R-co WM Equilibrium

Fonds commun de placement (mutual fund – FCP)

Prospectus

31 May 2024

UCITS governed by European Directive 2009/65/EC

R-CO WM EQUILIBRIUM

I – General characteristics

FORM OF THE UCITS:
Name: R-co WM Equilibrium
Legal form: French fonds commun de placement (mutual fund)
Date of incorporation: FR001400MHB7
Intended lifetime: 99 years

Fund overview:

Unit classes	ISIN	Allocation of amounts available for distribution	Currency of issue	Eligible investors	Initial subscription(1)	Subsequent subscriptions
C EUR	FR001400MHB7	Accumulation	Euro	All investors	One unit (initial NAV: EUR 100)	In units, fractions of units or amount

[1] The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Where the fund rules, the latest annual report, the latest interim statement, the latest net asset value of the UCI as well as, where applicable, information on past performance can be obtained:
The latest annual documents and the composition of assets are sent within eight working days of the unitholder's written request addressed to:
Rothschild & Co Asset Management
Service Commercial
29 avenue de Messine
75008 Paris
The prospectus is also available on the website: https://am.eu.rothschildandco.com
For further information, please contact the Management Company's client service team on (tel. +33 (0)1 40 74 40 84) or by e-mail at the following address: clientserviceteam@rothschildandco.com.

II – Parties involved

Management Company:
Rothschild & Co Asset Management, portfolio management company approved by the AMF on 6 June 2017 under number GP-17000014
Limited Partnership
Registered office: 29 avenue de Messine – 75008 PARIS

Depositary, Custodian:
CACEIS Bank
Registered office: 89-91 rue Gabriel Péri – 92120 Montrouge
Postal address: 12 place des États-Unis – CS 40083 – 92549 Montrouge CEDEX
Credit institution approved by France's Prudential Control and Resolution Authority (ACPR)
The functions of the Depositary cover duties, as defined by the applicable Regulations, including the safekeeping of assets, ensuring the legality of decisions taken by the Management Company and monitoring the fund's cash flows.
The Depositary is also responsible for managing the fund's liabilities, which includes centralising its unit subscription and redemption orders, by delegation of the Management Company, as well as managing the issue account and unit registers of the fund.
The depositary is independent from the Management Company.

Delegates of CACEIS Bank

The description of delegated safekeeping functions, the list of delegates and sub-delegates of CACEIS Bank and information relating to conflicts of interest likely to result from these delegations are available on the CACEIS website: www.caceis.com.

Updated information will be made available to investors free of charge on request from the unitholder to the Depositary.

Principal Broker: None

Statutory auditor:
Ernst & Young Audit
Tour First - 1 place des saisons
TSA 14 444
92037 Paris La Défense, France
Signatory: David Koestner

Promoter:
Rothschild & Co Asset Management
Investors should be aware that not all of the fund's promoters are necessarily contracted by the Management Company and that the Management Company is unable to establish an exhaustive list of the fund's promoters because this list changes on an ongoing basis.

Delegates:
Rothschild & Co Asset Management shall be solely responsible for the administrative and financial management of the fund, without delegation to third parties, with the exception of the accounting, which is delegated in its entirety to:
CACEIS FUND ADMINISTRATION
Registered office: 89-91, rue Gabriel Péri – 92120 Montrouge
Postal address: 12, place des États-Unis – CS 40083 – 92549 Montrouge CEDEX

Adviser: Rothschild & Co Bank AG
Rothschild & Co Bank AG, a company registered in the Zurich commercial register under number CHE-107.848.173, with its registered office at Zollikerstrasse 181, CH-8034 Zurich, Switzerland, approved by the Swiss Financial Market Supervisory Authority (FINMA).

This investment adviser was notably chosen by the Management Company because of its specific knowledge of the objectives and personal financial situations of the beneficial owners of the FCP in order to advise the Management Company on the financial investments that will be made. It will therefore make proposals for the portfolio allocation of the FCP. This adviser will not make investment decisions on behalf of the FCP, which are the responsibility of the portfolio management company of the FCP.

Conflicts of interest management policy:
To identify, prevent, manage and monitor the conflicts of interest that may arise from the delegation of such tasks, the Management Company has drawn up a conflicts of interest management policy, which can be obtained from your usual contact person.

Institution responsible for centralising subscription/redemption orders: CACEIS Bank.

III – Management and operations

III-1. General characteristics:

Unit characteristics:
ISIN: C EUR unit FR001400MHB7
Type of right attached to the unit class: The right attached to the units is a real right, an equity security. Each unitholder has a right of co-ownership over the fund's assets proportional to the number of units held.
Registration or liabilities management: Liabilities are managed by CACEIS Bank. The units are admitted to trading on Euroclear France.
Voting rights: There are no voting rights attached to the units. Voting decisions are taken by the Management Company. Unitholders shall be informed of any modification of the fund's operation, depending on the modifications made, either individually, through the press, or by any other means in compliance with AMF regulations.
Form of units: Bearer. This fund can be used in unit-linked life insurance policies.

This UCI can be used in unit-linked life insurance policies.

Fractional units: The fund's units are broken down into ten-thousandths of units.

Closing date of the accounting year: Last trading day of December (1st closing: 31 December 2024).

Tax treatment:
The tax treatment of capital gains or losses upon full or partial redemption and of unrealised capital gains or losses depends on the tax provisions that apply to the particular situation of each investor and/or the investment jurisdiction of the UCI.
When in doubt, investors should contact a professional adviser.
This FCP can be used in unit-linked life insurance policies.

III-2. Special provisions:

ISIN:
C EUR unit : FR001400MHB7

Delegation of financial management: No

Investment objective:
The investment objective of the R-co WM Equilibrium FCP, over the recommended investment period of more than five years, is to generate performance, net of management fees, in excess of its composite benchmark (25% MSCI ACWI Net Total Return in euro + 13% MSCI Europe NTR + 57% Markit Iboxx Eur Corporates Total Return + 5% compounded €STR) by investing directly and/or indirectly (via UCIs, including listed UCIs/ETFs) on global equity and/or fixed income markets.
The investment objective cited is based on the realisation of assumptions made by the Management Company and in no way constitutes a guarantee of the fund's returns or performance.

Benchmark:
The FCP's benchmark is the following composite index: 25% MSCI ACWI Net Total Return in euro + 13% MSCI Europe NTR + 57% Markit Iboxx Eur Corporates Total Return + 5% compounded €STR.

The MSCI ACWI Net Total Return EUR (Bloomberg code: NDEEWNR) is an international equity index designed to measure the performance of large and mid-caps in the main developed and emerging countries. This index is calculated in EUR with net dividends reinvested.
This index is calculated by MSCI and is available on the website: www.msci.com.

The MSCI Europe NR EUR index (Bloomberg code: MSDEE15N Index) is designed to measure the performance of the largest companies in Europe, net dividends reinvested and converted into EUR.
This index is calculated by MSCI and is available on the website: www.msci.com.

The Markit Iboxx Eur Corporates Total Return index[1] (Bloomberg code: QW5A) comprises all fixed-rate bonds issued in EUR by public or private companies, with at least EUR 500 million in outstandings. All bonds must be rated investment grade (at least BBB-) by at least one of the major rating agencies (Standard & Poor's, Moody's, or Fitch). The index is calculated as the capitalisation-weighted average of bond prices, including accrued interest. This index is calculated by Markit Indices Limited and is available on the website: www.ihsmarkit.com.

The ESTER/€STR index (Bloomberg code: OISESTR) is a benchmark interbank interest rate for the eurozone. It is based on the interest rates of unsecured euro loans taken out by banks overnight. The European Central Bank (ECB) sources these interest rates directly as it collects money market data. The index is denominated in EUR and is compounded. It is calculated by the ECB and published by the EMMI (European Money Markets Institute) on its website: www.emmi-benchmarks.eu.

As at the date of the last update of this prospectus, the administrators of the indices making up the benchmark were not entered on the register of benchmark administrators and benchmark indices maintained by ESMA.
Please note that, as a central bank, the ESTER administrator is exempt from Article 2.2 of the Benchmark Regulation, and is therefore not entered on ESMA's register of administrators and benchmarks.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the benchmarks used that describes the measures to be implemented in the event of substantial changes to an index or if an index ceases to be provided.

[1] The Markit iBoxx ™ € Corporates and the data relating to this index are the property of International Index Company Limited (IIC), and are accessible by obtaining a licence from IIC. IIC makes no express or implied representations or warranties, and explicitly disclaims any guarantee of accuracy, merchantability or suitability for a particular purpose or for any purpose concerning the Markit iBoxx ™ € Corporates, or with regard to any data relating to the Markit iBoxx ™ € Corporates, or with regard to any data on which it is based. IIC cannot be held responsible for any error, omission or interruption to the provision of the index relating to the data concerning the Markit iBoxx ™ € Corporates. IIC provides no express or implied warranty as to the result obtained from the use of the Markit iBoxx ™ € Corporates. IIC does not sponsor, approve, sell or promote any UCIs or other investment vehicles promoted by Rothschild & Co Asset Management or any other third parties seeking to generate performance based on that of the Markit iBoxx ™ € Corporates.

The investment objective of this FCP is to outperform, net of management fees, its benchmark (25% MSCI ACWI Net Total Return in euro + 13% MSCI Europe NTR + 57% Markit Iboxx Eur Corporates Total Return + 5% compounded €STR) over the recommended investment period. The asset mix of this FCP may differ significantly from the composition of the benchmark index.

The UCI is not index-linked.

Investment strategy:

1. **Description of strategies used:**

The Management Company follows a rigorous quantitative and qualitative selection process (as described below) to invest the FCP in equities and equity UCIs, fixed income UCIs (including convertibles), UCIs whose diversified allocation provides exposure to fixed income and/or equity products, and/or absolute return UCIs, based on market opportunities (discretionary management) The FCP may invest up to 100% of its assets in UCIs (included listed UCIs/ETFs).

