Rothschild & Co
Wealth Management

2024

Sustainability and Stewardship Report

Contents

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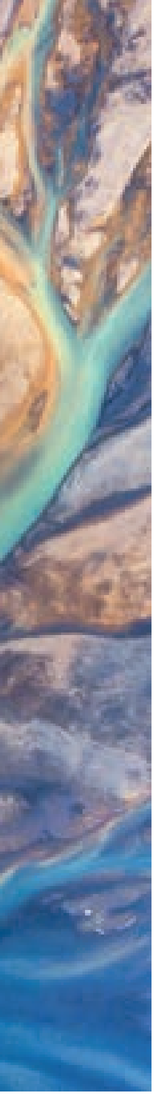


Foreword

For several years leading up to 2024, sustainability steadily rose up the agenda for businesses and investors worldwide. However, last year marked something of a turning point, where the strong forward momentum encountered a backdrop of political tensions and economic uncertainty. This can be unsettling and seeing businesses step back from environmental or social commitments can be disappointing. A more optimistic take is to interpret these developments as a sign of the debate maturing. In last year's foreword we noted how we have never viewed sustainability as a binary topic and how investments cannot be easily classified as entirely sustainable or unsustainable.

What is clearer is that our physical world is changing. Multiple records were broken in 2024, including greenhouse gas levels and both air and sea temperatures. This contributed to another year of serious floods, heatwaves and wildfires. These provide a stark reminder of why, despite the political disagreements and questioning, the core reasons why thinking about sustainability makes good business and investment sense remain strong. It's closely tied to managing risks effectively and finding opportunities for lasting value in a world that is changing quickly.

As stewards of capital, it is our job to look past the day-to-day noise and build portfolios that are built to last. This requires complementing our analysis of business' competitive position, management and price with insight into the impact on a business from sustainability topics and the net impact of a business. It also requires us to look beyond our screens and actively interact with the companies we invest in and other important entities in our ecosystem.

This report shares details of our work and progress in these important areas during 2024.

Helen Watson
CEO, Rothschild & Co Wealth Management UK

Executive summary

Dan Drain
Head of Sustainability & Co-Portfolio Manager of Exbury

Welcome to our 2024 Sustainability and Stewardship Report. As we reflect on the past year, it's impossible not to acknowledge the complex landscape in which we find ourselves operating. Political events continue to demand attention, yet the underlying imperative for the transition to a more sustainable global economy remains unwavering. This report details our activities and progress throughout 2024, reaffirming our commitment to integrating sustainability into the core of our wealth management philosophy and practice.

History teaches us that public and media focus on sustainability often behave cyclically. Periods of intense interest and activism can give way to phases where other pressing issues dominate the headlines. The 1970s saw surges in environmental awareness, spurred by events like the first Earth Day and concerns over resource limits, only for economic anxieties and geopolitical tensions to later take precedence. Similarly, the momentum generated around climate action in the late 1980s and early 1990s, culminating in the Rio Earth Summit, faced headwinds from subsequent global events. More recently, the groundswell of climate activism that began just a few years ago has found itself competing for attention with renewed geopolitical instability and economic uncertainty.

This cyclical pattern isn't necessarily a reflection of diminishing importance, but rather a consequence of how attention is allocated in a fast-paced world. News cycles, by their nature, prioritise immediacy and novelty – the relative urgency of one story often overshadows the absolute, long-term significance of another. A newspaper, after all, only has one front page. Issues demanding immediate political or humanitarian responses will often, understandably, command the most prominent space. However, the slow-burn, systemic challenge of climate change and many social challenges requires persistent focus, irrespective of position in the daily news hierarchy. The long-term risks and opportunities they present to economies, societies, and therefore investment portfolios, do not fade when the headlines do.

Indeed, 2024 provided stark reminders of the non-negotiable reality of climate change. The year continued the trend of record-breaking global temperatures, underscoring the accelerating pace of warming. Events ranged from those with an immediate human toll such as the deadly floods in Spain, to those which were more symbolic such as the peak of Japan's Mount Fuji remaining snowless in October for the first time since records began. These milestones serve not as distant concerns, but as tangible indicators of the changing world in which investments must navigate and perform.

Against this backdrop, our team continued its vital work throughout 2024. Our approach is fundamentally built on two interconnected pillars: building knowledge and building partnerships.

On the knowledge front, the ambitions we outlined in last year's report, to better understand the impact on our investments and the impact of them, were realised. Simultaneously, we recognise that meaningful progress cannot be achieved in isolation. Therefore, building strong partnerships remains central to our strategy. We actively engaged with portfolio companies, industry peers, and collaborative initiatives to advocate for positive change.

These efforts are not peripheral; they are integral to our fiduciary duty and our commitment to generating sustainable, long-term value for you, our clients. Understanding and managing sustainability factors is fundamental to navigating risk and identifying durable opportunities in the 21st century.

We thank you for taking the time to read this report and for your continued trust and support. We believe that by maintaining our focus and collaborating effectively, we can contribute positively to both investment outcomes and a more sustainable future.

Stewardship

Blaine Abraham
Head of Stewardship

Industry review: value and values collide

The topic of stewardship could not be ignored in 2024. In the UK, regulators and investors tussled over whether relaxing governance standards could enhance the competitiveness of the London Stock Exchange (LSE). Meanwhile, the long-established UK Stewardship Code faced scrutiny over whether increased reporting truly leads to improved outcomes. Across the Atlantic, the anti-Environmental, Social, and Governance (ESG) movement transformed shareholder proposals into political tools, compelling companies to tighten control over Annual General Meetings (AGMs) and sparking discussions about the future of shareholder rights.

This review highlights some of the shifts in the stewardship landscape, our engagements with companies to navigate these changes, and we reflect on what this means to our approach and the industry in general.

Endless reporting does not always lead to better outcomes. The move to simplify stewardship reporting marks a departure from the one-size-fits-all approach that has prevailed in recent years. Compressing engagements to a set of easily trackable metrics is unnecessarily reductive, and there is a growing recognition that stewardship takes many forms. Some engagement conversations lead to significant, long-term changes, while others focus on enhancing transparency or refining company disclosures. Treating all engagement as the same risks oversimplifying what is often a complex and nuanced process.

At its core, stewardship has always been about ensuring companies are well-managed and focused on long-term value creation. This can involve advocating for better capital allocation, promoting clearer health and safety policies, questioning employee turnover trends, or encouraging biodiversity reporting. These issues extend far beyond the recent ESG frameworks, and it's important to remember that stewardship existed long before ESG became a widely used term.

In the US, the backlash against ESG gained momentum, with the rise of the so-called 'Anti-ESG' or 'Anti-Woke' movement. This played out in several ways, notably through the increasing use of shareholder proposals as political tools. At Mastercard's 2024 AGM, five proposals were evidently designed to push a particular agenda rather than address genuine business concerns[1].

This kind of politicisation is problematic. Shareholder proposals are intended to hold management accountable, not serve as a platform for ideological battles. However, with companies facing a surge of agenda-driven resolutions, many have responded by tightening control over AGMs – muting investors, insisting on scripted proposal readings, and summarising questions in ways that some perceive as unfair. This raises concerns about the future of corporate governance transparency. If companies continue down this path, genuine shareholder voices could be drowned out altogether.

What this highlights is the effectiveness of a bespoke, targeted, detailed, active ownership program. While the number of our direct holdings remains small, we won't have as many stories to tell in a year as other investors might. However, our commitment to building long-term relationships with management teams and our focus on real world impact ensures that our requests for action finds open ears and willing hands. Our 2024 engagement program yielded effective results, highlights of which are outlined below.

[1] An example from Mastercard's AGM illustrates how counterproductive these resolutions have become, with resolution 6 requesting "a congruency report on privacy and human rights", and resolution 7 requesting "a human rights congruency report".

Finally, we address the shift in the political climate in the United States regarding stewardship. Examples abound of the withdrawal of major US banks from Net Zero alliances or the costly distraction of the threat of litigation from anti-ESG factions[2]. We believe this trend reflects a broader pattern. The finance industry, along with politicians and NGOs, have often (this author suggests quite wilfully) overestimated the impact that finance can have alone. Largely well-intentioned, this overestimation has led to target-setting and impact claims that could be generously described as virtue-signalling and marketing. Ultimately, supportive government policy is crucial for lasting change, and without it, the finance system alone will not be able to achieve net zero goals.

The shift from ESG-positive to 'Anti-ESG' has led to rollbacks of environmental and social commitments, called "green-hushing"[3]. While this might seem harmful to future goals, it's crucial to cut ineffective rhetoric and focus on real solutions. Recognising the difference between green-washing[4] and green-hushing highlights again how our strength in deep fundamental research is a differentiation.

There are still many stakeholders, particularly asset owners like pension funds, with long-term horizons that necessitate a genuine focus on mitigating climate change. Removing Net Zero as a marketing tool should enable market participants to concentrate on what truly needs to be done. To paraphrase a UK academic: If you couldn't tell anyone [about your sustainability initiatives], would you still do it?[5]

We believe that this trend is beneficial for advancing the decarbonisation agenda. Our long-term investment horizon ensures that we take climate change implications seriously and allows us to adopt a considered approach when engaging with our investee companies on these matters. We prioritise engagements based on materiality rather than rhetoric, guided by the real-world impact of the engagement and the likelihood of achieving a positive outcome.

In light of these developments, our approach remains unchanged: high-conviction, targeted engagements, aimed at real-world impact. We don't engage for the sake of engagement or to pursue easy wins. Instead, we strive to drive meaningful change – whether it's advocating for stronger governance, promoting responsible capital allocation, or improving how companies report on climate risk. Having a broader perspective as investors sometimes allows us to share valuable insights. In such instances, we will engage with our companies in a firm but friendly manner with an open view to what success will ultimately look like.

2024 engagement performance

Last year we highlighted three areas of focus in 2024: Climate Change, Biodiversity, and Regulation & Governance. Climate change remains our primary priority and we continue to make advances, although progress remains patchy. Governance is a key area we pay attention to.

Outcomes can be influenced by a number of factors, including political landscape, economic conditions, or environmental issues. Therefore we have a classification system for determining what stage of the engagement process a company is on, that runs from a company acknowledging the issue through to providing evidence that the issue is being managed per an approved policy or strategy. Outcomes could be a company changing their behaviour or decisions taken by us as investors.

Over the course of 2024 we engaged with our companies 24 times across topics such as climate change, governance, remuneration, reporting and disclosure and capital allocation. We spoke with board members, board chairs, senior executives and CEOs. The majority of our engagements focused on governance issues – for us, this is often an area where we can use our expertise to help improve company practice.

[2] See *Spence v. American Airlines, Inc.* for an example of such as case

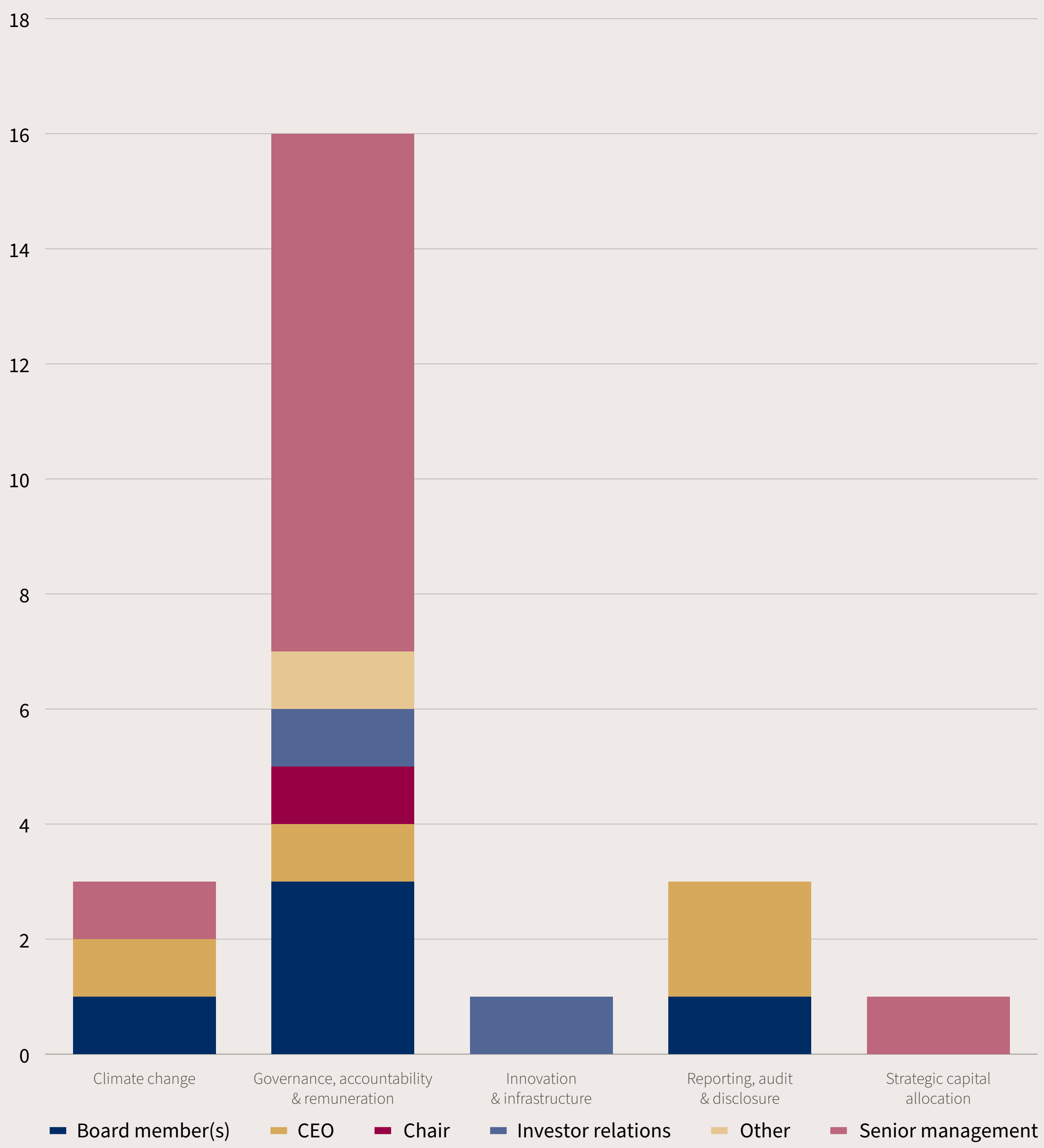
[3] "Green-hushing": When a company intentionally withholds or underreports information about its environmental efforts

