



2025

# Sustainability and stewardship report: policy and context

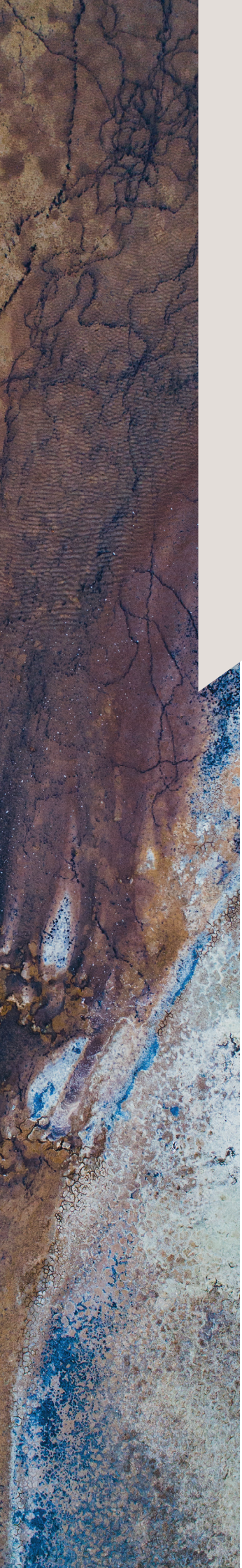


Image sources: © Gettyimages

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**Michel van der Spek**  
Co-Head of Sustainable Capital and Co-Head of Portfolio Management

A handwritten signature in black ink, appearing to read 'MvdS'.



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

A handwritten signature in black ink, appearing to read 'Dan Drain'.



**Blaine Abraham**  
Head of Stewardship

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# Organisation, investment beliefs and stewardship approach

## 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 over 4,660 talented financial services specialists on the ground in over 50 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 that's unmatched 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 Wealth Management UK

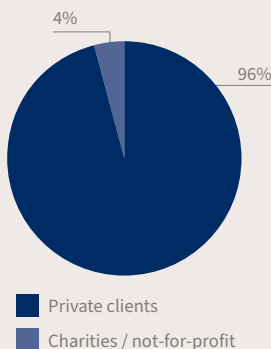
Rothschild & Co Wealth Management UK (“Rothschild & Co WM UK”) is part of the Rothschild & Co Group’s Wealth and Asset Management division. Our purpose is to preserve and grow the real value of our clients’ wealth for multiple generations in a sustainable way. This purpose shapes our duty to our clients, 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 £18bn of assets under management as of 31 December 2025. More than 90% of our clients’ assets are managed on a discretionary basis, with an ‘inflation plus’ return objective.

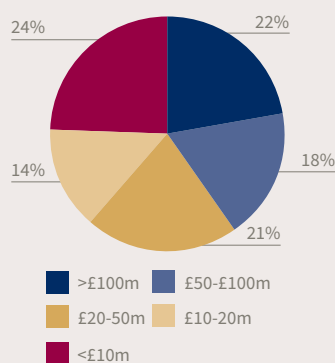
Our vision is to be the best financial partner for successful families and individuals. We spend a lot of time at the outset of the relationship getting to know our clients, understanding their priorities and motivations, and ensuring they fully understand our investment philosophy and approach. A key aspect of our investment offering is our client service. Clients have high expectations of Rothschild & Co WM 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 are clear and transparent. Our Client Advisers and Portfolio Managers have regular contact in both scheduled and unscheduled interactions to share information about markets, portfolio updates, and client needs.

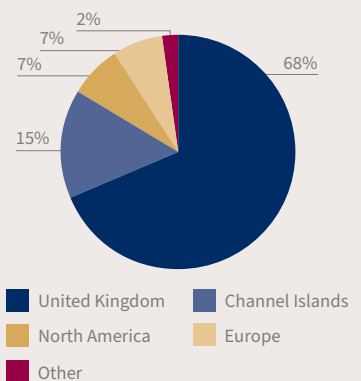
**ASSETS UNDER MANAGEMENT (AUM, %) BY CLIENT TYPE**



**DISCRETIONARY AUM (%) BY SIZE OF PORTFOLIO RESIDENCY**



**AUM (%) BY CLIENT RESIDENCY**



Source: Rothschild & Co, data as at 31 December 2025

## Our clients

Our client base comprises predominantly private clients, alongside charities and not-for-profit organisations. As of 31 December 2025, our client composition was:

- Private clients: 96%
- Charities and not-for-profit organisations: 4%

Our client base is geographically diverse:

- United Kingdom: 68%
- Channel Islands: 15%
- Europe: 7%
- North America: 7%
- Other regions: 2%

## Our investment approach

### 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.

### 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 focus on what really matters. 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

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 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.

