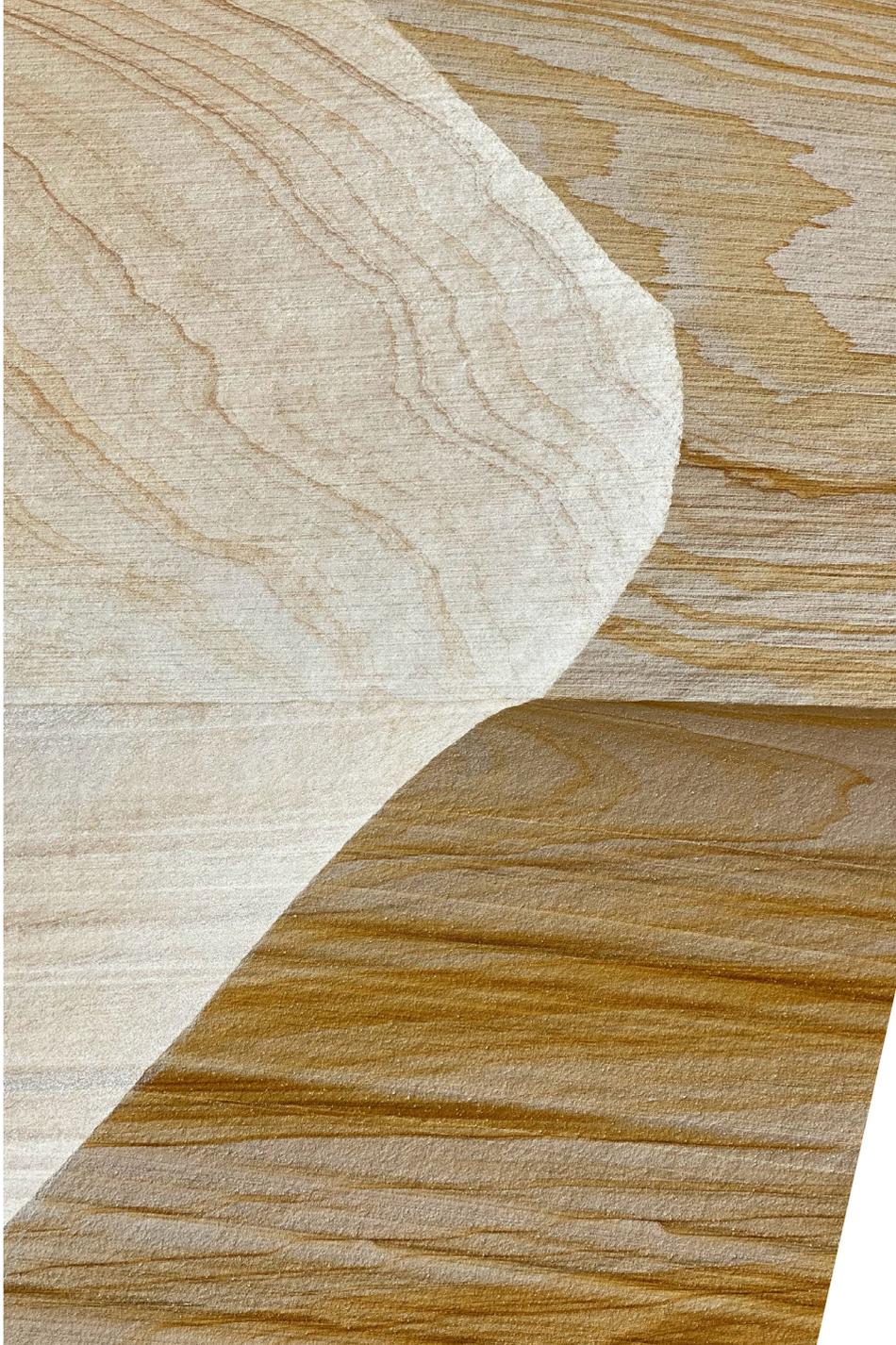




Sustainability Report

2023



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# Sustainability ambition and governance



# 1. Sustainability ambition and governance

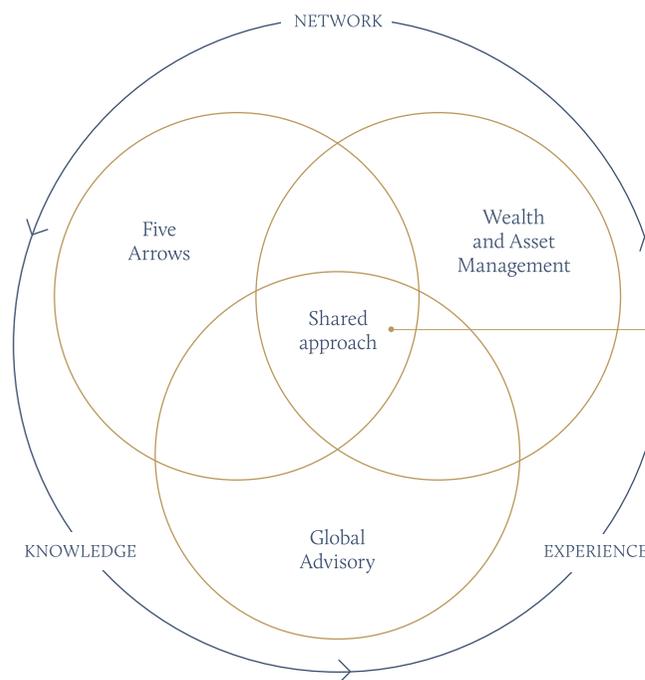
Rothschild & Co is a family-controlled group of three established and highly complementary market-leading businesses, united by a shared approach. Having been at the centre of the world’s financial markets for over 200 years, the Group’s expertise, intellectual capital, and global network enable us to provide a distinct perspective that makes a meaningful difference to the Group’s clients, communities, and the planet.

With 4,200 financial services specialists in over 40 countries across the world, we provide independent advice on M&A, strategy and financing, as well as investment and wealth management solutions to large and mid-size institutions, families, individuals and governments, worldwide.

In **Global Advisory**, we are helping our clients reach their goals through the design and execution of strategic M&A and financing solutions. Our **Wealth and Asset Management** business provides an independent long-term perspective on investing, structuring and safeguarding assets, creating innovative investment solutions to preserve and grow our clients’ wealth. **Five Arrows** is the alternative assets business of Rothschild & Co, deploying the firm’s capital alongside that of a select set of leading institutional and private investors.

The Group’s long-term ambition to **use its influence and expertise to help facilitate the sustainability transition of the global economy** is a key pillar of Group strategy and as such a fundamental part of delivering its business model and create value in the long term.

## Our approach to business



Our three businesses have a common approach at their core, which is a unique fusion of our heritage, scale and expertise.

Our common approach creates a differentiated proposition that benefits our clients, partners, stakeholders and colleagues. It helps us to build strong market positions for each of our businesses and supports our group’s sustainable performance and growth.

The way we do business:

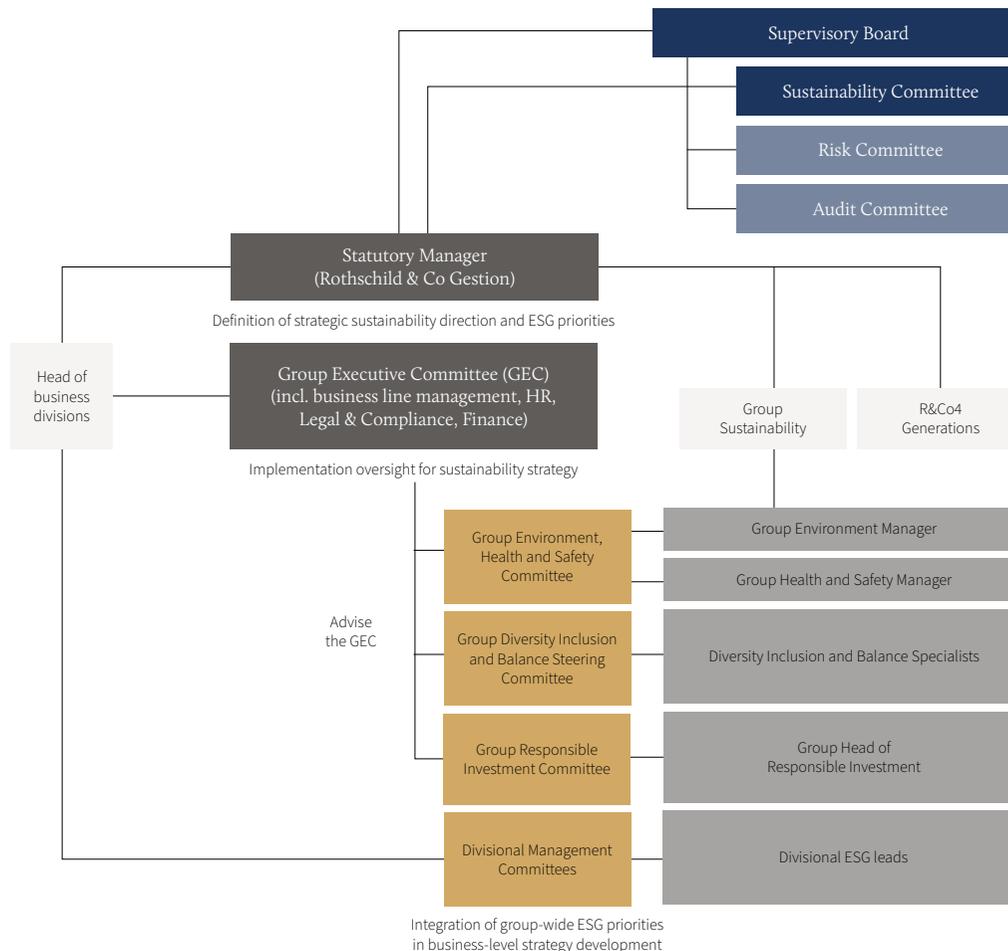
- Client focus – building enduring relationships, remaining highly connected, and valuing long-term success
- Excellence – demonstrating deep know-how and breadth of experience, considered and strategic thinking and an innovative and entrepreneurial mindset
- Partnership culture – collaborating, sharing knowledge and opportunities and seeking synergies between businesses
- Strong principles – committed to a culture of integrity and doing the right thing
- Global reach built from local presence, enabling us to fully understand our clients’ ecosystems, and bridge cross-border differences
- Sustainability – a long-term ambition to use our influence and expertise to help facilitate the sustainability transition of the global economy

The governance of sustainability matters follows the Group's governance framework with clearly defined roles and responsibilities, including:

- the Supervisory Board in its oversight function;
- the Statutory Manager who sets the direction;
- the Group Executive Committee and its specialist committees and Group functions providing advice on the strategic direction;
- implementation responsibility in Divisional Management Committees.

Please consider section 4.2 in the appendix for a more detailed explanation of roles and responsibilities of the different governance bodies in overseeing progress and supporting the Group's long-term sustainability ambition.

### Overview of sustainability arrangements in the Group's governance structure 2023



# Strategy and risk management

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## 2.1 Priorities

The 2022 materiality assessment of non-financial risks relating to sustainability matters (please also see section 4.3 in the appendix) provided insight with regards to key risks and opportunities for the Group on its journey to help facilitate the sustainability transition of the global economy. The 2022 assessment was carried out alongside the Group's annual review of strategic risks (please also see section 4.4 in the appendix) and considered two potential sources of non-financial risks or opportunities for the Group:

- material stakeholder relevance, i.e., likelihood that the Group's actions with regards to an identified issue will have an influence on stakeholder assessments and decisions; and/or
- material business impact, i.e., likelihood that an identified issue will impact the Group's performance, and its ability to create long-term value.

The results highlighted the degree to which the below sustainability issues could present inherent non-financial risks and opportunities for Rothschild & Co.

At the time of the publication of this report, the Group is revising its analysis and conclusions on the most material sustainability issues as per the definitions in the European Sustainability Reporting Standards (ESRS) from a risk, opportunity, and impact perspective. The results will provide relevant insights into strategic priorities and form the foundation for the preparation of the FY 2024 Sustainability Statement in line with the requirements outlined in the Corporate Sustainability Reporting Directive (CSRD) to be published in 2025.

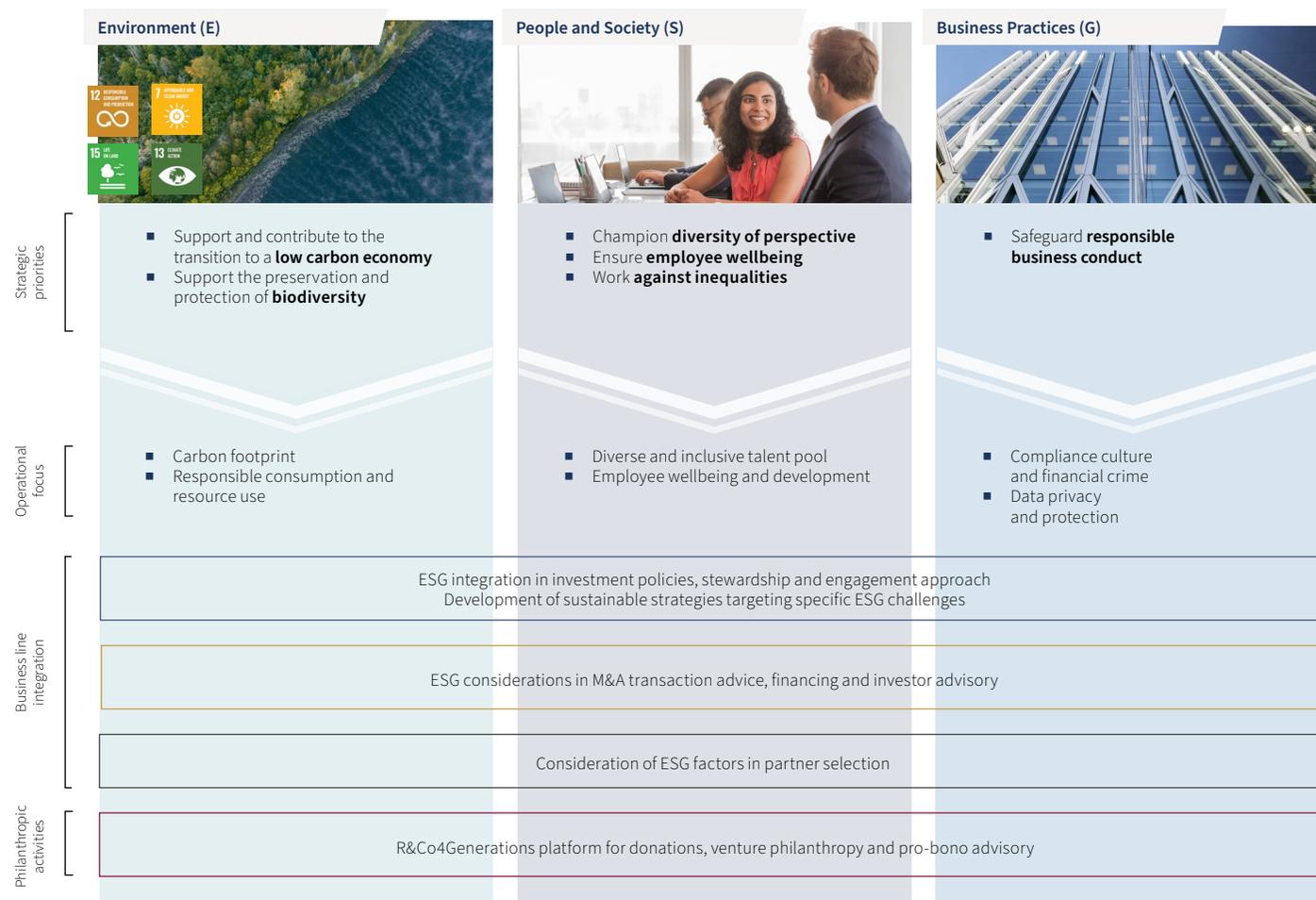
SUSTAINABILITY ISSUES IDENTIFIED AS A POTENTIAL SOURCE OF INHERENT NON-FINANCIAL RISKS AND OPPORTUNITIES	STRATEGIC OBJECTIVES	SEE CHAPTER FOR STRATEGY AND MITIGATION ACTIONS
Compliance culture and financial crime	Safeguarding responsible business conduct	Section 3.3
Data privacy and protection	Safeguarding responsible business conduct	Section 3.3
Climate change	Limiting and reducing the impact of operations, products and services on a changing climate and acting as a catalyst in support of the low-carbon transition	Section 3.1
Natural capital	Working to help preserve, protect, and enhance the resilience of the planet's ecosystem services	Section 3.1
Talent development	Attracting and retaining the most talented people from a diverse range of backgrounds	Section 3.2
Diversity and Inclusion	Creating an environment of equal opportunity and partnership to maximise the potential of the entire talent base	Section 3.2
Employee wellbeing	Safeguarding employee wellbeing and providing a sound support framework	Section 3.2
Human rights	Working against inequality across our value chain	Section 3.2

The Group's **ESG priority framework** provides a joined long-term roadmap for consideration of the most material non-financial risks and opportunities across the Group's business model, including its:

- direct operational impact;
- investment approaches in the Wealth & Asset Management, and Five Arrows businesses;
- transaction advice in the Global Advisory business, including dedicated ESG advisory expertise;
- onboarding decisions and engagement with business partners along the value chain; and
- approach for support of charities and social enterprises.

### ESG Priority Framework

“At Rothschild & Co, we have the long-term ambition to use our influence and expertise to help facilitate the sustainability transition of the global economy.”



Continued **stakeholder engagement** with employees, clients, investors, shareholders, civil society, and multi-stakeholder initiatives is crucial for building long-term, trusted partnerships and gaining insight into the impact of the Group's actions, identifying opportunities for improvement and sustainable value creation.

## Overview partnership and public commitments

COMMITMENT	ENTITY
UN Global Compact	Rothschild & Co signatory
CDP	Rothschild & Co Investor signatory, regular discloser
PRI	All investment businesses
Women in Finance Charter	N.M. Rothschild & Sons, commitments expanded to the Group
The mentoring Foundation FTSE 100 Cross-Company mentoring programme	N.M. Rothschild & Sons
The Diversity Project	N.M. Rothschild & Sons
Net Zero Asset Managers Initiative	Rothschild & Co Asset Management
Investors coalition for a Just Transition	Rothschild & Co Asset Management
Sustainable Investment Plenary of the French Asset Management Association (AFG)	Rothschild & Co Asset Management
FAIR (Association for social impact finance)	Rothschild & Co Asset Management
Institut de la Finance Durable (ex. Finance for Tomorrow)	Rothschild & Co Asset Management
Forum pour l'Investissement Responsable (FIR)	Rothschild & Co Asset Management
Climate Action 100+	Rothschild & Co Asset Management, Rothschild & Co Wealth Management UK
UK Stewardship Code (FRC)	Rothschild & Co Wealth Management UK
The Investor Forum	Rothschild & Co Wealth Management UK
Financial Advice Association (Sustainable Finance Strategic Committee and Working group)	Rothschild & Co Wealth Management UK
Say on climate Initiative	Rothschild & Co Wealth Management UK
Swiss Sustainable Finance	Rothschild & Co Bank AG Zurich
Advance – Gender Equality Business	Rothschild & Co Bank AG Zurich
Cercle Robeco pour une Banque Privée durable	Rothschild Martin Maurel
France Invest Charter for Gender Equality	Rothschild Martin Maurel, Five Arrows
Initiative Climat International	Five Arrows
Global Impact Investing Network (GIIN)	Five Arrows
ESG Commission at France Invest	Five Arrows
EDCi – ESG Data Convergence initiative	Five Arrows

## 2.2 ESG risk and opportunity consideration across the business model

### ESG integration in investments

A proactive approach to Responsible Investment contributes to the Group’s long-term ambition to use its expertise and influence to help facilitate the sustainability transition of the global economy, while protecting the value of investment portfolios and seizing investment opportunities for clients.

As an investor and wealth manager, Rothschild & Co can help clients navigate sustainability related impacts, risks and opportunities through offering different sustainable investment strategies across a diverse range of asset classes and facilitate the orientation of financial flows towards economic participants with more sustainable business models. On cross-cutting topics, minimum common expectations are defined to apply at Group level and are complemented by investment entities’ own initiatives and frameworks supporting different ESG priorities.

For the development and implementation of its Responsible Investment strategy the Group relies on a strong commitment from top management, and an agile **governance structure** that allows for the coordination of a collaborative approach to policy development across the Group via the Group’s Responsible Investment Committee, whilst the responsibility for risk management and policy deployment lies with the different investment entities in the Group (also see section 4.2 in appendix).

A growing network of experts and training to scale the capabilities of all teams is crucial for driving implementation of Responsible Investment considerations at the core of the investment businesses and across all functions (see Appendix 4.6 for reference).

### Group-wide ESG investment roadmap for 2022-2025

The European regulatory agenda for sustainable finance, national initiatives and increasing client expectations regarding consideration of sustainability criteria creates a favourable yet demanding environment for the Group’s approach to Responsible Investment.

Rothschild & Co’s Responsible Investment Roadmap was agreed in 2022, and defines objectives and priorities contributing to the evolution of the investment product and service offering in support of the Group’s long-term sustainability ambition:

These pillars are:

- 1 Act for climate and preserve our planet
- 2 Contribute to a more inclusive economy
- 3 Facilitate the orientation of financial flows towards sustainable investments

This roadmap is aimed at setting a common direction and a minimum calendar as the basis for each entity to then build its own action plan.