[4] "Green-washing": When a company makes misleading claims about its environmental impact

[5] Edmans, Alex, Rational Sustainability (February 14, 2024). Journal of Applied Corporate Finance

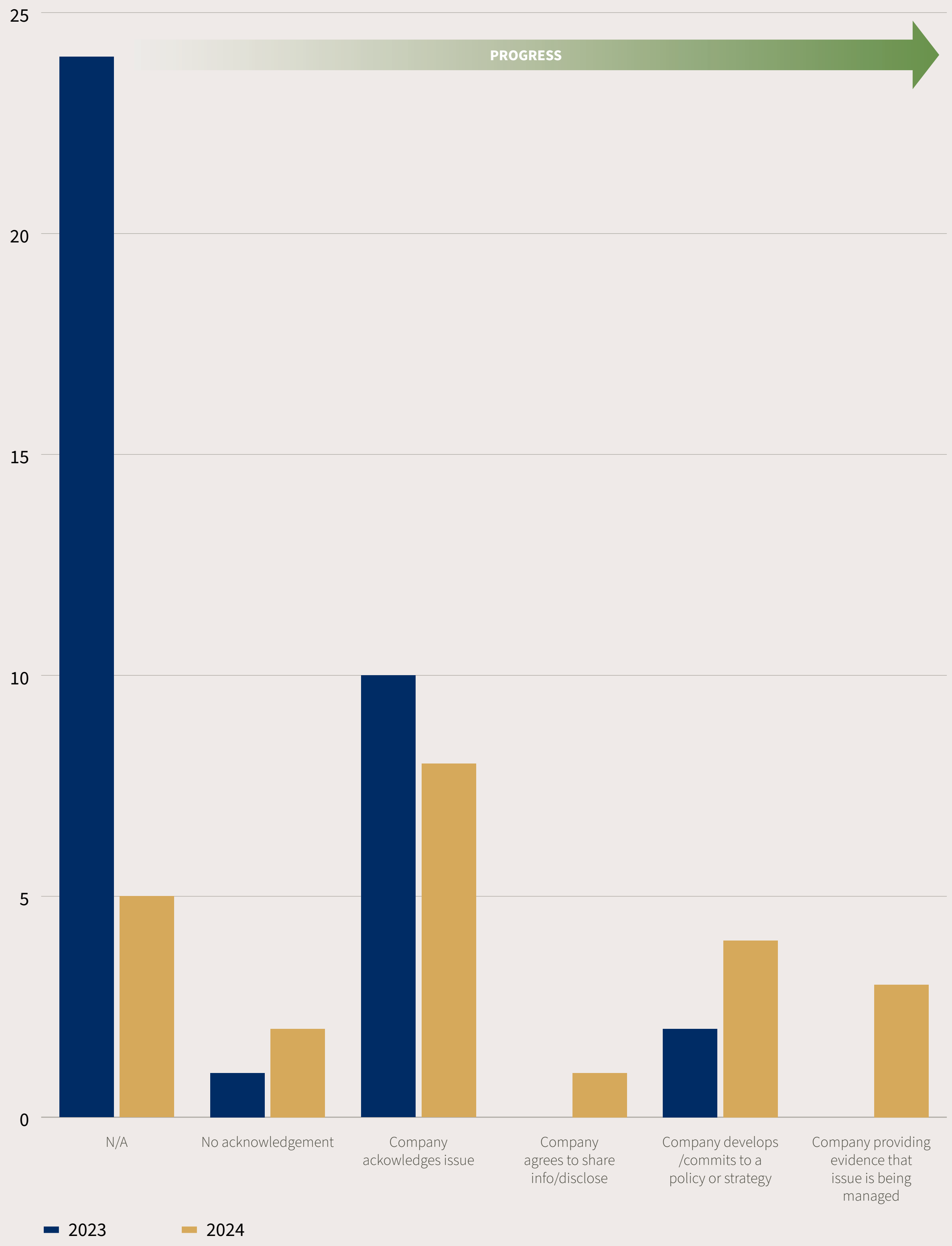
Using a five point classification system to help determine at which stage our engagements are, the chart below demonstrates the shift of engagements from left to right between 2023 and 2024, suggesting that our engagements are maturing towards an outcome. This happens when a company moves from acknowledging an issue, to providing a policy/target and reporting on progress against this target. This may change depending on the mix of engagements we have running at any given time.

WHO WERE INVOLVED IN 2024 ENGAGEMENTS?



Source: Rothschild & Co.

ENGAGEMENT MILESTONE PROGRESS



Source: Rothschild & Co.

Engagement highlights

BERKSHIRE HATHAWAY

We continued our engagement from the past few years with Berkshire Hathaway on carbon emissions reporting this year. In 2024, we engaged with the company in two different ways. As part of Climate Action 100+, the Illinois State Treasurer filed a shareholder proposal (shareholder resolution #3 of the 2024 AGM) that requested that the Board of Directors disclose in a consolidated annual report GHG emissions data by scope as well as progress toward its net-zero decarbonisation goal, for Berkshire Hathaway Energy. This proposal would bring Berkshire Energy's emissions reporting data in-line with recommendations by organisations such as the TCFD[6], making it easier for investors to understand and compare the data, and aligns with best practice. The resolution received 17.5% support.

Second, we directly engaged with the company through a meeting with board members. During the AGM in Omaha, we spoke directly with directors, discussing the environmental strategy and steps towards improvement. Unfortunately, indications from our engagement with the company signal limited appetite to change their approach towards environmental reporting under current leadership.

We are undeterred. We believe that it is worthwhile to keep engaging with the company, and will continue to explore our options for continuing this engagement in the future. It is worth reiterating that Berkshire as a whole still has many positive aspects, including its large renewable energy generation portfolio, and therefore we are still happy holders of the stock in New Court portfolios. No doubt you will hear more from us on this topic in the future.

WATER COMPANIES

In 2023, issues within the UK's water infrastructure made headlines, with overflow events causing untreated sewage to enter the environment more frequently than predicted. Significant investment, estimated at $260 billion[7], was identified as necessary to address these challenges, but high leverage among water companies limited their ability to raise debt, potentially requiring price increases and equity injections. We, facilitated by The Investor Forum, engaged with bond holdings United Utilities and Severn Trent to understand the causes of these problems and potential solutions. Key findings included the need for improved pollution measurement and monitoring, as well as strategic planning for funding infrastructure upgrades, with OFWAT's 2025 pricing decisions expected to play a critical role.

In 2024 we engaged with the regulator OFWAT to better understand their expectations for the water companies and the potential for what size of pricing increases companies would be allowed to pass onto customers. Ultimately, considering the capital that was required and the scale of the infrastructure mountain that the companies needed to climb, it was decided that there was better value elsewhere in the bond market, and the positions were exited.

[6] TCFD: The Task Force on Climate-Related Financial Disclosures, created in 2015 by the Financial Stability Board to develop consistent climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders.

[7] The affluent and the effluent: cleaning up failures in water and sewage regulation, Industry and Regulators Committee, House of Lords, 22 March 2023

In 2024 we engaged with the regulator OFWAT to better understand their expectations for the water companies.

Our engagements with Ashtead highlights the potential for active ownership in driving corporate governance and sustainability improvements.

ASHTEAD

As part of our engagement efforts, we held discussions with Ashtead Group's leadership on two key areas: executive remuneration and their environmental impact. After these conversations meaningful changes were made that further aligned incentives with shareholder interests and enhanced sustainability transparency.

Ashtead generates most of its revenue in the U.S., but are listed in the United Kingdom, which creates a mismatch in the norms of remuneration[8]. We engaged with the Chair of the Board and the Chair of the Remuneration Committee as we believe it is key for the company to ensure that CEO Brandan Hogan remains at Ashtead. Our focus was on maintaining competitiveness with American peers while ensuring a focus on value creation for investors. Ashtead proposed increasing the Long-Term Incentive Plan (LTIP) opportunity from 350% to 700% of base salary and introducing Restricted Stock Units (RSUs) at 150% of base salary. We advocated for benchmarking against U.S. peers rather than the FTSE 100 (if you are paid like the US, you should compare performance with the US) and emphasised the importance of robust performance targets to prevent rewards for underperformance. After our conversations, Ashtead confirmed several key changes, including performance underpins for RSUs, an extended vesting horizon, increased CEO shareholding requirements, and the introduction of a U.S. component in the Total Shareholder Return (TSR) peer comparison. These adjustments ensure that executive pay better reflects performance expectations and shareholder alignment.

We also engaged with Ashtead's Head of ESG, to discuss the company's carbon emissions reporting and sustainability framework. We discussed the complexity of scope 3 emissions calculations and the inherent assumptions involved. Ashtead estimates it is responsible for 50% of a vehicle's lifetime emissions, with the remainder assigned to future owners after resale, reinforcing the need for a lifetime value approach to emission calculations. The company reinforced its commitment to sustainability by outlining five ways it reduces emissions: investing in newer, more efficient vehicles, operating equipment more effectively than individual ownership models, increasing utilization rates to reduce fleet size, lowering the total number of vehicles required in the market, and optimising transport logistics to cut emissions. While scope 3 emissions remain challenging to quantify, Ashtead is actively working to improve transparency and refine its reporting framework. Our work here allowed us to better understand how to measure Ashtead's emissions impact and model our understanding of Ashtead as an "Enabler"[9].

Our engagements with Ashtead highlights the potential for active ownership in driving corporate governance and sustainability improvements. Changes to executive remuneration now reflect stronger performance alignment, while progress in ESG reporting enhances accountability. We will continue to monitor developments within the company.

[8] Executive pay in the US is normally much higher than the UK. The Guardian reported in 2024 that this may be up to 3x more. US-style executive pay packets in UK would 'risk higher inequality', Executive pay and bonuses, The Guardian

[9] Within the Exbury strategy, Enablers are an internal designation for companies that help enable the transition to a low-carbon economy.

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.

ADMIRAL

As part of our ongoing stewardship efforts, we engaged with Admiral's leadership on its market positioning and executive remuneration structure to ensure alignment with long-term shareholder value.

Admiral has maintained pricing discipline in the UK motor insurance market despite inflation, resulting in some market share loss but safeguarding profitability. Meanwhile, its European business continues to expand, and the potential sale of its U.S. operations remains under consideration.

On remuneration, we raised concerns with the Chair of the Remuneration Committee about the heavy reliance on EPS[10]-linked incentives, which we view as too cyclical. We advocated for a structure that better aligns with Admiral's long-term strategy, including differentiated incentives for the mature and the growth businesses, stronger risk management metrics, and an increase in executive shareholding requirements.

Following our engagement, Admiral confirmed some positive changes, including a broader peer group incorporating UK and European companies. However, a significant portion of the bonus remains tied to EPS, which we believe does not fully incentivise sustainable value creation.

While progress has been made, we will continue to push for further refinements ahead of the AGM to ensure executive pay reflects long-term performance.

[10] Earnings-per-share, a measure of profitability

Looking forward to 2025

Under a backdrop of uncertainty in the world of stewardship, a few things remain core to what we do. We want to see strong governance controls; we want to see management incentives provide transparent and contingent targets; we want to see strengthening activities to address climate change where it makes sense; and we want to see our companies allocating capital in a sensible and rational manner.

