



A year for sharpened focus

2020 ESG Report

April 2021



Rothschild & Co
Wealth Management
New Court
St. Swithin's Lane
London
EC4N 8AL
+44 20 7280 5000

© 2020 Rothschild & Co Wealth
Management

Publication date: April 2021.

Select plate from Picturesque Botanical Plates of the New Illustration by Robert John Thornton, 1799.

This large volume of illustrations was originally in the library of natural history works collected by Lionel Walter, 2nd Lord Rothschild.

The 2nd Lord Rothschild was a notable and passionate natural historian and scientist. In 1892, he opened a private museum that housed one of the largest natural history collections in the world. Still open to the public today, the museum is now part of the Natural History Museum in London.

Thanks to his lifelong contribution to the preservation of the natural world, hundreds of subspecies carry the Rothschild name, including insects, birds, mammals and fish.

“

If 2020 was the year when interest in sustainable and ESG investing really took off, it was also the year in which, at the corporate level, it faced potentially its biggest setback. The COVID-19 outbreak meant we – like so many other businesses – had to adjust our plans for the year ahead.

”

In our 2019 report, we suggested that it was the year when sustainability went mainstream. Looking back on 2020, we might say that it was the year that turbocharged environmental, social and governance (ESG) issues, as the pandemic focused minds.

At Rothschild & Co, we continued to strengthen the integration of sustainable investment principles into our decision-making, having updated and published our Responsible Investment Policy. Our goal for 2020 was to build on our momentum of the last few years as well as to continue to engage with companies and third-party fund managers on how they could improve in key ESG areas, such as climate change reporting and disclosure policies.

But if 2020 was the year when interest in sustainable and ESG investing really took off, it was also the year in which, at the corporate level, it faced potentially its biggest setback. The COVID-19 outbreak meant we – like so many other businesses – had to adjust our plans for the year ahead.

We did not believe it was an appropriate time to place additional pressure on companies that were already facing unforeseen, unprecedented challenges. Instead, our focus turned to helping and supporting our clients and the businesses we invest in.

That's why, for this report, we would like to take the time to highlight some of the admirable efforts that our investee companies and managers made over the last 12 months, both in relation to COVID-19 and the broader ESG landscape. As ever, you can also learn more about our own progress in 2020, as well as our plans for the future.

We hope you enjoy reading this year's report and welcome your feedback on how we can better serve your investment needs.



Helen Watson
CEO Rothschild & Co Wealth Management UK

COVID-19: a 21st century sustainability crisis?

When the pandemic first struck, there were legitimate concerns that the ESG momentum of recent years might vanish. Would these issues continue to be a priority during such uncertain times?

A recent BlackRock survey¹ revealed investors plan to double their allocations to sustainable assets over the next four years. In fact, 20% of respondents polled by the firm said the pandemic had accelerated their sustainable investing intentions, with climate-related risks considered the top portfolio concern for nearly nine out of every ten investors.

Sustainable-focused funds also saw record inflows in both Europe² and the US³ in 2020. Meanwhile, the number of signatories to the United Nations-supported Principles for Responsible Investment (UN PRI) climbed 29% in the space of a year, rising to 3,038, according to the network's 2020 Annual Report.

The pandemic highlighted the vulnerability of people, businesses and markets to economically destructive events that are difficult to predict and impossible to fully insulate against. However, it also emphasised what can be achieved on a global scale when we work together in order to tackle threats to our survival.

It should perhaps not be surprising then that COVID-19 has ignited rather than dampened enthusiasm for ESG matters. There are clear parallels between the pandemic and the risks posed by environmental issues such as climate change.

COVID-19 has already been described by some investors as the first sustainability crisis of the 21st century⁴. It is tough to disagree; society's impact on the environment is directly linked to the spread of new infectious diseases⁵.

But the pandemic is fundamentally a humanitarian crisis, and one of the key trends to emerge has been a renewed focus on the 'S' in ESG. Historically, the 'social' pillar has arguably taken a backseat compared to environmental issues as sustainability awareness has grown, but COVID-19 exposed many persisting social and economic inequalities in communities across the world.

This pushed a number of material social issues to the top of boardroom agendas, and businesses quite rightly came under the spotlight for how they treated staff, customers, suppliers and other stakeholders during the crisis.

We are pleased to report that the companies we invest in demonstrated many of the behaviours and practices we would expect from well-managed, responsible businesses that take a long-term view.

