



# R-co 3

Open-ended investment fund (SICAV)

Prospectus

Updated on 1 October 2025



UCITS governed by  
European Directive  
2009/65/EC

## R-co 3

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## I. General characteristics

### FORM OF THE UCITS:

Name: R-co 3  
 Legal form: Open-ended investment fund (SICAV) governed by French law  
 Registered office: 29, avenue de Messine – 75008 Paris  
 Date of incorporation: 13 November 2024  
 Intended lifetime: 99 years

**FUND OVERVIEW:** The R-co 3 SICAV (hereinafter the “SICAV”) has several sub-funds:

### Sub-fund No. 1: R-co Target 2030 IG

Share class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400SEI6	Accumulation	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
C2 EUR	FR001400SEJ4	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
D EUR	FR001400SEK2	Distribution	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
D2 EUR	FR001400SEL0	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
IC EUR	FR001400SEM8	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV: EUR 1,000
IC2 EUR	FR001400SEN6	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV: EUR 1,000
ID EUR	FR001400SEO4	Distribution	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV of a share: EUR 1,000
ID2 EUR	FR001400SEP1	Distribution	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV of a share: EUR 1,000
IC CHF H	FR001400SEQ9	Accumulation	CHF	Ten-thousandths	All investors but specifically intended for institutional investors	CHF 2,000,000 Initial NAV of a share: CHF 1,000



IC USD H	FR001400SER7	Accumulation	USD	Ten-thousandths	All investors but specifically intended for institutional investors	USD 2,000,000 Initial NAV of a share: USD 1,000
P EUR	FR001400SES5	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P2 EUR	FR001400SET3	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P CHF H	FR001400SEU1	Accumulation	CHF	Ten-thousandths	See below***	CHF 5,000 or CHF 500,000 for institutional investors Initial NAV of a share: CHF 100
PB EUR	FR001400SEV9	Distribution	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
PB2 EUR	FR001400SF07	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
R EUR	FR001400SEX5	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for foreign distribution networks	1 share Initial NAV of a share: EUR 100
AFER 2030 IG	FR001400SEY3	Accumulation	EUR	Ten-thousandths	Shares reserved for the insurance companies Abeille Vie and Abeille Epargne Retraite	1 share Initial NAV of a share: EUR 100
AFER Génération 2030 IG	FR001400TQV1	Accumulation	EUR	Ten-thousandths	Shares reserved for the insurance companies Abeille Vie and Abeille Epargne Retraite within the framework of the distribution of their unit-linked life insurance policy, AFER Génération, subscribed under the AFER umbrella	1 share Initial NAV of a share: EUR 100

\*Shares in CHF and in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.  
Subsequent subscriptions may be for shares or fractions of shares, where applicable.



\*\*\* Subscription for this share class is reserved for:

- 1) Investors subscribing through distributors or intermediaries:
  - o subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
  - o providing:
    - an independent advisory service within the meaning of the European MiFID II regulation
    - an individual discretionary portfolio management service
- 2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for P EUR, PB EUR, P2 EUR and PB2 EUR shares and CHF 500,000 for P CHF H shares.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

In addition, the Management Company reserves the right not to activate individual share classes, thus delaying their commercial launch.

## Sub-fund No. 2: R-co Target 2029 HY

Share class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400SE57	Accumulation	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
C2 EUR	FR001400SE65	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
D EUR	FR001400SE73	Distribution	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
D2 EUR	FR001400SE81	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
F EUR	FR001400SE99	Accumulation	EUR	Ten-thousandths	All investors	1 share Initial NAV: EUR 100
IC EUR	FR001400SEA3	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV: EUR 1,000
ID EUR	FR001400SEB1	Distribution	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV of a share: EUR 1,000
IC CHF H	FR001400SEC9	Accumulation	CHF	Ten-thousandths	All investors but specifically intended for institutional investors	CHF 2,000,000 Initial NAV of a share: CHF 1,000
IC USD H	FR001400SED7	Accumulation	USD	Ten-thousandths	All investors but specifically intended for institutional investors	USD 2,000,000 Initial NAV of a share: USD 1,000



P EUR	FR001400SEE5	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P CHF H	FR001400SEF2	Accumulation	CHF	Ten-thousandths	See below***	CHF 5,000 or CHF 500,000 for institutional investors Initial NAV of a share: CHF 100
PB EUR	FR001400SEG0	Distribution	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
R EUR	FR001400SEH8	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for foreign distribution networks	1 share Initial NAV of a share: EUR 100

\*Shares in CHF and in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.  
Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

- 1) Investors subscribing through distributors or intermediaries:
  - o subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
  - o providing:
    - an independent advisory service within the meaning of the European MiFID II regulation
    - an individual discretionary portfolio management service
- 2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for P EUR and PB EUR shares and CHF 500,000 for P CHF H shares.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

In addition, the Management Company reserves the right not to activate individual share classes, thus delaying their commercial launch.

### Sub-fund No. 3: R-co Strategic Metals and Mining

Share class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400TLU4	Accumulation	EUR	Ten-thousandths	All investors	1 share Initial NAV of a share: EUR 100
C USD H	FR001400TLW0	Accumulation	USD	Ten-thousandths	All investors	1 share



						Initial NAV of a share: USD 100
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\*Shares in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.

Subsequent subscriptions may be for shares or fractions of shares, where applicable.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

In addition, the Management Company reserves the right not to activate individual share classes, thus delaying their commercial launch.

### Sub-fund No. 4: R-co Valor Equity

Share class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400YR47	Accumulation	EUR	Ten-thousandths	All investors	None Initial NAV of a share: EUR 100
F EUR	FR001400YR54	Accumulation	EUR	Ten-thousandths	All investors	None Initial NAV of a share: EUR 100
I EUR	FR001400YR62	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors	EUR 3,000,000 Initial NAV of a share: EUR 1,000
NI EUR	FR001400YR70	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors	EUR 5,000,000 Initial NAV of a share: EUR 1,000
NI USD	FR001400YR88	Accumulation	USD	Ten-thousandths	All investors, but specifically intended for institutional investors	USD 5,000,000 Initial NAV of a share: USD 1,000
R EUR	FR001400YR96	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for foreign distribution networks	None Initial NAV of a share: EUR 100
P EUR	FR001400YRA3	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P USD	FR001400YRB1	Accumulation	USD	Ten-thousandths	See below***	USD 5,000 or USD 500,000 for institutional investors Initial NAV of a share: USD 100



CL EUR	FR001400YRC9	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
M EUR	FR001400YRD7	Accumulation	EUR	Ten-thousandths	Shares reserved for the employee shareholding plan, employees and corporate officers of the Rothschild & Co group	EUR 1,000 Initial NAV of a share: EUR 1,000

\*USD shares are not hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.

Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

- 1) Investors subscribing through distributors or intermediaries:
  - o subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
  - o providing:
    - an independent advisory service within the meaning of the European MiFID II regulation
    - an individual discretionary portfolio management service
- 2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for the P EUR shares and USD 500,000 for the NI USD and P USD shares.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

In addition, the Management Company reserves the right not to activate individual share classes, thus delaying their commercial launch.

### Sub-fund No. 5: R-co Target 2032 IG

Share Class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR0014011W27	Accumulation	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
C2 EUR	FR0014011W35	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
D EUR	FR0014011W43	Distribution	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
D2 EUR	FR0014011W50	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100



IC EUR	FR0014011W68	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV: EUR 1,000
IC2 EUR	FR0014011W76	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV: EUR 1,000
ID EUR	FR0014011W84	Distribution	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV of a share: EUR 1,000
ID2 EUR	FR0014011W92	Distribution	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV of a share: EUR 1,000
IC CHF H	FR0014011WA5	Accumulation	CHF	Ten-thousandths	All investors but specifically intended for institutional investors	CHF 2,000,000 Initial NAV of a share: CHF 1,000
IC USD H	FR0014011WB3	Accumulation	USD	Ten-thousandths	All investors but specifically intended for institutional investors	USD 2,000,000 Initial NAV of a share: USD 1,000
P EUR	FR0014011WC1	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P2 EUR	FR0014011WD9	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P CHF H	FR0014011WE7	Accumulation	CHF	Ten-thousandths	See below***	CHF 5,000 or CHF 500,000 for institutional investors Initial NAV of a share: CHF 100
PB EUR	FR0014011WF4	Distribution	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
PB2 EUR	FR0014011WG2	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
R EUR	FR0014011WH0	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for	1 share



					foreign distribution networks	Initial NAV of a share: EUR 100
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\*Shares in CHF and in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.  
Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

- 2) Investors subscribing through distributors or intermediaries:
  - o subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
  - o providing:
    - an independent advisory service within the meaning of the European MiFID II regulation
    - an individual discretionary portfolio management service
- 2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for P EUR, PB EUR, P2 EUR and PB2 EUR shares and CHF 500,000 for P CHF H shares.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

In addition, the Management Company reserves the right not to activate individual share classes, thus delaying their commercial launch.



**Where the articles of association of the SICAV, the latest annual report, and the latest interim statement can be obtained:**

The latest annual documents and the composition of assets are sent within eight working days of the shareholder's written request addressed to:

Rothschild & Co Asset Management  
Service commercial  
29, avenue de Messine  
75008 Paris

The Key Information Documents (KID) are also available on the website: <https://am.eu.rothschildandco.com>

For further information, contact the client service team of the Management Company on (tel.: +33 (0)1 40 74 40 84 or by e-mail at the following address: [clientserviceteam@rothschildandco.com](mailto: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 (hereinafter the "Management Company").

Limited Partnership

29, avenue de Messine – 75008 PARIS

### **Depositary, Custodian:**

Rothschild & Co Martin Maurel, *société anonyme* trading under the name Rothschild Martin Maurel (hereinafter the "Depositary")

29, avenue de Messine

75008 PARIS

Credit institution approved by France's Prudential Control and Resolution Authority (ACPR)

### Description of the Depositary's duties:

Rothschild Martin Maurel performs the duties defined by the applicable regulations, namely:

- Safekeeping of the SICAV's assets;
- Verification of the compliance of Management Company decisions;
- Monitoring of the cash flows of the UCITS.

The Depositary is also responsible for managing the liabilities of the SICAV, which includes centralising its share subscription and redemption orders under delegation from the Management Company, as well as managing the issue account and share registers of the SICAV.

### Supervision and management of conflicts of interest:

Rothschild Martin Maurel and the management company Rothschild & Co Asset Management belong to the same group, Rothschild & Co. In accordance with applicable regulations, they have established a policy and a procedure appropriate given their size and organisation, and the nature of their activities, in order to take reasonable measures intended to prevent conflicts of interests that could arise from this relationship.

### Delegate(s):

The Depositary has delegated the safekeeping of foreign financial securities to the custodian, Bank of New York Mellon SA/NV (Belgium).

The list of entities used by Bank of New York Mellon SA/NV (Belgium) in the delegation of safekeeping duties and the information relating to conflicts of interest likely to result from such delegations are available on the website: [www.rothschildandco.com/fr/wealth-management/rothschild-martin-maurel/informations-bancaires](http://www.rothschildandco.com/fr/wealth-management/rothschild-martin-maurel/informations-bancaires).

Updated information will be made available to investors free of charge within eight working days on written request from the shareholder to the Depositary.

**Principal Broker:** None

### **Statutory Auditor:**

SFPB – A&C

31, rue Henri ROCHEFORT

75017 PARIS

Signatory: Stéphane DANKOWSKI

**Promoter:** Rothschild & Co Asset Management.

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

### **Accounting sub-delegate (delegated by Rothschild & Co Asset Management):**

CACEIS Fund Administration

89-91 rue Gabriel Péri

92120 Montrouge

**Advisers:** None

**Centralising agent:**

Rothschild & Co Asset Management, portfolio management company authorised by the AMF on 6 June 2017 under number GP-17000014, located at 29 avenue de Messine – 75008 PARIS

**Establishment responsible for managing the issue account and for centralising subscription/redemption orders, under delegation from the Management Company:****- for shares to be registered or already registered in bearer form within Euroclear:**

Rothschild & Co Martin Maurel, société anonyme trading under the name Rothschild Martin Maurel  
29, avenue de Messine – 75008 PARIS  
Credit institution approved by France's Prudential Control and Resolution Authority (ACPR)

**- for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP":**

IZNES

Operations Department

Company approved by the French Prudential Control and Resolution Authority (ACPR) as an investment company on 26 June 2020

18, boulevard Malesherbes  
75008 PARIS

Each of the establishments will assume all the tasks relating to the management of the issue account as indicated above. Rothschild Martin Maurel will be responsible at SICAV level for aggregating information relating to the management of the issue account provided by IZNES.

**Directors:**

- **Vincent Rasclard - Chairman of the Board of Directors – Chief Executive Officer – Director**  
Vincent Rasclard, Executive Manager, Marketing and Communications Director at Rothschild & Co Asset Management
- **Didier Bouvignies – Director – Deputy Chief Executive Officer**  
Didier Bouvignies, Executive Managing Partner at Rothschild & Co Asset Management
- **Emmanuel Petit – Director**  
Executive Managing Partner at Rothschild & Co Asset Management
- **Rothschild & Co Asset Management – Director**  
Represented by Alexandre Bouy, Head of Product Management, duly authorised



### III. Management and operations

#### Sub-fund No. 1: R-co Target 2030 IG

➤ **General characteristics:**

**Share characteristics:**

ISINs:

- C EUR shares: FR001400SEI6
- C2 EUR shares: FR001400SEJ4
- D EUR shares: FR001400SEK2
- D2 EUR shares: FR001400SEL0
- IC EUR shares: FR001400SEM8
- IC2 EUR shares: FR001400SEN6
- ID EUR shares: FR001400SEO4
- ID2 EUR shares: FR001400SEP1
- IC CHF H shares: FR001400SEQ9
- IC USD H shares: FR001400SER7
- P EUR shares: FR001400SES5
- P2 EUR shares: FR001400SET3
- P CHF H shares: FR001400SEU1
- PB EUR shares: FR001400SEV9
- PB2 EUR shares: FR001400SF07
- R EUR shares: FR001400SEX5
- AFER 2030 IG shares: FR001400SEY3
- AFER Génération 2030 IG shares: FR001400TQV1

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the sub-fund in proportion to the number of shares held.

Registration or liabilities management: liabilities are managed by Rothschild Martin Maurel for shares to be registered or already registered in bearer form within Euroclear, and by IZNES for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP". Please note that subscription and redemption requests for shares to be registered or already registered in pure registered form with IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so.

Voting rights: each shareholder has voting rights attached to the shares they own. The SICAV's articles of association set out how these voting rights can be exercised.

Form of the shares: in bearer form for shares admitted to Euroclear or in pure registered form within IZNES' "DEEP" system. This sub-fund can be used in unit-linked life insurance policies.

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of September.

First closing: 30 September 2025

**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 subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable. This sub-fund can be used in unit-linked life insurance policies.

➤ **Special provisions**

**ISINs:**

- C EUR shares: FR001400SEI6
- C2 EUR shares: FR001400SEJ4
- D EUR shares: FR001400SEK2



- D2 EUR shares: FR001400SELO
- IC EUR shares: FR001400SEM8
- IC2 EUR shares: FR001400SEN6
- ID EUR shares: FR001400SEO4
- ID2 EUR shares: FR001400SEP1
- IC CHF H shares: FR001400SEQ9
- IC USD H shares: FR001400SER7
- P EUR shares: FR001400SES5
- P2 EUR shares: FR001400SET3
- P CHF H shares: FR001400SEU1
- PB EUR shares: FR001400SEV9
- PB2 EUR shares: FR001400SF07
- R EUR shares: FR001400SEX5
- AFER 2030 IG shares: FR001400SEY3
- AFER Génération 2030 IG shares: FR001400TQV1

**Delegation of financial management:** No

**Classification:** Bonds and other debt securities denominated in euro

**Investment objective:**

The investment objective of the sub-fund, at the time of subscription and until 31 December 2030, is to achieve performance net of fees linked to the current yields on bonds maturing in 2030 by investing exclusively in securities rated investment grade (non-speculative).

The average portfolio maturity ranges from January to December 2030.

However, and as an exception to the above, the sub-fund will, as of its inception date and for a maximum period of six months, benefit from a degree of flexibility to deviate from statutory ratios to ensure it can optimise portfolio construction as market opportunities arise.

**Benchmark:**

The sub-fund does not have a benchmark. The average portfolio maturity ranges from January to December 2030. This average maturity decreases each year until expiry at the end of 2030.

The sub-fund is not managed with reference to a benchmark.

The sub-fund is not an index-linked UCITS.

**Investment strategy:**

**1. Description of strategies used:**

The sub-fund's investment strategy is not limited to buying and holding bonds: while the management company will typically hold its securities to maturity, it may carry out arbitrage transactions if it identifies issuers in the portfolio with a higher risk of default and/or if new market opportunities occur, in order to optimise the portfolio's average yield to maturity.

The credit risk exposure strategy will be implemented via direct investments. The sub-fund will invest 80%-100% of its net assets in bonds with fixed, variable or adjustable rates, and other transferable debt securities, inflation-linked bonds, issued by private corporations and/or supranational/public entities or governments and medium-term notes, with a maximum of 10% of net assets invested in convertible bonds. Securities denominated in a currency other than EUR will not exceed 10% of the net assets.

The portfolio may invest in any geographical region, including emerging markets; however, only 10% of the sub-fund's net assets may be invested in securities issued by companies whose registered office is located in a non-OECD country.

Information regarding the geographical breakdown of issuers and the modified duration range within which the sub-fund is managed is provided in the table below:



Interest rate modified duration range within which the sub-fund is managed	Geographical breakdown (nationality) of issuers	Range of exposure to this region
0 to 6	Eurozone	0-100%
	Europe (outside of the eurozone)	0-100%
	OECD member country (outside Europe)	0-100%
	Non-OECD countries (including emerging countries)	0-10%

Investment grade securities will make up at least 80% of the net assets in the sub-fund's portfolio.

Up to 10% of the sub-fund's net assets may also be exposed to speculative-grade bonds in the high yield category. The sub-fund does not seek to invest in speculative-grade bonds, but this may occur following a change in rating.

Shareholders investing in EUR are exposed to foreign exchange risk of up to 10% of the sub-fund's net assets.

The portfolio's modified duration falls within a range of 0 to 6. This modified duration will decline as the maturity date approaches.

The sub-fund may also invest up to 10% of net assets in UCITS, AIFs or foreign money market and fixed-income investment funds and up to 10% of net assets in money market securities for cash management purposes.

However, and as an exception to the above, the sub-fund will, as of its inception date and for a maximum period of six months, benefit from a degree of flexibility to deviate from statutory ratios to ensure it can optimise portfolio construction as market opportunities arise.

From 1 January 2030, bonds reaching maturity will be reinvested in money market securities (money market UCIs and directly held securities). The Management Company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2030. The SICAV shall be closed to new subscriptions as of 1 January 2026.

### **Selection of underlyings:**

#### **Step 1: Securities selection process within the eligible investment universe:**

The manager uses processes which combine a top-down and bottom-up approaches to identify two sources of added value:

- Sector and geographical allocation is based on an analysis of the economic and financial environment. This analysis identifies the long-term risks and issues influencing pricing. This specifically includes an analysis of default histories and the competitive situation.
- Securities selection is based on a fundamental approach that involves two steps:
  - A quantitative analysis based on the probability of default:
    - using a broad range of public data and statistics on each company;
    - comparing this data to that of companies in the same economic sector;
    - determining a theoretical valuation and comparing this with the market valuation.
  - A qualitative analysis based on:
    - the sustainability of the sector;
    - a study of the competitive environment;
    - an understanding of the balance sheet;
    - an understanding of profitability drivers (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.);
    - an understanding of debt schedules (balance sheet and off-balance sheet);
    - determining the probability of survival within the sector.

The Management Company does not rely exclusively or automatically on credit ratings issued by rating agencies but undertakes its own analysis to assess the credit quality of fixed-income instruments.

Foreign UCITS, AIFs or investment funds will be selected using a top-down approach by asset class. This selection will be taken primarily from the Rothschild & Co group range.

#### **Step 2: Portfolio construction**



The sub-fund's portfolio will be constructed in three stages:

- (i) A portfolio build-up period corresponding to the period in which the sub-fund is accepting subscriptions, during which the management company of the UCITS will gradually invest in bonds maturing on or before 31 December 2031 and money market securities (money market UCIs and directly held securities).
- (ii) A holding period (equal to the recommended investment period) during which at least 80% of the UCITS portfolio will consist of these bonds maturing on or before 31 December 2031 with an average portfolio maturity ranging between January and December 2030.
- (iii) A monetisation period, beginning on 1 January 2030, during which bonds in the portfolio reaching maturity will be replaced with money market securities (money market UCIs and directly held securities). As a reminder, the management company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2030. The SICAV shall be closed to new subscriptions as of 1 January 2026.

#### Non-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 one of the investments of the UCITS. 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 assessed.

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 sub-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 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.eu.rothschildandco.com/en/responsible-investing/documentation>

## **2. Description of asset classes:**

The asset classes included in the composition of the assets of the sub-fund are as follows:

- **Equities:** 0-10% of net assets



The sub-fund will not invest in equities. However, it may hold up to a maximum of 10% of its net assets in equities after exercising a conversion option attached to convertible bonds or as a result of the restructuring of an issuer's debt.

- **Bonds, debt securities and money market instruments:** 80%-100% of net assets

In accordance with the holding range specified below, the sub-fund will invest in bonds of any sector and geographical region, with fixed, variable or adjustable rates, in EUR-denominated transferable debt securities, inflation-linked bonds, and medium-term notes, whose remaining maturity shall not exceed 31 December 2031. The sub-fund also reserves the right to invest up to 100% of its net assets in shares issued by private entities (banks, insurance companies and financial service providers) or public and supranational entities.

Investment grade securities will make up at least 80% of the net assets in the sub-fund's portfolio.

Up to 10% of the sub-fund's net assets may also be exposed to speculative-grade bonds in the high yield category. The sub-fund does not seek to invest in speculative-grade bonds, but this may occur following a change in rating.

The portfolio may invest in any geographical region, including emerging markets; however, only 10% of the sub-fund's net assets may be invested in securities issued by companies whose registered office is located in a non-OECD country.

The sub-fund may invest up to 100% of its net assets in callable and puttable bonds, including make-whole call bonds: bonds that can be redeemed at any time by the issuer, at an amount including both the nominal amount and the coupons that the holder would have received had the security been redeemed at maturity), up to 10% of the net assets in convertible bonds and up to 10% of the net assets in contingent convertible bonds.

- **Units or shares in other UCITS, AIFs or investment funds governed by foreign law:** 0-10% of net assets

In accordance with the holding range specified below, the sub-fund may hold:

- units or shares of French and/or European UCITS funds governed by European Directive 2009/65/EC;
- units or shares of French or European AIFs or foreign investment funds, which meet the four conditions set out by Article R. 214-13 of the French Monetary and Financial Code.

These investments shall be made in money market UCIs and bonds.

NOTE: The sub-fund may hold the units or shares of UCIs which are managed directly or by delegation or are advised by the Rothschild & Co group.

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

	Equities	Debt securities and money market instruments	Fund units or shares
Holding ranges	0-10%	80%-100%	0-10%
Investment in high yield financial instruments	None	0-10%	None
Investment in the financial instruments of non-OECD countries (including emerging countries)	0-10%		
Investment restrictions imposed by the Management Company	None		

### **3. Derivatives:**

The sub-fund may invest in regulated, organised, or OTC markets.

The portfolio manager will manage interest rate, credit and currency risks. In order to achieve the investment objective (discretionary management), these investments will be carried out for the purposes of portfolio hedging (sale of futures) and/or exposure, in order to reconstitute synthetic exposure to assets (purchase of futures). In particular, the portfolio manager may invest in futures, forwards, options, currency forwards and credit derivatives (credit default swaps).

Please note that the sub-fund will not use total return swaps (TRS)



The overall equity exposure of the sub-fund's portfolio, including exposure resulting from the use of derivatives, will not exceed 10%.

The overall exposure of the sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of derivatives, will serve to keep the portfolio's modified duration within a range of 0 to 6.

The overall exposure of the sub-fund's portfolio to currency risk, including exposure resulting from the use of derivatives, will not exceed 10%.

#### **Credit derivatives:**

The credit allocation is determined on a discretionary basis by the manager.

The credit derivatives used are basket and single-entity CDS.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers
- in order to take advantage of the expected deterioration in the credit quality of an issuer or basket of issuers.

And for exposure purposes through the sale of protection against:

- the credit risk of an issuer
- the credit risk on baskets of CDS

As CDS can be used to create exposure to credit risk or to hedge the portfolio's credit risk, the use of indices to achieve this purpose could result in transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

The sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 200%.

#### Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be credit institutions, are selected in accordance with the procedure in force within the Rothschild & Co group on the basis of selection criteria that form part of an ad hoc internal process. The Management Company may regularly select the Depository as its counterparty for OTC forex derivatives.

In particular, this involves:

- approval of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying assets of the derivatives, and/or the composition of the index as part of index swaps.

#### **4. Securities with embedded derivatives:**

To achieve the investment objective, the use of securities with embedded derivatives is limited to 100% of net assets. This limit includes the use of: (i) callable and puttable bonds, including make-whole call bonds (up to 100% of net assets), (ii) convertible bonds (up to 10% of net assets), (iii) contingent convertible bonds (up to 10% of net assets), (iv) subscription warrants (up to 10% of net assets), and securities with embedded simple derivatives that have a risk profile similar to that of the previously listed instruments.

The overall equity exposure of the sub-fund's portfolio, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10%.

The overall exposure of the sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's modified duration to remain within a range of 0 to 6.

The overall exposure of the sub-fund's portfolio to non-EUR currencies, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10%.

#### **5. Deposits:**

The sub-fund may invest up to 10% of its net assets in euro deposits with a maturity of up to three months in order to earn a return on the sub-fund's cash.

#### **6. Cash borrowings:**



The sub-fund may take out loans totalling up to 10% of its net assets, particularly in order to offset deferred payment terms for asset movements.

### **7. Securities financing transactions:**

None

### **Information regarding the financial collateral of the sub-fund:**

As part of transactions in over-the-counter derivatives, the sub-fund may receive cash or securities (such as bonds or securities issued or guaranteed by a government, or issued by international lending agencies, and bonds or securities issued by high-quality private issuers) as collateral. There is no correlation policy insofar as the UCI will receive mainly eurozone government securities and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility and diversified issuers, and are not affiliated to the counterparty or its group.

Haircuts may be applied to the collateral received; they shall take into account, in particular, credit quality and price volatility. The valuation is performed at least on a daily basis.

The sub-fund must be able to fully realise any financial collateral received, at any time and without consultation with or approval from the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash may only be:

- invested in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreements, provided that these agreements are concluded with credit institutions subject to prudential supervision and that the fund can, at any time, recall the total amount of cash, taking into account the accrued interest; or
- invested in money market UCIs.

### **Risk profile:**

*Your money will be invested primarily in financial instruments selected by the Management Company. These instruments will be subject to market fluctuations and uncertainties.*

Investors in the sub-fund are primarily exposed to the following risks:

#### **1. 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 sub-fund's net asset value.

#### **Investors should be aware that:**

- **high-yield debt securities (eligible to account for up to 10% of the net assets) present a greater credit risk, which may lead to a greater decline in the sub-fund's net asset value.**
- **the way the non-OECD markets (including emerging markets, up to a maximum of 10% of net assets), in which the sub-fund 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 sub-fund's net asset value.**

**2. Interest rate risk:** This is the risk of a fall in fixed-income securities as a result of interest rate fluctuations. It is measured by modified duration, which will be between 0 and 6. In periods of rising interest rates, the net asset value could decline significantly.