## 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

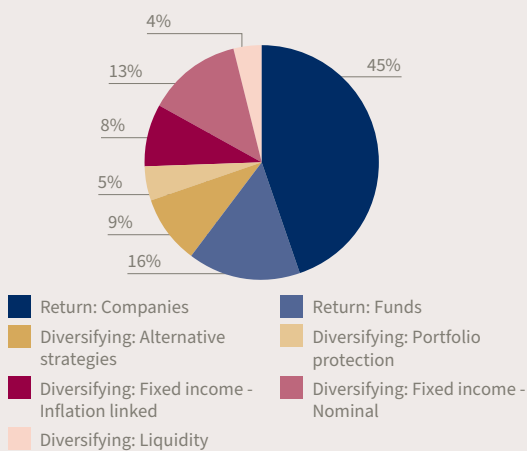
The role of the Diversifying assets is to protect our clients' capital in periods of market stress and to limit the impact of equity market falls, thereby smoothing some of the inevitable highs and lows of being invested in equity markets. The diversifying assets serve to protect portfolios from systemic 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.

## Allocations in a typical client portfolio

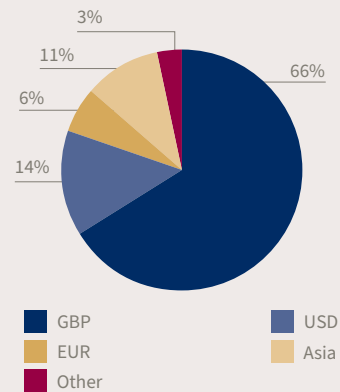
### PORTFOLIO BREAKDOWN

Approximate allocations at the end of 2025 were:



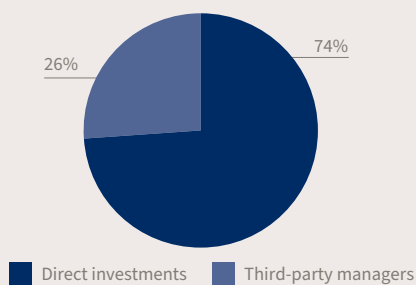
### CURRENCY POSITION

By revenue



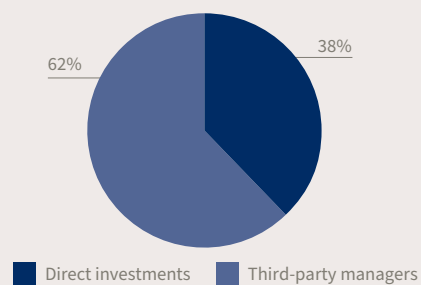
### DIRECT INVESTMENTS VS. THIRD-PARTY MANAGERS

Return Assets



### DIRECT INVESTMENTS VS. THIRD-PARTY MANAGERS

Diversifying Assets



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

## Overview of our strategies

### NEW COURT

Aims to grow and preserve wealth in real terms, by combining return and diversifying assets, following a bottom-up asset selection process.

### HALTON

Builds on the bottom-up asset selection process deployed by New Court. Halton invests in direct equities only.

### EXBURY

Exbury is built on the same investment philosophy as New Court. It has an additional objective to invest thematically in the energy transition and the decarbonisation of the global economy. We've identified five pathways that enable this transition.

- **Clean Power** – the generation, storage and distribution of clean electricity that underpins decarbonisation across the economy
- **Industrial Transformation** – the re engineering of manufacturing, materials and processes to reduce emissions, waste and resource intensity
- **Future Mobility** – the electrification and redesign of transport systems to move people and goods cleanly and efficiently
- **Resilient Infrastructure** – the strengthening of physical and digital systems to withstand climate, geopolitical and operational shocks
- **Sustainable Finance** – the financial architecture that channels capital, prices externalities and accelerates progress across all other enablers.