Not only did they act quickly to ensure the health and safety of their employees, customers and clients, but many also provided key goods and services that were integral to supporting businesses, homes and communities throughout the crisis.

Moreover, the vast majority of our companies and funds continued to make notable progress on ESG-related issues during this time, despite external market pressures – which we discuss in more detail below.

“

We are pleased to report the companies we invest in demonstrated many of the behaviours and practices we would expect from well-managed, responsible businesses that take a long-term view.

”

(1) 'BlackRock Survey Shows Acceleration of Sustainable Investing' 2020, 3 December: <https://www.blackrock.com/corporate/newsroom/press-releases/article/corporate-one/press-releases/blackrock-survey-shows-acceleration-of-sustainable-investing>
(2) Bioy, H. (2021). 'Sustainable Funds' Record-Breaking Year', Morningstar, 8 February: <https://www.morningstar.co.uk/uk/news/209411/sustainable-funds-record-breaking-year.aspx>
(3) Hale, Jon. (2021) 'A Broken Record: Flows for U.S. Sustainable Funds Again Reach New Heights',

Morningstar, 28 January: <https://www.morningstar.com/articles/1019195/a-broken-record-flows-for-us-sustainable-funds-again-reach-new-heights>
(4) Anderson, D. and Albrecht, O. (2020). 'Social at the Center of ESG', Pimco, 13 July: <https://www.pimco.no/en-no/insights/viewpoints/social-at-the-center-of-esg/>
(5) Tollefson, J. (2020). 'Why deforestation and extinctions make pandemics more likely', Nature, 7 August: <https://www.nature.com/articles/d41586-020-02341-1>.

Why materiality matters

Responsible investing is at the heart of our investment philosophy and approach⁶. We are long-term investors which means we want to invest in truly competitively advantaged businesses that we believe will prosper well into the future.

ESG issues – whether climate change, labour relations or cybersecurity – have economic implications and are therefore fundamental investment issues. Which is why ESG analysis is explicitly and systematically integrated in our approach and all investments are evaluated through an ESG lens.

Experience informs us these businesses are also more resilient to unexpected market shocks, like COVID-19. However, not all ESG factors have equal relevance to all businesses.

Regular readers of this report and clients who are familiar with our approach will remember that we introduced ‘materiality maps’ in

2018, which help us identify relevant ESG risks and opportunities when making investment decisions.

These materiality maps are now fully embedded within our process and form part of our initial due diligence and ongoing monitoring, while also enabling us to focus our engagement activities with companies and third-party funds on ESG issues.

To illustrate this, we have selected a handful of portfolio companies and outlined below the material ESG areas in which they were most active in 2020.

Environment

When faced with climate change risks, it can be easy to overlook the opportunities. However, global industrial gases and engineering company Linde already plays an important role in the energy transition and mitigating the effects of climate change by supplying products and technologies that enable its customers to meaningfully reduce their carbon emissions.

In 2020, Linde embarked on a number of key activities that furthered its environmental credentials. The company:

- Announced an exclusive partnership with Shell to promote low-carbon technology innovations.
- Achieved a Gold sustainability rating (top 5% of companies) from corporate social responsibility ratings firm EcoVadis.
- Launched key pilot projects to test green hydrogen technologies.

The latter development is one we believe represents great long-term potential for Linde, with hydrogen (H₂) demand predicted to increase significantly over the coming decades.

Linde currently produces approximately 2.6 tonnes of H₂ every year, but some estimates forecast global demand could be as high as 650 tonnes per annum by 2050. Green hydrogen, which is produced using renewable energy rather than fossil fuels, could therefore become a major growth area as economies continue to decarbonise.

However, green hydrogen is currently uneconomic to produce in comparison to other energy carriers, which is why the technologies that Linde is pioneering, are important to bring costs down and make this a viable alternative.

Social

A well-functioning financial system is fundamental to a modern economy. Banks and other financial services firms provide essential services to society, not only supporting the economy in the midst of a downturn but also shaping the eventual recovery.

COVID-19 was no exception, and American Express introduced a number of measures to support staff, customers and communities during the pandemic, while also looking to address historic inequalities and other pressing social issues.