**3. Risk of capital loss:** Risk that the initial investment may not be fully recovered, as the sub-fund does not offer any guarantee or protection. This risk materialises if the Net Asset Value decreases. In such a case, investors are not sure to recover the capital initially invested. 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 sub-fund's returns, performance, or volatility.

**4. Discretionary management risk:** Risk that the sub-fund's investment objective, which is shown for guidance, is not achieved. The discretionary management style is based on anticipating trends in the various markets. Consequently, there is the risk that the sub-fund will not always be invested in the best-performing markets, strategies, UCIs or investment funds.

**5. Risks associated with the use of derivatives:** As the sub-fund is able to invest in derivatives and securities with embedded derivatives, the UCIs net asset value may decline more significantly than the markets to which the sub-fund is exposed.



**6. Counterparty risk:** The sub-fund may use forward financial instruments (over-the-counter derivatives). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by the collateral pledged to the fund in accordance with the regulations in force.

**7. Liquidity risk:** Risk associated with low liquidity in certain underlying markets, which makes them vulnerable to substantial buy/sell flows.

**8. 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 non-financial criteria. Their application may lead to the exclusion of issuers, meaning market opportunities may be lost. As a result, the sub-fund's performance may be higher or lower than that of a sub-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. These different aspects make it difficult to compare strategies incorporating ESG criteria.

**9. 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 situation may also result in a change in the sub-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.

**10. Risk associated with convertible bonds (direct and indirect):** Up to a maximum of 10% of net assets. A convertible bond is a bond with a conversion right attached to it that allows the holder to exchange the bond for shares in the issuing company at a predetermined conversion ratio and for a set period. These are instruments which have both an equity component and a fixed income and/or credit component. The use of convertible bonds may cause the net asset value of the UCI to decrease if interest rates increase, the issuer's risk profile deteriorates, equity markets decline, or valuations for conversion options decrease.

**11. Risk associated with subordinated bonds (direct and indirect):**

Up to a maximum of 30% of net assets. A debt is referred to as subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor will be repaid after the ordinary creditors, but before the investors. In consideration of this risk premium, the interest rate on this type of debt is higher than on other debts. The use of subordinated bonds may expose the sub-fund to the risk of coupon cancellation or deferral, conversion into shares, and uncertainty regarding the redemption date. Should one or more of these events occur, and more generally, if a credit event occurs that affects the issuer concerned, there is a risk that the net asset value of the sub-fund may decline.

**12. Risk associated with 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 sub-fund's net asset value. The sub-fund may invest up to 10% of its net assets in CoCos.

**13. Foreign exchange risk:** Some assets are expressed in a currency other than the sub-fund's accounting currency; changes in exchange rates may therefore cause the sub-fund's NAV to decline. However, foreign exchange risk will be limited, as hedging will be used to ensure that a maximum of 10% of the sub-fund's assets are exposed to foreign exchange risk.

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 (see summary table of share characteristics).

The shares of this sub-fund 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 shares 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 shares of this sub-fund 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.

With regard to the typical investor profile, this sub-fund is intended for investors seeking to generate returns in EUR-denominated fixed-income markets, including through exposure to securities rated “Investment Grade”, over the recommended investment horizon.

The amount that can be reasonably invested in this sub-fund depends on each investor’s personal situation.

To determine this amount, investors must consider their personal wealth, 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. In all cases, investors are strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this UCITS.

**Recommended investment period:** from the launch date of this sub-fund until 31 December 2030.

**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, dividends, bonuses and dividends, directors’ fees and all income relating to the securities in the SICAV’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 shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.

Shares concerned: C EUR, C2 EUR, IC EUR, IC2 EUR, IC CHF H, IC USD H, P EUR, P2 EUR, P CHF H, R EUR, AFER 2030 IG and AFER Génération 2030 IG

For distribution shares: 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 Annual General Meeting.

Shares concerned: D EUR, D2 EUR, ID EUR, ID2 EUR, PB EUR and PB2 EUR

For accumulation and/or distribution shares: for SICAVs that would like to remain free to accumulate and/or distribute, and/or retain amounts available for distribution, the Annual General Meeting shall decide each year on the allocation of the amounts indicated in points 1) and 2).

Shares concerned: None

**Distribution frequency:**

For accumulation shares: annual accumulation

For distribution shares and accumulation and/or distribution shares: annual by decision of the Annual General Meeting and the possibility of an interim distribution by decision of the Board of Directors.

**Share characteristics:**



Share Class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400SEI6	Accumulation	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
C2 EUR	FR001400SEJ4	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
D EUR	FR001400SEK2	Distribution	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
D2 EUR	FR001400SEL0	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
IC EUR	FR001400SEM8	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV: EUR 1,000
IC2 EUR	FR001400SEN6	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV: EUR 1,000
ID EUR	FR001400SEO4	Distribution	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV of a share: EUR 1,000
ID2 EUR	FR001400SEP1	Distribution	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV of a share: EUR 1,000
IC CHF H	FR001400SEQ9	Accumulation	CHF	Ten-thousandths	All investors but specifically intended for institutional investors	CHF 2,000,000 Initial NAV of a share: CHF 1,000
IC USD H	FR001400SER7	Accumulation	USD	Ten-thousandths	All investors but specifically intended for institutional investors	USD 2,000,000 Initial NAV of a share: USD 1,000
P EUR	FR001400SES5	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P2 EUR	FR001400SET3	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors



						Initial NAV of a share: EUR 100
P CHF H	FR001400SEU1	Accumulation	CHF	Ten-thousandths	See below***	CHF 5,000 or CHF 500,000 for institutional investors  Initial NAV of a share: CHF 100
PB EUR	FR001400SEV9	Distribution	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors  Initial NAV of a share: EUR 100
PB2 EUR	FR001400SF07	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors  Initial NAV of a share: EUR 100
R EUR	FR001400SEX5	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for foreign distribution networks	1 share  Initial NAV of a share: EUR 100
AFER 2030 IG	FR001400SEY3	Accumulation	EUR	Ten-thousandths	Shares reserved for the insurance companies Abeille Vie and Abeille Epargne Retraite	1 share  Initial NAV of a share: EUR 100
AFER Génération 2030 IG	FR001400TQV1	Accumulation	EUR	Ten-thousandths	Shares reserved for the insurance companies Abeille Vie and Abeille Epargne Retraite within the framework of the distribution of their unit-linked life insurance policy, AFER Génération, subscribed under the AFER umbrella	1 share  Initial NAV of a share: EUR 100

\*Shares in CHF and in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.  
Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

1) Investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
- providing:
  - advisory service within the meaning of the European MiFID II regulation
  - an individual discretionary portfolio management service

2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for P EUR, PB EUR, P2 EUR and PB2 EUR shares and CHF 500,000 for P CHF H shares.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

**Marketing period:**

The marketing period runs from the launch date of the sub-fund to 31 December 2025. The various share classes will be closed to new subscriptions as of 1 January 2026.

**Disclaimer:** The investment objective of the sub-fund is based on the assumption that shares are held throughout the recommended investment period, i.e. from the sub-fund's launch date until 31 December 2030, and that the market forecasts made by the Management Company on the date of the sub-fund's approval by the AMF prove accurate. Consequently, the information provided in the investment objective may no longer be up to date for subscriptions taking place after the sub-fund's initial marketing period.

**Subscriptions and redemptions:****- for shares to be registered or already registered in bearer form within Euroclear:**

Subscription and redemption requests are received and centralised each day at 12:00 pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D).

**- for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP":**

Subscription and redemption requests for shares to be registered or already registered in pure registered form within the shared electronic record system IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so. In this case, these requests are received and centralised every day at twelve noon (12:00 pm) at IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS, and executed on the basis of the next net asset value.

Each of the establishments will assume all the tasks relating to the management of the issue account as indicated above. Rothschild Martin Maurel will be responsible at SICAV level for aggregating information relating to the management of the issue account provided by IZNES.

The net asset value is published on the first trading day following its calculation.

Settlements relating to subscriptions and redemptions take place on the second business day following execution (D+2). As a reminder, share subscriptions shall no longer be possible as of 1 January 2026. Any subsequent subscription requests shall therefore be refused.

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions regarding investor eligibility, and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes in question.

Switches from shares in one sub-fund or share class to shares in another sub-fund or share class are regarded as a disposal followed by a repurchase and as such are subject to the tax system applicable to capital gains on disposals of securities.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business days	D+2 business days	D+2 business days
Centralisation of subscription orders before 12:00 pm <sup>1</sup>	Centralisation of redemption orders before 12:00 pm <sup>1</sup>	Execution of the order no later than day D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup> Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:**

IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS  
Rothschild & Co Martin Maurel - 29, avenue de Messine - 75008 PARIS

Shareholders are advised that orders sent to any promoters other than Rothschild Martin Maurel or IZNES must take account of the fact that the centralisation deadline for the abovementioned orders applies to Rothschild Martin Maurel or IZNES.



Accordingly, these promoters may apply their own deadline prior to that mentioned above, to reflect the time required to transmit the orders to Rothschild Martin Maurel or IZNES.

**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 at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the Management Company and determined on the basis of objective criteria as a percentage of the sub-fund's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six months. These costs are estimated by the Management Company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the Management Company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors should note that, due to the application of swing pricing, the volatility of the sub-fund's NAV may not reflect solely that of the securities held in the portfolio.

However, the swing pricing mechanism will be rescinded during the monetisation period (from 1 January 2029).

**Redemption gate mechanism:**

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 sub-fund (the "redemption gate"), if exceptional circumstances so require (the redemption gate is not systematically activated) and in the interests of shareholders, to prevent any imbalance in redemption requests and the net assets of the sub-fund that would prevent the Management Company from honouring such redemption requests on terms that uphold shareholder interests and their equal treatment.

The redemption gate 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 sub-fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the sub-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"). A given redemption cap cannot be in place for longer than five working days (i.e. no more than five consecutive NAV dates). Whatever the circumstances, the redemption gate mechanism cannot be in place for more than 20 NAV dates in any three-month period.

II. Procedures for informing shareholders

Shareholders making redemption requests affected by the redemption gate will be specially notified as soon as possible after the capped centralisation date (the "reporting deadline"). The decision to introduce a redemption gate 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 gate, the redemption percentage less the subscription percentage will be reduced to 5% of net assets.

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 5% (plus any potential subscription percentage) divided by the actual redemption percentage net of subscriptions.

For a given shareholder, the number of shares for which redemption is honoured is therefore equal to the initial number of shares for which redemption has been requested multiplied by the reduction coefficient, this number of shares being rounded up.

Redemption requests that have not been honoured because of the redemption gate and that are pending execution will be automatically carried forward to the next net asset value date within the same limits.

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 shares, based on the same net asset value and for the same shareholder (referred to as in-and-out trades) will not be subject to the redemption gate.

Example of the system being triggered:

If total redemption requests amount to 20% of the net assets of the sub-fund, 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 gate and to honour all redemption requests (execution of 100% of redemption requests).
- If liquidity conditions are unfavourable, the management company applies the redemption gate 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 20% 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 quarter of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates. If it chooses a 10% threshold, it executes half of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates.

You can also refer to Article 8 of the SICAV’s Articles of Association for information on the redemption gate mechanism used by your sub-fund.



## 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. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund to invest or disinvest 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 sub-fund	Net asset value x Number of shares	C EUR, C2 EUR, D EUR, D2 EUR, IC EUR, IC2 EUR, ID EUR, ID2 EUR, IC CHF H, IC USD H, P EUR, P2 EUR, P CHF H, PB EUR, PB2 EUR and R EUR shares: 2.5% maximum AFER 2030 IG and AFER Génération 2030 IG shares: None
Subscription fee retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee retained by the sub-fund	Net asset value x Number of shares	None

Exemption: if the redemption order is immediately followed by a subscription, on the same day, in the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees will be charged.

### Operating expenses and management fees:

These fees cover all costs billed directly to the sub-fund, 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.

The following may be added to operating expenses and management fees:

- performance fees. These reward the Management Company if the sub-fund exceeds its objectives. They are therefore charged to the sub-fund;
- turnover commissions charged to the sub-fund.

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



For more information on the charges actually billed to the sub-fund, please refer to the Key Information Document (KID).

	Fees charged to the sub-fund	Base	Rate
1	Investment management fees	Net assets	<p>C EUR, C2 EUR, D EUR and D2 EUR shares: 0.90% maximum, all taxes included</p> <p>IC EUR, IC2 EUR, ID EUR, ID2 EUR, IC CHF H and IC USD H shares: 0.45% maximum, all taxes included</p> <p>P EUR, P2 EUR, P CHF H, PB EUR and PB2 EUR shares: 0.60% maximum, all taxes included</p> <p>R EUR shares: 1.30% maximum, all taxes included</p> <p>AFER 2030 IG shares: 0.65% maximum, all taxes included</p> <p>AFER Génération 2030 IG shares: 0.45% maximum, all taxes included</p>
2	Operating expenses and fees for other services:	Net assets	0.10% maximum, all taxes included
3	Maximum indirect fees (management fees and charges)	Net assets	Not applicable
4	<p>Service providers collecting turnover commissions:</p> <p><u>Depository</u>: between 0% and 50%</p> <p><u>Management Company</u>: between 50% and 100%</p>	Payable on each transaction	None
5	Performance fee	Net assets	None

In addition, the Management Company does not receive any soft commission.

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

For any additional information, please refer to the sub-fund's annual report.

**Financial intermediary selection procedure:**

The Management Company may in some cases use brokers to invest in other financial instruments. In these cases, the sub-fund 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.



## Sub-fund No. 2: R-co Target 2029 HY

### ➤ General characteristics:

#### **Share characteristics:**

##### ISINs:

- C EUR shares: FR001400SE57
- C2 EUR shares: FR001400SE65
- D EUR shares: FR001400SE73
- D2 EUR shares: FR001400SE81
- F EUR shares: FR001400SE99
- IC EUR shares: FR001400SEA3
- ID EUR shares: FR001400SEB1
- IC CHF H shares: FR001400SEC9
- IC USD H shares: FR001400SED7
- P EUR shares: FR001400SEE5
- P CHF H shares: FR001400SEF2
- PB EUR shares: FR001400SEG0
- R EUR shares: FR001400SEH8

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the sub-fund in proportion to the number of shares held.

Registration or liabilities management: liabilities are managed by Rothschild Martin Maurel for shares to be registered or already registered in bearer form within Euroclear, and by IZNES for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP". Please note that subscription and redemption requests for shares to be registered or already registered in pure registered form with IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so.

Voting rights: each shareholder has voting rights attached to the shares they own. The SICAV's articles of association set out how these voting rights can be exercised.

Form of the shares: in bearer form for shares admitted to Euroclear or in pure registered form within IZNES' "DEEP" system. This sub-fund can be used in unit-linked life insurance policies.

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of September.

First closing: 30 September 2025

#### **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 subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable. This sub-fund can be used in unit-linked life insurance policies.

### ➤ Special provisions

##### ISINs:

- C EUR shares: FR001400SE57
- C2 EUR shares: FR001400SE65
- D EUR shares: FR001400SE73
- D2 EUR shares: FR001400SE81
- F EUR shares: FR001400SE99
- IC EUR shares: FR001400SEA3
- ID EUR shares: FR001400SEB1
- IC CHF H shares: FR001400SEC9
- IC USD H shares: FR001400SED7
- P EUR shares: FR001400SEE5
- P CHF H shares: FR001400SEF2



- PB EUR shares: FR001400SEG0
- R EUR shares: FR001400SEH8

**Delegation of financial management:** No

**Classification:** Bonds and other debt securities denominated in euro

**Investment objective:**

The sub-fund's investment objective, from the time of subscription to 31 December 2029, is to generate performance, net of fees, linked to trends on the EUR-denominated bond markets by investing in speculative-grade (high yield) securities. The average portfolio maturity shall range from January to December 2029.

However, and as an exception to the above, the sub-fund will, as of its inception date and for a maximum period of six months, benefit from a degree of flexibility to deviate from statutory ratios to ensure it can optimise portfolio construction as market opportunities arise.

**Benchmark:**

The sub-fund does not have a benchmark. The average portfolio maturity shall range from January to December 2029. This average maturity decreases each year until expiry at the end of 2029.

The sub-fund is not managed with reference to a benchmark.

The sub-fund is not an index-linked UCITS.

**Investment strategy:**

**1. Description of strategies used:**

The sub-fund's investment strategy is not limited to buying and holding bonds: while the management company will typically hold its securities to maturity, it may carry out arbitrage transactions if it identifies issuers in the portfolio with a higher risk of default and/or if new market opportunities occur, in order to optimise the portfolio's average yield to maturity.

The credit risk exposure strategy will be implemented via direct investments. The sub-fund will invest 80%-100% of its net assets in bonds with fixed, variable or adjustable rates, and other transferable debt securities, inflation-linked bonds, issued by private corporations and/or supranational/public entities or governments and medium-term notes, with a maximum of 10% of net assets invested in convertible bonds. At least 80% of net assets shall be invested in EUR-denominated securities. Eligible securities for the portfolio may come from any geographical region, with the exception of emerging countries.

Securities issued by private issuers may account for up to 100% of net assets, of which 50% maximum invested in securities from financial sector issuers; securities issued by public or supranational entities may account for up to 10% of net assets.

Eligible securities for the portfolio may come from any geographical region, with the exception of emerging countries. However, the SICAV will not be able to hold issues from companies headquartered outside the OECD.

Information regarding the geographical breakdown of issuers and the modified duration range within which the sub-fund is managed is provided in the table below:

Interest rate modified duration range within which the sub-fund is managed	Geographical breakdown (nationality) of issuers	Range of exposure to this region
0 to 7	Eurozone	0-100%
	Europe (outside of the eurozone)	0-100%
	OECD member country (outside Europe)	0-100%
	Non-OECD countries (including emerging countries)	None

Credit ratings for bonds and other debt securities:



- up to 100% of net assets in high-yield securities;
- up to 10% of net assets in investment grade securities (excluding money market instruments);
- and up to 30% of net assets in non-rated securities.

Credit ratings refer to those issued by rating agencies or deemed of equivalent quality by the Management Company.

The Management Company does not rely exclusively or automatically on credit ratings issued by rating agencies but undertakes its own analysis to assess the credit quality of fixed-income instruments.

Shareholders are exposed to foreign exchange risk of up to 10% of the sub-fund's net assets.

The portfolio's modified duration falls within a range of 0-7. This modified duration will decline as the maturity date approaches.

The sub-fund may also invest up to 10% of net assets in UCITS, AIFs or foreign money market and bond investment funds and up to 10% of net assets in money market securities for cash management purposes.

However, and as an exception to the above, the sub-fund will, as of its inception date and for a maximum period of six months, benefit from a degree of flexibility to deviate from statutory ratios to ensure it can optimise portfolio construction as market opportunities arise.

From 1 January 2029, bonds reaching maturity will be reinvested in money market securities. The Management Company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2029. The SICAV shall be closed to new subscriptions as of 1 January 2027.

### **Selection of underlyings:**

#### **Step 1: Securities selection process within the eligible investment universe:**

The manager uses processes which combine a top-down and bottom-up approaches to identify two sources of added value:

- Sector and geographical allocation is based on an analysis of the economic and financial environment. This analysis identifies the long-term risks and issues influencing pricing. This specifically includes an analysis of default histories and the competitive situation.
- Securities selection is based on a fundamental approach that involves two steps:
  - A quantitative analysis based on the probability of default:
    - using a broad range of public data and statistics on each company;
    - comparing this data to that of companies in the same economic sector;
    - determining a theoretical valuation and comparing this with the market valuation.
  - A qualitative analysis based on:
    - the sustainability of the sector;
    - a study of the competitive environment;
    - an understanding of the balance sheet;
    - an understanding of profitability drivers (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.);
    - an understanding of debt schedules (balance sheet and off-balance sheet);
    - determining the probability of survival within the sector.

The Management Company does not rely exclusively or automatically on credit ratings issued by rating agencies but undertakes its own analysis to assess the credit quality of fixed-income instruments.

Foreign UCITS, AIFs or investment funds will be selected using a top-down approach by asset class. This selection will be taken primarily from the Rothschild & Co group range.

#### **Step 2: Portfolio construction**

The sub-fund's portfolio will be constructed in three stages:



- (iv) A portfolio build-up period corresponding to the period in which the sub-fund is accepting subscriptions, during which the management company of the UCITS will gradually invest in bonds maturing on or before 31 December 2031 and money market securities (money market UCIs and directly held securities).
- (v) A holding period (equal to the recommended investment period) during which at least 80% of the UCITS portfolio will consist of these bonds maturing on or before 31 December 2031 with an average portfolio maturity ranging between January and December 2029.
- (vi) A monetisation period, beginning on 1 January 2029, during which bonds in the portfolio reaching maturity will be replaced with money market securities. As a reminder, the management company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2029. The SICAV shall be closed to new subscriptions as of 1 January 2027.

Non-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 one of the investments of the UCITS. 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 sub-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 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.eu.rothschildandco.com/en/responsible-investing/documentation/>

**2. Description of asset classes:**

The asset classes included in the composition of the assets of the sub-fund are as follows:

- **Equities:** 0-10% of net assets

The sub-fund will not invest in equities. However, it may hold up to a maximum of 10% of its net assets in equities after exercising a conversion option attached to convertible bonds or as a result of the restructuring of an issuer’s debt.

- **Bonds, debt securities and money market instruments:** 80%-100% of net assets



In accordance with the holding range specified below, the portfolio of the sub-fund will invest in bonds from any sector and geographical region, apart from the issues of companies headquartered outside the OECD, and with any credit rating (up to 100% of net assets in high yield securities, up to 10% of net assets in investment grade securities and up to 30% of net assets in unrated securities), with a fixed, variable or adjustable interest rate. It will also invest in transferable debt securities denominated in EUR, inflation-linked bonds and medium-term notes, maturing no later than 31 December 2031.

Securities issued by private issuers may account for up to 100% of net assets, of which 50% maximum invested in securities from financial sector issuers; securities issued by public or supranational entities may account for up to 10% of net assets.

The sub-fund may invest up to 100% of its net assets in callable and puttable bonds, including make-whole call bonds: bonds that can be redeemed at any time by the issuer, at an amount including both the nominal amount and the coupons that the holder would have received had the security been redeemed at maturity), up to 100% of the net assets in subordinated bonds and up to 10% of the net assets in convertible bonds.

- **Holdings of units or shares of other UCITS, AIFs, or investment funds governed by foreign law:** 0-10% of net assets

In accordance with the holding range specified below, the sub-fund may hold:

- units or shares of French and/or European UCITS funds governed by European Directive 2009/65/EC;
- units or shares of French or European AIFs or foreign investment funds, which meet the four conditions set out by Article R. 214-13 of the French Monetary and Financial Code.

These investments shall be made in money market UCIs and bonds.

Note: The sub-fund may hold the units or shares of UCIs which are managed directly or by delegation or are advised by the Rothschild & Co group.

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

	Equities	Fixed-income securities and/or money market instruments	UCIs
Holding ranges	0-10%	80%-100%	0-10%
Investment in high yield financial instruments	None	0-100%	None
Investment in financial instruments of non-OECD countries (including emerging countries)	None		
Investment restrictions imposed by the Management Company	None		

### **3. Derivatives:**

The sub-fund may invest in regulated, organised, or OTC markets.

The portfolio manager will manage interest rate, credit and currency risks. In order to achieve the investment objective (discretionary management), these investments will be carried out for the purposes of portfolio hedging (sale of futures) and/or exposure, in order to reconstitute synthetic exposure to assets (purchase of futures). In particular, the portfolio manager may invest in futures, forwards, options, currency forwards and credit derivatives (credit default swaps). Please note that the sub-fund will not use total return swaps (TRS)

The overall equity exposure of the sub-fund's portfolio, including exposure resulting from the use of derivatives, will not exceed 10%.

The overall exposure of the sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of derivatives, will serve to keep the portfolio's modified duration within a range of 0 to 7.



The overall exposure of the sub-fund's portfolio to foreign exchange risk, including exposure resulting from the use of derivatives, will not exceed 10%.

**Credit derivatives:**

The credit allocation is determined on a discretionary basis by the manager.

The credit derivatives used are basket and single-entity CDS.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers
- in order to take advantage of the expected deterioration in the credit quality of an issuer or basket of issuers.

And for exposure purposes through the sale of protection against:

- the credit risk of an issuer
- the credit risk on baskets of CDS

As CDS can be used to create exposure to credit risk or to hedge the portfolio's credit risk, the use of indices to achieve this purpose could result in transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

The sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 200%.

Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be credit institutions, are selected in accordance with the procedure in force within the Rothschild & Co group on the basis of selection criteria that form part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC forex derivatives.

In particular, this involves:

- approval of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying assets of the derivatives, and/or the composition of the index as part of index swaps.

**4. Securities with embedded derivatives:**

To achieve the investment objective, the use of securities with embedded derivatives is limited to 100% of net assets. This limit includes the use of: (i) callable and puttable bonds, including make-whole call bonds (up to 100% of net assets), (ii) convertible bonds (up to 10% of net assets), (iii) subscription warrants (up to 10% of net assets), and securities with embedded simple derivatives that have a risk profile similar to that of the previously listed instruments.

The overall equity exposure of the sub-fund's portfolio, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10%.

The overall exposure of the sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's modified duration to remain within a range of 0 to 7.

The overall exposure of the sub-fund's portfolio to non-EUR currencies, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10%.

**5. Deposits:**

The sub-fund may invest up to 10% of its net assets in euro deposits with a maturity of up to three months in order to earn a return on the sub-fund's cash.

**6. Cash borrowings:**

The sub-fund may take out loans totalling up to 10% of its net assets, particularly in order to offset deferred payment terms for asset movements.

**7. Securities financing transactions:**



None

**Information regarding the financial collateral of the sub-fund:**

As part of transactions in over-the-counter derivatives, the sub-fund may receive cash or securities (such as bonds or securities issued or guaranteed by a government, or issued by international lending agencies, and bonds or securities issued by high-quality private issuers) as collateral. There is no correlation policy insofar as the UCI will receive mainly eurozone government securities and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility and diversified issuers, and are not affiliated to the counterparty or its group.

Haircuts may be applied to the collateral received; they shall take into account, in particular, credit quality and price volatility. The valuation is performed at least on a daily basis.

The sub-fund must be able to fully realise any financial collateral received, at any time and without consultation with or approval from the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash may only be:

- invested in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreements, provided that these agreements are concluded with credit institutions subject to prudential supervision and that the fund can, at any time, recall the total amount of cash, taking into account the accrued interest; or
- invested in money market UCIs.

**Risk profile:**

*Your money will be invested primarily in financial instruments selected by the Management Company. These instruments will be subject to market fluctuations and uncertainties.*

Investors in the sub-fund are primarily exposed to the following risks:

**1. 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 sub-fund's net asset value.

**Investors are reminded that high-yield debt securities (eligible to account for up to 100% of the net assets), or securities with a rating deemed equivalent by the management company, present a greater credit risk, which may lead to a greater decline in the sub-fund's net asset value.**

**2. Interest rate risk:** This is the risk of a fall in fixed-income securities as a result of interest rate fluctuations. It is measured by modified duration, which will be between 0 and 7. In periods of rising interest rates, the net asset value could decline significantly.