ENTITY	RESPONSIBLE INVESTMENT ROADMAP – IMPLEMENTATION HIGHLIGHTS 2023
<b>Wealth &amp; Asset Management</b>	<ul style="list-style-type: none"> <li>■ Further strengthening and consolidation of <b>processes and procedures supporting ESG</b> integration in the investment process: development phase including IT integration and reinforced processes in response to new regulatory requirements and expansion of the sustainable investment offering</li> <li>■ <b>Further defining our “transition position” in parallel to the integration of broader environmental topics</b></li> <li>■ <b>Intensification of training</b> across different functions to better respond to changing needs of clients in the areas sustainability and responsible investment practices</li> </ul>
<b>Five Arrows</b>	<ul style="list-style-type: none"> <li>■ <b>Creating accountability for ESG integration</b> by including sustainability criteria as part of the annual performance reviews of Five Arrows teams and linking variable compensation to adherence to Sustainability Risks policy and completion of sustainability training (climate and diversity)</li> <li>■ <b>Further strengthening and consolidating processes and procedures:</b> ESG proprietary due diligence tools for Five Arrows’ impact strategy (FASI) and the latest fund of Five Arrows Secondary Investment Strategy (FASO VI)</li> <li>■ <b>Deploying sustainable capital:</b> FASI completed first investment in 2023</li> </ul>

## Investment policies and process

**Common investment principles** help identify and manage sustainability-related investment risks in the investment portfolios of the business lines. The SFDR regulation requires financial market participants and financial advisors within the EU to explain how they integrate **sustainability risks** in their investment process and policies.

In 2023, Wealth and Asset Management entities improved the monitoring of sustainability risks during the holding period. This included a review of the priority risk factors that could affect investments, the selection of specific indicators to help evaluate the risks factors identified as well as the approaches to analysing their results at portfolio level. Five Arrows updated its Sustainability Risks policy, describing how the business identifies and manages the ESG related investment risks and impacts. The policy applies to all Five Arrows investment vehicles, including those that are not considered 'sustainable' according to SFDR. The Group Remuneration Policy underlines the importance of consideration of investment-related sustainability risks through employee training, development and attestations to ensure compliance with policies, including consideration of adherence to the Sustainability Risks Policies in the annual performance review and compensation decisions for the relevant employees in the affected group entities

The businesses share a number of policies defining **areas where they will not invest**, for example an exclusion of investments in companies which to the Group's knowledge may breach fundamental principles due to gross corporate misconduct, including serious human rights and labour violations, severe environmental damage, gross corruption and other particularly serious violations of fundamental ethical norms as defined by the UN Global Compact and other internationally recognised frameworks where identified by credible third-party sources. Other thematic exclusions apply across the Group (see chapter 3.1 and 3.2 in this report), whilst individual investment entities have adopted exclusion policies that go beyond this. Continuous work is conducted to review and further adapt these policies and extend their scope of application. These investment policies set guardrails for decisions taken by the investment teams. For certain policies there can be exceptions for specific client requests on dedicated discretionary funds or managed accounts and advisory mandates.

Considerations with regards to ESG dimensions are directly integrated into the pre-trade systems of some of the entities and investment managers can monitor the performance of their portfolios; investment policies may also be integrated into the definition of the investment universe, either by restriction or through red-flag notifications. Controls around implementation of investment policies and procedures are designed at the level of each investment entity and subject to the appropriate governance arrangement of the respective entities.

**ESG investment integration tools** help the investment teams to assess a security or portfolio's overall profile, risk and opportunity exposure, and some quantifiable impact. ESG data and tools used by investment teams were enhanced in 2023 to provide investment teams with direct access to relevant ESG data alongside financial information.

The Group is enhancing its internal reporting processes for consolidated ESG performance, covering a number of KPIs representing the contribution to the Group's ESG priorities via its investment activities, including some Principle Adverse Impacts (PAIs) and other sustainability indicators. Monitoring of the risks and impacts of the investments can support identification of opportunities for collective action across the different businesses, enabling synergies in addressing cross-cutting issues.

## Stewardship

**(1) Direct engagement:** initiation of discussions with companies in which the business invests to better understand their ESG practices and raise awareness of the Group's position. The Group's investment business lines have developed structured engagement policies when investing in equity or debt instruments issued by corporates or when investing in third party funds. When there is an equity stake in a listed company, active voting based on sustainable principles can be a powerful tool for influencing practices, in particular via voting at the Annual Shareholder Meetings. In 2023, high voting coverage targets have been reached.

INDICATORS	BUSINESS		SCOPE
% Voting coverage	Wealth Management UK	100%	Eligible discretionary assets
	Rothschild & Co Asset Management	99%	Total eligible AuM (excl. family dedicated funds)
	Rothschild & Co Bank AG Zurich	100%	Mosaique and LongRun strategies
Number of companies with which the business has engaged on ESG issues in 2023	Wealth Management UK	27	
	Rothschild & Co Asset Management	138	

Five Arrows teams invest mainly in non-listed assets and can hold a significant portion of the equity or the debt of a company. The business can have a significant influence on its majority equity investments by engaging with management teams, supporting the implementation of sustainability plans and providing tools and expertise to monitor improvement of related objectives during the holding period.

**(2) Collective engagement:** for listed assets, active engagement in a collective form with other industry players, can be a highly effective means of challenging companies on their climate ambitions, encouraging greater transparency and promoting climate action in a company's operations. Please see overview of public commitments and partnerships in chapter 2 for further information.

In addition to engagement via permanent membership in associations (see chapter 2 for further information), in 2023, members of investment teams from the different entities in the Group contributed to working groups within relevant multi-stakeholder initiatives advocating for sustainable development practices, for example:

- Asset Management: transition plan analysis and methodology working groups of AFG and Institut de la Finance Durable (IFD); fossil fuel trajectory working group of the IFD.
- WM UK: Sustainable Finance Strategic Committee and Sustainable Finance Working Group of Personal Investment Management & Financial Advice Association.
- Five Arrows Direct Lending: Sustainability-linked loans working group of the ESG Commission at France Invest.

Furthermore, Asset Management responded to consultations on the Belgian Towards Sustainability label and the French Socially Responsible Investment (ISR) label as well as consultations on SFDR in 2023.

## Sustainable investment product offering

Demanding and far-reaching regulatory developments continue to provide a structure for the evolution of responsible investment integration frameworks and product categorisation.

- SFDR provides a framework for categorisation of investment products based on different levels of maturity of ESG integration. The Group's investment businesses continue to anticipate changes to product classification and to facilitate implementation.
- The assessment of clients' sustainability preferences in the standard review of product suitability after the amendment of the delegated act of MiFID II, aims to ensure the investment solutions proposed are adequate in relation to the sustainability profile of a client.

Throughout 2023, the Group's investment business lines have continued to progress efforts for enhancement and classification of products targeting the sustainability transition.

ENTITY	ESG CONSIDERATION IN THEMATIC SUSTAINABLE INVESTMENT PRODUCTS – 2023 HIGHLIGHTS
Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>■ 98% discretionary AuM of open-ended funds classified Art. 8 or 9 (excluding dedicated solutions).</li> <li>■ Ten labelled products (Labels: French ISR, Towards Sustainability and Finansol). Five of these are Article 9 products. The Finansol label was awarded in 2023</li> </ul>
Five Arrows	<ul style="list-style-type: none"> <li>■ Five funds promoting ESG characteristics, classified as Article 8 according to SFDR launched over 2021, 2022 and 2023: Five Arrows Secondary Opportunities VI, Five Arrows Debt Partners IV and Five Arrows Long Term launched in 2023</li> <li>■ One fund is classified as Article 9 according to SFDR: Five Arrows Sustainable Investment</li> </ul>

## Transparency and disclosures

The investment business lines made important efforts to increase transparency on their Responsible Investment practices in recent years. See chapter 4.6 in the appendix for detail on the policies and reports published in 2023, describing activities to further integrate ESG parameters in the investment practices of individual entities.

## ESG integration in Group's own treasury and lending activities

Over the course of 2023, ESG policies were in place for the Group's treasury activities, which follow the established Group investment policies on exclusions. In addition, investments and exposures are monitored using MSCI ESG Research ratings and no limit is approved for any counterparty rated B or below (or equivalent where no MSCI ESG Research rating is available).

Lending activities at Rothschild & Co mainly assist private clients in the Wealth Management businesses. These clients undergo a thorough new client acceptance process designed to protect the Group from any potential reputational risk. The assets that act as security for the Lombard lending activities are inherently guided by the Group's investment policy on Wealth Management assets, which integrate ESG principles (see above), and borrowers are encouraged to consider ESG criteria in their investments. Where the security for Lombard loans comprises assets not managed by Wealth Management, the Group is in the process of adopting a policy (to be implemented in 2024) in the UK and Switzerland of applying a loan to value ratio of zero to any assets which do not comply with the Group's ESG principles. During 2024, it will be assessed whether it is feasible to implement a similar policy for the lending activities in France given the different nature of the underlying collateral.

A policy for integration of ESG considerations in the Group's **real estate loan** business has been implemented for the UK business, which aims to ensure ESG risks are considered for each credit decision. The implementation of these principles is planned to become part of the decision making for French and Swiss real estate loans over the course of 2024.

## ESG considerations in the supply chain

The Group aims to create a diverse pool of suppliers that share its principles. When working with supply chain partners, all parties are expected to commit to working together in building a relationship of respect, trust and transparency. In any supplier selection process, Rothschild & Co aims to provide all parties involved with equal opportunities, to uphold the principle of fairness, to follow fair and reasonable payment practices, and to pay suppliers in accordance with agreed schedules.

Rothschild & Co's **Supplier Code of Conduct** is available on the Rothschild & Co website and is proactively shared when onboarding material third parties and/or those who operate in high-risk jurisdictions and sectors. Rothschild & Co's Supplier Code of Conduct clarifies the expectations for suppliers in respect to fundamental ethical, social and environmental principles of doing business, reflecting the Group's ESG priorities and commitments made to the United Nations Global Compact. The Code extends to the suppliers' relations with their own employees, subcontractors and any other related third parties of supplier entities or organisations forming part of the engagement.

Rothschild & Co's Group Procurement function is responsible for driving a consistent end-to-end procurement process for selecting, evaluating, and managing Third-Party Relationships. Group Procurement work with the appropriate business line representatives to ensure third-party onboarding and relationship management follow a series of risk-based, due diligence principles, including in relation to risk of breach of environmental and social criteria outlined in the Group's Supplier Code of Conduct.

## ESG in Global Advisory

**Global Advisory** (GA) teams provide strategic and finance advice to public and private corporate clients across all sectors as well as sovereign clients. The risks and opportunities created by the global energy transition and focus on sustainability, and an evolving ESG landscape, present these clients with complex strategic and capital allocation decisions as well as reporting requirements.

Rothschild & Co's Global Advisory business is well placed to provide independent advice around these issues and to integrate ESG considerations into corporate advisory work and transaction execution. Rothschild & Co's Global Advisory is focused on supporting clients with sustainability-transition-related challenges and opportunities such as strategic responses and adaptation of business models to the energy transition and societal changes, as well as the attraction and retention of capital and response to the evolving expectations of investors, regulators and other stakeholders.

**ESG Advisory expertise** within the Investor Advisory team is able to advise on ESG issues integrated with deep sector knowledge. The Investor Advisory team acts as a central hub of resource and expertise to draw upon for the M&A, Debt, Equity and Financing specialists in rest of the Global Advisory business and works closely with colleagues to integrate ESG considerations in transactions, IPOs and earlier funding processes. The team provides high quality strategic advice on attracting capital and engaging with investors around various environmental, social and governance matters, including:

- ESG framework and governance, sustainability strategy, key messaging and response to stakeholder challenges and externally proposed change;
- ESG disclosures to meet enhanced regulatory demands for ESG reporting and to communicate strategies to address climate transition and socio-economic change;
- engagement preparation and defence relating to governance, remuneration and board change with AGM voting support;
- shareholder analytics, perception studies, market intelligence, identifying ESG topics most important for the business and board;
- advice on positioning and engagement for improved communication with investors, including capital markets days, results and reports;
- ESG ratings advice for companies seeking to validate their ESG credentials and narrative, as well as improve external perceptions of third-party scorers;

- identification and targeting of investors with relevant ESG investments; and
- ESG activism related challenges and shareholder resolutions.

**M&A continues to be an important catalyst** to enable clients to make progress on plans to position their business for a low carbon and circular economy. Clean energy, such as that generated by wind and solar, and renewable energy are playing a major role in the energy transition and efforts to limit greenhouse gas (GHG) emissions globally and are increasingly providing a greater percentage of energy to grids.

With the rise in global conflicts in 2022 and 2023, renewed focus on energy security has played a significant role in strategic thinking amongst corporates and political leaders, ensuring sustainable sources of energy for business activities in the longer term. The Group has continued to take a leading role as an adviser on transactions relating to innovative energy and climate transition technology and energy management<sup>1</sup>, making the firm one of the leading advisers on global sustainable M&A transactions. Global Advisory has a global leading position in advising renewables companies with 53 deals over the past four years.

2023 was another important year for the sustainable finance market and Rothschild & Co. The **debt and financing advisory practice** continues to work with clients on integrating ESG into sustainable financing products, such as sustainability-linked loans and bonds, green bonds, correlating to the ambitions and net-zero targets of their business.

In this very dynamic transition environment, the business has in 2023 established the GA Energy Transition Steering Committee, comprised of partners and senior experts across all sectors and geographies, with the objective to discuss key themes and opportunities, and share best practice. This will enable cross-sector regional and product coordination in advising existing clients, building new relationships, and navigating the allocation of capital and investor responses across all potential sources of public and private debt and equity.

Capacity and expertise building are crucial for the teams, and in addition to general sustainability **employee training programs** in the Group, the Global Advisory business has launched in 2023 a pilot ESG training programme focused on integrating ESG and sustainability considerations in pitches, transactions and ongoing advice to clients.

As part of its Global Advisory services, the Group is conscious of the need to manage environmental and social risks for the Group related to **clients and**

**transactions.** The Group's Client Due Diligence Policy considers potential reputational risks that may arise from various sources, including, but not limited to, the nature or purpose of a proposed transaction or service, the identity, location or activities of a potential client and the regulatory or political context in which the business will be transacted; this includes any potentially controversial environmental or social impact related to the contemplated transaction or a client's primary business activities. Processes for the identification and assessment of environmental and social issues that could represent sources of such risks for the Group and its stakeholders are integrated into the business' risk compliance procedures at the point of onboarding a new client and/or mandate. Potential environmental and social concerns are discussed at the relevant senior client acceptance committee and may be escalated to the Global Risk Committee for consideration before proceeding. The GA ES Risk Standard identifies a number of areas of potential environmental and social concerns that could represent a source of conflict with its strategic ESG priorities, and as such represent potential risks to the firm's reputation and its stakeholders.

(1) Source: LSEG Deal Intelligence, Sustainable Finance Review, Full Year 2023: Sustainable Finance: Mergers and Acquisitions, Financial Advisor League Table, by number of transactions

## Philanthropy

# R&Co4 Generations

Philanthropy is an enabler to creating a sustainable future for the next generations. R&Co4Generations, a dedicated, group-wide philanthropy platform, has a mission to protect the world and **empower future generations**. It collaborates with social purpose organisations working to combat the effects of **inequalities** and **climate change**.

R&Co4Generations' primary support is dedicated to local charities operating in the geographies in which Rothschild & Co has a presence. In addition, R&Co4Generations supports a number of global flagship projects, providing an increased level of support to selected initiatives working across geographies on issues of global significance. In supporting such initiatives, R&Co4Generations supports the Group's strategic ESG priorities, via the use of a number of tools, including:

- **grant funding** for innovative charities and social enterprises;
- targeted **fundraising campaigns** with company matching to support selected projects;
- **pro-bono advisory** support where the Group can share its professional knowledge and skills to strengthen the resilience and sustainability of high-impact and promising organisations;
- targeted, purposeful **volunteering programmes** which allow colleagues to contribute directly and tangibly to causes which share the Group's objectives; and
- **venture philanthropy** investments to support changemakers developing cutting-edge solutions to some of the world's most pressing social and environmental challenges.

More information about the social and environmental causes R&Co4Generations supports and how colleagues contribute to its activities can be read in the [R&Co4Generations 2023 Progress Report](#).



# Implementation and performance

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## 3.1 Environment



Environment

People and Society

Responsible Business Practices

**Rothschild & Co is committed to supporting the transition to a low-carbon economy and the preservation and protection of biodiversity. This chapter aims to present group-wide initiatives, policies, products, and services that support these environmental priorities and that are designed to help mitigate related risks for stakeholders and access related business opportunities.**

### Key risks and opportunities

Rothschild & Co recognises that **climate-related physical and transition risks** have the potential to destabilise the global economy and is committed to supporting and contributing to the transition to a low-carbon economy (also see Section 4.4). Considering the role of improved climate risk disclosure as a basis for better informed decisions by all market participants, the Group supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Rothschild & Co provides advisory services to and invests in businesses in several sectors which are exposed to a wide variety of environmental-related risks and opportunities. Given the portfolio of business activities, the Group's analysis shows that **climate change-related physical risks** are unlikely to have a material impact on credit, liquidity and market risk relating to the Group's balance sheet activities. The operational exposure of individual offices to the effects of extreme weather and water stress continues to be considered as part of the Group's Business Continuity assessment and planning programme. The Group is more exposed in the short-to medium-term to **climate-related transition risks**, which have the potential to amplify existing strategic risks of the firm, primarily in the area of regulation, the need to adapt internal control frameworks in an uncertain environment, and changing client, stakeholder and market expectations. The Group aims to continue to develop its risk assessment with regards to the potential impact of climate change on its business, and its businesses' impact on a changing climate and continues its work on presenting a consolidated transition plan across its business model.

At the time of publication of this report, limited availability of reliable data on **biodiversity impact and related risks** challenges the ability to specify the concrete nature of these risks for our Group, but as methodologies to understand these risks are evolving in robustness, the Group will attempt to identify the best ways to assess its impacts and dependencies on biodiversity.

	BUSINESS MODEL LEVER	NATURE OF RISK
Investment Focus	The Group's <b>ESG investment frameworks and policies</b> take account of the evolving regulatory landscape and market dynamics to identify exposure to risks which are likely to significantly impact clients' best interests, and to limit the indirect environmental impact of the Group's activities.	Climate and nature-related risks
Advisory Focus	The teams in the Group's <b>Global Advisory</b> business aim to support their corporate clients as they navigate the challenges and opportunities of the low-carbon transition, resulting in opportunities for the business in the long-term.	Climate risks
Operational Focus	To address these impacts and associated risks, the Group has implemented actions to <b>reduce its operational environmental impacts</b> and to <b>compensate</b> for its <b>GHG emissions</b> .	Operational transition risks for the Group originate from the direct impact that the Group's operations have on a changing climate and is likely to affect the Group in the form of, amongst others, expanded legal and compliance requirements, change in costs for energy and carbon credits, as well as reputational considerations related to direct environmental impact of the Group's operations.

Environment

People and Society

Responsible Business Practices

## Strategy and risk management

PRIORITIES	SUPPORTING THE TRANSITION TO A LOW CARBON ECONOMY	SUPPORTING THE PRESERVATION AND PROTECTION OF BIODIVERSITY
Identified non-financial risks	<ul style="list-style-type: none"> <li>Climate change</li> </ul>	<ul style="list-style-type: none"> <li>Loss of biodiversity</li> </ul>
Objective	<ul style="list-style-type: none"> <li>Limit and reduce the impact of operations, products and services on a changing climate</li> <li>Act as a catalyst in support of the low carbon transition</li> </ul>	<ul style="list-style-type: none"> <li>Work to help preserve, protect, and enhance the resilience of the planet's ecosystem services</li> </ul>
Operational focus	<ul style="list-style-type: none"> <li>Reduce and mitigate the direct environmental impact of business operations; climate change adaptation</li> </ul>	
Business line focus	<ul style="list-style-type: none"> <li>Integration of environmental considerations in product and service offering</li> </ul>	
Philanthropy focus	<ul style="list-style-type: none"> <li>Supporting environmental initiatives with focus on climate change</li> </ul>	
Public commitments	<ul style="list-style-type: none"> <li>Investment policies on Thermal Coal and Fundamental Principles</li> <li>Net Zero Asset Managers Initiative – Asset Management</li> <li>SBTi Commitment - Five Arrows</li> <li>Reduction of operational GHG emissions by 30% (2018-2030), 100% electricity from Renewable Energy sources by 2025, 10% reduction in energy consumption in our offices per FTE by 2025</li> <li>Compensation of all remaining emissions with 100% carbon removal solutions by 2030</li> </ul>	<ul style="list-style-type: none"> <li>Investment policy on Fundamental Principles (including severe environmental damage)</li> <li>25% reduction in paper use per FTE by 2025, all printing paper from sustainable sources</li> <li>Group recycling rate of 80% by 2025, zero waste to landfill by 2030</li> <li>Supplier Code of Conduct</li> </ul>
Governance (see overview in chapter 2 and 4.2)	<p>Environmental strategy governed by R&amp;Co Gestion as part of the Group's strategic sustainability priorities, overseen by GEC and divisional management committees, advised by</p> <ul style="list-style-type: none"> <li>Group Sustainability Function</li> <li>Group Environment, Health &amp; Safety Committee for operational environmental impact; supported by Group Environment Manager in Group Sustainability Function; implementation of activities in each office rests with locally appointed coordinators</li> <li>Responsible Investment Committee for investment parameters; supported by the Group Head of Responsible Investment</li> <li>Implementation planning by relevant teams and committees in the business lines</li> </ul>	

In order to support the transition to a low-carbon economy and the preservation and protection of biodiversity, Rothschild & Co aims to increase awareness for environmental risks, impacts and opportunities with key stakeholders. Examples of initiatives in 2023 included:

- Educating and training available to all employees on environmental issues through the internal Sustainability Academy digital training platform;
- Awareness raising campaigns (e.g., internal Climate Action Weeks in parallel to COP 28);
- Organising and hosting events with clients and industry participants:
  - Rothschild & Co and Redburn Renewables and Clean Energy Transition Conferences in London and New York provided a platform for dialogue between transition investors and interesting companies working on solutions to support the low-carbon transition,
  - CDP event “The Future of Environmental Reporting”, provided a platform to facilitate understanding of climate reporting and transition plan development,
- Disclosing climate-related impact through CDP.