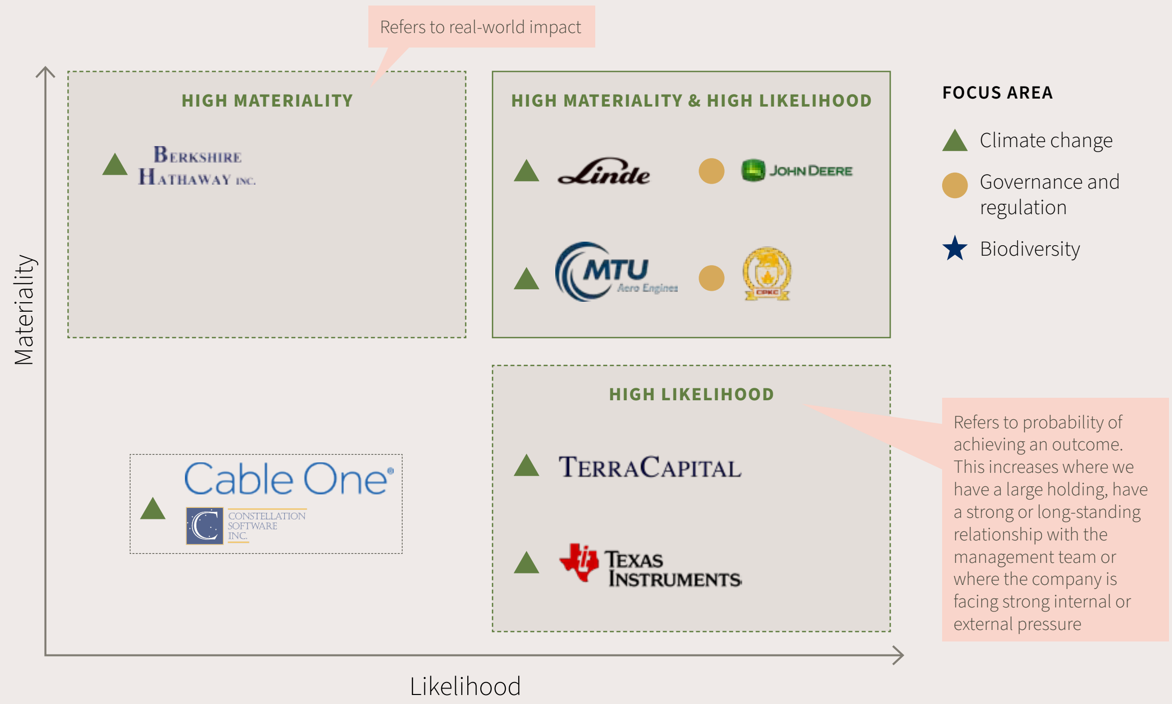
Consistent with this and our previous writing, in 2025 we again focus on these areas within our portfolio companies.

HOW DO WE PRIORITISE OUR ENGAGEMENTS?

As a reminder of our prioritisation process, we use a practical approach based on the importance of the engagement topic and the chances of achieving a result. Importance looks at the real-world impact of a potential change. For example, even a 1% reduction in carbon emissions by Berkshire Hathaway is more significant than the total emissions of the bottom half of contributors in the New Court portfolio. Chances of success depend on factors like our stake in the company, our relationship with the CEO or board, and the company's internal or external pressure to change. This approach helps us allocate our limited resources more effectively. We also consider the urgency of the issue, deadlines, and other risks.

HOW WE PRIORITISE ENGAGEMENTS

We take a practical approach, prioritising "high materiality" and / or "high likelihood" of outcome



Source: Rothschild & Co.
Note: The above holdings illustrate investments made within the portfolio at the discretion of Rothschild & Co Wealth Management UK Limited. They are not shown as a solicitation, recommendation or promotion of any security or fund on a standalone basis. Holdings are subject to change without notice.

ENGAGEMENT PLAN 2025

Strategic review topics

Area	Strategic focus area	Rational	Long-term goals	Beginning of year status
Incentives	Governance, accountability & remuneration	We believe that incentives are influential in senior management's decision making. We are undertaking a review of our understanding of best practice activities in remuneration, our core principles, and application of these principles, to ensure we are achieving the best outcomes in portfolio companies. This review is not targeting a particular company but rather will influence our view of all our companies once completed.	Ensure all portfolio companies have appropriate and best-in-class remuneration structures	Internal review of remuneration philosophies and best practices
Fixed Income	Climate change	Similar to our Shaping and Impact template, we want to improve our understanding of the Sustainable Bond Portfolio's impact from its activities. While we have decent data at the project level due to the reporting requirements of use-of-proceeds bonds, we could improve our understanding at the portfolio level.	Understand impact of the Sustainable Bond Portfolio	Internal review of bond reporting structures
Funds	Strategic capital allocation	As part of a longer term review of the role of funds are enablers in Exbury, we will conduct a review of our Funds.	Best opportunities for funds as enablers in Exbury	Review of positions

Engagement opportunities in Biodiversity

Company	Strategic focus area	Rational	Long-term goals	Short-term Goals
John Deere (Deere)	Biodiversity, water & waste	We believe that Deere is creating solutions that will help solve resource use within the world, however we need more data to understand the impact, both positive and negative, of Deere's products on the biodiversity sphere.	Set targets for reducing biodiversity impact from Deere products.	▪ Understand current state of biodiversity metrics ▪ Get commitments from Deere to improve reporting metrics on biodiversity
Terra Capital	Biodiversity, water & waste	Terra Capital is a new investment in Exbury. We strongly believe that the critical minerals that they invest in are crucial to decarbonising the economy, and working with Terra to learn how they assess and critique their portfolio holdings is a key goal.	Understand better the impact of their activities on environment.	Open direct dialogue with Company

Engagement opportunities in Climate change

Area	Strategic focus area	Rational	Long-term goals	Beginning of year status
Cable One	Climate change	Whilst the emissions profile for Cable One is small, they don't report on their Scope 1 & 2 emissions which is a minimum standard for us. These are low materiality outcomes, however we feel it is still appropriate to try and encourage higher reporting standards	Provide scope 1&2 emissions reporting	Internal review of remuneration philosophies and best practices
Texas Instruments	Climate change	Texas Instruments products are crucial for the decarbonisation of the economy, found in solar panels, electric vehicles, and more. From a reporting perspective, we need to work with the company to better understand how to track their performance on product impact and ultimately how this can be improved in the future	Improving product impact	Increase quality of product impact reporting
MTU	Climate change	We believe that MTU is in a strong position to contribute to the improved emission profile of the airline industry through the development of more efficient engines. We want to work with MTU to better understand how to unlock further engine efficiencies.	Increased engine efficiency	Increased understanding of roadblocks to increases in efficiency
Berkshire Hathaway	Climate change	Berkshire Hathaway has a large emissions profile and we believe that the first step to being able to manage emissions is being able to measure them. While individual entities owned by BRK are reporting emissions, Berkshire Group could contribute further by reporting on group emissions.	Overall reporting of consolidated emissions profile for BRK as an entity	▪ Opening a dialogue with decision makers at Berkshire Hathaway Energy ▪ Acknowledgement of reporting issues and commitment to remedy

Engagement opportunities in Governance, accountability & remuneration

Company	Strategic focus area	Rational	Long-term goals	Beginning of year status
John Deere (Deere)	Governance, accountability & remuneration	Deere made changes recently to their remuneration structure. We believe that these changes are suboptimal and will work with Deere's board of directors going forward to maintain high standards of accountability and compensation for management in the best interests of long-term shareholders.	Improve the remuneration structures for senior management and the CEO	Provide feedback on the changes made to the remuneration scheme in 2025
Canadian Pacific Kansas City (CPKC)	Governance, accountability & remuneration	We believe that the CEO of CPKC, Keith Creel, is a fantastic operator that adds significant value to the business. We would like CPKC to have long-term security in the leadership team and believe that an extension of Mr Creel's contract would be beneficial.	Improve the remuneration structures for senior management and the CEO	Extend CEO's contract

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Voting

During 2024 we voted on 349 resolutions at 22 company meetings.

We are of the view that a simple statistical summary of our voting activity would give insufficient transparency into the many interesting individual votes placed and the reasons for our decisions. Therefore, in last year's report, we introduced a new way of proving this transparency by reporting on all votes deemed significant in the period.

We define a significant vote as one which was either:

- Against the recommendations of a board
- On a resolution proposed by a fellow shareholder
- On a climate-related topic

Details of these significant votes are given in the table.

In 2024, there were 26 significant votes. We voted against the recommendations of the board 9 times. Details on all our voting activity is available to clients on request.

Company	Resolution no.	Resolution type	Resolution detail	Board recomm.	Our vote	Voted against board recomm.	Proposed by shareholder	Did resolution pass?	Comments
Visa	6	Shareholder Proposals	To vote on a stockholder proposal requesting that the Board adopt a policy to seek shareholder ratification of certain termination pay arrangements, if properly presented;	Against	For	Yes	Yes	No	Proposal is asking for a non-binding vote if there is a golden parachute granted for an executive that exceeds 2.99x pay+target short term bonus. This seems reasonable. Current arrangements mean that such a award would be folded into the current say-on-pay vote. As it would be non-binding, increases shareholder rights, and is not onerous, we support the proposal.
Deere	4	Shareholder Proposals	Customer and Company Sustainability Congruency Report	Against	Against	No	Yes	No	Information requested already contained in sustainability report
Deere	5	Shareholder Proposals	Civil Rights, Non-Discrimination, and Return to Merit Audit	Against	Against	No	Yes	No	The current initiatives that Deere provides already allow a voice for all employees and provide a platform for communication.
Deere	6	Shareholder Proposals	Shareholder Ratification of Golden Parachutes	Against	Against	No	Yes	No	Agree with Deere's treatment of CIC severance

Company	Resolution no.	Resolution type	Resolution detail	Board recomm.	Our vote	Voted against board recomm.	Proposed by shareholder	Did resolution pass?	Comments
Moody's	4	Capital related proposals	"To amend the Moody's Corporation Restated Certificate of Incorporation to authorize stockholders owning 25% of the Company's common stock to have the Company call special meetings of stockholders;"	For	Against	Yes	No	Yes	Currently 15% ownership required to call a special shareholder meeting. The board would like to raise the threshold to 25%. Their reasoning is that this is the average threshold that S&P 500 companies have. A 15% level is not uncommon, however. There is merit in keeping management honest with an achievable special meeting threshold level. The tension is whether management is distracted by potentially unnecessary activist investor involvement, facilitated by a 15% level. Berkshire current hold ~13%, which should be a good signal for long-term investors vs activist involvement. The restriction of shareholder rights should be avoided if possible. Therefore we vote against the change to the more onerous 25% threshold level as it, on balance, reduces shareholder optionality.
Moody's	5	Shareholder Proposals	To vote on one stockholder proposal described in the proxy statement, if properly presented at the meeting	Against	For	Yes	Yes	No	This is the same as resolution 4 of the Moody's AGM on changing the threshold for calling a special meeting, but in reverse. Shareholder proposal to maintain threshold at 15%. Consistent with our reasoning for resolution 4, we support this resolution.
Charter Communications	5	Shareholder Proposals	Stockholder proposal regarding lobbying activities	Against	For	Yes	Yes	No	Considering the potential for conflict of interests in Charter's business and current activities, we are happy to support more detailed disclosure on lobbying by Charter.
Charter Communications	6	Shareholder Proposals	Stockholder proposal regarding Political Expenditures Report	Against	For	Yes	Yes	No	This proposal asks Charter to disclose all of its electoral spending, including payments to trade associations and other tax-exempt organizations which may be used for electoral purposes – and are otherwise not public. This proposal would bring Charter in line with a number of other companies, including AT&T Inc., Comcast Corporation, and Verizon Communications Inc., which present this information on their websites. We are therefore happy to support.

Company	Resolution no.	Resolution type	Resolution detail	Board recomm.	Our vote	Voted against board recomm.	Proposed by shareholder	Did resolution pass?	Comments
MTU	9	Remuneration proposals	Resolution adopting the compensation report	For	Against	Yes	No	Yes	While we think that the executive compensation at MTU is reasonably well constructed, the implementation of the incentive structure is sub-optimal in our opinion. ESG performance metrics in particular are not appropriate the way the are currently applied. As a result, we cannot support the remuneration report for 2024.
Berkshire Hathaway	2	Shareholder Proposals	As You Sow Proposal requesting a Report on how it intends to measure, disclose and reduce the GHG emissions associated with its underwriting, insuring, and investment activities	Against	For	Yes	Yes	No	We agree with this proposal and its request for greater disclosure of GHG emissions at the group level at Berkshire Hathaway as it is best practice, sets an example for other companies, and is potentially going to be a requirement by law.
Berkshire Hathaway	3	Shareholder Proposals	State of Illinois led request that the Board of Directors (the "Board") disclose, in a consolidated annual report (at reasonable expense and omitting proprietary information) greenhouse gas (GHG) emissions data by scope, as well as progress towards its net-zero decarbonisation goal, for Berkshire Hathaway Energy ("BHE").	Against	For	Yes	Yes	No	This proposal would bring Berkshire Energy's emissions reporting data in-line with recommendations by organisations such as the TCFD, making its easier for investors to understand and compare the data, and aligns with best practice. We therefore support the proposal.
Berkshire Hathaway	4	Shareholder Proposals	Whistle Stop Capital requests that Berkshire Hathaway Inc. ("Berkshire") report to shareholders on the effectiveness of the Company's diversity, equity, and inclusion efforts.	Against	Against	No	Yes	No	Berkshire already provides publicly its US workforce data for all subsidiaries in the U.S. Equal Employment Opportunity Commission's 2022 Employer Information Report (EEO-1), along with a summary of the data by business segment on its website.
Berkshire Hathaway	5	Shareholder Proposals	Request the formation of a Railroad Safety Committee of independent directors at Burlington Northern Santa Fe ("BNSF")	Against	Against	No	Yes	No	The board and management of BNSF already take safety very seriously and they have reduced employee injuries by 70% between 2000 and 2023. Safety data is provided to the regulator on a regular basis. We do not believe that the formation of this committee would be useful for shareholders.
Berkshire Hathaway	6	Shareholder Proposals	Free Enterprise project (Conservative Think Tank) request a report assessing the costs of transitioning to Net Zero	Against	Against	No	Yes	No	We do not believe that such a report would provide any useful information to shareholders
Berkshire Hathaway	7	Shareholder Proposals	Request to report annual on dependence and vulnerability to Communist China	Against	Against	No	Yes	No	Berkshire assesses and addresses pertinent risks in its 10-k on an annual basis and we do not believe that it is necessary or relevant to report annually on China specifically. As and when the board believes that it needs to address this issue directly, no doubt they will provide discourse appropriately.
American Express	5	Shareholder Proposals	Shareholder Proposal Relating to Golden Parachutes	Against	For	Yes	Yes	No	Standard shareholder proposal asking for a non-binding shareholder vote for any golden parachute over the value of 2.99x base pay + STIP. As this strengthens our rights as shareholders and there is no downside, we support this proposal.
American Express	6	Shareholder Proposals	Shareholder Proposal Relating to Climate Lobbying	Against	Against	No	Yes	No	The company already discloses its lobbying activity and climate change lobbying is not a part of this. Proposal is therefore unnecessary.
American Express	7	Shareholder Proposals	Shareholder Proposal Relating to Merchant Category Codes	Against	Against	No	Yes	No	Company already uses the industry standard approach of categorization, and merchant category codes cannot be used to track an individual's product level purchases. This is an unnecessary proposal and therefore we do not support it.
Booking Holdings	4	Shareholder Proposals	Improve Clawback Policy for Unearned Executive Pay	Against	For	Yes	Yes	No	Shareholders want the Board to amend the recoupment policy for executives to include negligence, not just misconduct, and to report on these decisions annually, including a full policy link in the proxy statement. The current policy is outdated, optional, and lacks transparency. There is an argument for a stronger, clearer policy that aligns with recent SEC rules and prevents unearned pay due to negligence. Wells Fargo is a recent example of the need for stricter measures. We support any stronger controls for the executive pay and therefore support this increase in ability to clawback pay for just reason.