**3. High-yield (speculative) credit risk:** This is the credit risk that applies to speculative-grade securities, which have higher probabilities of default than securities in the investment grade category. They offer higher yield levels in exchange but they may, if there is significant uncertainty as to the solvency of the issuer, significantly reduce the net asset value of the sub-fund. Any non-rated issuers that are selected, will similarly be included in this category and may present equivalent or greater risks because of their lack of rating. The increased risk of default by these issuers may lead to a decline in the net asset value.

**4. Risk of capital loss:** Risk that the initial investment may not be fully recovered, as the sub-fund does not offer any guarantee or protection. This risk materialises if the Net Asset Value decreases. In such a case, investors are not sure to recover the capital initially invested. 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 sub-fund's returns, performance, or volatility.

**5. Discretionary management risk:** Risk that the sub-fund's investment objective, which is shown for guidance, is not achieved. The discretionary management style is based on anticipating trends in the various markets. Consequently, there is the risk that the sub-fund will not always be invested in the best-performing markets, strategies, UCIs or investment funds.

**6. Risks associated with the use of derivatives:** As the sub-fund is able to invest in derivatives and securities with embedded derivatives, the UCIs net asset value may decline more significantly than the markets to which the sub-fund is exposed.

**7. Counterparty risk:** The sub-fund may use forward financial instruments (over-the-counter derivatives). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause



the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by the collateral pledged to the fund in accordance with the regulations in force.

**8. Liquidity risk:** Risk associated with low liquidity in certain underlying markets, which makes them vulnerable to substantial buy/sell flows.

**9. Risk associated with subordinated bonds (direct and indirect):**

Up to a maximum of 100% of net assets. A debt is referred to as subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor will be repaid after the ordinary creditors, but before the investors. In consideration of this risk premium, the interest rate on this type of debt is higher than on other debts. The use of subordinated bonds may expose the sub-fund to the risk of coupon cancellation or deferral, conversion into shares, and uncertainty regarding the redemption date. Should one or more of these events occur, and more generally, if a credit event occurs that affects the issuer concerned, there is a risk that the net asset value of the sub-fund may decline.

**10. 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 non-financial criteria. Their application may lead to the exclusion of issuers, meaning market opportunities may be lost. As a result, the sub-fund's performance may be higher or lower than that of a sub-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. These different aspects make it difficult to compare strategies incorporating ESG criteria.

**11. 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 situation may also result in a change in the sub-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.

**12. Risk associated with convertible bonds (direct and indirect):** Up to a maximum of 10% of net assets. A convertible bond is a bond with a conversion right attached to it that allows the holder to exchange the bond for shares in the issuing company at a predetermined conversion ratio and for a set period. These are instruments which have both an equity component and a fixed income and/or credit component. The use of convertible bonds may cause the net asset value of the UCI to decrease if interest rates increase, the issuer's risk profile deteriorates, equity markets decline, or valuations for conversion options decrease.

**13. Foreign exchange risk:** Some assets are expressed in a currency other than the sub-fund's accounting currency; changes in exchange rates may therefore cause the sub-fund's NAV to decline. However, foreign exchange risk will be limited, as hedging will be used to ensure that a maximum of 10% of the sub-fund's assets are exposed to foreign exchange risk.

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 (see summary table of share characteristics).

The shares of this sub-fund 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 shares 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 shares of this sub-fund 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.

With regard to the typical investor profile, this sub-fund is intended for investors seeking to generate returns in the euro-denominated fixed-income market, in particular through exposure to high yield (speculative-grade) securities over the recommended investment horizon.

The amount that can be reasonably invested in this sub-fund depends on each investor's personal situation.



To determine this amount, investors must consider their personal wealth, 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. In all cases, investors are strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this UCITS.

**Recommended investment period:** from the launch date of this sub-fund until 31 December 2029.

**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, dividends, bonuses and dividends, directors' fees and all income relating to the securities in the SICAV'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 shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.

Shares concerned: C EUR, C2 EUR, F EUR, IC EUR, IC CHF H, IC USD H, P EUR, P CHF H and R EUR

For distribution shares: 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 Annual General Meeting.

Shares concerned: D EUR, D2 EUR, ID EUR and PB EUR

For accumulation and/or distribution shares: for SICAVs that would like to remain free to accumulate and/or distribute, and/or retain amounts available for distribution, the Annual General Meeting shall decide each year on the allocation of the amounts indicated in points 1) and 2).

Shares concerned: None

**Distribution frequency:**

For accumulation shares: annual accumulation

For distribution shares and accumulation and/or distribution shares: annual by decision of the Annual General Meeting and the possibility of an interim distribution by decision of the Board of Directors.



## Share characteristics:

Share Class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400SE57	Accumulation	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
C2 EUR	FR001400SE65	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
D EUR	FR001400SE73	Distribution	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
D2 EUR	FR001400SE81	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
F EUR	FR001400SE99	Accumulation	EUR	Ten-thousandths	All investors	1 share Initial NAV: EUR 100
IC EUR	FR001400SEA3	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV: EUR 1,000
ID EUR	FR001400SEB1	Distribution	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV of a share: EUR 1,000
IC CHF H	FR001400SEC9	Accumulation	CHF	Ten-thousandths	All investors but specifically intended for institutional investors	CHF 2,000,000 Initial NAV of a share: CHF 1,000
IC USD H	FR001400SED7	Accumulation	USD	Ten-thousandths	All investors but specifically intended for institutional investors	USD 2,000,000 Initial NAV of a share: USD 1,000
P EUR	FR001400SEE5	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P CHF H	FR001400SEF2	Accumulation	CHF	Ten-thousandths	See below***	CHF 5,000 or CHF 500,000 for institutional investors Initial NAV of a share: CHF 100
PB EUR	FR001400SEG0	Distribution	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors



						Initial NAV of a share: EUR 100
R EUR	FR001400SEH8	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for foreign distribution networks	1 share Initial NAV of a share: EUR 100

\*Shares in CHF and in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.

Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

1) Investors subscribing through distributors or intermediaries:

- o subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
- o providing:
  - advisory service within the meaning of the European MiFID II regulation
  - an individual discretionary portfolio management service

2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for P EUR and PB EUR shares and CHF 500,000 for P CHF H shares.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

#### Marketing period:

The marketing period runs from the launch date of the sub-fund to 31 December 2026. The various share classes will be closed to new subscriptions as of 1 January 2027 (except in the cases comprehensively listed below).

**Disclaimer:** The investment objective of the sub-fund is based on the assumption that shares are held throughout the recommended investment period, i.e. from the sub-fund's launch date until 31 December 2029, and that the market forecasts made by the Management Company on the date of the sub-fund's approval by the AMF prove accurate. Consequently, the information provided in the investment objective may no longer be up to date for subscriptions taking place after the sub-fund's initial marketing period.

#### Subscriptions and redemptions:

##### - for shares to be registered or already registered in bearer form within Euroclear:

Subscription and redemption requests are received and centralised each day at 12:00 pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D).

##### - for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP":

Subscription and redemption requests for shares to be registered or already registered in pure registered form within the shared electronic record system IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so. In this case, these requests are received and centralised every day at twelve noon (12:00 pm) at IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS, and executed on the basis of the next net asset value.

Each of the establishments will assume all the tasks relating to the management of the issue account as indicated above. Rothschild Martin Maurel will be responsible at SICAV level for aggregating information relating to the management of the issue account provided by IZNES.

The net asset value is published on the first trading day following its calculation.

Settlements relating to subscriptions and redemptions take place on the second business day following execution (D+2).



As a reminder, share subscriptions shall no longer be possible as of 1 January 2027. Any subsequent subscription requests shall therefore be refused.

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class before the end of the marketing period. A shareholder making such a request must comply with the redemption and subscription conditions regarding investor eligibility, and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes in question.

Any shareholder may request the conversion of shares of one share class into another share class or make a purchase or sale, provided that this transaction is carried out at the same net asset value, after the end of the marketing period. A shareholder making such a request must comply with the redemption and subscription conditions regarding, in particular, investor eligibility, and with the minimum investment thresholds applicable to each of the share classes in question.

Switches from shares in one sub-fund or share class to shares in another sub-fund or share class are regarded as a disposal followed by a repurchase and as such are subject to the tax system applicable to capital gains on disposals of securities.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business days	D+2 business days	D+2 business days
Centralisation of subscription orders before 12:00 pm <sup>1</sup>	Centralisation of redemption orders before 12:00 pm <sup>1</sup>	Execution of the order no later than day D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup> Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:**

IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS  
Rothschild & Co Martin Maurel - 29, avenue de Messine - 75008 PARIS

Shareholders are advised that orders sent to any promoters other than Rothschild Martin Maurel or IZNES must take account of the fact that the centralisation deadline for the abovementioned orders applies to Rothschild Martin Maurel or IZNES.

Accordingly, these promoters may apply their own deadline prior to that mentioned above, to reflect the time required to transmit the orders to Rothschild Martin Maurel or IZNES.

**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 at the following website: [www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the Management Company and determined on the basis of objective criteria as a percentage of the sub-fund's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six months. These costs are estimated by the Management Company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to



accurately predict the frequency at which the Management Company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors should note that, due to the application of swing pricing, the volatility of the sub-fund's NAV may not reflect solely that of the securities held in the portfolio.

However, the swing pricing mechanism will be rescinded during the monetisation period (from 1 January 2029).

**Redemption gate mechanism:**

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 sub-fund (the "redemption gate"), if exceptional circumstances so require (the redemption gate is not systematically activated) and in the interests of shareholders, to prevent any imbalance in redemption requests and the net assets of the sub-fund that would prevent the Management Company from honouring such redemption requests on terms that uphold shareholder interests and their equal treatment.

The redemption gate will be applied on the following terms:

I. Description of the method used

The decision to introduce a redemption gate may be taken if, on a given subscription centralisation date (the "capped centralisation date"), the difference between the portion of the sub-fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the sub-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"). A given redemption cap cannot be in place for longer than five working days (i.e. no more than five consecutive NAV dates). Whatever the circumstances, the redemption gate mechanism cannot be in place for more than 20 NAV dates in any three-month period.

II. Procedures for informing shareholders

Shareholders making redemption requests affected by the redemption gate will be specially notified as soon as possible after the capped centralisation date (the "reporting deadline"). The decision to introduce a redemption gate 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 gate, the redemption percentage less the subscription percentage will be reduced to 5% of net assets.

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 5% (plus any potential subscription percentage) divided by the actual redemption percentage net of subscriptions.

For a given shareholder, the number of shares for which redemption is honoured is therefore equal to the initial number of shares for which redemption has been requested multiplied by the reduction coefficient, this number of shares being rounded up.

Redemption requests that have not been honoured because of the redemption gate and that are pending execution will be automatically carried forward to the next net asset value date within the same limits.

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 shares, based on the same net asset value and for the same shareholder (referred to as in-and-out trades) will not be subject to the redemption gate.

Example of the system being triggered:

If total redemption requests amount to 20% of the net assets of the sub-fund, 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 gate and to honour all redemption requests (execution of 100% of redemption requests).
- If liquidity conditions are unfavourable, the management company applies the redemption gate 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 20% 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 quarter of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates. If it chooses a 10% threshold, it executes half of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates.

You can also refer to Article 8 of the SICAV's Articles of Association for information on the redemption gate mechanism used by your sub-fund.

### **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. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund to invest or disinvest investors' monies. Any fees not retained are paid to the Management Company, promoter, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscription and redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not retained by the sub-fund	Net asset value x Number of shares	2.5% maximum for all share classes
Subscription fee retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee retained by the sub-fund	Net asset value x Number of shares	None

Exemption: if the redemption order is immediately followed by a subscription, on the same day, in the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees will be charged.

#### Operating expenses and management fees:

These fees cover all costs billed directly to the sub-fund, 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.

The following may be added to operating expenses and management fees:

- performance fees. These reward the Management Company if the sub-fund exceeds its objectives. They are therefore charged to the sub-fund;
- turnover commissions charged to the sub-fund.

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

For more information on the charges actually billed to the sub-fund, please refer to the Key Information Document (KID).



	Fees charged to the sub-fund	Base	Rate
1	Investment management fees	Net assets	C EUR, C2 EUR, D EUR and D2 EUR shares: 1.00% maximum, all taxes included  F EUR: 1.20% maximum, all taxes included  IC EUR, ID EUR, IC CHF H and IC USD H shares: 0.50% maximum, all taxes included  P EUR, P CHF H and PB EUR shares: 0.70% maximum, all taxes included  R EUR shares: 1.60% maximum, all taxes included
2	Operating expenses and fees for other services:	Net assets	0.10% maximum, all taxes included
3	Maximum indirect fees (management fees and charges)	Net assets	Not applicable
4	Service providers collecting turnover commissions:  <u>Depository</u> : between 0% and 50% <u>Management Company</u> : between 50% and 100%	Payable on each transaction	None
5	Performance fee	Net assets	None

In addition, the Management Company does not receive any soft commission.

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

For any additional information, please refer to the sub-fund's annual report.

**Financial intermediary selection procedure:**

The Management Company may in some cases use brokers to invest in other financial instruments. In these cases, the sub-fund 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.



## Sub-fund No. 3: R-co Strategic Metals and Mining

### ➤ General characteristics:

#### **Share characteristics:**

##### ISINs:

- C EUR shares: FR001400TLU4
- C USD H shares: FR001400TLW0

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the sub-fund in proportion to the number of shares held.

Registration or liabilities management: liabilities are managed by Rothschild Martin Maurel for shares to be registered or already registered in bearer form within Euroclear, and by IZNES for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP". Please note that subscription and redemption requests for shares to be registered or already registered in pure registered form with IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so.

Voting rights: each shareholder has voting rights attached to the shares they own. The SICAV's articles of association set out how these voting rights can be exercised.

Form of the shares: in bearer form for shares admitted to Euroclear or in pure registered form within IZNES' "DEEP" system. This sub-fund can be used in unit-linked life insurance policies.

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of September.

First closing: 30 September 2025

#### **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 subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable. This sub-fund can be used in unit-linked life insurance policies.

### ➤ Special provisions

##### ISINs:

- C EUR shares: FR001400TLU4
- C USD H shares: FR001400TLW0

**Delegation of financial management:** No

**Classification:** International equities

#### **Investment objective:**

The investment objective of the R-co Strategic Metals and Mining sub-fund is to outperform its benchmark (MSCI ACWI Metal & Mining Producers Ex Gold & Silver Net Return Index (M1WDS1PI Index), denominated in USD and converted into euro with dividends reinvested), after the deduction of fees, over the recommended investment period of five years or more, by investing and/or exposing at least 80% of its net assets in/to the shares of companies linked to the metals and mining sector.

The fund's portfolio will be constructed in two stages: (i) an initial phase of approximately one month from the launch of the fund, during which the fund's portfolio may deviate from the strategic allocation and be invested solely in units and/or shares of money market UCIs, and (ii) an investment period corresponding to the fund's strategic allocation.

#### **Benchmark:**

The benchmark is the MSCI ACWI Metal & Mining Producers Ex Gold & Silver Net Return Index (M1WDS1PI Index), denominated in USD and converted into euro with dividends reinvested.



The MSCI ACWI Metal & Mining Producers Ex Gold & Silver Net Return Index (M1WDS1PI Index) is an index that focuses on companies in the industrial metals and rare earths sector (excluding gold and silver) that are highly sensitive to the underlying prices of industrial metals and rare earths. The index includes companies that are primarily involved in the production or extraction of metals and minerals, the extraction of precious metals excluding gold and silver (e.g. platinum), or the production of aluminium or steel, as classified by the Global Industry Classification Standard (GICS®). The index is derived from the IMI ACWI equity universe, which includes large-, mid- and small-cap stocks in 23 developed market (DM) countries and 24 emerging market (EM) countries.

As at the date of the last update of this prospectus, the administrator of the benchmark index was not entered on the register of benchmark administrators and benchmark indices maintained by ESMA

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.

The objective of the sub-fund is to outperform its benchmark (MSCI ACWI Metal & Mining Producers Ex Gold & Silver Net Return Index (M1WDS1PI Index), denominated in USD and converted into euro with dividends reinvested), over the recommended investment period. The asset mix of this sub-fund's portfolio may differ significantly from the composition of the benchmark index.

The sub-fund is not an index-linked UCITS.

## **Investment strategy:**

### **1. Description of strategies used:**

In order to achieve its investment objective, a discretionary minimum of 80% of the R-co Strategic Metals and Mining portfolio is invested in and/or exposed to equities of companies across all geographical areas that are linked to the metals and mining sector.

The remainder can be invested in fixed-income securities, money market instruments and units and/or shares of UCIs.

The sub-fund's allocation is as follows:

- Between 80% and 100% of net assets in shares issued by companies of any market capitalisation (including small/micro-caps) and from all geographical areas that are linked to the metals and mining sector, including unlisted shares up to a maximum of 10% of the sub-fund's net assets.
- Between 0% and 20% of net assets in fixed-income securities, including convertible bonds, issued by governments and/or corporate issuers, with any type of rating or no rating at all, and in money market instruments. Up to 20% of the sub-fund's net assets may be exposed to speculative-grade bonds in the high yield category.
- Between 0% and 10% of net assets in units and/or shares of UCIs/ETFs (Exchange Traded Funds), particularly those specialising in the metals and mining sector.

Up to 100% of the sub-fund's net assets may be exposed to non-OECD countries, including emerging countries. Similarly, up to 100% of its net assets may be exposed to risks associated with small/micro caps. Unlisted equities may also account for up to 10% of the sub-fund's net assets.

In addition, the sub-fund may use forward financial instruments traded on French and foreign regulated or over-the-counter markets (currency forwards and equity/interest rate futures and options) in order to achieve its investment objective. To do this, the sub-fund will hedge its portfolio and/or expose it to equity, interest rate and currency markets.

The portfolio's equity exposure, including any off-balance sheet exposure, will be between 80% and 110%.

The portfolio's exposure to the fixed-income market, including any off-balance sheet exposure, will serve to keep the portfolio's modified duration within a range of -1 to 9.

The portfolio's exposure to foreign exchange risk, including any off-balance sheet exposure, will not exceed 100%.

### **Selection of underlyings:**



The fund adopts a thematic approach, focusing on producers of strategic minerals and metals, with exposure to junior enterprises, exploration companies and the value chain upstream and downstream of mineral production. The allocation of underlying commodities to companies is dynamic, i.e. adjusted according to macroeconomic analyses and supply-and-demand mechanisms. The investment process is based on extensive industry expertise, takes a cross-sectoral perspective and is structured around four main themes: 1/ Diversified producers and major mining groups, 2/ New generation of mining operations, 3/ Specialty materials, 4/ Mining and recovery technologies.

Non-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.

The sub-fund is managed according to an investment process that incorporates ESG factors but does not necessarily promote ESG characteristics and has no specific sustainable investment objectives within the meaning of Article 6 of the SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities, i.e. 0% of investments.

The sub-fund's investments will follow the ESG Policy but will not consider principal adverse impacts (PAIs).

Rothschild & Co Asset Management has identified the PAIs on the sustainability factors on which the Management Company intends to focus its efforts and resources in order to deploy its responsible investment approach.

The Management Company's ESG Policy and Principal Adverse Impacts Policy are available on the website: <https://am.eu.rothschildandco.com/en/responsible-investing/documentation/>

**2. Description of asset classes:**

The asset classes included in the composition of the assets of the sub-fund are as follows:

- **Equities:** 80-100% of net assets

In accordance with the holding range specified below, the sub-fund may invest in equity instruments of companies linked to the metals and mining sector.

The sub-fund may invest in equities of any market capitalisation (including small and micro-caps) and from all geographical regions (including emerging countries), in particular North America, Australia and South Africa. Unlisted equities may also account for up to 10% of the sub-fund's net assets.

- **Bonds, debt securities and money market instruments:** 0-20% of net assets

In accordance with the holding range specified below, the sub-fund will invest in fixed-income securities (including convertible bonds) and transferable debt securities, in particular short-term transferable securities and Euro Commercial Paper.

Investments will be made in securities issued by governments and/or corporate issuers with any type of rating or no rating at all. Speculative high-yield bonds may account for up to 20% of net assets.

The main aim of these investments in fixed-income securities is diversification through investments in convertible bonds. The corporate/government debt distribution is not determined in advance and will be determined based on market opportunities.

The Management Company does not rely exclusively or automatically on credit ratings issued by rating agencies but undertakes its own analysis to assess the credit quality of fixed-income instruments.



- **Units or shares in other UCITS, AIFs or investment funds governed by foreign law:** 0-10% of net assets

In accordance with the holding range specified below, the sub-fund may hold:

- units or shares of French and/or European UCITS funds governed by European Directive 2009/65/EC;
- units or shares of French or European AIFs or foreign investment funds, which meet the four conditions set out by Article R. 214-13 of the French Monetary and Financial Code.

NOTE: The sub-fund may hold the units or shares of UCIs which are managed directly or by delegation or are advised by the Rothschild & Co group.

The primary objective of these investments is to invest cash pending reinvestment (money market and/or equity UCIs, particularly UCIs specialising in the metals and mining sector).

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

	Equities	Debt securities and money market instruments	Fund units or shares
Holding ranges	80%-100%	0-20%	0-10%
Investment in high yield financial instruments	None	0-20%	None
Investment in the financial instruments of non-OECD countries (including emerging countries)	80%-100%	0-20%	0-10%
Investment restrictions imposed by the Management Company	None		

### **3. Derivatives:**

The sub-fund may invest in regulated, organised, or OTC markets.

The portfolio manager will manage equity, interest rate and currency risks. In order to achieve the investment objective (discretionary management), these investments will be carried out for the purposes of portfolio hedging (sale of futures) and/or exposure, in order to reconstitute synthetic exposure to assets (purchase of futures). In particular, the manager may make use of forward exchange contracts, equity and interest rate futures and equity options.

Please note that the sub-fund will not use total return swaps (TRS)

The equity exposure of the sub-fund's portfolio, including exposure resulting from the use of derivatives, will not exceed 110%.

The sub-fund portfolio's exposure to the fixed-income market, including exposure resulting from the use of derivatives, will serve to keep the portfolio's modified duration within a range of -1 to 9.

The sub-fund portfolio's exposure to foreign exchange risk, including exposure resulting from the use of derivatives, will not exceed 100%.

The overall exposure of the sub-fund's portfolio, including exposure resulting from the use of derivatives, will not exceed 110%.

#### Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be credit institutions, are selected in accordance with the procedure in force within the Rothschild & Co group on the basis of selection criteria that form part of an ad hoc internal process. The Management Company may regularly select the Depository as its counterparty for OTC forex derivatives.

In particular, this involves:

- approval of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying assets of the derivatives, and/or the composition of the index as part of index swaps.



#### **4. Securities with embedded derivatives:**

To achieve the investment objective, the use of securities with embedded derivatives is limited to 20% of the net assets. This limit includes the use of: (i) subscription warrants, (ii) warrants, (iii) convertible bonds, (iv) callable and puttable bonds, (v) certificates, and securities with embedded simple derivatives that have a similar risk profile to that of the previously listed instruments.

The equity exposure of the sub-fund's portfolio, including exposure resulting from the use of securities with embedded derivatives, will not exceed 110%.

The exposure of sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's modified duration to remain within a range of -1 to 9.

The exposure of the sub-fund's portfolio to foreign exchange risk, including exposure resulting from the use of securities with embedded derivatives, will not exceed 100%.

The overall exposure of the sub-fund's portfolio, including exposure arising from the use of securities with embedded derivatives, shall not exceed 110%.

#### **5. Deposits:**

The sub-fund may invest up to 10% of its net assets in euro deposits with a maturity of up to three months in order to earn a return on the sub-fund's cash.

#### **6. Cash borrowings:**

The sub-fund may take out loans totalling up to 10% of its net assets, particularly in order to offset deferred payment terms for asset movements.

#### **7. Securities financing transactions:**

None

#### **Information regarding the financial collateral of the sub-fund:**

As part of transactions in over-the-counter derivatives, the sub-fund may receive cash or securities (such as bonds or securities issued or guaranteed by a government, or issued by international lending agencies, and bonds or securities issued by high-quality private issuers) as collateral. There is no correlation policy insofar as the UCI will receive mainly eurozone government securities and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility and diversified issuers, and are not affiliated to the counterparty or its group.

Haircuts may be applied to the collateral received; they shall take into account, in particular, credit quality and price volatility. The valuation is performed at least on a daily basis.

The sub-fund must be able to fully realise any financial collateral received, at any time and without consultation with or approval from the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash may only be:

- invested in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreements, provided that these agreements are concluded with credit institutions subject to prudential supervision and that the fund can, at any time, recall the total amount of cash, taking into account the accrued interest; or
- invested in money market UCIs.

#### **Risk profile:**

*Your money will be invested primarily in financial instruments selected by the Management Company. These instruments will be subject to market fluctuations and uncertainties.*

Investors in the sub-fund are primarily exposed to the following risks:



**1. Equity risk:**

Risk of a decrease in the portfolio's net asset value due to declining equity markets, through direct investments and investments in equity UCIs. The UCI may experience a risk:

- a. linked to direct and indirect equity exposure (110% of the fund's net assets);
- b. linked to direct and indirect exposure to small caps (including micro caps) (up to 100% of net assets);
- c. linked to direct and indirect investments in non-OECD markets (including emerging countries) (up to 100% of net assets).

**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.**

Any downturn in the equity market may thus cause the fund's net asset value to decline.

**2. Risk of capital loss:** Risk that the initial investment may not be fully recovered, as the sub-fund does not offer any guarantee or protection. This risk materialises if the Net Asset Value decreases. In such a case, investors are not sure to recover the capital initially invested. 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 sub-fund's returns, performance, or volatility.

**3. Discretionary management risk:** Risk that the sub-fund's investment objective, which is shown for guidance, is not achieved. The discretionary management style is based on anticipating trends in the various markets. Consequently, there is the risk that the sub-fund will not always be invested in the best-performing markets, strategies, UCIs or investment funds.

**4. Foreign exchange risk:** Some assets are expressed in a currency other than the sub-fund's accounting currency; changes in exchange rates may therefore cause the sub-fund's net asset value to decline.

**5. Liquidity risk:** Risk associated with low liquidity in certain underlying markets, which makes them vulnerable to substantial buy/sell flows.

**6. 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 sub-fund's net asset value.

**Investors should be aware that:**

- **high-yield debt securities (eligible to account for up to 20% of the net assets) present a greater credit risk, which may lead to a greater decline in the sub-fund's net asset value.**
- **the way the non-OECD markets (including emerging markets, up to a maximum of 20% of net assets) in which the sub-fund 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 sub-fund's net asset value.**

**7. Interest rate risk:** This is the risk of a fall in fixed-income securities as a result of interest rate fluctuations. It is measured by modified duration, which will be between -1 and 9. In periods of rising interest rates, the net asset value could decline significantly.

**8. Counterparty risk:** The sub-fund may use forward financial instruments (over-the-counter derivatives). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by the collateral pledged to the fund in accordance with the regulations in force.

**9. Risks associated with the use of derivatives:** As the sub-fund is able to invest in derivatives and securities with embedded derivatives, the UCIs net asset value may decline more significantly than the markets to which the sub-fund is exposed.

**10. 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 situation may also result in a change in the sub-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.