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## Environmental investment risks and impacts

The Group's Responsible Investment Roadmap outlines the objective to use the teams' investment expertise in order to 'Act for climate and preserve our planet'. The business lines have established investment policies and frameworks that enable the investment teams to identify and monitor environmental risks related to companies in their portfolios. They deploy a range of approaches including **exclusion policies and engagement** with the invested companies and funds, as exemplified below.

RISKS	SCOPE	POLICIES, FRAMEWORKS AND SUPPORTING INITIATIVES
Climate Change (transition & physical risks)	Group-wide	<ul style="list-style-type: none"> <li>Responsible Investment Roadmap</li> <li>Fundamental Principles Investment Policy, Thermal Coal Investment Policy: exclusions of expansionists and companies beyond certain thresholds of activities</li> <li>Employee sustainability training and awareness</li> </ul>
	Wealth and Asset Management	<ul style="list-style-type: none"> <li>Sustainability Risks policy provides for monitoring of KPIs at portfolio level: carbon intensity, emissions reduction/transition profile/ other relevant exposure metrics (integration and potential engagement)</li> </ul>
	Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>Monitoring the transition profile of portfolios through monthly or quarterly ESG reporting</li> <li>Annual reporting on: climate-related physical &amp; transition risks, scopes 1, 2 &amp; 3 absolute greenhouse gas emissions, carbon footprint and carbon intensity; implied temperature rise; taxonomy; coal, oil &amp; gas exposures; and engagement</li> <li>Consideration of climate and taxonomic information in analysis via MSCI ESG Research, Carbon4 Finance, SBTi and TPI</li> <li>In addition to the integration of environmental criteria within policies &amp; frameworks, Asset Management managed two open-ended Net Zero strategies and one dedicated solution, and engages with priority issuers in the highest contributor sectors</li> </ul>
	Rothschild & Co Bank AG Zurich	<ul style="list-style-type: none"> <li>Exclusion of investment in companies below a minimum rating by MSCI ESG Research of BB</li> <li>Exclusion of investment in companies with a high risk of "asset stranding"</li> </ul>
	Five Arrows	<ul style="list-style-type: none"> <li>Five Arrows has committed to set near-term emission reductions in line with climate science with the Science Based Targets initiative</li> <li>Use of specific environmental metrics to directly monitor performance of the portfolio companies in some of its strategies</li> <li>Climate &amp; Energy are identified as key sustainability risks topic that are material to the activities of Five Arrows</li> <li>Sustainability risk policy to identify material sources of risks and assess potential sustainability-related product or service opportunities to be pursued</li> </ul>
Biodiversity loss	Group-wide	<ul style="list-style-type: none"> <li>Fundamental Principles Investment Policy</li> <li>Employee Sustainability training</li> </ul>
	Wealth and Asset Management	<ul style="list-style-type: none"> <li>Sustainability Risks monitoring process including nature-related indicators</li> </ul>
	Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>Tobacco exclusion introduced</li> <li>Biodiversity-related elements are taken into account via MSCI ESG Research's environmental analysis and rating</li> <li>Integration of Carbon4 Finance and CDC Biodiversité's biodiversity footprint into the internal rating system (available for a limited scope of funds)</li> <li>Integration of biodiversity issues into engagement activities when considered material for the sector or specific company</li> <li>Annual reporting on biodiversity risks, biodiversity footprint, pressures breakdown, dependency scores included in Article 29 report</li> </ul>

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Some investment entities have set **targets** for a **decarbonisation trajectory** of portfolio companies for certain assets under management.

ENTITY	TARGET	PROGRESS 2023
<b>Rothschild &amp; Co Asset Management</b>	<ul style="list-style-type: none"> <li>2022: Net Zero Asset Managers Initiative: 60% of total AuM to be managed in line with net zero<sup>(1)</sup>; interim target: 75% of portfolio companies to have set a Science Based Target by 2030</li> </ul>	<ul style="list-style-type: none"> <li>Around 29% of AuM was invested in issuers whose carbon emission reduction targets are in line with the Paris Agreement according to SBTi; around 15% of AuM invested in issuers that had entered the process of validating their targets<sup>(2)</sup></li> </ul>
<b>Five Arrows</b>	<ul style="list-style-type: none"> <li>2023: near-term emission reduction target with the Science Based Targets initiative (SBTi). Near-term science-based targets are 5-10-year GHG mitigation targets in line with 1.5°C pathways, aligned with the Paris Agreement</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> </ul>

The Group continues to progress on workstreams dedicated to getting a reliable insight into the scope of its Scope 3 financed emissions related to its investment portfolios in the Wealth and Asset Management and Five Arrows business lines, and to identify the most appropriate methodologies in order to define a more comprehensive plan for a consolidated emissions reduction target covering both direct and indirect emissions related to investments.

The Group's investment businesses aim to offer clients the opportunity to contribute to the sustainability transition of the global economy and capture investment opportunities related to the low-carbon transition through a **product offering targeting environmental objectives**. This includes specific investment products targeting more specific environmental impacts, which have seen continued interest from clients in 2023.

ENTITY	THEMATIC INVESTMENT PRODUCTS WITH AN ENVIRONMENTAL FOCUS
<b>Rothschild &amp; Co Asset Management</b>	<ul style="list-style-type: none"> <li>Two Net Zero funds (SFDR Article 9) implementing a transition approach aligned with Paris Agreement – 3-year track record, supporting the <b>Polar Pod scientific expedition</b></li> <li>Green Bonds fund (SFDR Article 9) contributing to the development of a variety of eco-activities contributing to transformation of companies and environmental transition</li> <li>Low carbon dedicated funds for an institutional investor</li> <li>Tailor-made high yield climate-oriented strategy for an Italian Bank</li> <li>Commitment to distribute 1% of the net revenues earned from the 4Change range to the NGO '1% for the Planet'</li> </ul>
<b>Wealth Management UK</b>	<ul style="list-style-type: none"> <li>Continued to add new investments within the Exbury strategy (SFDR Article 8), which in addition to its return objective, actively invests in assets that support the goals of the Paris Agreement and make a positive contribution to the fair transition to a lower carbon world</li> </ul>
<b>Rothschild Bank AG Zurich</b>	<ul style="list-style-type: none"> <li>Rothschild &amp; Co's Green Shield Portfolio launched in 2023 is a discretionary strategy including investments to support the transition to a low-carbon economy</li> <li>The Unity Changemaker Fund (Article 8) invests in companies acting as catalysts for change with an environmental focus</li> </ul>
<b>Five Arrows</b>	<ul style="list-style-type: none"> <li>Five Arrows Sustainable Investment (FASI) (SFDR Article 9) is aiming at investing in European SMEs focusing on providing solutions to environmental issues</li> </ul>

(1) The Assets under Management not covered are funds of funds and dedicated investment vehicles. Dedicated funds are usually investment vehicles with institutional clients in which their specifications, investments constraints, SRI codes, and requirements are being implemented. Changes to the investment approach are in the hands of the client. Therefore, due to legal concerns, imposing commitments not part of their mission statements is not feasible.

(2) Under direct management, excluding funds of funds, average of four end of quarter figures for 2023.

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## Environmental risks, impacts and opportunities in transactions

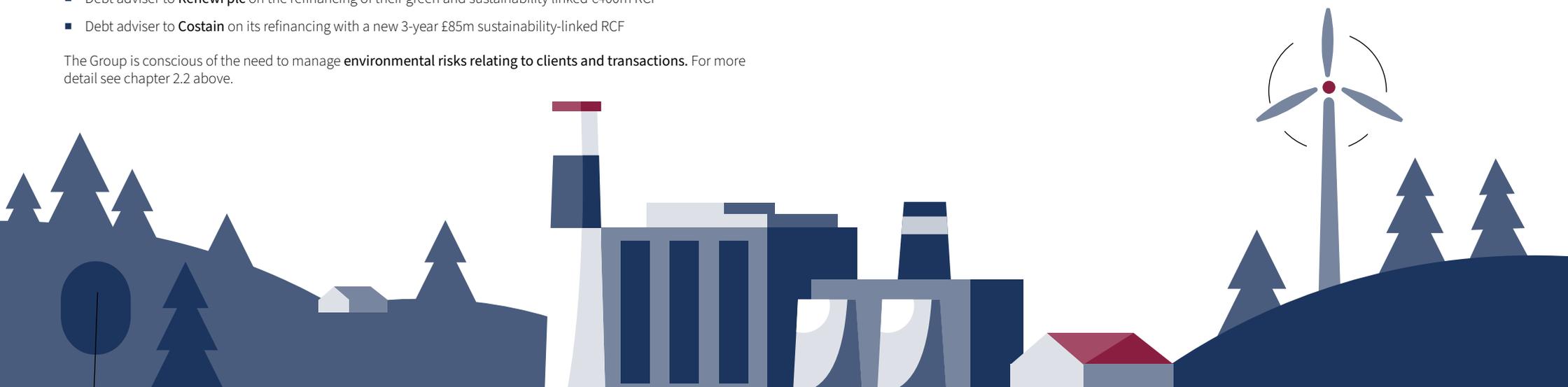
Rothschild & Co's Global Advisory team have continued to recognise the opportunity to proactively identify value creation opportunities for its clients across a wide spectrum of sustainability solutions and addressing climate-related risks and opportunities. In 2023, Rothschild & Co Global Advisory advised on **transactions** across the full breadth of advisory solutions offered by the Group, including for example:

- Sole financial adviser to **thyssenkrupp AG** on the €605m carve-out IPO of thyssenkrupp nucera AG & Co. KGaA, a leading global electrolysis technology provider for green hydrogen plant solutions; the largest hydrogen IPO of all time
- ESG adviser to **OVHcloud** on its ESG perception study and ESG ratings
- Adviser to **Quaero Capital** on the disposal of a portfolio of 10 operational onshore wind farms in France to energieTEAM
- Adviser to **Apex Group** on the acquisition of MJ Hudson, a provider of management company fund administration, ESG, and data analytics services
- Advisor to **Elcogen**, a leading manufacturer of Solid Oxide Cells to facilitate production of green hydrogen and electricity, on its €45m equity raise from HD Hyundai, to expand Elcogen's manufacturing capacity from its current facility of 9MW to 100MW

Through its **financing advisory** practice, Global Advisory supports Clients in structuring sustainable financing transactions:

- Debt adviser to **Brambles Ltd** on its debut green €500m bond
- Debt adviser to **Renewi plc** on the refinancing of their green and sustainability linked €400m RCF
- Debt adviser to **Costain** on its refinancing with a new 3-year £85m sustainability-linked RCF

The Group is conscious of the need to manage **environmental risks relating to clients and transactions**. For more detail see chapter 2.2 above.



**Environment**

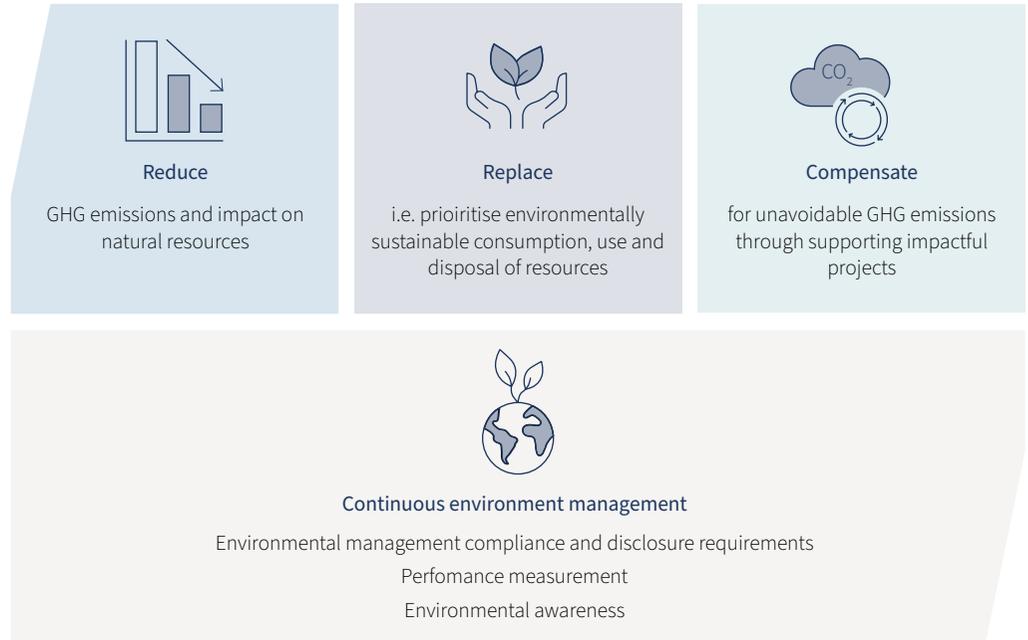
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**Operational environmental impact**

Rothschild & Co is committed to reducing the environmental impact related to its operations as far as practicable. The Group Environmental Management Policy highlights a continuous approach to operational environmental management, promotes compliance and the strengthening of environmental performance and awareness across the Group, and outlines the Group's strategic approach to operational environmental management based on three principles as illustrated on the right-hand side.

In addition, efforts to making the Group's supply chain more sustainable, and the attempt to avoid indirect complicity in negative environmental practices through the supply chain, is reflected in Third Party Relationship Policy and Supplier Code of Conduct (see section 2.2).



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## Operational environmental management commitments, targets and 2023 Performance - Overview

TOPIC	TARGETS	2023 PERFORMANCE
Greenhouse gas (GHG) emissions	 Reduction of operational GHG emissions by 30% (2018-2030)	<ul style="list-style-type: none"> <li>Decrease of total GHG emissions by 31%<sup>1</sup> (16%<sup>2</sup>) from baseline year, 43% for scope 1+2 emissions, 30%<sup>1</sup> (12%<sup>2</sup>) for scope 3 emissions</li> <li>In 2023, Scope 3 emissions have increased by 12%<sup>1</sup> compared to FY 2022 (40%<sup>2</sup>). This is due to the rebound of business travel in a post-pandemic context, overall decarbonisation trajectory since 2018 is still in line with 2030 targets</li> </ul>
	 More than 80% reduction of absolute Scope 1+2 emissions (2018-2030)	
	 Reduction of operational scope 3 emissions per FTE by 24% by 2030	
Compensation	 Compensation credit portfolio covered 100% by carbon removal solutions by 2030	In 2023, 39% of the compensation portfolio is from credits generated by carbon removal projects, compared to 33% in 2022
Energy consumption	 10% reduction in energy consumption in offices per FTE by 2025	10% reduction in energy consumption per FTE in 2023, reflective of reduction and energy efficiency efforts across offices
	 100% electricity from Renewable Energy sources by 2025	91% of electricity (MWh) sourced from renewable sources in 2023
Use of materials	 25% reduction in paper use per FTE by 2025	Decrease of total paper use per FTE by 68% from the baseline year <sup>(3)</sup> , exceeding the -25% target
	 All printing paper from sustainable sources	69% of printing paper from sustainable sources in 2023 (due to purchasing orders required to fulfil different business needs).
Waste	 Group recycling rate of 80% by 2025	45% of material disposed was recycled, compared to 47% in 2022
	 Zero waste to landfill by 2030	While efforts still need to be made to reduce waste, landfilled waste was reduced by 35% compared to 2018

\* Extrapolated data.

(1) Source: UK BEIS 2022 GHG emission factors. Please see textbox below and methodology notes in Appendix

(2) Source: UK BEIS 2023 GHG emission factors (applying pandemic load factors). Please see textbox below and methodology notes in Appendix

(3) 2018 baseline number accounts for all materials use. It is assumed paper consumptions accounted for approximately 90% of total materials use at that time.

**Dual reporting approach related to the use of air travel emission factors in 2023.** The Group uses emission factors provided by the UK government Department for Business, Energy and Industrial Strategy (BEIS) to calculate air travel-related emissions. In 2023, BEIS emission factors for air travel have significantly increased, leading to a potential inflation of air travel-related emissions for 2023 of 33%. This is due to the use of assumptions around load factors of planes, which were revised in 2023 by BEIS on the basis of load factors experienced in 2021. At that time, load factors were significantly reduced as a consequence of the COVID-19 pandemic, which means the emissions "per capita" of one flight were higher. The Group considers its GHG emissions reporting as a means to create accountability for progress on climate impact mitigation. In this context, and with uncertainties around the use of emission factors based on pandemic travel assumptions, the Group will focus on comparing "like for like" emissions for 2023 vs baseline, as per the GHG Protocol recommendations. The dual disclosure of travel-related emissions based on both emission factors (BEIS 2022 and 2023) for 2023 aims to reflect this, whilst enabling transparent comparison between different companies in a given year.

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**Climate transition plan in progress**

The Group’s operational GHG emissions reduction target (-30% 2018-2030) is aligned with the trajectory of the Paris Agreement. This commitment requires the Group to make changes to the way it operates and to reduce its absolute scope 1 and scope 2 emissions by more than 80%, and its reported operational scope 3 emissions by 24% per FTE by 2030.

To support its efforts to reduce operational GHG emissions, the Group has set an Internal Carbon Price (ICP), which is charged to all business units annually based on actual emissions at €72 per ton of tCO<sub>2</sub>e (2023)<sup>(1)</sup>. This mechanism places a monetary value on operational GHG emissions and is a way to responsibly influence emissions within all business lines, including those related to travel.

Operational GHG emissions have slightly increased in 2023 compared to 2022, with higher business travel activity in a post-pandemic context, whilst levels are below those observed in 2018 and 2019. Whilst this ‘catch-up’ trend was expected, the Group’s intention is to keep capturing the various opportunities for long-term decarbonisation to help achieve the 2030 targets. In 2023, the Group continued to work with internal and external experts on examining different decarbonisation levers and their carbon abatement potential, as the basis for clarifying its transition plan prioritising the most material intervention levers and enablers.

The main levers considered in this transition plan focus on reduction of emissions related to air travel and energy consumption, including for example:

- Reducing energy consumption from heating, cooling, and lighting in the buildings occupied, through both energy efficiency measures and responsible management practices. Regular office energy assessments are conducted to identify and implement energy saving opportunities and procure low energy equipment.

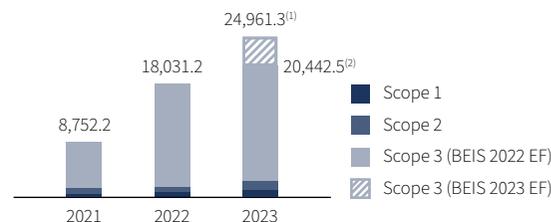
- Ongoing pursuit of the objective of procuring 100% electricity from renewable sources by 2025. In 2023, energy consumption increased due to increasing FTE and new office sites, resulting in an overall decrease of the share of electricity procurement from renewable sources compared to 2022.
- Capitalising on longer term changes to more hybrid working patterns and behaviours and opportunities for productivity gains of remote working via providing more videoconferencing units and increasing the utilisation of digital collaboration tools.
- Considering that business-related travel is, and will remain, an essential part of Rothschild & Co’s business activities, the Group complemented its behavioural reduction efforts for travel-related emissions with the purchase of a limited amount of Sustainable Aviation Fuel (SAF) certificates for emissions related to business flights in 2023 (leading to a reduction of 1,012t CO<sub>2</sub>e)<sup>(2)</sup>.
- The Group considers that setting a demand signal for SAF is an opportunity to facilitate the scaling of a solution in an industry that is likely to be crucial in the energy transition.

The Group has been compensating for its operational GHG emissions since 2019. Through central procurement of carbon credits it aims to ensure the use of carbon avoidance and removal credits certified by the highest recognised standards on the market, and applies a robust due diligence approach aimed at mitigation of risks associated with the procurement of carbon credits (including claims around additionality, durability, measurability, and potential risks of negative impacts associated with the projects). The purchase of these credits is funded by the Group’s Internal Carbon Price.

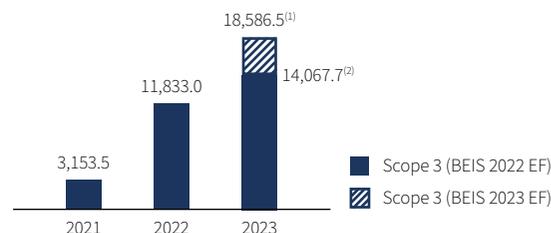
Rothschild & Co has committed to gradually grow the share of carbon removal credits in the compensation portfolio, to be in a position in 2030 to effectively remove the equivalent amount of operational emissions from the

atmosphere through a mix of nature-based solutions and technological solutions that offer valuable co-benefits and / or innovative and scalable ways of effectively capturing and storing carbon. A number of multi-year supply partnership agreements with carbon removal companies announced in 2022 and 2023 highlight the Group’s commitment to helping scale crucial technologies needed in the decarbonisation. Please refer to the overview of the 2023 compensation portfolio in section 4.8.

**Total GHG emissions (tCO<sub>2</sub>eq)**



**Thereof business travel-related emissions (tCO<sub>2</sub>eq)**



(1) Using UK BEIS 2023 EF for air travel  
 (2) Using UK BEIS 2022 EF for air travel

(1) 2023 ICP based on total operational GHG emissions using UK BEIS 2022 GHG emission factors.  
 (2) Please see methodological notes on the calculation of GHG emissions reductions from SAF purchases in Appendix – Section 4.9.

