



EDMOND
DE ROTHSCHILD

2019

SUSTAINABILITY REPORT





**EDMOND
DE ROTHSCHILD**

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READER'S GUIDE

REPORTING SCOPE

This report is published by the Edmond de Rothschild Group, which has its headquarters in Geneva (Switzerland). It covers all activities of the Group and the entities that belong to Edmond de Rothschild Holding S.A, as presented in the financial report of Edmond de Rothschild (Suisse), operational headquarters of the Group. The exact scope of the data and its availability is mentioned in each section.

[GRI 102-1 / 102-3 / 102-5 / 102-45](#)

For the analysis and publication of its sustainability indicators, the Group presents its results as outlined below:

Parent entity	"Group" scope	"Main Entities" scope
Edmond de Rothschild (Suisse) S.A.	Switzerland, Israel, Monaco, United Arab Emirates, United Kingdom and Uruguay	Switzerland
Edmond de Rothschild (France)	France and Italy	France
Edmond de Rothschild (Europe)	Luxembourg, Belgium, Spain, Portugal	Luxembourg

The "Group" scope in this report covers 94% of the total workforce presented in page 8, as the global perimeter for sustainability results has been reduced in 2017 with the agreement of the results auditors. The data for the "Main Entities" scope covers 78% of the Group's workforce. This reporting scope does not affect the analysis of information, the reliability of that information or the changes between 2018 and 2019.

[GRI 102-10](#)

This sixth Sustainability Report for the Edmond de Rothschild Group contains the quantitative and qualitative information necessary to understand the Group's material sustainability issues for 2019. The report is published annually.

[GRI 102-50 / 102-51 / 102-52](#)

REPORTING FRAMEWORK

The Edmond de Rothschild Group has decided to prepare this report and publish its results complying as much as possible with the Global Reporting Initiative (GRI) standards and its supplement for the financial sector. This decision has been taken so that data can be compared, and to improve clarity for all stakeholders when reading the results. It is also a way for the Group to ensure the reliability of its approach to sustainability reporting. The Group therefore selected the GRI standards core reporting option. All references to the GRI indicators and the corresponding pages are available on pages 66-67.

[GRI 102-54 / 102-55](#)

RELEVANT ASPECTS AND INVOLVEMENT OF STAKEHOLDERS

The Group used its 2014 materiality exercise to select and prioritise the relevant issues for publication (see the appendix "Our approach to sustainability"). Each section of the report then outlines the context (internal and external) in which these issues are managed, giving the most objective and transparent view possible, in particular by publishing a significant number of indicators.

The content of each section was defined according to the Group's operations in 2019. In addition, appendices for each section provide information which reflects actual and potential impacts. They also explain the methods used and approach adopted to managing these impacts. These appendices are only available in electronic format. They can be accessed via the links in each section of this report.

The Group considers all its sustainability issues apply to all of its entities and regularly works to extend the scope. Responsible Investment indicators are not country-specific but are classified according to our business lines: asset management, private equity, real estate, infrastructure debt and private banking.

[GRI 102-46/103-1](#)

DATA REVIEW

The Edmond de Rothschild Group called upon PricewaterhouseCoopers, a member of the international PwC network, to review the data published. Their limited assurance report on a selection of key performance indicators can be found on page 68 of this document. These indicators are marked in the report using the following icon: 

PwC is also acting as external auditor for Edmond de Rothschild (Suisse) S.A. and as Statutory Auditor for Edmond de Rothschild (France). The PwC auditors acted as independent auditors.

In 2019, the review took place at Group level and also the Group's three main entities in Geneva, Paris and Luxembourg. In performing this review, the external auditors reviewed data collection protocols, reviewed documents and checked collection tools and the data entered.

[GRI 102-56](#)

AVAILABILITY AND CONTACT

This document is available in French and English, in an electronic and paper format. The appendices are available only on electronic format in the Group's website. Edmond de Rothschild Group has taken the decision to only publish limited copies of the paper version of this report.

For any question or comment on the published content of this report, please contact sustainability@edr.com

[GRI 102-53](#)

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ABOUT THIS REPORT

This sustainability report presents the commitments of the Edmond de Rothschild's group throughout its ecosystem to current sustainable development issues. Each section can be read independently.

INDICATORS

Results are based on the global reporting made to all our entities. When data was not available for the parent entity as a whole with its overseas, the information is provided by country according to the availability of the data in question.

[GRI 102-4 / 102-49](#)

A HISTORY OF INNOVATION

The Edmond de Rothschild Group has a rich history of committed entrepreneurship and has been operating in the world of finance for over 250 years. Resolutely forward-looking, the Edmond de Rothschild Group is built on strong family convictions, boldness and entrepreneurial spirit.

COMMITTED TO DEVELOPMENT

The Edmond de Rothschild group has been a signatory of the United Nations Global Compact since 2015 (since 2011 for its French entity). We are very much driven by the desire to make an active contribution, at our level, to the seventeen Sustainable Development Goals established by the UN Member States in the 2030 Agenda adopted by the UN in 2015. [GRI 102-14 / 102-15 / 102-43 / 201-2](#)

COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

DRIVING CHANGE

The Edmond de Rothschild Group has shown commitment for more than 250 years to support the major changes which shape our society, with a firm belief that wealth is not an end in itself but an opportunity to influence the future and make the world better.

Our Group mirrors our convictions. Everything we do is testament to our desire to make an impact, to pass on and modernise a heritage and to innovate at all times. Our unique long-term vision is firmly anchored in reality and away from speculation and the immaterial.

- BOLD** ▶ **Boldness is the capacity to reinvent oneself and take controlled risks**
- BUILDERS** ▶ **The Group favours bold strategies and investments rooted in the real economy, combining long-term performance and impact**
- OF THE FUTURE** ▶ **For six generations, we have had a unique and engaging vision of wealth. Wealth is an opportunity to build the world of tomorrow**

During completion of the 2019 report the onset of Covid-19 led to a global complex crisis affecting society on multiple levels.

Covid-19 has affected more than 190 countries with almost 60% of the world's population in strict lockdown. With the full economic impact still unknown resilience has become essential for companies to survive.

This pandemic has proven that there is no such thing as a standalone strategy for sustainable development.

Covid-19 has impacted our business realities more profoundly than any other event. Some business models have been fully disrupted but business and political leaders have responded with innovative services to adapt to the situation. The changes to our living, working and consumption habits as a result of the pandemic are a real test for companies to demonstrate their resilience.

Five years ago we embarked on a major transformation at the Edmond de Rothschild Group which enabled us to simplify our structure and, most importantly, to pool our strengths and reinforce shared values. These changes helped us to respond to the emergency and hold together in the face of the resulting instability.

All the decisions were human-centric. The Covid-19 pandemic is forcing States and the private sector to revise current economic models to make them more sustainable and appropriate for the needs of all stakeholders.

Today more than ever, our Group's historic resilience in the face of adversity demonstrates our capacity for innovation, and reinforces our position as bold builders of the future.

MESSAGE FROM BENJAMIN AND ARIANE DE ROTHSCHILD

It is currently difficult to assess the full measure of all the human, economic and social consequences of the crisis we are living through. However, one thing is certain: resilience is now recognised as a key factor in the sustainability of any business.

The rapid changes we have all made in response to the Covid-19 epidemic have pushed us one step further along in our necessary ability to implement strategic decisions within a limited time frame without setting aside clear longer-term ambitions. Our goal in this is to be sufficiently strong and flexible to cushion shocks while maintaining our desired long-term trajectory: for us, this is the very definition of resilience.

In its 250-year history, our family has gone through many crises and revolutions, as well as periods of recovery. In every case, our ability to remain focused on the future has helped us emerge stronger. There is no reason why this crisis should be any different. We have collectively become aware of certain excesses inherent in our current lifestyles: some say we are too interdependent, while others feel we lack cohesion. In our opinion, the key lesson is very clear: untrammelled growth with no regard for externalities is no longer an option. The focus is shifting firmly to the long term and humanity is being put back at the heart of business models: sustainable development is becoming the new standard.

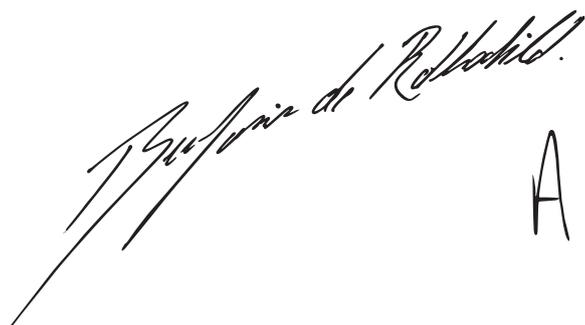
We apply these principles to everything we do, whether finance, lifestyle businesses, philanthropy or even offshore sailing races. We incentivise innovation, value multiculturalism, refuse to engage in speculation and have one goal in mind: to have an impact on the world of tomorrow. To this end, we are constantly working to stay connected to the real economy: in finance, we apply a scalable approach to our investment solutions to ensure they are sustainable and profitable both for us and for our clients.

In 2019, we were able to confirm our positioning by taking a decisive step to strengthen our independence, thus ensuring that we are free to fully express our convictions. By making Edmond de Rothschild a 100% family-owned group, we have reiterated our commitment to our clients and employees and are now free to sharpen our focus on delivering long-term impact.

Our simple, unified structure boosts our ability to innovate and stay creative, enabling us to develop sustainable solutions that create social and environmental value. For example, we are continuing to consolidate our range of real assets: we now have a substantial real estate division, a private equity platform offering a range of niche strategies for entrepreneurs, and recognised expertise in infrastructure debt. Through these solutions, we are putting finance back into the service of industry.

The primacy of ethics, values and principles in our ecosystem is what differentiates us, giving our brands the essential tools for longterm success. The importance of resilience allows us to deal with challenges in the present while understanding how to build a better future.

Benjamin and Ariane de Rothschild

A handwritten signature in black ink, reading "Ariane de Rothschild". The signature is written in a cursive style and is positioned on the left side of the page.A handwritten signature in black ink, reading "A. de Rothschild". The signature is written in a cursive style and is positioned on the right side of the page.

EXECUTIVE SUMMARY

TOWARDS ACHIEVING OUR OBJECTIVES

The year ended on a positive note as we continued to work towards achieving the 2015-2020 objectives. Moreover, we consolidated conviction-driven investment house by developing new strategies that combine sustainability with profitability.

Asset management continued to work on what makes us unique and are proud to have developed a real asset investment offering that today is worth 15 billion Swiss francs in areas of expertise as varied as real estate, infrastructure debt and private equity. This enables us to keep a firm position in the real economy and ensures a strong responsible investment policy.

Our Group has expanded its range of listed assets. It is today the first French player to have obtained an SRI certification for its global convertible bonds strategy. Our teams have also continued to work on gradual ESG integration and have set the target of integrating the criteria into the full offering by 2021.

Practically all 2015-2020 objectives have been met and we are already focusing on the next cycle. Our two-fold ambition is to strengthen our operating model and apply innovation to create sustainable and profitable value.

However, for the next outlook, the social, health and economic crisis linked to the Covid-19 epidemic forces us to question our societal and economic systems.

The Edmond de Rothschild group takes all the appropriate steps to first and foremost protect employees and clients, with a view to finding opportunities in these exceptional circumstances to help respond to the resulting challenges.

This new context, and its economic and social consequences, affirms our position as bankers working to support the real economy. It is imperative to direct our financing towards future investments that add financial, social and environmental value.

For the next outlook we will enhance our current strategy, with the roadmap adapted to a world in transition. Our priority will remain to support the real economy as we build sustainable and innovative investment solutions.



Cynthia Tobiano

Deputy CEO of the Edmond de Rothschild Group

A stylized, abstract signature in black ink.



Vincent Taupin

CEO of the Edmond de Rothschild Group

A handwritten signature in black ink that reads "V. Taupin".

ETHICAL AND RESPONSIBLE BEHAVIOUR

The corporate responsibility commitments undertaken by the Group ensure that it continually reinforces prudent and diligent behaviour. All the policies and procedures set out rules to apply. They are regularly updated and available to employees via Intranet. Active regulatory oversight guarantees protection for our activities and our stakeholders. In 2019, over 16,000 hours of ethics and compliance training were delivered.