**11. Risk associated with convertible bonds (direct and indirect):** Up to a maximum of 20% of net assets. A convertible bond is a bond with a conversion right attached to it that allows the holder to exchange the bond for shares in the issuing company at a predetermined conversion ratio and for a set period. These are instruments which have both an equity component and a fixed income and/or credit component. The use of convertible bonds may cause the net asset value of the UCI to decrease if interest rates increase, the issuer's risk profile deteriorates, equity markets decline, or valuations for conversion options decrease.

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 (see summary table of share characteristics).

The shares of this sub-fund 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 shares 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 shares of this sub-fund 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.

With regard to the profile of the typical investor, this sub-fund is intended for investors who are primarily seeking exposure to the shares of companies associated with the metals and mining sector in any geographical area, but particularly North America, Australia and South Africa.

The amount that can be reasonably invested in this sub-fund depends on each investor's personal situation.

To determine this amount, investors must consider their personal wealth, 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. In any case, it is highly recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this sub-fund.

**Recommended investment period:** 5 years or more.

**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, dividends, bonuses and dividends, directors' fees and all income relating to the securities in the SICAV'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 shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.

Shares concerned: C EUR, C USD H

For distribution shares: 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 Annual General Meeting.

Shares concerned: None



For accumulation and/or distribution shares: for SICAVs that would like to remain free to accumulate and/or distribute, and/or retain amounts available for distribution, the Annual General Meeting shall decide each year on the allocation of the amounts indicated in points 1) and 2).

Shares concerned: None

#### Distribution frequency:

For accumulation shares: annual accumulation

For distribution shares and accumulation and/or distribution shares: annual by decision of the Annual General Meeting and the possibility of an interim distribution by decision of the Board of Directors.

#### Share characteristics:

Share Class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400TLU4	Accumulation	EUR	Ten-thousandths	All investors	1 share Initial NAV of a share: EUR 100
C USD H	FR001400TLW0	Accumulation	USD	Ten-thousandths	All investors	1 share Initial NAV of a share: USD 100

\*Shares in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.

Subsequent subscriptions may be for shares or fractions of shares, where applicable.

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

#### Subscriptions and redemptions:

##### - for shares to be registered or already registered in bearer form within Euroclear:

Subscription and redemption requests are received and centralised each day at 12:00 pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D).

##### - for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP":

Subscription and redemption requests for shares to be registered or already registered in pure registered form within the shared electronic record system IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so. In this case, these requests are received and centralised every day at twelve noon (12:00 pm) at IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS, and executed on the basis of the next net asset value.

Each of the establishments will assume all the tasks relating to the management of the issue account as indicated above. Rothschild Martin Maurel will be responsible at SICAV level for aggregating information relating to the management of the issue account provided by IZNES.

The net asset value is published on the first trading day following its calculation.

Settlements relating to subscriptions and redemptions take place on the second business day following execution (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions regarding investor



eligibility, and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes in question.

Switches from shares in one sub-fund or share class to shares in another sub-fund or share class are regarded as a disposal followed by a repurchase and as such are subject to the tax system applicable to capital gains on disposals of securities.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business days	D+2 business days	D+2 business days
Centralisation of subscription orders before 12:00 pm <sup>1</sup>	Centralisation of redemption orders before 12:00 pm <sup>1</sup>	Execution of the order no later than day D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup> Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:**

IZNES, Service Opérations, 18, boulevard Maiesherbes – 75008 PARIS

Rothschild & Co Martin Maurel - 29, avenue de Messine - 75008 PARIS

Shareholders are advised that orders sent to any promoters other than Rothschild Martin Maurel or IZNES must take account of the fact that the centralisation deadline for the abovementioned orders applies to Rothschild Martin Maurel or IZNES.

Accordingly, these promoters may apply their own deadline prior to that mentioned above, to reflect the time required to transmit the orders to Rothschild Martin Maurel or IZNES.

**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 at the following website:

[www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Redemption gate mechanism:**

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 sub-fund (the "redemption gate"), if exceptional circumstances so require (the redemption gate is not systematically activated) and in the interests of shareholders, to prevent any imbalance in redemption requests and the net assets of the sub-fund that would prevent the Management Company from honouring such redemption requests on terms that uphold shareholder interests and their equal treatment.

The redemption gate 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 sub-fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the sub-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"). A given redemption cap cannot be in place for longer than five working days (i.e. no more than five consecutive NAV dates). Whatever the circumstances, the redemption gate mechanism cannot be in place for more than 20 NAV dates in any three-month period.

II. Procedures for informing shareholders

Shareholders making redemption requests affected by the redemption gate will be specially notified as soon as possible after the capped centralisation date (the "reporting deadline"). The decision to introduce a redemption gate 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 gate, the redemption percentage less the subscription percentage will be reduced to 5% of net assets.

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 5% (plus any potential subscription percentage) divided by the actual redemption percentage net of subscriptions.

For a given shareholder, the number of shares for which redemption is honoured is therefore equal to the initial number of shares for which redemption has been requested multiplied by the reduction coefficient, this number of shares being rounded up.

Redemption requests that have not been honoured because of the redemption gate and that are pending execution will be automatically carried forward to the next net asset value date within the same limits.

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 shares, based on the same net asset value and for the same shareholder (referred to as in-and-out trades) will not be subject to the redemption gate.

Example of the system being triggered:

If total redemption requests amount to 20% of the net assets of the sub-fund, 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 gate and to honour all redemption requests (execution of 100% of redemption requests).
- If liquidity conditions are unfavourable, the management company applies the redemption gate 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 20% 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 quarter of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates. If it chooses a 10% threshold, it executes half of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates.

You can also refer to Article 8 of the SICAV's Articles of Association for information on the redemption gate mechanism used by your sub-fund.

#### **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. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund to invest or disinvest investors' monies. Any fees not retained are paid to the Management Company, promoter, distributor, etc.

<b>Fees charged to the investor, deducted at the time of subscription and redemption</b>	<b>Base</b>	<b>Rate</b>
Subscription fee not retained by the sub-fund	Net asset value x Number of shares	C EUR, C USD H shares: 3% maximum
Subscription fee retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee retained by the sub-fund	Net asset value x Number of shares	None



Exemption: if the redemption order is immediately followed by a subscription, on the same day, in the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees will be charged.

Operating expenses and management fees:

These fees cover all costs billed directly to the sub-fund, 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.

The following may be added to operating expenses and management fees:

- performance fees. These reward the Management Company if the sub-fund exceeds its objectives. They are therefore charged to the sub-fund;
- turnover commissions charged to the sub-fund.

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

For more information on the charges actually billed to the sub-fund, please refer to the Key Information Document (KID).

	<b>Fees charged to the sub-fund</b>	<b>Base</b>	<b>Rate</b>
1	Investment management fees	Net assets	C EUR, C USD H shares: 1.65% maximum
2	Operating expenses and fees for other services:	Net assets	0.25% maximum, all taxes included
3	Maximum indirect fees (management fees and charges)	Net assets	Not applicable
4	Service providers collecting turnover commissions: <u>Depositary</u> : between 0% and 50% <u>Management Company</u> : between 50% and 100%	Payable on each transaction	None
5	Performance fee	Net assets	20% of the sub-fund's annual outperformance, net of fees, versus the benchmark (MSCI ACWI Metal & Mining Producers Ex Gold & Silver Net Return Index, denominated in USD and converted into euro with dividends reinvested), according to the methodology described below (*)

In addition, the Management Company does not receive any soft commission.

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

(\*) Performance fee:

The sub-fund uses a performance fee model based on a benchmark index.

It ensures that any underperformance (over a maximum period of five years) of the sub-fund versus a reference fund generating a performance equal to that of the benchmark (MSCI ACWI Metal & Mining Producers Ex Gold & Silver Net Return Index, dividends reinvested) with the same subscription and redemption pattern is recovered before any performance fees become payable.

If another year of underperformance occurs within this first five-year period and has not been recovered by the end of this first period, a new period of up to five years begins as a result of this new year of underperformance.

The performance fee is calculated over a maximum of five years by comparing the change in the sub-fund's assets (coupons reinvested and excluding variable management fees) with the assets of a reference fund:

- The starting value of the reference fund is the value of the sub-fund's assets:
  - i. at the close of the most recent financial year in which performance fees were charged during the last five financial years, if performance fees were charged in one of these financial years;
  - ii. or, failing this, at the start of the earliest of the last four financial years for which underperformance has not been made up, or at the close of the previous financial year if no underperformance has to be made up in the last four financial years;



iii. or, failing that, on the date the sub-fund was launched;

- The reference fund's value therefore rises and falls in line with the daily performance of the benchmark, with the same inflows and outflows of funds from subscriptions and redemptions as the sub-fund.

If, at the close of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference fund based on the starting value described above, a performance fee is charged that is equal to 20% (including taxes) of the difference in valuation between the sub-fund's assets and the reference fund.

A performance fee may be charged where the sub-fund has outperformed the benchmark index but has recorded a negative performance for the year.

A provision for these fees is made at each net asset value calculation and paid annually at the close of the financial year. The provision is written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provision is written down to zero, excluding any accrued variable management fees.

At the end of the financial year, the provision for performance fees is paid to the Management Company, together with the proportion of fees derived from share redemptions during the financial year.

**The performance fee is calculated on the basis of the performance of each share class compared with that of the benchmark index. Shareholders of the sub-fund may consult the past performance of each share class against the benchmark index at the following address on the Management Company's website: [am.eu.rothschildandco.com](http://am.eu.rothschildandco.com)**

Example showing the calculation of outperformance:

	Net performance (*)	Underperformance (*) to be made up the following year	Fund's NAV at close of financial year	Fund's NAV > NAV at close of previous financial year	Performance fee charged	Notes
Y0						
Y1	5%	0%	102	yes	yes	Performance fee = net performance (*) 5% * performance fee rate
Y2	0%	0%	101	no	no	
Y3	-5%	-5%	99	no	no	
Y4	3%	-2%	100	yes	no	
Y5	2%	0%	103	yes	no	
Y6	5%	0%	105	yes	yes	
Y7	5%	0%	103	no	yes	A performance fee is charged even though the fund's NAV decreased with respect to the previous year because the fund outperformed the benchmark.
Y8	-10%	-10%	96	no	no	
Y9	2%	-8%	97	yes	no	
Y10	2%	-6%	98	yes	no	
Y11	2%	-4%	100	yes	no	
Y12	0%	0%	101	yes	no	The underperformance of Y12 to be carried forward to the next year (Y13) is 0% (rather than -4%), since the residual underperformance from Y8 not yet offset (-4%) is no longer relevant as the 5-year period has



						elapsed (the underperformance of Y8 is offset up to Y12).
Y13	2%	0%	102	yes	yes	
Y14	-6%	-6%	98	no	no	
Y15	2%	-4%	99	yes	no	
Y16	2%	-2%	101	yes	no	
Y17	-4%	-6%	99	no	no	
Y18	0%	-4%	100	yes	no	The underperformance of Y18 to be carried forward to the next year (Y19) is 4% (rather than -6%), since the residual underperformance from Y14 not yet offset (-2%) is no longer relevant as the 5-year period has elapsed (the underperformance of Y14 is offset up to Y18).
Y19	5%	0%	103	yes	yes	

\* of the sub-fund relative to its benchmark index.

For any additional information, please refer to the sub-fund's annual report.

**Financial intermediary selection procedure:**

The Management Company may in some cases use brokers to invest in other financial instruments. In these cases, the sub-fund 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.



## Sub-fund No. 4: R-co Valor Equity

### ➤ General characteristics:

#### **Share characteristics:**

##### ISINs:

- C EUR shares: FR001400YR47
- F EUR shares: FR001400YR54
- I EUR shares: FR001400YR62
- NI EUR shares: FR001400YR70
- NI USD shares: FR001400YR88
- R EUR shares: FR001400YR96
- P EUR shares: FR001400YRA3
- P USD shares: FR001400YRB1
- CL EUR shares: FR001400YRC9
- M EUR shares: FR001400YRD7

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the sub-fund in proportion to the number of shares held.

Registration or liabilities management: liabilities are managed by Rothschild Martin Maurel for shares to be registered or already registered in bearer form within Euroclear, and by IZNES for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP". Please note that subscription and redemption requests for shares to be registered or already registered in pure registered form with IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so.

Voting rights: each shareholder has voting rights attached to the shares they own. The SICAV's articles of association set out how these voting rights can be exercised.

Form of the shares: in bearer form for shares admitted to Euroclear or in pure registered form within IZNES' "DEEP" system. This sub-fund can be used in unit-linked life insurance policies.

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of September.

First closing: 30 September 2025

#### **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 subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable. This sub-fund can be used in unit-linked life insurance policies.

### ➤ Special provisions

##### **ISINs:**

- C EUR shares: FR001400YR47
- F EUR shares: FR001400YR54
- I EUR shares: FR001400YR62
- NI EUR shares: FR001400YR70
- NI USD shares: FR001400YR88
- R EUR shares: FR001400YR96
- P EUR shares: FR001400YRA3
- P USD shares: FR001400YRB1
- CL EUR shares: FR001400YRC9
- M EUR shares: FR001400YRD7

**Delegation of financial management:** No

**Classification:** International equities



**Investment objective:**

The objective of the sub-fund is to outperform its benchmark, the MSCI ACWI Net Total Return EUR Index, net of fees, over the recommended investment period of over five years, by implementing discretionary management combined with a socially responsible investment approach.

**Benchmark:**

The benchmark is the MSCI ACWI Net Total Return EUR Index (NDEEWNR Index).

The MSCI ACWI Net Total Return EUR Index (NDEEWNR Index) 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](http://www.msci.com).

The administrator of the MSCI ACWI Net Total Return EUR Index (NDEEWNR Index) is entered on the register of benchmark administrators and benchmark indices maintained by ESMA.

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.

The investment objective of the sub-fund is to outperform its benchmark, the MSCI ACWI Net Total Return EUR Index (NDEEWNR Index) over the recommended investment period. The asset mix of this sub-fund's portfolio may differ significantly from the composition of the benchmark index.

The sub-fund is not an index-linked UCITS.

**Investment strategy:**

**1. Description of strategies used:**

The investment strategy relies on conviction-based management, which can lead to significant variations against the benchmark. The sub-fund primarily holds direct investments and seeks to exploit opportunities in international equity markets. Portfolio management choices result from a combination of a macroeconomic view and the financial analyses of the securities. The management seeks to take the best advantage possible of movements in securities prices.

To achieve its investment objective, the sub-fund invests on the basis of market opportunities, primarily in equities, with up to 10% of its net assets in fixed-income securities via UCIs (including listed UCIs/ETFs).

The sub-fund's allocation is as follows:

- Between 90% and 100% of net assets in equities from all geographical areas (including non-OECD countries and emerging markets) and all market capitalisations (including up to 20% of net assets in small and micro caps). The sub-fund may also invest up to 10% of its net assets in equity UCIs, including listed UCIs/ETFs.
- Between 0% and 10% of net assets in fixed-income securities via UCIs, including listed UCIs/ETFs and in convertible bond and money market UCIs.

The sub-fund may also invest in forward financial instruments traded on French and foreign regulated, organised or over-the-counter markets (futures, options and TRS) in order to achieve its investment objective. To do this, the sub-fund will hedge its portfolio and/or expose it to equity and currency markets.

**Selection of underlyings:**

○ **For the equity component, the criteria are as follows:**

The management process for the sub-fund 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 financial environment.
- Securities selection is based on a fundamental approach that involves two steps:
  - A qualitative analysis based on an understanding of underlying markets and profitability drivers (supply/demand imbalance, cost-benefit analysis, regulations, etc.).



- A quantitative analysis to determine valuation attractiveness using various methodologies (DCF, comparables, etc.), and in particular multiples tailored to each industry (Enterprise Value/Capital Employed, Enterprise Value/EBITDA, P/E, etc.).

- **For the ancillary fixed-income component, the criteria are the following:**

The selection process combines top-down and bottom-up analyses based on a fundamental approach consisting of two steps: a quantitative analysis to consider the probability of default, and a qualitative analysis.

- **For the ancillary UCI component (including listed UCIs/ETFs), the criteria are the following:**

Foreign UCITS, AIFs or investment funds will be selected using a top-down approach by asset class.

This selection will be taken primarily from the Rothschild & Co group range.

**Selection of derivatives:**

Derivative instruments are used in line with the policy of the sub-fund.

Use of derivatives for exposure purposes is temporary in nature, notably in response to significant movements in liabilities. Use of derivatives for hedging purposes is mainly for technical reasons or to adjust the portfolio (either temporarily, or as a hedge).

**Non-financial criteria:**

The portfolio's investment universe is the MSCI ACWI Net Total Return EUR Index (NDEEWNR Index). Securities in the portfolio's investment universe are rated according to their Environmental, Social and Governance (ESG) profile. The positive contribution of ESG criteria may be taken into consideration in investment decisions, without being a decisive factor in such decisions.

The Management Company may select securities which are not included in the benchmarks that make up its investment universe. However, it will ensure that the benchmarks chosen provide an appropriate basis of comparison for the sub-fund's ESG credentials.

The percent share of positions rated on the basis of non-financial criteria will be permanently higher than:

- 90% of the portion of net assets invested in equities issued by companies with a market capitalisation of over EUR 10 billion;
- 75% of the portion of net assets invested in equities issued by companies with a market capitalisation of less than EUR 10 billion or with their registered office located in an emerging country.

The average non-financial rating of the portfolio is higher than the rating of the initial investment universe.

The non-financial ratings used are mainly those of the external non-financial research provider MSCI ESG Research. MSCI ESG Research rates companies from CCC to AAA (AAA being the best rating).

The ratings are attributed by sector using a best-in-class approach. This approach favours the companies with the best non-financial ratings within their business sector, but does not favour or exclude any sector.

We reserve the right to rate the issuers not covered by the research of MSCI ESG Research to which we have access using reliable data sources and a comparable analysis grid.

Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR), as amended, 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 assessed.



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 sub-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 integrated into investment decisions, as described in the extra-financial criteria above, as well as 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.eu.rothschildandco.com/en/responsible-investing/documentation>

**2. Description of asset classes:**

The asset classes included in the composition of the assets of the sub-fund are as follows:

- **Equities:** 90-100% of net assets

In accordance with the holding range specified below, the sub-fund may invest in equity securities. The sector and geographical breakdown of issuers is not determined in advance and will be determined according to market opportunities.

The sub-fund may invest in equities from all geographical areas (including up to 100% of net assets in non-OECD countries and emerging markets), all industrial sectors and all market capitalisations, including up to 20% of net assets in small and micro caps.

- **Bonds, debt securities and money market instruments:** None
- **Units or shares in other UCITS, AIFs or investment funds governed by foreign law:** 0-10% of net assets

In accordance with the holding range specified below, the sub-fund may hold:

- units or shares of French and/or European UCITS funds governed by European Directive 2009/65/EC;
- units or shares of French or European AIFs or foreign investment funds, which meet the four conditions set out by Article R. 214-13 of the French Monetary and Financial Code.

NOTE: The sub-fund may hold the units or shares of UCIs which are managed directly or by delegation or are advised by the Rothschild & Co group.

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

	Equities	Debt securities and money market instruments	Fund units or shares
Holding ranges	90-100%	None	0-10%
Investment in small caps (including micro caps)	0-20%	None	None



Investment in high yield financial instruments	None	None	None
Investment in the financial instruments of non-OECD countries (including emerging countries)	0-100%	None	None
Investment restrictions imposed by the Management Company	None		

**3. Derivatives:**

The sub-fund may invest in regulated, organised, or OTC markets.

The portfolio manager will adjust the level of equity and foreign exchange risk. In order to achieve the investment objective (discretionary management), these investments will be carried out for the purposes of portfolio hedging (sale of futures) and/or exposure, in order to reconstitute synthetic exposure to assets (purchase of futures). In particular, the portfolio manager may make use of futures and options.

The sub-fund may also invest up to 100% of its net assets in Total Return Swaps (TRS).

The sub-fund’s overall equity exposure, including exposure resulting from the use of derivatives, will be between 60% and 110% of net assets.

The sub-fund’s exposure to fixed income, including exposure resulting from the use of derivatives, will not exceed 10% of net assets.

The sub-fund’s exposure to foreign exchange risk, including exposure resulting from the use of derivatives, will not exceed 100% of net assets.

The overall exposure of the sub-fund’s portfolio, including exposure resulting from the use of derivatives, will not exceed 110%.

Information related to counterparties of over-the-counter derivatives:

Counterparties, which may or may not be credit institutions, are selected in accordance with the procedure in force within the Rothschild & Co group on the basis of selection criteria that form part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC forex derivatives.

In particular, this involves:

- approval of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying assets of the derivatives, and/or the composition of the index as part of index swaps.

**4. Securities with embedded derivatives:**

To achieve the investment objective, the use of securities with embedded derivatives is limited to no more than 10% of net assets. This limit includes the use of: (i) subscription warrants, (ii) warrants, and securities with simple embedded derivatives that have a similar risk profile to that of the previously listed instruments.

The exposure of the sub-fund’s portfolio to equities, including exposure resulting from the use of securities with embedded derivatives, will be between 60% and 110%.

The exposure of the sub-fund’s portfolio to fixed income, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10% of net assets.

The exposure of the sub-fund’s portfolio to foreign exchange risk, including exposure resulting from the use of securities with embedded derivatives, will not exceed 100%.

The overall exposure of the sub-fund’s portfolio, including exposure arising from the use of securities with embedded derivatives, shall not exceed 110%.

**5. Deposits:**

None



## **6. Cash borrowings:**

The sub-fund may take out loans totalling up to 10% of its net assets, particularly in order to offset deferred payment terms for asset movements.

## **7. Securities financing transactions:**

None

## **Information regarding the financial collateral of the sub-fund:**

As part of transactions in over-the-counter derivatives, the sub-fund may receive cash or securities (such as bonds or securities issued or guaranteed by a government, or issued by international lending agencies, and bonds or securities issued by high-quality private issuers) as collateral. There is no correlation policy insofar as the UCI will receive mainly eurozone government securities and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility and diversified issuers, and are not affiliated to the counterparty or its group.

Haircuts may be applied to the collateral received; they shall take into account, in particular, credit quality and price volatility. The valuation is performed at least on a daily basis.

The sub-fund must be able to fully realise any financial collateral received, at any time and without consultation with or approval from the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash may only be:

- invested in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreements, provided that these agreements are concluded with credit institutions subject to prudential supervision and that the fund can, at any time, recall the total amount of cash, taking into account the accrued interest; or
- invested in money market UCIs.

## **Risk profile:**

*Your money will be invested primarily in financial instruments selected by the Management Company. These instruments will be subject to market fluctuations and uncertainties.*

Investors in the sub-fund are primarily exposed to the following risks:

**1. Equity risk:** Risk of a decrease in the portfolio's net asset value due to declining equity markets, through direct investments and investments in equity UCIs. The UCI may experience a risk:

- a. linked to direct and indirect equity exposure (110% of the sub-fund's net assets);
- b. linked to direct exposure to small caps (including micro caps) (up to 20% of net assets);
- c. linked to direct and indirect investments in non-OECD markets (including emerging countries) (up to 100% of net assets).

**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.**

Any downturn in the equity market may thus cause the sub-fund's net asset value to decline.

**2. Risk of capital loss:** Risk that the initial investment may not be fully recovered, as the sub-fund does not offer any guarantee or protection. This risk materialises if the Net Asset Value decreases. In such a case, investors are not sure to recover the capital initially invested. 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 sub-fund's returns, performance, or volatility.

**3. Discretionary management risk:** Risk that the sub-fund's investment objective, which is shown for guidance, is not achieved. The discretionary management style is based on anticipating trends in the various markets. Consequently, there is the risk that the sub-fund will not always be invested in the best-performing markets, strategies, UCIs or investment funds.

**4. Foreign exchange risk:** Some assets are expressed in a currency other than the sub-fund's accounting currency; changes in exchange rates may therefore cause the sub-fund's net asset value to decline.



5. Risk associated with direct 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. This investment is limited to 100% of net assets;

6. Risk associated with investments in small and mid-cap stocks: Up to a maximum of 20% of net assets. The UCI can invest in equities of small caps. Trading volumes in these listed securities are generally lower, and market movements are more pronounced (both upward and downward) and faster than they are for large caps. The net asset value of the UCI may behave in the same way, depending on the UCI's exposure.

7. 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 non-financial criteria. Their application may lead to the exclusion of issuers, meaning market opportunities may be lost. As a result, the fund'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.

8. 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 situation may also result in a change in the sub-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.

9. Counterparty risk: The sub-fund may use forward financial instruments (over-the-counter derivatives). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by the collateral pledged to the fund in accordance with the regulations in force.

10. Risks associated with the use of derivatives: As the sub-fund is able to invest in derivatives and securities with embedded derivatives, the UCIs net asset value may decline more significantly than the markets to which the sub-fund is exposed.

However, the sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 110% of net assets.

11. Indirect interest rate risk: Risk associated with indirect investments in fixed-income securities (up to 10% of net assets). Therefore, if interest rates increase, the net asset value of the UCI may decline.

12. 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.

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 (see summary table of share characteristics).

The shares of this sub-fund 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 shares 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 shares of this sub-fund 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.

With regard to the typical investor profile, this sub-fund is intended for investors seeking exposure to global equity markets over the recommended investment period.



The amount that can be reasonably invested in this sub-fund depends on each investor's personal situation. To determine this amount, investors must consider their personal wealth, 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. In any case, it is highly recommended that investors sufficiently diversify their investments so as not to be exposed solely to the risks of this sub-fund.

**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, dividends, bonuses and dividends, directors' fees and all income relating to the securities in the SICAV'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 shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.

Shares concerned: C EUR, F EUR, I EUR, NI EUR, NI USD, R EUR, P EUR, P USD, CL EUR, M EUR

For distribution shares: 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 Annual General Meeting.

Shares concerned: None

For accumulation and/or distribution shares: for SICAVs that would like to remain free to accumulate and/or distribute, and/or retain amounts available for distribution, the Annual General Meeting shall decide each year on the allocation of the amounts indicated in points 1) and 2).

Shares concerned: None

**Distribution frequency:**

For accumulation shares: annual accumulation

For distribution shares and accumulation and/or distribution shares: annual by decision of the Annual General Meeting and the possibility of an interim distribution by decision of the Board of Directors.

**Share characteristics:**

Share Class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR001400YR47	Accumulation	EUR	Ten-thousandths	All investors	None



						Initial NAV of a share: EUR 100
F EUR	FR001400YR54	Accumulation	EUR	Ten-thousandths	All investors	None Initial NAV of a share: EUR 100
I EUR	FR001400YR62	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors	EUR 3,000,000 Initial NAV of a share: EUR 1,000
NI EUR	FR001400YR70	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors	EUR 5,000,000 Initial NAV of a share: EUR 1,000
NI USD	FR001400YR88	Accumulation	USD	Ten-thousandths	All investors, but specifically intended for institutional investors	USD 5,000,000 Initial NAV of a share: USD 1,000
R EUR	FR001400YR96	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for foreign distribution networks	None Initial NAV of a share: EUR 100
P EUR	FR001400YRA3	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
P USD	FR001400YRB1	Accumulation	USD	Ten-thousandths	See below***	USD 5,000 or USD 500,000 for institutional investors Initial NAV of a share: USD 100
CL EUR	FR001400YRC9	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors Initial NAV of a share: EUR 100
M EUR	FR001400YRD7	Accumulation	EUR	Ten-thousandths	Shares reserved for the employee shareholding plan, employees and corporate officers of the Rothschild & Co group	EUR 1,000 Initial NAV of a share: EUR 1,000

\*USD shares are not hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.  
Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

- 2) Investors subscribing through distributors or intermediaries:
  - o subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
  - o providing:
    - an independent advisory service within the meaning of the European MiFID II regulation
    - an individual discretionary portfolio management service
- 2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for the P EUR shares and USD 500,000 for the NI USD and P USD shares.



