

# ROTHSCHILD & CO

A French partnership limited by shares (*société en commandite par actions*)

with capital of EUR 155,235,024

Registered Office: 23 bis Avenue de Messine

75008 Paris

Registered on the Paris Trade and Companies Register under number 302 519 228

## Memorandum and Articles of Association

Updated on 9 December 2019

## **Article 1. Form**

The Company is a French partnership limited by shares (*société en commandite par actions*) incorporated under French law and governed by the laws and regulations in force.

## **Article 2. Objects**

The Company's objects are to carry out, on its own behalf or on behalf of third parties, directly or indirectly, in a joint-venture or association, any activities whose prime or subsidiary objective is financial, industrial, commercial, agricultural or mining, transportation or transit, movable or real property transactions in France and abroad.

## **Article 3. Company name**

The Company's name is: "**Rothschild & Co**".

## **Article 4. Duration**

The Company will expire on 31 December 2055, unless it is wound-up early or extended.

## **Article 5. Registered office**

The Company's registered office is located at: 23 bis Avenue de Messine, 75008 Paris.

It may be transferred to any other location in the same *département* or a neighbouring *département* by a Managing Partner decision. In this case, Managing Partner shall be authorised to amend the Memorandum and Articles of Association accordingly.

## **Article 6. Share capital**

The share capital is fixed at EUR 155,235,024, divided into 77,617,512 shares of the same class with a nominal value of two euros.

Any change or redemption of the share capital shall be decided and carried out under statutory conditions and the conditions of this Memorandum and Articles of Association.

## **Article 7. The Company's securities**

### **Article 7.1 Form**

The shares and investment certificates rights issued by the Company shall be registered until they are fully paid up, then, at the holder's discretion, they shall be registered or bearer. The voting right certificates shall be registered.

### **Article 7.2 Identification**

The Company is authorised to make use at any time of the provisions of laws and regulations relating to the identification of any bearer of securities entitling them to vote, either immediately or in the future, at its General Meetings of Shareholders.

### **Article 7.3 Threshold disclosure**

Without prejudice to the provisions of the law, any individual or legal entity, acting alone or in concert with others, that holds shares or bearer investment certificates and that comes into possession of a number of shares or voting rights equal to or greater than 1% of the total number of Company shares and investment certificates, or of voting rights in the Company, and each time it crosses a multiple of this threshold in terms of share capital or voting rights, must inform the Company within the timeframe provided for by law, by registered letter with acknowledgement of receipt, stating whether the number of shares, investment certificates or voting rights are or are not held on behalf of, under the control of or in concert with other individuals or legal entities. .

This disclosure obligation shall apply under the same conditions when the portion of the share capital or voting rights held drops below the thresholds mentioned in the previous paragraph.

The person or entity required to make the disclosure shall specify the number of securities held giving entitlement to the Company's shares in the future, as well as the voting rights attached thereto.

Fund management companies are required to disclose this information for all the voting rights attached to the Company shares held by the funds they manage.

Without prejudice to the penalties provided for by law, in the event of failure to comply with the disclosure obligation provided for above, pursuant to a request recorded in the minutes of the General Meeting, by one or more shareholders or holders of certificates of voting rights holding at least five per cent (5%) of the Company's voting rights, the securities that exceed the fraction that should have been declared shall be deprived of voting rights at all General Meetings held for a period of two years following the date on which a threshold declaration is sent to the Company's registered office by registered letter with acknowledgement of receipt.

Subject to the specific provisions stated above, this statutory obligation is governed by the same rules that apply to the legal obligation, including in particular the cases of assimilation of securities held provided for by law.

### **Article 7.4 Paying-up (of shares)**

The issue price of the securities issued by the Company shall be paid up under the terms and conditions laid down by the General Meeting of Shareholders or, if none are laid down, by Managing Partner. Any delay in the payment of monies owing on the non paid-up amount of said securities shall automatically result in the payment of interest at the one-year Euribor rate plus 1%, for each day from the date on which payment is due, without prejudice to the relevant statutory provisions.

### **Article 7.5 Rights and obligations attaching to the Company's securities**

#### *Article 7.5.1 Common stipulations*

Whenever it is necessary to hold several of the Company's securities in order to exercise any right, single securities or a number that falls below the required number shall not grant their holder any rights against the Company. Where appropriate, their holders must make their own arrangements to pool them and, possibly, purchase or sell the necessary number of securities.

