maturity, although, in particular circumstances (such as a downgrade of an issuer's credit rating), the debt securities may be sold before term. A sizeable portion of the Treasury portfolio is also invested in short-term investments such as cash at central banks or reverse repos.

In order to protect against interest-rate risk that might have an adverse impact on the portfolio's value, the Group makes use of derivatives (in the form of interest-rate swaps). The risk measures used are Basis Point Values (BPV), which indicate how sensitive the portfolio's market value is to a parallel change of one basis point in the yield curves of different currencies. In addition, multiple stress tests (parallel and non-parallel) are applied to the yield curve. This risk is monitored daily.

At least once a year, the hedge effectiveness is verified and documented. The situations of hedge ineffectiveness (if any) are commented.

Events after the balance sheet date

No significant events that might affect Pictet Group's 2024 accounts have occurred since the year-end closing date.

Notes to the balance sheet

1. Breakdown of securities financing transactions (assets and liabilities)

CHF thousand	31.12.2024	31.12.2023
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions*	8 775 000	8 795 000
Book value of obligations from cash collateral received in connection with securities lending and repurchase transactions*	2 971 186	2 672 992
Book value of securities lent in connection with securities lending or delivered as collateral in connection with securities borrowing as well as securities in own portfolio transferred in connection with repurchase agreements	2 792 180	1 897 313
- <i>of which, with unrestricted right to resell or pledge</i>	2 792 180	1 897 313
Fair value of securities received and serving as collateral in connection with securities lending or securities borrowed in connection with securities borrowing as well as securities received in connection with reverse repurchase agreements with an unrestricted right to resell or repledge	8 831 025	8 832 029
- <i>of which, resold securities</i>	347 300	958 336

*Before netting agreements

2. Presentation of collateral for loans/receivables and off-balance-sheet transactions, as well as impaired loans/receivables

CHF thousand	Type of collateral			Total
	Secured by mortgage	Other collateral	Unsecured	
Loans (before netting with value adjustments)				
Amounts due from customers	4 000	7 203 883	97 010	7 304 893
Total loans (before netting with value adjustments)				
31.12.2024	4 000	7 203 883	97 010	7 304 893
31.12.2023	13 535	7 070 406	115 382	7 199 323
Total loans (after netting with value adjustments)				
31.12.2024	4 000	7 203 883	65 496	7 273 379
31.12.2023	13 535	7 070 406	85 842	7 169 783
Off-balance sheet				
Contingent liabilities	-	8 251 904	126 094	8 377 998
Irrevocable commitments	-	51 300	17 059	68 359
Total off-balance sheet				
31.12.2024	-	8 303 204	143 153	8 446 357
31.12.2023	-	8 359 089	154 659	8 513 748

Impaired loans/receivables

CHF thousand	Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
31.12.2024	31 514	-	31 514	31 514
31.12.2023	29 540	-	29 540	29 540

Impaired loans represent 0.43% of the total amounts due from customers at 31 December 2024 (compared to 0.41% at 31 December 2023). Variation is mainly due to foreign exchange effects and accrued interests.

3. Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)

Assets (CHF thousand)	31.12.2024	31.12.2023
Trading portfolio assets	19 908	16 351
Debt securities, money market securities/transactions	130	-
Equity securities	19 778	16 351
Other financial instruments at fair value	1 463 390	1 037 504
Debt securities	34 622	28 216
Equity securities	1 425 959	1 007 256
Precious metals	2 809	2 032
Total assets	1 483 298	1 053 855
<i>of which, determined using a valuation model</i>	465	788
Liabilities (CHF thousand)	31.12.2024	31.12.2023
Trading portfolio liabilities	1 739	9 624
Debt securities, money market securities/transactions	37	14
Equity securities	1 702	9 375
Precious metals and commodities	-	235
Other financial instruments at fair value	1 621 784	1 135 171
Structured products (certificates)	1 621 784	1 135 171
Total liabilities	1 623 523	1 144 795
<i>of which, determined using a valuation model</i>	349	1 722

The Pictet Group enables its clients to purchase certificates corresponding, in general, to shares in equity baskets. The section detailing the accounting principles used in this report describes how these certificates are treated.