COMMITMENT TO OUR EMPLOYEES

Our HR teams and managers set the scene for each employee to achieve their full potential. Personalised career paths strengthen mutual trust and commitment. We continuously strive to be a trusted partner and to encourage our talents throughout their path. In 2019, 100% of employees took at least one training course and over 70 managers followed the special training program devised to help them develop their leadership skills and, working with their teams, to bring about change in our Group. We continue to prioritise internal mobility and the work we have done to become an employer of choice is bearing fruit.

INNOVATION FOR RESPONSIBLE INVESTMENT

We expanded our offering of responsible investment products in 2019 and stepped up our commitment to sustainable and profitable finance. We measured the carbon footprint of 96% of Edmond de Rothschild Asset Management (France) funds. The degree to which climate risk is taken into consideration is progressing, with appropriate ESG policies at our different business lines. Asset Management's Responsible Investment Policy will be reviewed and updated in 2020 to take account of the Group's developments and convictions rooted in the methodologies put in place. Our Responsible Investment Mandate for private clients was widely rolled out by our entities and assets under management covered by a mandate increased by 62%.

ENVIRONMENTAL IMPACT MANAGEMENT

The Group's general services department is committed to measuring and controlling our environmental impact on a daily basis. All projects conducted by our entities take account of environmental considerations to ensure they are aligned with the growing number of regulations and targets to reduce our carbon footprint. In 2019 our carbon footprint continued to fall: 1% since 2018 and 30% since 2014, the reference year. Our CO₂ offsetting program continues to be implemented and the result at the end of 2019 was 3,384 tons equivalent CO₂ offset and over 35,000 trees planted since we undertook the commitment in 2016.

COMMITMENT FOR A SUSTAINABLE SOCIETY

The collaborations with various stakeholders, primarily those with links to responsible investment, contribute to our external commitments and strengthen our cohesion as a forward-looking Group. Sharing our convictions and expertise through talks, publications or philanthropic actions is our way of carrying on the actions and commitments the Rothschild family began 250 years ago. Through the philanthropic programs we have created with the Edmond de Rothschild Foundations our employees can support impact entrepreneurs, refugees or children. In 2019 more than 60 employees contributed through the various programs.

THE EDMOND DE ROTHSCHILD GROUP

A CONVICTION-DRIVEN INVESTMENT HOUSE

The Edmond de Rothschild Group is an independent, specialist family group that occupies a unique position in the world of finance. Working for private clients and institutional investors, our strength consists in combining our financial expertise, our ability to innovate and our talents to serve our convictions.

OUR BUSINESS LINES

PRIVATE BANKING
ASSET MANAGEMENT

PRIVATE EQUITY
CORPORATE FINANCE

REAL ESTATE
INSTITUTIONAL & FUND SERVICES

KEY FIGURES



Our international presence extends beyond these centres through numerous partnerships with financial institutions with which we work locally.

OUR ACTIVITIES IN THE VALUE CHAIN GRI 102-4 / 102-6

Edmond de Rothschild is a conviction-driven investment house based on the idea that wealth should be used to build tomorrow's world. Our expertise as a committed entrepreneur allows us to bring innovative value-creating solutions				
OUR VALUES	OUR RESSOURCES	OUR CLIENTS	OUR ACTIVITIES	OUR IMPACT
<p>Our values are based on entrepreneurship, Innovation and willingness of impact. They are inherited from a family history of more than 250 years</p> <p>A pioneering spirit and A committed entrepreneurship</p> <p>For us, success is built over the long term, with caution and responsiveness, by combining hard work and permanent research of innovative financial solutions</p>	<p>2,622 employees</p> <p>A long-term engagement guaranteed by a single shareholder</p> <p>A family independent Group and specialized for 250 years</p> <p>32 implementations in 15 countries</p> <p>A growth model based on a strong ecosystem to support innovation and build the future</p> <p>Network of more than 10 Foundations</p> <p>Edmond de Rothschild engaged in more than 100 projects</p>	<p>Individual private clients</p> <p>Entrepreneurs</p> <p>Institutional and semi-institutional investors</p> <p>Other banks / Financial institutions</p> <p>Family Offices</p> <p>Development finance Institutions</p>	<p>Private Banking Consultancy and Bank custody</p>	<p>22 Bn CHF managed with ESG integration and SRI strategies</p>
			<p>Asset Management Investment for institutional and private clients</p>	<p>95% of private equity AUM managed with ESG integration</p>
			<p>Real Estate Consultancy and Investment</p>	<p>78% increase of SRI Mandate In Private Banking</p>
			<p>Private Equity Consultancy and Investment</p>	<p>9 of Group's investment strategies cover + than 75% of SDGs</p>
			<p>Corporate Finance Consultancy</p>	<p>On real economy : Companies States Infrastructures Property Etc.</p>
			<p>Institutional & Fund Services Consultancy</p>	
We favour audacious strategies that combine long-term performance and impact in order to give substance to our convictions and never be disconnected from the real economy				
Innovation in healthcare	SME growth	Job creation	Energy and environmental transition	
Improvement in companies' ESG* practices	Support for economic development in various geographies	Urbanization and Urban development		

*Environnement, Social, Gouvernance

STAKEHOLDER ENGAGEMENT

The Edmond de Rothschild Group wishes to support the transition towards a more sustainable society and economy and help to solve the related issues. To do this, close collaboration with our stakeholders is vital. Through dialogue based on transparency to understand how their needs are changing we can better control risks and create innovative solutions. A system to identify and prioritise stakeholders was put in place in 2015.

A detailed list of stakeholders and more information can be found in the appendix "[Our sustainable development approach](#)".

COLLABORATION WITH RESPONSIBLE INVESTMENT STAKEHOLDERS

Responsible investment is a material issue and the key focus of the Group's engagement with our stakeholders. The Group is involved in a number of leading organisations. The Edmond de Rothschild Asset Management (France) Responsible Investment management team is in regular dialogue with the players in this area. The table below reflects some of these commitments.

The Edmond de Rothschild Group's commitment to and involvement in Responsible Investment and sustainable development initiatives GRI 102-12 / 102-13

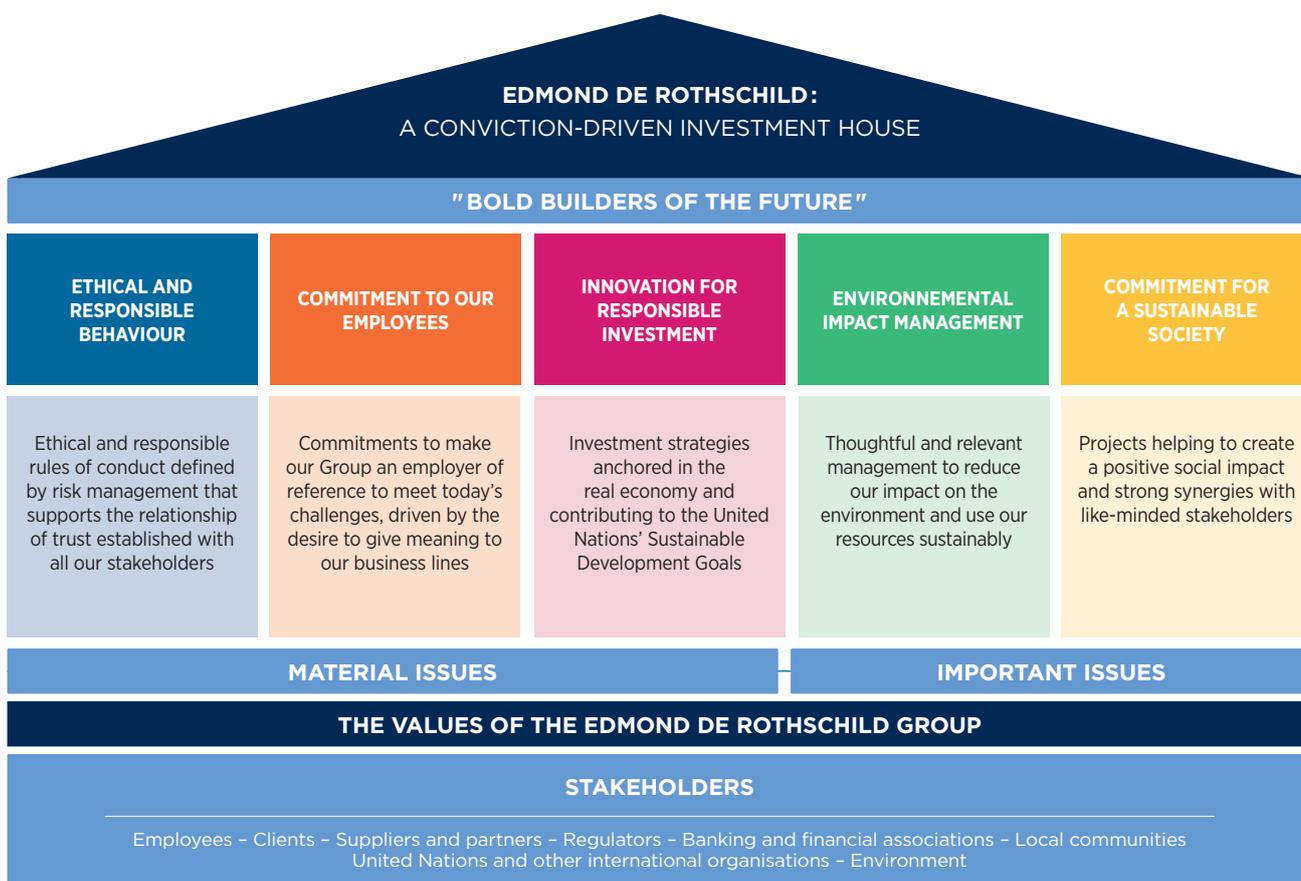
- Signatory of the Principles for Responsible Investment (PRI) supported by the United Nations
- Signatory of the PRI Montréal Carbon Pledge
- Signatory of the United Nations Global Compact (UNGC)
- Member of the United Nations Environment Program Finance Initiative (UNEP FI)
- Founding member of Swiss Sustainable Finance (SSF) and member of Sustainable Finance Geneva (SFG)
- Member and Board Director of the French Social Investment Forum (SIF)
- Supports the European academic research Award SIF-PRI
- Member of the SRI Committee of the Association Française de la Gestion Financière (French Asset Management Association - AFG)
- Affiliate member of the European Sustainable Investment Forum (Eurosif)
- "Industrial Partner" of the World Economic Forum
- Member of the World International Capital Initiative (WICI) initiated by the OECD of which the Edmond de Rothschild Asset Management (France) RI Director has been Chairman (Europe) since 2015
- Member of the office of the Observatoire de l'immatériel
- Member of the Reporting and Audit Committee of the International Corporate Governance Network (ICGN)
- Joint Chair of the ESG Commission of the European Federation of Financial Analysts Societies (EFFAS)
- Support for the Chair of Responsible Finance and Sustainable Investment at École Polytechnique and the Toulouse School of Economics

OUR APPROACH TO SUSTAINABLE DEVELOPMENT

Our 2014 analysis highlighted fourteen issues as relevant to our sector and a priority for our Group. Together they make up the five pillars of our sustainable development approach. This reference framework identifies the most relevant issues with the potential to have positive impact on society and, at the same time, generate economic value in the long term.

These material issues are set out at the start of each section of this report, together with our Group's commitments and the consolidated indicators for 2019. More information about the 2014 materiality assessment can be found in the appendix "[Our sustainable development approach](#)". **GRI 102-46**

The five pillars of our approach to sustainable development - GRI 102-40 / 102-47



ISSUES & TRANSFORMATIONS

The world is facing significant changes to the whole of society. In 2019, waves of large-scale public protests impacted governing bodies, companies and every generation of men and women. These major sustainable development issues which affect the whole of society are of vital importance for the Edmond de Rothschild Group.

People are increasingly aware of the seriousness of the climate crisis: 16 to 25 year olds are taking action to force governments to take decisions aimed at limiting global warming. Social media, much used by this generation, helped mobilise millions of young people worldwide, enabling "generation Z" to open up a public dialogue on climate change which companies now consider when measuring reputational risk. Thus, tech giants such as Microsoft, Google and Apple delivered a favourable response after being publicly criticised. Scientific reports are increasingly alarming, some of them indicating we have reached a ticking point that is threatening things like our food safety, our health and the survival of biodiversity. The costs are no longer theoretical and also create opportunities for innovative low-carbon technologies.

The regulatory framework on sustainability issues is gaining momentum : the Green New Deal in the US and the Green Deal or EU Taxonomy in Europe are two examples of legislation which is driving debate towards a fast-growing number of sustainable development commitments. At the same time companies are setting increasingly audacious objectives and improving their transparency on sustainability issues.