Company	Resolution no.	Resolution type	Resolution detail	Board recomm.	Our vote	Voted against board recomm.	Proposed by shareholder	Did resolution pass?	Comments
Booking Holdings	5	Shareholder Proposals	Reproductive rights and Data privacy	Against	For	Yes	Yes	No	Since the revocation of the constitutional right to an abortion, there is concern about the use of personal digital data by law enforcement to enforce state abortion laws, posing risks for Booking Holdings. Shareholders request a public report from the Board detailing the risks and costs of complying with such data requests and strategies to mitigate these risks. The board opposes this request, arguing that there is an existing robust privacy program, which includes compliance with major privacy regulations and thorough internal oversight, emphasizing their commitment to transparency and responsible data handling. The Board believes that the requested report would be an undue burden, incurring unnecessary costs without enhancing compliance, and could divert attention from effectively managing privacy risks. However, this is a seems to be a reasonable request for better understanding what is incredibly sensitive information.
Mastercard	4	Shareholder Proposals	Stockholder proposal requesting transparency in lobbying	Against	Against	No	Yes	No	As per last year's resolution, it seems that Mastercard already provides a reasonable amount of the information being requested in the proposal and the proposal is therefore redundant
Mastercard	5	Shareholder Proposals	Stockholder proposal requesting a director election resignation bylaw	Against	Against	No	Yes	No	While the proposal may increase shareholder rights, the existing voting standard is still fit for purpose and the Board has not breached any shareholder rights in its execution since its implementation.
Mastercard	6	Shareholder Proposals	Stockholder proposal requesting a congruency report on privacy and human rights	Against	Against	No	Yes	No	Mastercard provides detailed public reporting on their social impact work and charitable giving in their ESG Report and other publicly available resources, we therefore find this proposal unnecessary.
Mastercard	7	Shareholder Proposals	Stockholder proposal requesting a human rights congruency report	Against	Against	No	Yes	No	Mastercard already provides detailed public reporting on their human capital and this proposal would require unnecessary resources for no gain.
Mastercard	8	Shareholder Proposals	Stockholder proposal requesting a report on gender-based compensation and benefit gaps	Against	Against	No	Yes	No	Mastercard already provides detailed public reporting on their human capital and this proposal is therefore would require unnecessary resources for no gain.
Comcast	4	Shareholder Proposals	Shareholder Proposal to Report on Political Expenditures Misalignment with Company Values	Against	Against	No	Yes	No	Comcast provides a large amount of transparency on their political spending already. A similar resolution was presented last year and received less than 20% support. We believe that Comcast provides enough details on their political lobbying.

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Sustainability

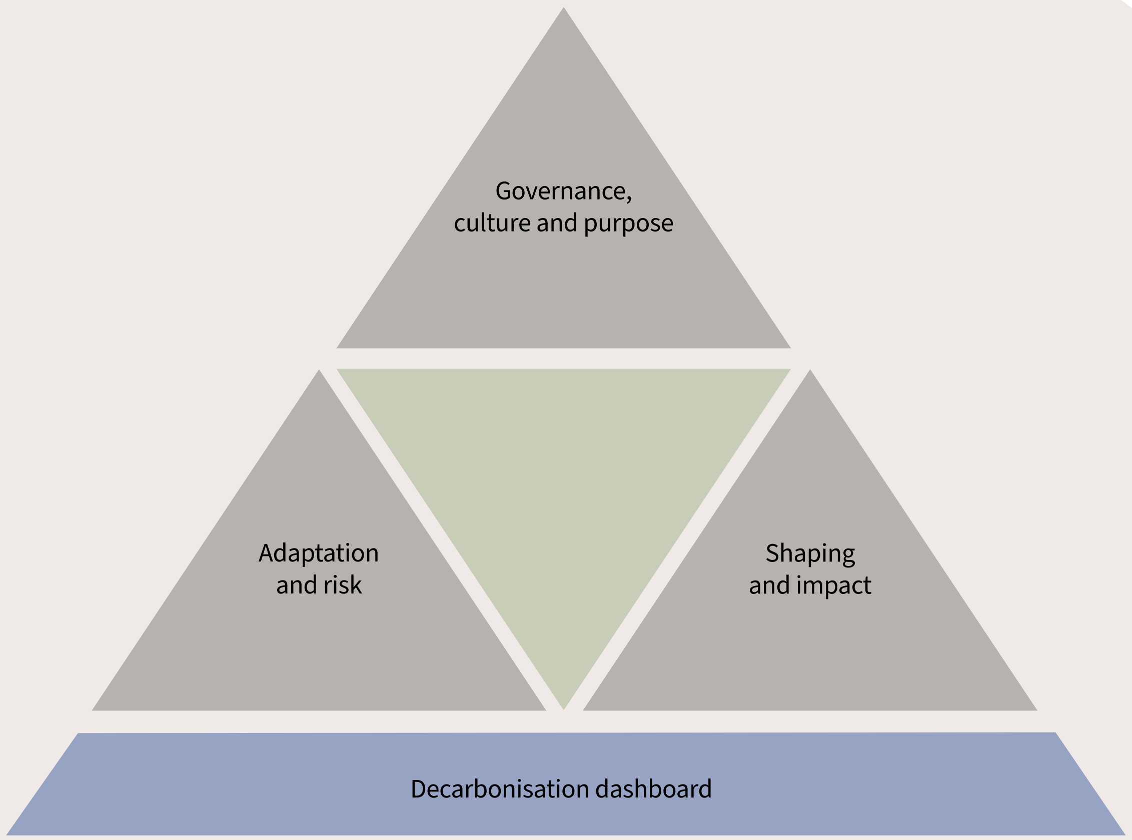
Nana Baffour, CEnv
Sustainability Strategy Manager

In last year's report, we laid the groundwork for the evolution of our Sustainability approach by layering our analysis into four parts: adaptation and risk, shaping and impact, decarbonisation dashboard, and governance, purpose, and culture. This year, we have focused our efforts on further developing the first two parts: adaptation and risk, and shaping and impact.

In 2024, we enhanced our 'adaptation and risk' analysis, which focuses on understanding external sustainability factors on our businesses by identifying the sustainability topics that are financially material for a business. Leveraging the Sustainability Accounting Standards Board (SASB) as the foundation of this process across both equities and fixed income issuers. We continue to believe that materiality matters, and this approach highlights the issues that are most financially material for each industry.

However, our analysis goes beyond merely managing sustainability as a set of risks and opportunities. We also consider the outcomes a company has on its stakeholders. The second part of our framework, called 'shaping and impact', evaluates the impact a company has on people and the planet. This approach, originally designed for the decarbonisation-focused Exbury strategy, has now been rolled out across our direct companies. It helps us build a holistic understanding of the nature, extent, and future pathway of a company's impact, as well as any adverse impacts.

In essence, by integrating these two parts; adaptation and risk, and shaping and impact - we not only manage sustainability risks but also capture impact and outcomes. This comprehensive approach allows us to better understand the impact on our investments and the impact of them.



Tomas Yates
Sustainability Data Associate

Adaptation and risk

INTRO

'Adaptation and risk' focuses on identifying the sustainability topics that are financially material for a business, and obtaining data to quantify the magnitude of the risks they present. Utilising the work of the Sustainability Accounting Standards Board (SASB), we have developed a materiality map of our portfolios, identifying the key risks and opportunities for our directly held businesses.

Page 24 shows the mapping for the equities within the Exbury portfolio as an example:

We have developed a materiality map of our portfolios, identifying the key risks and opportunities for our directly held businesses.

	DISCLOSURE TOPIC	CHEMICALS Linde, Sika	CONSUMER FINANCE American Express	INDUSTRIAL MACHINERY & GOODS Ashtead, Deere	INSURANCE Admiral	INTERNET MEDIA & SERVICES Booking Holdings	PROFESSIONAL & COMMERCIAL SERVICES Eurofins, Moody's, S&P Global	RAIL TRANSPORT CPKC	SEMI-CONDUCTORS Texas Instruments	SOFTWARE & IT SERVICES Constellation Software, Mastercard	TELECOMM. Cable One
ENVIRONMENT	Air quality	●						●			
	Ecological impacts										
	Energy management	●		●		●			●	●	●
	GHG emissions	●						●	●		
	Waste and hazardous materials management	●							●		
	Water and wastewater management	●							●		
SOCIAL CAPITAL	Access and affordability										
	Customer privacy		●			●				●	●
	Customer welfare										
	Data security		●			●	●			●	●
	Human rights and community relations	●									
	Product quality and safety										
	Selling practices and product labelling		●		●						
HUMAN CAPITAL	Employee engagement, diversity and inclusion					●	●		●	●	
	Employee health and safety	●		●				●	●		
	Labour practices										
BUSINESS MODEL AND INNOVATION	Business model resilience										
	Materials sourcing and efficiency			●					●		●
	Physical impacts of climate change				●						
	Product design and lifecycle management	●		●	●				●		
	Supply chain management										
LEADERSHIP AND GOVERNANCE	Business ethics						●				
	Competitive behaviour					●		●	●	●	●
	Critical incident risk management	●						●			
	Management of the legal and regulatory environment	●									
	Systemic risk management				●					●	●

To create an appropriate measurement and monitoring process, the pragmatic next steps included:

1. Map the material metrics to available disclosed data
2. Form appropriate peer groups for each of the companies
3. Develop the quantitative and qualitative positioning based on the findings

CASE STUDY: CPKC

1. Materiality assessment

Below illustrates the development of the industry specific materiality map and resulting monitoring process for one of the portfolio companies, Canadian Pacific Kansas City, held in both New Court and Exbury portfolios.

CPKC

ENVIRONMENT

- GHG Emissions
- Air Quality

HUMAN CAPITAL

- Employee Health & Safety

LEADERSHIP & GOVERNANCE

- Competitive Behaviour
- Critical Incident Risk Management

CPKC: SASB MATERIALITY TOPIC OVERVIEW

GREENHOUSE GAS EMISSIONS

The Rail Transportation industry emits diesel combustion emissions from locomotive engines. Although emissions are relatively low compared to other transportation sectors, fuel management impacts operating costs and regulatory compliance. Increasing regulations and high fuel costs drive rail entities to invest in fuel efficiency improvements, enhancing operational efficiency, cost structure, and competitive position within the industry and against other transport modes.

AIR QUALITY

Rail operations emit various air pollutants regulated by national and international laws, including HAPs, CAPs, and VOCs. These pollutants have localised environmental and health impacts, such as benzene (a carcinogen) and NO_x (a component of smog and acid rain). Fuel is a significant cost for the industry, and improving fuel efficiency and managing emissions can affect costs both short-term and long-term.

EMPLOYEE HEALTH & SAFETY

Freight rail presents higher risk of accidents and hazardous material releases, harming employee health and causing financial impacts such as reduced productivity, higher turnover, and increased insurance costs. Poor employee health can also lead to accidents. A healthy workforce, strong safety culture, systematic safety approach, risk management programs, and operational integrity can reduce accident probability and severity.

COMPETITIVE BEHAVIOUR

Industry consolidation and past anti-competitive practices pressure antitrust immunity for railroads. Proposed policies may increase costs or hinder investment. Entities at charge limits or non-compliant with rate regulations face scrutiny, fines, penalties, and raising capital costs which could affect valuation. Competitive pricing and transparency are crucial to maintain returns amidst market power concerns.

ACCIDENT & SAFETY MANAGEMENT

Rail accidents and hazardous material releases impact the environment, communities, and entities financially. Stringent safety regulations and high costs from major accidents incentivise robust safety management systems. Loss of consumer confidence can lower revenues and damage an entity's social license to operate, raising cost of capital.

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2. Data and insights

The next stage involves mapping these topics to relevant measurable data points. In addition to our own research, we use data provided by an external ESG research provider, MSCI ESG Research.

Based on the disclosure topics identified above for rail transportation, the material metrics mapped are outlined in the table below.