4. Presentation of derivative financial instruments (assets and liabilities)

CHF thousand	Trading instruments			Hedging instruments		
	Positive replacement values	Negative replacement values	Contract volume	Positive replacement values	Negative replacement values	Contract volume
Interest-rate instruments						
Swaps	14 986	13 609	943 563	508 066	127 249	35 524 095
Futures	33	9	792 263	-	-	-
Options (exchange-traded)	50	-	43 286	-	-	-
Foreign exchange						
Forward contracts	238 337	117 199	10 406 505	233	523	193 587
Combined interest rate/ currency swaps	1 235 691	1 340 518	115 345 849	379 650	11 177	14 319 717
Options (OTC)	18 598	19 607	2 218 441	-	-	-
Precious metals						
Forward contracts	2 737	850	47 592	-	-	-
Combined interest rate/ currency swaps	4 217	6 745	446 017	-	-	-
Options (OTC)	37 682	42 097	1 364 665	-	-	-
Equity securities/indices						
Swaps	1 303	1 303	109 965	-	-	-
Futures	3 110	-	579 215	-	-	-
Options (OTC)	195 332	188 277	4 739 493	-	-	-
Options (exchange-traded)	34 616	26 951	4 018 697	-	-	-
Credit derivatives						
Credit default swaps	10 567	10 567	293 987	-	-	-
Total before netting						
31.12.2024	1 797 259	1 767 732	141 349 538	887 949	138 949	50 037 399
of which, determined using a valuation model	1 759 450	1 740 772	135 916 077	887 950	138 949	50 037 399
31.12.2023	1 596 989	1 636 566	134 993 168	778 209	698 232	51 599 961
of which, determined using a valuation model	1 590 819	1 619 355	133 835 675	778 209	698 232	51 599 961

Derivative financial instruments result mainly from transactions on behalf of clients in which Pictet Group entities contract with counterparties on the market.

Furthermore, hedging transactions are mentioned in the section on hedge accounting.

Total after netting agreements

CHF thousand	Positive replacement values (cumulative)	Negative replacement values (cumulative)
31.12.2024	2 685 209	1 906 681
31.12.2023	2 375 198	2 334 798

Breakdown by counterparty

Positive replacement values (after netting agreements) (CHF thousand)	Central clearing houses	Banks and securities dealers	Other customers
31.12.2024	4 886	1 202 633	1 477 690
31.12.2023	252	1 989 548	385 398

5. Breakdown of financial investments

CHF thousand	Book value		Fair value	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Debt securities	15 276 163	12 148 523	15 085 347	11 728 790
<i>of which, intended to be held to maturity</i>	15 276 163	12 148 523	15 085 347	11 728 790
Equity securities	186 049	184 550	210 785	215 552
Precious metals	585 627	560 460	585 627	560 460
Total	16 047 839	12 893 533	15 881 759	12 504 802
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	13 553 468	9 873 629	13 382 466	9 541 201

The debt securities portfolio held to maturity is hedged against market fluctuations arising from interest rate movements. Fair value of the portfolio should be considered along with the result of these hedging operations.

Breakdown of counterparties by rating

CHF thousand	Book value	
	31.12.2024	31.12.2023
AAA	11 349 330	8 885 458
AA+	2 853 339	2 270 294
AA	175 368	306 325
AA-	854 747	677 221
A+	43 379	9 225
Total	15 276 163	12 148 523

The Pictet Group uses the specific ratings of three agencies (Standard & Poor's, Moody's and Fitch) assigned to the instruments it holds. Ratings are based on Standard & Poor's rating scale. When three ratings are available, the median value is taken. When two ratings are available, the more prudent one is taken. In the absence of a specific rating, Standard & Poor's long-term rating of the issuer is used.

6. Non-consolidated participations

CHF thousand	Acquisition cost	Accumulated value adjustments and changes in book value (valuation using the equity method)	Book value at 31.12.2023	Additions	Disposals	Value adjustments	Changes in book value in the case of participations valued using the equity method/ depreciation reversals	Book value at 31.12.2024	Market value/ Fair value
Other participations									
with listing on a stock exchange	2 900	(2 900)	-	-	(2 900)	-	2 900	-	-
without listing on a stock exchange	6 725	(2 690)	4 035	155	19	(93)	895	5 011	31 514
Total participations	9 625	(5 590)	4 035	155	(2 881)	(93)	3 795	5 011	31 514

7. Main legal entities of the Group

Company name and domicile	Business activity	Currency	Company capital (in thousand)	Share of capital (in %)	Share of votes (in %)	Held directly (in %)	Held indirectly (in %)
Bank Pictet & Cie (Asia) Ltd, Singapore*	Bank	CHF	85 000	100	100	0	100
Banque Pictet & Cie (Europe) AG, Frankfurt	Bank	EUR	60 000	100	100	0	100
Banque Pictet & Cie SA, Carouge	Bank	CHF	90 000	100	100	0	100
Bayside Pictet Ltd, Nassau	Real estate company	CHF	7	100	100	0	100
Finance 1805 SA, Carouge	Financial company	CHF	100	100	100	0	100
FundPartner Solutions (Europe) SA, Luxembourg	Fund management	CHF	6 250	100	100	0	100
FundPartner Solutions (Suisse) SA, Carouge	Fund management	CHF	10 000	100	100	0	100
Pictet & Cie Group SCA, Carouge	Financial company	CHF	148 500	100	100	0	100
Pictet & Partners, Cologne	Financial company	CHF	300 000	100	100	100	0
Pictet Advisory Services (Overseas) Ltd, Nassau	Financial company	CHF	150	100	100	0	100
Pictet Alternative Advisors SA, Carouge	Wealth management	CHF	3 000	100	100	0	100
Pictet Alternative Advisors Holding SA, Carouge	Financial company	CHF	5 700	100	100	0	100
Pictet Alternative Advisors (UK) Limited, London	Wealth management	GBP	7 950	100	100	0	100
Pictet Alternative Advisors (Germany) GMBH, Frankfurt	Wealth management	EUR	85	100	100	0	100
Pictet Alternative Advisors (Spain) SL, Madrid	Wealth management	EUR	60	100	100	0	100
Pictet Alternative Advisors (Sweden) AB, Stockholm	Wealth management	SEK	600	100	100	0	100
Pictet Asset Management (Europe) SA, Luxembourg	Asset Management	CHF	11 332	100	100	0	100
Pictet Asset Management (Hong-Kong) Ltd, Hong-Kong	Asset Management	HKD	30 000	100	100	0	100
Pictet Asset Management (Japan) Ltd, Tokyo	Asset Management	JPY	200 000	100	100	0	100
Pictet Asset Management (Singapore) Pte Ltd, Singapore	Asset Management	SGD	2 500	100	100	0	100
Pictet Asset Management Ltd, London	Asset Management	GBP	45 000	100	100	0	100
Pictet Asset Management Holding SA, Carouge	Financial company	CHF	40 000	100	100	0	100
Pictet Asset Management Inc., Montreal	Asset Management	CAD	250	100	100	0	100
Pictet Asset Management SA, Carouge	Asset Management	CHF	21 000	100	100	0	100

