



KEY PRINCIPLES OF THE POLICY ON MANAGEMENT OF CONFLICTS OF INTEREST

Recitals

The different activities carried out by the Rothschild & Co Group can give rise to situations where there is a risk of conflict of interest in the conduct of the activities of the Rothschild & Co Group on behalf of its Clients.

This document aims to describe the measures taken by the Rothschild & Co Group to prevent, identify and manage the risks of conflicts of interest.

1. Definition

A conflict of interest arises when the interests of one or more Clients or a prospective client compete with those of another Client, or of the Rothschild & Co Group (or one of its employees) and consequently, there is a risk that the interests of one or more Clients are adversely affected.

2. Objective

In order to identify the types of conflicts of interests that might occur during the delivery of investment services, ancillary services and other activities of the Group, the existence of which may damage the interests of Clients, the Rothschild & Co Group pays special attention to the following situations:

- The Group is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- The Group has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client's interest in that outcome;
- The Group has a financial or other incentive to favour the interest of another Client or group of Clients over the interests of the concerned Client;
- The Group carries out the same business as the Client;
- The Group receives or will receive from a person other than the Client an inducement in relation to a service provided to the Client, in the form of monetary or non-monetary benefits or services.

3. Policy and procedures relating to the management of conflicts of interest

The Rothschild & Co Group takes all reasonable steps to (i) prevent and identify situations of conflicts of interest between itself (or one of its employees) and a Client, or between two of its Clients, (ii) manage these situations so as to prevent such conflicts of interest from damaging the interests of its Clients.

Accordingly, the policy on management of conflicts of interest of the Rothschild & Co Group hinges on the following measures:

- The physical and logical separation between activities that could create potential situations of conflicts of interest so as to prevent any undue transmission of confidential, or insider, information;
- The establishment of rules imposing a duty of discretion, confidentiality and sometimes abstention, regarding all information collected in the course of transactions carried out with Clients and aimed at guaranteeing the fair treatment and loyalty required in relationships with Clients;
- The establishment of specific arrangements concerning the personal transactions of employees and the monitoring of transactions by the Compliance department;
- The disclosure procedure regarding gifts and benefits received by employees in the conduct of their work;
- The independent approval of products by the New Products and Services Committee;
- The prior approval of onboarding of Clients along with a review of the risk of conflicts of interest;
- Procedures implementing the principles of equal treatment of Clients' orders;
- An organization structure guaranteeing the independence of employees in the conduct of their work;
- An organization structure ensuring the separation between commercial functions and operational and supervisory functions;
- Regular training of employees.

4. Management of conflicts of interest and information given to Client(s)

Where the measures set out in the Policy on management of conflicts of interest are not sufficient to guarantee, with reasonable confidence, that the risk of damage to the interests of the Client(s) will be prevented, the Rothschild & Co Group may deem it appropriate to adopt one of the following solutions:

- Inform the Client(s) of the risk of conflict of interest that arises. This disclosure describes the (i) organizational arrangements established to manage conflicts of interest, (ii) the specific risk of interest that arises, (iii) the sources of the conflict, the risks to the Client(s) and the steps taken to mitigate these risks.
- In this case, the formal approval of the Client(s) is required prior to any action by Rothschild & Co Wealth Management Luxembourg in their name.
- In certain circumstances, the Rothschild & Co Group may have to refuse the intended transaction.

5. Assessment and review of the policy on management of conflicts of interest

The Rothschild & Co Group reviews the quality of its system for the management of conflicts of interest (i) on an ongoing basis, in accordance with the situations encountered and risks managed, and (ii) at least once a year.