

# STATEMENT ON COMPLIANCE WITH THE FINANCIAL REPORTING COUNCIL'S STEWARDSHIP CODE

JANUARY 2021

Pictet & Cie (Europe) S.A., London Branch ("Pictet London") offers a wide range of financial services to retail and professional clients as part of the wider Pictet Group's Pictet Wealth Management ("PWM") offering.

As certain of Pictet London's discretionary management clients are professional clients, which are not natural persons, under Rule 2.2.3R of the FCA's Conduct of Business Sourcebook, Pictet London is required to disclose on its website (i) the nature of its commitment to the UK Financial Reporting Council's Stewardship Code (the "Code") or, (ii) where it does not commit to the Code, its alternative investment strategy.

## THE CODE

The Code is a voluntary code which defines stewardship as the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

The Code consists of 12 Principles for asset managers and asset owners, and six Principles for service providers. These are supported by reporting expectations which indicate the information that should be publicly reported in order to become a signatory to the Code.

The twelve principles of the Code for asset managers and asset owners are that:

1. Signatories' purpose, investment beliefs, strategy, and culture enable stewardship that creates long term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.
2. Signatories' governance, resources and incentives support stewardship.
3. Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.
4. Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.
5. Signatories review their policies, assure their processes and assess the effectiveness of their activities.
6. Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.
7. Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.

8. Signatories monitor and hold to account managers and/or service providers.
9. Signatories engage with issuers to maintain or enhance the value of assets.
10. Signatories, where necessary, participate in collaborative engagement to influence issuers.
11. Signatories, where necessary, escalate stewardship activities to influence issuers.
12. Signatories actively exercise their rights and responsibilities.

## COMMITMENT TO THE CODE

While Pictet London respects the principles of the Code and its objectives, it has chosen not to commit to the Code.

Instead, Pictet London's approach is guided by that of the wider Pictet Group, and of PWM, which have committed to, and are a member of, a number of international and Swiss codes for responsible investment. As such, Pictet London follows an alternative investment approach which is described in more detail in the following section.

## ALTERNATIVE INVESTMENT APPROACH

Pictet London's investment approach is guided by the policy, commitments and principles referred to below.

### Responsible vision

The Pictet Group has made a number of commitments regarding the environmental impact of its activities and investments, integration of ESG factors and active ownership into its investment processes and becoming a leading provider of responsible products and solutions.

For further details of these commitments, please see [here](#)

### Partnerships and commitments to sustainability

The Pictet Group has committed to, and is a member of, a number of international and Swiss codes for responsible investment, including the integration of ESG criteria in investment processes, ownership processes, risk management and reporting tools.

For further details, please see [here](#)

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## Active Ownership

Pictet London adheres to the PWM Active Ownership Policy which sets out the approach of the PWM business with regard to:

- monitoring investee companies;
- proxy voting;
- corporate engagement;
- conflicts of interest; and
- market abuse.

For further details, please see the PWM Active Ownership Policy [here](#)

For further information on Pictet London's investment approach, please contact: [ntarrana@pictet.com](mailto:ntarrana@pictet.com)

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