The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

#### **Subscriptions and redemptions:**

##### **- for shares to be registered or already registered in bearer form within Euroclear:**

Subscription and redemption requests are received and centralised at 4:00 pm on the day before the valuation day at Rothschild Martin Maurel and executed on the basis of the next net asset value (D).

##### **- for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP":**

Subscription and redemption requests for shares to be registered or already registered in pure registered form within the shared electronic record system IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so. In this case, these requests are received and centralised at 4:00 pm on the day before the valuation day at IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS, and executed on the basis of the next net asset value (D).

Each of the establishments will assume all the tasks relating to the management of the issue account as indicated above. Rothschild Martin Maurel will be responsible at SICAV level for aggregating information relating to the management of the issue account provided by IZNES.

The net asset value is published on the first trading day following its calculation.

Settlements relating to subscriptions and redemptions take place on the second business day following execution (D+2).

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions regarding investor eligibility, and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes in question.

Switches from shares in one sub-fund or share class to shares in another sub-fund or share class are regarded as a disposal followed by a repurchase and as such are subject to the tax system applicable to capital gains on disposals of securities.

Orders are executed in accordance with the table below:

D-1	D-1	D: day of NAV calculation	D+1 business days	D+2 business days	D+2 business days
Centralisation of subscription orders before 4 pm <sup>1</sup>	Centralisation of redemption orders before 4:00 pm <sup>1</sup>	Execution of the order no later than day D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup> Unless otherwise agreed with your financial institution.

#### **Receipt of subscriptions and redemptions:**

IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS

Rothschild & Co Martin Maurel - 29, avenue de Messine - 75008 PARIS

Shareholders are advised that orders sent to any promoters other than Rothschild Martin Maurel or IZNES must take account of the fact that the centralisation deadline for the abovementioned orders applies to Rothschild Martin Maurel or IZNES.

Accordingly, these promoters may apply their own deadline prior to that mentioned above, to reflect the time required to transmit the orders to Rothschild Martin Maurel or IZNES.

#### **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 at the following website:  
[www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Redemption gate mechanism:**

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 sub-fund (the "redemption gate"), if exceptional circumstances so require (the redemption gate is not systematically activated) and in the interests of shareholders, to prevent any imbalance in redemption requests and the net assets of the sub-fund that would prevent the Management Company from honouring such redemption requests on terms that uphold shareholder interests and their equal treatment.

The redemption gate will be applied on the following terms:

IV. 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 sub-fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the sub-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"). A given redemption cap cannot be in place for longer than five working days (i.e. no more than five consecutive NAV dates). Whatever the circumstances, the redemption gate mechanism cannot be in place for more than 20 NAV dates in any three-month period.

V. Procedures for informing shareholders

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

VI. Order processing

In the event of a redemption gate, the redemption percentage less the subscription percentage will be reduced to 5% of net assets.

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 5% (plus any potential subscription percentage) divided by the actual redemption percentage net of subscriptions.

For a given shareholder, the number of shares for which redemption is honoured is therefore equal to the initial number of shares for which redemption has been requested multiplied by the reduction coefficient, this number of shares being rounded up.

Redemption requests that have not been honoured because of the redemption gate and that are pending execution will be automatically carried forward to the next net asset value date within the same limits.

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 shares, based on the same net asset value and for the same shareholder (referred to as in-and-out trades) will not be subject to the redemption gate.

Example of the system being triggered:

If total redemption requests amount to 20% of the net assets of the sub-fund, 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 gate and to honour all redemption requests (execution of 100% of redemption requests).
- If liquidity conditions are unfavourable, the management company applies the redemption gate 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 20% 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 quarter of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates. If it chooses a 10% threshold, it executes half of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates.

You can also refer to Article 8 of the SICAV's Articles of Association for information on the redemption gate mechanism used by your sub-fund.

### 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. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund to invest or disinvest 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 sub-fund	Net asset value x Number of shares	C EUR, F EUR, I EUR, NI EUR, NI USD, R EUR, P EUR, P USD, CL EUR shares: 3% maximum M EUR shares: 5% maximum
Subscription fee retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee retained by the sub-fund	Net asset value x Number of shares	None

Exemption: if the redemption order is immediately followed by a subscription, on the same day, in the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees will be charged.

#### Operating expenses and management fees:

These fees cover all costs billed directly to the sub-fund, 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.

The following may be added to operating expenses and management fees:

- performance fees. These reward the Management Company if the sub-fund exceeds its objectives. They are therefore charged to the sub-fund;
- turnover commissions charged to the sub-fund.

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

For more information on the charges actually billed to the sub-fund, please refer to the Key Information Document (KID).

	Fees charged to the sub-fund	Base	Rate
1	Investment management fees	Net assets	C EUR shares: 1.70% maximum F EUR shares: 2.00% maximum I EUR shares: 0.85% maximum NI EUR, NI USD shares: 0.70% maximum R EUR shares: 2.30% maximum P EUR, P USD shares: 1.05% maximum CL EUR shares: 1.35% maximum M EUR shares: 0.001% maximum
2	Operating expenses and fees for other services:	Net assets	0.25% maximum, all taxes included



3	Maximum indirect fees (management fees and charges)	Net assets	Not applicable
4	Turnover commissions	Payable on each transaction	None
5	Performance fee	Net assets	C EUR, F EUR, I EUR, NI EUR, NI USD, R EUR, P EUR, P USD, M EUR shares: 20% of the annual outperformance net of fees of the sub-fund versus that of the benchmark (MSCI ACWI Net Total Return EUR Index), according to the methodology described below (*). CL EUR shares: None.

In addition, the Management Company does not receive any soft commission.

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

**(\*) Performance fee:**

The sub-fund uses a performance fee model based on a benchmark index.

It ensures that any underperformance (over a maximum period of five years) of the sub-fund versus a reference fund generating a performance equal to that of the benchmark (MSCI ACWI Net Total Return EUR Index), and with the same subscription and redemption pattern, is recovered before any performance fees become payable.

If another year of underperformance occurs within this first five-year period and has not been recovered by the end of this first period, a new period of up to five years begins as a result of this new year of underperformance.

The performance fee is calculated over a maximum of five years by comparing the change in the sub-fund's assets (coupons reinvested and excluding variable management fees) with the assets of a reference fund:

- The starting value of the reference fund is the value of the sub-fund's assets:
  - iv. at the close of the most recent financial year in which performance fees were charged during the last five financial years, if performance fees were charged in one of these financial years;
  - v. or, failing this, at the start of the earliest of the last four financial years for which underperformance has not been made up, or at the close of the previous financial year if no underperformance has to be made up in the last four financial years;
  - vi. or, failing that, on the date the sub-fund was launched;
- The reference fund's value therefore rises and falls in line with the daily performance of the benchmark, with the same inflows and outflows of funds from subscriptions and redemptions as the sub-fund.

If, at the close of the financial year, the sub-fund's assets (excluding variable management fees) are greater than the assets of the reference fund based on the starting value described above, a performance fee is charged that is equal to 20% (including taxes) of the difference in valuation between the sub-fund's assets and the reference fund.

A performance fee may be charged where the sub-fund has outperformed the benchmark index but has recorded a negative performance for the year.

A provision for these fees is made at each net asset value calculation and paid annually at the close of the financial year. The provision is written back each time the difference between the two asset values decreases. In the event of underperformance (the sub-fund's assets are less than the reference fund's assets), the provision is written down to zero, excluding any accrued variable management fees.

At the end of the financial year, the provision for performance fees is paid to the Management Company, together with the proportion of fees derived from share redemptions during the financial year.

**The performance fee is calculated on the basis of the performance of each share class compared with that of the benchmark index. Shareholders of the sub-fund may consult the past performance of each share class against the benchmark index at the following address on the Management Company's website: [am.eu.rothschildandco.com](http://am.eu.rothschildandco.com)**

Example showing the calculation of outperformance:



	Net performance (*)	Underperformance (*) to be made up the following year	Fund's NAV at close of financial year	Fund's NAV > NAV at close of previous financial year	Performance fee charged	Notes
Y0						
Y1	5%	0%	102	yes	yes	Performance fee = net performance (*) 5% * performance fee rate
Y2	0%	0%	101	no	no	
Y3	-5%	-5%	99	no	no	
Y4	3%	-2%	100	yes	no	
Y5	2%	0%	103	yes	no	
Y6	5%	0%	105	yes	yes	
Y7	5%	0%	103	no	yes	A performance fee is charged even though the fund's NAV decreased with respect to the previous year because the fund outperformed the benchmark.
Y8	-10%	-10%	96	no	no	
Y9	2%	-8%	97	yes	no	
Y10	2%	-6%	98	yes	no	
Y11	2%	-4%	100	yes	no	
Y12	0%	0%	101	yes	no	The underperformance of Y12 to be carried forward to the next year (Y13) is 0% (rather than -4%), since the residual underperformance from Y8 not yet offset (-4%) is no longer relevant as the 5-year period has elapsed (the underperformance of Y8 is offset up to Y12).
Y13	2%	0%	102	yes	yes	
Y14	-6%	-6%	98	no	no	
Y15	2%	-4%	99	yes	no	
Y16	2%	-2%	101	yes	no	
Y17	-4%	-6%	99	no	no	
Y18	0%	-4%	100	yes	no	The underperformance of Y18 to be carried forward to the next year (Y19) is 4% (rather than -6%), since the residual underperformance from Y14 not yet offset (-2%) is no longer relevant as the 5-year period has elapsed (the underperformance of Y14 is offset up to Y18).



Y19	5%	0%	103	yes	yes	
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\* of the sub-fund relative to its benchmark index.

For any additional information, please refer to the sub-fund's annual report.

**Financial intermediary selection procedure:**

The Management Company may in some cases use brokers to invest in other financial instruments. In these cases, the sub-fund 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.



## Sub-fund No. 5: R-co Target 2032 IG

### ➤ General characteristics:

#### **Share characteristics:**

##### ISINs:

- C EUR shares: FR0014011W27
- C2 EUR shares: FR0014011W35
- D EUR shares: FR0014011W43
- D2 EUR shares: FR0014011W50
- IC EUR shares: FR0014011W68
- IC2 EUR shares: FR0014011W76
- ID EUR shares: FR0014011W84
- ID2 EUR shares: FR0014011W92
- IC CHF H shares: FR0014011WA5
- IC USD H shares: FR0014011WB3
- P EUR shares: FR0014011WC1
- P2 EUR shares: FR0014011WD9
- P CHF H shares: FR0014011WE7
- PB EUR shares: FR0014011WF4
- PB2 EUR shares: FR0014011WG2
- R EUR shares: FR0014011WH0

Type of right attached to the share class: the rights of owners are expressed in shares, each share corresponding to a fraction of the sub-fund's assets. Each shareholder is entitled to ownership of the assets of the sub-fund in proportion to the number of shares held.

Registration or liabilities management: liabilities are managed by Rothschild Martin Maurel for shares to be registered or already registered in bearer form within Euroclear, and by IZNES for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP". Please note that subscription and redemption requests for shares to be registered or already registered in pure registered form with IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so.

Voting rights: each shareholder has voting rights attached to the shares they own. The SICAV's articles of association set out how these voting rights can be exercised.

Form of the shares: in bearer form for shares admitted to Euroclear or in pure registered form within IZNES' "DEEP" system. This sub-fund can be used in unit-linked life insurance policies.

Fractional shares: all shares are broken down into ten-thousandths of shares.

**Closing date:** Last trading day of the month of September.

First closing: 30 September 2026

#### **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 subscriber and/or the investment jurisdiction of the SICAV. When in doubt, the subscriber should contact a professional adviser. A switch from one share class to another is regarded as a disposal, and any capital gains realised at that time will generally be regarded as taxable. This sub-fund can be used in unit-linked life insurance policies.

### ➤ Special provisions

##### ISINs:

- C EUR shares: FR0014011W27
- C2 EUR shares: FR0014011W35
- D EUR shares: FR0014011W43
- D2 EUR shares: FR0014011W50
- IC EUR shares: FR0014011W68
- IC2 EUR shares: FR0014011W76
- ID EUR shares: FR0014011W84



- ID2 EUR shares: FR0014011W92
- IC CHF H shares: FR0014011WA5
- IC USD H shares: FR0014011WB3
- P EUR shares: FR0014011WC1
- P2 EUR shares: FR0014011WD9
- P CHF H shares: FR0014011WE7
- PB EUR shares: FR0014011WF4
- PB2 EUR shares: FR0014011WG2
- R EUR shares: FR0014011WHO

**Delegation of financial management:** No

**Classification:** Bonds and other debt securities denominated in euro

**Investment objective:**

The investment objective of the sub-fund, at the time of subscription and until 31 December 2032, is to achieve performance net of fees linked to the current yields on bonds maturing in 2032 by investing exclusively in securities rated investment grade (non-speculative).

The average portfolio maturity ranges from January to December 2032.

However, and as an exception to the above, the sub-fund will, as of its inception date and for a maximum period of six months, benefit from a degree of flexibility to deviate from statutory ratios to ensure it can optimise portfolio construction as market opportunities arise.

**Benchmark:**

The sub-fund does not have a benchmark. The average portfolio maturity ranges from January to December 2032. This average maturity decreases each year until expiry at the end of 2032.

The sub-fund is not managed with reference to a benchmark.

The sub-fund is not an index-linked UCITS.

**Investment strategy:**

**1. Description of strategies used:**

The sub-fund's investment strategy is not limited to buying and holding bonds: while the management company will typically hold its securities to maturity, it may carry out arbitrage transactions if it identifies issuers in the portfolio with a higher risk of default and/or if new market opportunities occur, in order to optimise the portfolio's average yield to maturity.

The credit risk exposure strategy will be implemented via direct investments. The sub-fund will invest 80%-100% of its net assets in bonds with fixed, variable or adjustable rates, and other transferable debt securities, inflation-linked bonds, issued by private corporations and/or supranational/public entities or governments and negotiable medium-term notes, with a maximum of 10% of net assets invested in convertible bonds. At least 90% of the sub-fund's net assets shall be invested in EUR-denominated securities.

The portfolio may invest in any geographical region, including emerging markets; however, only 10% of the sub-fund's net assets may be invested in securities issued by companies whose registered office is located in a non-OECD country.

Information regarding the geographical breakdown of issuers and the modified duration range within which the sub-fund is managed is provided in the table below:

Interest rate modified duration range within which the sub-fund is managed	Geographical breakdown (nationality) of issuers	Range of exposure to this region
0 to 6	Eurozone	0-100%
	Europe (outside of the eurozone)	0-100%



	OECD member country (outside Europe)	0-100%
	Non-OECD countries (including emerging countries)	0-10%

Investment grade securities will make up at least 80% of the net assets in the sub-fund's portfolio.

Up to 10% of the sub-fund's net assets may also be exposed to speculative-grade bonds in the high yield category. The sub-fund does not seek to invest in speculative-grade bonds, but this may occur following a change in rating.

Shareholders investing in EUR are exposed to foreign exchange risk of up to 10% of the sub-fund's net assets.

The portfolio's modified duration falls within a range of 0 to 6. This modified duration will decline as the maturity date approaches.

The sub-fund may also invest up to 10% of its net assets in UCITS, AIFs or foreign money market and bond investment funds and up to 10% of its net assets in money market securities for cash management purposes.

However, and as an exception to the above, the sub-fund will, as of its inception date and for a maximum period of six months, benefit from a degree of flexibility to deviate from statutory ratios to ensure it can optimise portfolio construction as market opportunities arise.

From 1 January 2032, bonds reaching maturity will be reinvested in money market securities (money market UCIs and directly held securities). The Management Company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2032. The SICAV shall be closed to new subscriptions as of 1 January 2027.

### **Selection of underlyings:**

#### **Step 1: Securities selection process within the eligible investment universe:**

The manager uses processes which combine a top-down and bottom-up approaches to identify two sources of added value:

- Sector and geographical allocation is based on an analysis of the economic and financial environment. This analysis identifies the long-term risks and issues influencing pricing. This specifically includes an analysis of default histories and the competitive situation.
- Securities selection is based on a fundamental approach that involves two steps:
  - A quantitative analysis based on the probability of default:
    - using a broad range of public data and statistics on each company;
    - comparing this data to that of companies in the same economic sector;
    - determining a theoretical valuation and comparing this with the market valuation.
  - A qualitative analysis based on:
    - the sustainability of the sector;
    - a study of the competitive environment;
    - an understanding of the balance sheet;
    - an understanding of profitability drivers (supply/demand imbalance, cost-benefit analysis, patents, brands, regulations, etc.);
    - an understanding of debt schedules (balance sheet and off-balance sheet);
    - determining the probability of survival within the sector.

The Management Company does not rely exclusively or automatically on credit ratings issued by rating agencies but undertakes its own analysis to assess the credit quality of fixed-income instruments.

Foreign UCITS, AIFs or investment funds will be selected using a top-down approach by asset class. This selection will be taken primarily from the Rothschild & Co group range.

#### **Step 2: Portfolio construction**

The sub-fund's portfolio will be constructed in three stages:



- (vii) A portfolio build-up period corresponding to the period in which the sub-fund is accepting subscriptions, during which the management company of the UCITS will gradually invest in bonds maturing on or before 31 December 2033 and money market securities (money market UCIs and directly held securities).
- (viii) A holding period (equal to the recommended investment period) during which at least 80% of the UCITS portfolio will consist of these bonds maturing on or before 31 December 2033 with an average portfolio maturity ranging between January and December 2032.
- (ix) A monetisation period, beginning on 1 January 2032, during which bonds in the portfolio reaching maturity will be replaced with money market securities (money market UCIs and directly held securities). As a reminder, the management company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2032. The SICAV shall be closed to new subscriptions as of 1 January 2027.

#### Non-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 one of the investments of the UCITS. 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 assessed.

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 sub-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 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.eu.rothschildandco.com/en/responsible-investing/documentation>

## **2. Description of asset classes:**

The asset classes included in the composition of the assets of the sub-fund are as follows:

- **Equities:** 0-10% of net assets

The sub-fund will not invest in equities. However, it may hold up to a maximum of 10% of its net assets in equities after exercising a conversion option attached to convertible bonds or as a result of the restructuring of an issuer’s debt.



- **Bonds, debt securities and money market instruments:** 80%-100% of net assets

In accordance with the holding range specified below, the sub-fund will invest in bonds of any sector and geographical region, with fixed, variable or adjustable rates, in EUR-denominated transferable debt securities, inflation-linked bonds, and medium-term notes, whose remaining maturity shall not exceed 31 December 2033. The sub-fund also reserves the right to invest up to 100% of its net assets in shares issued by private entities (banks, insurance companies and financial service providers) or public and supranational entities.

Investment grade securities will make up at least 80% of the net assets in the sub-fund's portfolio.

Up to 10% of the sub-fund's net assets may also be exposed to speculative-grade bonds in the high yield category. The sub-fund does not seek to invest in speculative-grade bonds, but this may occur following a change in rating. Furthermore, the sub-fund may hold up to 30% in subordinated bonds, including 10% in contingent convertible bonds (also known as "CoCos").

The portfolio may invest in any geographical region, including emerging markets; however, only 10% of the sub-fund's net assets may be invested in securities issued by companies whose registered office is located in a non-OECD country.

The sub-fund may invest up to 100% of its net assets in callable and puttable bonds (including make-whole call bonds: bonds that can be redeemed at any time by the issuer, at an amount including both the nominal amount and the coupons that the holder would have received had the security been redeemed at maturity), up to 10% of its net assets in convertible bonds and up to 10% of its net assets in contingent convertible bonds.

- **Units or shares in other UCITS, AIFs or investment funds governed by foreign law:** 0-10% of net assets

In accordance with the holding range specified below, the sub-fund may hold:

- units or shares of French and/or European UCITS funds governed by European Directive 2009/65/EC;
- units or shares of French or European AIFs or foreign investment funds, which meet the four conditions set out by Article R. 214-13 of the French Monetary and Financial Code.

These investments shall be made in money market UCIs and bonds.

NOTE: The sub-fund may hold the units or shares of UCIs which are managed directly or by delegation or are advised by the Rothschild & Co group.

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

	Equities	Debt securities and money market instruments	Fund units or shares
Holding ranges	0-10%	80%-100%	0-10%
Investment in high yield financial instruments	None	0-10%	None
Investment in the financial instruments of non-OECD countries (including emerging countries)	0-10%		
Investment restrictions imposed by the Management Company	None		

### **3. Derivatives:**

The sub-fund may invest in regulated, organised, or OTC markets.

The portfolio manager will manage interest rate, credit and currency risks. In order to achieve the investment objective (discretionary management), these investments will be carried out for the purposes of portfolio hedging (sale of futures) and/or exposure, in order to reconstitute synthetic exposure to assets (purchase of futures). In particular, the portfolio



manager may invest in futures, forwards, options (excluding currency options), currency forwards and credit derivatives (credit default swaps).

Please note that the sub-fund will not use total return swaps (TRS)

The equity exposure of the sub-fund's portfolio, including exposure resulting from the use of derivatives, will not exceed 10%.

The exposure of the sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of derivatives, will serve to keep the portfolio's modified duration within a range of 0 to 6.

The exposure of the sub-fund's portfolio to currency risk, including exposure resulting from the use of derivatives, will not exceed 10%.

The sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 110%.

#### **Credit derivatives:**

The credit allocation is determined on a discretionary basis by the manager.

The credit derivatives used are basket and single-entity CDS.

These credit derivatives are used for hedging purposes through the purchase of protection:

- in order to limit the risk of capital loss on certain issuers
- in order to take advantage of the expected deterioration in the credit quality of an issuer or basket of issuers.

And for exposure purposes through the sale of protection against:

- the credit risk of an issuer
- the credit risk on baskets of CDS

As CDS can be used to create exposure to credit risk or to hedge the portfolio's credit risk, the use of indices to achieve this purpose could result in transactions that, line by line, could be equated with arbitrage (hedging of the portfolio's overall credit risk by issuers, parent companies, subsidiaries or other entities not present in the portfolio).

The percentage of the sub-fund's assets corresponding to the use of credit derivatives is between 0% and 100%.

#### **Information related to counterparties of over-the-counter derivatives:**

Counterparties, which may or may not be credit institutions, are selected in accordance with the procedure in force within the Rothschild & Co group on the basis of selection criteria that form part of an ad hoc internal process. The Management Company may regularly select the Depositary as its counterparty for OTC forex derivatives.

In particular, this involves:

- approval of the counterparties at the end of this internal selection process, which takes into account criteria such as the nature of the activities, expertise, reputation, etc.
- a limited number of financial institutions with which the UCITS trades.

These counterparties have no discretionary decision-making power over the composition or management of the investment portfolio of the UCI, the underlying assets of the derivatives, and/or the composition of the index as part of index swaps.

#### **4. Securities with embedded derivatives:**

To achieve the investment objective, the use of securities with embedded derivatives is limited to 100% of the sub-fund's net assets. This limit includes the use of: (i) callable and puttable bonds, including make-whole call bonds (up to 100% of net assets), (ii) convertible bonds (up to 10% of net assets), (iii) contingent convertible bonds (up to 10% of net assets), (iv) subscription warrants (up to 10% of net assets), and securities with embedded simple derivatives that have a risk profile similar to that of the previously listed instruments.

The overall equity exposure of the sub-fund's portfolio, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10%.

The overall exposure of the sub-fund's portfolio to the fixed-income market, including exposure resulting from the use of securities with embedded derivatives, will allow the portfolio's modified duration to remain within a range of 0 to 6.

The overall exposure of the sub-fund's portfolio to non-EUR currencies, including exposure resulting from the use of securities with embedded derivatives, will not exceed 10%.

#### **5. Deposits:**



The sub-fund may invest up to 10% of its net assets in euro deposits with a maturity of up to three months in order to earn a return on the sub-fund's cash.

#### **6. Cash borrowings:**

The sub-fund may take out loans totalling up to 10% of its net assets, particularly in order to offset deferred payment terms for asset movements.

#### **7. Securities financing transactions:**

None

#### **Information regarding the financial collateral of the sub-fund:**

As part of transactions in over-the-counter derivatives, the sub-fund may receive cash or securities (such as bonds or securities issued or guaranteed by a government, or issued by international lending agencies, and bonds or securities issued by high-quality private issuers) as collateral. There is no correlation policy insofar as the UCI will receive mainly eurozone government securities and/or cash as collateral.

Cash received as collateral is reinvested in accordance with the applicable rules.

All of these assets must be issued by high-quality, liquid, low-volatility and diversified issuers, and are not affiliated to the counterparty or its group.

Haircuts may be applied to the collateral received; they shall take into account, in particular, credit quality and price volatility. The valuation is performed at least on a daily basis.

The sub-fund must be able to fully realise any financial collateral received, at any time and without consultation with or approval from the counterparty.

Financial collateral other than in cash must not be sold, reinvested, or pledged.

Financial collateral received in cash may only be:

- invested in deposit accounts;
- invested in high-quality government bonds;
- used for the purposes of reverse repurchase agreements, provided that these agreements are concluded with credit institutions subject to prudential supervision and that the fund can, at any time, recall the total amount of cash, taking into account the accrued interest; or
- invested in money market UCIs.

#### **Risk profile:**

*Your money will be invested primarily in financial instruments selected by the Management Company. These instruments will be subject to market fluctuations and uncertainties.*

Investors in the sub-fund are primarily exposed to the following risks:

##### 1. 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 sub-fund's net asset value.

##### **Investors should be aware that:**

- **high-yield debt securities (eligible to account for up to 10% of the sub-fund's net assets) present a greater credit risk, which may lead to a greater decline in the sub-fund's net asset value.**
- **the way the non-OECD markets (including emerging markets, up to a maximum of 10% of the sub-fund's net assets) in which the sub-fund 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 sub-fund's net asset value.**

2. Interest rate risk: This is the risk of a fall in fixed-income securities as a result of interest rate fluctuations. It is measured by modified duration, which will be between 0 and 6. In periods of rising interest rates, the net asset value could decline significantly.

3. Risk of capital loss: Risk that the initial investment may not be fully recovered, as the sub-fund does not offer any guarantee or protection. This risk materialises if the Net Asset Value decreases. In such a case, investors are not sure to recover the capital initially invested. 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 sub-fund's returns, performance, or volatility.



**4. Discretionary management risk:** Risk that the sub-fund's investment objective, which is shown for guidance, is not achieved. The discretionary management style is based on anticipating trends in the various markets. Consequently, there is the risk that the sub-fund will not always be invested in the best-performing markets, strategies, UCIs or investment funds.

**5. Risks associated with the use of derivatives:** As the sub-fund is able to invest in derivatives and securities with embedded derivatives, the UCIs net asset value may decline more significantly than the markets to which the sub-fund is exposed.

**6. Counterparty risk:** The sub-fund may use forward financial instruments (over-the-counter derivatives). These transactions, entered into with a counterparty, expose the sub-fund to a risk of the counterparty's default, which may cause the net asset value of the sub-fund to decline. Nevertheless, the counterparty risk may be limited by the collateral pledged to the fund in accordance with the regulations in force.