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## Philanthropy

# R&Co4 Generations

R&Co4Generations' approach to supporting environmental initiatives is to focus on high impact and sustainable solutions to problems created by climate change. The fund places a particular emphasis on biodiversity loss and environmental education.

To learn more about the social and environmental causes R&Co4Generations supports and how colleagues contribute to its activities, read the [R&Co4Generations 2023 Progress Report](#).

## EU Taxonomy

The Group welcomes the **EU action plan on sustainable finance** and its regulations as an opportunity to enhance transparency in corporate sustainability performance and recognises its potential to create a more level-playing field for sustainability disclosures and activities.

As a financial holding company, at the time of publication of this report, Rothschild & Co qualifies as a "non-financial undertaking" within the meaning of article 1(8) of the Commission Delegated Regulation (EU) 2021/2178 supplementing Taxonomy Regulation, based on the following considerations.

- Article 1(8) of the Commission Delegated Regulation sets out a precise and comprehensive list of those undertakings which should qualify as "financial undertakings" for the purposes of the regulation. The Commission Delegated Regulation targets certain categories of entities (for instance credit institutions and investment firms) that are defined in Regulation (EU) n°575/2013 (CRR) but does not cover "financial holding companies" as defined in article 4(1) point 1) CRR.
- More than 75% of Rothschild & Co SCA's turnover (last 3 year average) is related to non-banking activities (i.e., activities outside the Wealth and Asset Management business), and, more globally, c. 70% of the Group's turnover (last 3 year average) is related to non-regulated activities within the meaning of EU regulations (with the Group's core business activity being Global Advisory).

Considering the above and the current state of legislation, Rothschild & Co SCA does not qualify as "financial undertaking" within the meaning of the Commission Delegated Regulation and will therefore be considered as a "non-financial undertaking" for the purpose of the aforementioned regulation.

Whilst all business lines share the ambition to use their influence and expertise to support the sustainability transition of the global economy, none of the divisions have business activities directly eligible to categories outlined in the Commission Delegated Regulation (EU) 2021/2139 supplementing Taxonomy Regulation, and accordingly the proportion of Rothschild & Co's consolidated turnover, capital expenditure and operating expenditure related to Taxonomy eligible economic activities for the financial year 2023 is 0%.

In the future, the Group will aim to provide meaningful consolidated data for taxonomy coverage from its different investment business lines on a voluntary basis, where available.

## 3.2 People and Society



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## Key risks and opportunities

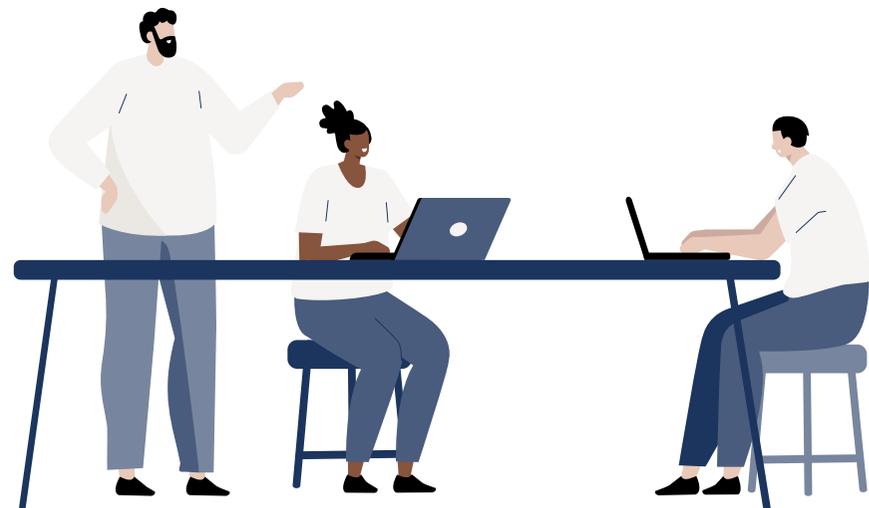
Across the Group's businesses, our expertise, intellectual capital and global network are critical to our client-facing proposition and the success of the business in the long-term. That's why it is critical to **attract, retain and develop top performing talent with diverse experiences and perspectives** to create long-term value for all our stakeholders (also see Section 4.4).

The Group's approach to talent management is focused on maximising the potential of all its people, building and retaining their expertise and fostering a culture of excellence in which people can thrive in the long term. The diversity of the Group's workforce enables us to benefit from different perspectives and creates an environment and culture that allows for better decision making and development of the best solutions for our clients. The Group is committed to:

- enabling employees to achieve their personal and professional aspirations and providing long-term opportunities for growth;
- providing an inclusive and supportive environment where diversity and different perspectives are valued;
- cultivating a culture of partnership, inclusivity, and respect for the individual; and
- contributing to an environment where everybody can have the opportunity to thrive.

This chapter aims to present group-wide initiatives, and policies in support of these objectives, which are designed to help mitigate risks for its stakeholders and influence opportunities for the business in these areas.

Although due to its business model, the Group has limited direct impact or exposure to **human rights issues in its value chain**, it aims to use its influence and expertise where possible to support the work to alleviate structural inequalities by including considerations regarding impact on fundamental Human Rights in its products and services offering, its partner selection, as well as its approach to philanthropy.



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## Strategy and risk management

### Overview

PRIORITIES	ATTRACTING, DEVELOPING AND RETAINING THE BEST TALENT, CHAMPIONING DIVERSITY OF PERSPECTIVE	WORKING AGAINST INEQUALITY
Identified non-financial risks (see section 2)	<ul style="list-style-type: none"> <li>Talent development</li> <li>Diversity and inclusion</li> <li>Employee wellbeing</li> </ul>	<ul style="list-style-type: none"> <li>Human rights</li> </ul>
Objective	<ul style="list-style-type: none"> <li>Attracting and retaining the most talented people from a diverse range of backgrounds</li> <li>Creating an environment of equal opportunity and partnership to maximise the potential of the entire talent base</li> <li>Safeguarding employee wellbeing and providing a sound support framework</li> </ul>	<ul style="list-style-type: none"> <li>Working against inequality across value chain</li> </ul>
Operational focus	<ul style="list-style-type: none"> <li>Recruiting the best talent</li> <li>Building an inclusive culture, equal opportunities, balanced representation</li> <li>Targeted development, incl. technical, personal and leadership capability</li> <li>Physical, mental and emotional health &amp; wellbeing, workplace flexibility and balanced approach to work</li> </ul>	<ul style="list-style-type: none"> <li>Human Rights association risks in supply chain</li> </ul>
Business line focus	Consideration of social and societal risk, impacts and opportunities in product and service offering, including investment policy and advisory mandates	
Philanthropy focus	Supporting enhanced opportunities for disadvantaged young people	
Public commitments	<ul style="list-style-type: none"> <li>Group Code of Conduct</li> <li>Women in Finance Charter: 30% AD+ by 2024 (Group)</li> <li>Aspirational target of 30% of women on the Group Partners Committee by 2027</li> <li>France Invest Charter for Gender Equality (France)</li> <li>Advance – gender equality in business (Switzerland)</li> </ul>	<ul style="list-style-type: none"> <li>UN Global Compact</li> <li>International Labour Organisation Convention Fundamental Principles</li> <li>Modern Slavery statement (UK)</li> <li>Supplier Code of Conduct</li> </ul>
Governance (see details in chapter 2 and 4.2)	<ul style="list-style-type: none"> <li>People strategy governed by R&amp;CoGestion, overseen by GEC and divisional management committees, advised by Group HR functions</li> <li>The Diversity, Inclusion &amp; Balance Steering Committee advises the Management Board, GPC and divisional management on group-wide initiatives and is responsible for providing direction and advice on matters related to balance, inclusion and diversity</li> <li>Group Environment, Health &amp; Safety Committee, oversees development and effective implementation of group-wide policies aimed at limiting and reducing impact of business operations on the environment, in addition to health and safety of employees</li> <li>Group Operating Committee: implementation of Third-Party Relationship framework (incl. Supplier Code of Conduct)</li> <li>Group Responsible Investment Committee: investment exclusions related to Human Rights controversies</li> </ul>	

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## Attracting, developing and retaining the best talent, and championing diversity of perspective

Rothschild & Co is committed to attracting and retaining high-potential, team-oriented and self-motivated individuals and providing all employees with training and development opportunities which support them to maximise their performance and potential by developing the skills required to meet business goals and progress in their careers.

### Recruiting the best talent

Identifying and nurturing talent and encouraging people to get the most out of their careers at Rothschild & Co, based on the values of meritocracy and equal opportunity, is critical for the firm's future success, and 2023 saw an intake of more than 730 new joiners across Rothschild & Co (at a staff turnover rate of 13%, same as in 2022).

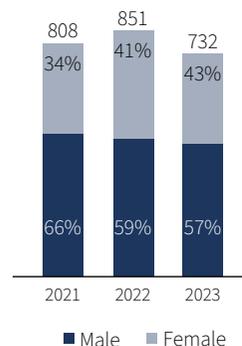
By ensuring recruitment and development of a diverse team, Rothschild & Co is better able to respond to its global business needs, interact effectively with colleagues across the world and create value for clients. Inclusive recruitment is a key initiative for all business divisions and inclusive interview skills training was expanded to more audiences in 2023.

Graduates, interns and apprentices play a crucial role in shaping the business from their first day and throughout their career with us. The Early Careers teams are regularly researching and updating their recruitment processes and organise a number of initiatives targeting a diverse talent pool. These provide students with the opportunity to further explore their interest in the finance industry, find out more about Rothschild & Co and to network with our business. For women students these include Insight programmes, Insight days and broader recruitment events. Female representation at the 2023 Global Graduate Programme increased to 37% in 2023 (from 27% in 2022). Other initiatives focused on attracting students from ethnic groups that are underrepresented in financial services, including black students. The US team held their second annual Black Leaders Programme, and the UK held their first internal Black Heritage Insight Day following two successful Black Heritage events with their student partners SEO London and Bright Network. The UK team have also successfully converted Interns from their partnership with the 10000blackinterns organisation.

The Paris office has a partnership with the Sciences Po CEP program which supports young students from diverse backgrounds during their studies. In addition, France have formalised a Data and Impact Investment chair with HEC in 2023. The Investment Banking Academy enables students to discover the concrete application of social, environmental and governance (ESG) issues in finance.

Rothschild & Co has maintained its focus on increased direct sourcing for experienced hires, allowing the recruitment team to tailor their approach on behalf of the business and ensuring consideration of a diverse set of candidates. In 2023, 51% of directly sourced hires were women.

New Hires



### Career Relaunch Programme

Rothschild & Co launched its first ever Career Relaunch Programme in 2023. The initiative focused on bringing experienced female professionals back into the workplace after a career break of 18 months or more. More specifically, the initiative targeted those who had reached a minimum of Assistant Director level or equivalent in previous roles and had experience across Various Financial Services functions.

The programme provided Rothschild & Co with a rare opportunity to recruit from a largely untapped talent source of skilled professionals, many of whom had taken a non-linear path, with a rich and diverse background.

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**Building an inclusive culture**

Rothschild & Co promotes and creates an inclusive and supportive environment where diversity and different perspectives are valued and respected. This effort is underpinned by policies and benefits (and set out in local employee handbooks, and policies where applicable), which are designed to provide equal opportunities for everyone as the business seeks to recruit and reward based on experience and talent, ensuring the best candidate for a position is found and appropriately supported in their personal development by the business.

Throughout 2023, the business continued its focus on extending the reach of its Diversity, Inclusion and Balance strategy and building on the impact of existing initiatives. This included a revision of the membership of the Global Diversity, Inclusion and Balance Committee and the supporting regional committees, and clarifying its priorities:

1. To embed the critical skills and behaviours that encourage a balanced and inclusive culture
2. To increase diversity in our recruitment
3. To sponsor initiatives that directly impact retention & promotion
4. To maintain strong governance, measurement and transparency to fully embed principles of balance, diversity and inclusion into our business operations.

The results of the 2023 Balance & Inclusion Survey confirmed the importance of the training offering in helping build inclusive behaviours and practices at the individual and team level. The Group's Inclusion Curriculum includes programmes for individual contributors, mid-career and people managers and, more senior leaders. Since its launch in 2021, 64% of global colleagues have attended one or more workshops; a total of over 9,400 hours.

To ensure that the Inclusion Curriculum is achieving its objectives and to amplify its effectiveness, its key themes feed into the Rothschild & Co's employee evaluation process and is reflected in the promotion criteria and selection process for Managing Directors and Partners.

Rothschild & Co's strategy is to ensure non-discriminatory treatment across recruitment, career development and remuneration decisions. This commitment is anchored in the Group's Code of Conduct and includes the ambition to work closely with employees living with disabilities and occupational health advisers to provide the necessary adjustments and support to enable them to succeed and flourish in the workplace.

Employee networks are critical in strengthening the Diversity, Inclusion & Balance strategy as they help to inform and raise awareness and encourage a culture of belonging. Examples are the Family Network in the UK, the Women's Network (UK, US, France and Switzerland), LGBT Network (UK and US) and the EMBrace Network (ethnic minority network, US and UK). Each network provides the opportunity for connection and education to ensure employees are fairly represented, contributing to Rothschild & Co's position as a diverse and inclusive place of work. The network groups are sponsored by the Global Diversity, Inclusion & Balance Committee to amplify their voice, strengthen collaboration and increase geographic reach of the networks' initiatives such as networking and speaker events.

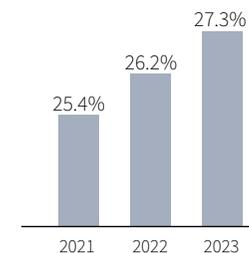
Whilst Rothschild & Co's Diversity, Inclusion & Balance strategy remains broad in its focus and ambition, Rothschild & Co has set specific objectives with regards to the representation of women in more senior grades: As a signatory of the Women in Finance Charter, Rothschild & Co has a stated commitment to have women represent 30% of the group-wide Assistant Director and above population globally by 2024. This commitment is broken down into aspirational goals for each business line, which have in turn accelerated the focus on talent attraction, retention, and development. Rothschild & Co's

strategy is supplemented by division- and location-specific initiatives and practices. As of 31 December 2023, 27.3% of Assistant Directors and above globally were women (up from 23.5% when the charter was first signed). In addition, the management board has set an aspirational target of 30% of women on the Group Partners Committee by 2027.

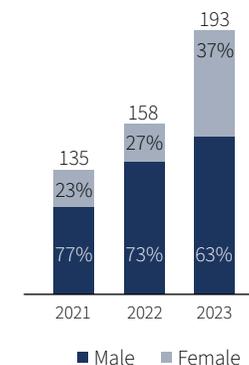
In recent years we have laid significant foundations and continue to make progress year on year. We recognise we are not where we aspire to be yet but remain ambitious in our efforts to reach our target by end of 2024. Progress against these targets is reported quarterly to the Group Executive Committee, the divisional management committees and R&CoG, and bi-annually to the Sustainability Committee of the Board.

An annual Balance & Inclusion Survey provides a valuable source of information and ideas from colleagues globally. In 2023, 77% of colleagues contributed to the survey (vs. 62% in 2022). The overall results have been communicated to all colleagues and are encouraging and speak to real progress made to date, and also continue to highlight some areas to focus on.

**Female Assistant Director and above**



**Graduates**



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**Development & retention**

In 2023, Rothschild & Co delivered a number of structured training programs providing a mix of networking and learning opportunities, from technical training to understanding more about the Group (including its approach to Sustainability and ESG):

TRAINING PROGRAM	TARGET AUDIENCE & TRAINING FOCUS	2023 PROGRESS
<b>The Graduate and Internship Programmes</b>	Students in their final year of university and those who have already graduated	Over 530 paid internships globally, with a conversion rate of over 36% from these programmes to graduate positions
<b>Promotion Programmes</b>	Newly promoted Associates focused on self-awareness to their technical, professional and division-specific skills development at a key career transition point with increasing client interaction	Over 160 attendees
	Newly promoted Senior Associates focused in addressing the increase in autonomy and personal career goals and development areas	13 attendees
	Newly promoted AD/VPs focused their role as emerging leaders; incl. inclusion, communication, development of personal skills (from resilience, productivity and decision making)	Almost 200 attendees
	New: Managing Directors forum: newly promoted Managing Directors focused on enhancing and refining their client, commercial and leadership skills, including how to unlock the value of difference in teams, discusses how bias can affect decision making and introduces strategies to de-bias decisions.	More than 100 attendees

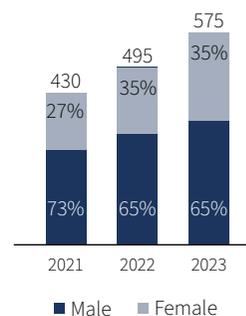
Other technical training throughout the year covered topics such as Legal & Compliance, Information Security, Commercial Awareness, Management & Leadership, Personal Effectiveness, Communications, Wellbeing, Technical skills, Sustainability, Diversity & Inclusion, Health & Safety, Business Continuity, Security and Crisis Management as well as Client Relationship Management.

In 2023, most development programmes were delivered in person, with some remaining virtual to reach a global audience, recording an aggregate number of training hours of 74,395 (covering 98% of headcount). 1,569 training events were provided, and 3,335 employees (76% of headcount) participated in at least one training programme. The total number of training hours organised by the Human Resources function was 66,668. Additional 7,727 training hours were completed across all categories of Group employees (incl. contingent workers) via the e-learning platform Skillcast in 2023.

Talent identification and succession planning remains a key priority for all businesses and greater focus has been given to active talent management plans in 2023. Potential successors for some of the most senior roles in the firm have been supported in their development through coaching and leadership programmes.

Sponsorship has become an integral part of our talent management strategy and an important step forward in creating an ongoing culture of sponsorship and advocacy as critical success factors in career progression and retention. Increased engagement with senior colleagues, better understanding of career aspirations, challenges and opportunities helps participants as they navigate their careers. Since its launch in 2020, over 100 predominantly female colleagues have participated in the Global Sponsorship Programme. 59 participants, across 9 countries are currently paired with senior leaders across the firm.

Promotions



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Managing performance is critical to the ongoing success of Rothschild & Co's people strategy. Feedback on individual performance is encouraged regularly throughout the year and performance is assessed formally at the end of every year to help develop an individual's career. In 2023, 100% of Group employees that were employed for the qualifying amount of time benefited from a performance review which incorporated renewed focus on development planning and active career management. The Rothschild & Co career framework supports this process, reflects the Group's guiding principles and provides employees with a clear and consistent set of expectations across all divisions, geographies and career paths. The framework demonstrates expectations of individuals and managers, and the emphasis on inclusive behaviours at all levels.

The Group's remuneration policies, procedures and practices are aligned with Rothschild & Co's business strategy, objectives, values and long-term interests and are designed to promote sound and effective risk management. The Remuneration and Nomination Committee, a specialised committee of the Supervisory Board of Rothschild & Co, is responsible for overseeing remuneration-related matters in accordance with principles defined in Rothschild & Co's remuneration policy. Rothschild & Co rewards its people at a total compensation level, paying fixed and variable compensation. We ensure that fixed and variable components of total compensation are balanced appropriately.

### Employee wellbeing

Rothschild & Co is committed to safeguarding and enhancing the health and wellbeing of all employees and providing a sound framework to support employees and ensure their wellbeing in life and at work in today's demanding work environment. This includes helping all employees to feel supported and well informed to manage their own health proactively through Rothschild & Co's Wellbeing strategy, which covers concerns around Family, Mental, Physical and Financial Wellbeing.

To further support the internal programme, employees are provided with a range of healthcare services and benefits, such as access to the global wellbeing hub where employees can find a variety of resources, support from and access to the Unmind platform, support and access to various networks, and a range of health and life insurances. In addition to this, a variety of office led initiatives, events, and networks have formed from virtual sessions on physical and mental health and wellbeing topics (e.g., Cancer prevention, Sleep disorders, Mental Health, Menopause in the Workplace, or Health Habits), social clubs and sporting leagues; networking opportunities around health & wellbeing.

Whilst Rothschild & Co recognises that policies alone do not drive change, they remain an important element in furthering implementation of Rothschild & Co's strategy. Several policies developed and driven locally are aimed at promoting work-life balance and increasing performance and productivity:

- Rothschild & Co's Flexible Working Policy allows for discussions around accommodating adaptable work schedules, reducing working days and job sharing.
- Several policies are supportive of occasions where employees need to be away from the office, such as for a period of sabbatical leave, to care for dependents or to take compassionate leave.
- Rothschild & Co's Agile Working approach provides opportunities for everyone to enhance working lives and outcomes, by applying a more flexible approach to work. Adopting more varied and agile working patterns allows for flexible patterns to work remotely or flexibly.
- The Group Health and Safety Policy defines the conformance standard for offices worldwide, to further strengthen and improve Health & Safety conformance requirements across all offices, in compliance with all applicable local Health and Safety laws and regulations. More details on the policy and Health & Safety initiatives can be found in section 4.7.

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## Human Rights commitments

It is Rothschild & Co's goal to provide a working environment free from harassment, intimidation, discrimination, and behaviours that are considered unacceptable. This commitment applies to all areas of employment including recruitment, the terms and conditions of employment, training, career development, promotion, transfer, redundancy, rehiring, benefits, compensation, retirement and termination. The Group's Code of Conduct aims to ensure that it will not unlawfully discriminate in employment because of age, disability, gender identity, marital status and civil partnership status, pregnancy and maternity, paternity, race, ethnicity, nationality, religion and belief and sexual orientation. The firm fosters a culture of openness, thereby enabling employees to raise any legal, compliance or ethical concerns, including those related to any breach of human rights. Grievance policies are set by office according to local employment law.

