

Engagement policy

This engagement policy aims at reflecting the approach adopted by Edmond de Rothschild (Europe) (“the Bank”) to the integration of shareholder engagement in our investment strategy as part of our discretionary management services, as prescribed by the law of 24 May 2011 regarding the exercise of shareholder rights at the general meetings of listed companies, as amended (the “Law”).

ENGAGEMENT AND MONITORING

We recognize a responsibility for the oversight and engagement with those companies and issuers whose securities we manage for our clients as an integral part of our investment process. We therefore carefully monitor and engage with companies held in your discretionary portfolio both before and during the period of our investment in these companies.

Criteria such as the risk involved in buying a stake in the company, the strategy followed by its management or the capital structure are of course analyzed before the investment is made.

In addition, Edmond de Rothschild is aware that investments of its funds are exposed to a sustainability risk which could have a significant negative impact on the value of the funds. As a result, managers identify and analyse sustainability risks as part of investment policy and investment decisions. In addition, Edmond de Rothschild is committed to assessing the main negative environmental, social and governance impacts of its liquid investments with a potential financial impact, as described in our Responsible Investment And Sustainability Risk Integration Policy.

Engagement with investee companies and other issuers is therefore an important element in both our ESG integration and our management oversight. We engage with investee companies and other issuers to understand them better, to monitor our clients’ investments, and to encourage companies to be proactive and transparent in the management of ESG issues and other relevant factors

VOTING RIGHTS, COOPERATION WITH OTHER SHAREHOLDERS AND COMMUNICATION WITH RELEVANT ACTORS OF THE COMPANIES

In its quality as discretionary assets manager, the Bank’s investment strategy consists in investing client’s portfolio under management in (among others) i) units or shares of undertakings for collective investment, ii) companies’ shares admitted to trading on a regulated market, iii) companies’ shares not admitted to trading on a regulated market, iv) bonds, v) derivatives, vi) and other transferable securities.

As such and at present, investments in EU companies’ shares admitted to trading on a regulated market (i.e. those being in the scope of the Law) carried out by the Bank as part of its portfolio management mandate represent a very small proportion of the capitalization of such companies.

Therefore, in light of the limited influence that could be exerted and of the high costs that it would entail, the Bank has currently decided not to exercise voting rights on behalf of our clients, and not to engage in cooperation with other shareholders or communications with relevant actors of the companies.

Our Relationship Managers remain of course at the disposal of the clients who wish to exert their voting rights by themselves to help them doing so.

CONFLICT OF INTERESTS

The Bank maintains a Group-wide policy which sets out how it manages actual and potential conflicts of interest arising from or affecting its business activities.

ANNUAL DISCLOSURE

The Bank is required to provide an annual disclosure of its shareholder engagement activities. This policy outlines such shareholder engagement activities and how they feature in the Bank's investment processes. Please note that since the original publication date of this policy (01/04/2021), there have been no changes, deviations or developments in the Bank's engagement activities and, therefore, such activities continue to remain in line with this policy.