Strategic allocation:
To achieve its investment objective, the FCP invests on the basis of market opportunities:

- ✓ Between 0% and 50%, directly and via UCIs (including listed UCIs/ETFs), in equity products in all geographical regions (including up to 15% in non-OECD countries including emerging countries) and of all sizes (up to 20% in small caps, including micro caps) and in all sectors;
- ✓ Between 45% and 80%:
  - (i) in UCIs (including listed UCIs/ETFs), in fixed income products and/or convertibles (up to 10% of net assets) in all geographical regions (including up to 15% in non-OECD countries including emerging countries) and with all credit ratings (up to 15% in high yield or non-rated securities), issued by both governments and corporates, and in money market UCIs, and
  - (ii) in UCIs or investment funds (including listed UCIs/ETFs) using different types of alternative management applied to all financial asset classes, up to 15%. Investments are diversified across markets, management methodologies and investment managers.

The allocation between these different asset classes varies, within the limits above, depending on the manager's expectations regarding the level of risk and profitability, and market opportunities.

The FCP invests especially in UCIs using the following absolute return strategies:

- Long/short strategies (between 0% and 15% of the SICAV's net assets). The main characteristic of such strategies is that they simultaneously hold (a) long positions in securities with upside potential and (b) short positions in securities with downside potential, and the resulting net market exposure can be adapted depending on projected economic scenarios.

- Arbitrage/relative value strategies (between 0% and 15% of the SICAV's net assets), which aim to exploit pricing anomalies in various asset classes. These strategies involve equities, bonds, convertible bonds, other fixed-income instruments, etc.

- Global macro strategies (between 0% and 15% of the SICAV's net assets), which are based on a macroeconomic analysis of economies and markets to formulate investment themes and invest on all markets on a discretionary basis. Managers of global macro strategies invest without restrictions on the geographical region or asset type: equities, bonds, currencies, derivatives, etc. They seek to anticipate market changes on the basis of major macroeconomic variables and especially interest rate fluctuations. The fund manager identifies and assesses opportunities on an individual basis. Such market changes may result from changes in global economies, political uncertainties, or global supply and demand for physical and financial resources.

- Systematic strategies (between 0% and 15% of the SICAV's net assets), which are based on algorithms and automated trading (through mathematical models) that aim to exploit various market characteristics (trend, volatility, mean reversion, etc.). These strategies primarily use futures contracts on asset classes such as equities, bonds, currencies and commodities.

- Special situations/event-driven strategies (between 0% and 15% of the SICAV's net assets), which take advantage of opportunities created by major events related to a company's corporate structure, such as a spin-off, merger, acquisition, bankruptcy, reorganisation, share buyback, or change in management. Arbitraging the different elements of a company's capital forms part of this strategy.

Up to 15% of the FCP's net assets may be exposed to non-OECD countries (including emerging countries), indirectly via UCIs or the underlying ETFs specialised in non-OECD markets.

Up to 20% of the FCP's net assets may be exposed to risks linked to micro and small caps, directly and indirectly via UCIs or underlying ETFs specialised in equity markets. Companies with a market capitalisation of less than EUR 1 billion are defined as micro and small caps.

Up to 15% of the FCP's net assets may be exposed to high yield bonds indirectly via UCIs or underlying ETFs specialised in high yield bonds as well as to unrated securities.

Up to 10% of the FCP's net assets may be exposed to convertible bonds, indirectly via UCIs or underlying ETFs specialised in non-OECD markets. Up to 5% of the FCP's net assets may be exposed to CoCos, indirectly via UCIs or underlying ETFs specialised in CoCos.

The FCP may also invest in forward financial instruments traded on French and foreign regulated markets (futures) in order to achieve its investment objective (discretionary management). To do this, the manager will invest in currencies, fixed income products and/or equities for the purposes of hedging and/or exposure.

Holders investing in EUR have a potential foreign exchange risk to all other currencies (up to 100% of the FCP's net assets).

Selection process for the underlying securities:

- **For the equity segment, the criterion for selecting securities is as follows:**

  The management process for the SICAV combines a top-down and bottom-up approach, thus identifying two sources of added value:
  - Sector allocation is based on an analysis of the macroeconomic and financial environment.
  - Securities selection is based on a fundamental approach that involves two steps:
    - A quantitative analysis to determine the attractiveness of the valuation using multiples tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/EBITDA, P/E, etc.);
    - A qualitative analysis based on an understanding of the competitive situation and profitability drivers (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.).

- **Criteria for selecting underlying UCIs:**

The FCP's portfolio is managed on a flexible, active and discretionary basis as regards styles, geographical regions, and products. The investment management process is built around two processes, which are determined collectively:

- Definition of the overall allocation in terms of asset classes, geographical regions and styles, based on global macroeconomic and microeconomic analysis.
- Selection of UCIs, on the basis of a quantitative then qualitative analysis of the UCIs in the investment universe:
  - The quantitative element includes a series of filters (minimum assets under management, price history, etc.) to highlight a preselection of UCIs as well as a battery of statistical indicators (performance and risk analyses) to identify consistency in the performance levels of UCIs in their respective category.
  - After this initial analysis, an in-depth qualitative analysis is performed on the UCIs that consistently offer the best performance over uniform periods. Regular meetings with the managers of the UCIs analysed allow us to assess the consistency of the objectives, the resources in place, and the results obtained. The UCIs thus selected will be subject to complete due diligence based on responses to a proprietary questionnaire and discussions including in particular:
    - An assessment of how companies address issues of human capital management, governance, and sustainable and CSR commitments, etc.
    - The UCI's operational environment: investment process, robustness of the strategy (performance, volatility, maximum drawdown, etc.) in absolute terms and in relation to its peers and/or its index.

Extra-financial criteria:

Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector as amended (SFDR) lays down the rules for transparency with regard to the integration of sustainability risks in investment decisions, the consideration of adverse sustainability impacts and the disclosure of Environmental, Social and Governance (ESG) and sustainability-related information.

A sustainability risk means an ESG event or condition that, if it occurs, could cause a negative material impact on the value of a fund's investment.
A sustainability risk can either be a risk on its own, or have an impact on other risks and can contribute significantly to risks such as market risk, operational risk, liquidity risk or counterparty risk. Sustainability risks can have an impact on long-term returns adjusted according to the risks for investors. The assessment of sustainability risks is complex and can be based on ESG data that is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there is no guarantee that this data will be correctly evaluated.

The Management Company integrates sustainability-related risks and opportunities into its research, analysis and investment decision processes in order to improve its ability to manage risks more comprehensively and to generate lasting long-term returns for investors.

The fund promotes certain environmental and social characteristics within the meaning of Article 8 of the SFDR and good governance practices. For further details, please refer to the “Environmental and/or social characteristics” document appended to this prospectus. Sustainability risks are also integrated into investment decisions through exclusion policies, the extra-financial rating of the portfolio, the engagement policy, the ESG controls set up and adherence to the carbon policy of Rothschild & Co.

The “do no significant harm” principle applies only to the underlying investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. The underlying investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities represent a minimum alignment commitment of 0% of investments.

The management company takes the adverse sustainability impacts of investment decisions into account, and states how the product in question considers them, transparently and pragmatically, in its Principal Adverse Impacts Policy.
Investments will comply with the ESG policy, and Principal Adverse Impacts Policy, which are available at: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/

2. Description of asset classes:

The asset classes in which the UCI may invest are:

- **Equities:** 0-50% of net assets
  In accordance with the holding range specified in the table below, the sub-fund will invest in equities. The sector and geographical breakdown of issuers is not determined in advance and will be determined according to market opportunities across all industrial sectors and all sizes of market capitalisation.

- **Debt securities, money market instruments and bonds:** None

- **Units or shares of other foreign UCITS, AIFs or investment funds:** 0-100% of net assets

  In accordance with the holding range specified below, the fund may hold:
  - units or shares of UCITS, including French and/or European ETFs covered by Directive 2009/65/EC, that may not invest more than 10% of their assets in units or shares of other investment funds;
  - for up to 30%, units or shares of other French or foreign UCIs of all classes, including listed UCIs/ETFs, or foreign investment funds, which meet the four conditions set out in Article R. 214-13 of the French Monetary and Financial Code.

  N.B.: In particular, the FCP may invest up to 30% of its net assets in UCITS, AIFs and investment funds managed (directly or by delegation) or advised by the Rothschild & Co group, excluding money market UCIs.

- **For each of the classes mentioned above:**

	Equities	UCIs	Fixed-income products and/or money market instruments
Holding ranges	0%-50%	0%-100%	None
Investment in small caps (including micro caps)	0%-20%		None
Investment in the financial instruments of non-OECD countries (including emerging countries)	0%-15%		None
Investment restrictions imposed by the Management Company	None	None	None

- **Derivatives:**

The UCI may also invest in forward financial instruments traded on French and foreign regulated markets (futures) in order to achieve its investment objective (discretionary management). To do this, the manager will invest in currencies, fixed income products and/or equities for the purposes of portfolio hedging and/or exposure.

Please note that the UCI will not use Total Return Swaps (TRS).

The portfolio's overall exposure to the equity market, including exposure resulting from the use of forward financial instruments, will be between 25% and 50%.
The portfolio's overall exposure to the fixed income market, including exposure resulting from the use of forward financial instruments, will be between 45% and 80%.
The portfolio's overall currency exposure, including exposure resulting from the use of forward financial instruments, will not exceed 100%.
The UCI's overall gross exposure, including exposure resulting from the use of forward financial instruments, will not exceed 200% of the net assets.