#### *Article 7.5.2 Stipulations applicable to shares and investment certificates*

Each share and each investment certificate shall give entitlement to ownership of the company's assets, profit sharing and the winding-up dividend payable to owners of equity capital, in proportion to the fraction of the capital they represent, subject to the rights of the general partners.

## **Article 8. Managing Partner**

Managing Partner's role is to oversee the general conduct of the Company's business, to convene General Meetings of Shareholders, set the agenda therefor and to draw up the accounts.

### **Article 8.1 Appointment, resignation and removal from office**

The first Managing Partner appointed by the Memorandum and Articles of Association, for a term equal to the duration of the Company, is Rothschild & Co Gestion, a French simplified joint stock company (*société par actions simplifiée*) registered on the Paris Trade and Companies Register and having its registered office at 3 Rue de Messine, 75008 Paris.

Any other Managing Partner appointed under the Memorandum and Articles of Association shall be appointed by the general partners with the approval of the Extraordinary General Meeting of Shareholders.

Any Managing Partner not appointed under the Memorandum and Articles of Association shall be appointed by the general partners.

Each Managing Partner may resign from office, subject to giving at least nine (9) months' notice. However said notice period may be reduced by decision of the general partners in the event of circumstances that seriously affect the Managing Partner in question's ability to perform his duties.

Each Managing Partner appointed by the Memorandum and Articles of Association may be removed from office at any time by decision of the general partners with the approval of the Extraordinary General Meeting of Shareholders and only for valid reasons, including but not limited to, incapacity or if bankruptcy proceedings are brought against the Managing Partner in question.

Each Managing Partner not appointed under the Memorandum and Articles of Association may be removed from office at any time by decision of the general partners.

In the event of cessation of duties of all the Company Managing Partners, irrespective of the reason therefor, resulting in a Managing Partner vacancy, the general partners shall manage the Company pending the appointment of one or more new Managing Partners under the terms and conditions laid down herein.

### **Article 8.2 The Managing Partners' Powers**

Each Managing Partner shall have the broadest powers to act in any circumstance in the Company's name and on its behalf, in accordance with the law and with this Memorandum and Articles of Association, it being stipulated that whenever this Memorandum and Articles of Association makes reference to a Managing Partner decision, the decision shall be taken by any one of the Managing Partners.

### **Article 8.3 The Managing Partners' Remuneration**

The first Managing Partner appointed under the Memorandum and Articles of Association shall not be remunerated but shall be entitled to reimbursement of its operating expenses (including employee costs and the remuneration of its corporate officers). The remuneration of any other Managing Partner (amount and payment terms and conditions) shall be decided when the Managing Partner is appointed (or where appropriate, reappointed) and under the same terms and conditions.

## **Article 9. General partners**

The first general partners shall be appointed for a term equal to the duration of the Company. They are (i) the first Managing Partner appointed under the Memorandum and Articles of Association (ii) Rothschild & Co Commandité, a French simplified joint-stock company registered on the Paris Trade and Companies Register and having its registered office at 3 Rue de Messine, 75008 Paris.

The general partners shall have unlimited joint and severally liability for the Company's debts. However, they shall be held liable only if the creditors have already issued the Company with a formal demand by extrajudicial instrument to settle its debts.

Losses shall be distributed between the first general partners in equal shares, that is to say, 50% for Rothschild & Co Commandité and 50% for Rothschild & Co Gestion.

The appointment of one or more new general partners shall be decided by the Extraordinary General Meeting of Shareholders on a proposal from the existing general partners. In this case, the appointment decision shall determine the proportions of distribution of losses between the old and the new general partners under the same terms and conditions.

The shares of the general partners may only be transferred with the general partners' consent and the approval of the Company's Extraordinary General Meeting of Shareholders. The transferee thus authorised shall take on the status of general partner of the Company and it shall acquire its predecessor's rights and obligations.

The shares of the general partners shall be indivisible vis-à-vis the Company and the joint undivided owners thereof must be represented by a common representative in order to exercise their rights.