Sustainable investment is advancing and evolving : investments with a sustainability component are constantly evolving. There is a considerable increase in impact investments and many companies are moving in this direction. The topic of fossil fuels continues to occupy the top spot in debates. The financial sector realises that climate change and the policies to tackle it represent a financial risk and a permanent change in valuations. Moreover, sustainable investments have until now shown more resilience than the market average, which contribute to their significance.

We recognise the importance of these issues which, among others, require that we consolidate strategy to be a finance group with a resolutely long-term vision. Alongside the significant changes that have taken place in the Group over the last five years we have begun to consider today's key challenges and incorporate them into our unique ecosystem.

We will embark on our next cycle of sustainable development objectives in 2020. The impacts of the crisis and the new international context will be determining factors in our next outlook, as we seek sustainable solutions to world challenges. The Group's unique ecosystem will further consolidate our efforts to make a positive contribution to society, even in times of crisis.

OUR SITUATION IN 2019

ETHICAL AND RESPONSIBLE BEHAVIOUR

2020 objectives	Situation in 2019
Create a common library of the Group's Ethics & Compliance training courses to reinforce expertise and risk management	
Raise awareness and train 100% of employees on the Group's Code of Ethics	
Facilitate access to the relevant directives and to the support required for their application	

COMMITMENT TO OUR EMPLOYEES

2020 objectives	Situation in 2019
Establish a formalised framework for deploying the Group's strategy	
Develop a leadership culture based on the Group's values	
Establish motivational drivers for employees	
Gradually increase the number of women in senior management	
Maintain gender distribution in the Group's headcount	
Maintain our cultural diversity	

INNOVATION FOR RESPONSIBLE INVESTMENT

2020 objectives - Asset Management	Situation in 2019
Adopt a Responsible Investment strategy (listed assets)	
Inclusion of climate risk (listed assets)	
Extend the scope of ESG analyses (listed assets)	
Develop the ESG integration process and the RI product offering (listed assets)	
RI training for the management teams (Group)	
ESG integration process - Infrastructure debt and direct real estate investment strategies (real assets)	

2020 objectives - Private Banking	Situation in 2019
Creating a Responsible Investment Mandate for private clients	●●●●
Establish an ESG integration processes for the selection of external funds and direct line investments	●●●●
Roll out the Responsible Investment Mandate in the main Group entities	●●●●
2020 objectives - Private Equity	
Situation in 2019	
100% of strategies covered by best ESG practices in 2020	●●●●
Measure impact across all impact and ESG investment funds	●●●●
Increase the assets under management in our impact funds by 20% a year until 2020	●●●●

ENVIRONMENTAL IMPACT MANAGEMENT

2020 objectives	Situation in 2019
Reduce the carbon footprint per employee by 15%	●●●●
Reduce the energy consumption per employee by 10%	●●●○
Compensate our GHG Protocol scopes 1 and 2 CO ₂ emissions via an Insetting program	●●●●
Reduce paper consumption by 25%	●●●●
Buy 100% recycled or FSC/PEFC certified paper	●●●○

COMMITMENT FOR A SUSTAINABLE SOCIETY

2020 objectives	Situation in 2019
Participate in and contribute to responsible investment initiatives and events	●●●○
Implement an evaluation and engagement process for suppliers as part of our Responsible Purchasing Policy	●●○○
Roll out the Community Engagement Charter and encourage sites to put in place philanthropic programs	●●○○
Review the mapping of the Group's main stakeholders and the list of engagement activities	●●○○

GRI 102-47

ETHICAL AND RESPONSIBLE BEHAVIOUR

MATERIAL ISSUES

- ▶ **CORPORATE GOVERNANCE**
- ▶ **COMPLIANCE WITH REGULATIONS**
- ▶ **ETHICAL BEHAVIOUR**
- ▶ **RISK MANAGEMENT**
- ▶ **TRANSPARENCY AND REPORTING**

Regulations and measures brought in since 2008 have changed the operational landscape of the financial sector. Optimal management of the financial and non-financial risks corroborates the robustness of the procedures in place and protects the interests of clients and all stakeholders.

We constantly strive to operate within the confines of this stringent environment, thereby enabling our employees to manage the challenges, opportunities and potential impacts. Tailored training courses are essential for them to deliver what is expected.

Alongside this, we must put in place the best possible conditions to enable our employees to continue to innovate and create long-term value. In line with our values, our overriding priority remains meeting clients' expectations and creating robust Group-wide synergies to support transformations.

8

training hours

on average, per employee on Ethics & Compliance topics

85%

of Group employees

attended at least one training session on Ethics & Compliance topics



16,370

hours of training

on Ethics & Compliance topics

OUR VISION

For our Group, ethics, integrity and transparency are intrinsically linked to our values and the strong sense of responsibility which have always guided the Rothschild family in managing its affairs. It is vital we have a long-term vision that takes account of the needs of the financial and societal ecosystem.



See the appendix "Ethical and responsible behaviour" for more information on our processes in this field.

OUR PRIORITIES

A single reference frame aligned to our values

Reconcile risk management with innovation

2020 OBJECTIVES

Progress follow-up

Create a common library of the Group's Ethics & Compliance training courses to reinforce expertise and risk management



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ A common governance for the management of training activities introduced
- ✓ On-going communication to update employees on changes within the company and to regulations
- ✓ All regulatory training courses collated on the LMS (Learning Management System)

Raise awareness and train 100% of employees on the Group's Code of Ethics (through courses on relevant topics and applicable regulations)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Ongoing regulatory activity monitoring and adaptation of training sessions accordingly, for all employees concerned, in line with the regulator's requirements
- ✓ Roll-out of the governance tools to ensure that Ethics & Compliance training becomes part of each employee's day-to-day routine

Facilitate access to the relevant directives and to the support required for their application



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Creation of Group-wide directives defining a common basis for all entities and enabling regular monitoring and updating of the internal regulatory framework
- ✓ Update and communication of the Group's internal policies, directives and procedures
- ✓ All the directives are available on the Group's Intranet



“Protecting our clients is our priority. The corporate responsibility commitments undertaken by the Group ensure that it continually reinforces its prudent and diligent behaviour. Our ethics and responsibility audits, directives and internal policies enable us to guarantee a highly structured risk management process to protect our business, employees, clients and other stakeholders. Non-financial risks are given the same consideration. Reputational risks cannot be handled separately. We place the same importance on assessing their impact as we do the impact of operational risks. Our sustainable development Policy sets out the appropriate approach and management of the ethical challenges faced by companies.”

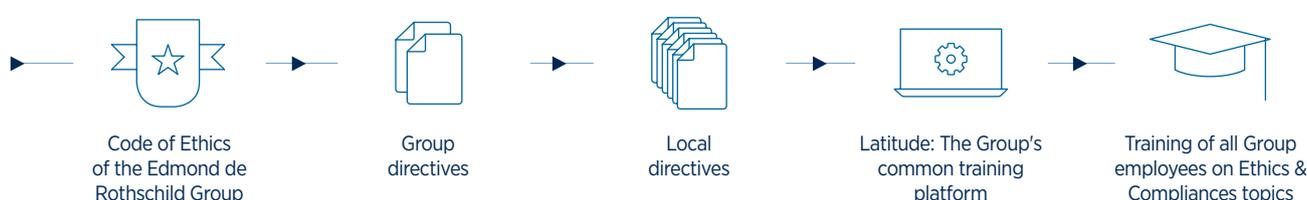


Jean-Christophe Pernollet

Member of the Executive Committee and Head of Risk, Legal & Compliance for the Edmond de Rothschild Group



Our Ethics Code: a single reference framework aligned to our values



OUR RESPONSIBILITY: TO BE EXEMPLARY

A keen sense of ethics allows us to be exemplary. The financial sector is being increasingly scrutinised by external parties who are analysing the potential societal impact of the sector's players. Legislators are also keeping a keen eye on the sector, as can be seen from the very many consultations on the sustainability aspects of financial activities in 2019.

The current regulatory landscape is constantly changing. Since the very beginning, compliance with current and future regulations has always been a fundamental operating principle of the Edmond de Rothschild Group. From monitoring systems to alert procedures and mandatory training, our Group's Risk & Compliance teams ensure that the necessary systems are in place to enable us not only to comply with the laws in force but also to apply them ahead of schedule whenever possible.

We attach the same importance to monitoring reputational risks as we do operational risks. The probability of occurrence and level of impact may differ but our inability to proactively manage and prevent them could have devastating consequences. Unethical behaviour, employee discrimination and inadequate data protection are the main reputational risks for banks. In terms of corporate responsibility, a solid governance which supports business but also sustainability considerations greatly influences how we manage reputational risk. Edmond de Rothschild group has put in place internal policies for every area that could impact our reputation, activities, employees and other stakeholders.

The integration of sustainable development criteria is reinforced through the Specialised Committees, internal policies, the Group Executive Committee and rigorous management of Non-financial risks in our activities. In 2019 the ESG policies applied to our investments were reinforced and extended to the majority of our business lines. Our ethical and economic responsibilities are intrinsically linked. This enables us to better control our impacts and continually improve our activities which have had a long-term outlook for the last 250 years. This long-term vision governs the bespoke advice we offer our clients and strengthens the trust we have built up with our stakeholders.

GOVERNANCE IN THE EDMOND DE ROTHSCHILD GROUP

In March 2019 the Group announced it was to streamline its legal structure by making the Swiss division the Group’s umbrella entity. Group management and oversight was delegated, in its entirety, to Edmond de Rothschild (Suisse) S.A. Its Board of Directors is the body responsible for high-level Management, oversight and control of the Group. The Edmond de Rothschild (Suisse) S.A. Executive Committee is in charge of the Group’s operations. Benjamin de Rothschild’s family took control of the capital in its entirety, and as a result the Swiss banking entity, accounting for only 6% of the capital, was delisted.

The Board of Directors of Edmond de Rothschild (Suisse) S.A. created two internal committees: the Audit and Risks Committee and the Appointments and Remuneration Committee. The Board has also set up an Executive Committee, which is the Group’s organisational management and oversight body. The Executive Committee has also established these two committees: The Assets and Liabilities Management Committee and the Compliance and Reputation Committee. The main duties and responsibilities of these committees are described in the appendix.

Governance bodies of the Edmond de Rothschild Group



“ In simplifying its legal structure our Group has reinforced its governance, primarily with the introduction of specific committees to handle strategic matters and identify and manage risks. With clear governance and a focus on responsible investments within these strategies, the Edmond de Rothschild Group is supporting and developing responsible and solidary investment goals. The audit procedures contained within these directives offer a guarantee that the responsibility commitments and strategies have been upheld. As such, the Front Office and Audit teams play a major role in continuing to work towards these goals.

Olivier Guetta ”
 Global Head of Compliance
 Edmond de Rothschild Asset Management



TARGETED TRAINING FOR AN ACTIVE MONITORING

16,370

hours of training
provided in 2019

2,099

employees attended at
least one training session
on Ethics & Compliance
topics

Training on all regulatory topics continued in 2019 with a large majority of the modules online. The regulatory framework continued to accelerate, requiring our teams to develop, update and relaunch many training sessions Group-wide. The Learning & Development and Compliance teams worked relentlessly to ensure the planned on-site training sessions were maintained and the mandatory regulatory training was provided according to schedule.

Each employee had access to an online dashboard setting out the status of the mandatory training they were required to do and providing them with immediate access to it. This dashboard also helped them manage their individual schedule. Managers have access to the dashboard at all times to enable them to see how their team's training is progressing. The introduction of this tool in 2018 provided the opportunity to promote more widely a real culture of compliance, while facilitating the reporting and regular monitoring duties of the Learning & Development teams. In addition, the collaboration and close cooperation between the teams and the business line managers facilitated the setting of specific goals which enabled the Group to continue to meet its responsibilities efficiently.

Finally, the societal crisis brought about by the Covid-19 pandemic we are experiencing at the time of publication of this report reinforces the need for online training that can be accessed remotely. It has also highlighted the need to pursue the digitalisation of our on-site courses or to use a virtual classroom training tool.

8h

of training
on average
per employee

“ One of the highlights of 2019 was new training on the MiFID regulations. Our training efforts in 2017 focused on raising awareness at the Group level. Between 2018 and 2019, the people in direct contact with clients had their knowledge assessed or reassessed and underwent an intensive training program. Lastly, in Switzerland, in October 2019, in connection with the new financial services act (LSFin) which came into force on 1 January 2020, a large number of employees who have an influence on our clients' investment decisions embarked on a lengthy certification process (Certified Wealth Management Advisor) which is due to be completed in 2020. In an increasingly complex environment, the L&D team can call upon the extremely valuable assistance of many employees to help them implement the training provided. We are very grateful to them.