For customers

- Launched a Customer Pandemic Relief Programme to offer short-term support for those affected by COVID-19.
- Expanded a longer-term Financial Relief Programme to customers in 20 countries.
- Raised transaction levels on contactless payments to minimise physical contact between merchants and their customers.

For employees

- Significantly increased the number of women in management, board and executive committee positions.
- Created an Office of Enterprise Inclusion, Diversity and Business Engagement, which reports directly to CEO Stephen Squeri.
- Committed to greater transparency regarding diversity progress, including enhanced disclosures on representation within the workforce.

(6) For more information on our approach to responsible investing, please read our Responsible Investment Policy ‘Investing in our future’: https://www.rothschildandco.com/siteassets/publications/rothschildandco/private_wealthy/2020/en_2020_wmuk_responsible_investment_policy.pdf

Governance

Corporate governance is a key consideration when we invest, with factors such as board composition, executive compensation and reporting transparency providing insight into the long-term viability of a company's business model and practices.

Credit ratings agency Moody's made notable progress in its sustainability-related governance practices in 2020 by becoming the first S&P 500 company to join the 'Say on Climate' initiative.

The 'Say on Climate' campaign has a mission to hold companies to account on climate change. The aim of the initiative is to improve annual corporate emissions disclosures, while also encouraging companies to produce Climate Transition Action Plans that offer measures for managing and reducing these emissions over time. Additionally, participating companies pledge to hold votes on their plans at annual general meetings.

As a long-term investor in Moody's, we were pleased the company was considering committing to the 'Say on Climate' principles. In fact, we were consulted by them on this decision and other ESG-related matters in late 2020, including the possibility of Moody's integrating ESG factors into their ratings.

The 'Say on Climate' announcement concluded a strong year for the company with regards to its sustainability goals. In 2020, Moody's also:

- Committed to net-zero emissions by 2050.
- Reported disclosures in line with the Task Force on Climate-Related Financial Disclosure (TCFD) recommendations.
- Set out plans for 100% renewable electricity procurement for its global operations.

Third-party fund progress

We regard our third-party fund managers as an extension of our own investment team. They generally share our investment philosophy and act as our eyes and ears on the ground in regions and markets that are beyond our expertise or internal resources.

Naturally, we set a high bar for these managers, which includes our expectations for their approach to responsible investment.

We expect all our managers to have a formal Responsible Investment policy and to demonstrate an ongoing commitment to these principles. In recent years, we have encouraged managers who didn't have a policy to establish one and have worked closely with some of our managers to help them with this process.

At the end of 2019, most of the managers we invest in had published a formal policy. Two that had not were Bares Capital and Lansdowne Partners.

Throughout 2020, we continued our discussions with these managers and would like to report further progress they've made.

Early last year, Bares engaged consultants to provide input and support on their approach to responsible investment. Subsequently, we were pleased to receive the company's responsible investment policy in May 2020, as well as an assurance that they would provide full transparency on their annual proxy voting.

At the end of the year, Bares also confirmed that they would become a signatory to the UN PRI as of March 2021.

Meanwhile, Lansdowne also made promising progress on Responsible Investment in 2020. In our view, Lansdowne had been one of our managers with the most room for improvement in its approach to responsible investment policies, disclosures and engagement.

Having identified certain holdings with material ESG concerns in the Developed Markets Long Only fund in which we were investing, we initiated discussions with Lansdowne on their approach.

These exchanges revealed that the firm was putting serious effort behind their ESG analysis and they subsequently finalised a responsible investment policy, committing to providing more detailed ESG analysis of their portfolio holdings. The manager will also regularly share their engagement activity with us in a more formal manner moving forward.

We are very satisfied with the progress made by Bares, Lansdowne and our other third-party managers during 2020. And for our part, we will continue to provide constructive feedback and share best-practice guidance with them on sustainability issues.



Supplementing our own research

Identifying the ESG risks and opportunities of companies, securities and funds is an ongoing challenge. It is difficult to accurately capture the impact of assets on the complex, interconnected environmental and social systems they interact with.

We are therefore always looking to improve how we assess and monitor these issues. One of the ways we do this is by supplementing our internal proprietary research with high-quality data from an external provider.

In 2020, following a comprehensive review at the Rothschild & Co group level, we appointed MSCI as our new ESG research partner. MSCI is a leading provider of data, support tools and services, which helps us to identify ESG factors that could affect our investments.

As MSCI already provides data to other business divisions at Rothschild & Co, this move also enabled us to better align our ESG metrics across the group.