## **Article 10. Supervisory Board**

### **Article 10.1 Appointment, removal from office and remuneration**

#### *Article 10.1.1. Members*

The Supervisory Board shall consist of six to eighteen members, shareholders of the Company, who are appointed and removed from office by the Ordinary General Meeting of Shareholders. Shareholders who also have the status of general partner shall not be entitled to vote. The number of members of the Supervisory Board over 75 years of age may not be more than one third of the members in office; if said proportion is exceeded, the members who must leave the Supervisory Board in order to maintain compliance with said proportion shall be deemed to have automatically resigned from office, commencing with the oldest.

The Ordinary General Meeting of Shareholders shall decide the term of office of each member of the Supervisory Board.

If there is a vacancy as a result of death, resignation or for any other reason, the Supervisory Board may temporarily co-opt one or more members as a replacement for the remaining term of office of the replaced member; any co-option shall be approved by the next Ordinary General Meeting of Shareholders. If it is not, the decisions of the Supervisory Board taken during the term of office of the co-opted member shall remain valid nonetheless.

The Supervisory Board shall freely distribute all or some of any remuneration that the Ordinary General Meeting of Shareholders grants to it between its members.

#### *Article 10.1.2. Non-voting directors*

Shareholders, convened at a Shareholder Meeting, may appoint one or more non-voting directors who may be selected from among the shareholders, although this is not a requirement.

The Supervisory Board may appoint non-voting directors subject to approval at the next Shareholder Meeting.

The Supervisory Board can allocate to the non-voting directors compensation and determine the amount thereof.

Non-voting directors will be appointed for a three-year term of office and their terms of office will expire at the end of the Shareholder Meeting called to pass on the financial statements of the proceeding year, in the year during which the term of office of said non-voting director expires.

The non-voting directors, who are in charge of ensuring the strict performance of the articles of incorporation, shall be invited to attend Supervisory Board Meetings; they shall take part in voting and have a consultative vote.

## **Article 10.2 Operation**

### *Article 10.2.1 Chairman, Vice-Chairmen and Secretary*

The Supervisory Board shall elect a Chairman from its members.

It may also appoint one or more Vice-Chairmen from its members.

In addition, it may appoint a Secretary who may but need not be one of its members.

### *Article 10.2.2 Meetings*

Meetings of the Supervisory Board shall be chaired by the Chairman or, if he is absent, by the Vice-Chairman present with the greatest length of service in said capacity or, in the absence of the Vice-Chairman, by the member appointed for that purpose by the Supervisory Board.

The Supervisory Board shall meet as often as the Company's interests so require and at least four (4) times a year. Meetings shall be convened by any means by the Chairman, who shall send a notice to attend to at least half the members of the Supervisory Board, Managing Partner or a general partner, by giving a reasonable notice period, subject to circumstances that require a very short notice period.

Decisions shall be taken by a simple majority of those members who are present or represented and who have voting rights. Members of the Supervisory Board who attend the meeting via videoconference or telephone conference enabling them to be identified and ensuring that they participate effectively shall be deemed to be present for the purpose of calculating the quorum and the majority. A member who is present may represent an absent member upon presentation of an express proxy. In the event that the votes are tied, the chairman of the meeting shall have the casting vote. Managing Partner shall be notified of meetings of the Supervisory Board and may attend in an advisory capacity.

Decisions of the Supervisory Board shall be recorded in minutes, which shall be kept in a special register and signed by the chairman of the meeting and the secretary or by a majority of members present.

### *Article 10.2.3 Duties*

The Supervisory Board shall oversee the Managing Partner of the Company at all times (in particular its individual and consolidated accounts), and it may convene the General Meeting of Shareholders. In addition to its statutory powers, the Supervisory Board shall take decisions:

- by means of an advisory opinion to Managing Partner on:
  - the strategic policies, the annual budget and the three-year business plan for the Company's entire group;
  - any investment in any organisation or company, any acquisition, sale or exchange of shares, property, debts or assets of the Company or an entity controlled by the Company, outside the ordinary course of business, of an amount exceeding €50 million, it being stipulated that, for any

transaction that involves only companies controlled by the Company, the Managing Partner will be free to decide whether or not to seek the Supervisory Board's advisory opinion on that transaction, and

- any strategic initiative or major change of direction in the Company's group's business; and
- by means of a recommendation to shareholders concerning the Company's dividend policy.

Moreover, the Supervisory Board shall present a report and a reasoned opinion to shareholders on any resolution submitted to the General Meeting of Shareholders and on any matter contained in a report from the Company's statutory auditors. It shall approve its Chairman's report on internal control.