The Group's policies are reflective of the main provisions of the International Labour Organisation Convention's (ILO) fundamental principles, including the elimination of all forms of forced labour, the abolition of child labour, the elimination of all forms of discrimination in respect of employment and occupation, and also in respect of freedom of association and collective bargaining.

Outside its direct operational sphere, the Group is conscious of potential risks of association, or indirect complicity in Human Rights abuses through its supply chain. In 2021, the Group published its expectations with regards to respect for fundamental human rights in a dedicated Supplier Code of Conduct, applicable to third parties who supply goods or services to the Group. These expectations are aligned with the commitments made to the United Nations Global Compact to avoid complicity in human rights abuses via its supply chain. The Code extends to the supplier's relations with its own employees and subcontractors, or any other related third parties of supplier entities and organisations forming part of the engagement. As part of this engagement effort, Rothschild & Co uses its influence to increase disclosure and commitment to responsible management practices in its supply chain.

The Group has previously determined that its highest risk of operational exposure to modern slavery within its supply chains was via business-travel in relation to relationships with the hotel industry in certain jurisdictions where modern slavery is particularly prevalent. Colleagues are encouraged to leverage Group approved travel agencies to book stays at preferred hotels who have agreed to adhere to the legislation surrounding the Modern Slavery Act 2015. A list of high-risk jurisdictions is collated with reference to the Global Slavery Index. Additionally, the Group looks at alternative sources so that its reference points remain up to date.

### Modern Slavery

Rothschild & Co is committed to countering modern slavery in all its forms and is taking proportionate measures to ensure that slavery and human trafficking are not taking place in its business or its supply chains. This includes the formation of a Modern Slavery Working Group in the UK, formulated as a response to the UK's Modern Slavery Act, that is tasked to consider Modern Slavery risks and the ways in which the business can seek to mitigate them on a risk-assessed basis. In existence since 2019, this Working Group includes members of Group Legal, Group Sustainability, Group Procurement, Business Continuity & Crisis Management and Human Resources. In 2022, the Group widened the scope of the Working Group to include the Group Financial Crime team. It is this Working Group that works together to set the strategy for the year ahead and to prepare the required Transparency Statement.

### Philanthropy

**R&Co4**  
Generations

Through R&Co4Generations, the Group supports a range of organisations working to help address and alleviate inequalities, with a focus on quality educational opportunities for young people. The fund supports projects which provide young people with opportunities to develop a wide range of skills and talents, and the entrepreneurial mindsets and resilience that they will need in order to face the challenges of the 21st century confidently and effectively.

To learn more about the social and environmental causes R&Co4Generations supports and how colleagues contribute to its activities, read the [R&Co4Generations 2023 Progress Report](#).

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## Social and societal investment risks and impacts

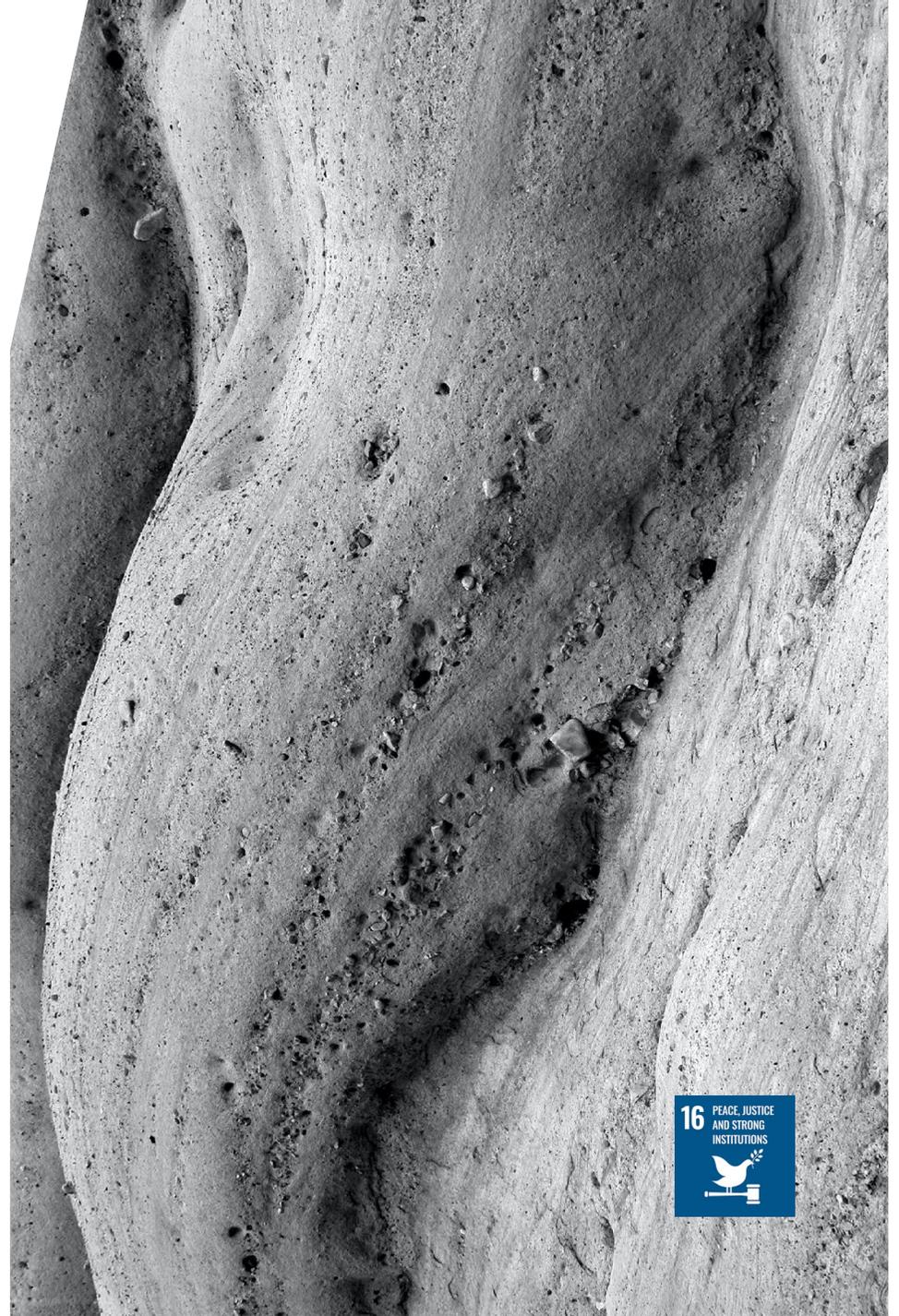
Business practices with regards to social topics can impact company performance and/or stakeholder acceptance and can be a source of investment risk. The business lines have established investment policies and frameworks that enable the investment teams to identify and monitor negative and positive social impacts related to companies in their portfolios. They deploy a range of approaches including **exclusion policies and engagement** with the invested companies and funds, as exemplified below:

SCOPE	POLICIES & FRAMEWORKS
<b>HUMAN RIGHTS VIOLATIONS</b>	
Group-wide	<ul style="list-style-type: none"> <li>Fundamental Principles Investment Policy</li> <li>Controversial weapons policy</li> </ul>
Wealth and Asset Management	<ul style="list-style-type: none"> <li>Sustainability Risk policy for monitoring of social KPIs at portfolio level</li> </ul>
<b>DISCRIMINATION, INEQUALITY, JUST TRANSITION AND OTHER SOCIAL ISSUES</b>	
Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>Tobacco exclusion introduced</li> <li>Principal Adverse Impact policy provides insights on social impacts</li> <li>Art. 9 product range: new exclusions on activities related to gambling, and pornography</li> <li>In addition to the integration of social criteria within their policies &amp; frameworks, Asset Management engages on priority issues such as proportion of women on board and major social controversies</li> <li>Asset Management is a member of the AFG working group on diversity and FIR working group on social taxonomy as well as the Investors for a Just Transition coalition</li> </ul>
Wealth Management UK	<ul style="list-style-type: none"> <li>Exclusion of activities related to gambling, tobacco &amp; pornography</li> </ul>
Five Arrows	<ul style="list-style-type: none"> <li>Diversity, Inclusion &amp; employee protection is identified as key material sustainability risks topic that is material to the activities of Five Arrows</li> <li>Sustainability risk policy includes checklists to identify material sources of risks and assess whether there are sustainability related product or service opportunities to be pursued</li> <li>Exclusions of activities related to tobacco, prostitution, pornography</li> <li>Monitoring of social and societal related controversies with dedicated tool</li> </ul>

Some investment businesses have launched **specific investment products, targeting a greater social impact.**

ENTITY	THEMATIC INVESTMENT PRODUCTS WITH A SOCIAL FOCUS
Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>R-co 4Change Inclusion &amp; Handicap: Expertise on social issues with particular attention to inclusion &amp; disability - French social label Finansol.</li> <li>R-co 4Change Inclusion &amp; Handicap Equity is a fund with donation shares supporting Café Joyeux initiative on social inclusion</li> </ul>

## 3.3 Responsible Business Practices



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Responsible Business Practices

Rothschild & Co places great emphasis on responsible business conduct, based on personal accountability and commitment in the way employees work with each other, clients and partners.

### Key risks and opportunities

The approach to responsible business practices focuses on managing operational risks that have been identified as most material to the Group's business and for its stakeholders.

As a diversified financial group operating in a heavily regulated sector, the risk arising from potential non-conformance to applicable regulations is an ongoing consideration for Rothschild & Co. In addition, providers of financial products and services may be targeted by criminals to unknowingly facilitate financial crimes such as money laundering and terrorist financing.

### Strategy and risk management

PRIORITIES	SAFEGUARDING RESPONSIBLE BUSINESS CONDUCT	
Identified non-financial risks (see section 2)	Compliance culture & financial crime	Data privacy and protection
Objective	Setting standards for all individuals working for the Group to mitigate risks and potential reputational damage	Managing data privacy and confidentiality risks and preserving the integrity of clients' and partners' data to uphold the trust of stakeholders
Operational focus	Addressing compliance and financial crime related risks: <ul style="list-style-type: none"> <li>Conflicts of interest</li> <li>Market abuse</li> <li>Conduct and ethics</li> <li>Anti money laundering or counter-terrorist financing</li> <li>Bribery and corruption</li> <li>Sanctions</li> </ul>	Addressing data privacy related risks: <ul style="list-style-type: none"> <li>Data protection</li> <li>Confidentiality</li> <li>IT and Information Security</li> </ul>
Business line focus	Consideration of compliance aspects of transactional or business processes, facilitation of certain aspects of risk governance or monitoring and review of legislation and regulatory developments	
Public commitments	Financial Crime Policy Statement	
Internal policies	<ul style="list-style-type: none"> <li>Group Code of Conduct (available publicly)</li> <li>Supplier Code of Conduct (available publicly)</li> <li>Group Conflicts of Interest Policy</li> <li>Group Market Abuse Policy</li> <li>Group Client Due Diligence Policy</li> <li>Group Financial Crime Policy</li> <li>Group Anti-Bribery and Corruption Policy</li> <li>Group Sanctions Policy</li> <li>Group Policy on Reporting Concerns or Irregularities</li> </ul>	<ul style="list-style-type: none"> <li>Group Information Security Policy</li> <li>Group Acceptable Use Policy</li> <li>Group Information Security Standard</li> <li>Group Data Protection Policy</li> <li>Group Cloud Security Standard</li> </ul>
Governance (also see section 2 and 4.2)	<ul style="list-style-type: none"> <li>The independent internal Group Legal &amp; Compliance function reports to the Group Head of Legal and Compliance, who is a member of the Group Executive Committee, and the Group Operating Committee.</li> <li>The Group Head of Legal and Compliance reports to the Managing Partner and provides regular updates to the Group Executive Committee, the Group Operating Committee, the Supervisory Board's Risk Committee and to other boards around the Group.</li> </ul>	<ul style="list-style-type: none"> <li>Responsibility for overseeing lies with the Chief Information Security Officer (CISO), reporting to the Group Chief Risk Officer.</li> <li>The establishment of committees, policies, and defined responsibilities for information security is designed around a three layers of defence model. Oversight of all information security activities is performed by the Rothschild &amp; Co Operations Committee.</li> <li>New IT projects are subject to review by the Change Initiation Forum and approval by the Design Authority, chaired by the Head of Architecture and comprised of representatives from control functions, to identify risks associated with data processing and to bring them to the attention of the service or system owner for treatment.</li> </ul>

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## Compliance culture and governance

Rothschild & Co has a unique heritage and outstanding record of achievement driven by a strong values-driven culture. Rothschild & Co is committed to conducting its business fairly, honestly and with integrity.

Rothschild & Co operates an internal compliance framework to mitigate any risk of loss or penalties, and to avoid damage to the firm's reputation, which might lead to diminished client trust and reduced market opportunities ("**Compliance Framework**").

Rothschild & Co uses independent compliance, risk and audit functions (the second and third line of defence) to construct the appropriate control framework to deter, detect and prevent actual or potential instances of non-compliance.

The responsibilities of the **Group Legal & Compliance function** include, among other things the development and maintenance of the Compliance Framework. The function also conducts any required compliance-related investigations and provides advice on compliance aspects of transactional or business processes and review of legislation and regulatory developments.

The Compliance Framework in place globally at the level of the Rothschild & Co Group notably aims at managing risks in relation to employee conduct, conflicts of interest, market abuse, client due diligence and Financial Crime (defined as "money laundering and terrorist financing, bribery, corruption, sanctions and tax evasion").

The Compliance Framework includes the following key components:

- an internal code of conduct, policies, procedures, guidelines, standards which all staff members must abide by, at the level of the Group, business lines and / or local entities, depending on topic (the "Policies"). Policies are reviewed and updated regularly;
- communication on Policies (available on the intranet),

supplemented by mandatory attestation and training programs to ensure staff members awareness;

- compliance monitoring and permanent control programmes aimed at provide assurance to relevant governing bodies that processes and systems are operating efficiently;
- reporting to relevant governing bodies on certain key metrics (such as financial crime metrics, new business processes and training completion) and on Legal & Compliance activity and developments on a quarterly basis.

### Code of Conduct and Reporting concerns and irregularities

The Group expects all employees to maintain the highest standards of professionalism and personal conduct, as per the principles set out in the Group Code of Conduct.

In 2023, 100% of relevant employees attested to the Group Code of Conduct.

The Group encourages individuals to raise reportable concerns as soon as possible. Various whistleblowing channels are available to internal and external stakeholders, and individuals may choose to remain completely anonymous by reporting to an independent whistleblowing hotline (Safecall). Individuals making any report in good faith are fully protected against any prejudicial treatment or retaliation. Rothschild & Co will not take any action against the individual for raising a concern, irrespective of whether it is later substantiated.

### Market abuse

The Group has a zero-tolerance approach to market abuse.

The Group Market Abuse Policy sets out principles applicable on a group-wide basis to avoid any action or activity that would constitute market abuse. The policy notably includes standards applicable to dealing with

confidential and inside information. The Group Market Abuse Policy is supplemented with detailed procedures applicable within relevant businesses, including in relation to market sounding, third party wall crossings, insider list management and Suspicious Transaction and Order Reports.

### Conflicts of interest

Independence is a cornerstone of the Group's proposition across all businesses. As an overriding principle, Rothschild & Co aims to act at all times in a suitable manner and to provide objective services which are in the best interests of its clients.

To this effect, Rothschild & Co maintains a Conflicts of Interest Compliance Framework designed to identify and manage conflicts or potential conflicts at an early stage and to comply with applicable regulations. As part of this framework, the Group Conflicts of Interest Policy sets out the requirements applicable on a group-wide basis.

### Client Due Diligence

The Group's detailed and comprehensive policies and procedures govern the way in which the Group takes on clients and business. Client due diligence forms a core part of the Group's approach to fighting Financial Crime and to managing reputational risk, as well as addressing Environmental and Social risk considerations. For more details on embedding Environmental and Social risk considerations in these procedures and policies, please refer to Section 2.2 of this report.

Client relationships that are considered to have an increased risk profile are subject to enhance due diligence and monitoring and are reviewed by client acceptance committees comprising senior management members.

In 2023, 100% of relevant employees attested to the Group Client Due Diligence Policy.

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### Financial crime

Rothschild & Co is firmly committed to high ethical standards and to complying with applicable regulations designed to combat Financial Crime. To this effect Rothschild & Co maintains an extensive Financial Crime Compliance Framework, as further detailed in the Financial Crime Policy Statement. The Group Financial Crime Compliance has in place an established Oversight and Assurance (O&A) Programme to review the design and performance of key financial crime compliance controls operated by Group entities.

### Anti-Money Laundering and Counter-Terrorist Financing

The AML/Counter-Terrorist Financing (CTF) policies in place at the level of the Rothschild & Co Group are aimed at ensuring compliance by all Group entities with the requirements of the "Autorité de Contrôle Prudentiel et de Résolution" (ACPR), the group lead regulator, except where compliance would breach local legislative or regulatory obligations. Where relevant, the principles set out at group level are supplemented with local policies and procedures reflecting local regulatory requirements.

The Group Policy on Intra-Group Information Sharing enables information relating to AML/CTF matters to be shared more easily and effectively between the regions.

### Tax evasion

Tax evasion and related offences are considered a crime (délit in France) and typically represent a predicate offence to money laundering. Rothschild & Co takes its responsibility to tackle tax evasion seriously and related considerations are embedded in the Financial Crime Compliance Framework, as further detailed in the Financial Crime Policy Statement.

### Sanctions

As per the Group Sanction Policy, Group entities must comply with sanctions regimes applicable in the locations where they operate. In addition to local screening, Group entities must screen the identity of clients, relevant third parties and transactions against the sanctions lists issued by the European Union or any member state, the United Kingdom, the United Nations Security Council and the United States of America. This includes ongoing sanctions screening using a risk-based approach, as well as ongoing payment and transaction filtering. In case of a sanction hit or match, this is investigated, escalated and dealt with accordingly per the Group Sanctions Policy.

In 2023, 100% of relevant employees attested to the Group Sanctions Policy.

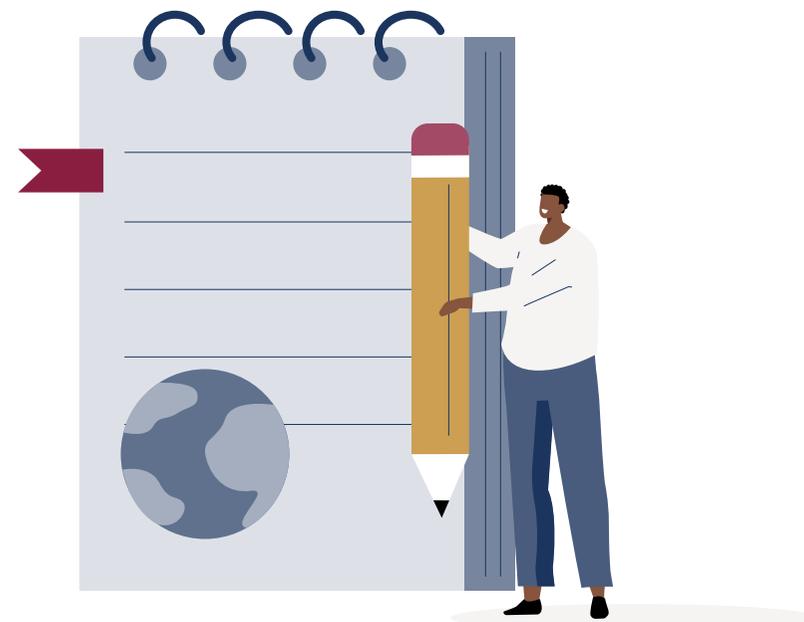
### Anti-bribery and corruption

The Group takes a zero-tolerance approach to all forms of bribery and corruption. Rothschild & Co is committed to conducting its business affairs in compliance with all ABC laws and regulations applicable to its global operations (e.g., France's Sapin II law, the UK Bribery Act and the US, and the US Foreign Corrupt Practices Act). To this effect it maintains an extensive Anti-Bribery and Corruption Compliance Framework, as further detailed in the Financial Crime Policy Statement.

### Political lobbying activity and donations

As summarised in the public Financial Crime Policy Statement, Rothschild & Co does not engage in lobbying activity. It does not seek to actively influence public officials, laws, or regulations.

Rothschild & Co does not make or permit any of its employees to make on its behalf, any political donations, nor does it have any political affiliations. The Group, therefore, does not declare any related expenditure in the EU Transparency Register (or equivalent registers).



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## Data privacy and protection

Confidentiality is of paramount importance to Rothschild & Co's client relationships and offering. The Group takes appropriate technical and organisational measures to safeguard confidential information and all employees are expected to exercise the highest level of due care and attention when dealing with confidential information about the Group or its clients. These expectations are clearly communicated in the Group Code of Conduct.

Where compliance monitoring, reporting or internal audits reveal any concerns, remedial action is swiftly taken. Systems and controls are regularly tested and reviewed to ensure they are in line with technological developments and regulatory or market practice.

### Data protection

The businesses communicate openly with their clients in relation to how they use personal data. The Group Data Protection Policy defines the core principles for protecting personal data processed by or on behalf of the Group and helps facilitate compliance with relevant legal and regulatory data protection obligations that the Group must adhere to globally.

### Information Security

The security of the information the Group processes and holds in relation to clients, employees, businesses and business partners is vital to the Group's continued success. The global Information Security Programme is aimed at managing the associated risks. As technology becomes more complex and sophisticated, so do the cyber risks that businesses face.