- **Securities with embedded derivatives**:

The use of securities with embedded derivatives (subscription warrants, preferential subscription rights, allocation rights, and securities with simple embedded derivatives that have a similar risk profile to that of the previously listed instruments) is limited to 10% of net assets, in order to achieve the investment objective and, in particular, to manage its equity market exposure.
The underlying UCIs may also use this type of securities (callable/puttable bonds, convertible bonds, contingent convertible bonds – "CoCos").

The portfolio's overall exposure to the equity market, including exposure resulting from the use of securities with embedded derivatives, will be between 25% and 50%.
The portfolio's overall exposure to the fixed income market, including exposure resulting from the use of securities with embedded derivatives, will be between 45% and 80%.
The portfolio's overall exposure to non-EUR currencies, including exposure resulting from the use of securities with embedded derivatives, will not exceed 100%.

- **Deposits:**

The UCI may invest up to 10% of net assets in EUR deposits with a maturity of up to three months in order to earn a return on the UCI's cash.

- **Cash borrowings:**

The UCI may take out loans in the amount of up to 10% of its assets, particularly in order to offset deferred payment terms for asset movements.

- **Securities financing transactions:** None.

- **Information regarding the financial collateral of the UCITS:** None.

Risk profile:
Investors in the fund are primarily exposed to the following risks, Especially due to the investments in financial instruments selected by the Management Company. These instruments will be subject to market fluctuations and uncertainties.

Investors are exposed to the following main risks:
Risk of capital loss: Holders have no capital guarantee.

Discretionary management risk: Risk that the investment objective of the UCI, which is provided for indicative purposes, is not achieved. The discretionary management style is based on anticipating trends in the various markets. Consequently, there is the risk that the UCI will not always be invested in the best-performing markets, strategies, UCIs or investment funds. The asset mix of the UCI may differ significantly from the composition of the benchmark.

Equity market risk: Risk of a decrease in the portfolio's net asset value due to declining equity markets, through direct and indirect investments via equity product UCIs. The UCI may experience a risk:
a. linked to direct and indirect equity exposure (between 25% and 50% of the FCP's net assets);
b. linked to direct and indirect exposure to small caps (including micro caps) (up to 20% of the net assets);
c. linked to direct and indirect investments in non-OECD markets (including emerging countries) (up to 15% of net assets).

Indirect interest rate risk:
Risk associated with indirect investments in fixed income products (between 45% and 80% of net assets). Therefore, if interest rates increase, the net asset value of the UCI may decline.

Indirect credit risk:
This represents (i) the risk of a deterioration in an issuer's creditworthiness that will have a negative impact on the price of a security and may therefore result in a fall in the net asset value of the underlying UCIs or investment funds, as well as (ii) the risk of default of

an issuer and/or a counterparty to an over-the-counter transaction. As such, in the event of an increase in credit spreads, any long exposure to credit risk may result in a fall in the UCI's net asset value.

Risk associated with absolute return management strategies:
Absolute return management strategies, limited to 15% of the net assets, employ techniques that take advantage of observed (or anticipated) differences in prices between markets and/or sectors and/or securities and/or currencies and/or instruments. If the markets move against these positions (for example, if they rise for short transactions and/or fall for long transactions) the NAV of the UCI could fall.

Foreign exchange risk:
Risk associated with exchange rate fluctuations. Investors may be exposed to a foreign exchange risk because certain assets are expressed in a currency other than the UCI's accounting currency. In total, up to 100% of the UCI's net assets may be exposed to foreign exchange risk. Changes in exchange rates may therefore cause the UCI's net asset value to decline.

Risk associated with direct and indirect investments in emerging countries:
Investors should note that the way the non-OECD markets (including emerging markets), in which the UCI will invest, operate and are supervised may differ from the standards prevailing in major international markets, and this may lead to a decline in the UCI's net asset value. Investments in securities and UCIs specialised in non-OECD countries, including emerging countries, are limited to 15% of the net assets. This 15% limit only concerns investment in UCIs specialised in these countries; indirect exposure to emerging countries is therefore not calculated on a look-through basis and may exceed this threshold.

Risk associated with holding catastrophe bonds (indirect): The UCITS may bear risks linked to indirectly holding catastrophe bonds whose value may be impacted by the occurrence of catastrophic events, thus leading to a drop in the UCITS' net asset value.. The UCITS may invest up to 10% of its net assets in underlying UCIs specialised in catastrophe bonds.

Risk related to extra-financial (ESG) criteria:
The incorporation of sustainability risks into the investment process as well as responsible investing are based on the use of extra-financial criteria. Their application may lead to the exclusion of underlying issuers and/or funds, meaning market opportunities may be lost. As a result, the UCI's performance may be higher or lower than that of a fund that does not incorporate these criteria. ESG data, whether coming from internal or external sources, are derived from assessments that are not subject to strict market standards. This leaves room for subjectivity, and can result in very different ratings for an issuer from one provider to another. Moreover, ESG criteria can be incomplete or inaccurate. There is a risk of inaccurate assessment of a security or an issuer. Underlying funds' management companies may work on the basis of ESG information from different sources, and apply different ESG methods. These different aspects make it difficult to compare strategies incorporating ESG criteria.

Sustainability risk:
An environmental, social or governance-related event or situation that, if it occurs, could have a real or potential negative impact on the value of the investment. The occurrence of this type of event or condition may also result in a change in the fund's investment strategy, including the exclusion of the securities of certain issuers. More specifically, the negative effects of sustainability risks can affect issuers via a series of mechanisms, in particular: 1) a drop in revenues; 2) higher costs; 3) damage or impairment to the value of the assets; 4) a higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific issues such as climate change, the probability that sustainability risks will have an impact on the returns of financial products is likely to increase in the longer term.

Risk associated with indirect investments in complex subordinated bonds (contingent convertible bonds, also known as "CoCos"):
CoCos present specific risks associated with the potential for their coupon to be cancelled or suspended, their value reduced in full or in part, or the debt converted into shares. These conditions may be triggered, in whole or in part, when the issuer's level of equity falls below the trigger threshold of the contingent convertible bond. The occurrence of any of these risks may result in a reduction in the net asset value of the UCI. The UCI may invest up to 5% of its net assets in underlying UCIs specialised in contingent convertible bonds.

The occurrence of any of the risks indicated above may result in a fall in the net asset value.

Guarantee or protection:
None

Eligible investors and typical investor profile: All investors.

The units of this UCI are not and will not be registered in the United States pursuant to the US Securities Act of 1933, as amended, or admitted under any law of the United States. These units may not be offered, sold, or transferred in or to the United States (including its territories and possessions) or benefit, directly or indirectly, any US Person (within the meaning of Regulation S of the US Securities Act of 1933) or equivalent (as referred to in the US HIRE Act of 18 March 2010 and in the FATCA framework).

Pursuant to the provisions of EU Regulation No. 833/2014 applicable as of 12 April 2022, subscription for the units of this FCP is prohibited to any Russian or Belarusian national, any natural person residing in Russia or Belarus, or any legal person, entity or body established in Russia or Belarus, with the exception of nationals of a Member State and natural persons holding a temporary or permanent residence permit in a Member State.

Typical investor profile: The fund is intended for investors seeking an investment vehicle with a flexible allocation that provides exposure to fixed income products and/or equities and/or absolute return products, depending on market opportunities.

The amount that can be reasonably invested in this UCI depends on each investor's personal situation. To determine this amount, investors must consider their personal wealth/assets, their current needs, and their needs over the recommended investment period, as well as their willingness to take risks or, otherwise, their preference for a cautious investment approach. Investors are also strongly advised to diversify their investments sufficiently so as not to be exposed solely to the risks of this UCI.

Recommended investment period: more than 5 years

Establishment and allocation of amounts available for distribution:
Net profit/loss for the financial year comprises net income together with (i) net realised capital gains or losses and (ii) net unrealised capital gains or losses, minus interim dividends paid during the year.

Net income for the financial year is equal to the amount of interest, arrears, premiums, bonuses, and dividends, as well as all income relating to the securities held in the fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs, plus or minus the balance of the income equalisation account.

Amounts available for distribution consist of the following:
1) Net income for the year plus retained earnings and the balance of the equalisation account, minus interim dividends paid on net income for the year;
2) Realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, minus interim dividends paid on net realised capital gains or losses for the year, plus net capital gains of the same nature recognised in prior years that were not distributed or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) may be distributed independently of each other, in whole or in part, in accordance with the procedures described below.

Amounts available for distribution must be paid within a maximum period of five months after the year-end.

For accumulation units: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.
Units concerned: C EUR unit:

For distribution units: full distribution of net income as defined in 1) above, with regard to the capital gains or losses defined in 2) above, accumulation (total or partial) and/or distribution (total or partial) and/or retention (total or partial) by decision of the Management Company.
Units concerned: None.

For accumulation and/or distribution units: for funds that would like to remain free to accumulate and/or distribute, and/or retain amounts available for distribution, the Management Company shall decide each year on the allocation of the amounts indicated in points 1) and 2).
Units concerned: None.

Distribution frequency:
For accumulation units: annual accumulation.
For distribution units and accumulation and/or distribution units: annual by decision of the Management Company, and possibility of interim payments.

Unit characteristics:

Unit classes	ISIN	Allocation of amounts available for distribution	Currency of issue	Eligible investors	Initial subscription(1)	Subsequent subscriptions
C EUR	FR001400MHB7	Accumulation	Euro	All investors	One unit (initial NAV: EUR 100)	In units, fractions of units or amount

[1] The Management Company or any other entity belonging to the same group is exempt from the initial minimum subscription obligation.

Subscriptions and redemptions:
Subscription and redemption requests are received at any time and centralised the day before the valuation date (D-1) at 12:00 noon with CACEIS Bank, 89-91 rue Gabriel Péri – 92120 Montrouge, and executed on the basis of the net asset value on the following business day (D).
Settlements relating to subscriptions and redemptions take place on the third business day following execution (D+3).