DISCLOSURE TOPIC	SASB METRIC CODE	TYPE	MAPPED METRICS	DATA SOURCES
Greenhouse gas emissions	TR-RA-110a.1	Quantitative	Carbon Emissions – Scope 1	CDP MSCI
	TR-RA-110a.2	Qualitative	Carbon Emissions – Scope 2 Carbon Emissions – Scope 3 reported Carbon Emissions intensity (EVIC) SBTi Target	CDP MSCI
Air quality	TR-RA-120a.1	Quantitative	NOx intensity Toxic releases performance relative to peers	MSCI Company disclosure
Employee health and safety	TR-RA-320a.1	Quantitative	Total Recordable Injury Rate (TRIR) Injury frequency rate Fatality rate	MSCI Federal Rail Administration
Competitive behaviour	TR-RA-520a.1	Qualitative	Anti Competitive Behaviour Controversies	MSCI
Accident and safety management	TR-RA-540a.1	Quantitative	Accidents per million train miles	Federal Rail Administration Company disclosure

3. Qualitative and quantitative positioning

Some disclosure topics are more qualitative than quantitative, so it is important to combine the obtained data with appropriate context and outline the positioning of the business. It is also pragmatic to compare these alongside similar peers, to establish how effective the business is at managing these risks and potentially identify areas of engagement. An example of how this data is summarised and highlighted is shown for CPKC below.

GREENHOUSE GAS EMISSIONS

With the merger and increased capacity, CPKC's emissions have remained broadly in line with peers. In their latest Carbon Mileposts report, the business has outlined initiatives in four categories with the aim of improving fuel efficiency and reducing emissions:

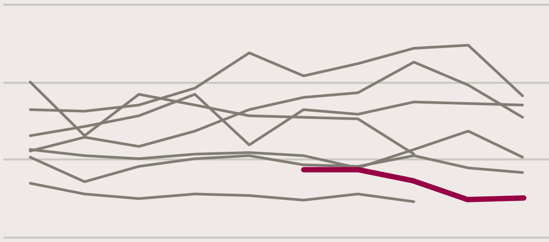
- Fuel efficiency
- Fleet renewable
- Renewable fuels
- Alternative fuels

CPKC has further expanded its hydrogen locomotive test fleet alongside exploring additional hydrogen pathways such as Hydrogen injection and hydrogen battery-hybrid. Since the merger of CP and KCS, CPKC has introduced a combined emissions reduction target validated by the Science Based Targets initiative (SBTi) and committed to setting a net-zero target, which only one other company in the peer group has completed so far.

ACCIDENT & SAFETY MANAGEMENT

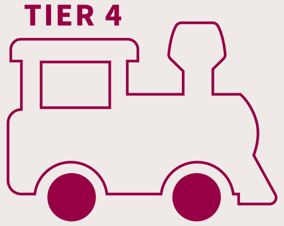
CPKC continues to operate with one of the best track records in the industry. Year on year personal injuries and frequencies have declined, and train accidents per million train miles has trended down, remaining the lowest in the peer group.

CPKC and peers train accidents per million train miles 2015-2024

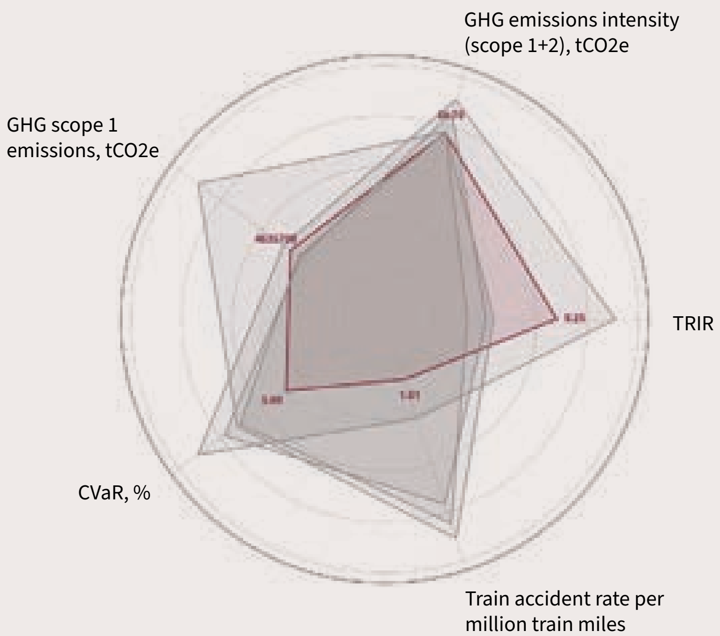


AIR QUALITY

As part of efforts in modernising the fleet, CPKC have been investing in Tier 4 locomotives which both have improved fuel efficiency and 4x less NO_x particulates during combustion compared to tier 3.



MATERIAL METRICS FOR CPKC VS. PEER GROUP (CLOSER TO THE CENTRE IS BETTER)



Source: Rothschild & Co, CPKC, MSCI ESG Manager, CDP, FRA (Federal Railroad Administration).

A note on climate risk

Climate change remains a key topic for us regardless of industry. As discussed in last year's report, Climate Value-at-Risk (CVaR) estimates the impact of the transition to a 'net zero' global economy on a business. It can otherwise be thought of as a climate stress test. Both physical and transitional risks are important to consider, and given the nature that these risks are shared across a specific industry, it makes sense to include as part of the adaptation and risk analysis. In the example of rail transportation, the biggest concentration of risk is transition risk, with the industry still heavily reliant on diesel fuel locomotives. For CPKC, its overall CVaR is the lowest among its peers – a testament to the company's strategy of decarbonising its fleet.

Decarbonisation dashboard

With climate change a key focus for us, it is important to communicate the key datapoints we monitor for our directly held businesses, especially as these assets are where we have a higher concentration. This is captured in our Decarbonisation Dashboard, illustrated below, featuring our company's disclosure and targets data.

	DISCLOSURE				TARGETS					
COMPANY	Total emissions (Scope 1+2 location-based) ($MtCO_2e$)	Disclosure carbon emissions?	Disclose to CDP?[1]	Report in line with TCFD[2]	Has net zero reduction target?	Net zero target?	Reduction interim target?	Interim target year	Target reduction %	SBTi commitment or approval[3]
Admiral	3,392	Yes	Yes	✓	✓	2040	✓	2030	50	✓
American Express	122,639	Yes	Yes	✓	✓	2035		–	–	✓
Ashtead	411,777	Yes	Yes	✓	✓	2050	✓	2034	50	✕
Booking Holdings	3,947	Yes	Yes	✓	✓	2040	✓	2030	95	✓
Cable One	64,701	No	No	✕	✕	–	✕	–	–	✕
Charter Communications	1,500,947	Yes	No	✓	✓	2035	✕	–	–	✕
Comcast	1,965,000	Yes	Yes	✓	✓	2035	✓	2030	50	✓
Constellation Software	55,085	No	No	✕	✕	–	✕	–	–	✕
CPKC	4,699,548	Yes	Yes	✓	✓	2050	✓	2030	37	✓
Deere[4]	1,052,400	Yes	Yes	✓	✓	–	✓	2030	50	✓
Eurofins[5]	204,645	Yes	Yes	✓	✓	2050	✕	–	–	✓
Linde	37,282,000	Yes	Yes	✓	✓	2050	✓	2035	35	✓
Mastercard	52,054	Yes	Yes	✓	✓	2040	✓	2025	38	✓
Moody's	7,558	Yes	Yes	✓	✓	2050	✓	2030	50	✓
S&P Global	21,710	Yes	Yes	✓	✓	2050	✓	2025	25	✓
Sika	334,185	Yes	Yes	✓	✓	2050	✓	2032	42	✓
Texas Instruments	2,509319	Yes	Yes	✓	✕	–	✓	2025	25	✓

Source: Rothschild & Co, MSCI ESG Manager, company data

[1] CDP: the Carbon Disclosure Project, a central body that systematically looks at a company's carbon disclosures thus indicating a certain level of reliability of said emissions disclosure.

[2] TCFD: The Task Force on Climate-Related Financial Disclosures, created in 2015 by the Financial Stability Board to develop consistent climate-related financial risk disclosures for use by companies, banks, and investors in providing information to stakeholders.

[3] SBTi: The Science Based Targets Initiative defines and promotes best practice in defining emissions reductions and net zero targets in line with climate science. An SBTi approved target indicates a level of scrutiny of a company's targets.

[4] We are classifying Deere as having a net zero target, which we believe is implicit through its commitment to the SBTi. We will monitor the company's progress on target setting.

[5] Eurofins partially discloses to the CDP and has internal look-through on the majority of the emissions profile of the business. This internal look-through has informed the setting of the company's carbon neutrality target. Eurofins partially reports in line with TCFD in their annual ESG report.

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A NOTE ON FORWARD LOOKING METRICS

As we noted in last year's report, forward looking metrics have a certain level of uncertainty – no model is a crystal ball. These limitations are behind our reluctance to use these metrics as a driver of investment decisions or as a prominent feature in our stakeholder communications. However these metrics are calculated as part of our TCFD disclosure. Details of these disclosures can be found on our website.

Shaping and impact

If Adaptation and risk focuses on the key risks to a company from external forces, Shaping and impact considers the effect that a company has on the planet and its stakeholders. There are two aspects to this: the operational impact of a company, and the impact of the products and services that the company provides.

Operational impact includes anything produced or extracted during the production of the products and services that the company sells - an example being the scope 1 & 2 carbon emissions that are produced by a company in its day-to-day business. Product and services impact can be defined as the consequences of using the products and services after they have been sold. These could be additional negative effects, like some of the scope 3 emissions (say, from burning gasoline in a car), or benefits, like the reduced cement (and therefore carbon emissions) needed to make concrete when using a product like Sika's admixtures.

Once we have an idea of the operational impact (nearly always extractive) and the positive and negative impacts from the products and services, we can add those together to get an understanding of the net impact of a company. Assets that have a meaningfully larger positive environmental impact than negative impact on a net basis are classified as 'enablers'. Whilst these assets can be held in any of our strategies, the Exbury strategy places an additional focus on allocating towards an increasing proportion of enablers.

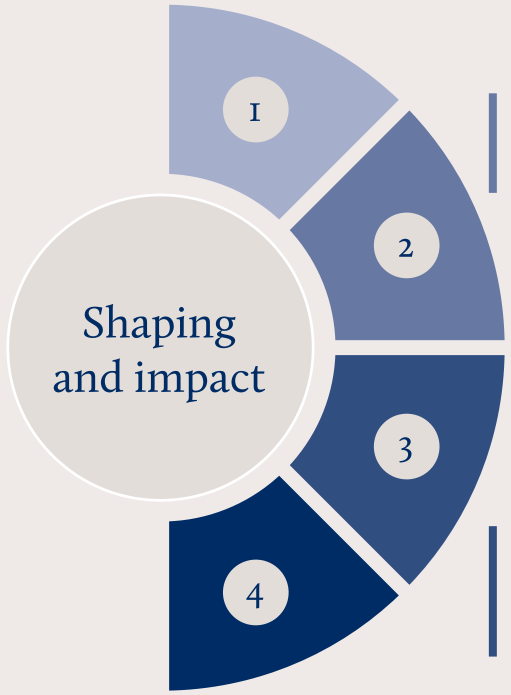
We understand that this a blunt tool to assess a company's effect on the world. Estimates of carbon emissions for scope 1, 2, and 3 emissions remain only that, estimates. For scope 3 emissions in particular, estimates make heroic assumptions, such as the standard use of a product or what becomes of it during its end-of-life. We also know that everything that matters cannot always be measured, especially when considering a business' contribution to a community or employees. However, considering these caveats, we believe that the act of making these estimates and going through this process forces us to better understand a company's holistic impact and better establish the direction of the net impact of a company, even if the actual number is not exactly right.

The flow chart below summarises how we think about impact and the steps completed to assess our directly held equities.

We seek to allocate to businesses that have dramatically larger positive impact than the negative impact on a net basis

Understand **how** a company's actions impact the goal and **how much** of the company is exposed to impacting this goal

- Quantifying the positive impact and relating it to a revenue



Calculate the adverse **product and operational** impact of the business

- How is the business progressing operationally?

POSITIVE PRODUCT IMPACT
– NEGATIVE PRODUCT IMPACT
– OPERATION IMPACT

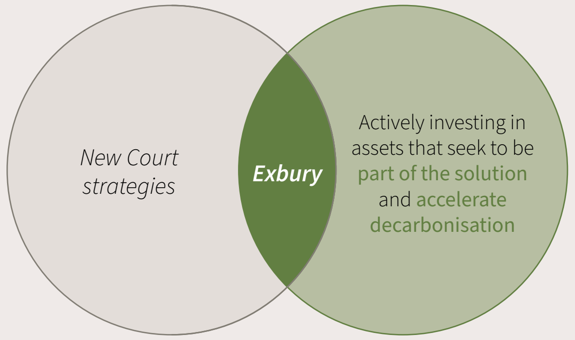
NET IMPACT

Define the **relationship** of this impact with the company's business case

- What is the contribution to the profitability of the business?

