

**CA Cheuvreux receives the Farsight Award 2012/13  
for their outstanding report  
“Luxury Goods: Sustainability Sector Profile”**

**London, 19 March 2013** – This evening, the Farsight Award 2012/13 was presented to Stephane Voisin and his Sustainability Research & ESG team at CA Cheuvreux during the Sustainable City Awards ceremony at Mansion House.

Supported by Gresham College, Z/Yen Group and Long Finance’s London Accord, the Farsight Award honours the best individual piece of analysis by an investment research institution that integrates traditional financial analysis with longer-term environmental social and governance (ESG) issues such as climate change, resource scarcity, corporate governance and human capital. The award rewards excellence and innovation in financial research integrating ESG aspects. The Farsight Award is one of 12 award categories in the Sustainable City Awards organised by the City of London Corporation.

The judges convened in January 2013 to discuss 95 investment research reports. They were extremely pleased by the high quality of the research submitted and by the wide range of ESG issues explored.

After a robust discussion, the judges reached the following decision:

- ◆ Winner of The Farsight Award 2012/13: **CA Cheuvreux** for their report **“Luxury Goods: Sustainability Sector Profile”**

Authored by Philippe Cornet, **“Luxury Goods: Sustainability Sector Profile”** (March 2012) finds that the Luxury Goods sector’s endorsement of sustainability is mainly triggered by reputational risk mitigation. The report explores how 130 major brands are managing the challenge of controlling reputational risk while seeking to meet growing demand. In particular, it analyses the implications and potential risks presented by key ESG issues such as raw materials, brand stretching, subcontracting, purchasing and producing in Asia.

The report can be downloaded via the link below –

<http://www.longfinance.net/programmes/london-accord.html?id=636>

The judges found that CA Cheuvreux winning report addressed an original topic and provided a useful analysis. Pierre Stiennon, one of the judges, said: “The Cheuvreux luxury report is innovative in that it sheds light on a number of specific sustainability issues that have generally been left in the dark so far. The report is compact in size, wide in the topics addressed and it is specific in assessing stock implications. It is a good example of a well-integrated report where one sector falls under the microscope of a sell side research team. The report will be of interest to long-term investors as well as to those who want to learn more about the sustainability drivers in the luxury sector.”

CA Cheuvreux wins the Farsight Award for the second time, after winning with their report “Utilities vs Carbon: Phase II” in 2008. CA Cheuvreux receives a trophy and will also be given a lecture opportunity with Gresham College as well as receiving recognition from the Long Finance and London Accord communities – <http://www.longfinance.net/programmes/london-accord.html>

The judging panel decided to commend highly two additional reports:

- ◆ Bank of America Merrill Lynch for their report “Less Is More: Global Energy Efficiency”
- ◆ Deutsche Bank for their report “Foreign Investment In Farmland: No Low-Hanging Fruit”

The criteria for the Farsight Award are originality; quality; readability and clarity; sophistication and depth; and financial usefulness. This year, the judges evaluated 95 reports exploring a range of topics including climate change, water, energy and energy efficiency, environmental regulation and policy, education, healthcare, demographics, SRI, microfinance and impact investing. These reports are all accessible free of charge on the London Accord section of the Long Finance website - <http://www.longfinance.net/programmes/london-accord.html>

Four other reports were also shortlisted out of the 95:

- ◆ Bank of America Merrill Lynch – “The Global Water Sector”
- ◆ CA Cheuvreux – “Bribery & Corruption”
- ◆ Deutsche Bank – “LT Asset Return Study: A Journey Into The Unknown”
- ◆ HSBC – “No Water, No Power: Is There Enough Water To Fuel China’s Power Expansion?”

The judging panel for the Farsight Award 2012/13 comprised:

- ◆ Alice Chapple, Director, ImpactValue;
- ◆ Professor Gwen Griffith-Dickson, Director, The Lokahi Foundation;
- ◆ Jan-Peter Onstwedder, Managing Director, Risk Management, Institutional Clients Group, Citi;
- ◆ Melissa Brown, Partner, Daobridge Capital Limited;
- ◆ Pierre Stiennon, Senior Financial Analyst - Responsible Investment, AXA Investment Managers;
- ◆ Ouafaa Karim, Director, Responsible Investment Association Australasia;
- ◆ Simon Mills, Principal Policy Officer for Sustainable Development, City of London Corporation;
- ◆ Professor Michael Mainelli, Executive Chairman of Z/Yen Group Limited, who also chaired the panel of judges.