## Our approach to stewardship

We define stewardship as the responsible allocation, management, and oversight of capital to create long-term value for clients and contribute to well-functioning markets.

Our stewardship approach reflects our position as a long-term owner of businesses. We prioritise building knowledge of the companies and markets in which we invest, and developing partnerships with investee companies, other investors, and market participants. Through engagement, voting, and collaborative action, we seek to influence positive outcomes on sustainability and governance issues material to long-term value creation.

Key aspects of our approach are outlined below. Full details of how this appears in action can be found in the Activities and Outcomes section of the Sustainability and Stewardship Report.

Key elements of our active ownership strategy include:

- **Engagement:** We communicate directly with the management of investee companies to influence corporate behaviour; focusing on improving governance, enhancing sustainability practices, and mitigating risks. We achieve this through building long-term partnerships with companies and fund managers by holding investment positions over long periods of time.
- **Voting:** We exercise our voting rights actively and directly (not via an agent), using them as a lever to promote best practices, hold companies accountable, and maintain shareholder rights. This independent decision making process enables us to act in the best interests of our clients.
- **Monitoring and Reporting:** We maintain a continuous dialogue with investees (especially companies) to track their progress on issues, regularly assessing their performance and pushing for further improvements where necessary

### ENGAGEMENT

#### How do we prioritise our engagements?

We prioritize stewardship activities by assessing the materiality of the engagement topic and the likelihood of achieving results. Materiality measures real-world impact; for example, the effect of even a 1% reduction in carbon emissions by Berkshire Hathaway is worth more than the total carbon emissions of the bottom half of contributors from the New Court portfolio combined. Likelihood increases with factors like larger holdings, strong relationships, and internal or external pressures on the company. This approach helps us allocate resources efficiently; urgency, deadlines, and risks are also taken into account.

#### How do we assess and track our engagements?

We work closely with our investee companies and value ongoing engagement throughout the process. Rather than viewing discussions as pass or fail, we track progress using a label system ranking engagements from zero (issue not acknowledged) to four (evidence supporting implemented policies). This approach, adopted from one of our funds, sets a high standard for reporting on active ownership. Our goal is to help move companies up this scale through continued involvement.

## VOTING

An important aspect of our active ownership, and one of the key tools we have to influence companies alongside engagement, is exercising our rights as shareholders through proxy voting at company shareholder meetings. Our approach is:

### Comprehensive

We consider voting shares in discretionary portfolios essential to our active ownership and fiduciary duties. We vote on all holdings where possible, always prioritizing clients' long-term interests. Clients may direct votes for execution-only positions. We do not lend client stock, and Rothschild & Co WM UK's primary custodian has no stock-lending arrangements inside or outside the group, ensuring our voting rights remain intact. Occasionally, we hold non-voting shares for liquidity reasons; in such cases, we still review annual shareholder meeting materials and meeting outcomes.

### Case by case

Because our portfolio is relatively concentrated, we can internally review all resolutions without needing outside proxy advisers. This approach also frees us from using strict frameworks to direct voting based on preset conditions. Instead, we carefully consider the unique circumstances and complexities of each company. Since we seek investments in high-quality businesses, most board-recommended resolutions we encounter are straightforward and require minimal discussion. However, some proposals demand deeper consideration—often due to issues like poor performance, controversy, negative media coverage, or broader concerns such as climate change. We also pay particular attention to shareholder-submitted resolutions, given that their interests may align with ours. For resolutions that warrant more deliberation, the investment team members most relevant to the issue participate in decision-making, with the rationale behind each conclusion recorded. These decisions involve the Co-Heads of Portfolio Management, the lead analyst for the stock, and the Sustainability and Stewardship Team.

### Communicated

Since we expect transparency from our companies and their management, we strive to reciprocate. Generally, we aim to discuss and resolve any concerns with management through our engagement, and if we decide to abstain or vote against the company, we aim to communicate this to management beforehand. Our annual Sustainability and Stewardship Report provides our clients with our voting record on an annual basis and a summary is available quarterly. In our Activities and Outcomes report, we disclose the number of resolutions voted on and whether we voted with or against the recommendations of a board. We provide the rationale for certain voting decisions, including but not limited to those where we voted against the recommendations of a board. We are also happy to share information on an ad hoc basis upon client request.