Calculate the **net benefit** from the company

- Considering the counterfactual and net benefit to stakeholders



CASE STUDY – SIKA

Estimate emissions avoided (tCO_2e)

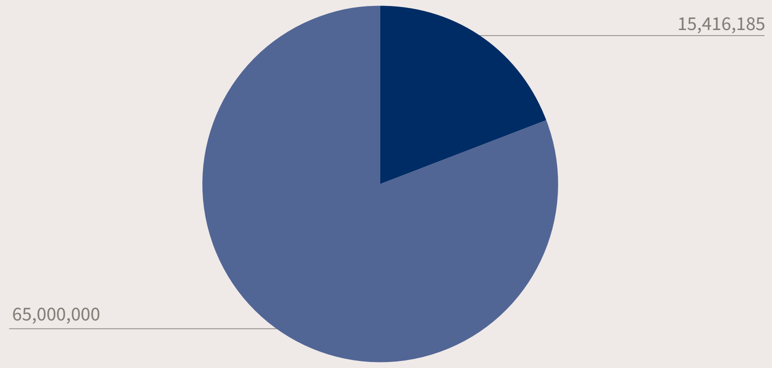
65 million

Litres of water saved by Sika optimised concrete

6 billion

Sika is a producer of speciality chemicals, mainly used in the construction and transportation sectors for bond, sealing, and reinforcing. The construction industry represents 7% of global carbon emissions with the processes themselves difficult to decarbonise. Sika addresses this issue in three key areas:

- Admixtures to reduce the CO_2 intensity of cement
- Developed a novel way to recycle concrete
- Produce products that improve ongoing energy efficiency and durability of the buildings they are installed in.



Source: Sika

ENABLER CLASSIFICATION

Enabling themes

- Responsible production and consumption
- Sustainable transport and infrastructure

Enabling activities

- Sustainable materials or technology
- Heating, ventilation and air conditioning

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Looking ahead

Dan Drain
Head of Sustainability & Co-Portfolio Manager of Exbury

Building on the progress detailed above, our focus remains firmly on the continuous evolution of our sustainability and stewardship approach. The advancements made in 2024 have enhanced our understanding of how sustainability factors impact our investment holdings and, conversely, the real-world impact associated with our investments. This stronger foundation enables us to move forward with greater clarity and purpose. As we look to the year ahead and beyond, several key priorities will shape our activities:

First, while we have made strides in integrating environmental and social considerations, a **deeper dive into the governance, culture, and purpose of the companies we invest in** remains firmly on our agenda. We believe that strong governance structures, coupled with a clear corporate purpose and a healthy organisational culture, are fundamental drivers of long-term resilience, adaptability, and ultimately, sustainable value creation. We will continue to refine our analysis to better assess these qualitative, yet critical, aspects of business quality.

Second, the landscape of sustainability data is constantly evolving. To ensure our analysis is as robust and comprehensive as possible, we recognise the need to continually assess our information sources. Therefore, we have an ambition to **explore relationships with other specialist data vendors**. This exploration will aim to supplement our existing capabilities, potentially offering alternative methodologies, or deeper insights into specific thematic areas.

Third, reflecting our commitment to continuous improvement and incorporating the lessons learned over the past year, we plan to **update our Sustainability and Stewardship Policy**. Last updated in 2023, this policy serves as a cornerstone of our approach. The upcoming review will ensure it accurately reflects our developed practices, incorporates evolving regulatory expectations, and aligns with best practices within the investment management industry.

Finally, effective integration of sustainability requires clear communication and shared understanding. We recognise the importance of equipping both our internal teams and our clients with the right information. To this end, we will focus on **creating new and updated materials for our colleagues and clients**. These resources will aim to clearly articulate our approach, share insights from our research and engagement activities, and further embed sustainability considerations into our conversations.

We look forward to giving an update in next year's report.

Our partners

Service providers

MSCI is a leading provider of ESG data and analytics. Since onboarding with MSCI in 2020, we have been able to make our sustainability integration processes more data driven, robust and repeatable, with MSCI's database complementing data we obtain directly from investments.

Developments in 2024

This year we spent time building our understanding of MSCI's forward-looking climate tools, Implied Temperature Rise (ITR) and Climate Value-at-Risk (CVaR). This included several interactions with MSCI.

The Climate Disclosure project (CDP) is a global non-profit that runs an independent environmental disclosure system for companies, capital markets, cities, states and regions to manage their environmental impacts. We utilise CDP's datasets for our direct holdings, extracting emissions data and contextual information, to complement our analysis.

Developments in 2024

This year we moved to using CDP data for the source of emissions (where available) for some of our client reporting. We also leverage disclosure around low-carbon products/services to aid our shaping and impact processes.

The Sustainable Accounting Standards Board (SASB) is a set of industry-based disclosure standards that identify the material risk and opportunity for businesses. Licencing their standards, we have integrated the standards as part of our adaptation and risk process

Developments in 2024

Using the industry standards, we have created a materiality map of our portfolios and developed our adaptation and risk process to better understand and monitor the material risks of the companies we invest in.

Thunder Said Energy is a specialist research firm, focused on economic opportunities in the energy transition. We utilise these insights as one input for our investment research process.

Industry initiatives

The PRI is the world's leading proponent of responsible investment. All investment business lines at Rothschild & Co are UN PRI signatories. Rothschild & Co Wealth Management UK has been a signatory since 2018.

Developments in 2024

Our PRI scoring improved in 2024 from last year in all the categories where we hold significant AuM. Details about our performance are available on request.

A not-for-profit, practitioner-led membership organisation, set up by institutional investors in UK companies. The forum's purpose is to position stewardship at the heart of investment decision-making by facilitating dialogue, creating long-term solutions and enhancing value.

The Investor Forum | Who we are

We have been members since 2017.

Developments in 2024

We participated in the collective engagement with UK water regulators organised by the investor forum. The investor forum also launched the investor and issuer forum, an inclusive platform for investors and issuers.

The Personal Investment Management & Financial Advice Association (PIMFA) is the trade association for firms that provide wealth management, investment services and advice to everyone from individuals and families to charities, pension funds, trusts and companies.

PIMFA | Who we are

Developments in 2024

We are part of PIMFA's Working Group and participated in a number of meetings during the year, most notably the ESG Seminar. We were also active in participating in the preparation of the PIMFA response to FCA consultation on SDR.

Important information: This document does not constitute a solicitation, recommendation or promotion of the above mentioned external companies or institutions.

Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.

Climate Action 100

We have been members since 2021.

Developments in 2024

We are supporting members of the Berkshire Hathaway engagement. For further details on this engagement, please refer to the Stewardship section earlier in this report.

The FAIRR Initiative is a collaborative investor network that raises awareness of the material risks and opportunities in the global food sector. Their focus is on high quality research and facilitating collaborative engagements for members

FAIRR Initiative | A Global Network of Investors Addressing ESG Issues in Protein Supply Chains

Developments in 2024

Rothschild & Co Wealth Management UK became members during 2024 and we plan to use the research to supplement our own processes, particularly where biodiversity is a risk for a company

Part of the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science (LSE), the Transition Pathway initiative (TPI) is an independent and authoritative source or research and data in the progress being made by corporate and sovereign entities in the transition to a low-carbon economy.

Home - Transition Pathway Initiative

Developments in 2024

The developments and improved coverage of the ASCOR tool (Assessing Sovereign Climate-related Opportunities and Risks) has led to usage in part of our assessment of sovereign bond issuers.

UK WEALTH MANAGERS ON CLIMATE

The UK Wealth Managers on Climate Group was formed in September 2023, with a collective objective of bringing together the UK wealth management industry to encourage asset managers to step up their climate change ambitions. Rothschild & Co Wealth Management UK joined this group in early 2025.

Sustainable capital

Richard Brass
Co-Head of
Sustainable Capital

Michel van der Spek
Co-Head of
Sustainable Capital

The Hive

Launched in 2023, the aim of the Hive is to mobilise employees from different departments around sustainability topics. To do that we established five key areas of focus:

- **Impact network.** Build out our network of entrepreneurs and investors that are active in the sustainability and impact space.
- **Knowledge library.** Grow our knowledge and expertise around specific topics in close collaboration with the Sustainability and Stewardship team and leverage the network that we have. This includes the 'Green Scene' monthly newsletters.
- **Branding and market positioning.** Use insights from the knowledge library to raise awareness on sustainability and impact topics through blogs, opinion pieces and podcasts that we incorporate into client materials.
- **Industry practice.** Create a platform to share best-in-class industry practices and stay on top of new sustainability initiatives.
- **Events.** Organise a series of events with relevant experts.

3-Space

Rothschild & Co was proud to host the second 3-Space in November 2024. Following the success of the inaugural event the prior year, Rothschild & Co renewed its collaboration with ImpactVC, an organisation working with venture capitalists to drive impact investing, UpLink, the open innovation platform of the World Economic Forum, and Better Society Capital, a social impact investor.

This unique gathering is framed around stimulating conversations to accelerate investment into a new breed of innovative start-ups and global sustainability strategies. Sessions included discussions on the tools needed to boost impact, interactive debates on how to scale businesses targeting specific social and environmental outputs and curated conversations on the influence of wider macro trends such as nature, policy, media and science.

Following the success of the inaugural event the prior year, Rothschild & Co renewed its collaboration with ImpactVC

Sustainability Spheres

Following the success of our 3-Space event, we launched a new series of events called Sustainability Spheres, which bring together stakeholders from a specific industry to discuss the sustainability challenges they face.

SUSTAINABLE FASHION SHOULD NEVER GO OUT OF STYLE

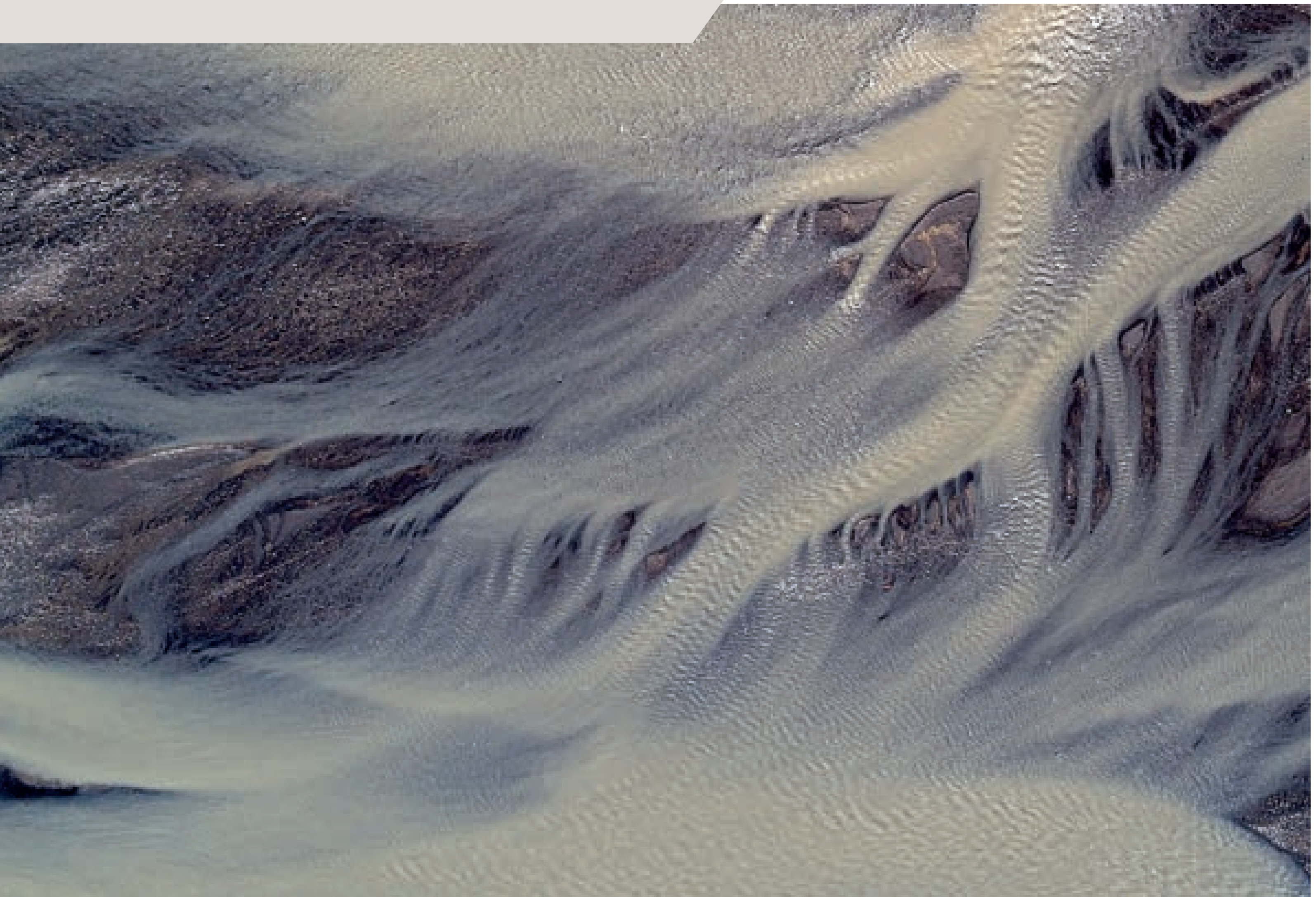
In our first Sustainability Sphere we discussed the future of 'fast fashion', a model which dominates the sector but has been criticised for being unsustainable. Industry stakeholders were asked how the industry can embed sustainable practices into their business models.

GAMING FOR GOOD

Our second Sustainability Sphere focused on the video games industry and considered how it can better drive positive social impact. Stakeholders asked how do we encourage people to play for the planet, rather than let the planet pay socially and environmentally?

SOWING THE SEEDS FOR REGENERATIVE AGRICULTURE

Within 50 years there may not be enough soil left to grow food to feed the world, and more than half of the world's agricultural land has already degraded. In our third Sustainability Sphere we asked how companies and individuals can address these challenges.