Subscription and redemption requests are received by amount or number of units.

Orders are executed in accordance with the table below:

D -1	D -1	D: day of NAV calculation	D+1 business day	D+3 business days	D+3 business days
Centralisation of subscription orders before 12:00 noon*	Centralisation of redemption orders before 12:00 noon*	Execution of the order no later than day D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

*Unless otherwise agreed with your financial institution.

Redemption cap (or "gate"):
In accordance with the applicable regulations in force, the Management Company may decide, on a provisional basis, to place a cap on unit redemptions in the fund (the "redemption cap"), if exceptional circumstances so require (the redemption cap is not systematically activated) and in the interests of unitholders, to prevent any imbalance in redemption requests and the net assets of the fund that would prevent the Management Company from honouring such redemption requests on terms that uphold unitholder interests and their equal treatment.

The redemption cap will be applied on the following terms:
I. Description of the method used
The decision to introduce a redemption cap may be taken if, on a given subscription centralisation date (the "capped centralisation date"), the difference between the portion of the fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the fund's assets for which subscription is requested (hereinafter the "subscription percentage") is positive and represents more than 5% of the total net assets reported after the previous net asset value calculation date ("net assets").
The maximum duration for the redemption cap is one month.

II. Procedures for informing unitholders
Unitholders making redemption requests affected by the redemption cap will be specially notified as soon as possible after the capped centralisation date (the "reporting deadline"). The decision to introduce a redemption cap will also be published on the Management Company's website, and mentioned in the next interim report.

III. Order processing
In the event of a redemption cap, the Management Company decides on its level, net of subscriptions, which will be at least 5% of net assets (the "redemption cap level").
The redemption orders of all investors requesting redemption on a capped centralisation date will be scaled back by the same percentage (the "reduction coefficient"). The reduction coefficient is equal to the relationship between the redemption cap level and the redemption percentage net of subscriptions.
For a given unitholder, the number of units for which redemption is honoured is therefore equal to the initial number of units for which redemption has been requested multiplied by the reduction coefficient, this number of units being rounded up.
Redemption requests that have not been honoured because of the redemption cap and are pending execution will be automatically carried forward to the next net asset value dates (within one month), using the same method.
Redemption requests carried forward to the next net asset value date will not be given priority over subsequent requests.
Exceptionally, operations involving a subscription followed by a redemption, for the same number of units, based on the same net asset value and for the same unitholder (referred to as in-and-out trades) may not be subject to the redemption cap (gate).

Example of the system being triggered:
If total redemption requests amount to 15% of the fund's net assets, the trigger threshold set at 5% has been reached.
There are two possible scenarios:
● If liquidity conditions are favourable, the management company may decide not to trigger a redemption cap and to honour all redemption requests (execution of 100% of redemption requests).
● If liquidity conditions are unfavourable, the management company applies the redemption cap at the 5% threshold or higher. The share of redemption requests exceeding this threshold are deferred to the next net asset value date.
For example, if total redemptions net of subscriptions amount to 15% of the fund's net assets, the trigger threshold set at 5% has been reached. The Management Company may decide to apply a 5% threshold and therefore execute a third of the redemption requests, deferring the others to subsequent NAV dates within the next month. If it chooses a 10% threshold, it executes two thirds of the redemption requests, deferring the others to subsequent NAV dates within the next month.

You can also refer to Article 3 of the fund's regulations for information on the redemption cap mechanism used by your fund.

Receipt of subscriptions and redemptions:
CACEIS Bank
Registered office: 89-91 rue Gabriel Péri – 92120 Montrouge
Postal address: 12 place des États-Unis – CS 40083 – 92549 Montrouge CEDEX
Credit institution approved by France's Prudential Control and Resolution Authority (ACPR)

Unitholders are advised that orders sent to any promoters other than CACEIS Bank must take account of the fact that the centralisation deadline for the abovementioned orders applies to CACEIS Bank.
Accordingly, these promoters must apply their own deadline prior to that mentioned above, to reflect the time required to transmit the orders to CACEIS Bank.

Net asset value calculation:
The net asset value is calculated on every trading day in Paris unless the Paris stock exchange is closed or that day is a public holiday in France.

Location and methods of publication or communication of the net asset value:
The net asset value is published on the Management Company's website: https://am.eu.rothschildandco.com

Fees and expenses:

Subscription and redemption fees:
Subscription and redemption fees respectively increase the subscription price paid by the investor or decrease the redemption price received. Fees retained by the UCITS are used to offset the costs incurred by the UCITS to invest or divest investors' monies. Any fees not retained are paid to the Management Company, promoter, distributor, etc.

Fees charged to the investor, deducted at the time of subscription and redemption	Base	Rate
Subscription fee not retained by the UCITS	Net asset value x number of units	2% maximum
Subscription fee payable to the UCITS	Net asset value x number of units	None
Redemption fee not retained by the UCITS	Net asset value x number of units	None
Redemption fee payable to the UCITS	Net asset value x number of units	None

In the event of redemption followed by subscription, on the same day, in the same unit class, and for the same amount on the basis of the same net asset value, no subscription and/or redemption fees will be charged.

Operating expenses and management fees:
These fees cover all costs billed directly to the UCITS, including auditors' fees, with the exception of transaction costs. Transaction costs include intermediation fees (brokerage, etc.) and turnover commissions, where applicable, which may be charged by the Depositary and the Management Company, in particular.

A portion of the management fees may be passed on to promoters and distributors.

The following may be added to operating expenses and management fees:
- performance fees. These reward the Management Company if the UCITS exceeds its objectives. They are therefore charged to the UCITS;
- turnover commissions charged to the UCITS;
- if applicable, a share of the income from securities financing transactions.

For more information on the charges actually billed to the UCITS, please refer to the Key Information Documents (KIDs).

	Fees charged to the UCITS	Base	Rate*
1	Financial management fees	Net assets	C EUR unit: 0.95% maximum, all taxes included

2	Operating expenses and fees for other services	Net assets	C EUR unit: 0.15% maximum, all taxes included
3	Maximum indirect fees: - management fees: - other fees: ○ subscription: ○ redemption:	Net assets	Weighted average of up to 2.00%, based on positions in underlying funds over the year. This does not include any indirect performance fees charged by underlying UCIs. None, with the exception of any fees retained by the underlying UCIs. None, with the exception of any fees retained by the underlying UCIs.
4	Turnover commissions: Management Company: between 0% and 100%	Payable on each transaction	None
5	Performance fee	Net assets	None

**TTC = including all taxes. In this area, the Management Company has opted out of VAT.*

These charges do not take into account turnover commissions on the underlying funds. For more information on the charges actually billed, please refer to the Key Information Document (KID).

Research-related expenses within the meaning of Article 314-21 of the AMF's General Regulation can be charged to the UCI.

Financial intermediary selection procedure:
The Management Company may in some cases use brokers to invest in other financial instruments. In these cases, the UCI may be charged brokerage fees.
When the Management Company trades other types of assets listed on a market (shares or units of UCITS, AIFs or foreign open-ended investment funds, shares or units of closed-end investment companies, forward financial instruments, etc.), it selects its financial intermediaries on the basis of a policy that takes into account quantitative criteria (price) and qualitative criteria (market position, internal organisation, speed, etc.), which are determined with reference to an internal assessment grid.
As this type of transaction is not predominant, Rothschild & Co Asset Management may select only one intermediary for their execution.

IV – Commercial information

Modifications requiring special notification to unitholders will be reported to each identified unitholder or via Euroclear France for unidentified unitholders in the form of an information notice.

Modifications not requiring special notification to unitholders will be communicated either in the FCP's interim documents, available from the Depositary, in the press, on the Management Company's website (https://am.eu.rothschildandco.com), or by any other means in compliance with AMF regulations.

Repurchase or redemption of units is carried out via CACEIS Bank.

Information on the procedures for incorporating criteria relating to compliance with environmental, social and governance objectives in the investment policy is available in the annual report of the FCP and on the Management Company's website: https://am.eu.rothschildandco.com.

The portfolio's composition may be sent to professional investors subject to supervision by the ACPR, the AMF, or equivalent European authorities, or to their service providers, with a confidentiality commitment, in order to meet their regulatory requirements related to Directive 2009/138/EC (Solvency II).
It will be sent in accordance with the provisions defined by the AMF with a period not less than 48 hours after publication of the net asset value.

For any additional information, unitholders may contact the Management Company.

V – Investment rules

This fund will comply with the regulatory ratios applicable to UCITS investing more than 10% in other UCIs.

VI – Overall risk

Overall risk is calculated using the commitment method.

VII – Asset valuation rules

Asset valuation rules are based on the valuation methods and practical procedures specified in the notes to the annual financial statements and in the prospectus.

Valuation rules:

The fund has adopted the EUR as its reference currency.

Securities traded on an exchange are valued at closing prices.

Derivatives are valued at settlement prices.

Interest is recognised according to the cash-basis method.

UCITS are valued at the last known price.

Treasury bills are valued at the market rate.

Negotiable debt securities are valued at the market rate, with the exception of variable-rate or adjustable-rate negotiable debt securities not presenting any particular market sensitivity.

Repurchase agreements and sales with an option to repurchase are valued at the contract price.

Financial collateral is marked to market on a daily basis, in compliance with the valuation rules described above.

OATs are valued on the basis of the average contributor price

Currency futures are valued at the daily fixing price, plus a variable premium/discount depending on the maturity and currencies of the contract.

Credit default swaps (CDS) are valued as follows:
- for the leg representing the premium: pro rata temporis value of this premium
- for the leg representing the credit risk: according to the market price

Accounting method:

Interest is recognised according to the cash-basis method.