We expect our third-party managers to exercise their voting rights wherever possible. Ideally, the actions of our third-party managers are supported by a proxy voting policy. We give full discretion to third-party managers on how to vote, but we expect them to report back to us on their proxy voting record on an annual basis. Where managers have voted against company management, or a vote was contentious and they voted in favour, we expect to receive a detailed rationale.

# Governance and resources

## Governance structure

### GOVERNANCE AT ROTHSCHILD & CO WEALTH MANAGEMENT UK

Within Rothschild & Co Wealth Management, responsibility for stewardship rests with the Co-Heads of Portfolio Management, who set the investment strategy and direct the investment team's activities.

Our weekly Investment Committee meeting forms a core part of our robust decision making and governance framework, ensuring consistency, oversight and alignment across portfolios. As long term investors, we nonetheless recognise the importance of agility in an evolving political and economic environment. Accordingly, the Investment Committee retains the flexibility to convene additional meetings or take decisions outside the regular meeting cycle where necessary, while ensuring appropriate governance oversight and documentation are maintained.

The Co-Heads of Portfolio Management have a wealth of investment experience and have worked together for more than a decade. They report to James Morrell, the CEO of Rothschild & Co Wealth Management UK.

As part of their oversight, the Co-Heads of Portfolio Management ensure that sustainability factors are fully embedded in the research, from the idea generation stage through to the ongoing monitoring of existing investments. They also drive the evolution of ESG processes, set the agenda for engagements and start new initiatives. The wider investment team is made up of over 20 experienced individuals. Each member of the investment team plays an important role in considering stewardship in their research and analysis and integrating this into the investment process.

*Our weekly Investment Committee meeting forms a core part of our robust decision making and governance framework, ensuring consistency, oversight and alignment across portfolios*



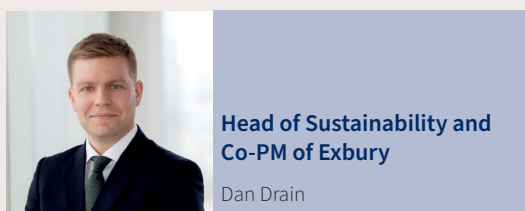
## Rothschild & Co Wealth Management UK Sustainability and Stewardship team and resourcing



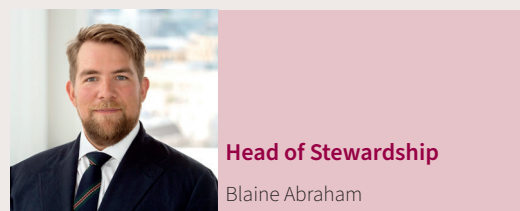
- Co-Portfolio Manager of environmentally themed Exbury offering
- Co-Head of Sustainable Capital, launching the Hive initiative to mobilise employees from different departments around sustainability topics



- Works with entrepreneurs, business owners, charities and foundations to build out network in the sustainability space
- Active in the impact investment sector since 2008
- Co-Head of Sustainable Capital, launching the Hive initiative to mobilise employees from different departments around sustainability topics



- Directing sustainability process and work streams within the investment team
- Collaborating with colleagues across WMUK, and the wider Group, to develop and execute sustainability related strategy
- Co-Portfolio Manager of environmentally themed Exbury offering



- Leading stewardship activities and policy
- Identifying and prioritising areas for engagement with holdings
- Leading engagements alongside analysts
- Oversight of proxy voting
- Internal and external reporting
- Co-ordinating with colleagues across group to develop stewardship strategy and engagements



- Leading sustainable investment processes development
- Implementation of WMUK, wider Group and regulatory-dictated sustainability related strategy
- Thematic research strategy development
- Internal and external reporting



- Oversight and development of sustainability data and analytics
- Analytical support to team

## External service providers

### 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.



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 2025

We continue to use CDP data for a more granular source of emissions data (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. Licensing their standards, we have integrated the standards as part of our adaptation and risk process.

#### Developments in 2025

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. We also participated in the SASB consultation which proposed changes to some of the industry standards.

## netpurpose.

Net Purpose is a data provider that specialises in quantifying the impacts of a company's product and services using Life Cycle Assessments and peer-reviewed research. We onboarded them as a data provider in early 2025.