**7. Liquidity risk:** Risk associated with low liquidity in certain underlying markets, which makes them vulnerable to substantial buy/sell flows.

**8. 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 non-financial criteria. Their application may lead to the exclusion of issuers, meaning market opportunities may be lost. As a result, the sub-fund's performance may be higher or lower than that of a sub-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. These different aspects make it difficult to compare strategies incorporating ESG criteria.

**9. 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 situation may also result in a change in the sub-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.

**10. Risk associated with convertible bonds (direct and indirect):** Up to a maximum of 10% of the sub-fund's net assets. A convertible bond is a bond with a conversion right attached to it that allows the holder to exchange the bond for shares in the issuing company at a predetermined conversion ratio and for a set period. These are instruments which have both an equity component and a fixed income and/or credit component. The use of convertible bonds may cause the net asset value of the UCI to decrease if interest rates increase, the issuer's risk profile deteriorates, equity markets decline, or valuations for conversion options decrease.

**11. Risk associated with subordinated bonds (direct and indirect):**

Up to a maximum of 30% of the sub-fund's net assets. A debt is referred to as subordinated when its repayment depends on the initial repayment of other creditors. As such, the subordinated creditor will be repaid after the ordinary creditors, but before the investors. In consideration of this risk premium, the interest rate on this type of debt is higher than on other debts. The use of subordinated bonds may expose the sub-fund to the risk of coupon cancellation or deferral, conversion into shares, and uncertainty regarding the redemption date. Should one or more of these events occur, and more generally, if a credit event occurs that affects the issuer concerned, there is a risk that the net asset value of the sub-fund may decline.

**12. Risk associated with 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 sub-fund's net asset value. The sub-fund may invest up to 10% of its net assets in CoCos.

**13. Foreign exchange risk:** Some assets are expressed in a currency other than the sub-fund's accounting currency; changes in exchange rates may therefore cause the sub-fund's NAV to decline. However, foreign exchange risk will be limited, as hedging will be used to ensure that a maximum of 10% of the sub-fund's assets are exposed to foreign exchange risk.

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 (see summary table of share characteristics).

The shares of this sub-fund 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 shares 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 shares of this sub-fund 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.

With regard to the typical investor profile, this sub-fund is intended for investors seeking to generate returns in EUR-denominated fixed-income markets, including through exposure to securities rated "Investment Grade", over the recommended investment horizon.

The amount that can be reasonably invested in this sub-fund depends on each investor's personal situation.

To determine this amount, investors must consider their personal wealth, 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. In all cases, investors are strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this UCITS.

**Recommended investment period:** from the launch date of this sub-fund until 31 December 2032.

**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, dividends, bonuses and dividends, directors' fees and all income relating to the securities in the SICAV'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:

- 3) 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;
- 4) 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 shares: amounts available for distribution shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.

Shares concerned: C EUR, C2 EUR, IC EUR, IC2 EUR, IC CHF H, IC USD H, P EUR, P2 EUR, P CHF H, R EUR and AFER 2032 IG

For distribution shares: 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 Annual General Meeting.

Shares concerned: D EUR, D2 EUR, ID EUR, ID2 EUR, PB EUR and PB2 EUR

For accumulation and/or distribution shares: for SICAVs that would like to remain free to accumulate and/or distribute, and/or retain amounts available for distribution, the Annual General Meeting shall decide each year on the allocation of the amounts indicated in points 1) and 2).

Shares concerned: None

**Distribution frequency:**



For accumulation shares: annual accumulation

For distribution shares and accumulation and/or distribution shares: annual by decision of the Annual General Meeting and the possibility of an interim distribution by decision of the Board of Directors.

**Share characteristics:**

Share Class	ISIN	Allocation of amounts available for distribution	Currency of issue*	Fractional shares	Eligible investors	Initial subscription**
C EUR	FR0014011W27	Accumulation	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
C2 EUR	FR0014011W35	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
D EUR	FR0014011W43	Distribution	EUR	Ten-thousandths	All investors	EUR 2,500 Initial NAV of a share: EUR 100
D2 EUR	FR0014011W50	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks	EUR 2,500 Initial NAV of a share: EUR 100
IC EUR	FR0014011W68	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV: EUR 1,000
IC2 EUR	FR0014011W76	Accumulation	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV: EUR 1,000
ID EUR	FR0014011W84	Distribution	EUR	Ten-thousandths	All investors but specifically intended for institutional investors	EUR 2,000,000 Initial NAV of a share: EUR 1,000
ID2 EUR	FR0014011W92	Distribution	EUR	Ten-thousandths	All investors, but specifically intended for institutional investors via the foreign distribution networks	EUR 2,000,000 Initial NAV of a share: EUR 1,000
IC CHF H	FR0014011WA5	Accumulation	CHF	Ten-thousandths	All investors but specifically intended for institutional investors	CHF 2,000,000 Initial NAV of a share: CHF 1,000
IC USD H	FR0014011WB3	Accumulation	USD	Ten-thousandths	All investors but specifically intended for institutional investors	USD 2,000,000 Initial NAV of a share: USD 1,000
P EUR	FR0014011WC1	Accumulation	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors



						Initial NAV of a share: EUR 100
P2 EUR	FR0014011WD9	Accumulation	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors  Initial NAV of a share: EUR 100
P CHF H	FR0014011WE7	Accumulation	CHF	Ten-thousandths	See below***	CHF 5,000 or CHF 500,000 for institutional investors  Initial NAV of a share: CHF 100
PB EUR	FR0014011WF4	Distribution	EUR	Ten-thousandths	See below***	EUR 5,000 or EUR 500,000 for institutional investors  Initial NAV of a share: EUR 100
PB2 EUR	FR0014011WG2	Distribution	EUR	Ten-thousandths	All investors, but specifically dedicated to foreign distribution networks, on the terms indicated below***	EUR 5,000 or EUR 500,000 for institutional investors  Initial NAV of a share: EUR 100
R EUR	FR0014011WH0	Accumulation	EUR	Ten-thousandths	All investors but specifically intended for foreign distribution networks	1 share  Initial NAV of a share: EUR 100

\*Shares in CHF and in USD are systematically hedged against the foreign exchange risk of the sub-fund's reference currency.

\*\* This condition regarding the minimum subscription amount does not apply to the Management Company or any entity belonging to the same group, which may subscribe for a single share.  
Subsequent subscriptions may be for shares or fractions of shares, where applicable.

\*\*\* Subscription for this share class is reserved for:

1) Investors subscribing through distributors or intermediaries:

- subject to national laws prohibiting any retrocessions to distributors (for example, the United Kingdom and the Netherlands);
- providing:
  - advisory service within the meaning of the European MiFID II regulation
  - an individual discretionary portfolio management service

2) Institutional investors whose minimum initial subscription amount is EUR 500,000 for P EUR, PB EUR, P2 EUR and PB2 EUR shares and CHF 500,000 for P CHF H shares.

**The Management Company reserves the right to waive these minimum initial subscription requirements.**

The sub-fund has multiple share classes, which may differ in terms of their rules for allocating amounts available for distribution, their management fees, their currency of issue, their par value and the distribution network(s) for which they are intended.

#### Marketing period:

The marketing period runs from the launch date of the sub-fund to 31 December 2026. The various share classes will be closed to new subscriptions as of 1 January 2027.



**Disclaimer:** The investment objective of the sub-fund is based on the assumption that shares are held throughout the recommended investment period, i.e. from the sub-fund's launch date until 31 December 2032, and that the market forecasts made by the Management Company on the date of the sub-fund's approval by the AMF prove accurate. Consequently, the information provided in the investment objective may no longer be up to date for subscriptions taking place after the sub-fund's initial marketing period.

**Subscriptions and redemptions:**

**- for shares to be registered or already registered in bearer form within Euroclear:**

Subscription and redemption requests are received and centralised each day at 12:00 pm at Rothschild Martin Maurel and executed on the basis of the next net asset value (D).

**- for shares to be registered or already registered in pure registered form within IZNES' shared electronic record system, "DEEP":**

Subscription and redemption requests for shares to be registered or already registered in pure registered form within the shared electronic record system IZNES can only be accepted if the two following conditions are met: (i) that they do not come from a retail client and (ii) that this client has previously been approved by Rothschild & Co Asset Management to do so. In this case, these requests are received and centralised every day at twelve noon (12:00 pm) at IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS, and executed on the basis of the next net asset value.

Each of the establishments will assume all the tasks relating to the management of the issue account as indicated above. Rothschild Martin Maurel will be responsible at SICAV level for aggregating information relating to the management of the issue account provided by IZNES.

The net asset value is published on the first trading day following its calculation.

Settlements relating to subscriptions and redemptions take place on the second business day following execution (D+2).

As a reminder, share subscriptions shall no longer be possible as of 1 January 2027. Any subsequent subscription requests shall therefore be refused.

Any shareholder may request the conversion of shares of one sub-fund or share class into another sub-fund or share class. A shareholder making such a request must comply with the redemption and subscription conditions regarding, in particular, investor eligibility, and with the minimum investment thresholds applicable to each of the sub-funds and/or share classes in question. This will not be possible after the end of the subscription period.

Any shareholder may request the conversion of shares of one share class into another share class or make a purchase or sale, provided that this transaction is carried out at the same net asset value, after the end of the subscription period. A shareholder making such a request must comply with the redemption and subscription conditions regarding, in particular, investor eligibility, and with the minimum investment thresholds applicable to each of the share classes in question.

Switches from shares in one sub-fund or share class to shares in another sub-fund or share class are regarded as a disposal followed by a repurchase and as such are subject to the tax system applicable to capital gains on disposals of securities.

Orders are executed in accordance with the table below:

D	D	D: day of NAV calculation	D+1 business days	D+2 business days	D+2 business days
Centralisation of subscription orders before 12:00 pm <sup>1</sup>	Centralisation of redemption orders before 12:00 pm <sup>1</sup>	Execution of the order no later than day D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

<sup>1</sup> Unless otherwise agreed with your financial institution.

**Receipt of subscriptions and redemptions:**

IZNES, Service Opérations, 18, boulevard Malesherbes – 75008 PARIS

Rothschild & Co Martin Maurel - 29, avenue de Messine - 75008 PARIS



Shareholders are advised that orders sent to any promoters other than Rothschild Martin Maurel or IZNES must take account of the fact that the centralisation deadline for the abovementioned orders applies to Rothschild Martin Maurel or IZNES.

Accordingly, these promoters may apply their own deadline prior to that mentioned above, to reflect the time required to transmit the orders to Rothschild Martin Maurel or IZNES.

**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 at the following website:  
[www.am.eu.rothschildandco.com](http://www.am.eu.rothschildandco.com)

**Net asset value adjustment method associated with swing pricing with a trigger threshold:**

If, on a NAV calculation day, the total of net subscription/redemption orders from investors across all share classes of the sub-fund exceeds a threshold pre-established by the Management Company and determined on the basis of objective criteria as a percentage of the sub-fund's net assets, the NAV can be adjusted upwards or downwards in order to take into account the adjustment costs attributable to the net subscription/redemption orders respectively. The NAV of each share class is calculated separately, but any adjustment has, in percentage terms, an identical impact across all NAVs of the sub-fund's share classes.

The cost and trigger threshold parameters are determined by the management company and reviewed periodically, at least every six months. These costs are estimated by the Management Company on the basis of transaction costs, buy/sell spreads, as well as any taxes applicable to the sub-fund.

Given that this adjustment is related to the net balance of subscriptions/redemptions within the sub-fund, it is not possible to accurately predict whether swing pricing will be applied at a given time in the future. Therefore, it is not possible to accurately predict the frequency at which the Management Company will need to make such adjustments, which may not exceed 1.50% of the NAV. Investors should note that, due to the application of swing pricing, the volatility of the sub-fund's NAV may not reflect solely that of the securities held in the portfolio.

However, the swing pricing mechanism will be rescinded during the monetisation period (from 1 January 2032).

**Redemption gate mechanism:**

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 sub-fund (the "redemption gate"), if exceptional circumstances so require (the redemption gate is not systematically activated) and in the interests of shareholders, to prevent any imbalance in redemption requests and the net assets of the sub-fund that would prevent the Management Company from honouring such redemption requests on terms that uphold shareholder interests and their equal treatment.

The redemption gate will be applied on the following terms:

IV. 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 sub-fund's assets for which redemption is requested (hereinafter the "redemption percentage") and the portion of the sub-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"). A given redemption cap cannot be in place for longer than five working days (i.e. no more than five consecutive NAV dates). Whatever the circumstances, the redemption gate mechanism cannot be in place for more than 20 NAV dates in any three-month period.

V. Procedures for informing shareholders

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



## VI. Order processing

In the event of a redemption gate, the redemption percentage less the subscription percentage will be reduced to 5% of net assets.

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 5% (plus any potential subscription percentage) divided by the actual redemption percentage net of subscriptions.

For a given shareholder, the number of shares for which redemption is honoured is therefore equal to the initial number of shares for which redemption has been requested multiplied by the reduction coefficient, this number of shares being rounded up.

Redemption requests that have not been honoured because of the redemption gate and that are pending execution will be automatically carried forward to the next net asset value date within the same limits.

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 shares, based on the same net asset value and for the same shareholder (referred to as in-and-out trades) will not be subject to the redemption gate.

Example of the system being triggered:

If total redemption requests amount to 20% of the net assets of the sub-fund, 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 gate and to honour all redemption requests (execution of 100% of redemption requests).
- If liquidity conditions are unfavourable, the management company applies the redemption gate 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 20% of the sub-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 quarter of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates. If it chooses a 10% threshold, it executes half of the redemption requests, deferring the others to subsequent NAV dates, for up to five NAV dates.

You can also refer to Article 8 of the SICAV's Articles of Association for information on the redemption gate mechanism used by your sub-fund.

### **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. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund to invest or disinvest 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 sub-fund	Net asset value x Number of shares	C EUR, C2 EUR, D EUR, D2 EUR, IC EUR, IC2 EUR, ID EUR, ID2 EUR, IC CHF H, IC USD H, P EUR, P2 EUR, P CHF H, PB EUR, PB2 EUR and R EUR shares: 2.5% maximum
Subscription fee retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee not retained by the sub-fund	Net asset value x Number of shares	None
Redemption fee retained by the sub-fund	Net asset value x Number of shares	None

Exemption: if the redemption order is immediately followed by a subscription, on the same day, in the same share class, and for the same amount on the basis of the same net asset value, no subscription or redemption fees will be charged.

Operating expenses and management fees:

These fees cover all costs billed directly to the sub-fund, 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.

The following may be added to operating expenses and management fees:

- performance fees. These reward the Management Company if the sub-fund exceeds its objectives. They are therefore charged to the sub-fund;
- turnover commissions charged to the sub-fund.

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

For more information on the charges actually billed to the sub-fund, please refer to the Key Information Document (KID).

	Fees charged to the sub-fund	Base	Rate
1	Investment management fees	Net assets	C EUR, C2 EUR, D EUR and D2 EUR shares: 0.90% maximum, all taxes included  IC EUR, IC2 EUR, ID EUR, ID2 EUR, IC CHF H and IC USD H shares: 0.45% maximum, all taxes included  P EUR, P2 EUR, P CHF H, PB EUR and PB2 EUR shares: 0.60% maximum, all taxes included  R EUR shares: 1.30% maximum, all taxes included
2	Operating expenses and fees for other services:	Net assets	0.10% maximum, all taxes included
3	Maximum indirect fees (management fees and charges)	Net assets	Not applicable



4	Service providers collecting turnover commissions	Payable on each transaction	None
5	Performance fee	Net assets	None

In addition, the Management Company does not receive any soft commission.

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

For any additional information, please refer to the sub-fund's annual report.

**Financial intermediary selection procedure:**

The Management Company may in some cases use brokers to invest in other financial instruments. In these cases, the sub-fund 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 shareholders will be reported to each identified shareholder or via Euroclear France for unidentified shareholders in the form of an information notice.

Modifications not requiring special notification to shareholders will be communicated either in the SICAV'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 shares is carried out (i) via Rothschild Martin Maurel for shares to be registered or already registered in bearer form within Euroclear, and (ii) via IZNES for shares to be registered or already registered in pure registered form within the shared electronic record system, "DEEP".

Information on the procedures for incorporating criteria relating to compliance with social, environmental and governance objectives in the investment policy is available in the SICAV's annual report 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, shareholders may contact the Management Company.

### **ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY**

For the sub-funds listed below, no notification of authorization for marketing in the Federal Republic of Germany has been filed and shares in these sub-funds may NOT be marketed to investors within the jurisdiction of the German Investment Code (KAGB).

As a result, the following sub-funds are NOT available to investors in the Federal Republic of Germany:

- R-co Strategic Metals and Mining

The following sub-funds are available to investors in the Federal Republic of Germany:

- R-co Target 2030 IG
- R-co Target 2029 HY
- R-co Valor Equity
- R-co Target 2032 IG

CACEIS Bank, Germany Branch, Lilienthalallee 34-36, D-80939 Munich, will act as information agent for the Federal Republic of Germany (the "German Information Agent").

The issue and redemption prices of the shares are published on the following website: [www.am.eu.rothschildandco.com/DE](http://www.am.eu.rothschildandco.com/DE).

Other notices to shareholders are published on the following website: [www.am.eu.rothschildandco.com/DE](http://www.am.eu.rothschildandco.com/DE).

In addition, shareholders in the Federal Republic of Germany are notified via a durable medium in accordance with Section 167 of the German Investment Code (KAGB) in the following cases:

- ❖ Suspension of the redemption of shares in the Fund,
- ❖ Termination of the management or winding-up of a Fund,
- ❖ Amendments to the management regulation which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of fund assets,
- ❖ Merger of the Fund with one or more other funds,
- ❖ Conversion of the Fund into a feeder fund or amendments to a master fund.



For the sub-funds authorized for marketing in the Federal Republic of Germany, investors may contact:

- CACEIS Bank S.A., Germany Branch, as German Information Agent to obtain, free of charge:
  - the prospectus including the SFDR pre-contractual disclosure if applicable, the key information documents, the articles of association of the Company and the annual and semi-annual reports, in hardcopy form;
  - issue and redemption prices of the shares as well as all notices to shareholders

at the office of the German Information Agent during normal business hours.

- CACEIS Bank, Luxembourg Branch, as Paying Agent, in charge of:
  - processing subscription, repurchase and redemption orders and making other payments to shareholders relating to the shares of the sub-funds;
  - information on how orders (subscription, repurchase and redemption) can be made and how repurchase and redemption proceeds are paid

at the following address: 5 allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg.

Applications for the redemption and conversion of shares may be submitted to the Paying Agent in Luxembourg.

All payments to shareholders, including redemption proceeds and any disbursements, are paid via the Paying Agent in Luxembourg at the investor's request. Subscription and redemption payments can be made from/to the investor's account at the custodian bank in Germany.

- Rothschild & Co Asset Management:
  - concerning all claims and shareholders rights related to their investment in the SICAV.

at the following address: 29 avenue de Messine 75008 Paris France

or by email: [clientserviceteam@rothschildandco.com](mailto:clientserviceteam@rothschildandco.com)

<https://am.de.rothschildandco.com/de/kontakt-2/>

## V. Information for US investors

The shares of this SICAV 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 shares 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).

As a foreign financial institution, the SICAV undertakes to comply with FATCA and to take any measure within the scope of the aforementioned intergovernmental agreement.

## VI. Investment rules

The R-co Target 2030 IG, R-co Target 2029 HY, R-co Strategic Metals and Mining, R-co Valor Equity and R-co Target 2032 IG sub-funds of this SICAV will comply with the regulatory ratios applicable to UCITS funds investing less than 10% of their assets in UCIs.

## VII. Overall risk

Sub-fund No. 1: R-co Target 2030 IG: The method used by the Management Company to calculate the overall risk ratio is the absolute value at risk method as defined by the AMF's General Regulation (Article 411-77 et seq.).

The Management Company will ensure that the Value at Risk (VaR) of the sub-fund does not exceed 20%.

The expected level of leverage of the sub-fund, provided for indicative purposes, calculated as the sum of the nominal values of the financial derivative contracts used, is 100%.



Sub-fund No. 2: R-co Target 2029 HY: The method used by the Management Company to calculate overall risk is the absolute value at risk method as defined by the AMF's General Regulation (Article 411-77 et seq.).

The Management Company will ensure that the Value at Risk (VaR) of the sub-fund does not exceed 20%.

The expected level of leverage of the sub-fund, provided for indicative purposes, calculated as the sum of the nominal values of the financial derivative contracts used, is 100%.

Sub-fund No. 3: R-co Strategic Metals and Mining: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 4: R-co Valor Equity: Overall risk associated with financial contracts is calculated using the commitment method.

Sub-fund No. 5: R-co Target 2032 IG: The method used by the Management Company to calculate the overall risk ratio is the absolute value at risk method as defined by the AMF's General Regulation (Article 411-77 et seq.).

The Management Company will ensure that the Value at Risk (VaR) of the sub-fund does not exceed 20%.

The expected level of leverage of the sub-fund, provided for indicative purposes, calculated as the sum of the nominal values of the financial derivative contracts used, is 100%.

## VIII. Asset valuation and accounting rules at the approval date

The SICAV has adopted the EUR as the reference currency for each of its sub-funds.

Securities traded on an exchange are valued at closing prices.

Derivatives are valued at settlement prices.

UCITS are valued at the last known price.

Treasury bills are valued at the market rate.

Transferable debt securities are valued at the market rate, with the exception of variable-rate or adjustable-rate transferable 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: the pro rata temporis value of this premium;
- for the leg representing the credit risk: according to the market price (mid-price of quotations published by the counterparty).

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

Interest is recognised according to the cash-basis method.



## IX. Remuneration

In compliance with Directive 2009/65/EC, Rothschild & Co Asset Management, as the delegated financial portfolio manager of the SICAV, 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 SICAV's risk profiles and regulatory documents 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 SICAV 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 AIFs/UCIs 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 SICAV upon request to the SICAV's registered office.



## **R-co 3**

Open-ended investment fund (SICAV)  
29, avenue de Messine – 75008 Paris  
TRADE AND COMPANIES REGISTER: 937 898609 R.C.S. Paris

# **ARTICLES OF ASSOCIATION**

## **TITLE 1 – FORM, PURPOSE, NAME, REGISTERED OFFICE, AND DURATION OF THE SICAV**

### **Article 1 – Form**

The holders of shares hereinafter created and shares subsequently created hereby form an open-ended investment fund (SICAV) governed, in particular, by the provisions of the French Commercial Code relating to public limited companies (Book II – Title II – Chapter V), the French Monetary and Financial Code (Book II – Title I – Chapter IV – Section I – Sub-section I), their implementing texts, subsequent texts, and by these articles of association.

In accordance with Article L. 214-5 of the French Monetary and Financial Code, the SICAV has sub-funds (the “Sub-Funds”). Each sub-fund shall issue one or more share classes representative of the assets of the SICAV allocated to it.

### **Article 2 – Purpose**

The purpose of the SICAV is to establish and manage a portfolio of financial instruments and deposits known as “sub-funds” with differing, specific management strategies and classifications as detailed in the prospectus.

### **Article 3 – Name**

The SICAV is an open-ended investment fund named “**R-co 3**”, immediately preceded or followed by the words “Société d’investissement à capital variable” or the term “SICAV”, as the case may be.

### **Article 4 – Registered office**

The registered office is located at 29, avenue de Messine, Paris (75008), France.

### **Article 5 – Duration**

The duration of the SICAV is 99 years from the date of its entry in the Trade and Companies Register, except in cases of early dissolution or extension provided for in these articles of association.

## **TITLE 2 – CAPITAL, VARIATIONS OF CAPITAL, AND CHARACTERISTICS OF THE SHARES**

### **Article 6 – Share capital**

The minimum share capital of the SICAV is EUR 300,000.

The initial capital of the SICAV is EUR 300,100 divided into 3,001 fully paid-up C EUR shares.  
It was constituted by the payment of EUR 300,100 in cash.

Share classes:

The characteristics and eligibility criteria for the various share classes are set out in the SICAV’s prospectus.

The different share 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 risk, either partially or in full, as set out in the prospectus. This hedging process is done using financial instruments that reduce the impact of the hedging transactions for the fund's other share classes to a minimum;
- Be reserved for one or more distribution networks.

Be merged or split by decision of the EGM.

Shares may be subdivided on decision of the board of directors into tenths, hundredths, thousandths, or ten-thousandths, referred to as fractional shares.

The provisions of the articles of association governing the issue and redemption of shares shall also apply to fractional shares, whose value shall always be proportionate to that of the share that they represent. Unless otherwise stipulated, all other provisions of the articles of association relating to shares shall also apply to fractional shares.

#### **Article 7 – Variations of capital**

The amount of the capital is likely to vary, rising as a result of the issue of new shares and declining as a result of the redemption of shares at the request of shareholders.

#### **Article 8 – Issues and redemptions of shares**

Shares may be issued at any time upon the request of shareholders 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.

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 SICAV or management company is only required to obtain the written and signed agreement of the outgoing shareholder. If the redemption in kind does not correspond to a proportional share of assets in the portfolio, all shareholders must give their written approval authorising the redemption of the outgoing shareholder's shares 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 shareholders, 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 prospectus of the SICAV.

In general, redeemed assets are valued according to the rules set out in Article 9, and redemptions in kind are carried out on the basis of the first net asset valuation following acceptance of the securities concerned.

Any subscription of new shares must be fully paid up, or the subscription shall be null and void. Newly issued shares shall have the same rights as shares in existence on the day of issue.

Pursuant to Article L. 214-7-4 of the French Financial and Monetary Code, the redemption of shares by the SICAV, and the issue of new shares, may be suspended on a temporary basis by the board of directors or executive board if this is necessary due to exceptional circumstances and required in the interests of shareholders.

If the net assets of the SICAV (or, where applicable, a sub-fund) fall below the minimum regulatory requirement, no redemptions of shares may be made.

In accordance with Article L. 214-7-4 of the French Monetary and Financial Code and Article 411-20-1 of the AMF General Regulation, the Management Company may decide, on a provisional basis, to place a cap on unit redemptions in a sub-fund of the SICAV (the "redemption cap"), if exceptional circumstances so require and in the interests of shareholders of the relevant sub-fund, to prevent any imbalance in redemption requests and the net assets of the sub-fund that would



prevent the Management Company from honouring such redemption requests on terms that uphold the interests and equal treatment of shareholders of the relevant sub-fund.

The redemption gate 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 sub-fund’s assets for which redemption is requested (hereinafter the “redemption percentage”) and the portion of the same sub-fund’s assets for which subscription is requested (hereinafter the “subscription percentage”) is positive and represents more than a given percentage of the total net assets reported after the previous net asset value calculation date (“net assets”). The percentage or threshold beyond which the gates may be triggered is specified in the prospectus of the sub-funds of the SICAV applying such a mechanism, and must be justified with respect to the frequency at which the net asset value of the undertaking for collective investment is calculated, its management strategy and the liquidity of the assets it holds. Redemptions may only be capped on a provisional basis. The maximum period for which the redemption cap may be applied is indicated in the prospectus of each sub-fund concerned and must be justified with respect to the frequency with which the sub-fund’s net asset value is calculated, its management strategy and the liquidity of the assets it holds.

II. Procedures for informing shareholders

Shareholders making redemption requests affected by the redemption gate will be specially notified as soon as possible after the capped centralisation date (the “reporting deadline”). The decision to introduce a redemption gate 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 redemption percentage less the subscription percentage will be reduced to the percentage of net assets specified in the prospectus of the relevant sub-fund.