Philippe Santschi

Senior Manager Learning & Development,
Edmond de Rothschild Group



Business ethics and compliance training in our three main entities **GRI 205-2**

	Switzerland		Luxembourg		France	
	2018	2019	2018	2019	2018	2019
Number of training hours	7,905	5,721	2,449	4,494	3,688	6,155
Number of employees who attended at least one Ethics & Compliance training session	892	830	589	520	776	749
Average number of training hours per employee	8.9	7.9	4.2	8.6	4.8	8.2
Total number of participants ¹	6,427	4,211	3,123	3,260	3,855	3,299

¹An employee may have taken part in several training sessions, which is why the number of participants is higher than the number of employees having attended at least one training session.

COMMITMENT TO OUR EMPLOYEES

MATERIAL ISSUES

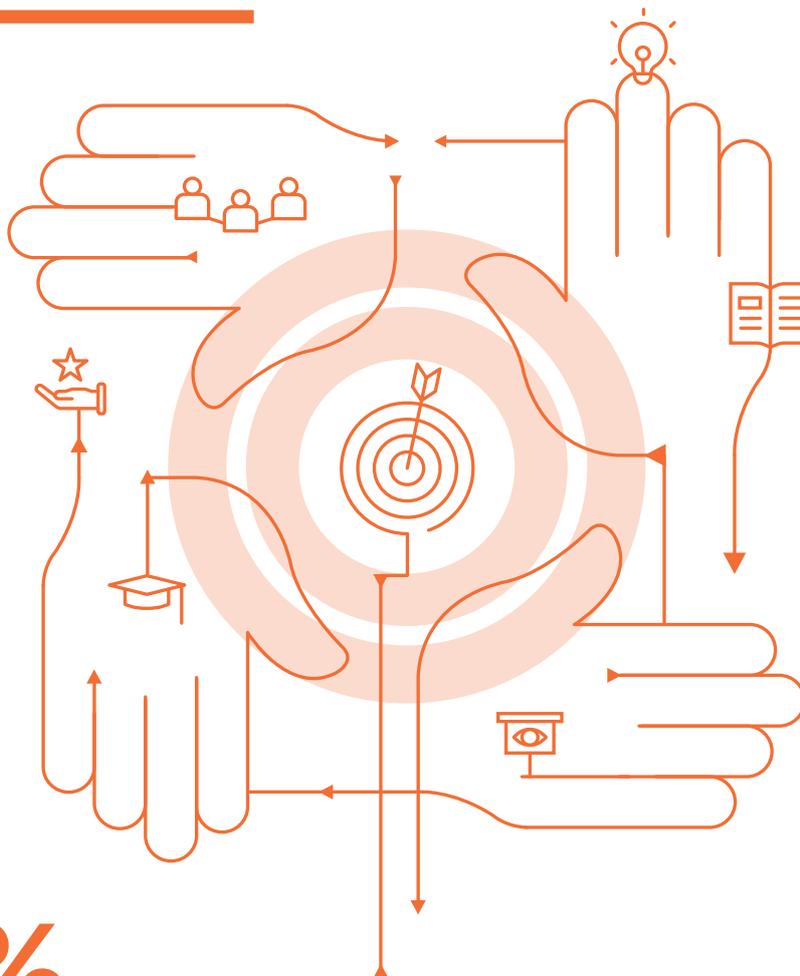
- ▶ EMPLOYEE ENGAGEMENT
- ▶ TALENT MANAGEMENT
- ▶ DIVERSITY AND EQUAL OPPORTUNITIES

100%

of Group employees attended at least one training session

99

employees benefited from internal mobility



105

employees were promoted

95%

of employees took part in the Group's performance review process

5,898

hours of leadership and management training delivered

48 nationalities represented in the Group

25% of women in senior management

25% of women members of the Group's Executive Committee

27 internal meetings on the Group's strategy were organised in 2019 to share the topics discussed at the annual strategic seminar

43% of women in the total workforce

39% of new recruits were women

42% of employees promoted were women

48% of employees who benefited from internal mobility were women

HUMAN RESOURCES VISION AND PRIORITIES

Our vision is aligned with the Group’s dynamic of ongoing transformation and our Human Resources teams represent a vital support and essential partner to employees, departments and business lines to steer strategic projects.

Our aim is to be a leading employer thanks to our corporate culture based on trust, quality leadership and the values inherent in our actions. Alongside this, we aim to improve collective efficiency with operating procedures that are increasingly agile and digital.



See the appendix “[Commitment to our employees](#)” for more information about our management approach.

OUR PRIORITIES

Transform our Group	Carrying through the successful transformation of the Group while maintaining social cohesion
Develop our Talents	Helping our managers to develop their skills and talents to support the Group’s transformation
Boost Collective Efficiency	Developing the talents and qualities of internal entrepreneurs at the service of this transformation
Increase Commitment	Increasing employee commitment by investing in the development of managers, who drive the Group culture, and giving meaning to everyday activities

“ In 2019, we focused our efforts on developing our talents and strengthening commitment and cohesion within the Group. Our leadership and responsible investment training programs, prioritising internal mobility, incorporating the 10 principles of Group culture in the HR processes, putting in place a solidarity program, the roll-out of regular feedback channels and the recruitment of experienced specialists all helped to improve operating efficiency and support the Group’s transformation. Our ambition remains to create a meaningful working environment in which individual employees can operate at their full potential and give the best of themselves. The extraordinary events we are experiencing at the time of publication of this report have prompted us to act with determination to protect the health of our employees first and foremost.



Diego Gaspari ”
 Member of the Executive Committee
 Human Resources Director of the Edmond de Rothschild Group



2020 OBJECTIVES

Progress follow-up

Establish a formalised framework for deploying the Group's strategy



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Roll-out of communication campaigns related to the Group's vision, ecosystem and corporate culture
- ✓ Ongoing development of processes aligned with sustainable development objectives

Develop a leadership culture based on the Group's values



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Integration of the 10 Principles of behaviour into the managerial training programs
- ✓ Roll-out of the managerial and leadership training programs and feedback tools
- ✓ Integration of a behavioural element in the annual performance review

Establish motivational drivers for employees



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Prioritise internal mobility
- ✓ Strengthening corporate culture
- ✓ Roll out a formal promotion program to reward employees' efforts
- ✓ Varied training offering that can be accessed online
- ✓ Introduction of an international mobility policy
- ✓ Introduction of a Group Remuneration Policy and targeted monitoring to establish a competitive framework that complies with the applicable regulations

Gradually increase the number of women in senior management

(reference year 2014: 24%)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Close monitoring of the percentage of women in the HR indicators (training, recruitment, transfers and promotion)
- ✓ Close collaboration between the HR Business Partners and managers to guarantee equal opportunities
- ✓ Formalisation and monitoring of specific targets to improve women's access to leadership roles

Maintain gender distribution in the Group's headcount

(reference year 2016: 45% women)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Monitoring systems to ensure we are combating all forms of discrimination
- ✓ Pay equity analysis conducted by a third party

Maintain our cultural diversity

(reference year 2016: 49 nationalities)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Monitoring of the number of nationalities in the Group and on the Boards of Directors
- ✓ Monitoring of the presence of local nationalities in recruitments and promotions for specific markets



In 2019, the Learning & Development team worked hard to empower our managers to develop the skills and talents of their teams. The common thread of the courses and programs delivered throughout the year was to ensure a better understanding of where the business is now, and where it is going, and to drive home our culture and values.



Davide PagaNoi

Head of Learning & Development,
Edmond de Rothschild Group



Developing sales, managerial and leadership skills to support the Group in its transformation was core to the Learning & Development team's activities in 2019. In the programs launched during the year, notably Rising Talent/Vespucci and Management Masters/Columbus, we focused our efforts on the following specific points:

- Offering participants an in-depth insight into our activities and industry
- Reinforcing the Edmond de Rothschild values and culture and a global vision of our ecosystem
- Providing ideas and tools to rethink the effectiveness and efficiency of the teams: working practices, team work dynamic, problem solving, process optimisation, performance enhancement, etc.
- Expanding the internal network and encouraging a dynamic of cooperation between the Group's entities so they can drive forward the transformation
- Stepping up the development of individual knowledge and skills to give meaning to the daily tasks and offer our clients a personalised and specialised service

To deliver on our HR priority more than 70 Group managers undertook the Management Masters and took part in various practical workshops to put into practice the content and activities they had learnt on the course. The focus was on team commitment, talent development and improving internal communications. Alongside this, 60 young employees took part in Rising Talent, an in-house program aimed at developing the skills of promising young employees.

As part of our development and monitoring initiatives we continued to improve our regular feedback channels with the introduction of a structured feedback tool. Over the last 12 months 130 learners received 360 degree feedback, thus enabling them to maintain their skills and play their part in the Group's transformation. Furthermore, the Learning & Development team added the tools required to turn training programs towards remote practical activities and further digitalise the learning offering.

39,745

training hours
provided
in 2019

19h

hours of training
on average
per employee

100%

of employees
attended at least
one training course

43%

of employees
trained
were women

OUR GROUP'S SOCIAL PERFORMANCE IN 2019

Our 2019 results corresponding to "main entities" cover 78% of the Group's total workforce. The data corresponding to "Group" are based on the scope given on page 4 and cover 94% of the Group's total workforce.

ATTRACTION, RECRUITMENT AND RETENTION

Attracting, developing and retaining the best talent is a key objective of the Edmond de Rothschild Group. The primary mission of our Human Resources teams is to create a meaningful working environment. To do this, we take concrete action and put in place tools which help foster the well-being and trust of our employees.

In 2019, we revisited the three most important of these tools: the annual review, manager training and the onboarding program for new employees.

The key is to interact in real time to pursue a policy of progress and value creation. Our ambition is to offer a working environment in which equity and respect foster the development of each employee, thereby reinforcing their trust and commitment.

Our recruitment and internal mobility processes and tools guarantee that applications are assessed on the basis of the candidate's skills and suitability for the job which rules out discrimination of any type. At 31 December 2019 the Group had 2,477 employees, 96% of whom on a permanent contract. A total of 296 people were recruited, 70% of whom on a permanent contract. The employee turnover at Group level was stable at 12% and the average length of service remained unchanged at 9.4 years.

GRI 401-1/102-36

Workforce and type of contract	GROUP		
	2017	2018	2019
Headcount - GRI 102-7 / 102-8 	2,604	2,558	2,477
TYPE OF CONTRACT - GRI 102-7 / 102-8 			
Percentage of employees on permanent contracts	95 %	94 %	96 %
Percentage of employees on short-term contracts	5 %	6 %	4 %
WORKING TIME - GRI 102-7 / 102-8 			
Percentage of employees on part-time contracts	11 %	11 %	11 %
Attraction and retention			
RECRUITMENTS - GRI 401-1 			
Total recruitments	345	380	296
Percentage of women	44 %	40 %	39 %
Percentage of permanent contracts	63 %	65 %	70 %
DEPARTURES 			
Total departures - GRI 401-1	325	293	292
Percentage of women	42 %	40 %	46 %
AVERAGE AGE 			
Average age of employees - GRI 405-1	43	43	43

PERFORMANCE MANAGEMENT, EMPLOYEE TRAINING AND CAREER DEVELOPMENT

Human Resources use a number of different tools to strengthen synergies and improve communication within the teams. Permanent dialogue between employees, the annual performance review, mobility and promotion are key components of an employee's career. They drive motivation which fosters greater employee commitment and professional well-being. This is backed by coaching and training tailored to the needs identified.

Targeted development programs have been reviewed and adapted to best meet current challenges and needs. Talent development is core to the Group's strategy and the training programs must offer an appropriate solution. They have been designed to meet the needs and strategic challenges of the business lines and to offer each individual employee the opportunity to learn, develop and perfect their skills on an ongoing basis. Employees have personalised access to the Group's single platform. Their own dashboard clearly shows the training they have been assigned and gives them the tools to best manage each individual stage.

Each training pathway is different and each employee brings added value to the team and its activities. The manager's role is vital in this value creation. This is why we have put in place Group-wide management training to help them strengthen their leadership skills. The manager creates the shared vision, and develops employees and their potential in a spirit of cooperation.