#### Developments in 2025

After onboarding the data provider, we have utilised the carbon avoided dataset to validate our impact assessments and deepen our understanding of the impact exposure we have with from our third-party funds.



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.



### THE INVESTOR FORUM

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.



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](#)

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.



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.

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



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 2025**

Rothschild & Co Wealth Management UK attended several FAIRR events, and contributed to a group engagement with JBS.



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 of 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 2025**

The developments following the public consultation and improved coverage of the ASCOR tool (Assessing Sovereign Climate-related Opportunities and Risks) has led to continued use in part of our assessment of sovereign bond issuers. The update to the methodology simplified some of the metrics and added evaluation of recent trends.

# Policies, processes and review

## Key stewardship policies

We maintain the following policies to guide our stewardship activities:

- **Sustainability & Stewardship Policy<sup>1</sup>:** Sets out our overall approach to integrating sustainability considerations into investment decisions and stewardship activities. This policy was last updated in 2025.
- **Engagement Policy:** Governs how we conduct engagement with companies and other stakeholders.
- **Voting Policy:** Establishes principles and procedures for voting at shareholder meetings.
- **Conflicts of Interest Policy:** Ensures that conflicts of interest are identified, escalated, and managed appropriately.

## Selection and oversight of external managers

### STEWARDSHIP IN MANAGER SELECTION

We expect managers to have a formal sustainability (or similar) policy, however, we are more concerned with the integrity of a manager's philosophy and approach, and evidence of an ongoing commitment to investing sustainably. Encouraging some managers to adopt or improve their policy is often an important part of our ongoing dialogue. If a manager does not meet our minimum expectations, we will set a timeline to implement processes and make improvements. If a manager does not respond in a satisfactory way by the end of this timeline, we will ultimately sell the fund.

We monitor the relevant sustainability factors for external managers across three material components: policy, process and portfolio.

#### Policy

Our assessment focuses on how managers embed sustainability and exercise stewardship. We review engagement approaches, proxy voting policies, and commitments such as the United Nations Principles for Responsible Investment (PRI). Managers are expected to vote on our behalf, report on key decisions, and vote on non-standard issues wherever practicable, subject to local constraints.

#### Process

We assess the integration of sustainability into investment decisions and reporting, and expect annual reporting on how sustainability factors have influenced outcomes.

#### Portfolio

We monitor holdings on an ongoing basis to identify potential controversies. Managers are expected to apply the same standards we do, including alignment with the UN Global Compact and our defined 'red lines'.

<sup>1</sup> [https://www.rothschildandco.com/siteassets/publications/rothschildandco/wealth\\_management/2025/sustainability-and-stewardship-policy-2025.pdf](https://www.rothschildandco.com/siteassets/publications/rothschildandco/wealth_management/2025/sustainability-and-stewardship-policy-2025.pdf)



#### ONGOING MONITORING

We meet with managers at least annually to evaluate how their stewardship activities support our engagement objectives. These discussions cover their upcoming engagement priorities as well as a review of recent activity. For past engagements and proxy-voting outcomes, we expect managers to provide a clear rationale for key decisions. We also assess how insights from these engagements influence and strengthen their investment process.

#### ENGAGEMENT & ESCALATION WITH MANAGERS

We meet with managers frequently and discuss issues with them in person and in writing where appropriate. When issues need to be escalated, we follow similar procedures as our company engagement process.

### Monitoring service providers

#### OVERVIEW OF SERVICE PROVIDERS

We work with specialist service providers to support our stewardship activities. Our key providers are identified in the earlier section on external service providers. We maintain oversight of these providers through regular communication, performance review, and escalation of concerns.

*We meet with managers frequently and discuss issues with them in person and in writing where appropriate. When issues need to be escalated, we follow similar procedures as our company engagement process*



# Conflicts of interest

## Our approach to conflicts

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 WM 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 WM 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 Risk and Compliance team and updated as appropriate. If there are material changes made the document is reviewed by the Rothschild & Co WM UK Board. Conflicts of Interest training is part of the induction programme for all new employees, and existing employees are required to complete annual refresher training.

## How we mitigate and manage potential conflicts

Potential conflict	Mitigation/or management
Inside information	<p>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.</p> <p>Being part of the wider Rothschild &amp; 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).</p>
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 WM 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 WM 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.