The Supervisory Board may obtain the assistance of experts of its choosing, at the Company's expense. It shall have the broadest investigative powers and it may put written questions to Managing Partner or even ask it for a meeting at any time.

The Supervisory Board may decide to create committees whose composition and powers it shall decide under statutory conditions.

#### *Article 10.2.4 Internal rules and regulations*

The Supervisory Board may draw up Internal Rules and Regulations in which it may, in particular, lay down the terms and conditions of its meetings, decision-making and the performance of its duties, under statutory conditions and the terms and conditions hereof.

### **Article 11. Collective decisions**

#### **Article 11.1 General Meeting of Shareholders**

General Meetings of Shareholders shall be convened by Managing Partner or the Supervisory Board and for Ordinary General Meetings of Shareholders, decisions shall be adopted under statutory conditions, by a simple majority of the votes of those shareholders present or represented or, for Extraordinary Meetings of Shareholders, by a majority of two-thirds of the votes of those shareholders present or represented.

General Meetings shall be held at the registered office or at any other location specified in the notice to attend. General Meetings shall be chaired by one of the Managing Partners appointed under the Memorandum and Articles of Association or, with Managing Partner's consent, by the Chairman of the Supervisory Board; failing which, the General Meeting of Shareholders shall elect its own Chairman.

Any shareholder or bearer of voting right certificates shall be entitled to attend General Meetings under statutory conditions and the terms and conditions hereof. Said persons may send their proxy form or postal vote for any General Meeting of Shareholders in writing or electronically, under statutory conditions. Managing Partner shall be entitled to accept any proxy form, voting form or certificate of attendance received or submitted up until the date of the General Meeting of Shareholders. By Managing Partner decision published in the notice of the meeting or notice to attend to use such means of telecommunication, shareholders and bearers of voting right certificates who attend the General Meeting of Shareholders via videoconference or by means of telephone conference enabling them to be identified shall be deemed to be present for the purpose of calculating the quorum and majority.

Except when provided by law, each share and voting right certificate entitle to one voting right in the General Meetings. However, the holder of any fully paid share, held in the form of registered shares for at least two years in the name of a single holder, will be entitled to two voting rights per share, without any limitation. In case of capital increase, by incorporation of reserves, benefits or issue premiums, the double voting right is, as from the issuance date, attributed to the registered shares allocated to a shareholder as a consequence of former shares for which he benefits from a double voting right. In the event of any transfer following inheritance, liquidation of marital property between spouses or donation inter vivos in favour of a spouse or relative entitled to inherit, the right remains acquired and the period

hereinabove referred to is not interrupted. The double voting right is cancelled ipso jure of any share transferred for any other cause.

In case of division of shares and voting right certificates ownership, the voting right attached to the share or to the voting right certificate is exercised by the bare owner, except on decisions relating to the appropriation of income, where it is exercised by the beneficial owner

Except for the appointment and removal from office of members of the Supervisory Board, the appointment and removal from office of the Statutory Auditors, the distribution of annual dividends and the approval of agreements requiring authorisation, no decision shall be validly taken by the General Meeting of Shareholders unless it is approved by the general partners in principle before the General Meeting of Shareholders and, in any event, no later than the close of said meeting.

### **Article 11.2 General partners' decisions**

The general partners shall take decisions at Managing Partner's discretion at a General Meeting or by written consultation. Whenever a decision requires the approval of the general partners and the General Meeting of Shareholders, pursuant to the law or the Memorandum and Articles of Association, Managing Partner shall collect the general partners' votes, in principle, before the General Meeting and, in any event, no later than the close thereof.

Decisions or proposals that fall within the remit of the general partners shall be adopted unanimously, except if the Company is converted to a *société anonyme* (French limited company) or a *société à responsabilité limitée* (French limited liability company) which only requires a majority of the general partners.

### **Article 11.3 Exceptional transactions**

Any transaction whose purpose or effect is or might be to fundamentally challenge:

- the independence of the Company's group or its tradition of excellence;
- its attachment to the Rothschild family or the role that the latter plays in it;
- its use of the Rothschild name; or
- the fact that the group's main activities are financial,

shall be referred to the general partners for approval, including where said transaction would not require the consent of the General Meeting of Shareholders.