102-16 / 404-3

Career development	GROUP		
	2017	2018	2019
ANNUAL PERFORMANCE REVIEW - GRI 404-3 ✓			
Percentage of employees who completed the process	92%	88%	91%
Percentage of employees who participated in the process	96%	93%	95%
TRAINING - GRI 404-1 ✓			
Number of training hours	49,940	38,729	39,745
Percentage of employees who attended at least one training course	98%	100%	100%
Women as a percentage of employees trained	44%	44%	43%
Average number of training hours per employee	23	18	19

	Main entities		
	2017	2018	2019
PROMOTION - GRI 404-3 ✓			
Number of employees promoted during the year	143	159	105
INTERNAL MOBILITY ✓			
Number of employees who benefited from a change of position during the year	98	96	99



DIVERSITY AND EQUAL OPPORTUNITIES

No-discrimination is a principle which permeates all the Human Resources processes. The Group's Human Resources department and the Executive Committees of the individual entities monitor this and compliance with internal procedures. We believe that diversity of age, genre, religion, background or culture is vital and a means to best meet market needs, promote new perspectives and be more innovative. These are all topics where the Group has committed to guarantee equal opportunities. These topics are also covered in the Group's Social Responsibility Policy.

Responsible workforce management positions our Group as a company that offers dynamic career management, promotes diversity, guarantees pay equity, defends equal opportunities and offers training which supports ongoing employee development.

To support its commitment to ethics and good corporate governance in terms of health, safety and well-being in the workplace, in 2019 the Group introduced the external post of "Person of trust". Through a special partnership arrangement with a Human Resources specialist trained in mediation, commercial negotiation and certified "Person of Trust" by the ASPEC (Swiss Association of Persons of Trust in Companies), she offers employees vital confidential support as a contact person outside the company who will listen to all aspects of matters relating to their individual situations.

102-8 / 405-1

Diversity	GROUP		
	2017	2018	2019
GENDER BREAKDOWN - GRI 102-8 ✓			
Women	44%	44%	43%
Men	56%	56%	57%
Diversity in the governing bodies of our main legal entities			
WOMEN IN SENIOR MANAGEMENT - GRI 102-8 / 405-1 ✓			
Percentage of women in senior management	24%	25%	25%
Female senior managers as a percentage of total workforce	6%	6%	6%
DIVERSITY IN THE SUPERVISORY BOARD/BOARD OF DIRECTORS - GRI 102-22 / 405-1 ✓			
Number of members	12	12	12
Percentage of women	17%	17%	25%
DIVERSITY IN THE EXECUTIVE COMMITTEE - GRI 102-22 / 405-1 ✓			
Number of members	10	10	8
Percentage of women	40%	30%	25%
NATIONALITIES ✓			
Number of nationalities	49	48	48

INNOVATION FOR RESPONSIBLE INVESTMENT

MATERIAL ISSUES

► INTEGRATION OF ESG CRITERIA INTO FINANCIAL ANALYSIS :

The integration of environmental, social and governance (ESG) issues into financial analysis and investment decision-making is constantly evolving in our investment activities. The implementation of ESG policies and efficient analysis tools guide our teams to maintain this growth. The annual reporting of the United Nations Principles for Responsible Investment (PRI) also helps us track our progress.

► CLIMATE RISK MANAGEMENT :

The Paris Agreement encourages our sector to seize new opportunities. Clients also drive forward change through the investment choices they make. The SRI team of our asset management division in France has put in place a «2 degree» roadmap which is also a component of the investment policies of other teams.

► DIALOGUE AND ENGAGEMENT :

Dialogue and commitment are two important elements of our responsible investor policy, as a shareholder but also as a creditor so we can influence and encourage companies to incorporate sustainable development into their business model. As such, we have regular dialogue with the companies in our investment universe and vote at their General Meetings (or, for Private Equity clients, are members of their board of directors or supervisory board).

► INNOVATION THROUGH INVESTMENT :

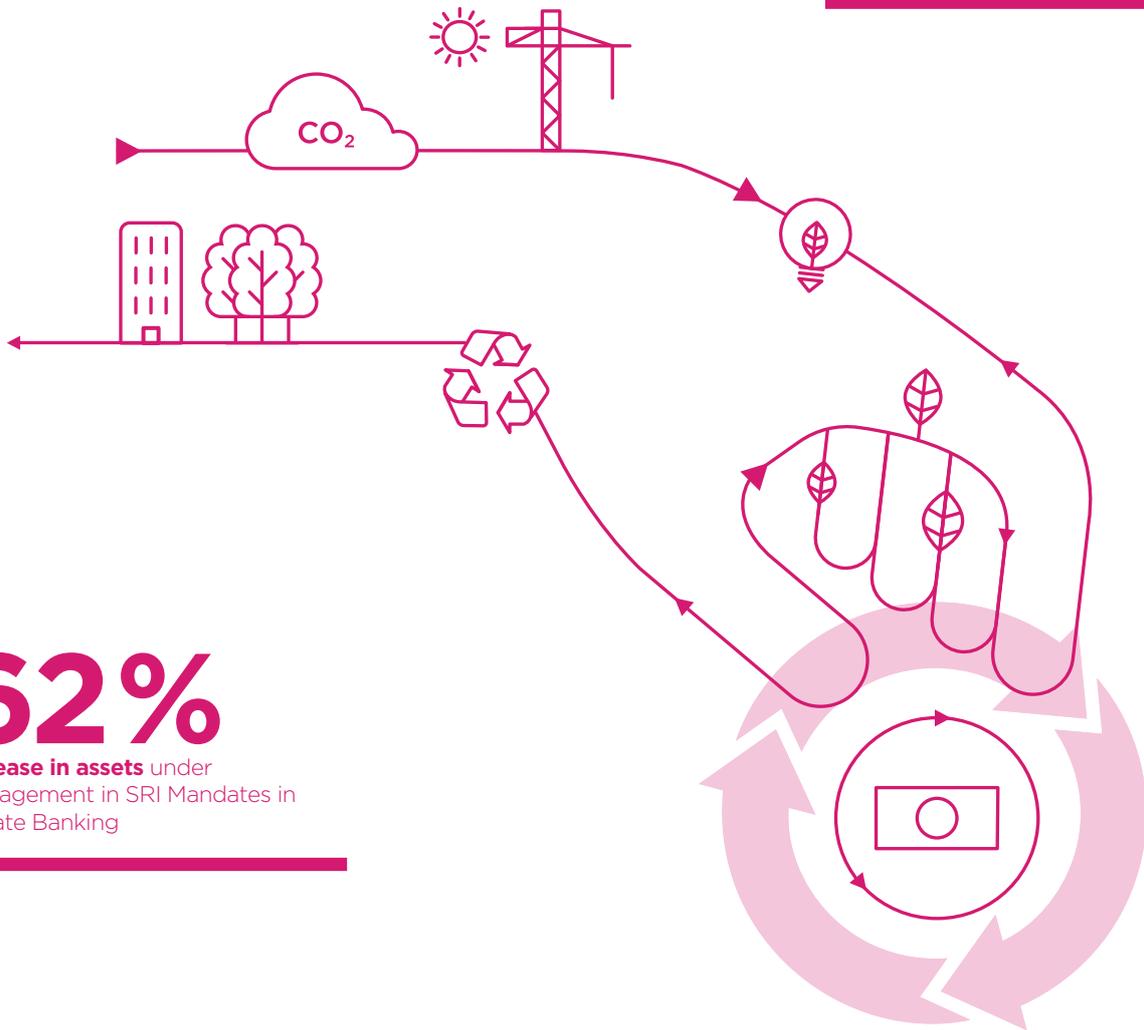
Incorporating ESG criteria, and themed-based and impact investing are a few examples of how the sustainable finance industry is growing. The approaches we take and strategies we adopt differ according to expertise and objectives. We firmly believe that innovative sustainable finance is a way forward which helps us meet the sustainability challenges and have an impact on the real economy.

22

billion CHF of total Group assets under management are covered by ESG integration or SRI strategies

95%

of Edmond de Rothschild Private Equity assets under management are covered by ESG integration



62%

increase in assets under management in SRI Mandates in Private Banking

96%

of Edmond de Rothschild Asset Management (France)'s open-end funds calculated the carbon footprint of their assets under management in 2019

OUR POSITIONING

Responsible investment (RI) is at the heart of the Edmond de Rothschild Group activities. Our teams' asset management, private equity and private banking expertise helps to drive change in this area and offers concrete solutions to the sustainability challenges the company faces.



See the "[Innovation in responsible investment](#)" appendix for more information about our management approach and processes.

OUR PRIORITIES

Formalise and implement our RI strategy

Increase and formalise our inclusion of climate risk

Expand the development of our range of RI products

Responsible investment (RI) overview for the Edmond de Rothschild Group G4-FS7 / G4-FS8 / G4-FS11

		2018	2019
Listed assets	Assets under management in SRI open-end funds (excluding mandate)	1,481	1,781
	Assets under management in the mandates and dedicated funds covered by an SRI strategy	2,254	1,900
	Percentage of SRI assets under management at Edmond de Rothschild Asset Management (France)	12%	13%
	Assets under management at Edmond de Rothschild Asset Management (France) covered by an ESG integration approach (including SRI)	14,252	14,870
	Percentage of assets under management at Edmond de Rothschild Asset Management (France) applying a methodology that incorporates ESG criteria	45%	51%
	Percentage of Edmond de Rothschild Asset Management (France)'s open-end covered by a carbon footprint	45%	96%
Infrastructure Debt	Assets under management managed by an SRI strategy	203	244
	Percentage of assets under management managed by an SRI strategy	11%	9%
	Assets under management integrating ESG criteria (including SRI)	1,820	2,581
	Percentage of the platform's assets under management incorporating ESG criteria (including SRI)	100%	100%
Real Estate	Assets under management invested directly in real estate integrating ESG criteria	1,526	2,265
	Percentage of the platform's assets under management integrating ESG criteria	14%	19%
Private Equity	Assets under management at Edmond de Rothschild Private Equity managed by an impact strategy	271	513
	Percentage of assets under management managed by an impact strategy	13%	20%
	Assets under management at Edmond de Rothschild Private Equity integrating ESG criteria (excluding impact strategies)	1,695	1,969
	Percentage of Edmond de Rothschild Private Equity assets under management integrating ESG criteria (including impact strategies)	93%	95%
GROUP	Group's assets under management integrating ESG criteria, including SRI and impact	19,563	22,198

Assets under management are in millions CHF

We have drawn a distinction between the funds and mandates covered by an ESG integration approach and those which also specifically apply an SRI or impact investment policy. Separating our investment strategies in this way gives a clearer view of our Responsible Investment actions.



CONTRIBUTING TO THE GLOBAL SUSTAINABLE DEVELOPMENT GOALS

Edmond de Rothschild group commits to meeting the key Sustainable Development Goals (SDGs). A number of the Group's investment strategies, expressing the convictions of our management teams, contribute directly to several of the 17 Sustainable Development Goals (SDGs) of the United Nations.

GRI 102-6 / 102-9

SRI positive selection and Euro credit strategies	3	5	8	9	11	12	13										
Infrastructure debt strategy	7	8	9	11	13	17											
Direct real estate investment	10	11	13														
Impact strategy for agroforestry – Private Equity	1	5	7	8	9	10	12	13	15	17							
Impact investing strategy for soil remediation – Private Equity	3	7	8	9	11	12	13	15									
Impact Investing Strategy for European Environmental Infrastructures – Private Equity	3	6	7	8	9	10	12	13	15								
Africa-themed strategy – Private Equity	1	5	8	12													
European real estate investment strategy – Private Equity	11	12	13														

SUSTAINABLE DEVELOPMENT CHALLENGES IN CONTEXT

The financial sector plays a vital role in directing public and private capital flows towards companies whose products and services provide solutions to sustainable development challenges such as climate change, deforestation, pollution, water scarcity, food security, poverty and healthcare. The United Nations' Sustainable Development Goals provide the universal framework to support these efforts.

Demand from institutional and private clients for responsible investment products is extremely varied and constantly growing. Alongside this, changes in international sustainable finance legislation help drive this growth. Our proactive investment vision helps us tackle head-on the societal changes we currently face. Responsible investment is a major business and societal challenge for all our teams. To address this challenge, we offer a range of innovative products and services which match our clients' concerns, convictions and interests. Our quest to lead the way and adopt a pragmatic approach has led to clear and simple initiatives in our asset management, private equity and private banking activities.

In addition, the online Responsible Investment training developed by our Group is now available to all employees via our in-house training platform and app. Employees can learn more about this topic, based on their needs and priorities.