# Dialogue with clients and beneficiaries

## How we communicate

While our client base covers a large and diverse group of clients, we have certain clients for whom our sustainability and stewardship-related activities are key considerations. These clients' expectations are very developed and well articulated.

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. During our regular review meetings, we also seek feedback from clients on the improvements they would like to see in our reporting.

We provide quarterly engagement highlights, including company milestones and voting activity, in our quarterly reviews. We also include sustainability metrics for the Return Assets held in our New Court and Exbury strategies, as well as an overview of the carbon emissions and related disclosures and targets of the individual companies held. In 2025 we introduced a dedicated active ownership slide with quarterly highlights for clients with periodic insights on the progress of engagements across our portfolios

To summarise, we maintain regular dialogue with our clients on stewardship matters through multiple channels:

**Quarterly Presentations:** Comprehensive reviews covering portfolio holdings, stewardship highlights, sustainability metrics, and asset-level data.

**Ad Hoc Interactions:** Responsive discussions on specific holdings, sustainability themes, or client-raised concerns.

**Annual Report:** This Sustainability and Stewardship Report is published annually and provided to all clients.

**Client Reviews:** Clients have access to regular one-on-one meetings between portfolio managers and advisers to discuss strategy and stewardship.

# Appendix

## Appendix I – UK Stewardship Code 2026 mapping

The following table maps each Disclosure and Principle to the relevant sections of the Activities and Outcomes report or the Policy and Context report (including page references):

### DISCLOSURE A – ORGANISATION, INVESTMENT BELIEFS AND STEWARDSHIP APPROACH

Code focus	Mapped report section(s)	Notes / how covered
Describe your organisation, investment beliefs, clients/beneficiaries, and how these inform stewardship.	<b>Organisation, Investment Beliefs &amp; Stewardship Approach</b> (Policy and context pp. 4–11) <ul style="list-style-type: none"> <li>▪ Rothschild &amp; Co Group (p. 4)</li> <li>▪ Rothschild &amp; Co Wealth Management UK (p. 5)</li> <li>▪ Our clients (p. 6)</li> <li>▪ Our investment approach (p. 6)</li> <li>▪ Our investment beliefs (p. 6)</li> <li>▪ Overview of our strategies (p. 9)</li> <li>▪ Our approach to stewardship (p. 10)</li> </ul>	Policy & context content describing who we are, who we serve, how we invest, and how stewardship is embedded in our approach.

### DISCLOSURE B – GOVERNANCE AND RESOURCES

Code focus	Mapped report section(s)	Notes / how covered
Describe governance, stewardship resourcing, use of external providers, systems/technology.	<b>Governance and resources</b> (Policy and context pp. 12–16) <ul style="list-style-type: none"> <li>▪ Governance structure (p. 12)</li> <li>▪ Rothschild &amp; Co Wealth Management UK Sustainability and Stewardship team and resourcing (p. 13)</li> <li>▪ External service providers (p. 14)</li> </ul>	Sets out accountability for stewardship, team structure/capabilities, third-party support and tools used.

### DISCLOSURE C – POLICIES, PROCESSES AND REVIEW

Code focus	Mapped report section(s)	Notes / how covered
Describe stewardship policies/processes and how they are reviewed/approved.	<b>Policies, processes and review</b> (Policy and context pp. 17–18) <ul style="list-style-type: none"> <li>▪ Key stewardship policies (p. 17)</li> <li>▪ Selection and oversight of external managers (p. 17)</li> <li>▪ Monitoring service providers (p. 18)</li> </ul>	Lists core stewardship policies and describes review and approval approach.

### DISCLOSURE D – CONFLICTS OF INTEREST

Code focus	Mapped report section(s)	Notes / how covered
Describe stewardship-related conflicts policy and examples of real/potential conflicts and management.	<b>Conflicts of Interest</b> (Policy and context pp. 19–20) <ul style="list-style-type: none"> <li>▪ Our approach to conflicts (p. 19)</li> <li>▪ How we mitigate and manage potential conflicts (pp. 20)</li> </ul>	Explains governance and controls for conflicts, with examples and mitigations; includes voting-related statement.