The Exbury strategy

Last year was a positive year for our Exbury strategy. Launched in November 2018 with one client and £13 million of assets under management (AUM), it had grown to £315 million AUM across 33 clients by the end of 2020, delivering a strong performance in a turbulent year.

The Exbury strategy is an extension of our core investment approach. As the graphic on the next page demonstrates, it sits in the 'sustainable investing' approach on the spectrum of capital, which means it incorporates all the principles of responsible investing but also actively seeks assets that deliver positive ESG outcomes. In the case of Exbury, this is positive environmental outcomes.

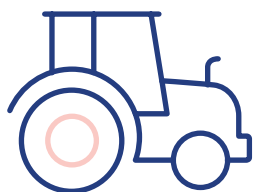
Specifically, the Exbury strategy invests in companies, securities and funds that support the transition to a low-carbon economy and facilitate progress towards the Paris 2050 goals.

We call these assets 'Enablers' and in 2020 we invested in a number of new and exciting Enablers, including the World Carbon Fund and the NinetyOne Global Environment Fund.

We look for our Enablers to make a meaningful impact across four key areas:

- **Energy transition:** e.g. renewable energy infrastructure and smart grids.
- **Electrification:** e.g. fuel cell and battery technologies and electric/hybrid vehicles.
- **Resource efficiency:** e.g. energy-efficient products, recycling and sustainable agriculture.
- **Environmental services:** e.g. carbon trading, data provision, environmental testing and inspecting.

Enablers currently account for a minimum of 30% of the investments in our Exbury portfolio. We have committed to increase this threshold to 35% in 2021, and by a further five percentage points every subsequent year until 2024.



Enablers in focus: John Deere

According to the Intergovernmental Panel on Climate Change (IPCC) the global food system is responsible for up to one-third of global greenhouse gas (GHG) emissions, and farming production processes are the primary emitter.

John Deere agricultural equipment is at the heart of many farming operations and could therefore be considered 'part of the problem'. We take a more informed view, and believe the company will play a vital role in transforming the agricultural industry over the coming decades, in line with one of the UN Sustainable Development Goals to promote sustainable agriculture.

We are long-term investors in Deere & Co and consider the company a leader in sustainability that meets our criteria for Enablers.

As a pioneer of agricultural technology (Agtech), the company is already helping farmers to maximise resource efficiency, improve crop yields and reduce their environmental footprint. Agtech is central to precision agriculture and regenerative farming, which help reduce herbicide and fertiliser usage, while lowering carbon emissions.

For example, Deere is not only an innovator within the field of no-till farming equipment but is also committed to educating farmers on the benefits of these practices, both for the environment and their bottom lines.

Deere is also focused on the carbon footprint of its own operations and reduced its GHG emissions by 19% in 2020⁷ and procured 32% of its electricity from renewable sources, with the ultimate goal of reaching a 50% renewable electricity supply.

Moreover, 67% of Deere's new product programmes in 2020 had a reduced environmental impact compared with previous models.

(7) Compared with 2017 as a base year

The spectrum of capital

The spectrum provides an overview of the wide range of investment approaches that exist.

	 Traditional	 Responsible	 Sustainable	 Impact	 Philanthropic
Financial Goals	Maximise financial returns for investors	Maximise financial returns for investors	Maximise financial returns for investors	Seek financial returns for investors + Measurable non-financial impact	No measurable financial return + Measurable non-financial impact
ESG Objectives	ESG-agnostic	Exclude harmful activities Screen for ESG risks and opportunities	Exclude harmful activities Screen for ESG risks and opportunities Seek positive ESG impact	Balancing financial return with quantifiable social or environmental impact on stakeholders	Donating to address social or environmental issues

Source: Rothschild & Co and Bridges Fund Management. The "Spectrum of Capital", created by Bridges Fund Management in 2003, maps out the range of risk and return strategies that exist within impact investing markets and how they relate to wider capital market strategies.



Enablers in focus: Ninety One Global Environment Fund

As part of Exbury's mandate to allocate to 'Enablers' we look for direct investments in companies as well as external managers. In fact, a specialised manager in this exciting part of the investment universe can bring a lot to the fund, in terms of performance but also in observing best-in-class practices.