Company name and domicile	Business activity	Currency	Company capital (in thousand)	Share of capital (in %)	Share of votes (in %)	Held directly (in %)	Held indirectly (in %)
Pictet Asset Management (USA) Corp., New York	Asset Management	USD	-	100	100	-	100
Pictet Bank & Trust Ltd, Nassau	Bank	CHF	55 000	100	100	-	100
Pictet Canada LP, Montreal	Brokerage	CAD	28 000	100	100	100	-
Pictet Capital S.A., Cologne	Financial company	CHF	90 000	100	100	83	17
Pictet Europe SA, Luxembourg**	Financial company	CHF	-	100	100	-	100
Pictet Global Hedging SA, Carouge	Financial company	CHF	100	100	100	-	100
Pictet Holding LLP, Singapore	Financial company	CHF	25 000	100	100	92	8
Pictet Life Insurance Advisors (France) SAS, Paris	Financial company	EUR	500	100	100	-	100
Pictet North America Advisors SA, Carouge	Wealth management	CHF	500	100	100	-	100
Pictet Overseas Inc., Montreal	Brokerage	USD	30 000	100	100	-	100
Pictet Participations SARL, Luxembourg**	Financial company	CHF	-	100	100	-	100
Pictet Private Fund Management (Shanghai) Limited, Shanghai	Asset Management	CNY	16 505	100	100	-	100
Pictet Sice Ltd, Taiwan	Asset Management	TWD	70 000	100	100	-	100
Pictet Technologies Holding SA, Carouge	Financial company	CHF	500	100	100	-	100
Pictet Technologies SA, Luxembourg	IT services	EUR	500	100	100	-	100
Pictet Technologies (Portugal) LDA, Portugal	IT services	EUR	2 100	100	100	-	100
Pictet Wealth Management (Israel) Ltd, Tel Aviv**	Wealth management	ILS	1 000	100	100	-	100
Sopafin Luxembourg SA, Luxembourg	Financial company	CHF	11 200	100	100	100	-
Sopafin Suisse SA, Cologne	Financial company	CHF	57 140	100	100	26	74

*As of September 2024, the banking activities of Bank Pictet & Cie (Asia) Ltd have been integrated under Bank Pictet & Cie SA as a new Singapore branch.

**In liquidation

The entities listed above are consolidated according to the full consolidation method. Investments in companies that are not significant for the financial reporting are excluded from the consolidation perimeter.

Significant non-consolidated participations at 31.12.2024

The Pictet Group does not have any significant position in equity securities of companies recorded in the assets of the balance sheet under 'Financial investments' (2023: none).

There are no commitments to purchase or dispose of shares (2023: none).

Non-consolidated participations are deemed significant if their value recorded on the balance sheet exceeds CHF 1 million or equivalent. All non-consolidated participations are subject to an equity requirement (risk weighted assets).

8. Tangible fixed assets

CHF thousand	Acquisition cost	Accumulated depreciation	Book value at 31.12.2023	Additions	Disposals	Translation differences	Depreciation	Book value at 31.12.2024
Buildings for own use	237 168	(9 925)	227 243	108 264	(86)	-	-	335 421
Other real estate	16 440	(16 440)	-	-	-	-	-	-
Separately acquired software	78 865	(75 288)	3 577	1 539	-	-	(2 462)	2 654
Other tangible fixed assets	301 641	(195 075)	106 566	28 163	-	(342)	(34 812)	99 575
Total tangible fixed assets	634 114	(296 728)	337 386	137 966	(86)	(342)	(37 274)	437 650

Operational Leasing

CHF thousand	Off balance sheet leasing commitments	
	31.12.2024	31.12.2023
within 12 months	80 391	77 551
between 12 months and 5 years	235 220	254 980
after 5 years	319 863	356 571
Total off balance sheet leasing commitments	635 474	689 102
<i>of which, cancellable within 12 months</i>	1 501	486

9. Breakdown of other assets and other liabilities

CHF thousand	Other assets		Other liabilities	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Compensation account	-	-	207 701	327 449
Deferred income taxes recognised as assets	9 319	10 718	-	-
Indirect taxes	199 857	238 705	78 772	68 398
Clearing accounts	126 092	165 478	143 388	162 842
Other	10 667	8 156	10 147	3 948
Total	345 935	423 057	440 008	562 637

Provisions for deferred taxes (liabilities) are shown in note 14.

10. Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership

CHF thousand	Book values		Effective commitments	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Due from banks	910 989	86 965	910 989	86 965
Financial investments	2 605 940	1 883 509	2 596 704	1 869 680

Assets pledged with banking counterparties correspond to deposits for margin calls associated with transactions in derivatives.

11. Disclosures on pension schemes

The Pictet Group has set up, for the various companies in the Group, pension schemes designed to make provision for their employees and former employees against the economic consequences of retirement, incapacity and death.

These pension schemes may differ depending on national legislation on occupational pensions applicable to the various Group companies and customary market practices.

In the case of employees in Switzerland, the Pictet Group's pension fund is an independent occupational pension scheme registered with the Supervisory Authority for the Canton of Geneva. This pension plan is a defined contributions scheme. The unaudited annual accounts show the funding ratio for the scheme stood at 119.3% as at end-December 2024 (112.9% at end 2023). The value fluctuation reserve represents 25% of pension liabilities (25% at end 2023).

The Pictet Group's *Fondation de Prévoyance Complémentaire* pension plan having no commitments toward the saving capital of affiliated employees, its funding ratio stands at 100%.

Reassurance cover for death and invalidity risks has been taken out by the pension schemes with an insurance group.

Staff employed abroad are insured via occupational pension funds in the form of collective foundations or collective insurance contracts with life assurance companies or via State-run pension plans in the country of domicile. No economic benefits or liabilities arise out of this array of pension plans other than those that would be recognised in the balance sheet.

Liabilities relating to pension schemes at 31.12

Liabilities relating to own pension schemes (CHF thousand)	31.12.2024	31.12.2023
Amounts due in respect of client deposits	31 470	40 879

12. Disclosure on the economic situation of own pension schemes

Employer contribution reserves (ECR)

There are no employer contribution reserves with the pension schemes relating to the current year or the previous year.

Economic benefit/obligation and the pension expenses at 31 December

CHF thousand	Overfunding/ underfunding at 31.12.2024	Contributions paid for 2024	Pension expenses in personnel expenses	
			2024	2023
Employer sponsored funds/employer sponsored pension schemes	-	6 500	6 500	4 000
Pension plans without overfunding/underfunding	-	19 596	22 458	22 516
Pension plans with overfunding	19,3%	115 088	115 088	111 297

The governing bodies consider that any overfunding, as defined by FINMA's AO (article 29), would be deployed for the benefit of the members of the pension scheme, so there would be no economic benefit accruing to the Pictet Group.

As at 31 December 2024, there was no economic benefit or obligation to be booked in the Pictet Group's balance sheet or income statement.

13. Presentation of issued structured products (book value)

Underlying risk of the embedded derivative (CHF thousand)	Valued as a whole		Valued separately		Total
	Booked in trading portfolio	Booked in other financial instruments at fair value	Value of the host instruments	Value of the derivative	
Equity securities					
With own debenture component (oDC)		1 527 439	-	-	1 527 439
Without oDC		-	-	-	-
Foreign currencies					
With own debenture component (oDC)		64 806	-	-	64 806
Without oDC		-	-	-	-
Commodities/precious metals					
With own debenture component (oDC)		29 539	-	-	29 539
Without oDC		-	-	-	-
Total 31.12.2024		1 621 784	-	-	1 621 784

The Pictet Group enables its clients to purchase certificates corresponding, in general, to shares in equity baskets. The section detailing the accounting principles used in this report describes how these certificates are treated.

14. Presentation of value adjustments, provisions and changes therein during the current year

CHF thousand	Balance at 31.12.2023	Use in conformity with designated purpose	Foreign exchange differences	Past due interest, recoveries	New creations charges to income statement	Releases to income statement	Balance at 31.12.2024
Provisions for deferred taxes	155 012	-	-	-	3 000	(3 000)	155 012
Provisions for other business risks	170 336	(8 071)	(900)	-	12 464	(14 478)	159 351
Other provisions	879	-	7	-	78	-	964
Total provisions	326 227	(8 071)	(893)	-	15 542	(17 478)	315 327
Value adjustments for default and country risks	29 540	(738)	-	2 379	600	(267)	31 514
<i>of which, value adjustments for default risks in respect of impaired loans/receivables</i>	29 540	(738)	-	2 379	600	(267)	31 514

Provisions for deferred taxes result mainly from provisions and value adjustments booked in the individual accounts of Banque Pictet & Cie SA that are not recognised in the consolidated accounts of the Pictet Group.