Additions to the portfolio are recognised at their acquisition price, excluding costs.

VIII – Remuneration

In compliance with Directive 2009/65/EC, Rothschild & Co Asset Management, the management company of the fund, has drawn up and applies remuneration policies and practices compatible with sound and efficient risk management and that do not encourage risk taking incompatible with the risk profiles and regulatory documents of the fund and that do not undermine the obligation to act in its best interests.
The remuneration policy complies with the economic strategy, objectives, values and interests of the fund and investors and includes measures aimed at avoiding conflicts of interest.
In addition, as a management company for AIFs and UCITS, Rothschild & Co Asset Management also applies the AIFM and UCITS Directives.

The provisions of the AIFM and UCITS Directives are applicable to the following functions:

- General Management (excluding Associate Managing Directors)
- Managers of AIFs and UCITS
- Development and marketing managers
- Head of internal control and compliance
- Risk functions (operations, trading, etc.)
- Administrative managers
- Any other employee with a significant impact on the risk profile of the company or the AIF/UCITS it manages, and whose overall remuneration is situated in the same remuneration tranche as other risk takers.

The remuneration policies and practices of Rothschild & Co Asset Management apply to all staff members, with specific rules on deferred variable remuneration applicable to those employees who are subject to the provisions of the AIFM and UCITS Directives.

Details concerning the remuneration policy of Rothschild & Co Asset Management are available on the website: https://am.eu.rothschildandco.com

A printed version of the Rothschild & Co Asset Management remuneration policy is made available free of charge to investors in the fund upon request to the fund's registered office.

R-CO WM EQUILIBRIUM

Fonds Commun de Placement (mutual fund)

TITLE I

ASSETS AND UNITS

Article 1 – Co-ownership units

The co-owners' rights are represented by units, with each unit corresponding to the same fraction of the fund's assets. Each unitholder has a right of co-ownership over the fund's assets proportional to the number of units held.

The lifetime of the fund is 99 years from incorporation, except in the case of early dissolution or extension provided for in these rules.

Unit classes:
If the fund has more than one unit class, the characteristics and eligibility criteria for the various unit classes are set out in the fund's prospectus.

The various unit classes may:
- apply different distribution policies (distribution or accumulation);
- be denominated in different currencies;
- be subject to different management fees;
- be subject to different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged against foreign exchange risk, either partially or in full, as set out in the fund's prospectus. This hedging process is done using financial instruments that reduce the impact of the hedging transactions for the fund's other unit classes to a minimum;
- be reserved for one or more distribution networks.

be merged or split.

Units may be subdivided on decision of the executive board of the Management Company, into tenths, hundredths, thousandths, or ten-thousandths, referred to as fractional units.

The provisions of the rules governing the issue and redemption of units shall also apply to fractional units, whose value will always be proportionate to that of the unit that they represent. Unless otherwise stipulated, all other provisions of the rules relating to units shall apply to fractional units.

Lastly, at the discretion of the executive board of the Management Company, units may be split by creating new units to be allocated to holders in exchange for existing units.

Article 2 – Minimum assets

Units may not be redeemed if the fund's assets fall below EUR 300,000; if assets remain below this amount for 30 days, the Management Company shall take the necessary measures to liquidate the relevant fund, or carry out one of the transactions referred to in Article 411-16 of the AMF´s General Regulation (transfer of the fund).

Article 3 – Issue and redemption of units

Units may be issued at any time upon the request of unitholders on the basis of the net asset value plus any applicable subscription fees.

Subscriptions and redemptions are executed under the conditions and according to the procedures defined in the prospectus.
Fund units may be admitted to trading in accordance with the applicable regulations.

Subscriptions must be fully paid up on the day of the net asset value calculation. They can be made in cash and/or by the contribution of financial instruments. The management company has the right to refuse the securities offered, and has seven days from when the securities are deposited to announce this decision. If accepted, contributed securities shall be valued according to the rules set out in Article 4, and the subscription shall take effect based on the first net asset valuation following acceptance of the relevant securities.

Redemptions can be made in cash and/or in kind. If the redemption in kind corresponds to a proportional share of assets in the portfolio, then the UCITS or Management Company is only required to obtain the written and signed agreement of the outgoing unitholder. If the redemption in kind does not correspond to a proportional share of assets in the portfolio, all unitholders must give their written approval authorising the redemption of the outgoing unitholder's units against certain specific assets, as defined explicitly in the agreement.

In derogation from the above, if the fund is an ETF, redemptions on the primary market can, with the agreement of the portfolio's management company and with respect for the interests of unitholders, be made in kind according to the conditions defined in the prospectus or the fund's rules. The assets will then be delivered by the issuer account-keeper on the terms defined in the fund's prospectus.
In general, redeemed assets are valued according to the rules set out in Article 4, and redemptions in kind are carried out on the basis of the first net asset valuation following acceptance of the securities concerned.
The redemption price is settled by the issuer account-keeper within five days of the valuation day of the units.

However, in exceptional circumstances where repayment requires assets in the fund to be sold in advance, this period may be extended, but shall not exceed 30 days.

With the exception of an inheritance or an inter vivos gift, the sale or transfer of units between unitholders, or between unitholders and third parties, is treated as a redemption followed by a subscription; if this involves a third party, the sale or transfer amount must, where applicable, be supplemented by the beneficiary to reach the minimum subscription amount stipulated in the fund's prospectus.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, the redemption of units by the fund as well as the issue of new units may be suspended on a temporary basis by the Management Company in exceptional circumstances and if this is deemed necessary to protect the interests of unitholders.

If the fund's net assets fall below the minimum regulatory requirement, no units may be redeemed.

In accordance with Articles L. 214-8-7 of the French Monetary and Financial Code and 411-20-1 of the AMF General Regulation, the Management Company may decide, on a provisional basis, to place a cap on the fund's redemptions (the "redemption cap") if exceptional circumstances so require (the cap is not applied systematically) and in the interests of fund unitholders, to prevent any imbalance in redemption requests and the net assets of the fund that would prevent the Management Company from honouring such redemption requests on terms that uphold the interests and equal treatment of the fund's unitholders.
The redemption cap will be applied on the following terms:
I. Description of the method used
The decision to introduce a redemption cap may be taken if, on a given subscription centralisation date (the "capped centralisation date"), the difference between the portion of the fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the fund's assets for which subscription is requested (hereinafter the "subscription percentage") is positive and represents more than 5% of the total net assets reported after the previous net asset value calculation date ("net assets"). The maximum duration for the redemption cap is one month.
II. Procedures for informing unitholders
Unitholders making redemption requests affected by the redemption cap will be specially notified as soon as possible after the capped centralisation date (the "reporting deadline"). The decision to introduce a redemption cap will also be published on the Management Company's website, and mentioned in the next interim report.

III. Order processing
In the event of a redemption cap, the Management Company decides on its level, net of subscriptions, which will be at least 5% of net assets (the "redemption cap level").
The redemption orders of all investors requesting redemption on a capped centralisation date will be scaled back by the same percentage (the "reduction coefficient"). The reduction coefficient is equal to the relationship between the redemption cap level and the redemption percentage net of subscriptions.

For a given unitholder, the number of units for which redemption is honoured is therefore equal to the initial number of units for which redemption has been requested multiplied by the reduction coefficient, this number of units being rounded up.
Redemption requests that have not been honoured because of the redemption cap and are pending execution will be automatically carried forward to the next net asset value dates (within one month), using the same method.
Redemption requests carried forward to the next net asset value date will not be given priority over subsequent requests.
Exceptionally, operations involving a subscription followed by a redemption, for the same number of units, based on the same net asset value and for the same unitholder (referred to as in-and-out trades) may not be subject to the redemption cap (gate).
The operational procedures for the redemption cap and the notification of unitholders are also described in the fund prospectus.

A minimum subscription amount may be applied according to the procedures set out in the fund's prospectus.

The fund may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the French Monetary and Financial Code, either temporarily or permanently, fully or partially, in situations that objectively require that subscriptions be closed, for example if a maximum number of units or shares or a maximum amount of assets is reached, or at the end of a fixed subscription period.
Should this provision be implemented, existing unitholders shall be informed thereof by any means, as well as of the threshold and the objective situation that led to the decision to fully or partially close subscriptions. In the event of partial closure, this information by all means shall explicitly specify the terms under which existing unitholders can continue to subscribe throughout the duration of this partial closure. Unitholders shall also be informed by any means of the decision by the management company either to end the full or partial closure of subscriptions (when falling below the threshold), or not (in the event of a modification to the threshold or a change in the objective situation leading to implementation of this provision). A change in the objective situation indicated, or in the threshold triggering the implementation of the provision, must always be made in the best interests of unitholders. Shareholders shall be informed of the exact reasons for these changes by any means.

Article 4 – Net asset value calculation

The net asset value of the units is calculated in accordance with the valuation rules set out in the fund's prospectus.

Contributions in kind may only consist of securities, instruments, or contracts eligible to form part of the fund's assets; contributions and redemptions in kind are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

TITLE II

FUND OPERATIONS

Article 5 – Management company

The fund is managed by the management company in accordance with the fund's investment objectives.

In all circumstances, the management company shall act on behalf of unitholders and it alone can exercise the voting rights attached to the securities held by the fund.

Article 5a – Operating rules

The instruments and deposits that are eligible assets for the fund, as well as the investment rules, are described in the fund's prospectus.

Article 5b – Admission to trading on a regulated market and/or a multilateral trading facility

Units may be listed for trading on a regulated market and/or a multilateral trading facility in compliance with applicable laws and regulations. A fund whose units are admitted to trading on a regulated market and which has an investment objective based on an index, must have implemented a mechanism to ensure that the price of its units do not deviate significantly from its net asset value.