### DISCLOSURE E – DIALOGUE WITH CLIENTS AND/OR BENEFICIARIES

Code focus	Mapped report section(s)	Notes / how covered
Describe how you communicate stewardship activity and gather/use feedback.	<b>Dialogue with Clients &amp; Beneficiaries</b> (Policy and context p. 21) <ul style="list-style-type: none"> <li>▪ How we communicate (p. 21)</li> </ul>	Covers communication channels (annual/quarterly/ad hoc) and how feedback informs reporting and approach.

## PRINCIPLE 1 – INTEGRATING STEWARDSHIP AND INVESTMENT

Code focus	Mapped report section(s)	Notes / how covered
Integrate stewardship into investment to deliver long-term sustainable value.	<b>Stewardship in action</b> (Activities and outcomes pp. 10–16) <ul style="list-style-type: none"> <li>Key stewardship themes (p. 10)</li> <li>Engagement overview (pp. 10–12)</li> </ul> <b>Plus:</b> Our approach to stewardship (Policy and context pp. 10-11)	Explains priority themes and how stewardship is embedded in day-to-day research, engagement and decision-making.

## PRINCIPLE 2 – PROMOTING WELL-FUNCTIONING MARKETS

Code focus	Mapped report section(s)	Notes / how covered
Identify/respond to market-wide/systemic risks; policy/standards engagement and escalation as applicable.	<b>System-level stewardship</b> (Activities and outcomes pp. 30–32) <ul style="list-style-type: none"> <li>Contribution to the system (p. 30)</li> <li>Sustainable capital (pp. 31–32)</li> </ul> <b>Plus:</b> Key stewardship themes (p. 10)	Covers collaboration/initiatives and contribution beyond individual issuers (industry groups, forums, events).

## PRINCIPLE 3 – ENGAGEMENT

Code focus	Mapped report section(s)	Notes / how covered
Engage to maintain/enhance asset value; methods, objectives, examples and escalation.	<b>Engagement overview</b> (Activities and outcomes pp. 10–12) <ul style="list-style-type: none"> <li>Theory to action (p. 10)</li> <li>2025 by the numbers (p. 11)</li> <li>How we prioritise engagements (p. 12)</li> </ul> <b>Engagement case studies</b> (pp. 14–15) <b>Plus:</b> Spotlight on Berkshire Hathaway (pp. 16–20)	Sets out engagement approach and provides examples/case studies and outcomes.

## PRINCIPLE 4 – EXERCISING RIGHTS AND RESPONSIBILITIES

Code focus	Mapped report section(s)	Notes / how covered
Exercise rights (e.g., voting); disclose coverage, rationale, escalation and conflicts as applicable.	<b>Exercising rights and responsibilities</b> (Activities and outcomes pp. 33–55) <ul style="list-style-type: none"> <li>Voting overview (pp. 33–35)</li> <li>Significant votes (pp. 35–55)</li> <li>Conflicts of interest in voting (Policy and context pp. 19-20)</li> </ul>	Includes voting activity overview and a detailed significant votes table, plus conflicts statement.

## PRINCIPLE 5 – SELECTION AND OVERSIGHT OF MANAGERS

Code focus	Mapped report section(s)	Notes / how covered
Embed stewardship in selection, monitoring and escalation of external managers.	<b>Selection and oversight of external managers</b> (Policy and context pp. 17–18) <ul style="list-style-type: none"> <li>Stewardship in manager selection (p. 17) <ul style="list-style-type: none"> <li>Policy / Process / Portfolio (p. 17)</li> </ul> </li> <li>Ongoing monitoring (p. 18)</li> <li>Engagement and escalation with managers (p. 18)</li> </ul>	Describes how stewardship is assessed in manager due diligence, ongoing oversight and escalation.

## PRINCIPLE 6 – MONITORING SERVICE PROVIDERS

Code focus	Mapped report section(s)	Notes / how covered
Monitor and hold stewardship service providers to account (e.g., data, voting, engagement support).	<b>Monitoring service providers</b> (Policy and context p. 18) <ul style="list-style-type: none"> <li>Overview of service providers (p. 18)</li> </ul> <b>Plus:</b> External service providers (pp. 14-16)	Identifies providers and describes how they are monitored; details of providers are set out in Governance & Resources.







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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.