‘Provisions for other business risks’ are mainly intended to cover a variety of risks relating to litigation, including any associated legal expenses, inherent to the Group’s activity.

15. Own shares and composition of equity capital

The Group's equity comprises contributions from the equity owners, namely the Managing Partners and other holders of equity capital in the companies who, in combination, control the Pictet Group.

Other holders of equity capital do not have voting rights.

The Pictet Group does not issue participatory ownership rights or options on such rights, and there is no share ownership scheme.

16. Disclosure of amounts due from/to related parties

CHF thousand	Amounts due from		Amounts due to	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Holders of qualified participations	-	-	702 260	654 844
Group companies	3 739	2 044	2 551	2 735
Affiliated companies	-	-	70 191	63 237
Transactions with members of governing bodies	-	-	357 116	260 156

Transactions with related parties are concluded at going market conditions.

17. Disclosure of holders of significant participations

The Managing Partners of Pictet & Partners – Marc Pictet, Laurent Ramsey, Sébastien Eisinger, Elif Aktuğ, François Pictet, Sven Holstenson and Raymond Sagayam – are significant equity owners.

Decisions are made by the Managing Partners on a consensus basis, at the level of the holding companies.

18. Maturity structure of financial instruments

CHF thousand	At sight	Cancellable	Due:				Total
			Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	After 5 years	
Assets/financial instruments							
Liquid assets	3 234 305	-	-	-	-	-	3 234 305
Amounts due from banks	1 295 991	-	834 260	2 200	-	-	2 132 451
Amounts due from securities financing transactions	-	-	8 775 000	-	-	-	8 775 000
Amounts due from customers	26 848	4 095 020	2 678 616	390 267	82 530	98	7 273 379
Trading portfolio assets	19 908	-	-	-	-	-	19 908
Positive replacement values of derivative financial instruments	2 685 209	-	-	-	-	-	2 685 209
Other financial instruments at fair value	1 463 390	-	-	-	-	-	1 463 390
Financial investments	771 677	9 236	4 075 429	2 642 691	6 724 966	1 823 840	16 047 839
Total 31.12.2024	9 497 328	4 104 256	16 363 305	3 035 158	6 807 496	1 823 938	41 631 481
Total 31.12.2023	9 801 896	4 296 205	14 006 025	2 305 991	7 351 118	794 801	38 556 036

CHF thousand	At sight	Cancellable	Due:				Total
			Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	After 5 years	
Debt capital/financial instruments							
Amounts due to banks	696 660	-	-	-	-	-	696 660
Liabilities from securities financing transactions	48 776	-	2 922 410	-	-	-	2 971 186
Amounts due in respect of customer deposits	11 748 500	6 357 817	9 364 728	2 756 949	50 147	-	30 278 141
Trading portfolio liabilities	1 739	-	-	-	-	-	1 739
Negative replacement values of derivative financial instruments	1 906 681	-	-	-	-	-	1 906 681
Liabilities from other financial instruments at fair value	1 621 784	-	-	-	-	-	1 621 784
Total 31.12.2024	16 024 140	6 357 817	12 287 138	2 756 949	50 147	-	37 476 191
Total 31.12.2023	17 693 200	-	14 191 153	1 906 469	56 946	-	33 847 768

19. Presentation of assets and liabilities
by domestic and foreign origin
in accordance with the domicile principle

Assets (CHF thousand)	31.12.2024		31.12.2023	
	Swiss	Foreign	Swiss	Foreign
Liquid assets	3 128 380	105 925	4 983 711	140 221
Amounts due from banks	61 048	2 071 403	20 657	1 124 078
Amounts due from securities financing transactions	8 775 000	-	8 795 000	-
Amounts due from customers	792 842	6 480 537	764 617	6 405 166
Trading portfolio assets	1 036	18 872	196	16 155
Positive replacement values of derivative financial instruments	1 007 962	1 677 247	504 348	1 870 850
Other financial instruments at fair value	147 894	1 315 496	172 885	864 619
Financial investments	5 092 719	10 955 120	3 326 876	9 566 657
Accrued income and prepaid expenses	159 384	656 716	185 888	553 920
Non-consolidated participations	2 194	2 817	2 194	1 841
Tangible fixed assets	410 104	27 546	305 465	31 921
Other assets	228 628	117 307	228 605	194 452
Total assets	19 807 191	23 428 986	19 290 442	20 769 880
Liabilities (CHF thousand)	31.12.2024		31.12.2023	
	Swiss	Foreign	Swiss	Foreign
Amounts due to banks	52 510	644 150	169 870	1 415 806
Liabilities from securities financing transactions	200 796	2 770 390	813 644	1 859 348
Amounts due in respect of customer deposits	10 512 158	19 765 983	8 348 820	17 760 687
Trading portfolio liabilities	1	1 738	277	9 347
Negative replacement values of derivative financial instruments	324 442	1 582 239	1 054 062	1 280 736
Liabilities from other financial instruments at fair value	1 569 570	52 214	1 094 029	41 142
Accrued expenses and deferred income	466 964	755 653	423 186	796 948
Other liabilities	300 309	139 699	477 946	84 691
Provisions	314 270	1 057	325 347	880
Total equity	3 535 793	246 241	3 802 642	300 914
Equity owners' contribution	530 897	-	674 819	-
Capital reserve	11 664	-	11 664	-
Retained earnings reserve	2 605 083	-	2 858 620	-
Currency translation reserve	(30 984)	-	(18 238)	-
Consolidated profit for the year	419 133	246 241	275 777	300 914
Total liabilities	17 276 813	25 959 364	16 509 823	23 550 499