The Group has a comprehensive Information Security Strategic Plan in place, which details a wide range of work streams covering the key risks associated with the people, processes and technology in the organisation. The Group Information Security Policy framework provides the foundation to establishing an effective

information security management system across the Group, implementing, maintaining and continually improving internal control over information and related technology.

Throughout the year, the Information Security Risk team will report Key Risk Indicator Dashboards and the progress of the Information Security Programme Delivery to the Risk and Audit Committee of the Supervisory Board and Group Operating Committee. The OpCo performs ongoing monitoring of the strategic workstreams and receives quarterly reporting regarding the status of the Information Security programme. The Information Security education programme utilises a wide range of mediums and approaches for disseminating security awareness content to a globally distributed audience. All relevant employees are required to read and certify understanding of the Acceptable Use Policy. An Information Security computer-based training module has been prepared and assigned to all relevant employees. Policy attestation and training completion rates are monitored and reported to the OpCo.

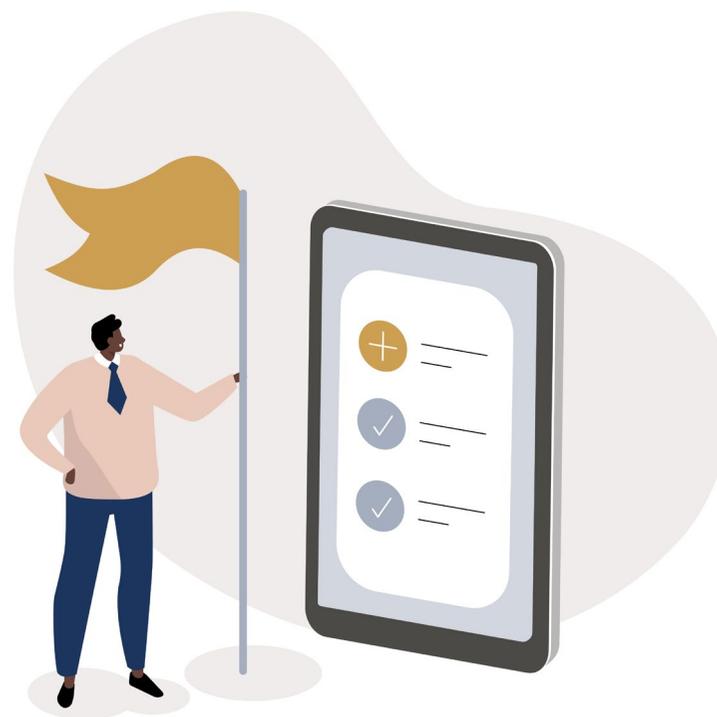
In 2023, 97% of relevant employees completed the Group Information Security Education and Awareness Training.

Additional focus is placed on monthly phishing test campaigns for employees, to raise awareness for the risks and train employees to spot these.

### Security operations management

The Rothschild & Co IT Security and Information Security Risk departments continuously control and govern the delivery of day-to-day technical security measures. These are selected to meet the requirements of the Information Security Programme. To support the internal cyber breach monitoring capabilities, the Group has engaged the services of a specialist Threat Intelligence provider to actively monitor and alert on external cyber threats as well as a 24/7 Security Operations Centre to monitor for internal cyber events. This Threat Intelligence service is complemented by quarterly Threat Landscape briefings

provided by independent specialist service providers. Group IT Security ensure the appropriate technical controls are in place to prevent, detect, and respond to cyber security events.



Appendix



## 4.1 Universal reference table

The following table references sustainability disclosures presented in this report, our commitment to the 10 principles of the United Nations Global Compact (UNGC) and the UN Sustainable Development Goals (SDG).

	REF.	UN GC	SDG
<b>Sustainability ambition and governance</b>			
Group-wide purpose statement, guiding principles and sustainability ambition as part of Rothschild & Co's business model Ambition to support the sustainability transition of the global economy anchored in Group strategy	1	1-10	
Clear governance of sustainability matters, taken to the highest level in the organisation	1 4.2		16
<b>Strategy and risk management</b>			
Non-financial risks and opportunities identified in materiality assessment	2	1-10	
Common set of strategic priorities defined in group wide ESG priority framework	2	1-10	5,7,12,13,15,16
Ongoing stakeholder dialogue: approach and engagement activities	2 4.5	1-10	16
Continuous engagement through external partnerships and public commitments	2	8	5,10,12,13,16
<b>ESG risk and opportunity considerations across the business model</b>			
Group-wide responsible investment framework and investment roadmap for 2022-2025; investment process, disclosure, reporting, measurement, and training	2.2	1,2,6,7,9,10	7,10,13,16
ESG consideration in thematic sustainable investment products, voting figures for our investment products	2.2		16
ESG integration in Group's own treasury and lending activities	2.2	1,2,6,7,9,10	7,10,13,16
ESG consideration in Global Advisory activities: ESG advisory practice, M&A and sustainable finance transactions and client on-boarding	2.2	2,5,7,9,10	7,12,13
ESG considerations in selection of other supply chain partners	2.2	1-10	16
R&Co4Generations as a dedicated philanthropic platform	2.2	6,7,8	4,5,10,13,14,15
<b>Implementation and performance - Environment</b>			
Climate and nature-related risks and opportunities for the Group's operations and business lines	3.1	7,8,9	13
Strategy to invest in assets which support the transition to a low carbon economy and/or aim to protect or preserve biodiversity Environmental investment targets and objectives	3.1	7,8,9	13,15

	REF.	UN GC	SDG
<b>Implementation and performance - Environment (continued)</b>			
Environmental operational commitments, targets and objectives: limit and reduce the impact of operations on a changing climate and act as a catalyst in support of the low carbon transition	3.1	7,8,9	7,15
Environmental operational commitments, targets and objectives: work to help preserve, protect, and enhance the resilience of the planet's ecosystem services	3.1	7,8,9	15
Philanthropic support for protection of biodiversity and avoidance of climate change	3.1	7,8	13,14,15
<b>Implementation and performance - People and Society</b>			
Key people and society-related risks and opportunities for the Group's operations and business lines	3.2	1,2,3,4,5,6	5,10
Diversity and inclusion commitments, targets and objectives. Policies and initiatives to encourage diversity and inclusion and create an environment of equal opportunity and partnership	3.2	3,6	5,10
Developing the best talent / training opportunities	3.2	6	5,10
Safeguarding physical, mental and emotional health, safety and wellbeing of employees	3.2		
Human rights commitment and policies implemented in line with the main provisions of the International Labour Organisation's fundamental conventions on Human Rights	3.2	1,2,3,4,5,6	5,10,16
Philanthropic support to help address and alleviate inequalities	3.2	6	4,5,10
<b>Responsible Business Practices</b>			
Key compliance and business conduct-related risks	3.3	1,2,3,4,5,6,10	16
Group Code of Conduct sets out standards and expected behaviours	3.3	1,2,6,7,10	16
Prevention of tax evasion	3.3	10	16
Process, policies and training in place around Anti-Money-Laundering	3.3	10	16
Zero tolerance approach to all forms of corruption and bribery: standards, policies and training in place	3.3	10	16
No engagement in political lobbying activity and donations	3.3	10	16
Reporting Concerns or Irregularities (whistleblowing)	3.3	10	16
Managing data privacy and confidentiality risks and preserving the integrity of clients' and partners' data	3.3		16
<b>Additional information disclosed</b>			
Fostering quality social dialogue and collective bargaining agreements	4.7	3,6	5,10
Other disclosures on employee health and safety, including data reporting	4.7		
Other disclosures on employee headcount distribution and relating to diversity and inclusion, hiring and development	4.7	6	10
Statutory Auditors' opinion: external assurance	4.10		

## 4.2 Governance of sustainability matters 2023

GOVERNANCE BODY	SPECIALIST COMMITTEE / TEAM	ROLE	CHAIR	ENGAGEMENT FREQUENCY
<b>Rothschild &amp; Co Gestion</b> Sole manager (gérant) and legal representative of the Company		<ul style="list-style-type: none"> <li>Defines Group's ambition for sustainability integration into Group strategy and group-wide strategic priorities.</li> <li>Responsible for overall management of the Company</li> <li>Supervising the accounting and financial information</li> <li>Directing the internal control framework determining the regulatory capital for Rothschild &amp; Co SCA and the Group entities on a consolidated basis</li> </ul>	Alexandre de Rothschild	2023: 12 meetings
<b>Group Executive Committee (GEC)</b>		<ul style="list-style-type: none"> <li>Proposes strategic orientations to Rothschild &amp; Co Gestion, including in relation to sustainability, and to assist Statutory Manager in overseeing implementation of strategy across Group and operational management of the Group</li> <li>Committee receives specialist reports and reviews performance against a select number of group-wide performance indicators related to sustainability strategy on quarterly basis</li> <li>Sustainability matters are discussed in the regular meetings of the GEC as required (in 50% of the meetings in 2023)</li> </ul>	Co-chairs: Robert Leitão & François Pérol	2023: 10 meetings
<b>Divisional Management Committees</b> (Wealth and Asset Management, Five Arrows, Global Advisory)		<ul style="list-style-type: none"> <li>Responsible for integration of group-wide E, S, G priorities in business line strategy</li> </ul>		
	<b>Five Arrows Sustainability Board</b>	Support the Five Arrows Management Committee in <ul style="list-style-type: none"> <li>Overseeing the sustainability strategy and ensure its operational integration;</li> <li>Monitoring overall sustainability performance</li> </ul>		
	<b>GA Energy Transition Committee</b>	<ul style="list-style-type: none"> <li>Steers and ensures cross sector, regional and product coordination, builds new relationships, and navigates the allocation of capital and investor responses across all potential sources of public and private debt and equity</li> </ul>		
<b>Group Sustainability function</b>		<ul style="list-style-type: none"> <li>Assists senior management in development of strategy, coordination of group-wide initiatives and provision of an ongoing and consolidated picture of performance against Group's strategic objectives</li> </ul>	Anne Imbach	
<b>Supervisory Board</b>		<ul style="list-style-type: none"> <li>The Supervisory Board carries out the ongoing supervision of the Company's management by the Statutory Manager, including in particular the Company's financial and accounting reporting system and its internal control mechanisms applicable to risk, compliance and internal audits, and shall otherwise comply with legal and regulatory requirements applicable to it, notably as a result of its status as a financial holding company.</li> <li>The Supervisory Board considers sustainability issues at the initiation of senior management unless the Supervisory Board itself identifies an opportunity to discuss.</li> </ul>	Marc-Olivier Laurent	2023: 9 meetings

GOVERNANCE BODY	SPECIALIST COMMITTEE / TEAM	ROLE	CHAIR	ENGAGEMENT FREQUENCY
	<b>Sustainability Committee</b>	<p>The Sustainability Committee is mainly responsible for:</p> <ul style="list-style-type: none"> <li>Assisting the Supervisory Board in monitoring issues relating to the businesses strategy and position with regards to social, societal and environmental issues ("Sustainability") so that Rothschild &amp; Co can best anticipate the opportunities, impacts and risks associated therewith, and in particular assist the Supervisory Board in reviewing the policies in place in the aforementioned areas and the objectives set, and the work of the operating committees in charge of Sustainability issues within the Group; and</li> <li>Reporting regularly to the Supervisory Board on its mission and make recommendations where appropriate</li> <li>The Committee received a dedicated training on climate related risks and impacts in 2023</li> </ul>	Lucie Maurel-Aubert	2x / year 2023: 2 meetings
	<b>Risk Committee</b>	<p>The Risk Committee is mainly responsible for:</p> <ul style="list-style-type: none"> <li>Advising the Supervisory Board on the overall current and future risk appetite and strategy of the Group.</li> <li>Assisting the Supervisory Board in overseeing the implementation of that strategy.</li> <li>Review the effectiveness and the coherence of the risk management systems deployed in the Group, so that said systems ensure as far as possible the prevention, detection and/or management of the potential and/or identified risks, which should include for the avoidance of doubt reputational and conduct risk, as well as risks arising from social, societal and environmental issues.</li> </ul>	Véronique Weill	Meets at least 4 times a year 2023: 5 meetings
	<b>Audit Committee</b>	<p>The Audit Committee is mainly responsible for:</p> <ul style="list-style-type: none"> <li>Reviewing (i) the process of drawing up financial and non-financial information; (ii) the statutory audit of the individual annual accounts and the consolidated accounts by the Statutory Auditors and (iii) the independence and objectivity of the Statutory Auditors;</li> <li>Giving a recommendation regarding the appointment and the renewal of the Statutory Auditors proposed to the Ordinary General Meeting of Shareholders;</li> <li>Reviewing the effectiveness of the Group's internal control systems and internal audit, in particular regarding risk exposure, including sustainability matters; and</li> <li>Approving the supply of the non-audit services as defined by Article L.822-11 of the French Commercial Code.</li> </ul>	Sir Peter Estlin	Meets at least 2 times a year 2023: 8 meetings

### Significant events after the end of the 2023 financial year: evolution of Group governance

Alexandre de Rothschild, Executive Chairman of Rothschild & Co Gestion, continues to be responsible for the overall management of Rothschild & Co, the Group operational holding company. In his role, he relies on the Management Board which he chairs and whose other members are the three Managing Partners: Javed Khan, Robert Leitão and François Pérol. With effect from 31 January 2024, Mark Crump (Group CFO and COO) has been promoted to Managing Partner and has joined the Management Board. Paul Barry (Group HR Director) and Elsa Fraysse (Secretary General and Group Head of Legal & Compliance) continue to be permanent attendees of the Management Board. The different operating committees of the Group including the Group Credit Committee (GCC), the Operations Committee (OPCO), the Assets & Liability Committee (ALCO), the Diversity, Inclusion & Balance Steering Committee (DI&B) and a **newly formed Sustainability Committee** will from now on report directly to the Management Board. The governing bodies of each business line of the Group including the GA Management Committee, the WAM Management Committee (WAMCO) and the Five Arrows Management Committee report to and act under the supervision of the Management Board.

The role and the membership of the Group Executive Committee (GEC) has also evolved. Renamed the Group Partners Committee (GPC), it will from now act as a forum to discuss and advise the Management Board about the performance and the strategy of each business as well as synergies and other areas of shared interests across the businesses. The GPC will be co-chaired by Robert Leitão and François Pérol. Its members are appointed for a term of two years.

### 4.3 Materiality assessment of non-financial risks relating to sustainability 2022



### 4.4 Rothschild & Co identified strategic risks

Rothschild & Co seeks to identify and manage the Group’s top and emerging risks on an ongoing basis. The below provides an overview of identified strategic risks with the potential to interact with identified non-financial sustainability-related risks.

- Reputational damage or losses arising from operational risks
- Failure to respond to / anticipate changing client expectations

Each year, the Group completes a Strategic Risk Assessment (SRA), which is independently reviewed and challenged. The purpose of the SRA is to provide senior management with an objective assessment of the risks to which the Group is exposed, and the measures being taken to control them. This exercise was undertaken in November 2023 and the results presented to the Supervisory Board in December. The SRA combines a bottom-up assessment of strategic risks by each business line with a top-down review of the factors that impact the Group as a whole.

The annual review of the Group’s strategic risks in 2023 included a specific review to examine which of the sustainability factors identified in the Group’s assessment of non-financial risks (please refer to the main section of this report) have the potential to amplify the inherent probability or impact of these strategic risks. This exercise highlighted that sustainability factors could have a particular impact on risks connected to: (i) regulatory change; (ii) the ability to attract and retain high quality staff; (iii) the ability to respond to evolving client expectations; and (iv) the operational control environment.

The Group considers that the risk areas identified below could have a significant negative impact on its ability to meet its strategic objectives:

- Geo-political instability
- Cyber-crime and data security
- Liquidity and balance sheet risk management
- Economic and market uncertainty or downturn
- Balance sheet concentration on Five Arrows assets
- Ability to attract new resource and retain existing workforce
- Impact of regulatory change on Group’s business model
- Dependence on key revenue earners and key leaders

The consolidated non-financial statement (déclaration consolidée de performance extra-financière) presented in this report outlines key intervention levers for addressing sustainability-related risks, including the impact of climate-related transition risks, as well as the governance arrangements, policies and actions aimed at mitigating them.

## 4.5 Stakeholder dialogue

KEY STAKEHOLDER GROUP	KEY TOPIC AND CONCERNS	ENGAGEMENT APPROACH 2023
<p><b>Employees</b></p> <p>Transparent and direct communication between employees and the leadership team is an important part of the firm's culture. These opportunities provide employees with updates on latest developments, priorities and initiatives, and employees are given the chance to raise questions about the Group, in person or anonymously.</p>	<ul style="list-style-type: none"> <li>Employee wellbeing and workplace flexibility</li> <li>Talent attraction, development, and retention</li> <li>Diversity, Balance and Inclusion</li> <li>Cybersecurity</li> <li>Climate Change</li> <li>Biodiversity</li> <li>Human Rights</li> <li>Socioeconomic inequalities</li> <li>Philanthropic activities</li> </ul>	<ul style="list-style-type: none"> <li>All-staff, or departmental townhall meetings with Senior Management</li> <li>Internal emails, and/or intranet articles (authored by senior representatives)</li> <li>Thematic awareness and engagement campaigns, including voluntary workshops and expert talks (e.g. climate action weeks; cybersecurity month; Pride month; Black History month, Culture Cafe; UK EMbrace Network; UK Women's Network)</li> <li>Volunteering opportunities for local philanthropic activities (e.g. SUGi; Chapter One; Enactus)</li> <li>Surveys and other feedback mechanisms (e.g. Balance and Inclusion)</li> <li>Training opportunities (e.g. Rothschild &amp; Co Sustainability Academy, containing modules on climate change and biodiversity loss, as well as a ESG regulations)</li> </ul>
<p><b>Rothschild &amp; Co shareholders + potential investors and analysts</b></p> <p>In February 2023, Concordia, the holding company of the Rothschild family and Rothschild &amp; Co's largest shareholder, announced its plans to take Rothschild &amp; Co private. Subsequently, Rothschild &amp; Co shares have been delisted from Euronext Paris in October 2023.</p> <p>In 2023, Rothschild &amp; Co disclosed the information necessary to investors and shareholders to assess the Group's situation and outlook in both French and English language.</p>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Sustainability approach and key metrics</li> <li>Group and business strategy</li> <li>Outlook</li> <li>Transparency</li> </ul>	<ul style="list-style-type: none"> <li>Annual shareholder meetings</li> <li>Quarterly results</li> <li>Press releases</li> <li>Group Annual Report 2022 and Group Sustainability Report 2022</li> <li>Corporate announcements and reportage via the Group's website and social media channels</li> <li>Investor Relations section of the website</li> </ul>
<p><b>Clients and business partners</b></p> <p>A close dialogue with clients and business partners is essential to building the lasting relationships and network that underpin the business' success. Regular events help clients understand the business and engage in discussions about industry trends and challenges. Communication focuses on knowledge sharing and offers opportunities for outside inspiration.</p>	<ul style="list-style-type: none"> <li>Low-carbon transition</li> <li>Transparency &amp; disclosures</li> <li>Impact investment</li> <li>Climate change and biodiversity</li> <li>Responsible investment and stewardship</li> <li>ESG integration</li> </ul>	<ul style="list-style-type: none"> <li>Event organisation and sponsorship (e.g. WM UK 3-Space event on sustainable investment, Rothschild &amp; Co and Redburn Atlantic Renewables and Energy Transition Conferences in London &amp; New York; CDP event on future of environmental reporting; film screening on biodiversity)</li> <li>Corporate announcements and reportage via the Group's web and social media channels (e.g. announcement of the Group's Carbon Removal partnerships)</li> <li>ESG reports, thought leadership publications (incl. editorials, podcasts, videos)</li> <li>Direct meetings</li> <li>Organisation and/or participation in round tables</li> </ul>
<p><b>Future talent</b></p> <p>Talented individuals are given the opportunity to learn about Rothschild &amp; Co and its diverse career opportunities and to network with Rothschild &amp; Co employees. These opportunities provide first-hand insights into the expectations of future talent towards the Group as an employer.</p>	<ul style="list-style-type: none"> <li>Employee wellbeing and workplace flexibility</li> <li>Talent attraction, development, and retention</li> <li>Diversity, Balance and Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Career fairs</li> <li>Networking luncheons and dinners</li> <li>Events</li> <li>Career relaunch programme</li> <li>Corporate announcements and reportage via the Group's web and social media channels (e.g. R&amp;Co4Generations supported projects)</li> <li>Global mobility opportunities</li> <li>Partnerships, e.g., with HEC Paris, HEC Foundation, Sciences Po</li> </ul>