We made our first investment in the Ninety One Global Environment Fund in early 2020 as we believed the team and the fund met many of the characteristics we look for in a manager. They invest in companies with strong competitive positions and high returns on investment at attractive prices. That approach will probably sound familiar to regular readers of our publications. In addition, Ninety One estimates and monitors 'carbon avoided' data through the economic activities of the companies it invests in thus, contributing towards the goal of moving the world economy to net zero carbon emissions by 2050.

The portfolio consists of high conviction holdings that are invested across three key areas namely; the renewable energy value chain, electrification, and resource and energy efficiency. With these investments, the strategy aligns perfectly with Exbury's objectives. The fund contributed positively to returns in 2020 and we look forward to a long-term partnership with Ninety One.

Engagement and voting

We take our role as the custodian of our clients' wealth seriously. Before investing in a company or fund, our research teams examine them from every possible angle to ensure they meet our criteria.

But this work doesn't end once investments are in the portfolio. Ongoing engagement is a fundamental part of our investment approach and allows us to influence behaviour and encourage better practices, including on ESG-related issues.

Where possible, we prefer to meet face to face, as this helps us gain a better understanding of a company's culture and unique business challenges.

It almost goes without saying that COVID-19 created logistical challenges in this respect throughout 2020. But in a world where video conferencing became the new normal, we were able to maintain direct contact with the management teams of our portfolio holdings.

Our long-term approach enables us to build strong relationships with senior management teams of the companies and third-party managers we invest in. As a result, our access to key decision-makers with whom we can discuss sustainability goals and broader strategic issues improves every year.

This access is particularly important for addressing any new material ESG risks or concerns that may arise. In these circumstances, we typically engage directly with the business and its senior management prior to making any investment decisions



Wells Fargo: fossil fuels lending

In March 2020, the environmental organisation Rainforest Action Network (RAN) published a report about the lending practices of the financial services industry to the fossil fuels sector.

According to the research, the world's biggest banks, including Wells Fargo (which we own in client portfolios), had financed more than \$2.6 trillion worth of oil, gas and coal projects since 2016. However, the figures contained in the report did not match the data that we had gathered during the course of our own analysis.

Keen to clarify apparent discrepancies, we contacted both the report's authors to better understand their methodology, as well as Wells Fargo's management to clarify reported numbers.

After reviewing the RAN report's approach and data, we concluded that the figures were inflated by double counting. For example, if two banks were managing the issue of a new loan, the notional value of the loan had been fully allocated to both banks. In addition, every time a loan agreement was amended, this was counted as a new loan.

We subsequently engaged with Wells Fargo regarding their fossil fuel lending book and to understand the direction of travel. It was clear to us that not only was the actual size of their lending book to the fossil fuel industry much smaller than stated in the RAN report, but the company was also committed to improving its internal oversight of ESG issues with respect to lending.

In addition, Wells Fargo demonstrated considerable progress regarding sustainability commitments during 2020. As this report went to press, Wells Fargo announced its commitment to achieving net-zero greenhouse gas emissions by 2050. It now aims to provide \$500 billion of sustainable financing by 2030, \$157 billion of which has already been provided. This is a notable increase on its previous \$200 billion commitment.



Helping steer Admiral's ship

The strength of our relationships with management teams also allowed us to engage more proactively with companies on how they intended to support customers through the pandemic.

During the first wave of the crisis, we saw that US auto insurer GEICO had decided to refund customers 15% of their premiums. The reasoning was simple: fewer people were driving their cars, meaning fewer accidents and fewer claims.

GEICO's costs dropped considerably, and the company decided it was only fair to reimburse loyal customers during a difficult time.

Our clients already own GEICO indirectly through their holding in Berkshire Hathaway, and we were impressed with the company's principled and forward-thinking approach. We own UK motor insurer Admiral in client portfolios and felt they should consider taking a similar stance.

We liaised closely with Admiral's CFO and encouraged the company to implement the idea, prioritising their customers and brand affinity over short-term profits. We were asked to provide further input and feedback once they actioned the reimbursements. Our close involvement throughout the process is a reflection of the value and trust between us and the companies we are long-term active shareholders in.

While refunding premiums was likely to impact short-term profits, we were confident it was still the right choice for the business. In April 2020, Admiral became the first UK car insurer to refund customers, which encouraged other firms to quickly follow suit.

We see this as a positive outcome that was only possible because of the strength of the personal relationships we have built with the people at Admiral.