20. Breakdown of total assets by country or by group of countries
(domicile principle)

Assets (CHF thousand)	31.12.2024		31.12.2023	
	Absolute	Share as %	Absolute	Share as %
Switzerland	19 807 191	46%	19 290 442	48%
Europe	12 344 016	29%	11 250 373	28%
The Americas	7 742 197	18%	6 718 988	17%
Asia	3 135 178	7%	2 587 254	6%
Africa and Oceania	207 595	0%	213 265	1%
Total assets	43 236 177	100%	40 060 322	100%

21. Breakdown of total assets by credit rating of country groups (risk domicile view)

Rating according to FINMA	Foreign exposure 31.12.2024		Foreign exposure 31.12.2023	
	CHF thousand	Share as %	CHF thousand	Share as %
1 & 2	20 672 293	94%	18 595 589	92%
3	496 698	2%	476 333	2%
4	543 282	2%	621 465	3%
5	19 821	0%	30 722	0%
6	110 820	1%	111 761	1%
7	19 938	0%	14 041	0%
Unrated	312 566	1%	453 122	2%
Total	22 175 418	100%	20 303 033	100%

Comments on the rating system used

The Pictet Group uses credit ratings provided by FINMA in its rating concordance ('mapping') tables to calculate capital-adequacy requirements. When three ratings are available, the median value is taken. When two ratings are available, the more prudent one is taken. In the absence of a specific rating, Standard & Poor's long-term rating of the issuer is used.

22. Presentation of assets and liabilities broken down by most significant currencies (at 31 December 2024)

Currencies (CHF thousand)	CHF	EUR	USD	GBP	JPY	OTHERS	TOTAL
Assets							
Liquid assets	3 124 964	102 015	1 281	329	15	5 701	3 234 305
Amounts due from banks	169 472	1 266 187	541 108	42 291	22 750	90 643	2 132 451
Due from securities financing transactions	8 775 000	-	-	-	-	-	8 775 000
Amounts due from customers	1 624 126	2 662 867	2 294 043	326 667	175 304	190 372	7 273 379
Trading portfolio assets	3 388	234	16 197	38	35	16	19 908
Positive replacement values of derivative financial instruments	1 838 119	163 045	634 259	39 284	682	9 820	2 685 209
Other financial instruments at fair value	132 218	133 991	1 197 181	-	-	-	1 463 390
Financial investments	4 823 842	3 970 582	5 049 093	322 251	-	1 882 071	16 047 839
Accrued income and prepaid expenses	192 096	424 074	134 173	24 499	34 121	7 137	816 100
Non-consolidated participations	3 962	829	-	53	-	167	5 011
Tangible fixed assets	395 704	28 852	148	5 340	5 342	2 264	437 650
Other assets	156 144	89 477	59 937	20 898	8 122	11 357	345 935
Total assets shown in the balance sheet	21 239 035	8 842 153	9 927 420	781 650	246 371	2 199 548	43 236 177
Delivery entitlements from spot exchange, forward forex and forex options transactions	42 825 025	30 053 069	57 151 718	6 740 293	2 603 666	5 371 430	144 745 201
Total assets	64 064 060	38 895 222	67 079 138	7 521 943	2 850 037	7 570 978	187 981 378

Currencies (CHF thousand)	CHF	EUR	USD	GBP	JPY	OTHERS	TOTAL
Liabilities							
Amounts due to banks	34 049	222 695	386 128	36 824	10 532	6 432	696 660
Liabilities from securities financing transactions	-	2 172 748	770 063	28 375	-	-	2 971 186
Amounts due in respect of customer deposits	6 814 527	6 036 897	14 672 930	1 005 423	237 507	1 510 857	30 278 141
Trading portfolio liabilities	-	245	1 416	37	-	41	1 739
Negative replacement values of derivative financial instruments	1 423 030	52 942	409 032	12 171	610	8 896	1 906 681
Liabilities from other financial instruments at fair value	245 572	162 966	1 212 190	1 056	-	-	1 621 784
Accrued expenses and deferred income	483 638	503 569	78 782	89 191	22 069	45 368	1 222 617
Other liabilities	87 858	114 855	185 665	41 313	4 510	5 807	440 008
Provisions	314 858	469	-	-	-	-	315 327
Total equity	3 782 034	-	-	-	-	-	3 782 034
Equity owners' contribution	530 897	-	-	-	-	-	530 897
Capital reserve	11 664	-	-	-	-	-	11 664
Retained earnings reserve	2 605 083	-	-	-	-	-	2 605 083
Currency translation reserve	(30 984)	-	-	-	-	-	(30 984)
Consolidated profit for the year	665 374	-	-	-	-	-	665 374
Total liabilities shown in the balance sheet	13 185 566	9 267 386	17 716 206	1 214 390	275 228	1 577 401	43 236 177
Delivery obligations from spot exchange, forward forex and forex options transactions	50 916 285	29 603 274	49 395 732	6 303 429	2 593 496	5 932 985	144 745 201
Total liabilities	64 101 851	38 870 660	67 111 938	7 517 819	2 868 724	7 510 386	187 981 378
Net position per currency	(37 791)	24 562	(32 800)	4 124	(18 687)	60 592	