KEY STAKEHOLDER GROUP	KEY TOPIC AND CONCERNS	ENGAGEMENT APPROACH 2023
<p><b>Social dialogue (trade unions, France only)</b></p> <p>Employee representatives are given access to a comprehensive economic and social database, including comparative data on employees by gender and age on all aspects of working life. This gives employee representatives an informed view, on which to form their opinion each year during the consultation on social policy.</p>	<ul style="list-style-type: none"> <li>Employee wellbeing &amp; workplace flexibility</li> <li>Talent attraction, development, and retention</li> <li>Socio-economic inequalities</li> <li>Diversity, Balance &amp; Inclusion</li> <li>Equal opportunities</li> <li>Health &amp; Safety</li> <li>Collective bargaining</li> <li>Transparency</li> </ul>	<ul style="list-style-type: none"> <li>At least monthly social dialogue between employee representatives in France and a member of management, including procedures for information, consultation, and negotiation with employees.</li> </ul>
<p><b>Social enterprises and charities</b></p> <p>Through R&amp;Co4Generations, Rothschild &amp; Co's dedicated philanthropic foundation, Rothschild &amp; Co maintains close dialogue with social enterprises and charities, discussing opportunities for partnership, knowledge sharing or other collaborations.</p>	<ul style="list-style-type: none"> <li>Socio-economic inequalities</li> <li>Community support</li> <li>Diversity and Inclusion</li> <li>Climate Change</li> <li>Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>Competition, awards</li> <li>Global flagship projects</li> <li>Fundraising and partnership opportunities applications</li> <li>Pro-bono advisory projects</li> <li>Matched-giving initiatives</li> <li>Volunteering activities</li> <li>Venture philanthropy</li> </ul> <p>(Please refer to R&amp;Co4Generations' 2023 progress report for more detailed information)</p>
<p><b>Suppliers and third-party contractors</b></p> <p>The Group is committed to encouraging responsible business practices throughout its operational supply chain and dialogue, aiming to ensure all parties are working with each other to build a relationship of respect, trust, and transparency.</p>	<ul style="list-style-type: none"> <li>Responsible business practices</li> <li>Fundamental ethical, social, and environmental principles</li> <li>Fair payment conditions</li> </ul>	<ul style="list-style-type: none"> <li>Supplier Code of Conduct</li> <li>Direct engagement as part of contract negotiations</li> <li>TPR and onboarding processes</li> </ul>
<p><b>Financial Market Authorities and regulators</b></p> <p>Our dedicated functions have a collaborative and transparent dialogue with regulators. This aims to ensure the Group meets prudential and regulatory compliance standards.</p>	<ul style="list-style-type: none"> <li>Transparency and public accountability</li> <li>Compliance with regulation</li> </ul>	<ul style="list-style-type: none"> <li>Periodic regulatory disclosures</li> <li>Various filings with regulators on a periodic basis</li> <li>Permanent contacts with regulators' supervisory teams</li> <li>Participation in professional associations' working groups</li> </ul>
<p><b>International organisations, local and international networks, think tanks</b></p> <p>Through the support of multistakeholder initiatives, the Group's dedicated functions interact with the wider society and the international organisations, networks and alliances aiming to represent their interests.</p>	<ul style="list-style-type: none"> <li>Transparency</li> <li>Diversity, Balance and Inclusion</li> <li>Climate change</li> </ul>	<ul style="list-style-type: none"> <li>Rothschild &amp; Co is an active member and contributor to a few selected multistakeholder initiatives and keeps an open dialogue with these groups/activities</li> <li>Group-wide public commitments and partnerships through which the Group and its businesses publicly advocate for and engage with its stakeholders in sustainable development initiatives are listed in section 2</li> </ul>
<p><b>Extra-financial rating agencies</b></p> <p>The Group is committed to providing transparent and quality information on its extra-financial performance and holds regular dialogue with non-financial analysts to ensure its activities can be evaluated against ESG criteria.</p>	<ul style="list-style-type: none"> <li>Transparency</li> <li>Sustainability approach and key metrics</li> <li>ESG integration and governance</li> </ul>	<ul style="list-style-type: none"> <li>Annual report 2022</li> <li>Sustainability Report 2022</li> <li>Public policies and commitments on website</li> </ul>

## 4.6 Responsible Investment

### Policies and report publications 2023

ENTITY	REPORT PUBLICATIONS 2023 (UPDATES OR NEW)
Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>ESG policy</li> <li>Engagement &amp; voting policy</li> <li>Exclusion Ledger</li> <li>Sustainability risk policy for investments</li> <li>Policy for taking into account the principal adverse impacts in sustainability</li> <li>Definition of Sustainable Investment</li> <li>Article 29 report</li> <li>Engagement &amp; Voting report (+ dedicated voting report for SRI labelled funds)</li> <li>Transparency codes for direct management &amp; open architecture</li> <li>Remuneration policy</li> <li>Article 10 disclosure</li> </ul>
Five Arrows	<ul style="list-style-type: none"> <li>Rapport Article 29 – Loi Énergie-Climat [French only]</li> <li>Sustainability Risks policy</li> <li>Remuneration policy</li> <li>Sustainability report</li> </ul>
Rothschild & Co Bank AG Zurich	<ul style="list-style-type: none"> <li>ESG policy</li> <li>Remuneration policy</li> <li>Proxy voting report</li> </ul>
Rothschild Martin Maurel	<ul style="list-style-type: none"> <li>Rapport Article 29 – Loi Énergie-Climat [French only]</li> <li>Cercle Robeco pour une Banque Privée Durable White Paper</li> <li>ESG Policy</li> <li>Remuneration Policy</li> <li>Sustainability Risks Policy</li> </ul>
Wealth Management UK	<ul style="list-style-type: none"> <li>Sustainability and Stewardship Policy</li> <li>Sustainability and Stewardship Report 2022</li> </ul>

### ESG data integration tools

ENTITY	EXPERT COMMITTEES & WORKING GROUPS
All Wealth & Asset Management entities	<ul style="list-style-type: none"> <li>MSCI ESG Research – new locations added and increasing number of accesses within WM entities</li> <li>SASB resources for risk exposure analysis</li> <li>Broker studies, academic, scientific &amp; supranational research, NGO reports, Open-access databases</li> </ul>
Rothschild & Co Asset Management (Additional resources)	<ul style="list-style-type: none"> <li>EthiFinance, Carbon4 Finance, CDC Biodiversité, Bloomberg, Morningstar</li> <li>Proprietary rating system for direct equity management drawing multiple sources (limited scope of funds)</li> <li>Proprietary Equity Transition grid</li> <li>Proprietary Fixed Income ESG SWOT</li> <li>Proprietary scorecard for multi-management</li> </ul>
Five Arrows	<ul style="list-style-type: none"> <li>SASB resources for risk exposure analysis</li> <li>RepRisk as part of the due diligence risk and controversy tools</li> <li>ESG proprietary due diligence tools for FASI and FASO VI</li> </ul>

## ESG expertise

ENTITY	EXPERT COMMITTEES & WORKING GROUPS	DEDICATED ESG EXPERTS	AVAILABLE ESG TRAINING PROGRAMS
Group	<ul style="list-style-type: none"> <li>Group Responsible Investment Committee</li> <li>Group Responsible Investment Operational Committee</li> </ul>	<ul style="list-style-type: none"> <li>Group Responsible Investment team</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Academy</li> <li>Climate collage (on demand)</li> </ul>
Wealth & Asset Management	<ul style="list-style-type: none"> <li>WM UK Regulatory Steering Group</li> <li>AM ESG Task Force</li> <li>AM Engagement Committee</li> <li>AM Controversy Committee (monitoring &amp; major controversy cases)</li> <li>AM Supplier Review committee</li> <li>WAM sustainability risks Working Group</li> <li>RMM Sustainable Finance Project Committee</li> <li>Rothschild &amp; Co Bank AG Zurich – ESG Committee</li> </ul>	<ul style="list-style-type: none"> <li>Asset Management ESG and Financial Analysis team</li> <li>Rothschild &amp; Co Bank AG Zurich ESG team</li> <li>RMM ESG Lead</li> <li>WM UK Sustainability &amp; Stewardship team</li> </ul>	<ul style="list-style-type: none"> <li>Net Zero School: Sector specific climate training modules</li> <li>ESG regulations</li> <li>Technical training on application of existing policies</li> </ul>
Five Arrows	<ul style="list-style-type: none"> <li>Five Arrows Sustainability Board</li> </ul>	<ul style="list-style-type: none"> <li>Five Arrows Sustainability team</li> <li>ESG specialist within the portfolio Operations Group</li> <li>FASI investment team</li> </ul>	<ul style="list-style-type: none"> <li>E-learning on diversity</li> <li>Sustainability Academy</li> <li>Investment strategy specific training</li> </ul>

## 4.7 People and society

### Diversity and inclusion

HEADCOUNT BY GEOGRAPHY	2021	2022	2023
France	1,212	1,268	<b>1,293</b>
United Kingdom and Guernsey	1,173	1,351	<b>1,421</b>
Switzerland	322	347	<b>393</b>
Other Continental Europe	480	491	<b>535</b>
North America	364	430	<b>432</b>
Rest of the world	265	314	<b>340</b>
<b>TOTAL GROUP<sup>(1)</sup></b>	<b>3,816</b>	<b>4,201</b>	<b>4,414</b>
<b>FTE TOTAL GROUP<sup>(2)</sup></b>	<b>3,744</b>	<b>4,127</b>	<b>4,349</b>
% of headcount located in the country of the Company's headquarter (France)		<b>30%</b>	<b>29%</b>
Share of employees operating in at least one sensitive country in terms of fundamental rights at work <sup>(3)</sup>		<b>0.74%</b>	<b>0.70%</b>

(1) Data based on headcount (i.e. not FTE). Off Headcount workers are not in scope (e.g., consultants, contractors). Does not include 277 Redburn Atlantic employees because not yet tracked in Workday.

(2) Fulltime equivalent data. Does not include 277 Redburn Atlantic employees because not yet tracked in Workday.

(3) Ten worst countries for workers according to ITUC Global Rights Index 2022.

HEADCOUNT BY BUSINESS	2021	2022	2023
Global Advisory	1,554	1,772	<b>1,832</b>
Wealth & Asset Management	1,240	1,290	<b>1,359</b>
Five Arrows	201	223	<b>259</b>
Central & Support	821	916	<b>964</b>
<b>TOTAL</b>	<b>3,816</b>	<b>4,201</b>	<b>4,414</b>

EMPLOYEE AGE PROFILE	2021	2022	2023
<30 years	25%	26%	<b>26%</b>
30 to 39 years	29%	30%	<b>31%</b>
40 to 49 years	25%	23%	<b>22%</b>
>50 years	22%	21%	<b>21%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

EMPLOYEE GENDER PROFILE	2021	2022	2023
Male	60%	60%	<b>60%</b>
Female	40%	40%	<b>40%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

AVERAGE TENURE OF EMPLOYEES	2021	2022	2023
Below 2 years	28%	35%	<b>32%</b>
2-5 years	33%	24%	<b>28%</b>
5-12 years	23%	24%	<b>24%</b>
Above 12 years	16%	17%	<b>16%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

NEW HIRES BY GEOGRAPHY	2021	2022	2023
United Kingdom and Guernsey	32%	38%	<b>33%</b>
France	23%	21%	<b>22%</b>
North America	13%	15%	<b>15%</b>
Other Continental Europe	13%	10%	<b>11%</b>
Switzerland	11%	7%	<b>11%</b>
Rest of the world	8%	9%	<b>8%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

NEW HIRES BY GENDER	2021	2022	2023
Male	66%	59%	<b>57%</b>
Female	34%	41%	<b>43%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

TALENT IDENTIFICATION AND DEVELOPMENT	2021	2022	2023
Number of paid internships	257	565	<b>533</b>
Graduates	135	158	<b>193</b>
<i>thereof female</i>	23%	27%	<b>37%</b>
Promotions	430	495	<b>575</b>
<i>thereof female</i>	27%	35%	<b>35%</b>

ADDITIONAL INFORMATION	2021	2022	2023
Non-permanent workforce <sup>(1)</sup>	467	423	<b>413</b>
Number of flexible working arrangements <sup>(2)</sup>	256	267	<b>236</b>

(1) Includes apprentices, contingent workers, fixed term contractors, interns and Non-Executive Directors on payroll.

(2) Includes employees with an FTE less than 1.

During the 2023 financial year, employee turnover was 13% (same as 2022). Redundancies in 2023 were 1.5% (vs. 1.3% in 2022). The aggregate number of new joiners was 732.

### Social dialogue

Staff thresholds are only reached in France; these staff thresholds determine the need whether or not to have staff representatives.

In France, social dialogue at Rothschild & Co level is organised through the Social and Economic Committee, the Health, Safety and Working Conditions Committee, local representatives and union delegates. Social dialogue is held at least once a month between employee representatives and a member of management, and includes procedures for information, consultation and negotiation with employee representatives.

Social dialogue also includes collective bargaining. French employees are covered by a collective agreement with more favourable provisions than those laid down by law.

In addition, employees benefit in the same way from agreements reached as part of Rothschild & Co's social dialogue. Company agreements cover a wide range of issues, including gender equality, social protection, working time, work time flexibility, profit-sharing and employee savings. In addition, regular negotiations are held with trade union representatives on pay, quality of life at work and the management of jobs and career paths. In companies where there are no unions, unilateral decisions are taken and/or referenda are held to ensure that employees are also covered on these issues.

In 2023, 4 agreements and 13 unilateral decisions were signed. In addition, there are 41 ongoing agreements covering for example gender equality, social protection, employee savings schemes (PEE/PERCO) and profit-sharing.

### Work organisation

Working hours vary from country to country depending on national legislation and are therefore managed and monitored by local management and HR teams. Absenteeism is actively monitored by line managers and is managed by local offices.

A group-wide HR system is operationally providing global consistency to many HR processes. Absence management functionality is being addressed on a location-by-location basis. This has been rolled out to Australia, the United States, Canada, the United Kingdom, Guernsey, Singapore, Hong Kong, and Switzerland. Further countries will be considered in due course.

In France and Monaco, more specifically, all kinds of absenteeism are already recorded: maternity and paternity leave, additional leave, breastfeeding leave, absences for working accident and sick leave.

The Group is committed to minimising, where possible, the number of compulsory redundancies and operates responsible redundancy procedures and measures to mitigate the consequences for those employees made redundant.

### Health and Safety

The Group is committed to providing safe and healthy working environments and continually improving occupational health and safety management and performance.

The Group Health & Safety Policy prescribes a consistent approach to maintaining the health, safety and wellbeing of colleagues and others who may be affected by the Group's activities. All offices commit to compliance with applicable legal requirements and implementing the conformance standards set within the requirements of the Policy. This includes amongst others the elimination of hazards and reduction of risk in the workplace, monitoring performance, and providing suitable arrangements for employee consultation and training on matters relating to Health and Safety.

In support of the Group Health & Safety Policy and to enable consistency of approach across the Group, a number of health and safety e-learning modules is available across the Group, including Health & Safety Awareness training (Group wide) and a DSE Workstation Training and Assessment.

### Workplace Accidents

Year to date statistics for workplace accidents are listed below. All reported accident and near miss data are classed as "not concerning":

- accident – when an individual was injured as the result of an accident when on work premises; and
- near miss – for an event which did not cause harm or injury but had the potential to cause injury or ill health, such as a trip over a loose carpet tile, slip due to wet floor, etc.

In 2023, there were 17 workplace accidents (2022: 10) and 2 near misses (2022: 0).

Accident reporting requirements are in accordance with local legislation and are not comparable between office locations.

In France the Health, Safety and Working Conditions Commission (HSWCC) oversees health and safety management. Formal reviews of health and safety procedures and associated systems occurs annually.

### Other

In jurisdictions, where military service remains, we support and accommodate that requirement. In addition, policies are in place that provide for paid leave for a limited number of days for military reservist activity.

## 4.8 Operational environmental impact

### Operational greenhouse gas emissions<sup>(1)</sup>

GREENHOUSE GAS EMISSIONS IN tCO <sub>2</sub> E <sub>Q</sub> <sup>(2)</sup> AS REPORTED		2021	2022	2023 (2022 EF FOR AIR TRAVEL) <sup>(3)</sup>	2023 (2023 EF FOR AIR TRAVEL) <sup>(4)</sup>	
Direct emissions (Scope 1)	Natural gas	157.1	89.8	261.3	261.3	
	Bioenergy	0.7	1.0	1.2	1.2	
	Other fuel	55.7	48.3	119.3	119.3	
	Company cars <sup>(5)</sup>	204.1	549.5	628.8	628.8	
	Refrigerant gas loss/other fugitive emissions <sup>(6)</sup>	3.6	11.1	40.9	40.9	
<b>TOTAL SCOPE 1</b>		<b>421.2</b>	<b>669.7</b>	<b>1,051.5</b>	<b>1,051.5</b>	
Indirect emissions (Scope 2)	Electricity consumption	Location-based	2,251.6	2,550.6	2,614.6	2,614.6
		Market-based	635.0	577.6	604.8	604.8
	Heat and steam consumption	284.7	307.3	314.5	314.5	
	District cooling <sup>(7)</sup>	9.7	15.6	23.0	23.0	
	Company cars (electric cars) <sup>(8)</sup>	1.0	2.1	3.2	3.2	
<b>TOTAL SCOPE 2</b>		<b>2,547.0</b>	<b>2876.0</b>	<b>2,955.2</b>	<b>2,955.2</b>	
Scope 3 Category 6 – Business Travel	Business travel – Flights	Location-based	2,391.8	10,633.7	13,628.1	18,146.9
		Market-based	930.4	902.6	945.4	945.4
	Business travel – Rail	51.9	148.8	195.2	195.2	
	Business travel – Taxis	259.0	373.4	711.4	711.4	
	Hotel stays	97.3	416.0	327.6	327.6	
	Car rentals and reimbursed vehicle trips <sup>(9)</sup>	353.5	261.5	217.8	217.8	
SAF (Sustainable Aviation Fuels) purchases			-1,012.3 <sup>(10)</sup>	-1,012.3 <sup>(10)</sup>		
<b>GROSS TOTAL SCOPE 3 TRAVEL EMISSIONS (BEFORE SAF PURCHASE)</b>		<b>3,153.5</b>	<b>11,833.0</b>	<b>15,080.0</b>	<b>19,598.8</b>	
<b>GROSS TOTAL SCOPE 3 TRAVEL EMISSIONS (AFTER SAF PURCHASE)</b>		<b>n/a</b>	<b>n/a</b>	<b>14,067.7</b>	<b>18,586.5</b>	
Scope 3 other categories Total emissions – Other	Materials (category 1)	94.0	136.9	107.8	107.8	
	Recycling and disposal (category 5)	17.8	53.5	52.4	52.4	
	Employee commuting <sup>(11)</sup> (category 7)	-	1,449.0	1,670.0	1,670.0	
	Remote working <sup>(11)</sup> (category 7)	1,594.9	154.2	157.8	157.8	
	Water supply (category 1)	5.3	5.7	7.6	7.6	
	Water treatment (category 5)	9.7	12.0	10.0	10.0	
	IT equipment and server use (category 1)	Location-based	1,528.6	1,578.0	1,072.7	1,072.7
		Market-based	1,531.2	1,578.0	1,072.7	1,072.7
	Electricity Transmission and Distribution Losses (category 3)	Location-based	179.6	215.5	219.9	219.9
		Market-based	179.6	215.5	219.9	219.9
Upstream emissions (WTT) <sup>(12)</sup> (category 3)	Location-based	814.6	990.8	1,079.8	1,079.8	
	Market-based	814.6	990.8	1,079.8	1,079.8	
<b>TOTAL OTHER SCOPE 3 EMISSIONS</b>		<b>4,244.5</b>	<b>4,595.0</b>	<b>4,377.9</b>	<b>4,377.9</b>	
<b>TOTAL SCOPE 3</b>	Location-based	<b>7,397.9</b>	<b>16,428.3</b>	<b>18,445.6</b>	<b>22,964.4</b>	
	Market-based	<b>7,400.6</b>	<b>16,428.8</b>	<b>18,445.6</b>	<b>22,964.4</b>	
<b>TOTAL SCOPES 1, 2 AND 3</b>		<b>10,366.1</b>	<b>20,003.8</b>	<b>22,452.3</b>	<b>26,971.1</b>	
<b>TOTAL EMISSIONS PER FTE<sup>(13)</sup></b>	Location-based <sup>(14)</sup>	2.8	4.9	4.8	5.8	
	Market-based <sup>(14)</sup>	2.3	4.4	4.4	5.4	

- (1) Total emissions, including both collected and extrapolated data. In 2023, Rothschild & Co collected data for approximately 95% of the Group's FTE and estimated for the remaining 5%.
- (2) Rothschild & Co's GHG emissions are calculated as tonnes of carbon dioxide equivalent (tCO<sub>2</sub>eq), a universal unit of measurement expressing the impact of each of the Kyoto GHGs in terms of the amount of CO<sub>2</sub> that would create the same amount of warming. The Group calculates tCO<sub>2</sub>eq by multiplying its activity data by the UK BEIS approved conversion factors or other sources of emissions factors.
- (3) Source: UK BEIS 2022 GHG emission factors. Please see methodology notes in Appendix on dual reporting approach related to the use of air travel emission factors in 2023.
- (4) Source: UK BEIS 2023 GHG emission factors (applying pandemic load factors). Please see methodology notes in Appendix on dual reporting approach related to the use of air travel emission factors in 2023.
- (5) "Company cars" category was renamed in 2022 to include both previously named "company-owned cars" and "company-leased cars" into one same category in Scope 1.
- (6) "Refrigerant gas loss / other fugitive emissions" has been added since 2021.
- (7) District cooling has been added to the reporting scope for the first time in 2021.
- (8) Company cars (electric cars) has been added to the reporting scope for the first time in 2021.
- (9) "Employee-owned cars" has been added to the reporting scope for the first time in 2021. This category was re-named "Car rentals and reimbursed vehicle trips" in 2022, to start including car rentals as well.
- (10) Please see methodological notes on the calculation of GHG emissions reductions from SAF purchases in section 4.9.
- (11) The methodology used for estimating emissions from employee commuting and remote working has changed in 2022. Instead of relying of an internal employee survey (to which response rates were limited), in 2022 average country- and city-level data on homeworking / commuting habits and distances (applied on FTE per country) was used, from the database Numbeo Traffic. This database uses surveys of people across the globe on their commuting habits and distances, including working from home habits – and provides estimates at country and town level. For the five big countries of operation, average remote working data and commute distances per person per day were assigned for each mode of transport (Car, Rail, Bus/Metro, Walking, Cycling, Motorbike, Tram). Emission factors are then assigned for each mode of transport and for remote working. This was then multiplied by the FTE for each of these countries and by the average number of working days per year. The data obtained was then extrapolated to the remaining part of the FTEs across the Group, to get a full account of GHG emissions related to employee commuting and homeworking.
- (12) From 2023, WTT emissions include WTT from Scope 1 and Scope 2 activities only. Both the direct emissions and the WTT emissions from Scope 3 activities are reported within those individual categories.
- (13) Full-time equivalent (FTE) data is provided from Workday per 31 December 2023 (Redburn Atlantic FTE as of 30 September 2023), with third party service providers or contractor employee headcount not captured. A ratio is applied to the total Group FTE headcount based on the offices included in the reporting scope. The result is used to calculate the impact per FTE (impact/FTE). Impact per FTE is used to normalise the total impact against headcount, and to identify true fluctuations across the three scopes on a per FTE basis.
- (14) In line with best practice, the Group produces a "dual report", reporting both location- and market-based reporting instruments for scope 2. The locations-based methodology uses energy grid average emission factors in location specific geographies and over specific timeframes.