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 percentage of the net assets specified in the sub-fund’s prospectus (plus any potential subscription percentage) divided by the redemption percentage.

For a given shareholder, the number of shares for which redemption is honoured is therefore equal to the initial number of shares for which redemption has been requested multiplied by the reduction coefficient, this number of shares being rounded up.

Redemption requests that have not been honoured because of the redemption cap that are pending execution will be automatically carried forward to the next net asset value date of the relevant sub-fund within the same limits.

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 shares, based on the same net asset value and for the same shareholder (referred to as in-and-out trades) will not be subject to the redemption gate.

The operational procedures for limiting redemptions and notifying shareholders are also described in the prospectus of the sub-funds applying such a mechanism.

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

The SICAV may cease to issue units pursuant to the third paragraph of Article L. 214-7-4 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 shares or a maximum amount of assets is reached, or at the end of a fixed subscription period. Should this provision be implemented, existing shareholders 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 shareholders can continue to subscribe throughout the duration of this partial closure. Shareholders shall also be informed by any means



of the decision by the SICAV or 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 shareholders.

Shareholders shall be informed of the exact reasons for these changes by any means.

#### **Article 9 – Net asset value calculation**

The net asset value of the share is calculated in accordance with the valuation rules specified in the prospectus. In addition, an indicative instantaneous net asset value shall be calculated by the investment firm in the event of admission to trading.

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

#### **Article 10 – Form of the shares**

The shares may be in bearer or registered form, at the choice of subscribers. Pursuant to Article L. 211-4 of the French Monetary and Financial Code, the securities must be recorded in accounts, kept by the issuer or an authorised intermediary, as the case may be.

The rights of holders shall be represented by an entry in an account in their name:

- with the intermediary of their choice for bearer shares;
- with the issuer and, if they wish, with the intermediary of their choice for registered shares.

The company may, at its own expense, request the name, nationality and address of the SICAV's shareholders, together with the quantity of securities held by each of them in accordance with Article L. 211-5 of the French Monetary and Financial Code.

#### **Article 11 – Admission to trading on a regulated market and/or a multilateral trading facility**

Shares may be listed for trading on a regulated market and/or a multilateral trading facility in compliance with applicable laws and regulations. A SICAV whose shares 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 share does not deviate significantly from its net asset value.

#### **Article 12 – Rights and obligations attached to shares**

Each share entitles the holder to ownership of the corporate assets and an interest in the profits proportional to the fraction of the capital that it represents.

The rights and obligations attached to the share shall follow the security in any change of ownership.

Whenever it is necessary to own several shares in order to exercise any right whatsoever, and especially in the case of an exchange or merger, the owners of single shares or of a lower number of shares than is required, may only exercise these rights if they take personal responsibility for purchasing or selling the shares required.

#### **Article 13 – Indivisibility of shares**

All joint holders or beneficiaries of a share are required to be represented to the SICAV by a single person appointed by mutual agreement, or failing that, by the president of the commercial court with jurisdiction over the location of the registered office.

In the event that the shares have been split in accordance with Article 6 of these Articles of Association, the owners of fractions of shares may group together. In this case, they must be represented under the terms set out in the previous line, by a single person, who will exercise for each group, the rights attached to ownership of one whole share.



The voting right attached to a share belongs to the usufructuary for ordinary general meetings of shareholders, and to the bare owner for extraordinary general meetings of shareholders.

Notwithstanding the above stipulations, the bare owner and usufructuary have the right to attend all general meetings of shareholders.

### **TITLE 3 – ADMINISTRATION AND MANAGEMENT OF THE SICAV**

#### **Article 14 – Administration**

The SICAV shall be administered by a board of directors of no fewer than three and no more than eighteen members appointed by the general meeting.

During the life of the SICAV, the directors shall be appointed or renewed in their functions by the ordinary general meeting of shareholders.

Directors may be natural persons or legal entities. Upon appointment, such legal entities must appoint a permanent representative who shall be subject to the same conditions and obligations and who shall incur the same civil and criminal liabilities as if they were a member of the board of directors in their own name, without prejudice to the liability of the legal entity represented.

This mandate as permanent representative is granted for the duration of the mandate of the legal entity represented. If the legal entity revokes the mandate of its representative, it shall be required to notify the SICAV immediately by registered letter of this revocation as well as the identity of its new permanent representative. The same is true in the event of the death, resignation, or extended incapacity of the permanent representative.

#### **Article 15 – Term of office of directors – renewal of the board**

Subject to the provisions of the last paragraph of this Article, the term of office for directors is three years for the initial directors and six years at most for subsequent directors, each year referring to the interval between two consecutive annual general meetings.

If one or more seats become vacant between two general meetings, as a result of death or resignation, the board of directors may make temporary appointments.

The director temporarily appointed by the board to replace another shall remain in office only for the remaining term of their predecessor. Their appointment shall be subject to ratification by the next general meeting.

Any outgoing director may be re-elected. They may be dismissed at any time by the ordinary general meeting.

The functions of each member of the board of directors shall end at the conclusion of the ordinary general meeting of shareholders to approve the accounts of the preceding financial year and held in the year in which his or her term expires, on the understanding that, if the meeting is not held during this year, said functions of the member in question shall end on 31 December of the same year, all subject to the exceptions below.

A director may be appointed for a period of less than six years if this is necessary to ensure that, insofar as possible, the board is renewed at regular intervals and fully for each period of six years. This shall be the case particularly if the number of directors is increased or decreased and this has an impact on the regularity of renewals.

If the number of members of the board of directors falls below the statutory minimum, the remaining member(s) must immediately convene the ordinary general meeting of shareholders to make appointments to ensure that the board has an appropriate number of members.

The number of directors over the age of 70 years may not be more than one third of the directors in office. If this limit is exceeded, the oldest board member is deemed to have resigned from office.

The board of directors may be renewed in part.

In the event of the resignation or death of a director when the number of directors remaining in office is greater than or equal to the minimum required by the articles of association, the board may, on a provisional basis and for the remainder of the term, provide for their replacement.

#### **Article 16 – Executive committee**

The board shall elect from among its members, for the duration that it determines but not exceeding the duration of the director's term, a chairman who must be a natural person.



The chairman of the board of directors organises and manages the work of the board and presents this at the general meeting. The chairman shall ensure that the management bodies of the SICAV function properly and, in particular, that the directors are able to fulfil their duties.

If it deems it useful, the board of directors shall also appoint a vice-chairman and may also choose a secretary, who may be someone who is not on the board of directors.

In the event of a temporary absence or the death of the chairman, the board will designate a session chairman chosen from among the vice-chairmen or, failing this, from among the board members.

#### **Article 17 – Meetings and deliberations of the board**

Meetings of the board of directors are called by its chairman as often as required in the interests of the SICAV, either at the registered office or at any other location indicated in the notice of meeting.

If the board has not met for more than two months, at least one third of its members may ask the chairman to convene a meeting for a specific agenda. The chief executive officer may also ask the chairman to convene the board of directors on a specific agenda. The chairman shall be bound by these requests.

Internal regulations may define, in accordance with legal and regulatory provisions, the conditions for organising meetings of the board of directors, which may take place by videoconference, except for the adoption of decisions expressly prohibited by the legal texts in force.

If a videoconference is allowed, in compliance with prevailing regulations, the internal rules may stipulate that board members taking part in the board meeting via video are considered to be present for quorum and majority calculations.

Members of the Board of Directors are notified of Board meetings by any written or verbal means, stating the place and date of the meeting.

The presence of at least half of the members shall be required for valid deliberations. Decisions shall be taken on a majority of the votes of members present or represented.

Each director shall have one vote. In the event of a tied vote, the chairman of the meeting shall have the casting vote. Where permitted by law, Board decisions may be taken by written consultation of the directors.

#### **Article 18 – Minutes**

Minutes shall be kept, and copies or extracts of deliberations shall be issued and certified in accordance with the law.

#### **Article 19 – Authority of the board of directors**

The board of directors shall set the SICAV's business strategy and oversee its implementation, taking into account the social and environmental challenges of its activity. Within the limits of the corporate purpose and subject to the powers expressly conferred to shareholders' meetings by law, the board of directors shall consider any matter involving the proper functioning of the SICAV and rule on matters that concern it through its deliberations. The board of directors shall carry out the checks and verifications that it deems appropriate. The chairman or chief executive officer of the SICAV shall provide each board directors with the documents and information required to carry out their duties.

Board members may give a proxy to other board members to represent them at a meeting of the board of directors. During a single board meeting, each director may only use one of the proxies received. These provisions are applicable to the permanent representative of a legal entity standing as board member.

#### **Article 20 – General management**

Either the chairman of the board of directors or another natural person appointed by the board of directors and bearing the title of chief executive officer shall assume responsibility for the general management of the SICAV.

The choice between the two methods of general management shall be made under the conditions established in these articles of association by the board of directors for a term ending upon the expiry of the functions of the chairman of the board of directors currently in office. Shareholders and third parties shall be informed of this choice pursuant to the legal and regulatory provisions in force.



Depending on the choice made by the board of directors in accordance with the provisions set out above, the chairman or a chief executive officer shall be responsible for general management.

If the board of directors chooses to separate the functions of chairman and chief executive officer, it shall appoint the chief executive officer and set the duration of his or her term of office.

If the chairman of the board of directors is responsible for the general management of the SICAV, the following provisions relating to the chief executive officer shall apply to the chairman.

Subject to the powers that the law expressly allocates to shareholders' meetings as well as the powers that it specifically reserves for the board of directors, and within the limit of the corporate purpose, the chief executive officer shall be vested with the broadest powers to act in the name of the SICAV in all circumstances. The chief executive officer's powers shall be exercised within the limits of the corporate purpose and subject to those powers that the law expressly grants to shareholders' meetings and the board of directors. The chief executive officer shall represent the SICAV in its relations with third parties.

The chief executive officer may grant all partial delegations of their powers to any person of their choice.

The chief executive officer may be dismissed at any time by the board of directors.

Upon the recommendation of the chief executive officer, the board of directors may appoint up to five natural persons to assist the chief executive officer, who shall have the title of deputy chief executive officers.

The deputy chief executive officers may be dismissed at any time by the board on the proposal of the chief executive officer.

In agreement with the chief executive officer, the board of directors shall determine the extent and duration of the powers delegated to the deputy chief executive officers.

These powers may include the ability to make partial delegations. In the event of the chief executive officer's departure or incapacity, they shall maintain their functions and powers until the appointment of the new chief executive officer, unless the board decides otherwise.

The deputy chief executive officers shall have the same powers as the chief executive officer as regards third parties.

For the performance of their functions, the chief executive officer and deputy chief executive officers must be under the age of 95 years. Any chief executive officer or deputy chief executive officer who has reached the age of 95 shall continue to carry out their duties until the ordinary general meeting ruling on the accounts for the financial year during which they reached the age limit.

#### **Article 21 – Allowances and remuneration of the board**

The remuneration of the chairman of the board of directors and that of the chief executive officers shall be set by the board of directors; it may be fixed or both fixed and proportional.

Annual fixed remuneration may be assigned to the board of directors; the amount of these fees is determined by the annual general meeting and they shall be maintained until otherwise decided by said meeting.

The board of directors shall divide this remuneration among its members as it sees fit.

#### **Article 22 – Depositary**

The depositary shall be appointed by the board of directors.

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 SICAV or 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 23 – Prospectus**

The board of directors, or the management company if the SICAV has delegated its overall management, shall have all powers to make any changes necessary to ensure the proper management of the SICAV, within the framework of the legal and regulatory provisions specific to SICAVs.



## TITLE 4 – STATUTORY AUDITOR

### Article 24 – Appointment – powers – remuneration

The statutory auditor shall be appointed from among persons authorised to carry out this function for commercial companies for a term of six financial years by the board of directors, 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 UCITS 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 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 SICAV's board of directors or 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.

## TITLE 5 – GENERAL MEETINGS

### Article 25 – General meetings

General meetings shall be convened and shall deliberate under the conditions provided for by law.

The annual general meeting, which must approve the SICAV's financial statements, must be convened within four months of the financial year-end.

General meetings shall be held at the SICAV's registered office or at any other location defined in the notice convening the meeting.

Any shareholder may participate, personally or through a proxy, in general meetings, subject to proof of identity and ownership of shares, either via an entry in the registered security accounts maintained by the SICAV, or an entry in the bearer security accounts, at the locations mentioned in the notice of meeting; these formalities must be completed two days before the date of the general meeting.

A shareholder may be represented in accordance with the provisions of Article L. 225-106 of the French Commercial Code.

A shareholder may also vote by correspondence under the conditions provided for by the regulations in force.

General meetings shall be chaired by the chairman of the board of directors or, in their absence, by a vice-chairman or by a director appointed for this purpose by the board. Failing this, the general meeting shall elect its chairman.

Minutes of the general meeting shall be prepared, and their copies shall be certified and issued in accordance with the law.

## TITLE 6 – ANNUAL FINANCIAL STATEMENTS

### Article 26 – Financial year

The financial year shall begin on the day after the last trading day on the Paris stock exchange in September and end on the last trading day on the Paris stock exchange in September of the following year.

However, as an exception, the first financial year shall include all transactions carried out from the inception date until the last trading day on the Paris stock exchange in September 2025.



## **Article 27 – 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.
- 3) For money market sub-funds, net unrealised capital gains and losses for the year minus interim dividends paid on net unrealised capital gains or losses for the year, plus net unrealised capital gains of the same nature recognised in prior years that were not distributed or accumulated, minus or plus the balance of the unrealised capital gains or losses equalisation account for previous years.

The amounts indicated in points 1), 2) and 3) above may be distributed independently of each other, in whole or in part.

Each year, the annual general meeting shall decide on the allocation of the amounts available for distribution.

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

## **TITLE 7 – EXTENSION – DISSOLUTION – LIQUIDATION**

### **Article 28 – Extension or early dissolution**

At any time and for any reason whatsoever, the board of directors may propose the extension, early dissolution, or liquidation of the SICAV to an extraordinary general meeting.

The issue of new shares and the redemption of shares by the SICAV at the request of shareholders shall cease on the day of publication of the notice of the general meeting at which the early dissolution and liquidation of the SICAV are proposed, or at the expiry of the duration of the SICAV.

### **Article 29 – Liquidation**

The liquidation methods shall be established according to the provisions of Article L.214-12 of the French Monetary and Financial Code.

## **TITLE 8 – DISPUTES**

### **Article 30 – Jurisdiction – election of domicile**

Any disputes that may arise during the SICAV's lifetime or liquidation, either between shareholders and the SICAV, or between shareholders themselves on matters relating to the SICAV, shall be heard and decided in accordance with the law and subject to the jurisdiction of the competent courts.

**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.

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.

Product name: R-co Target 2029 HY

Legal entity identifier:  
9695001B6LQ7P2E6GY80

## 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 30.00% 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**

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



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.).

## 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 ex post to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile: ESG rating, rating trends and sector distribution

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

- Carbon intensity: divergence from indices, sector contribution and identification of main contributors
- Transition profile: green share, SBTi reduction targets, exposure to stranded assets
- 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.

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/responsible-investing/documentation/>

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).

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?

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?

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:
  - PAI 10 – Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, for corporate issuers;

**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.

- PAI 14 – Exposure to controversial weapons, for corporate issuers;
  - 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/responsible-investing/documentation/>

## 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:

As per 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, 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. The consideration of these adverse impacts in investment decisions applies to this financial product:

### 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)

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 sub-fund is a “Bonds and other debt securities denominated in euro” UCITS. Its investment objective, from the time of subscription to 31 December 2029, is to generate performance, net of fees, linked to trends on the EUR-denominated bond markets by investing in speculative-grade (high yield) securities. The average portfolio maturity shall range from January to December 2029. As such, the sub-fund does not have a benchmark.

The sub-fund’s investment strategy is not limited to buying and holding bonds: while the management company will typically hold its securities to maturity, it may carry out arbitrage transactions if it identifies issuers in the portfolio with a higher risk of default and/or if new market opportunities occur, in order to optimise the portfolio’s average yield to maturity.

The sub-fund’s portfolio will be constructed in three stages: (i) a creation period (corresponding to the period when the sub-fund is accepting subscriptions) during which the Management Company will gradually invest in fixed-income securities maturing on or before 31 December 2031 and in money market securities; (ii) a holding period (corresponding to the recommended investment horizon) during which at least 80% of the portfolio will consist of these fixed-income securities maturing on or before 31 December 2031, with average portfolio maturity falling between January and December 2029; and (iii) a monetisation period beginning on 1 January 2029 during which bonds reaching maturity in the portfolio will be replaced with money market securities. The Management Company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2029. New subscriptions will no longer be accepted from 1 January 2027, except in the event of a share class conversion carried out by means of a redemption followed by a subscription.

The sub-fund will invest between 80% and 100% of the net assets in fixed-, variable- or adjustable-rate bonds and other negotiable debt securities, inflation-linked bonds and medium-term notes, with a maximum of 10% of its net assets in convertible bonds, and with at least 80% of its net assets denominated in euro. Securities issued by corporate issuers may represent up to 100% of the net assets, with a maximum of 50% in financial sector issuers; public or supranational entities may account for up to 10% of the net assets. Securities may be from any geographical region, with the exception of companies headquartered outside the OECD, and have any rating, with a maximum of 100% of the net assets in high-yield securities, a maximum of 10% of the net assets in investment-grade securities, and a maximum of 30% of the net assets in non-rated securities. Credit ratings refer to those issued by rating agencies or deemed of equivalent quality by the Management Company.

The sub-fund's equity holdings may account for up to 10% of its net assets, UCITS, AIF and foreign money market and fixed income investment funds up to 10% of the net assets, and money market instruments up to 10% of the net assets. Foreign exchange risk represents up to 10% of the net assets.

With a view to achieving its investment objective and controlling the duration and credit risk, the sub-fund may invest up to 100% of its net assets, for hedging and/or exposure purposes, in forward financial instruments (such as futures, forwards, options, currency forwards and credit derivatives) and securities with embedded derivatives. The portfolio's modified duration\* ranges from 0 to 7 and will decrease as the maturity approaches. The sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 200%.

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.

Please refer to the prospectus for further information.

**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, international sanctions and non-cooperative tax jurisdictions
- o Discretionary exclusions: United Nations Global Compact (UNGC), thermal coal, palm oil 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.

#### **Adherence to sustainability requirements at portfolio level**

- o Target ESG score of at least BBB
- o Minimum sustainable investments

#### **Active engagement**

- Dialogue primarily focused around our top-priority themes (climate transition, data transparency and other sector-based material themes, etc.) and controversies
- A responsible voting policy for the entire equity scope
- Active participation in multiple industry working groups (Institut de la Finance Durable, AFG, FIR, Climate Action 100+, etc.) on key sustainable issues (climate transition plan, biodiversity, fossil fuels, 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.

Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. 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.

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

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

In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them.

Lastly, 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. In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them. 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.

## 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.

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

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

### Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions, located in tax havens or implicated in violations of the United Nations Global Compact, are excluded from our initial investment universes for all our investment vehicles.

### Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the companies in which they invest.

To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), analysis of issuers' transition plans through the involvement of governance, 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.

Governance data from MSCI ESG Research include two sub-themes: corporate governance and corporate behaviour. The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance. The governance aspect of our definition of sustainable investment is based on these issues.

We view the assessment of good governance practices as an ongoing process. Investment teams are encouraged to engage directly with companies on their governance practices.

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



## What is the asset allocation planned for this financial product?

### Asset allocation

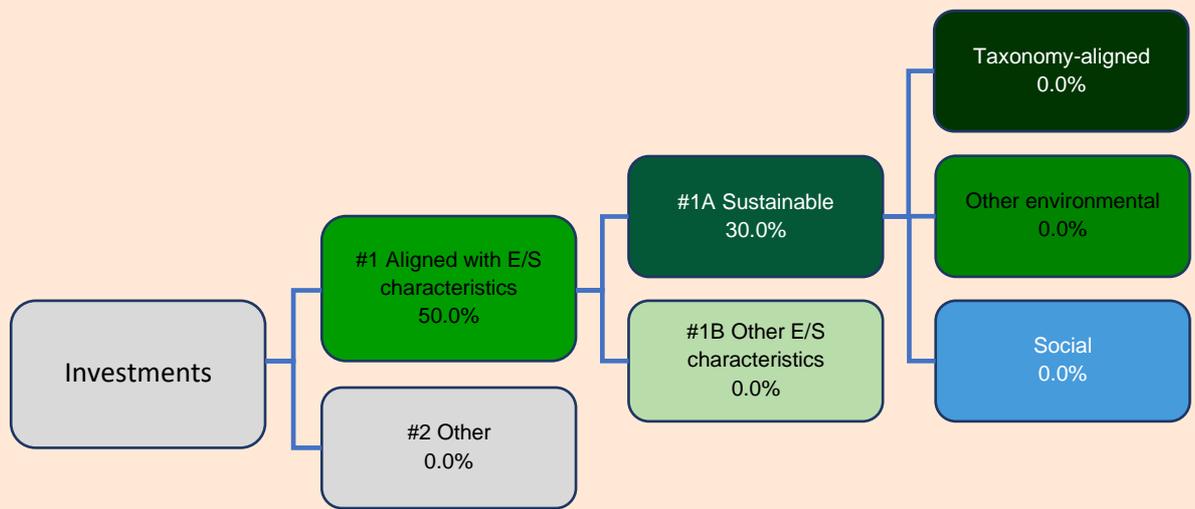
describes the share of investments in specific assets.

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.

While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for these two pillars. 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?

## Does the financial product invest in nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy<sup>1</sup>?

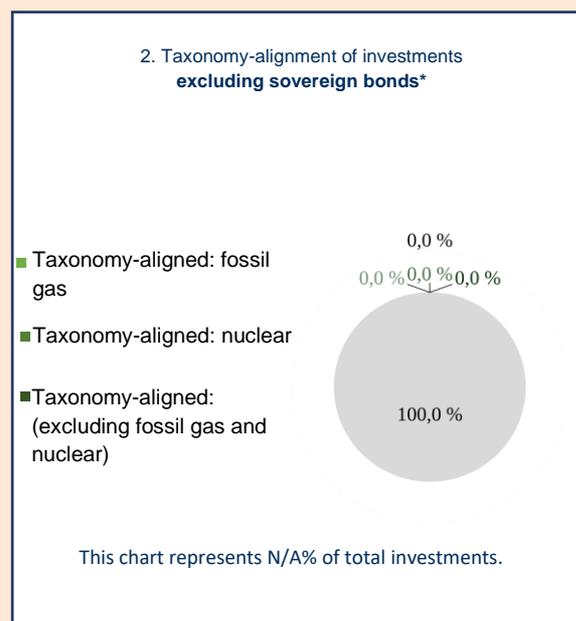
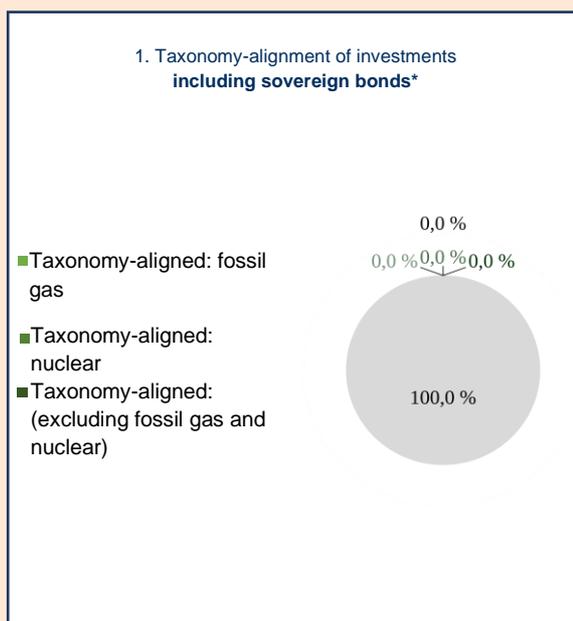
Yes

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%.

## 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.

<sup>1</sup> 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.

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.

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 socially sustainable investments?

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 securities 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 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?

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.

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



## 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/>

## Environmental and/or social characteristics

**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.

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.

### 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 30.00% 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**

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



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.).

## 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 ex post to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile: ESG rating, rating trends and sector distribution
- Carbon intensity: divergence from indices, sector contribution and identification of main contributors
- Transition profile: green share, SBTi reduction targets, exposure to stranded assets

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

- 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.

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/responsible-investing/documentation/>

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?

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?

**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.

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:

- PAI 10 – Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, for corporate issuers;
- PAI 14 – Exposure to controversial weapons, for corporate issuers;
- 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/responsible-investing/documentation/>

**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:**

As per 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, 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 sub-fund is a UCITS in the “Bonds and other debt securities denominated in euro” category. The investment objective of the sub-fund, at the time of subscription and until 31/12/2030, is to achieve performance net of fees linked to the current yields on bonds maturing in 2030 by investing exclusively in securities rated investment grade (non-speculative). The average portfolio maturity shall range from January to December 2030. As such, the sub-fund does not have a benchmark.

The sub-fund’s investment strategy is not limited to buying and holding bonds: while the management company will typically hold its securities to maturity, it may carry out arbitrage transactions if it identifies issuers in the portfolio with a higher risk of default and/or if new market opportunities occur, in order to optimise the portfolio's average yield to maturity.

The sub-fund’s portfolio will be constructed in three stages: (i) a portfolio creation period (corresponding to the period when the sub-fund is accepting subscriptions) during which the Management Company will gradually invest in fixed-income securities maturing on or before 31 December 2031 and in money market securities; (ii) a holding period (corresponding to the recommended investment horizon) during which at least 80% of the portfolio will consist of these fixed-income securities maturing on or before 31 December 2031, with average portfolio maturity falling between January and December 2030; and (iii) a monetisation period beginning on 1 January 2030 during which bonds reaching maturity will be replaced with money market securities. The Management Company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2030. New subscriptions will no longer be accepted from 1 January 2026.

The sub-fund will invest between 80% and 100% of the net assets in fixed-, variable- or adjustable-rate bonds and other negotiable debt securities, inflation-linked bonds and medium-term notes, with a maximum of 10% of its net assets in convertible bonds, and with at least 90% of its net assets denominated in euro. The securities may be from any geographical region, with up to 10% of net assets issued by companies headquartered outside the OECD (including in emerging markets). Investment-grade securities will make up at least 80% of net assets in the portfolio. Exposure to speculative high-yield bonds shall not exceed 10% of net assets.

The sub-fund's equity holdings may account for up to 10% of its net assets, UCITS, AIF and foreign money market and fixed income investment funds up to 10% of the net assets, and money market instruments up to 10% of the net assets. Foreign exchange risk represents up to 10% of the net assets.

With a view to achieving its investment objective and controlling the duration and credit risk, the sub-fund may invest up to 100% of its net assets, for hedging and/or exposure purposes, in forward financial instruments (such as futures, forwards, options, currency forwards and credit derivatives) and securities with embedded derivatives. The portfolio's modified duration\* ranges from 0 to 6 and will decrease as the maturity approaches. The sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 200%.

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.

Please refer to the prospectus for further information.

**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, international sanctions and non-cooperative tax jurisdictions
- 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.