Notes to off-balance sheet transactions

23. Breakdown and explanation of contingent assets and liabilities

CHF thousand	31.12.2024	31.12.2023
Guarantees to secure credits and similar	8 377 998	8 408 034
Total contingent liabilities	8 377 998	8 408 034
Contingent assets arising from tax losses carried forward	20 236	13 468
Total contingent assets	20 236	13 468

‘Contingent liabilities’ encompass guarantees issued on clients’ behalf and liabilities arising out of commitments contracted by clients in private-equity and real estate transactions. These liabilities are secured by client assets pledged as collateral, in compliance with internal regulations.

24. Breakdown of fiduciary transactions

CHF thousand	31.12.2024	31.12.2023
Fiduciary investments with third-party companies	14 978 838	19 062 742
Fiduciary transactions arising from securities lending and borrowing, which the bank conducts in its own name for the account of customers	685 080	483 814
Other fiduciary transactions	292 479	238 070
Total fiduciary transactions	15 956 397	19 784 626

25. Breakdown of assets under management or custody

Breakdown of assets under management or custody

CHF billion	31.12.2024	31.12.2023
Assets in collective investment schemes managed by the Group	221.5	202.8
Assets under discretionary asset management agreements	132.8	116.0
Other assets under custody	555.3	483.8
Total assets under management or custody (incl. double counting)	909.6	802.6
<i>of which, double counting</i>	185.6	169.3
Total managed assets excl. double counting	724.0	633.3

Change in assets under management or custody (including double counting)

CHF billion	2024	2023
Total assets under management or custody - beginning of year	802.6	774.9
+/- Net new money inflow or net new money outflow	11.9	21.2
+/- Price gains/losses, interest, dividends and currency gains/losses	95.1	6.5
+/- Other effects	-	-
Total assets under management or custody - end of year	909.6	802.6

The nature of the services provided to clients and the reason for clients holding assets at the Bank determine how the assets are classified. As such, assets under management or custody include the assets of clients for which value-added services are provided. Said services are mainly investment advice and discretionary asset management. Pictet funds and third-party funds not managed by the Group are also included in this category.

Assets are classified at the individual account level. As such, only the assets for which value-added services are provided are included in this category.

In contrast, the assets of clients for which the Pictet Group provides only basic safekeeping services are not counted when calculating assets under management or held in custody.

If the nature of a client's relationship with the Pictet Group changes, the classification of the client's assets is

systematically reviewed. This change may, if necessary, result in net new money inflows or net new money outflows being acknowledged.

If different types of services are provided for the same assets, the assets will be counted twice. Practically speaking, these are assets under custody or discretionary management agreements that are invested in collective investment schemes managed by the Bank.

Net new money inflows are made up of a combination of several factors:

- Inflows of funds resulting from the acquisition of new clients, new funds from existing clients as well as cashflows and investments relating to client loans
- Outflows, subtracted from total inflows, comprising partial or total withdrawals of existing clients' assets.

The calculations are based on the direct method and include deposits and withdrawals in cash and financial assets (mainly securities or precious metals). Changes in the value of assets caused by market effects (particularly fluctuations in prices or exchange rates or interest or dividend payments) or interest charges, fees or expenses debited from clients are not included in the calculation of net inflows/outflows.

Notes to the income statement

26. Breakdown of the result from trading activities and the fair value option

Breakdown by business area

CHF thousand	2024	2023
Trading for the account of the customers	127 071	118 237
Trading for own account	61 797	54 078
Trading activity total	188 868	172 315

Trading activities for the Group's own account are aimed essentially at mitigating risk resulting from client orders.

Breakdown by underlying risk and based on the use of the fair value option

CHF thousand	2024	2023
Result from trading activities from:		
Equity securities (incl. funds)	20 716	14 926
Foreign currencies/precious metals/commodities	168 152	157 389
Total result from trading activities	188 868	172 315
<i>of which, from fair value option</i>	6 149	6 721
<i>of which, from fair value option on assets</i>	6 149	6 721

27. Disclosure of material refinancing under
'Interest and discount income as well as
material negative interest'

Refinancing income

The refinancing costs of the trading portfolios are offset directly under 'Result from trading activities and the fair value option'.