Voting activity in review

The dialogue we have with companies throughout the year is not our sole means of engagement. We also continued to exercise our voting rights at shareholder meetings in 2020, which is a responsibility that we see as a crucial part of our stewardship duties to clients.

We review all shareholder resolutions carefully and decide how to vote independently based on the long-term interests of our clients.

We voted on behalf of our clients more than ever before during 2020. Of the 290 total votes we cast, the majority of which were administrative, we voted against the board's recommendations in just one instance.

On this occasion, shareholders of a US media company sought to require future board Chairs to be independent. After some consideration we voted in favour of the shareholder resolution as we have a general preference for Chairs to be independent.

There were several resolutions last year when we eventually voted in line with the board's recommendations, after careful deliberation. This was the case with resolutions put forward by fellow shareholders covering important topics such as diversity reporting. In these cases we assessed the specifics of each resolution in depth as well as the company's position and only voted with the board if we felt their response was sufficient.

We have already seen a noticeable increase in investor-led resolutions in 2021, some of which are well-structured and aligned with the objectives of our responsible investment policy. These resolutions provide us with additional ways to engage with companies.

2020 Proxy Voting Summary

		For the Board Recommendation	Abstained	Against the Board Recommendation	Total
Board of Directors	Election of Directors	181	–	–	181
Compensation	Advisory Vote on Executive Compensation	12	–	–	12
	Advisory Vote on Frequency of Compensation Votes	1	–	–	1
	Incentive Plan	6	–	–	6
	Remuneration Policy	2	–	–	2
	Remuneration Report	5	–	–	5
Capital Structure	Allotment of Securities	8	–	–	8
	Cancellation of Shares	1	–	–	1
	Disapplication of Pre-emption Rights	9	–	–	9
	Payment of Dividend	2	–	–	2
	Repurchase of Shares	6	–	–	6
Strategic	Political Donations	2	–	–	2
Financial Reporting	Receipt of Financial Statements	5	–	–	5
Audit Related	Ratification of Auditor	16	–	–	16
	Remuneration of Auditor	6	–	–	6
Administrative	Amendments to Articles	11	–	–	11
	General Meetings	3	–	–	3
	Securities Depository Migration	2			
Stockholder Proposal	Stockholder Proposal	11	–	1	12
Total		289	–	1	290

Placed votes on 290 resolutions across 19 meetings

Our focus for 2021

COVID-19 was a test of business resilience, and is one that robustly managed, sustainable companies passed.

The pandemic still poses many challenges, but the arrival of vaccines at the end of 2020 at least removed some uncertainty about the future. Looking ahead to the next 12 months, we aim to renew our focus on some of the goals we had previously set for 2020.

Climate change remains an ever-present and increasingly urgent concern. The last seven years have been the hottest seven ever recorded⁽⁸⁾ – but models struggle to convey the real-world consequences of climate change, such as recent extreme weather events in New South Wales, Australia, where devastating floods have hit communities just a year after rampant bushfires wrought havoc.

We want to be confident that the companies we invest in act responsibly in the face of the very real physical and transition risks climate change poses. Engagement is a powerful tool for effecting positive change, and we will continue to utilise it to make a difference on this and other ESG issues.

The TCFD recommends a reporting standard of 11 broad categories, with a clear emphasis on material risks. We support the use of this as a common reporting standard and will continue to encourage companies and fund managers to adopt the TCFD recommendations.

To further strengthen our own research, analysis and reporting to clients, we are continuing our work on identifying and incorporating relevant and actionable metrics to provide our clients and ourselves a deeper understanding of the ESG characteristics of our companies and third-party funds. Obtaining accurate and meaningful standardised data remains a real challenge, but we are committed to further progress in this area and are well prepared to fulfil new regulatory requirements that are being implemented.

(8) NASA. '2020 Tied for Warmest Year on Record, NASA Analysis Shows', 2021, Jan 14: <https://www.nasa.gov/press-release/2020-tied-for-warmest-year-on-record-nasa-analysis-shows>

Rothschild & Co Group commitments

Setting the highest standards of responsibility.

Rothschild & Co is one of the world's leading independent financial advisory groups. With more than 3,500 talented professionals working in 43 countries, the group's purpose is to provide a meaningful difference to clients' businesses and wealth.