Professor Michael Mainelli said: “Long Finance and the London Accord are impressed with the way the investment research community continues to develop environmental, social and governance issues in both breadth and depth. We hope the financial community’s 2013 viewpoint, contained in nearly 100 high quality reports,



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helps policy makers on subjects ranging from long-term asset management to long-term water management.”

Farsight Award – previous years’ winners:

- ◆ 2011/12: Responsible Research – “The Future of Fish in Asia”
- ◆ 2010/11: Bank Sarasin – “The World in a Dilemma between Prosperity and Resource Protection”
- ◆ 2009/10: Société Générale – “Green New Deal”
- ◆ 2008/09: Credit Suisse – “The Inconvenient Math: The Implications of Costed Carbon” and “More Inconvenient Math”
- ◆ 2007/08: CA Cheuvreux – “Utilities vs Carbon: Phase II”
- ◆ 2006/07: Citigroup – “Towards Sustainable Mining”

Note – any judge who may have a possible conflict of interest with any of the reports considered or any organisation sharing research with the London Accord abstains from judging, voting or expressing any views on the related report(s).

### NOTES TO EDITORS

About **Gresham College** – [www.gresham.ac.uk](http://www.gresham.ac.uk)

Gresham College was founded by Sir Thomas Gresham in 1597 and is an independently funded educational institution supported by the Mercers’ Company and the City of London. Based in Barnard’s Inn, Holborn, in the centre of London, it has provided free lectures for the past 400 years delivered by its eight professors of astronomy, commerce, divinity, geometry, law, music, physic and rhetoric, and initiated the Royal Society. The lectures were established by Sir Thomas, a leading London merchant who founded the Royal Exchange, and are designed to engage Londoners in research and intellectual debate on matters which concern the city. Professors have included Robert Hooke, Sir Christopher Wren, Professor Colin Pillinger (Beagle-2 expedition to land a craft on Mars), renowned mathematician Sir Roger Penrose and Templeton Prize winner Professor John Barrow.

About **Z/Yen Group Limited** – [www.zyen.com](http://www.zyen.com)

Z/Yen is the City of London’s leading commercial think-tank, founded to promote societal advance through better finance and technology. Z/Yen “asks, solves and acts” on strategy, finance, systems, marketing and intelligence projects in a wide variety of fields. Z/Yen activities include the development of an award-winning risk/reward prediction engine, which helped a global charity win a good governance award; and benchmarking transaction costs across global investment banks. Z/Yen produces a wide variety of research, including the Global Financial Centres Index. Z/Yen creates and leads communities of interest, such as the Long Finance and London Accord communities with Gresham College and the City of London Corporation.

About **Long Finance** and the **London Accord** – <http://www.longfinance.net>

Long Finance aims to improve society's understanding and use of finance over the



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long term. Long Finance runs four programmes – the London Accord, Financial Centre Futures, Meta-Commerce and Eternal Coin – as well as hosting and promoting a series of lectures, discussion events and research publications. The initiative began with a question – “*when would we know our financial system is working?*” – and seeks to challenge a financial system that revolves around short-term thinking and practices. Long Finance is supported by the City of London Corporation, Gresham College and Z/Yen Group.

The London Accord is a programme of Long Finance which acts as a nexus between the financial services industry and society to engage on long-term thinking about ESG issues, finance and policy. To date, 55 contributors primarily from the financial services sector share their investment research on ESG with the London Accord. Over 360 reports are available free of charge on the London Accord section of the Long Finance website, thereby providing insights for investors, financial services professionals, policy-makers, entrepreneurs, innovators, NGOs and members of the public.

**FOR MORE INFORMATION** on the Farsight Award: Professor Michael Mainelli, Executive Chairman, Z/Yen Group, tel: +44 207-562-9562, email: [michael\\_mainelli@zyen.com](mailto:michael_mainelli@zyen.com).