2020 is the last year for us to meet our objectives listed below. The worldwide crisis caused by the Covid-19 pandemic we are experiencing at the time of publication of this report will have an impact on the sustainability challenges and the decisions we make about future objectives.

2020 OBJECTIVES

Progress follow-up

Adopt a Responsible Investment strategy (listed assets)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ 2017-2020 RI strategy defined; currently being implemented
- ✓ Top-down: rated A+ by the PRI of the RI Governance for the 4th consecutive year in 2019
- ✓ RI Steering Committee meeting chaired by the AM CEO
- ✓ Bottom-up: ESG integration project approach

Inclusion of climate risk (listed assets)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Definition of a climate strategy through a "2°C roadmap"
- ✓ Identification of around 180 emitters accounting for the vast majority of climate challenges worldwide
- ✓ 96% of open-end funds covered by a carbon footprint at end-2019
- ✓ Analysis of the 2 degrees roadmaps of our funds against the 2Dii PACTAi model

Extend The Scope Of ESG Analyses (listed assets)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Proprietary analysis methodology covering around 350 European companies
- ✓ 139 meetings with specialist sustainability companies in 2019
- ✓ an additional 10,000 companies analysed through Sustainalytics
- ✓ ESG analysis methodology for sovereign debt Europe
- ✓ Direct access to all ESG analyses through the Pickingbox tool Definition of an ESG integration strategy (all asset classes)
- ✓ ESG SWOT analysis for managers/analysts created in 2019

Develop the ESG integration process and the RI product offering (listed assets)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Creation of a range of "Best-In-Universe" SRI open-end funds and Responsible Investment themed funds
End-2019: 3 certified open-end funds (equities, credit, convertibles), 1 commitment-themed fund
- ✓ Launch of an SRI global convertibles fund in 2019
- ✓ Acceleration in the achievement of our ESG integration projects

RI training for the management teams (Group)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Our digital RI training program was rolled out Group-wide in cooperation with Swiss Sustainable Finance in 2019
- ✓ 100% of management teams took part in at least one of the ten ESG integration projects

ESG integration process - Infrastructure debt and direct real estate investment strategies (real assets)



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ **Infrastructure debt:** ESG policy implemented for the whole platform
- ✓ Publication of the first ESG and impact report for platform clients
- ✓ Climate risk incorporated into the ESG policy and investment principles
- ✓ **Swiss real estate:** implementation of an ESG policy



Our clients have always placed their trust in our banking know-how and expertise. Our aim is to manage their assets responsibly and in their best interests for many years to come. We firmly believe that the solutions to the sustainable development challenges provided by the private sector will drive economic growth and result in a positive return on investment for all stakeholders. As part of our listed asset and real asset strategies, responsible investment (RI) underlies our principles and actions on behalf of both our private and institutional clients. Capitalising on their sustainable finance expertise and principles, our teams develop strategies which meet our clients' needs and offer solutions to the sustainability challenges. As such, financial return is aligned with the sustainability principles of today's society.



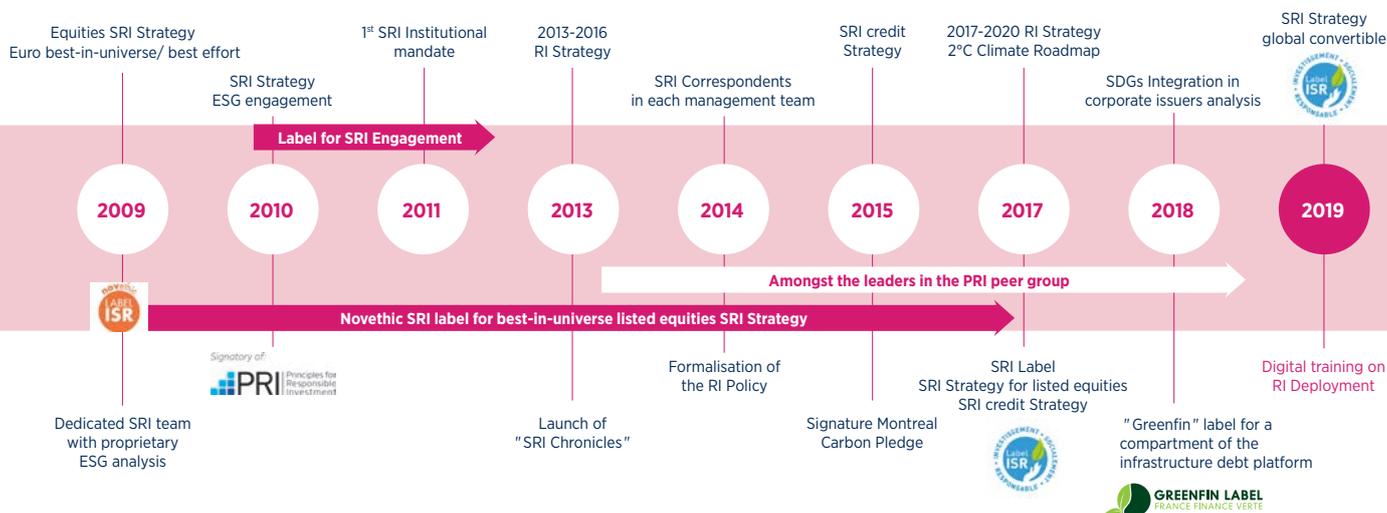
“ The Edmond de Rothschild Group supports the development and growth of sustainable finance. Our independent status gives us the freedom to reinvent ourselves. The decision-making channels are short, which gives us greater flexibility when putting in place innovative investment strategies that respond to current societal and environmental challenges. In 2019, we pursued and reinforced our commitment to develop investment products which balance performance with impact. Be it the energy and climate transition, supporting entrepreneurs or investment in infrastructures or real estate, we are guided by our strong convictions which enable us to tackle today's challenges head-on with a committed bankers approach. Our specialist teams aim to offer meaningful financial products which impact positively on the real economy.

Christophe Caspar ”

Member of the Edmond de Rothschild Group Executive Committee
CEO of Edmond de Rothschild Asset Management

INNOVATION FOR RESPONSIBLE INVESTMENT

The evolution of responsible investment at Edmond de Rothschild Asset Management since 2009



Financing of the Chair of Responsible Finance & Sustainable Investment at the Ecole Polytechnique in Paris and the Toulouse School of Economics. Involvement in the SRI work of the Association Française de la Gestion Financière (AFG), SIF and Eurosif.

TACKLING SUSTAINABLE DEVELOPMENT CHALLENGES AS PART OF OUR ASSET MANAGEMENT ACTIVITIES

“ 2019 saw progress on a large number of objectives of the 2017-2020 responsible investment strategy such as tightening up the ESG requirements and a rapid expansion of coverage of our ESG/climate reporting. There were many exchanges, projects and results achieved with the management, marketing, reporting, risks and sales teams. The year was also marked by multiple energy and environmental transition projects, the evaluation of intangible assets and an increasing number of regulatory challenges. At the end of 2019 we announced an ESG analysis partnership with a well-known investment company on the French market. This attests to our expertise and also vindicates the choice we made ten years ago to invest in proprietary research, which distinguishes us from the competition.



Jean-Philippe Desmartin ”
RI Director of Edmond de Rothschild
Asset Management (France)

Progress in our ESG integration projects

Our responsible investment strategy has an important “bottom-up” facet that, in practical terms, involves the management of 10 projects, covering all areas of expertise, that have been put together with our management teams. Some of these projects may last for several years or are fundamental to the process, such as identifying investment ideas on the basis of dialogue and commitment or the sustainability challenges we face. The Reporting and Climate transition/2°C roadmap initiatives were particularly active in 2019. The international assets management team helped to identify key performance indicators (KPI) for our intangible assets (human capital, organisational capital, relational capital) in the agrofood and drinks sector as part of an international initiative (WICI network). As for many European players, our initial ESG integration actions were Europe-based. The 10 projects on the ground allowed coverage of all the other areas of expertise (corporate and sovereign debt, allocation, etc.) and geographical areas (emerging markets, US, etc.).

ESG integration tools and SRI range

The different management teams are closely involved in our progress strategy. A summary ESG SWOT analysis framework was created for managers/analysts in 2019. The tool was used initially in the equities team and we intend to roll it out to all management teams to drive forward an increasingly far reaching ESG integration policy. As a support tool, our Picking Box portal has proven to be an excellent way to promote and share the ESG information that comes from the RI team as well as analysts and managers. Thanks to an ESG dashboard that can be accessed directly in “Dimension”, our shared management tool, the latter now have a clear idea of the ESG characteristics and carbon footprint of their portfolios. In terms of our range of SRI funds, we have completely transformed a strategy to invest in a global convertibles SRI fund. In November 2019, it was the first fund in this category to receive the French public SRI label, a testament to our innovation capacity.

Application of the Edmond de Rothschild Asset Management (France) proprietary SRI analysis process to a universe of listed European companies - G4-FS11

	2017	2018	2019
Universe of companies analysed	309	350	350
Number of meetings with companies dedicated to sustainability	144	193	139



The climate roadmap and carbon measurement of our portfolios

In 2019 we successfully extended the carbon measurement to virtually all of our open-end funds for which the monthly reporting now includes a carbon footprint based on the CDP (Carbon Disclosure Project) data. This coverage not only means that we have achieved an objective but is also a vital step towards us better tracking the carbon footprint of our portfolios.

With this in mind, in 2019 the RI team also started to analyse the climate trajectory of some portfolios using 2Dii Pacta, an open-access screening tool. This screening showed us, for example, that our positive selection/sustainable growth SRI strategy can already be considered to be in line with our climate roadmap and compatible with a climate trajectory that aligns with the Paris Agreement.

Furthermore, our climate roadmap will be updated in 2020 to take account of the climate emergency and the responses of the various economic players and regulators, including the EU's green taxonomy. In this context, Edmond de Rothschild Asset Management (France) is involved in several initiatives and committees that cover all climate matters at local (FIR), European (EFFAS) and global (ICGN, PRI) level.

Dialogue and engagement

At all stages of its voting policy, Edmond de Rothschild Asset Management considered engagement as a cornerstone of its move to incorporate environmental, social and governance criteria into its management process. As an independent, conviction-based investment house with a long-term investment vision, the voting and commitment policy we put in place covers systematic voting at meetings, dialogue, in-depth discussion and collective commitment. Our broad approach also extends to asset, equity and credit classes.

Indeed, our aim is to initiate and sustain ongoing constructive dialogue with the companies in which we are invested so we can genuinely drive change by creating the best ESG practices.

Our main commitment in 2019 related to the action we took with respect to Essilor Luxottica stock, in which we were involved in the resolution Phitrust lodged with the company. In March 2019, with its management in deadlock to the extent it could have prevented operation of the board of directors, Edmond de Rothschild AM joined forces once again with Phitrust and a coalition of investors who put to the meeting a proposal to hire two independent directors who could help find a constructive solution to the crisis. The resolutions were not approved but were strongly supported by the minority shareholders. The work surrounding these resolutions brought about the start of a tangible improvement in the Essilor Luxottica Group's governance. This action was recognised at the Paris Europlace International Financial Forum (IFF) where we were awarded the special "Grand Prix de l'AG 2019" for the originality of this joint campaign.

Engagement actions of Edmond de Rothschild Asset Management (France) - GRI 102-21 / G4-FS10

	2017	2018	2019
Simplified individual dialogue-engagement actions	115	175	139

Voting statistics, Edmond de Rothschild Asset Management (France) - GRI 102-21 / G4-FS10

	2017	2018	2019
Number of AGMs in which Edmond de Rothschild Asset Management (France) voted	494	403	392
Proportion of votes (Europe)	88%	94%	91%
Proportion of votes (total equities perimeter)	91%	95%	88%
Number of resolutions voted	6,227	5,337	5,284
Proportion of votes "against" a resolution (including abstentions)	24%	24%	23%

DIRECT REAL ESTATE INVESTMENT: LONG-TERM COMMITMENT AND ESG INTEGRATION

“Edmond de Rothschild Real Estate Investment Management (REIM) commits to obtaining results that are sustainable in the long term, with a focus on regional planning, the development of new sustainable buildings, renovation and the energy optimisation of obsolete buildings. In terms of the environment, we believe it is our duty to minimise the impact of the new assets and over time reduce the impact of existing assets.