Article 6 – Depositary

The Depositary shall perform the duties for which it is responsible in accordance with the legal and regulatory provisions in force and those contractually entrusted to it by the Management Company. In particular, it must ensure the legality of decisions taken by the Management Company. Where applicable, the depositary must take any precautionary measures that it deems useful. It shall inform the AMF, in the event of a dispute with the management company.

Article 7 – Statutory auditor

A statutory auditor is appointed for a term of six financial years by the executive board of the Management Company, subject to approval by the AMF.
The statutory auditor shall certify the accuracy and consistency of the financial statements.
The statutory auditor's mandate may be renewed.

The statutory auditor shall inform the AMF as soon as possible of any event or decision concerning the fund of which it has become aware in the course of its work, which may:

1) Constitute a breach of the legal and regulatory provisions governing this undertaking and likely to have a significant effect on its financial position, income or assets;
2) Impair its continued operation or the conditions thereof;
3) Result in the statutory auditor expressing a qualified opinion or refusing to certify the financial statements.

Asset valuations and the determination of exchange parities used in conversions, mergers, or spin-offs shall be audited by the statutory auditor.

The statutory auditor shall be responsible for assessing all contributions or redemptions in kind, with the exception of redemptions in kind for an ETF on the primary market.

The statutory auditor shall certify the accuracy of the composition of the assets and other information before publication.

The statutory auditor's fees shall be set by mutual agreement between the statutory auditor and the Management Company's executive board on the basis of a work schedule specifying the procedures deemed to be necessary.

The statutory auditor shall certify the financial situation on which interim distributions are made.

The statutory auditor's fees are included in the management fees.

Article 8 – Financial statements and management report

At the close of each financial year, the management company shall draw up the financial statements and a management report for the fund for the previous financial year.

The management company shall prepare an inventory of the fund's assets at least twice yearly under the supervision of the depositary.

The management company shall make these documents available to unitholders within four months of the end of the financial year and shall notify them of the amount of income attributable to them: these documents shall either be sent by post, at the express request of unitholders, or made available to them at the management company's offices.

TITLE III

ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

Article 9 – Allocation of amounts available for distribution

Amounts available for distribution consist of the following:

1) Net income for the year plus retained earnings and the balance of the equalisation account, minus interim dividends paid on net income for the year;
2) realised capital gains, net of charges, minus realised capital losses, net of expenses recognised for the year, minus interim dividends paid on net realised capital gains or losses for the year, plus net capital gains of the same nature recognised in prior years that were not distributed or accumulated, minus or plus the balance of the capital gains equalisation account.

The amounts indicated in points 1) and 2) above may be distributed independently of each other, in whole or in part.

The management company shall decide on the allocation of amounts available for distribution.

More precise details concerning the allocation of distributable amounts are provided in the prospectus.

TITLE IV

MERGER – DEMERGER – DISSOLUTION – LIQUIDATION

Article 10 – Merger – Demerger

The Management Company may either merge all or part of the assets of the fund with another UCITS or AIF, or split the fund into two or more funds.

Such mergers or splits may only be carried out after unitholders have been notified. After such a transaction, new certificates shall be issued stating the number of units held by each unitholder.

Article 11 – Dissolution – Extension

If the fund’s assets remain below the threshold set in Article 2 above for 30 days, the Management Company shall inform the AMF and proceed with the dissolution of the fund, unless the fund is merged with another fund.

The Management Company can dissolve the fund before the end of its intended term; it must inform the unitholders of its decision, and subscription and redemption requests will no longer be accepted after that date.

The Management Company shall also dissolve the fund if a request is made for the redemption of all of the units, if the Custodian's appointment is terminated and no other custodian has been appointed, or upon expiry of the fund's term, unless this has been extended.

The Management Company shall inform the AMF by mail of the planned dissolution date and procedure. It shall then send the statutory auditor’s report to the AMF.

The management company may decide to extend the fund, subject to the agreement of the depositary. Its decision must be taken at least three months before the expiry of the intended term of the fund and notified to the unitholders and the AMF.

Article 12 – Liquidation

In the event of dissolution, the management company shall assume the role of liquidator; failing this, a liquidator shall be appointed by the court at the request of any interested party. To this end, the liquidator is vested with the most extensive powers to sell the assets, settle any liabilities and distribute the available balance to unitholders in cash or securities.

The statutory auditor and the Depositary shall continue in office until all liquidation proceedings have been completed.

TITLE V

DISPUTES

Article 13 – Jurisdiction – Election of domicile

Any disputes relating to the fund that may arise during the fund's existence or upon its liquidation, either between unitholders themselves or between unitholders and the management company or depositary, shall be referred to the jurisdiction of the competent courts.

ADDITIONAL INFORMATION FOR INVESTORS IN SPAIN

Investors may contact:

- BANCO INVERSIS, S.A., regarding:
  - information on how orders (subscription, repurchase and redemption) can be made and how repurchase and redemption proceeds are paid,
  - information and documents made available to investors, such as the prospectus, key information documents and financial reports,

  at the following address: Avenida de la Hispanidad, 6, 28042 Madrid, Spain.

- CACEIS Bank, Luxembourg Branch, in charge of:
  - processing subscription, repurchase and redemption orders and making other payments to unit holders relating to the fund,

  at the following address: 5 allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg or by email: FDS-Investor-Services@caceis.com

- Rothschild & Co Asset Management, concerning:
  - all claims and unit holders rights related to their investment in the fund,

  at the following address: 29 avenue de Messine 75008 Paris, France
  or by email: clientserviceteam@rothschildandco.com
  https://am.es.rothschildandco.com/es/contacto-2/

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: R-co WM Equilibrium

Legal entity identifier: 969500VAA7332MNR3485

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective**: [N/A] ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ It will make a minimum of **sustainable investments with a social objective**: [N/A]	☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 5.00% of sustainable investments ☒ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☒ with a social objective ☐ It promotes E/S characteristics, but **will not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

What environmental and/or social characteristics are promoted by this financial product?

For the portion invested in UCIs, through the information collected via our proprietary questionnaire, in the course of our exchanges with the management companies of the underlying funds, and information available in MSCI ESG Research, we consider a wide spectrum of criteria:

- At underlying UCI management company level:

o Environmental pillar: environmental policy at management company level, exclusion policies relating to the thermal coal sector, portfolio carbon emissions, etc.

o Social pillar: human resources management, signatory of the UN PRI, exclusion policies relating to controversial weapons and fundamental principles, etc.

o Governance pillar: independence of the board, remuneration policy, etc.

- At underlying UCI level: Integration of ESG criteria into the management process, ESG rating of the fund, calculation of carbon intensity, labels, etc.

For the portion invested in directly held securities, through our work and MSCI ESG Research, we consider a broad spectrum of criteria relating to the E pillar (physical risks linked to climate change, water stress, waste management, etc.) and S pillar (staff training, product safety, auditing production practices, etc.) as part of our general approach.

Additionally, the investment teams seek to identify relevant and material factors as part of ex-ante analysis of ESG profiles and ex-post assessment of the sustainability trajectory of the issuer and/or industry. Based on dependencies and major impacts, the following elements may be considered: controversies (type, severity and recurrence), externalities (toxic/carbon emissions, water consumption, destruction of biodiversity, accidents, dismissals, strikes, precarious contracts, fraud, etc.) and contributions (Taxonomy alignment, participation in the United Nations sustainable development goals (SDG), alignment with the Paris Agreement temperature goal, etc.).

Sustainability indicators are used to verify how the environmental or social characteristics promoted by the financial product are attained.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The sustainability indicators used to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile (ESG rating and by ESG pillar, rating trends and distribution by underlying UCI/sector);
- Carbon intensity (divergence from indices, contribution by underlying fund/sector and identification of main contributors);
- Transition profile (for the UCI portion: exposure to fossil fuel and coal reserves, transition objectives of investee companies; for the directly held securities portion: reduction targets, green share, categories of activities in transition, etc.)

In addition, for the portion invested in directly held securities:

- Governance: representation of women on the board of directors
- Sustainable Development Goals (SDG): percentage aligned with the SDG.

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

A sustainable investment may be assessed with respect to three pillars: (i) contributing to an environmental or social objective, (ii) doing so without doing significant harm and (iii) applying good governance practices.

For the portion invested in UCIs, part of the allocation can be made in investments classed as sustainable under the SFDR. These sustainability investments are based on the definitions of the management companies responsible for the underlying products, which may differ from our own interpretation. As part of our analysis process, we carefully consider three main factors: contribution to environmental or social objectives and relevance of the approach; minimum commitments; and quantitative thresholds for measuring the positive contribution, as determined by the underlying funds' management companies.
At the financial product level, we integrate the underlying funds' alignment with the EU Taxonomy, and their own objectives, which constitute a sustainable investment within the meaning of European regulations.

For the portion invested in directly held securities, our definition is based on data supplied by our service provider MSCI ESG Research.
Further details are available in the document "Definition of sustainable investments" which can be found on our website: https://am.fr.rothschildandco.com/en/regulatory-information/

As regards corporate issuers, our approach to sustainable investment takes into account:

- Companies' general positive contribution through contributing revenue, i.e. revenue linked to activities with a positive impact on the environment or society (clean energy, energy efficiency, access to care, etc.) or to issuance of sustainable debt instruments (green, social or sustainable bonds);
- Contribution to environmental objectives, such as targets for reducing emissions in line with the Paris Agreement or reducing water use;

Contribution to social objectives, through alignment with United Nations Sustainable Development Goal 5 (gender equality), 8 (decent work and economic growth) or 10 (reduced inequalities).
As regards public issuers, our approach to sustainable investment takes into account:
- States' general positive contribution through issuance of sustainable debt instruments (green, social or sustainable bonds);
- Positive environmental contribution: Signatory to the Paris Agreement or the United Nations Convention on Biological Diversity;
- Positive social contribution: Performance with respect to equality (Gini index) and freedom of the press (Freedom House).

