



# Exclusion policy relating to controversial weapons

## Rothschild & Co Asset Management Europe has established a formal exclusion policy regarding investment into companies linked to the production of controversial weapons.

This exclusion policy is part of a comprehensive Responsible Investment framework for Asset Management activities and are:

- Compliant with the regulations in force;
- Aligned with our approach to ESG criteria integration among our investment strategies;
- Part of a response to the risks induced by ESG risks for our investors.

This exclusion policy applies to our various Asset Management investment activities. It also covers managed accounts and dedicated funds, but it does not apply to index-linked structured products.

## Defining the controversial weapons sector:

This exclusion policy applies to companies involved in the production of weapons prohibited by the Oslo Convention on Cluster Munitions (2008) and the Ottawa Treaty on Anti-Personnel Mines (1999):

- Cluster munitions: Rothschild & Co Asset management Europe is excluding companies involved in the production of cluster munitions, components and delivery platforms.
- Landmines: Rothschild & Co Asset Management Europe is excluding companies involved in the production of anti-personnel landmines (APMs) and components.

Compliance with these principles is based on information from our extra-financial data provider MSCI ESG Research.

## This exclusion policy is implemented according to the following rules:

### Direct management of listed and non-listed assets

- No investment can be made, and no lending provided to companies involved in the production of weapons prohibited by the Oslo Convention on Cluster Munitions (2008) and the Ottawa Treaty on Anti-Personnel Mines (1999).

### Indirect management, listed and non-listed funds of funds

When we do not invest in individual companies but rather in funds or funds of funds, the implementation of this exclusion policy is more complex. Therefore:

- We integrate into our funds selection process the analysis of the controversial weapons policy exclusion implemented by fund managers.
- We have defined, at the level of listed funds of funds, a very residual threshold of 1% maximum of real exposure to violating companies. This exposure can only come from products whose composition is linked to indices exposed to one or more countries that are not signatories to the Oslo Convention and the Ottawa Treaty.

Only alternative, illiquid funds (such as private equity funds) and those linked to commodities, as defined in the Rothschild & Co Asset Management Europe buy list or by the Private Assets activity, are excluded from this framework for technical reasons (lack of data transparency, concentration of the universe, composition of indices, etc.). These funds continue to be subject to engagement to set up a policy or to discuss their possible exposure. In all cases, we always make our best efforts to find the alternative that best respects our investment principles regarding controversial weapons.

### In delegated management

For direct investment, our exclusion policy applies to the delegated management company by delegation for the part of the portfolio that is delegated to it.

For delegates investing in mutual funds, the latter (with the exception of certain strategies) must apply the controversial weapons exclusion policy defined by the delegates.

This exclusion policy relating to controversial weapons is published on the website of the management company Rothschild & Co Asset Management Europe. It was updated in 2022.


### Non-promotional document.

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### About the Asset Management's division of Rothschild & Co

As the specialised asset management division of the Rothschild & Co group, we offer personalised asset management services to a broad client base of institutional investors, financial intermediaries and distributors. Our development is focused on a range of open-ended funds, marketed under four strong brands: Conviction, Valor, Thematic and 4Change, and leveraging our long-term expertise in active management with conviction as well as in delegated management. Based in Paris and established in 10 European countries, we manage more than 22 billion euros and employ nearly 150 people. More information at: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)



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