Our ESG policy covers environmental, social and governance matters in order to:

- Strengthen and grow value and lower risks for our investors
- Provide our end users with attractive and efficient building spaces
- Recognise the social impact and take account of the local communities in which our assets are located
- Achieve performance levels in line with best global practices
- Increase our employees' and partners' knowledge of sustainability so they can become supporters of the cause.



Pierre Jacquot ”
CEO Edmond de Rothschild
Real Estate Investment Management

We stepped up our environmental and societal commitments in 2019

The ESG policy we introduced in Switzerland in 2018 continued to be rolled out in 2019. For our direct investment in real estate strategy the Sustainable Development Observatory's quantitative criteria are now covered by an assessment with certification process in line with the Swiss Sustainable Building Standard (SNBS). Emissions of CO₂ per m² fell by 9.5% and energy consumption per m² by 8.3%, exceeding targets. These figures are testimony to the initiatives introduced to meet the Confederation's 2030 and 2050 objectives.

From a social perspective, we firmly believe there is a need to continue to offer buildings that are accessible to as many people as possible. Thus, at the end of 2019, the buildings under our management included:

- **364 housing units under construction** and under the control of the Canton of Geneva in several of its districts
- **134 apartments with affordable rents** already in our portfolios
- **870 apartments with affordable rents in the UK** through Funding Affordable Homes, an association that aims to have a social and financial impact on local communities.

In France, at the end of 2019 we were proud to hold seven office buildings with energy certification (BREEAM or HQE) the total value of which exceeded €330 million. We continue to work towards improving the quality of our buildings, introducing WiredScore certification which attests the quality of a building's digital connectivity, and the Osmoz label which certifies the quality of the working environment for its users.

59
certified
buildings



1,257
apartments with
affordable rent
in our
portfolios



In the Benelux countries we conducted a GRESB assessment on a 17 building/€390 million portfolio to obtain baseline data, draw up an improvement plan and offer our investors more comprehensive reports.

Finally, a special ESG committee was put in place at Edmond de Rothschild Real Estate Investment Management (REIM) to create a common strategy and global policy for the European platform.



INTEGRATION OF ESG CRITERIA INTO INFRASTRUCTURE DEBT STRATEGIES



Investment in infrastructure as an asset category tends, by its very nature, to promote and seek positive economic and social results. Our infrastructure debt platform goes even further by incorporating environmental, social and governance (ESG) aspects in all our selection, structuring and portfolio management processes. All our assets under management – €2.5 billion at 31 December 2019 – are invested responsibly in line with the ESG policy and procedures we agreed with our investors.



Jean-Francis Dusch

CEO Edmond de Rothschild Asset Management (UK)
CIO BRIDGE¹



Developing first class expertise in infrastructure financing

ESG criteria and the principles of responsible investment have always been core to the Edmond de Rothschild Group's investment philosophy. Over the last few years we have been working to formalise these long-standing practices. In 2018 we completed a formal ESG integration process whereby each portfolio asset was assessed using our proprietary ESG evaluation tool to guarantee it met our ESG investment criteria. We also launched our energy transition compartment which received the French government's "Greenfin" label. This was a major step which required a formal evaluation of our ESG policy and procedures by external auditors. Our 2019 objectives were to keep up this momentum: further integrate the ESG policy and procedures of our infrastructure debt platform, maximise the roll-out of the "Greenfin" compartment and monitor and manage existing investments on an ongoing basis. We made good progress on all these fronts.

Our ESG policy and procedures are now a core component of our investment evaluation, selection and tracking process. At each stage of the process, from initial selection, to structuring, tracking and submission to the investment committee, the investment team used our proprietary ESG methodology.

Our main achievements in 2019:

- **11 new investments** in the infrastructure debt portfolio (41 in total)
- **2 stakes in existing assets increased.** These assets met all the ESG investment criteria agreed with our investors
- **1 first transaction in the area of electric vehicle charging stations,** an example of our ongoing commitment to the energy and environmental transition
- **1 first investment in a data centre,** a vital component of our digital infrastructure strategy
- **19% of existing investments** are dedicated to new constructions, creating jobs in both the construction and operational phases

The investment team continues to engage actively with the market on ESG matters, primarily with sponsors (the owners of our borrowers), advisors, rating agencies and other lenders. This involves bilateral discussions, panel discussions, talks and publishing the thoughts of our own Group specialists. We also continue to invest in our staff with training for the investment team delivered by in-house experts. Looking to the future, we will monitor changes in the markets and regulations (specifically the much talked-about climate change and European taxonomy assessment and disclosure requirements) to ensure that we are applying the high performance and reporting standards our investors expect.

The "Greenfin" Label (Energy Transition), awarded in 2018 for the "Energy Transition" compartment has been maintained in 2019.

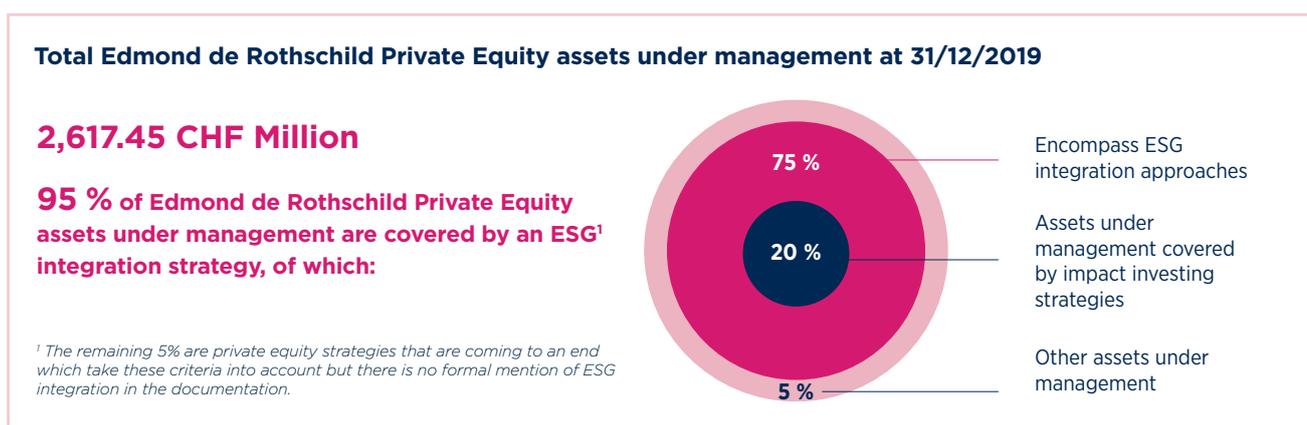
¹ BRIDGE is the name of the Edmond de Rothschild Group's infrastructure debt platform Benjamin de Rothschild Infrastructure Debt Generation.

All Edmond de Rothschild Private Equity investment strategies share a common goal: to respond to the challenges of today and anticipate those of tomorrow by means of resilient, replicable strategies that have a positive impact. Our experienced teams seek to identify innovative, visionary investment projects with potential to deliver returns on investment commensurate with the risk and at the same time generate positive and environmental impacts for the whole community. For many years we have been building partnerships to protect biodiversity, contribute to eco-friendly urban development, recognise the value of human capital and foster sustainable growth in the emerging markets.

“ Thanks to our vision, the expertise of our teams and partners and the support of our investors, we at Edmond de Rothschild Private Equity can anticipate the major global trends and issues of tomorrow and try to find concrete solutions. For us, responsible investment is a matter of conviction, an approach that is vital to the development of a more resilient economy. Thanks to a forward-looking strategy with the systematic inclusion of No-financial criteria we have built a sustainable economic model that can better withstand shocks.



Johnny El Hachem ”
 CEO, Edmond de Rothschild Private Equity
 Member of the Edmond de Rothschild Asset Management Executive Committee



2019 was an important year for Edmond de Rothschild Private Equity in terms of new launches and funds raised. Our ability to offer our clients a diverse range of responsible investment products that respond to issues such as the energy and environmental transition, sustainable buildings, digital innovation and the recognition of human capital has enabled us to meet our fundraising objectives.

All the funds raised will finance our responsible investment strategies, with almost half going to our impact investment strategy for European environmental infrastructures. This success, and the interest seen from our private and institutional clients, validate Edmond de Rothschild Private Equity’s responsible investment vision and convictions.

The evolution of our Private Equity activities in the domain of responsible investment





PROMOTING INNOVATION TO SUPPORT CHANGE

Seeking a positive impact seems to be more than ever the only way forward if we are to help build a more fair and resilient society. Since it was created, Edmond de Rothschild Private Equity has demonstrated its investment convictions by producing a stand-out offering that combines financial performance with social utility and environmental responsibility.

Although financial performance is still vitally important, to be sustainable it must be combined with ESG considerations in investment decisions. In doing so, consideration for these criteria becomes a bona fide resilience and risk management instrument and no longer a compliance and marketing tool. Our vision is the same for our shareholder activism. Our teams combine industry know-how with financial and on-the-ground expertise to help companies move towards more virtuous business models and sustainable growth.

2020 OBJECTIVES

Progress follow-up

100% of strategies covered by best ESG practices in 2020



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ 100% of the investment strategies launched since our adhesion to the UN PRIs formally integrate the ESG factors in their investment processes
- ✓ 95% of our strategies are covered by an ESG or impact integration process as at 31/12/2019
- ✓ Systematic integration of ESG considerations for each new investment strategy and at the level of the asset management company's risk management policy

Measure impact across all impact and ESG investment funds



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Use of the United Nations Sustainable Development Goals as a reference framework for measuring and reporting the impacts of our investment strategies
- ✓ Definition of the most appropriate ESG monitoring indicators to measure the impact generated
- ✓ Inclusion of specific ESG results and considerations in periodic reports

Increase the assets under management in our impact funds by 20% a year until 2020



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Fundraising by our impact investment strategy for European environmental infrastructures was successfully continued in 2019, reaching €242 million at 31/12. This fundraising will continue throughout 2020 targeting a hard cap of €280 million
- ✓ We are keeping an eye on innovations and opportunities to develop our offering of impact investment products to enable us to meet the major challenges of tomorrow

Launch of our investment strategy focusing on Africa



Launch of our agroforestry impact investing strategy



Launch of our Small & Mid Caps mezzanine debt strategy

Signature of the PRI for the entire platform
First carbon footprint



Launch of a new impact strategy focusing on water, waste, energy

Launch of our European real estate ESG integration strategy

Integration of climate risk in risk analysis process

Definition of indicators to measure the ESG performance of impact investing / ESG integration strategies

Integration of ESG best practice for all our Private Equity strategies

2012

2016

2017

2018

2020

IMPACT STRATEGY IN AGROFORESTRY



Faced with the challenges of deforestation and soil deterioration, often caused by agricultural practices based on intensive farming models, it appears to be more vital than ever that we preserve our ecosystems and biodiversity by developing more resilient agricultural alternatives which guarantee producers sustainable revenue. Set up in 2012 by Edmond de Rothschild Private Equity and its partner ONFI¹, our agroforestry impact investment strategy helps small producers in Sub-Saharan Africa and Latin America implement sustainable agriculture models. Agroforestry capitalises on the biological synergies between trees and crops or cattle to improve land management and preserve the ecosystems, increase productivity and thereby generate better income for the local producers and populations. Our vision is to offer our investors and local communities financial returns and at the same time help to reinforce environmental and social resilience in land use and the fight against climate change.

10 investments of this strategy have allowed:



Bolstering the cashew nut sector in Benin

In 2017 our agroforestry impact strategy invested in Tolaro Global, one of the main cashew nut processing plants in Benin, accounting for 80% of national exports by sourcing supplies directly from local producers. Our investment financed the shift to large scale processing of nuts by creating a subcontracting program and building a roasting, seasoning and packaging plant. In a context where the lack of local processing plants leads to the export of 90% of the nuts produced locally, our investment addressed the financial loss for Benin by relocating the value chain to the country and at the same time helping to reduce the sector's high environmental footprint. This enables Tolaro Global to contribute to local development by offering job opportunities, especially to women, and creating added value in the country itself.

Tolaro obtained BRC certification with an A+ rating in May 2019, making it one of the first cashew nut companies in West Africa, and the first in Benin, to meet this stringent standard.

Our impact strategy in agroforestry is also:

- 22%** of employees of investee companies are women and **12%** have managerial positions
- 18%** of the farmers are women
- 10 companies** provide decent working conditions by following good hygiene, safety and salary practices
- 6** local processing plants built
- 2** additional processing plants to support exploitation
- 3 projects** for the production of clean energy from agricultural waste

¹The international branch of the Office National des Forêts Français.