The group's impact on its people, the industry, local communities, and the planet through the responsible management of its operations, resources and services plays a fundamental part in Rothschild & Co's approach to business and in achieving its long-term strategic objectives.

Rothschild & Co is a signatory to the United Nations Global Compact and supports its Ten Principles on human rights, labour, environment, and anti-corruption. Implementing these principles is part of the group's Corporate Responsibility strategy and initiatives and we are committed to engaging in collaborative projects that advance the United Nations Sustainable Development Goals (SDGs).



The 17 UN SDGs are ambitious targets that tackle the most pressing challenges facing the world. The goals are designed to end poverty, protect the planet and ensure prosperity for all. Our Corporate Responsibility strategy is aligned to seven of the UN SDGs that we feel are most relevant to our day-to-day business activities.



All of the Rothschild & Co investment business lines are now signatories to the UN Principles for Responsible Investment, with an A+ score.



Rothschild & Co has been an investor signatory since 2017 and was awarded an 'A-' rating for climate disclosure from CDP, a global non-profit organisation that runs the world's leading climate disclosure platform, placing Rothschild & Co in their leadership category with regard to implementing best practice.

Rothschild & Co Wealth Management UK is a signatory of the UK Stewardship Code, having been awarded a Tier 1 rating.

We are also involved with a number of sustainability-related organisations and participate in industry forums and initiatives in order to continually increase our own knowledge of key issues and best practice.

Important information

This document does not constitute a personal recommendation or an offer or invitation to buy or sell securities or any other banking or investment product. Nothing in this document constitutes legal, accounting or tax advice.

The value of investments, and the income from them, can go down as well as up, and you may not recover the amount of your original investment. Past performance should not be taken as a guide to future performance. Investing for return involves the acceptance of risk: performance aspirations are not and cannot be guaranteed. Should you change your outlook concerning your investment objectives and/or your risk and return tolerance(s), please contact your client adviser. Where an investment involves exposure to a foreign currency, changes in rates of exchange may cause the value of the investment, and the income from it, to go up or down. Income may be produced at the expense of capital returns. Portfolio returns will be considered on a "total return" basis meaning returns are derived from both capital appreciation or depreciation as reflected in the prices of your portfolio's investments and from income received from them by way of dividends and coupons. Holdings in example or real discretionary portfolios shown herein are detailed for illustrative purposes only and are subject to change without notice. As with the rest of this document, they must not be considered as a solicitation or recommendation for separate investment.

Although the information and data herein are obtained from sources believed to be reliable, no representation or warranty, expressed or implied, is or will be made and, save in the case of fraud, no responsibility or liability is or will be accepted by Rothschild & Co as to or in relation to the fairness, accuracy or completeness of this document or the information forming the basis of this document or for any reliance placed on this document by any person whatsoever. In particular, no representation or warranty is given as to the achievement or reasonableness of any future projections, targets, estimates or forecasts contained in this document. Furthermore, all opinions and data used in this document are subject to change without prior notice.

This document is distributed in the UK by Rothschild & Co Wealth Management UK Limited. Law or other regulation may restrict the distribution of this document in certain jurisdictions. Accordingly, recipients of this document should inform themselves about and observe all applicable legal and regulatory requirements. For the avoidance of doubt, neither this document nor any copy thereof may be sent to or taken into the United States or distributed in the United States or to a US person. References in this document to Rothschild & Co are to any of the various companies in the Rothschild & Co Continuation Holdings AG Group operating/trading under the name "Rothschild & Co" and not necessarily to any specific Rothschild & Co company. None of the Rothschild & Co companies outside the UK are authorised under the UK Financial Services and Markets Act 2000 and accordingly, in the event that services are provided by any of these companies, the protections provided by the UK regulatory system for private customers will not apply, nor will compensation be available under the UK Financial Services Compensation Scheme. If you have any questions on this document, your portfolio or any elements of our services, please contact your client adviser.

The Rothschild & Co Group includes the following wealth management (amongst others): Rothschild & Co Wealth Management UK Limited. Registered in England No 4416252. Registered office: New Court, St Swithin's Lane, London, EC4N 8AL. Authorised and regulated by the Financial Conduct Authority. Rothschild & Co Bank International Limited. Registered office: St Julian's Court, St Julian's Avenue, St Peter Port, Guernsey, GY1 3BP. Licensed and regulated by the Guernsey Financial Services Commission for the provision of Banking and Investment Services.