Negative interest

CHF thousand	2024	2023
Negative interest on lending business (decrease in interest and discount income)	-	-
Negative interest on borrowing business (decrease in interest expense)	42	538

28. Breakdown of personnel expenses

CHF thousand	2024	2023
Salaries	1 267 017	1 231 586
<i>of which</i> , expenses relating to alternative forms of variable compensation	183 353	185 804
Social insurance benefits	265 846	254 965
Other personnel expenses	40 154	43 368
Total	1 573 017	1 529 919

29. Breakdown of general and administrative expenses

CHF thousand	2024	2023
Office space expenses	120 418	119 492
Expenses for information and communications technology	299 989	316 825
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	13 601	14 034
Professional services	64 964	65 131
Fees of audit firms	6 161	4 890
<i>of which</i> , for financial and regulatory audits	5 011	3 507
<i>of which</i> , for other services	1 150	1 383
Public relations	41 962	46 758
Travel	40 891	42 302
Taxes and indirect taxes	74 203	32 774
Other operating expenses	52 927	74 834
Total	715 116	717 040

30. Explanations regarding material losses,
extraordinary income and expenses,
as well as material releases of hidden reserves and
value adjustments and provisions no longer required

CHF thousand	2024	2023
Changes to provisions and other value adjustments, losses	(18 421)	(136 796)
Extraordinary income	6 640	610
Extraordinary expenses	-	-

The extraordinary income stems from the sale of a non-strategic participation in 2024.

In December 2023, Bank Pictet & Cie SA reached a final settlement agreement with the US Department of Justice (DOJ) to resolve a legacy investigation relating to services provided by its private banking business to US taxpayer clients. The settlement resulted in a payment of CHF 108 million recorded in “Changes to provisions and other value adjustments, losses” in 2023.

The detailed breakdown of value adjustments and provisions is shown in the table presenting value adjustments and provisions in note 14.

31. Presentation of the operating result
broken down by domestic and foreign origin,
according to the principle of permanent establishment

(CHF thousand)	2024		2023	
	Swiss	Foreign	Swiss	Foreign
Interest and discount income	562 763	309 072	504 100	312 662
Interest and dividend income from financial investments	282 112	192 025	200 561	145 565
Interest expense	(560 002)	(293 446)	(374 481)	(206 722)
Gross result from interest operations	284 873	207 651	330 180	251 505
Changes in value adjustments for default risks and losses from interest operations	(684)	(97)	1 243	(123)
Subtotal net result from interest operations	284 189	207 554	331 423	251 382
Commission income from securities trading and investment activities	1 588 969	1 783 326	1 497 383	1 779 857
Commission income from lending activities	1 577	872	2 620	835
Commission income from other services	84 216	(66 875)	71 979	(60 587)
Commission expenses	(167 315)	(750 297)	(160 542)	(727 400)
Subtotal result from commission business and services	1 507 447	967 026	1 411 440	992 705
Result from trading activities and the fair value option	121 367	67 501	130 781	41 534
Result from the disposal of financial investments	-	-	-	-
Income from other non-consolidated participations	1 578	-	1 658	-
Result from real estate	2 252	402	2 433	427
Other ordinary income	909	215	800	378
Other ordinary expenses	(228)	(4)	(3 415)	-
Subtotal other result from ordinary activities	4 511	613	1 476	805
Personnel expenses	(1 027 717)	(545 300)	(1 005 705)	(524 214)
General and administrative expenses	(369 511)	(345 605)	(384 112)	(332 928)
Subtotal operating expenses	(1 397 228)	(890 905)	(1 389 817)	(857 142)
Value adjustments on participations, depreciation and amortisation of tangible fixed assets and intangible assets	(23 555)	(13 812)	(26 784)	(13 886)
Changes to provisions and other value adjustments and losses	(5 330)	(13 091)	(124 922)	(11 874)
Operating result	491 401	324 886	333 597	403 524
Extraordinary income	5 745	895	610	-
Extraordinary expenses	-	-	-	-
Taxes	(78 013)	(79 540)	(58 430)	(102 610)
Consolidated profit for the year	419 133	246 241	275 777	300 914

32. Presentation of current taxes, deferred taxes and disclosure of tax rate

CHF thousand	2024	2023
Creation/(release) of provisions for deferred taxes	-	8 026
Current tax expenses	157 553	153 014
Total taxes	157 553	161 040
Average tax rate	19.3%	21.8%
Average tax rate (current tax expenses)	19.3%	20.8%

Report of the auditor
on the consolidated financial statements



Report of the auditor

to the Board of Partners of Pictet & Cie Group SCA, Carouge

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Pictet Group ('the Group'), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated cash flow statement, the statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 5 to 9 and 29 to 76) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting rules for banks and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Partners is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Partners' responsibilities for the consolidated financial statements

The Board of Partners is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with accounting rules for banks and the provisions of Swiss law, and for such internal control as the Board of Partners determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Partners is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Partners either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse's website: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with art. 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Partners, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers SA



Beresford Caloia
Licensed audit expert
Auditor in charge



Adrien Meyrat
Licensed audit expert

Geneva, 28 April 2025

Pictet Group Head Office
Route des Acacias 60
1211 Geneva 73, Switzerland
+41 58 323 2323
www.pictet.com