### **Article 12. Statutory auditors**

The Ordinary General Meeting of Shareholders shall appoint a statutory auditor and, where necessary, a deputy statutory auditor in order to carry out the audit required by the law and regulations. When the statutory conditions are met, the Company shall appoint at least two (2) statutory auditors.

### **Article 13. Financial year**

Each of the Company's financial years shall begin on 1 January and end on 31 December.



## **Article 14. Distributions**

The income statement, which summarises the annual income and expenses (including, in particular, the Managing Partners' remuneration), shall show, as a difference between the two, the annual profit or loss after deduction of write-downs and provisions.

From the annual profit, less, where appropriate, any previous losses, the amount assigned to create the statutory reserve fund shall be deducted in accordance with Article L. 232-10 of the French Commercial Code (*Code de commerce*), it being understood that said deduction shall cease to be mandatory when the reserve fund reaches one tenth (1/10) of the capital and it shall resume when, for any reason whatsoever, the statutory reserve falls below said one tenth (1/10).

The distributable profit shall consist of the annual profit less any previous losses and the monies to be allocated to the statutory reserve pursuant to the law, plus any profit carried forward.

### **Article 14.1 Preferred dividend (dividende précipitaire) to general partners**

In the event of an annual distributable profit, a preferred dividend (*dividende précipitaire*) equal to 0.5% of said profit shall be allocated automatically to the general partners who held such position during the year in question, and shall be distributed between them in the same proportions as the distribution of losses specified herein. However, it is hereby stipulated that in the event that the status of general partner was lost during the course of the year, the remuneration of the partner in question in respect of the year shall be calculated on a *pro rata temporis* basis and the remainder shall be distributed between the other general partners as stated above.

### **Article 14.2 Distributions to shareholders**

The Ordinary General Meeting of Shareholders:

- shall assign the distributable annual profit, less the preferred dividend (*dividende précipitaire*) to the general partners, to the creation of optional reserves, the retained earnings account and/or the distribution of a dividend to shareholders;
- may decide to distribute monies deducted from the reserves and premiums at its disposal; however, dividends shall first be deducted from the distributable annual profit;
- may decide, for any dividend distributions, interim dividend payments or distributions from reserves or premiums; or for any reductions of capital, that said distributions or reductions of capital shall be made, in whole or in part, in kind by transferring the Company's securities held as investments or its assets; and
- may offer an option between payment in cash or in shares for all or some of the dividend or interim dividend payment distributed to shareholders.

## **Article 15. Winding-up and liquidation**

At least one (1) year before the Company's expiry date, Managing Partner shall obtain a decision from the general partners and the Extraordinary General Meeting of Shareholders as to whether or not the Company should be extended.

On expiry of the term laid down in the Memorandum and Articles of Association (where appropriate, as extended) or in the event that the Company is wound-up early, the general partners and the Ordinary General Meeting of Shareholders shall decide the method of liquidation and appoint the liquidator(s) whose powers and term of office they shall determine.

The net proceeds of the liquidation, after settlement of the liabilities, shall be used to repay all the paid-up share capital that has not been redeemed. 0.5 % of any surplus shall be distributed to the general

partners (to be shared in the same proportion as the distribution of losses specified herein) and the balance to the shareholders (to be shared in proportion to their respective number of shares in the capital).

The death of one of the general partners and, in the event that there are several general partners, the fact that one of them is placed in judicial administration or liquidation, is prohibited from carrying on a commercial profession or the incapacity of one of them shall not result in the Company being wound-up.

However, if, the Company no longer has a general partner, the Extraordinary General Meeting of Shareholders must meet as soon as possible to appoint one or more new general partners or to change the form of the Company.

The cessation of duties of one or more Managing Partner(s), irrespective of the reason therefor, shall not result in the Company being wound-up.

#### **Article 16. Disputes and address for service**

Any disputes that might arise throughout the duration of the Company or the winding-up thereof between either the shareholders, general partners, members of the Supervisory Board, Managing Partner and the Company, or between the shareholders and/or general partners themselves, relating to company matters or to the performance of this Memorandum and Articles of Association, shall be governed by the law and referred to the jurisdiction of the appropriate courts of the place of the registered office. To that end, in the event of a dispute, each of the above-mentioned persons shall choose an address for service within the jurisdiction of the appropriate court of the place where the registered office is located and any summonses and documents shall be validly served at said address.