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

For the portion invested in UCIs, in our analysis process, we try to carefully uphold the "do no significant harm" principle in the definitions of sustainability investments provided by the underlying funds' management companies.

For the portion invested in directly held securities, in order to be classed as sustainable, an investment must do no significant harm to the various environmental or social objectives to which it intends to contribute.
Rothschild & Co Asset Management has defined a "do no significant harm" ("DNSH") procedure to ensure that the sustainable investments of a financial product do no significant harm to any of its environmental or social objectives. This procedure includes:
- Standard sector exclusions which reduce the product's exposure to social and environmental controversies;
- Consideration of the mandatory principal adverse impacts (PAIs) of these investments on sustainability factors.

We also use ESG ratings as part of our approach, as a minimal safeguard in relation to overall sustainability performance.

How have the indicators for adverse impacts on sustainability factors been taken into account?

For the portion invested in UCIs, in our analysis process, we try to carefully consider principal adverse impacts in the definition of sustainability investments provided by the underlying funds' management companies. We always consider all mandatory PAIs, or if necessary use proxies or qualitative data on the same theme.

For the portion invested in directly held securities, all mandatory PAIs are taken into consideration in the Management Company's definition of sustainable investments by means of:
- Sectoral and normative exclusions, including compliance with minimum guarantees, through exclusionary PAIs:
o PAI 10 – Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, for corporate issuers;
o PAI 14 – Exposure to controversial weapons, for corporate issuers;
o PAI 16 – Investee countries subject to social violations, for sovereign issuers;
- A proprietary quantitative scoring model, incorporating mandatory PAIs.

Further details on the scoring model are available in the document "Definition of sustainable investments" which can be found on our website: https://am.fr.rothschildandco.com/en/regulatory-information/

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description:

In our analysis process, we try to carefully align ourselves with OECD, UN and ILO guidelines in the definition of sustainability investments provided by the underlying funds' management companies.

Furthermore, as part of our definition of a sustainable investment for corporate issuers, we check to ensure that there are no violations of the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. To that end, we use an overall controversy indicator measuring the company's past and current involvement in violations of international standards. The regulatory frameworks considered include the following: the United Nations Global Compact (UNGC), the United Nations Guiding Principles on Business and Human Rights, the Conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises.

Moreover, for all the Management Company's investments, our fund selection process includes an analysis of the exclusion policy relating to the fundamental principles of the United Nations Global Compact (UNGC) applied by management companies.
Similarly, for investments in directly held securities, we exclude companies suspected of violating the ten fundamental principles of the United Nations Global Compact (UNGC).

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives And which is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, ☐ No

Rothschild & Co Asset Management has identified the principal adverse impacts (PAI) on sustainability factors on which we intend to focus our efforts and resources in order to deploy our responsible investment approach:

Corporate issuers:
o Climate change
- Greenhouse gas intensity and emissions, scopes 1 and 2 (PAI 1 & 3)
- Exposure to companies active in the fossil fuel sector (PAI 4)
- Exposure to issuers that are not committed to adhering to the Paris Agreement (optional climate PAI 4)
o Human rights, business ethics and respect for human dignity
- Violation of fundamental ethical standards (PAI 10)
- Board gender diversity (PAI 13)
- Exposure to controversial weapons (PAI 14)
- Exposure to issuers with fragile anti-corruption processes (optional social/human rights PAI 15)

Sovereign issuers:
o Human rights, business ethics and respect for human dignity
- Exposure to countries implicated in human rights violations and subject to related sanctions (PAI 16)

As part of taking mandatory PAIs into account and defining our optional and priority PAIs, we relied on methodology and data from our external service provider, MSCI ESG Research.
From an operational standpoint, adverse impacts are taken into account in every aspect of our sustainability approach, including the exclusion policy, the analysis and selection process using ESG criteria, the engagement

system and ESG reporting. For this product, we produce annual reports on all mandatory PAIs and optional PAIs chosen by the Management Company.

Our Policy for taking into account the principal adverse impacts in sustainability is available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/

What investment strategy does this financial product follow?

The investment objective of R-co WM Equilibrium, over the recommended investment period of more than five years, is to generate performance, net of management fees, in excess of its composite benchmark: 25% MSCI ACWI Net Total Return in euro (NDEEWNR) + 13% MSCI Europe NTR (MSDEE15N) + 57% Markit Iboxx Eur Corporates Total Return (QW5A) + 5% compounded €STR (OISESTR), through a discretionary management approach. The asset mix of this FCP may differ significantly from the composition of the benchmark index. Each component of the composite benchmark is valued on D-1, one business day before the NAV date, with the exception of the €STR, which is recorded on D.
The investment objective cited is based on the realisation of assumptions made by the Management Company about market conditions and in no way constitutes a guarantee of the fund's returns or performance.
The Management Company follows a rigorous quantitative and qualitative selection process to invest the FCP in equities and equity product UCIs, and fixed income product UCIs (including convertibles), and in UCIs whose diversified allocation provides exposure to fixed income and/or equity products and/or absolute return UCIs, based on market opportunities. The FCP may invest up to 100% of its assets in UCIs (included listed UCIs/ETFs).
To achieve its investment objective, the FCP invests on the basis of market opportunities:
- Between 0% and 50%, directly and via UCIs (including listed UCIs/ETFs), in equity products in all geographical regions (including up to 15% in non-OECD countries including emerging countries) and of all sizes (up to 20% in small caps, including micro caps. Companies with a market capitalisation of less than EUR 1 billion are defined as micro and small caps) and across all sectors;
- Between 45% and 80%: (i) in UCIs (including listed UCIs/ETFs), in fixed income products and/or convertibles (up to 10% of net assets) in all geographical regions (including up to 15% in non-OECD countries including emerging countries) and with all credit ratings (up to 15% in high yield or non-rated securities), issued by both governments and corporates, and in money market UCIs, and (ii) in UCIs or investment funds (including listed UCIs/ETFs) using different types of alternative management applied to all financial asset classes, up to 15%.
Investments are diversified across markets, management methodologies and investment managers.
Absolute return management is a generic definition that encompasses non-traditional management techniques. Absolute return management strategies have a common objective: they seek performance that is uncorrelated (or different) to that of the main markets (currencies, bonds, equities or commodities futures indices). To achieve this, most of them seek to carry out arbitrage transactions, taking advantage of market inefficiencies or imperfections, for example by simultaneously taking long positions in certain assets and short positions in other assets, on the basis of fundamental, technical, or statistical research.
Up to 15% of the FCP's net assets may be exposed to non-OECD countries (including emerging countries), indirectly via UCIs or underlying ETFs specialised in non-OECD markets.
Up to 10% of the FCP's net assets may be exposed to convertible bonds, indirectly via UCIs or underlying ETFs specialised in non-OECD markets. Up to 5% of the FCP's net assets may be exposed to CoCos, indirectly via UCIs or underlying ETFs specialised in CoCos.
The FCP may also invest in forward financial instruments traded on French and foreign regulated markets (futures) in order to achieve its investment objective (discretionary management). To do this, the manager will invest in currencies, fixed income and/or equities for the purposes of hedging and/or exposure.
The portfolio's overall exposure to the equity market, including exposure resulting from the use of forward financial instruments, will be between 25% and 50%.
The portfolio's overall exposure to the fixed income market, including exposure resulting from the use of forward financial instruments, will be between 45% and 80%.

The portfolio's overall currency exposure, including exposure resulting from the use of forward financial instruments, will not exceed 100%.

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

Adherence to our common exclusion framework

o Regulatory exclusions: controversial weapons and international sanctions

o Discretionary exclusions: United Nations Global Compact (UNGC), thermal coal and tobacco

Integrating material ESG criteria into the analysis process

o An assessment combining financial and ESG criteria: the integration of ESG criteria reflects the analysis process applied by each management team; it may be applied at sector or issuer level, and at management company and/or fund level, depending on the asset class in question.

For the portion invested in UCIs, we have established a unique due diligence questionnaire, integrating ESG criteria in a significant way. This integration enables 360-degree analysis focusing on three areas: ESG/SRI, investment and operations. It is carried out at management company and fund level. In addition to our internal analysis, we have created a score card using a proprietary methodology, the aim of which is to guide analysts in conducting their ESG assessment.

Adherence to sustainability requirements at portfolio level

o Target ESG score of at least BBB

o Minimum level of Taxonomy-aligned and sustainable investments

o Minimal coverage of ESG ratings (60%)

Active engagement

o For the UCI portion, dialogue with management companies as part of our due diligence, integrated into our fund selection process, encouraging transparency, labelling and best practices in terms of integrating sustainability issues;

o For the portion invested in directly held securities, dialogue primarily focused around our top-priority themes (climate transition, inclusion and fair transition, etc.) and controversies;

o A responsible voting policy for the entire equity scope;

o And more generally, active participation in multiple industry working groups (ADEME, Finance for Tomorrow, AFG, Climate Action 100+, etc.) on the strategies implemented in the portfolios (impact, biodiversity, fossil fuel, fair transition, etc.).

The ESG ratings mainly come from a data provider called MSCI ESG Research, which rates companies from CCC to AAA (AAA being the best rating).

ESG monitoring is ongoing, since ESG data is fully integrated into our operational systems.

Our entire value chain (compliance, risk, investment management and reporting teams) is covered by the same ESG data flow (updated on a quarterly basis), with ESG constraints and requirements encoded into every system. This allows us to monitor ESG data on a daily basis and in real time. Specific sustainability constraints and objectives at product level are the responsibility of the risk department.