Who we are

Rothschild & Co Wealth Management UK

Rothschild & Co Wealth Management UK Limited is part of the Group's Wealth and Asset Management division.

Our **purpose** is to preserve and grow the real value of our clients' wealth for multiple generations in a sustainable way. This purpose shapes our **duty** to our clients, which is to achieve their financial objectives through both the allocation of their capital and the active ownership of the investments made on their behalf. This duty drives our **actions** and the consideration of any factors we believe are relevant to the long-term success of client portfolios.

We provide discretionary investment management to a wide range of clients, including private clients and families, and foundations and charities. Managing discretionary, multi-asset class portfolios is our core area of expertise, and we have one core investment strategy: wealth preservation in real terms. We focus all our time and energy on doing this well.

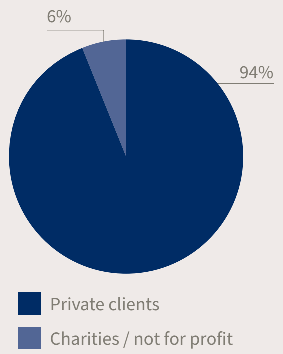
We look after £13.5 billion of assets as of 31 December 2024. More than 90% of our clients' portfolios are managed on a discretionary basis, with an 'inflation plus' return objective. We measure our success by the longevity and depth of our client relationships. Ultimately, the business's success depends on delivering successful investment returns for our clients.

Our 2027 vision is to be the best financial partner for successful families and individuals. This is not about asset growth but about focusing on the needs of our clients, which means delivering market-leading investment performance and exceptional client service.

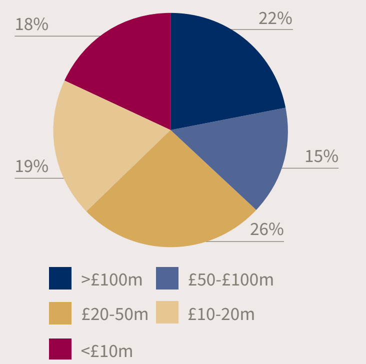
Given our distinct approach to managing portfolios, we spend a lot of time at the outset of the relationship getting to know our clients, understanding their priorities and motivations, and ensuring they fully understand our investment philosophy and approach. A key aspect of our investment offering is our client service. Clients have high expectations of Rothschild & Co Wealth Management UK, and we seek to exceed those expectations. Over the years, we have been fortunate to be recognised frequently by the industry for our levels of client service.

We have deliberately structured our business to make a clear distinction between the roles of the Portfolio Managers and Client Advisers. We employ highly experienced Client Advisers who are the main point of contact for clients and manage the day-to-day communications. This allows our investment team to focus on managing the portfolios and delivering performance. Our clients can expect to interact with engaged and experienced individuals who act in a way that is clear and transparent.

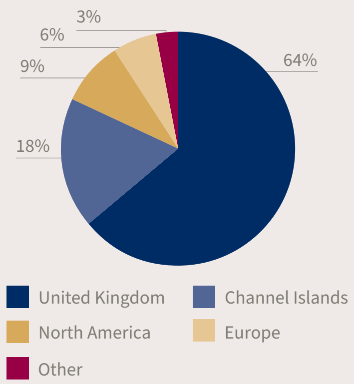
ASSETS UNDER MANAGEMENT (AUM, %) BY CLIENT TYPE



DISCRETIONARY AUM (%) BY SIZE OF PORTFOLIO RESIDENCY



AUM (%) BY CLIENT RESIDENCY



Source: Rothschild & Co, data as at 31 December 2024

Philosophy and beliefs

INVESTING FOR GENERATIONS

As a family-controlled business, we have been investing for generations for over 200 years, and we aspire to do so for decades to come. Regardless of client type or portfolio size, our clients look to us to be a safe and secure home for their assets. We manage our clients' assets with the same care and diligence we do our own. Through our investments, we aim to preserve the wealth of future generations, as well as the environment and society they will inherit.

OUR BELIEFS

The following beliefs underpin our investment philosophy and determine the way we invest our clients' capital. We believe that:

1. **Long-term thinking creates greater value**

A long-term investment horizon allows us to ignore short-term market noise and focus on what really matters. Instead of chasing short-term returns, we act and think like business owners and build active partnerships with the companies and funds that we invest in.

2. **Investors need to protect themselves against inflation in order to preserve and grow wealth in real terms**

Even modest levels of inflation erode the real value of capital over time. Our investment objective is to outpace inflation. We do this by investing in high-quality companies with pricing power and high barriers to entry.

3. **Sustainability is a fundamental investment issue**

Sustainability factors or ESG factors cannot be separated from economic factors; they are an inherent part of the long-term risks and opportunities for any company. Sustainability analysis is explicitly integrated into our investment process. As long-term investors, we want to own high-quality businesses that have resilient business models and sustainable business practices.

4. **Navigating market downturns well is a crucial part of the journey**

We seek assets that provide genuine protection during periods of market stress. This allows us to smooth the journey for our clients. Our in-depth research on companies means that we invest with conviction while minimising the risk of permanent capital loss. Taken together, we build sensibly diversified portfolios, combining investments in high-quality companies with assets that provide insurance in times of turbulence.

INVESTMENT PHILOSOPHY

Our investment philosophy is built on preserving and growing our clients' wealth in real terms for generations. We seek to deliver strong risk-adjusted returns over the long term while avoiding large losses during periods of market weakness.

We build portfolios with two distinct parts: 'return assets', which we expect to generate inflation-beating returns over time, and 'diversifying assets' which help us avoid large losses. The appropriate split between return and diversifying assets is determined by clients' individual return objectives and tolerance for risk.

Our approach is benchmark agnostic, and rather than a market index determining how we construct portfolios, we look globally for the best investments to meet our clients' investment objectives, regardless of asset class, sector, or geography. This is 'bottom-up' investing, whereby the asset, sector, and geographical mix of our portfolios is an output of our investment decisions, rather than the starting point.

Everything we invest in is selected on its own merits. There are no 'underweight' or 'overweight' positions; if we don't believe an investment or asset class is going to help us deliver our clients' return objectives, we won't own it.

We do not employ a strategic asset allocation but instead rely on a risk budget to manage risk at the portfolio level. While we agree that portfolios need to be diversified, achieving genuine diversification requires more than just selecting the ratio between equities and bonds, and other asset classes. It's about understanding the underlying risk characteristics of each asset and how they will behave in different market environments, rather than relying on asset 'labels'.

RETURN ASSETS

Return assets are investments that we believe can generate real capital growth and therefore drive long-term performance. We think we can best achieve our objective of growing our clients' capital by owning high-quality businesses for the long term, either directly or indirectly via funds. There are two aspects to 'high quality'. One is what the business does, and the other is how it does it.

We believe high-quality businesses have resilient business models: these companies are likely to be able to sustain their market position and grow their profits long into the future. They have durable competitive advantages, such as economies of scale, network effects, and a compelling brand or intellectual property, to name a few.

At the same time, high-quality businesses need to demonstrate sustainable business practices. Environmental and social factors can become financial factors over the long term. Companies need good governance to manage their material ESG risks and opportunities well. Stakeholder interests need to be balanced appropriately – not just those of shareholders and senior management – but also employees, customers and suppliers, as the detrimental treatment of other stakeholders may be profitable in the short-term, but long-term success is dependent on the successful balancing of these interests.

DIVERSIFYING ASSETS

The role of the Diversifying assets is to protect our clients' capital in periods of market stress and to limit the impact of equity market falls, thereby smoothing some of the inevitable highs and lows of being invested in equity markets. The diversifying assets serve to protect portfolios from systemic risks, such as market dislocations caused by recessions or events that cannot be foreseen, such as the COVID-19 crisis or the war in Ukraine.

We don't pretend that we can predict what the next market crisis will look like or when it will happen. To make portfolios robust in any scenario, we look to diversify our return assets, but also to 'diversify our diversifiers' to have multiple lines of defence. We identify a variety of diversifying strategies that will behave in different ways to make our portfolios robust in different market scenarios. Some assets aim to provide protection against a sharp market crash, others against a slow protracted downturn. We also consider how the portfolio behaves in inflationary or deflationary scenarios.

Return assets

- Assets we expect to generate real capital growth and drive long-term performance
- Includes all securities and funds we would expect to be correlated to equity (stock) markets, albeit to varying degrees
- Examples include equities, certain hedge funds, property, corporate bonds, and commodities

Diversifying assets

- Assets we expect to provide genuine diversification or protection
- Display little correlation to equity markets, even in extreme conditions
- Examples include inflation-protected government bonds, diversifying hedge funds, cash, and portfolio protection (put options)

Overview of our strategies

NEW COURT

Our broadest strategy, combining return and diversifying assets with an objective of wealth preservation in real terms and long-term capital growth.

HALTON

Our most concentrated strategy investing in listed equities only.

EXBURY

This strategy combines return and diversifying strategies with an objective of wealth preservation in real terms and long-term capital growth.

Furthermore, within Exbury we have an additional focus on investing in assets enabling the goals of the Paris Agreement and supporting the transition to a lower-carbon world.

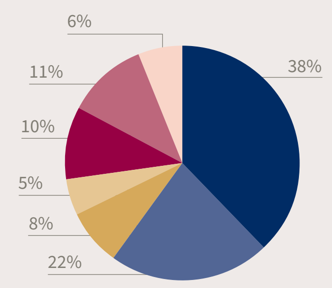
We call these 'enablers', defined by a meaningful contribution to at least one of the four themes below:

- powering our world
- sustainable transport and infrastructure
- responsible production and consumption
- finance and the transition

Allocations in a typical client portfolio

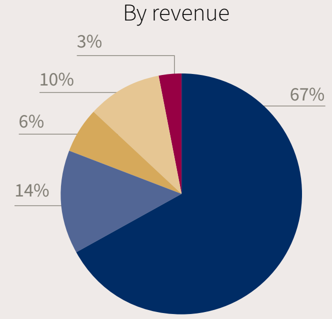
PORTFOLIO BREAKDOWN

Approximate allocations at the end of 2022 were:



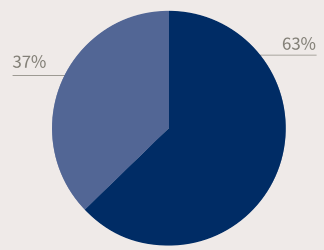
CURRENCY POSITION

By revenue



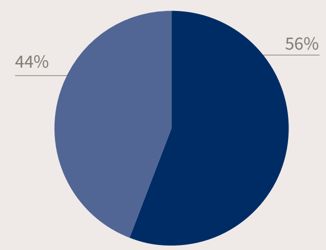
DIRECT INVESTMENTS VS. THIRD-PARTY MANAGERS

Return Assets



DIRECT INVESTMENTS VS. THIRD-PARTY MANAGERS

Diversifying Assets



The above allocations are based on clients with a 'Balanced' risk profile, which is representative of the assets at Rothschild & Co Wealth Management UK
Allocations for clients with different risk profiles will differ

Rothschild & Co Group

Rothschild & Co's purpose is to provide a distinct perspective that makes a meaningful difference to our clients' business and wealth, our planet, and the communities we are part of.

As a family-controlled business with more than 200 years of heritage, we know that long-term value creation depends on the balanced consideration of the interests of all our stakeholders. Enabling a future where everyone can thrive is a fundamental requirement for sustaining a successful business over the long term, managing risks for the Group's stakeholders, and unlocking opportunities for growth. As such, sustainability is fundamental to delivering the Group's strategy across its business model.

With a team of 4,660 talented financial services specialists on the ground in over 49 countries across the world, we deliver a unique global perspective across four market-leading business divisions: Global Advisory, Wealth Management, Asset Management, and Five Arrows.

In 2024 the Group revised its strategic sustainability priority framework which is aimed at providing focus and a long-term roadmap for the nuanced consideration of most relevant sustainability risks, impacts and opportunities across the most relevant activities.