#### **Adherence to sustainability requirements at portfolio level**

- o Target ESG score of at least BBB
- o Minimum sustainable investments

#### **Active engagement**

- Dialogue primarily focused around our top-priority themes (climate transition, data transparency and other sector-based material themes, etc.) and controversies
- A responsible voting policy for the entire equity scope
- Active participation in multiple industry working groups (Institut de la Finance Durable, AFG, FIR, Climate Action 100+, etc.) on key sustainable issues (climate transition plan, biodiversity, fossil fuels, 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.

Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. 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.

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

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

In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them.

Lastly, 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. In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them. 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.

## 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.

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

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

### Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions, located in non-cooperative tax jurisdictions or implicated in violations of the United Nations Global Compact are excluded from our initial investment universes for all our investment vehicles.

### Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the companies in which they invest.

To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), analysis of issuers' transition plans through the involvement of governance, 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.

Governance data from MSCI ESG Research include two sub-themes: corporate governance and corporate behaviour. The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance. The governance aspect of our definition of sustainable investment is based on these issues.

We view the assessment of good governance practices as an ongoing process. Investment teams are encouraged to engage directly with companies on their governance practices.

#### **Good governance**

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



## What is the asset allocation planned for this financial product?

### Asset allocation

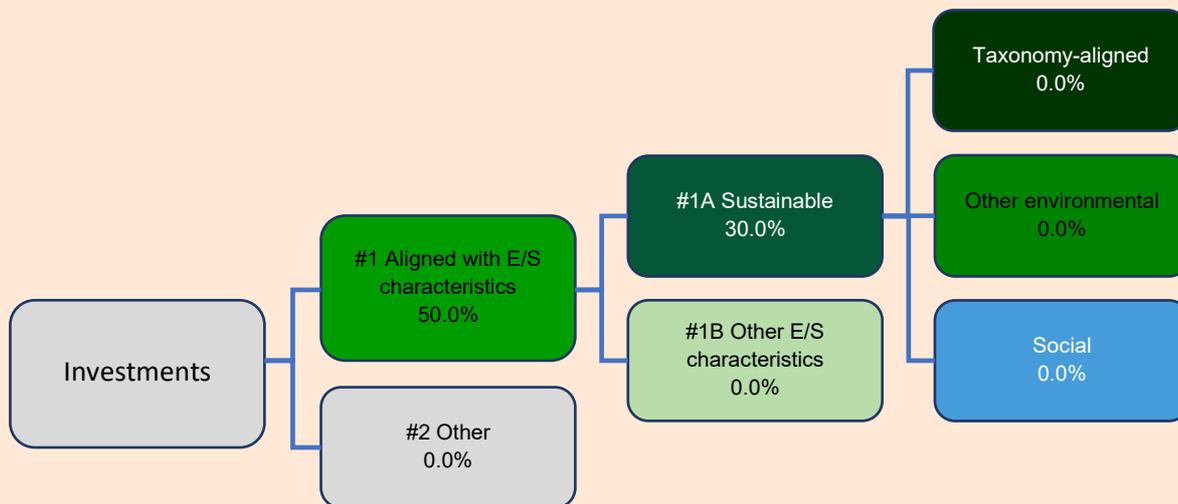
describes the share of investments in specific assets.

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.

While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for these two pillars. 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.

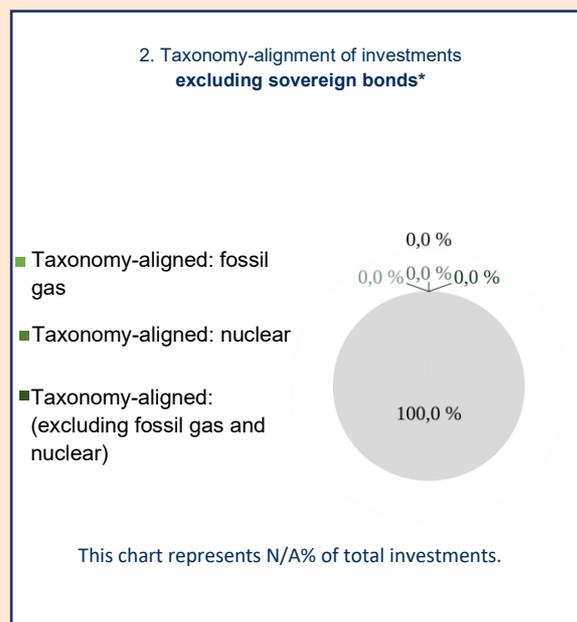
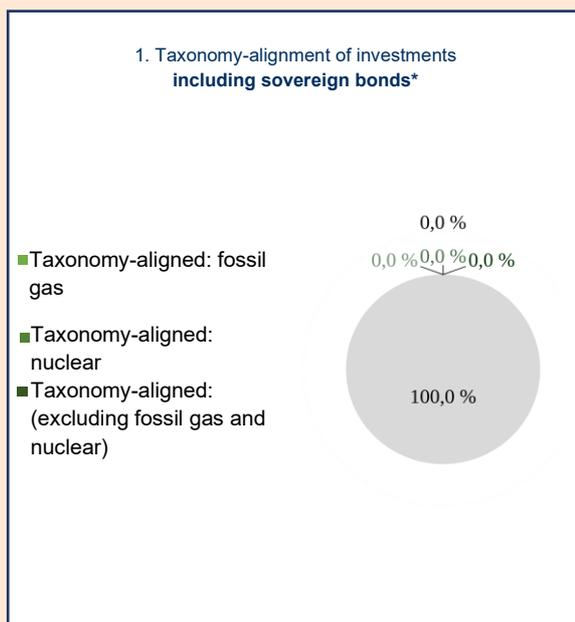


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

## Does the financial product invest in nuclear and/or fossil gas related activities that are aligned with the EU Taxonomy<sup>1</sup>?

- 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%.

## 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.

<sup>1</sup> 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.

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.

 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 socially sustainable investments?

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 securities 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 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?

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.

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



## 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/>

## Environmental and/or social characteristics

**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.

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.

### 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 30.00% 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**

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



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.).

## 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 ex post to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile: ESG rating, rating trends and sector distribution
- Carbon intensity: divergence from indices, sector contribution and identification of main contributors

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

- Transition profile: green share, SBTi reduction targets, exposure to stranded assets
- 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.

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/responsible-investing/documentation/>

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?

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.

**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.

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

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:
  - PAI 10 – Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, for corporate issuers;
  - PAI 14 – Exposure to controversial weapons, for corporate issuers;
  - 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/responsible-investing/documentation/>

## 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:

As per 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, 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. The consideration of these adverse impacts in investment decisions applies to this financial product:

**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 sub-fund is a UCITS in the “Bonds and other debt securities denominated in euro” category. The investment objective of the sub-fund, at the time of subscription and until 31/12/2032, is to achieve performance net of fees linked to the current yields on bonds maturing in 2032 by investing exclusively in securities rated investment grade (non-speculative). The average portfolio maturity shall range from January to December 2032. As such, the sub-fund does not have a benchmark.

The sub-fund’s investment strategy is not limited to buying and holding bonds: while the management company will typically hold its securities to maturity, it may carry out arbitrage transactions if it identifies issuers in the portfolio with a higher risk of default and/or if new market opportunities occur, in order to optimise the portfolio’s average yield to maturity.

The sub-fund’s portfolio will be constructed in three stages: (i) a portfolio creation period (corresponding to the period when the sub-fund is accepting subscriptions) during which the Management Company will gradually invest in fixed-income securities maturing on or before 31 December 2033 and in money market securities; (ii) a holding period (corresponding to the recommended investment horizon) during which at least 80% of the portfolio will consist of these fixed-income securities maturing on or before 31 December 2033, with average portfolio maturity falling between January and December 2032; and (iii) a monetisation period beginning on 1 January 2032 during which bonds reaching maturity will be replaced with money market securities. The Management Company undertakes to convert, merge or liquidate the sub-fund within a maximum of six months of 30 June 2032. New subscriptions will no longer be accepted from 1 January 2027.

The sub-fund will invest between 80% and 100% of the net assets in fixed-, variable- or adjustable-rate bonds and other negotiable debt securities, inflation-linked bonds and medium-term notes, with a maximum of 10% of its net assets in convertible bonds, and with at least 90% of its net assets denominated in euro. The securities may be from any geographical region, with up to 10% of net assets issued by companies headquartered outside the OECD (including in emerging markets). Investment-grade securities will make up at least 80% of net assets in the portfolio. Exposure to speculative high-yield bonds shall not exceed 10% of net assets. Exposure to subordinated bonds shall not exceed 30% of net assets.

The sub-fund's equity holdings may account for up to 10% of its net assets, UCITS, AIF and foreign money market and fixed income investment funds up to 10% of the net assets, and money market instruments up to 10% of the net assets. Foreign exchange risk represents up to 10% of the net assets.

With a view to achieving its investment objective and controlling the duration and credit risk, the sub-fund may invest up to 110% of its net assets, for hedging and/or exposure purposes, in forward financial instruments (such as futures, forwards, options (except currency options), currency forwards and credit derivatives) and securities with embedded derivatives. The portfolio's modified duration\* ranges from 0 to 6 and will decrease as the maturity approaches. The sub-fund's overall exposure, including exposure resulting from forward financial instruments, will not exceed 110%.

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.

Please refer to the prospectus for further information.

**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, international sanctions and non-cooperative tax jurisdictions
- o Discretionary exclusions: United Nations Global Compact (UNGC), thermal coal, palm oil 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.

#### **Adherence to sustainability requirements at portfolio level**

- o Target ESG score of at least BBB
- o Minimum sustainable investments

#### **Active engagement**

- Dialogue primarily focused around our top-priority themes (climate transition, data transparency and other sector-based material themes, etc.) and controversies
- A responsible voting policy for the entire equity scope
- Active participation in multiple industry working groups (Institut de la Finance Durable, AFG, FIR, Climate Action 100+, etc.) on key sustainable issues (climate transition plan, biodiversity, fossil fuels, 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.

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

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.

Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. 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 and risk committee offer an opportunity to assess the sustainability risks and ESG issues associated with specific issuers and/or portfolios.

In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them.

Lastly, 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. In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them. 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.

## 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.

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

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

### Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions, located in tax havens or implicated in violations of the United Nations Global Compact, are excluded from our initial investment universes for all our investment vehicles.

### Assessment of good governance practices

The portfolio managers and analysis teams are responsible for assessing and monitoring the governance practices of the companies in which they invest.

To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), analysis of issuers' transition plans through the involvement of governance, 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.

Governance data from MSCI ESG Research include two sub-themes: corporate governance and corporate behaviour. The topics addressed within each of these categories include sound management structures, remuneration matters, employee relations and tax compliance. The governance aspect of our definition of sustainable investment is based on these issues.

We view the assessment of good governance practices as an ongoing process. Investment teams are encouraged to engage directly with companies on their governance practices.

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



## What is the asset allocation planned for this financial product?

### Asset allocation

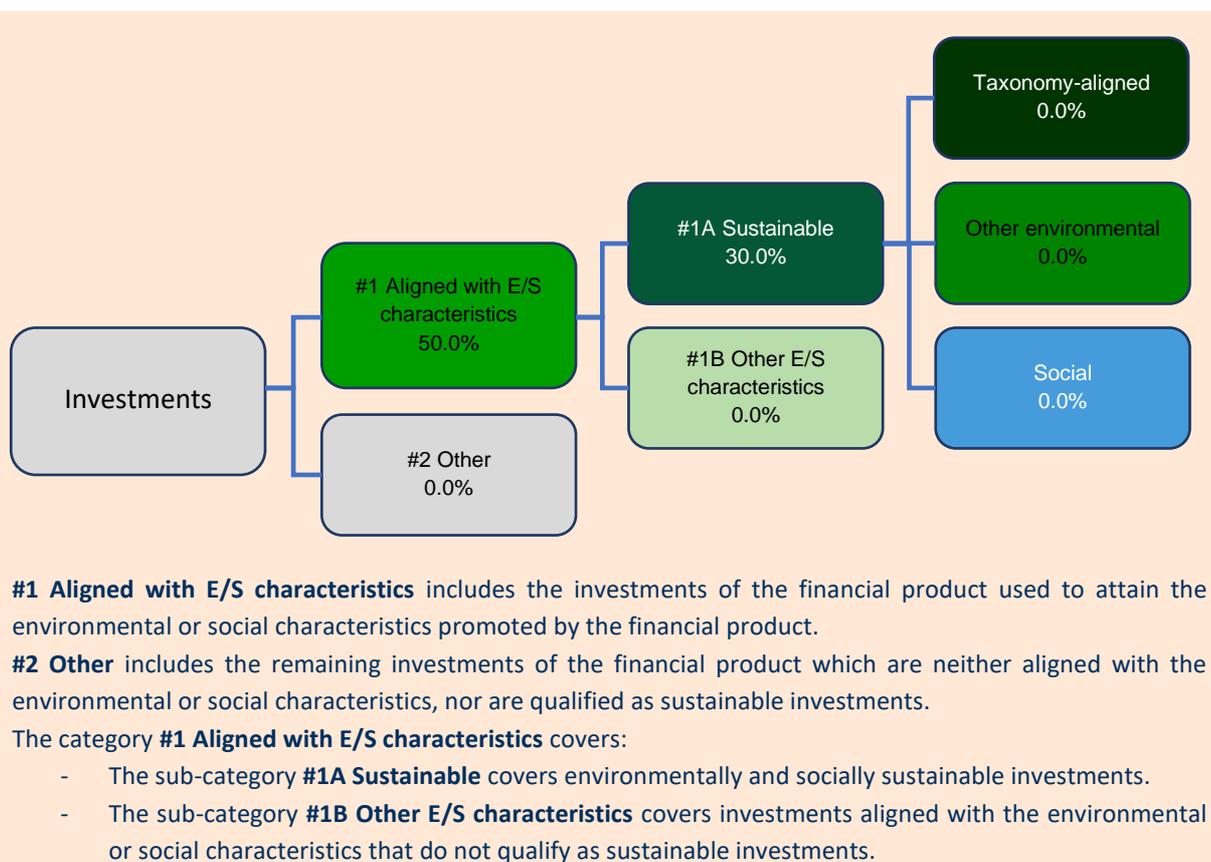
describes the share of investments in specific assets.

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.



While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for these two pillars. 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?

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

Yes

In fossil gas

In nuclear energy

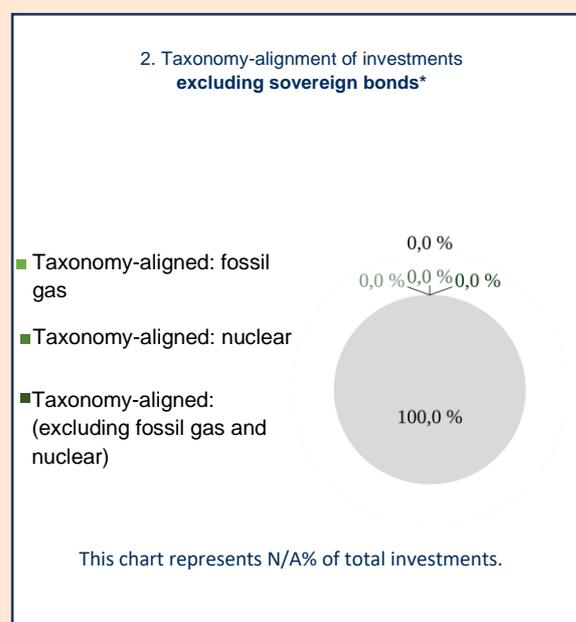
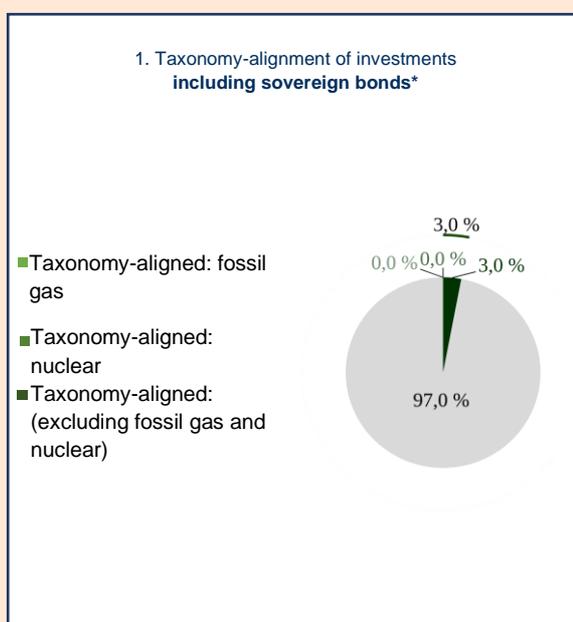
No

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.

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%.



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

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

<sup>1</sup> 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 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?

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 securities 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 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?

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.

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

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/>

**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.

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.

Product name: R-co Valor Equity

Legal entity identifier:  
9695000NACDCKXJGCN52

## 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 30.00% 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**



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

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.).

## 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 ex post to demonstrate the promotion of the environmental and/or social characteristics are:

- ESG profile: ESG rating, rating trends and sector distribution
- Carbon intensity: divergence from indices, sector contribution and identification of main contributors

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

- Transition profile: green share, SBTi reduction targets, exposure to stranded assets
- 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. 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/responsible-investing/documentation/>

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).

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?

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?

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:
  - PAI 10 – Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, for corporate issuers;
  - PAI 14 – Exposure to controversial weapons, for corporate issuers;
  - PAI 16 – Investee countries subject to social violations, for sovereign issuers;
- a proprietary quantitative scoring model, incorporating mandatory PAIs.

**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.

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/responsible-investing/documentation/>

## 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:

As per 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, 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)

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 objective of the sub-fund, which comes under the “International equities” category, is to outperform its benchmark, the MSCI ACWI Net Total Return EUR Index, net of fees, over the recommended investment period of over five years, by implementing discretionary management combined with a socially responsible investment approach.

The investment strategy relies on conviction-based management, which can lead to significant variations against the benchmark. The sub-fund primarily holds direct investments and seeks to exploit opportunities in international equity markets. Portfolio management choices result from a combination of a macroeconomic view and the financial analyses of the securities. The management seeks to take the best advantage possible of movements in securities prices. To achieve its investment objective, the sub-fund invests on the basis of market opportunities, primarily in equities, with up to 10% of its net assets in fixed-income securities via UCIs (including listed UCIs/ETFs). The sub-fund’s allocation is as follows:

- Between 90% and 100% of net assets in equities from all geographical areas (including non-OECD countries and emerging markets) and all market capitalisations (including up to 20% of net assets in small and micro caps). The sub-fund may also invest up to 10% of its net assets in equity UCIs, including listed UCIs/ETFs.
- Between 0% and 10% of net assets in fixed-income securities via UCIs, including listed UCIs/ETFs and convertible bond and money market UCIs.

The sub-fund may also invest in forward financial instruments traded on French and foreign regulated, organised or over-the-counter markets (futures, options and TRS) in order to achieve its investment objective. To do this, the sub-fund will hedge its portfolio and/or expose it to equity and currency markets.

The sub-fund’s overall equity market exposure, including exposure resulting from the use of derivatives, will be between 60% and 110% of net assets. The sub-fund’s exposure to fixed income, including exposure resulting from the use of derivatives, will not exceed 10% of net assets. The sub-fund’s exposure to foreign exchange risk, including exposure resulting from the use of derivatives, will not exceed 100% of net assets.

Please refer to the prospectus for further information.

## 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, international sanctions and non-cooperative tax jurisdictions
- 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.

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

## Adherence to sustainability requirements at portfolio level

o Target ESG score of at least BBB

o Minimum sustainable investments

o Minimal coverage of ESG ratings:

The percent share of positions rated on the basis of non-financial criteria will be permanently higher than:

- 90% of the portion of net assets invested in equities issued by companies with a market capitalisation of over EUR 10 billion;
- 75% of the portion of net assets invested in equities issued by companies with a market capitalisation of less than EUR 10 billion or with their registered office located in an emerging country.

o The average non-financial rating of the portfolio is higher than the rating of the initial investment universe.

## Active engagement

- Dialogue primarily focused around our top-priority themes (climate transition, data transparency and other sector-based material themes, etc.) and controversies
- A responsible voting policy for the entire equity scope
- Active participation in multiple industry working groups (Institut de la Finance Durable, AFG, FIR, Climate Action 100+, etc.) on key sustainable issues (climate transition plan, biodiversity, fossil fuels, 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.

Our common exclusion framework is kept up to date and encoded into the operational systems with pre-trade blocks by compliance. 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 and risk committee offer an opportunity to assess the sustainability risks and ESG issues associated with specific issuers and/or portfolios.

In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them.

Lastly, 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. In terms of handling controversies identified by Compliance or analysts, we have set up two controversy committees. The two committees handle different types of controversies, depending on their severity and nature. They determine how controversies should be escalated and monitor them. 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.

## 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.

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

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

To determine whether and when a company does not adopt, or no longer adopts, good governance practices, we have implemented a process on two levels:

### Standards-based screening

In accordance with our common exclusion framework, sovereign and corporate issuers subject to international sanctions, located in tax havens or implicated in violations of the United Nations Global Compact, are excluded from our initial investment universes for all our investment vehicles.

### Assessment of good governance practices

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To assess good governance practices, the investment teams consider factors including: governance data from MSCI ESG Research, commitment to international codes of conduct (e.g. UNGC signatory), analysis of issuers' transition plans through the involvement of governance, 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.

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We view the assessment of good governance practices as an ongoing process. Investment teams are encouraged to engage directly with companies on their governance practices.



## What is the asset allocation planned for this financial product?

### Asset allocation

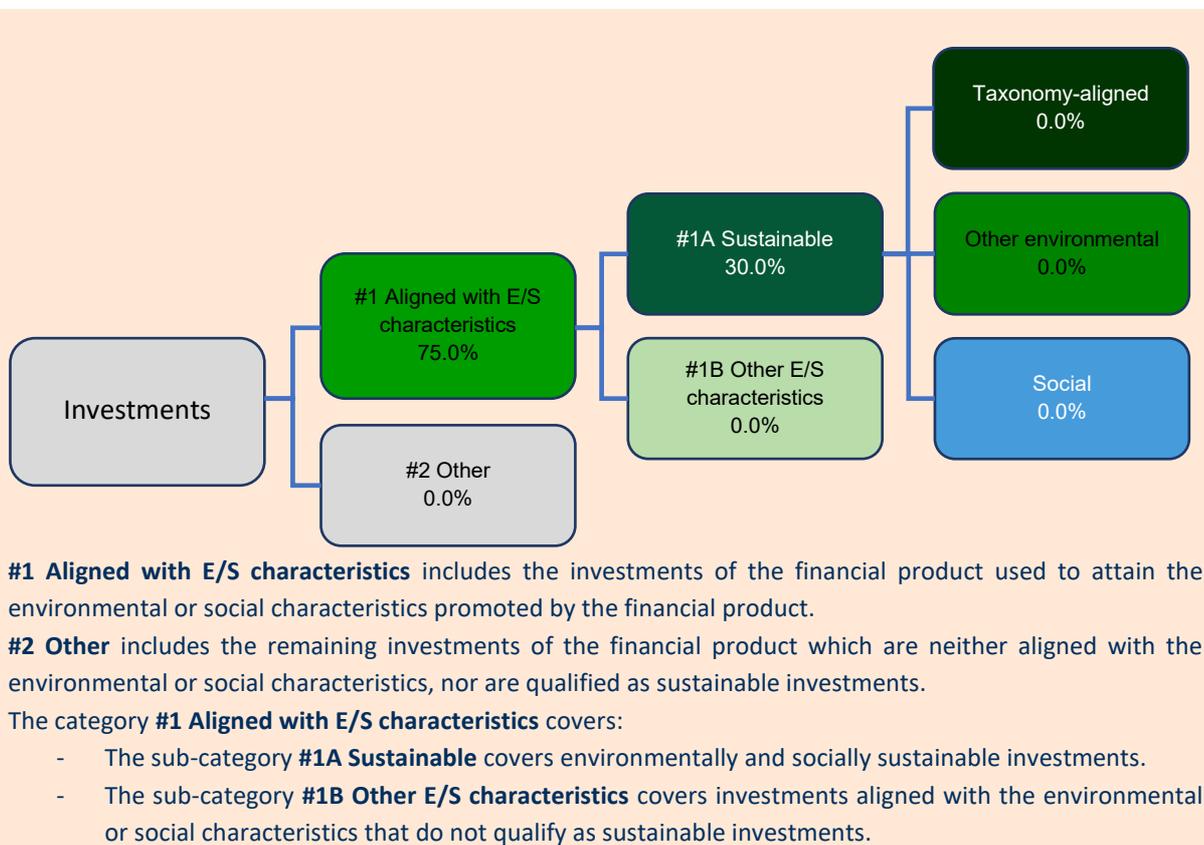
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While the product is committed to a minimum level of sustainable investment, no allocation between environmental and social objectives has been determined in advance, which explains the minimum of 0% for

these two pillars. 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?

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

Yes

In fossil gas

In nuclear energy

No

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.

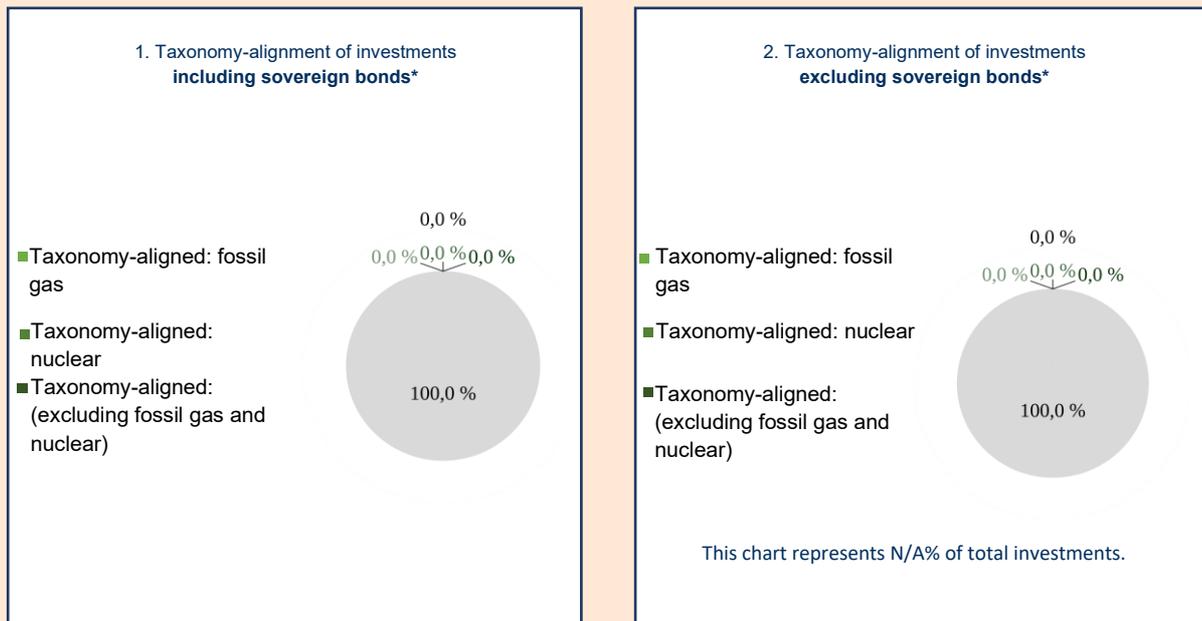
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\* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures

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

The minimum share in enabling and transitional activities is 0%.

## 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?

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?

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

A share of the financial product's net assets may be invested in securities 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 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?

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.

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



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/>