The management teams have access to ESG data and can monitor their sustainability constraints via their Bloomberg portal every day. The impact of portfolio movements on sustainability requirements are continuously assessed by the investment managers as part of the portfolio allocation process.

Furthermore, regular meetings of the investment committee offer an opportunity to assess the sustainability risks and ESG issues associated with a specific fund and/or portfolio.

Finally, the investment teams include controversies monitoring in their checks on underlying funds, alerts covering rating changes and ESG controversies are implemented by MSCI ESG Research for the investment teams and control departments, and analysts monitor the latest news. Details of the controversy monitoring process are available in the PAI Policy.

ESG reports are produced using the same ESG data flow, then validated by the investment teams.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The initial investment universe is not reduced using a fixed selectivity rate, determined upstream of the investment process.
However, the investment universe is reduced on the basis of regulatory exclusions, as well as our Management Company's discretionary exclusions.
The investment universe is not reduced using a fixed selectivity rate for a fund of funds.
However, the investment universe is restricted by regulatory exclusions, as well as our Management Company's discretionary exclusions.

What is the policy to assess good governance practices of the investee companies?

To determine good governance practices, we have implemented a process on two levels:
- Standards-based screening

The fund is within the scope of our common exclusion framework, which includes exclusions relating to international sanctions and fundamental principles.

- Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the investments. To assess good governance practices, the investment teams consider factors including:
For UCIs: the percentage of independent members on the board, the balance of power between the board and the executive committee, diversity within the governance bodies, the profiles and backgrounds of the members, the remuneration structure, and the experience and involvement of governance in sustainability issues. This assessment is carried out in particular as part of the due diligence process and is mainly based on information collected from management companies, public documents, data from MSCI ESG Research and exchanges with the third-party financial player concerned.
Governance performance represents 29% of the Management Company's overall ESG score.
At fund level, the investment teams consider the independence of the fund's board, and the fund's G pillar.

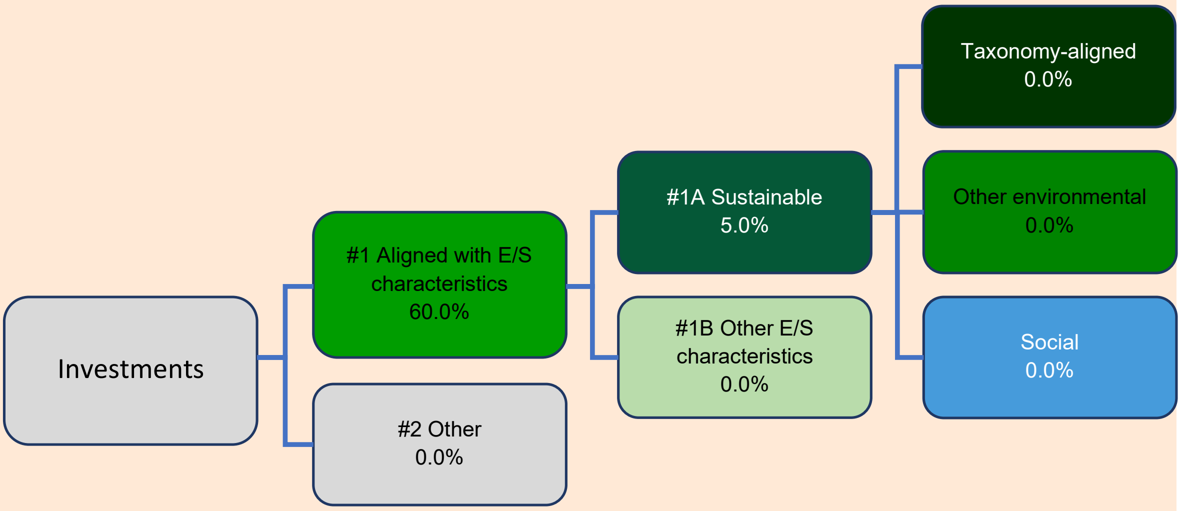
For the portion invested in directly held securities: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), the degree of independence and diversity on the board of directors, controversies and the history of senior management and representatives of the board of directors.
In the context of MSCI ESG Research's ESG ratings, the governance pillar is considered material for all sectors and has a minimum weighting of 33% when calculating the final ESG score for every issuer. This governance pillar is based on two sub-themes: Corporate governance (structure and control, board of directors, remuneration and accounting) and corporate behaviour (business ethics and tax transparency). The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance.
We see assessing good governance practices as an ongoing process, and the investment teams are encouraged to engage directly with companies to obtain additional information, raise concerns and/or resolve issues linked to the governance practices identified or associated controversies.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The asset allocation figures presented above are pre-contractual minimums expressed as a percentage of the net assets; they are not a forecast of a target allocation. For information on the percentages achieved, please refer to the annual report.

The underlying investments of the financial product that take into account the EU criteria for environmentally sustainable economic activities represent a minimum alignment commitment of 0% of investments.

A share of the financial product's net assets may be invested in instruments that do not promote environmental or social characteristics (cash, funds or derivatives). They provide technical support and uphold the fund's financial objective (hedging, movements of liabilities, etc.). Minimum ESG safeguards are applied in accordance with our sustainability approach. Details are provided in the response to the question on "other" investments below.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Interest rate and currency derivatives neither contribute to nor affect the environmental and social characteristics promoted by the financial product. Derivatives on other asset classes do not contribute to the attainment of the environmental and social characteristics, but may affect them. For the purposes of transparency, derivatives are not taken into account in the ratios presented above.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The applicable criteria for **fossil gas** to be considered aligned with the EU Taxonomy include restrictions on emissions and a transition to renewable energy sources or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive rules regarding nuclear safety and waste management.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

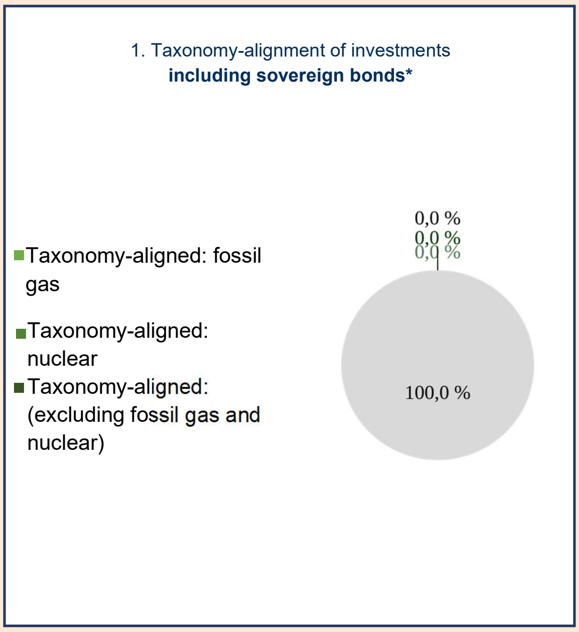
Does the financial product invest in nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy[1]?

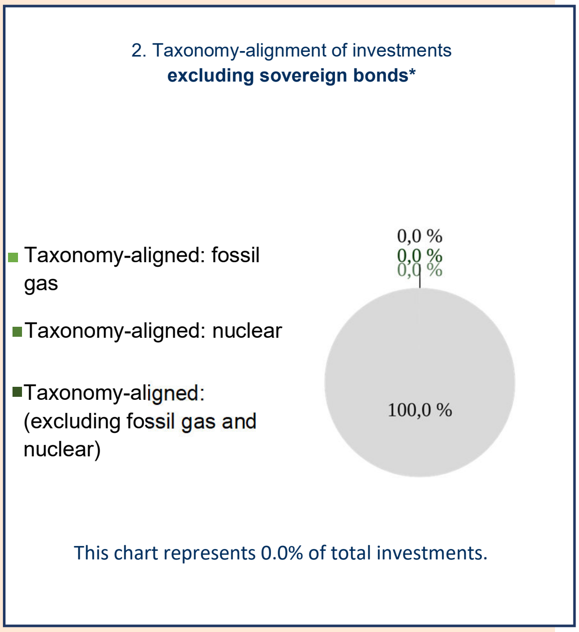
☒ Yes

☒ In fossil gas ☒ In nuclear energy

☐ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures

What is the minimum share of investments in transitional and enabling activities?

The minimum share in enabling and transitional activities is 0%. The allocation between the two types of activity is not determined in advance.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

Within the minimum invested in sustainable investments, the minimum share of investments with an environmental objective that are not aligned with the Taxonomy is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

What is the minimum share of socially sustainable investments?

[1] Activities related to nuclear and/or fossil gas related activities will only be considered Taxonomy-aligned if they contribute to climate change mitigation and do no significant harm to any of the objectives of the EU Taxonomy – see the explanatory note in the left-hand margin. All criteria applicable to economic activities in the nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214.

Within the minimum invested in sustainable investments, the minimum share of investments with a social objective is 0%. While the product is committed to a minimum level of sustainable investments overall, no allocation between environmental and social objectives has been determined in advance.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

A share of the financial product's net assets may be invested in funds that are not analysed with respect to ESG criteria. However, all investments adhere to the Management Company's common exclusion framework, guaranteeing a baseline level of compliance with ESG principles.
The funds and securities held in the portfolio, in accordance with the allocation levels stated in the prospectus, serve to further the financial product's financial investment objective.
The financial product may invest up to 10% of its net assets in cash on an ancillary basis. Cash may be invested in money market funds managed by our management company, in accordance with our ESG policy and where we have complete transparency.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

N/A.

How does the designated index differ from a relevant broad market index?

N/A.

Where can the methodology used for the calculation of the designated index be found?

N/A.

Where can I find more product specific information online?

Further details on the financial product are available in the prospectus, the ESG policy and the policies for taking into account PAI and sustainability risks, which are available on our website: https://am.fr.rothschildandco.com/en/responsible-investing/documentation/