### Recycling and disposal

RESOURCE DISPOSAL IN TONNES	2021	2022	2023
Anaerobic digestion	20.2	39.6	45.1
Composted	7.0	15.0	19.0
Incinerated energy recovery	188.6	173.3	223.8
Landfilled	24.4	97.2	82.7
Re-used	-	-	-
Recycled	103.4	182.5	188.3
<b>TOTAL</b>	<b>343.5</b>	<b>507.7</b>	<b>558.9</b>
<b>Total/FTE</b>	<b>0.09</b>	<b>0.12</b>	<b>0.12</b>

Total materials sent for disposal have increased by 10% between 2022 and 2023, mainly due to employees' return to the office. Total incinerated waste in 2023 increased as a result of this, as well as a switch from landfill to incineration for the Paris office. Recycling rates have remained relatively stable (45% in 2023, compared to 47% in 2022).

### Water use

WATER CONSUMPTION IN M <sup>3</sup> (EXTRAPOLATED)	2021	2022	2023
<b>TOTAL WATER CONSUMPTION</b>	39,837	44,967	49,233
<b>TOTAL /FTE</b>	<b>10.64</b>	<b>10.90</b>	<b>10.59</b>

Whilst Rothschild & Co is not a large consumer of water, it recognises its responsibility for responsible water consumption. In 2023, water use increased compared to 2022, mainly due to increased FTE and office occupancy levels across the Group. However, it remains lower than in 2018 and 2019, which demonstrates continuous reduction efforts across all offices.

### Materials use

MATERIALS USE IN TONNES (EXTRAPOLATED)	2021	2022	2023
Recycled content/sustainable sources	92.0	113.3	77.4
Non-recycled content/ non-sustainable sources	11.5	24.8	41.8
<b>TOTAL MATERIALS CONSUMPTION</b>	<b>103.5</b>	<b>138.1</b>	<b>119.1</b>
<b>TOTAL/FTE</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>

Rothschild & Co understands that applying a traditional approach to resources use can place undue pressure on global resources, is wasteful and not economically viable in an increasingly challenging business environment. The Group aims to manage its resource use responsibly and as far as practicable. The most used material is paper, and the Group maintained its commitment to reduce consumables and track their use. Office paper purchased from sustainable sources decreased in 2023 due to purchasing orders required to fulfil different business needs, in particular for business cards. Responsible management of materials use is embedded in the Group's working practices and the Group will continue to work to reduce non-sustainable purchasing. Guidance issued via the Group Responsible Materials Use Standard under the Group Environmental Management Policy highlights the offices' obligations to ensure the procurement and use of sustainable materials and consumables such as paper.

## Energy use

TOTAL ENERGY USE IN MWh <sup>(1)</sup>	2021	2022	2023
Bioenergy	3,392.2	3,468.5	4,131.0
District cooling	79.0	162.9	228.7
Electricity	13,816.3	17,349.3	15,812.7
Heat/Steam	1,465.2	1,606.6	1,598.0
Natural gas	830.0	483.9	1,372.6
Other fuel	214.4	184.8	451.0
<b>TOTAL ENERGY CONSUMED<sup>(2)</sup></b>	<b>19,797.0</b>	<b>23,255.9</b>	<b>23,593.9</b>
<b>TOTAL/FTE</b>	<b>5.29</b>	<b>5.64</b>	<b>5.07</b>

In 2023, energy consumption increased due to increasing FTE and new office sites, resulting in an overall decrease of the share of electricity procurement from renewable sources (91% in 2023 compared to 92% in 2022). However, energy consumption per FTE was reduced by 10% compared to 2022, which reflects the efforts to reduce energy consumption and increase energy efficiency across offices. As an office-based business, Rothschild & Co does not actively engage in direct activities with material impact on air, water, soil or indeed noise pollution.

(1) In 2023, a Rothschild & Co Group "average energy intensity" figure was used to help offices estimate their annual electricity consumption and direct energy consumption. Where no energy data was available for the building (either for direct energy consumption or for electricity), the office energy consumption was based on the group's average natural gas intensity or electricity consumption per m2. The "Office area" indicator that has been entered by the reporting office was then multiplied by the average natural gas or electricity intensity consumption per m2. 5 offices (London Vintners Place, Birmingham, London Adam, London Lombard and Leeds) used average natural gas intensity figure to estimate their natural gas consumption, and 5 offices (Leeds, Dubai, London Adam, London Lombard and London Vintners Place) used average intensity figure to estimate their electricity consumption.

(2) Total energy consumption is from premises use, it does not include MWh from company-owned cars and vans.

## Overview of 2023 carbon compensation portfolio

At the time of publication of this Report, the Group's 2023 GHG emission footprint<sup>(1)</sup> has been compensated as follows:

SOLUTION	LOCATION	PROJECT CERTIFICATION
Nature-based avoidance projects (forest protection)	Colombia – Avoided unplanned deforestation	VCS (Verra) Climate, Community & Biodiversity (CCB) Standards
	Brazil – Avoided unplanned deforestation	VCS (Verra) Social Carbon
Nature-based removal projects	Costa Rica - Afforestation, Reforestation, and Revegetation	Gold Standard
	Pakistan – Mangrove restoration	VCS (Verra) Triple Gold Climate, Community & Biodiversity (CCB) Standards
Technology-enhanced removal projects	Bolivia (Biochar)	Puro.earth
	United States (Biochar)	Puro.earth
	Brazil (Biochar)	Puro.earth
	Canada (Concrete sequestration)	VCS (Verra)

(1) Calculated using BEIS 2022 emission factors for air travel. Please see methodology notes in Appendix on dual reporting approach related to the use of air travel emission factors in 2023.

## 4.9 Methodology

### Reporting of sustainability information – process for the 2023 reporting period

In preparing this report, Rothschild & Co aims to demonstrate its commitment to transparent disclosure and public accountability for its business' impact on its stakeholders, in respect of the following regulations and principles:

- L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code (Code de commerce);
- Principles of the United Nations Global Compact (please refer to the universal reference table in section 4 of this report);
- Standard of the Greenhouse Gas Protocol initiative by the World Resources Institute; and
- United Nations Sustainable Development Goals.

The reporting period is 1 January 2023 to 31 December 2023. The preparation and coordination of the Sustainability Report involved members of Rothschild & Co and Group entities, taking key responsibilities in Legal, Compliance and Risk, Human Resources, Health and Safety, Responsible Investment, Group Sustainability and R&Co4Generations.

The initiatives, policy references and data presented in this report aim to provide an accurate and complete reflection of the Group's sustainability strategy and performance on the most relevant topics as identified in the annual materiality assessment of non-financial risks (please refer to section 2 of this report) and presented in the Group's ESG priority framework (please refer to section 2 of this report).

Non-financial data and information for the reporting period is sourced from the responsible business divisions and service providers.

In line with article R.225-105 of the French Commercial

Code, the Statutory Manager engaged KPMG to provide an **independent limited assurance** conclusion on the consolidated non-financial statement in compliance with the International Standard on Assurance Engagements (ISAE) 3000 (please refer to section 4.10 of this report).

It should be noted that due to its business activities, the following Corporate Responsibility issues are **not considered as relevant** to Rothschild & Co: food waste, responsible, fair and sustainable food, fight against food insecurity and respect for animal welfare.

#### Reporting scope

Rothschild & Co provided the sustainability information with the overall objective of an enhanced qualitative approach and an improved verification process based on:

- **Completeness:** all fully consolidated entities within Rothschild & Co (excluding joint ventures) are included in the report boundary. Rothschild & Co strives to provide the most comprehensive information possible, notably by including indicators covering the most significant consolidated entities.
- **Materiality:** the published information is significant and representative of the Group's business. Rothschild & Co's performance data is presented within the social, economic and environmental context.

#### Human Resources

- **Reporting offices:** All locations employing staff only.
- **Headcount covered:** 100%. All staff considered on headcount are included in the numbers provided.
- **Data sources:** Workday for headcount figures. Training data aggregates locally stored data as well as data from Workday and Skillcast.

- **Methodology:** All data is based on headcount (i.e. not FTE) unless stated otherwise, off-headcount workers are not in scope (e.g. consultants, contractors, interns, advisors & non-executive directors).
- **Effective date for headcount** is a snapshot on 31st December of the year stated.

#### Environment, Health and Safety

- **Reporting offices:** Birmingham, Brussels, Dubai, Frankfurt, Geneva, Guernsey, Hong Kong, Johannesburg, Leeds, London, Los Angeles, Luxembourg, Lyon, Madrid, Manchester, Marseille, Milan, Monaco, Mumbai, New York, Paris, São Paulo, Singapore, Sydney, Warsaw, Wilmslow and Zurich.
- **Headcount covered:** 95%.

#### Data sources:

- The environment reporting software tool references a large database of over 100,000 emission factors, sourced from over 350 different institutions, such as the UK Government Department for Business, Energy and Industrial Strategy (BEIS), the Intergovernmental Panel and Climate Change (IPCC) and national government data from reporting countries such as the USA EPA and the Canadian NIR.
- The emission factors are automatically selected and applied to data based on geographical and temporal relevance, so that country-specific conversions are applied leading to the most accurate estimate of GHG emissions. There are over 300 different units of measurement available for the entry of data, and conversion of these to standard units for reporting is again automatic and location specific. The emissions factor database is accredited as Gold Software by the

CDP (formerly the Carbon Disclosure Project) and a team of analysts ensure that all factors are reviewed and updated when source publications provide new releases. The system is independently assured by PricewaterhouseCoopers. Refinements in data collection have resulted in an increased robustness of final data. Where assumptions, estimates or changes have been made, this is explained.

Note on air-travel related emissions reported for 2023:

The Group uses emission factors provided by the UK government Department for Business, Energy and Industrial Strategy (BEIS) to calculate air travel-related emissions. In 2023, BEIS emission factors for air travel have significantly increased, leading to a potential inflation of air travel-related emissions for 2023 of 33%. This is due to the use of assumptions around load factors of planes, which were revised in 2023 by BEIS on the basis of load factors experienced in 2021. At that time, load factors were significantly reduced as a consequence of the COVID-19 pandemic, which means the emissions "per capita" of one flight were higher.

The Group considers its GHG emissions reporting as a means to create accountability for progress on climate impact mitigation. In this context, and with uncertainties around the use of emission factors based on pandemic travel assumptions, the Group will focus on comparing "like for like" emissions for 2023 vs baseline, as per the GHG Protocol recommendations. The dual disclosure of travel-related emissions based on both emission factors (BEIS 2022, and BEIS 2023) for 2023 aims to reflect this, whilst enabling transparent comparison between different companies in a given year.

Note on GHG emissions reductions from the purchase of SAF (Sustainable Aviation Fuels):

SAF certificates were purchased with SkyNRG, for a delivery of 275.2 metric tons of SAF.

To calculate carbon emission reductions of SAF relative to fossil jet fuel, first the emission factor (EF) for fossil jet fuel is determined – using EF specified by the Science-Based Targets initiative (SBTi). Subtracting the carbon intensity (CI) in mt CO<sub>2</sub>eq/mt of SAF, which is determined through a Life Cycle Analysis (LCA), from the fossil jet fuel EF results in the carbon emission reduction per mt SAF.

The contracted SAF volume is multiplied with the carbon emission reduction per mt SAF to obtain the total carbon emission reductions, in mt CO<sub>2</sub>eq, for the purchase.

### Global Advisory

- Global Advisory collects and measures data by value and number of deals which are linked to Environmental, Social and Governance themes across the Global Advisory business lines including M&A, financing and Investor Advisory
- The proliferation of climate strategies amongst corporates and investors throughout the year has meant that activities have spanned a range of sustainability-driven energy and climate-related transactions, including a broad range of renewable suppliers and platforms and alternative energy sources, energy transition and circular economy solutions, for example wind, solar and waste management
- The debt financing team are advising on funding for Green and Social projects include assets, investments and supporting expenditures that are aligned with the core components of the Green Bond Principles and Social Bond Principles and the sustainability-linked loan principles, aligned to a client's predefined sustainability/ESG objectives and performance targets
- ESG advisory keeps a record of activities which support clients' situations including ESG strategy, shareholder engagement, support at AGM and investor targeting to ESG investors and in transactions.

### Responsible Investment

#### Voting coverage - Reported % shareholder meetings

	REPORTED %	DATA SOURCES	SCOPE
Rothschild & Co Asset Management	99%	ISS	Total eligible AuM (excl. family dedicated funds) - all eligible discretionary assets (equity funds & mandates) & diversified funds & mandates
Wealth Management UK	100%	Collection by Sustainability and Stewardship Team	Eligible discretionary assets - equities in discretionary portfolios or the funds operated by Wealth Management UK (Exbury, New Court and Halton). Excludes voting on behalf of clients in Italy and the US
Rothschild & Co Bank AG Zurich	100%	ISS	Stocks in Mosaïque and LongRun strategies (only) – Funds and mandates. Excludes client opt-outs, ex-custody accounts and voting for clients in Germany, Italy, and Spain, and certain Swiss meetings for which the Rothschild & Co Bank AG Zurich was not delegated voting rights

#### Engagement on ESG Topics - Reported number of issuers engaged with

	REPORTED NUMBER	DEFINITION AND DATA COLLECTION
Rothschild & Co Asset Management	138	Number of issuers engaged on ESG topics. Number is monitored by the ESG & Financial Analysis team through internal monitoring files
Wealth Management UK	27	<ul style="list-style-type: none"> <li>Number of issuers engaged with on ESG topics</li> <li>Engaging with companies defined as two-way interaction with company or investors</li> <li>Stewardship Manager coordinates engagement activity in conjunction with the wider investment team</li> </ul>

#### NUMBER OF LABELLED PRODUCTS

Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>French SRI label: R-co 4Change Equity Euro, R-co 4Change Convertibles Europe, R-co Opal 4Change Equity Europe, R-co Valor 4Change Global Equity, R-co 4Change Net Zero Equity, R-co 4Change Net Zero Credit, R-co 4Change Inclusion &amp; Handicap</li> <li>Belgian Towards Sustainability label: R-co 4Change Green Bonds, R-co Opal 4Change Sustainable Trends, R-co Valor 4Change Global Equity, R-co 4Change Moderate Allocation</li> <li>Finansol: R-Co 4Change Inclusion &amp; Handicap Equity</li> </ul>
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#### DISTRIBUTION OF NET BANKING INCOME AND FUNDS WITH DONATION SHARES

Rothschild & Co Asset Management	<ul style="list-style-type: none"> <li>Commitment to distribute 1% of the net revenues earned from the 4Change range to the NGO 1% for the Planet.</li> <li>R-co 4Change Net Zero Equity Euro, R-co 4Change Net Zero Credit Euro: Polar Pod</li> <li>R-co 4Change Inclusion &amp; Handicap Equity: Café Joyeux</li> </ul>
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## 4.10 Report by one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

### Year ended December 31st 2023

To the Shareholders,

In our capacity as Statutory Auditor of your company (hereinafter the “**Entity**”) appointed as independent third party, and accredited by the French Accreditation Committee (COFRAC) under number 3-1884<sup>1</sup>, we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the Entity's procedures (hereinafter the “Guidelines”), for the year ended December 31st, 2023 (hereinafter, the “**Information**” and the “**Statement**” respectively), presented in the Entity's management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

### Conclusion

Based on the procedures we performed as described under the “Nature and scope of procedures” paragraph and the evidence we obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

### Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or of a significant body of established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement and available on the Entity's website or on request from its headquarters.

### Inherent limitations in preparing the Information

As stated in the Statement, the Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

### Responsibility of the Entity

Management of the Entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information,
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the

outcomes of said policies, including key performance indicators,

- preparing the Statement by applying the Entity's “Guidelines” as referred above, and
- designing, implementing, and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Management Board.

### Responsibility of the Statutory Auditor, appointed as independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- The compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code,
- The fairness of the historical information (observed or extrapolated) provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and measures relating to the main risks.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions,
- the compliance of products and services with applicable regulations.

### Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagements, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux Comptes*, “*Intervention du commissaire aux comptes - Intervention de l'OTI - Déclaration de performance extra-financière*”, acting as the verification program, and with the international standard ISAE 3000 (revised)<sup>2</sup>.

### Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

(1) Accreditation Cofrac Inspection, number 3-1884, scope available at [www.cofrac.fr](http://www.cofrac.fr)

(2) ISAE 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

## Means and resources

Our work engaged the skills of five people between November 2023 and March 2024 and took a total of six weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted eighteen interviews with the people responsible for preparing the Statement.

## Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- We obtained an understanding of all the consolidated entities' activities, and the description of the main related risks,
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector,
- We verified that the Statement includes each category

of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code,

- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the main risks,
- We verified that the Statement presents the business model and a description of main risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, products or services, as well as policies, measures and the outcomes thereof, including key performance indicators related to the main risks,
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented,
  - corroborate the qualitative information

(measures and outcomes) that we considered to be the most important<sup>3</sup>. Concerning certain risks<sup>4</sup>, our work was carried out on the consolidating Entity, for the other risks, our work was carried out on the consolidating Entity and on a selection of entities<sup>5</sup>,

- We verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code,
- We obtained an understanding of internal control and risk management procedures the Entity implemented, and assessed the data collection process aimed at ensuring the completeness and fairness of the Information,
- For the key performance indicators and other quantitative outcomes that we considered to be the most important<sup>6</sup>, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing

entities<sup>5</sup> and covers between 24% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests,

- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities' activities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidance of the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes), a higher level of assurance would have required us to carry out more extensive procedures.

Jean-François Dande  
Partner

Paris-La Défense, 14 mars 2024  
KPMG S.A.

Brice Javaux  
ESG Expert

(3) Business code of conduct and ethics alert system; Measures to promote human rights; Data protection and privacy policies; Inclusion awareness actions and result; Mental and physical well-being prevention actions; Investment policies to limit environmental impacts; Biodiversity-oriented partnerships

(4) Talent development

(5) Rothschild & Co London; Rothschild & Co Genève; Rothschild & Co New York

(6) Social indicators: Total training hours; Percentage of female AD and above; Number of promotions (wherein part of female); New hires (wherein part of female); Employee turnover  
Environmental indicators: Total GHG emissions (scope 1, 2 and 3); Total energy consumption (wherein part of electricity from renewable sources); Incinerated waste; Total waste (wherein part of recovered); Percentage of paper from sustainable sources

# Abbreviations and glossary

Abbreviations	Term definition		
ABC	Anti-bribery and corruption	GHG	Greenhouse gas
ACPR	Autorité de Contrôle Prudentiel et de Résolution (French prudential and resolution authority)	GPC	Group Partners Committee
AGM	Annual General Meeting	Group	Rothschild & Co SCA and its consolidated subsidiaries
AM	Asset Management	HR	Human resources
AML	Anti-money laundering	ICP	Internal carbon price
AuM	Assets under management	KPIs	Key Performance Indicators
CDP	Carbon Disclosure Project	ILO	International Labour Organisation
CO <sub>2</sub>	Carbon dioxide	LGBT	Lesbian, gay, bisexual, transgender, queer
CO <sub>2</sub> eq	Carbon dioxide equivalent is a universal unit of measurement used to compare the emissions from various greenhouse gases based upon their global warming potential	M&A	Mergers and acquisitions
Company	Rothschild & Co SCA	Statutory Manager	Rothschild & Co Gestion SAS, as manager (gérant) of Rothschild & Co SCA
CTF	Counter-terrorist financing	MwH	Megawatt hour
Emissions, location-based	A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data)	NGO	Non-governmental organisation
Emissions, market-based	A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice)	OECD	Organisation for Economic Co-operation and Development
Emissions, scope 1	Direct emissions from owned or controlled sources as defined by the GHG Protocol Corporate Standard	OpCo	Group Operating Committee
Emissions, scope 2	Indirect emissions from the generation of purchased energy as defined by the GHG Protocol Corporate Standard	R&Co	Rothschild & Co SCA
Emissions, scope 3	All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions as defined by the GHG Protocol Corporate Standard	RMM	Rothschild Martin Maurel SCS
ESG	Environmental, Social and Governance	SDGs	Sustainable Development Goals, as defined by the United Nations
FASI	Five Arrows Sustainable Investment	SFDR	Sustainable Finance Disclosure Regulation
FTE	Full time equivalent	SRI	Socially responsible investing
GA	Global Advisory (Business division)	TCFD	Taskforce on Climate-Related Financial Disclosure
GEC	Group Executive Committee	tCO <sub>2</sub> eq	Tonnes of carbon dioxide equivalent
		UNPRI	United Nations Principles for Responsible Investment
		WAM	Wealth and Asset Management (Business division)
		WM	Wealth Management (Business entity)
		WTT	Well to tank, upstream emissions associated with, for example, the extraction, production and transportation of fuel before combustion