A common set of strategic priorities provides the Group with a clear focus, ensuring that sustainability is an imperative across the Group's business model, including its:

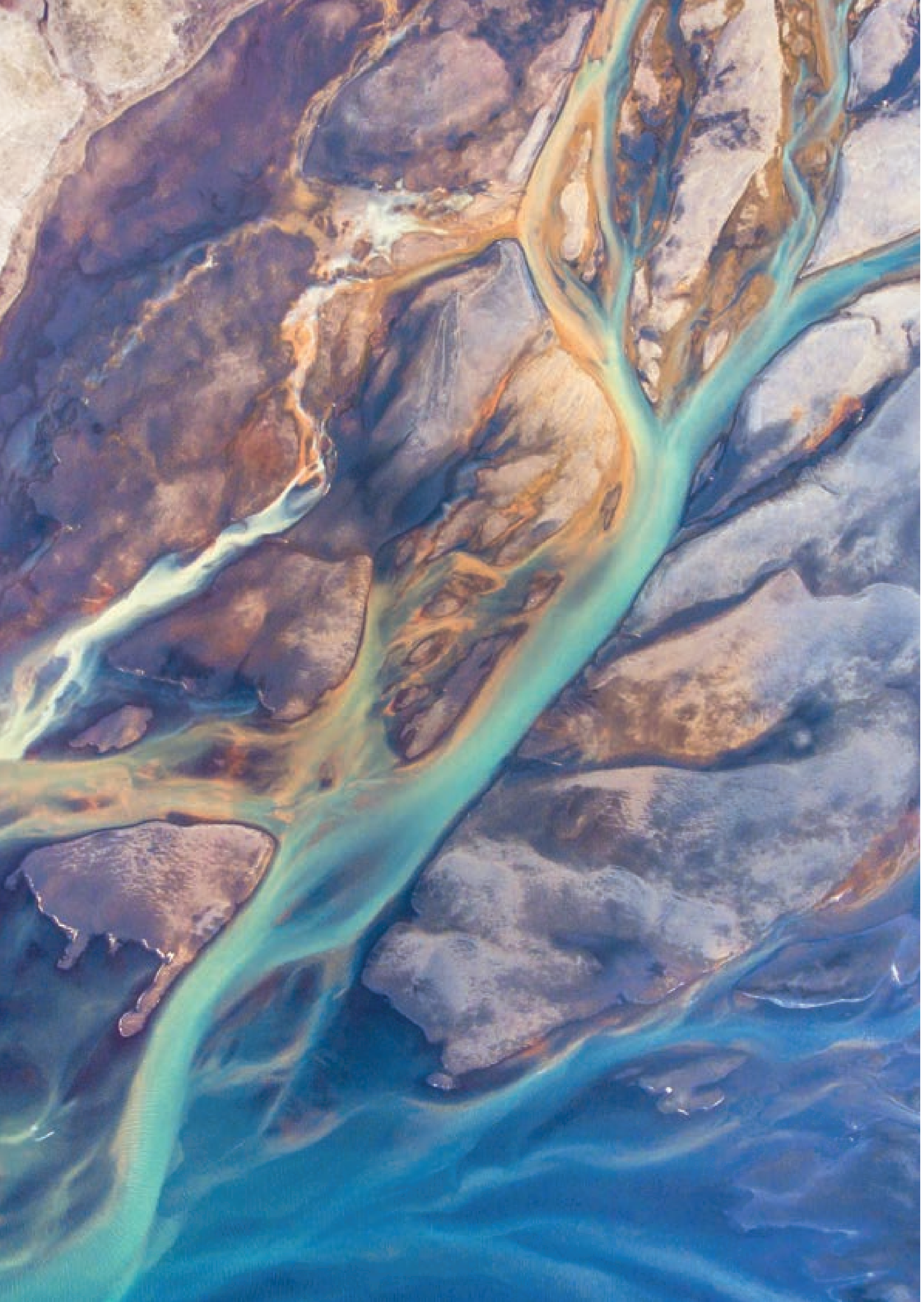
- direct operational impact
- investment approaches in the Wealth and Asset Management and Five Arrows businesses
- transaction advice in the Global Advisory business, including dedicated ESG advisory expertise
- client and mandate onboarding
- engagement of other operational supply chain partners
- approach for support of charities and social enterprises.

The Rothschild family control creates the stability and long- term perspective not matched by many organisations. We are unconstrained by short-term thinking – our decisions are not driven by quarterly or annual results – and can be patient. This manifests in a culture of responsible business and long-term value creation for our clients, staff and other stakeholders.

Responsible management of our operations, resources and services plays a fundamental role in our approach to business and achieving our long-term strategic objectives. The importance of getting it right cannot be overstated, given the potential impact on our people, the industry, local communities and the planet.

Our culture is rooted in the Rothschild family values and is central to our longevity and success. This commitment to a culture of responsible business is firmly embedded in our business model.

Rothschild & Co's purpose is to provide a distinct perspective that makes a meaningful difference to our clients' business and wealth, our planet, and the communities we are part of.



Appendices

Appendix 1 – UK Stewardship Code mapping

The UK Stewardship Code 2020 sets high stewardship standards for those investing money on behalf of UK savers and pensioners, and those that support them. Stewardship is the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

Rothschild & Co Wealth Management UK was a signatory of the previous Code and has been a signatory of the current Code since 2021.

The table on page 46 details where information relating to each principle can be found in this report.

Rothschild & Co Wealth Management UK was a signatory of the previous Code and has been a signatory of the current Code since 2021.

UK Stewardship Code Principle	Section(s)	Page
Principle 1	Who we are	**39**
Principle 2	Appendix 2 – Governance at Rothschild & Co Wealth Management UK	**47**
	Sustainable capital	**37**
Principle 3	Appendix 3 – Conflicts of interest	**48**
Principle 4	Our partners	**34**
	Sustainable capital	**37**
Principle 5	Sustainability	**22**
Principle 6	Who we are	**39**
	Appendix 4 – Communications	**50**
Principle 7	Sustainability	**22**
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	Our partners	**34**
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Principle 10	Stewardship	**06**
	Our partners	**34**
Principle 11	Stewardship	**06**
Principle 12	Stewardship	**06**

Appendix 2 – Governance

Information about the governance of sustainability issues across Rothschild & Co Wealth Management UK can be found in our Taskforce on Climate-Related Financial Disclosures (TCFD) report available here: https://www.rothschildandco.com/siteassets/publications/rothschildandco/wealth_management/legal/rothschild--co-wealth-management-uk---tcfd-report-2024.pdf

Details about the sustainability strategy across the wider Rothschild & Co Group can be found here: https://www.rothschildandco.com/siteassets/publications/rothschildandco/group/2024/en_randco_sustainability_report_2024.pdf

Appendix 3 – Conflicts of interest

As a client-centric business, we seek to always act in our clients' best interests, treat all clients fairly and communicate with them in an honest and transparent way.

We believe the likelihood of conflicts of interest arising in our investment or stewardship activities is limited, given the focus of our investment activities, the concentrated nature of our investment portfolios, and the fact that no individual has sole responsibility for any investment, stewardship or voting decision.

However, we recognise that potential conflicts of interest may arise from time to time, and our policies and procedures are designed to enable us to identify them at an early stage, including with counterparties, third parties, and in relation to stewardship.

Rothschild & Co Wealth Management UK's Conflicts of Interest Policy sets out our minimum requirements and standards. It also describes how we identify, manage and escalate conflicts of interest to prevent clients being adversely affected:

- Any conflicts of interest identified either through compliance monitoring activities, internal audit or business detection are escalated to Compliance and recorded in the Conflicts of Interest register.
- An assessment will be undertaken on the conflict of interest, the risk it represents and the organisational response in relation to this conflict of interest: decline to act or accept with risk mitigation measures in place and disclosure.
- Any material conflicts of interest and the corresponding response will be recorded and escalated to the board for their awareness.

The policy provides clear guidance on management of conflicts that might arise in relation to:

- access to inside information
- confidential client information
- the order and execution of trades
- management of client accounts
- voting and engagement
- personal account dealing
- gifts and entertainment
- outside interests.

Rothschild & Co Wealth Management UK's Conflicts of Interest policy is publicly available on our website. The policy and its related procedures are reviewed at least annually by the Rothschild & Co Board, together with our Risk and Compliance team, and updated as appropriate.

Conflicts of Interest training is part of the induction programme for all new employees, and existing employees are required to complete annual refresher training.

We recognise that potential conflicts of interest may arise from time to time, and our policies and procedures are designed to enable us to identify them at an early stage.

How we mitigate and manage potential conflicts

Potential conflict	Mitigation/or management
Inside information	When engaging with investee companies, it is our strong preference not to be made an 'insider'. Given the concentrated nature of our portfolios, it's also something that we expect will only happen rarely. Occasionally, client teams will be given inside information by clients who are directly involved with listed companies. In the event we receive any type of non-public price sensitive information, it must be reported immediately to Compliance. In order to ensure adherence to our legal and regulatory obligations, Compliance will determine whether trading activity in the security in question needs to be restricted. Restrictions may be hardcoded in our systems and trading prohibited until it is deemed that the information is in the public domain. This includes personal dealing, which will also be monitored by Compliance. Being part of the wider Rothschild & Co Group, there are strict information barriers in place designed to restrict the flow of information between Group entities performing conflicting functions. This includes the segregation of data and computer systems, as well as physical separation of certain businesses and staff (prohibiting access to the same part of the office).
Preferential treatment of one client over another	Our order management system is designed to deliver fair allocation of aggregated orders across multiple clients. This is subject to regular review by Compliance.
Accepting gifts and entertainment	The firm has a strict policy on the acceptance of gifts and hospitality, which may give rise to a conflict of duties owed to clients or the firm. Gifts and/or hospitality can only be accepted if modest and/or infrequent. All gifts and entertainment are recorded and reviewed by Compliance.
Connected persons	Rothschild & Co Wealth Management UK employees may not act for a client where they have close links (such as a familial relationship) with the client concerned, as this may influence the employee to put that client's interests ahead of those of others.
Outside interests	Rothschild & Co Wealth Management UK employees cannot hold any outside activity or position outside their professional capacity that may conflict with their duties to the firm and its clients. Prior clearance must be granted in advance of engaging in any outside activity and, in certain circumstances, clearance may be withheld.

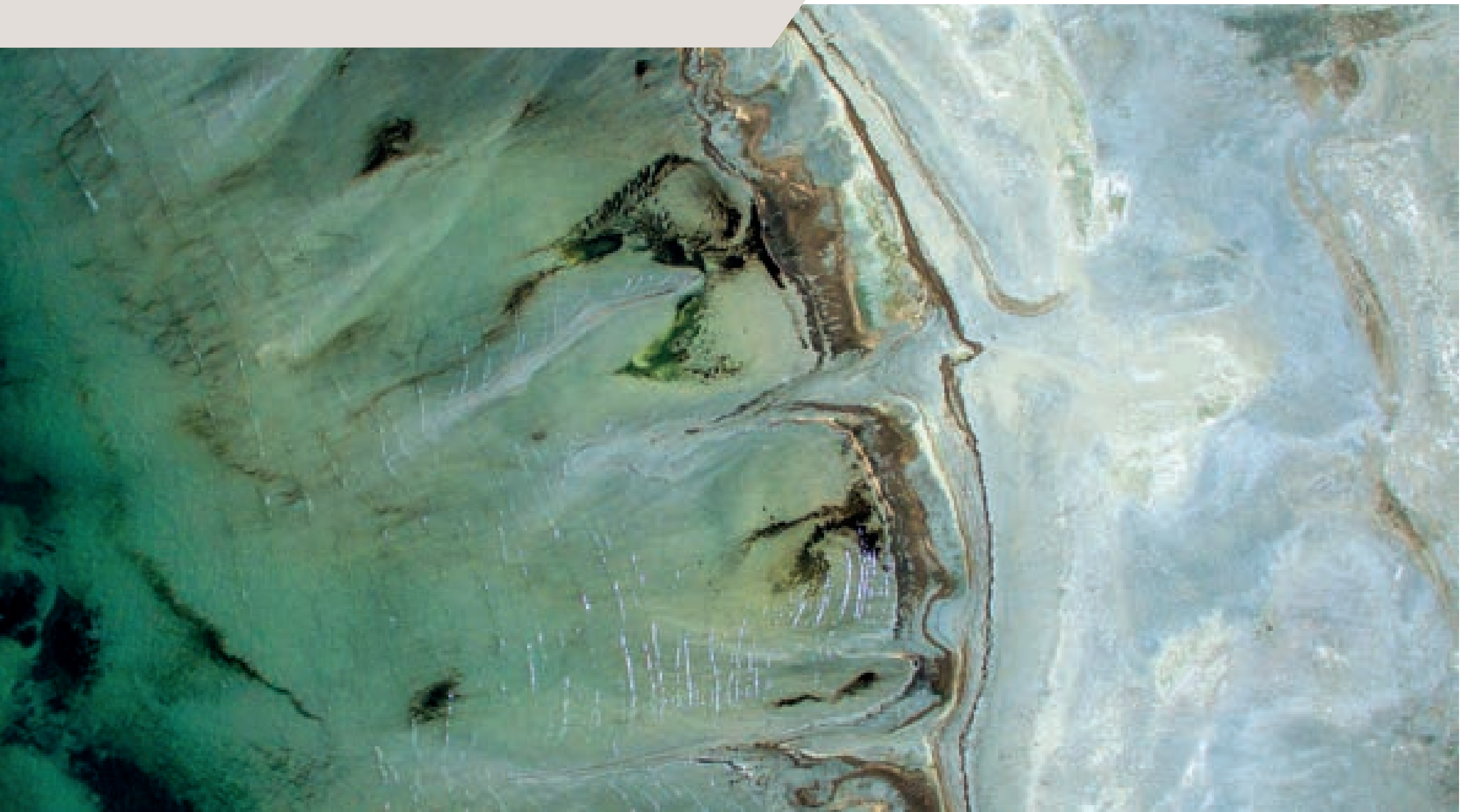
Appendix 4 – Communications

We aim to report our activities and information about portfolios to our clients in a fair, balanced and approachable way. This is in line with our general approach to client reporting, which we design to be user friendly, free of jargon and relevant. We are transparent about parts of the portfolio that are performing well and those which are performing less well, and the reasons why. The same applies to our reporting on sustainability and stewardship.

Since 2021 we have made a quarterly presentation available to clients that includes relevant news from portfolio holdings, key internal developments, stewardship highlights and both portfolio level and asset level data.

We are also happy to have ad hoc interactions with clients, either about specific holdings or issues, through to general discussions about the relationship between sustainability themes and their investments

We aim to report our activities and information about portfolios to our clients in a fair, balanced and approachable way.



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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.

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Notes

At Rothschild & Co Wealth Management we offer an objective long-term perspective on investing, structuring and safeguarding assets, to preserve and grow our clients' wealth.

We provide a comprehensive range of services to some of the world's wealthiest and most successful families, entrepreneurs, foundations and charities.

In an environment where short-term thinking often dominates, our long-term perspective sets us apart. We believe preservation first is the right approach to managing wealth.