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Group policy on controversial investments

Essential food commodities

Responsibility – a core value at Lombard Odier

For more than 200 years, Lombard Odier has been committed to preserving clients' long-term interests – a duty that has always been undertaken with a strong sense of responsibility toward not only our clients and employees, but also the communities we interact with. At our Firm, responsibility is an essential value; from the very outset it has guided the way we conduct our business.

We firmly believe that no business can grow successfully and durably if it fails to protect the natural resources on which it depends or to respect the communities on which it relies. From this point of view, investing responsibly is not just a reflection of our values, it simply makes long-term sense. It is a philosophy we strive to apply to the investment decisions we make for ourselves and the solutions we offer our clients.

About essential food commodities

The policy set out in this document applies to the following food commodities:

- Wheat
- Rice
- Corn
- Soybeans

These four cereals form the basis of the human diet worldwide. The increasing volatility of their prices directly affects the most vulnerable populations who sometimes spend more than 80% of their income on food. It is therefore essential for financial agents to avoid participating in speculation in these markets, notably through derivative instruments.

Lombard Odier's Investment Policy on essential food commodities

Stable food prices are a crucial component of food security for many populations at risk. Lombard Odier, concerned about the potential impact of commodities investments on the volatility of essential food prices, has decided to permanently exclude all instruments (futures, options, swaps, indices, exchange-traded funds) that invest in essential food commodities (wheat, rice, corn, and soybeans).

This policy applies to all situations where Lombard Odier is the ultimate investment decision-maker and covers in particular all our actively-managed funds and discretionary mandates. It also covers the investment recommendations we propose to our clients.

This policy applies to all Lombard Odier's entities worldwide.