SOIL REMEDIATION IMPACT STRATEGY



The European Environment Agency estimates that Europe has over 2.5 million polluted sites. Left abandoned, these sites could pose serious risks to health and the environment. At a time when combating urban sprawl has become one of society's major challenges, our soil remediation and rehabilitation impact investment strategy has found a way of turning this statistic into an opportunity. Launched in 2009, it offers an alternative to urban expansion by restoring the social utility of polluted and abandoned former industrial sites. Once remediation work has been carried out we develop new efficient mixed purpose real estate that meets the highest standards and has sustainability certification, creating offices, shops, residential buildings and green spaces. Our strategy also favours the circular economy as we seek to recycle and re-use existing materials where possible and develop projects such as urban farms. Backed by this success, our impact investment strategy will enter its third year in 2020.

Support from the Caisse des Dépôts et Consignations (CDC) through its green bond issue:

Thanks to its investment proposition that offers concrete solutions to the energy and environmental transition, our impact investment strategy has received financial support from the Caisse des Dépôts et Consignations through its green bond issue since 2017.



- 7,15 hectares** of agricultural land preserved
- 36,380 m²** of land remediated²
- 53,143 tons of CO₂** emitted during the lifecycle of the project³
- 16,500 tons** of waste avoided
- 69% of waste recycled** during the lifecycle of the project

Example investments: Choisy-Le-Roi, France

Rehabilitation of a former glass works and scrap yard with significant contamination of the soil and groundwater.

16 investments of this strategy have allowed:

671 354 m²
remediated land

278 323 m²
earmarked for residential use

37 114 m²
earmarked for social housing⁵

133 714 m²
earmarked for office space

Through direct investments or urban planning taxes collected in the course of its investments, our impact strategy already contributed to finance **€ 85 m.** in public infrastructure.

² We generally talk about volume, and not surface area, of soil remediated.

³ The lifecycle of the project has been taken into account in the calculations, including the demolition and sanitation phases and the construction and operation of the buildings over 40 years. Thus the total lifecycle has been estimated to be around 50 years. The carbon emissions have been calculated using the Bilan Carbon[®] method (ABC, v6.1).

⁴ Surface area of social housing is also included in surface area earmarked for residential use. The above surface area is the declared portion of the polluted land.

GROWTH IN AFRICA INVESTMENT STRATEGY



Investing in Africa means first and foremost supporting the local economy by making goods and services that comply with environmental and societal standards available to the populations and taking action to improve the working conditions in economies that remain too informal. Because development issues are closely linked to the social and environmental context, managing ESG risks and monitoring and measuring the resulting impacts are integral components of our growth in Africa investment strategy. This responsible investment approach is applied during the entire lifespan of our investments, from initial project assessment to final disposal.

Since its launch our investment strategy has enabled the employment of, or kept in employment, almost 18,000 people in Africa, of which almost 35% were women in a continent where women still find it difficult to access jobs in the real economy. Our investments also support financial inclusion in Africa, giving 165,000 disadvantaged clients access to the microcredit solutions on offer from our banks. And through the tax revenue paid to the African governments, our investments contribute to the development of public infrastructure.

4
investment
vehicles

+ 324
Million €
invested to date
to finance growth
in Africa

25
investments
in 9 countries



The governance issue in African SMEs

Sooner or later all family companies in all parts of the world face the transition to a more institutionalised structure and less dependence on the founders. These challenges are often magnified in Africa because of cultural resistance, for example great respect for the "elders" who sometimes make the transition more difficult. As a result, many companies in Africa still fall behind when it comes to governance.

We have invested in a large number of family companies undergoing a change of management or ownership. Aware that a more formal governance structure is vital to drive value creation and gain the trust of investors, our role is to persuade our partners that transparency and shared decision-making add value and ensure the continuity of their companies. As part of our investment strategy, we ensure robust governance through the introduction or revision of decision making processes and draw up anti-money laundering and corruption policies. In addition to the board of directors, we set up, where we deem it useful and necessary, committees to ensure the objectivity of the decision-making process (e.g. strategic committee, appointments and remuneration committee, audit committee, etc.). Including independent directors on the board of directors also provides an opportunity for further exchange and development.

Based on its experience on the field, our strategy contributed in 2019 to the Private Equity in Africa White Paper's drafting and published by France Invest



BUSINESS TRANSFER INVESTMENT STRATEGY

Human capital at the heart of the strategy

The new investment strategy we introduced in 2019 focuses on the transfer of family SMEs, the success of which is crucial for the financial structure and continued operation of the company. In line with the values promoted by Edmond de Rothschild Private Equity, our strategy for responsible investing puts human capital first.

Fully aware that the success of a takeover is primarily dependent on the quality of the entrepreneur, we have turned the traditional format of identifying targets on its head and focus initially on the buyer. First we select a pool of talented entrepreneurs whom we then help to identify attractive SMEs that are facing the dilemma of their executive's retirement. The strength of our strategy lies in forging a special link between the buyer and the founding executive and maintaining the company's independence, culture and values.

We take ESG considerations into account throughout the investment process and in the support we offer the companies acquired. For each company, the Edmond de Rothschild Private Equity ESG team helps identify areas for improvement and draws up an action plan. This action plan is carried forward by the entrepreneur taking over the company who tracks the key performance indicators to monitor its success. Our aim is to turn these companies around and get them back on track for better financial and No-financial results.

EUROPEAN REAL ESTATE INVESTMENT STRATEGY



Connected building of 3,283 m² under construction in Montreuil (France) intended for office use. Labeling objective "excellent" according to BREEAM certification. Optimized energy performance thanks to the 'biophile' design of the building and the creation of green spaces.

16 508 m² of rental area renovated or rebuilt
55 Million € renovation budget (44% of the asset purchase price)

With ways of life changing and the threat posed by climate change, the building sector has a crucial role in finding solutions to new societal and environmental challenges. Our real estate investment strategy anticipates and takes account of these megatrends to respond to sustainability issues while protecting the capital invested.

We target dynamic European cities, renovating existing stock and constructing new buildings with a focus on energy efficiency, lifecycle analysis of the materials and the well-being of the occupants. As value creation is dependent on the appeal of the spaces created and renovated, we place users first and incorporate technological innovation into our buildings for added comfort and well-being coupled with better energy management.

We use our in-depth understanding of buildings, how they can be improved and the opportunities they present to design buildings that stand the test of time and offer an enhanced occupier experience. To be able to offer our investor clients the best possible product and play our part in building the city of tomorrow, we have identified seven sustainability targets which translate into 23 positive impacts on a more scalable, resilient and innovative building.

ACCELERATION IN OUR PRIVATE BANKING BUSINESS

2020 OBJECTIVES

Progress follow-up

Creating a Responsible Investment Mandate for private clients



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ RI Mandate (collaboration between Asset Management and Private Banking) circulated and communicated to all management.
- ✓ Partnership with a specialist for the dedicated reporting of portfolios managed under the RI mandate

Establish an ESG integration processes for the selection of external funds and direct line investments



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Strengthening of the process used to select external funds, with full ESG integration by means of dialogue and a questionnaire
- ✓ Partnership with an ESG analysis and ratings supplier

Roll out the Responsible Investment Mandate in the main Group entities



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Launch of Responsible Investment digital training to help the front office talk to clients
- ✓ Roll-out of the Mandate and active communication within entities in France, Switzerland and Belgium
- ✓ Increase in demand and RI Mandates signed



“ What was achieved in 2019 is a testimony to our specialists’ expertise and their commitment to further developing our Responsible Investment offering. The increase in active Responsible Investment Mandates among our clientele reflects not only a growing demand from our clients for their investment portfolios to reflect their personal convictions. Since October 2019 our teams have also had access to our digital training on responsible investment which has enabled them to develop their knowledge of the subject and will allow them to offer investments that will contribute to the economy’s sustainable transformation.

At the time of publication of this report this transformation is gaining speed because the global Covid-19 crisis has destabilized financial markets and led to associated human challenges. In this truly unprecedented period, we are staying in close contact with our clients and are more than ever looking at themes which could be a source of innovation and have a positive impact.

Michel Longhini ”

CEO Private Banking of the Edmond de Rothschild Group
Member of the Edmond de Rothschild Group Executive Committee

78%
increase
in the number of
RI mandates

62%
increase
in aum covered
by the mandate

Responsible Investment Mandate: increased momentum in 2019

In 2019 the excellent progress of the RI Mandate, not to mention the increase in assets under management, is due largely to the increase in spontaneous client demand. While RI has been sometimes dominated by a certain investor category (millennials, women, etc.), it has gradually extended its reach to all clients who share a desire and responsibility to contribute to a positive sustainable societal change. A fundamental trend has taken hold and it is no longer simply a matter of treating all (ESG) topics separately but of combining all the considerations and stakeholders into meaningful investments.



Clients generally have a very holistic approach to the three pillars (E, S and G) but increasingly want to have a social and environmental impact. They want us to manage their portfolios with consideration for causes of personal affinity (education, integration, distribution of wealth, gender equality).

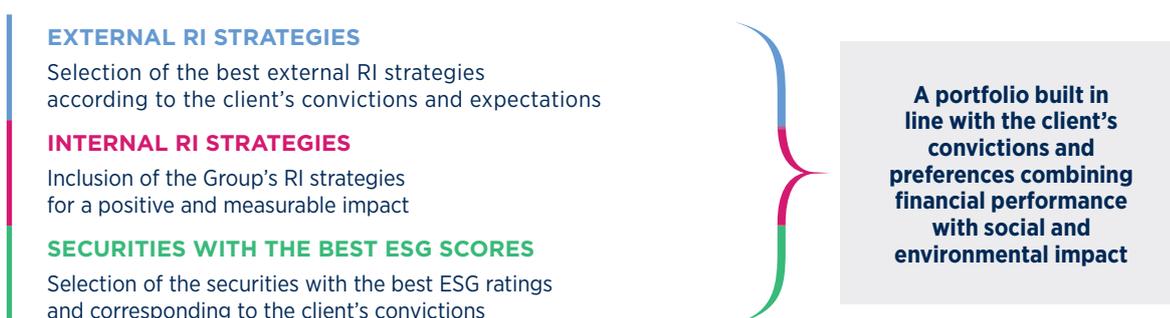
It is a challenge for listed investments but we have increasing amounts of material and data about this approach to enable us to measure our impacts. In Switzerland, for example, at the end of 2019 we brought out the Marketing leaflet – the Responsible Investment Mandate. We cannot look back on 2019 without highlighting the “green” result in the European elections, political decisions in favour of responsible actions and the innumerable climate demonstrations. Like us, a large number of our clients firmly believe that humanity has no future without shared responsibility and that the notions of Investment and SRI Investment will probably very soon be one and the same.

Our private clients look to our Group as an important partner to help them build their plans for the future so, with this in mind, our investment convictions and RI Mandate are a flagship offering. For this reason, to meet the increasing enthusiasm for this type of investment we are sharpening our offering on a daily basis.

For example, our (“House View”) investment strategy can now be applied to a multi-asset 100% SRI portfolio.

Our approach to these topics is a natural progression of our Group’s guiding principles. The strong growth of sustainable finance has encouraged clients to discuss matters with us in greater depth, in particular our approach to sustainability in our own in-house ecosystem. Now we not only assist our clients in their philanthropic endeavours but also help them manage their personal wealth or their Foundations.

The three Components of the Edmond de Rothschild Group’s Responsible Investment Mandate



Selecting external funds: a process that produces results

The Edmond de Rothschild Group engages with external asset managers to help better integrate ESG criteria or manage our portfolios more sustainably and this approach is bearing fruit. The asset management industry appears to be taking steps to improve their processes on an ongoing basis but, more importantly, is exhibiting greater coherence.

Both traditional and alternative managers must complete specific ESG/SRI or AIMA questionnaires if they wish to be listed with the Group. The information gathered is used to identify and tackle the main points we need to discuss with the fund managers:

- **for the listing of all external funds:** this information will not be discriminatory in the selection process but will determine the funds for which an ESG discussion will be a priority. Edmond de Rothschild’s strategy is to influence and encourage the managers to incorporate best responsible investment practices, primarily by signing the PRI and including ESG factors in their risk management;
- **when selecting sustainable funds for sustainable mandates:** the questionnaire responses and all available information will be used to conduct a more granular qualitative analysis, including an ESG interview based on more detailed and personalised questions with a view to appointing/listing the funds.

The Group also continues to upgrade its IT tools to offer easier access to information and better informed investments.

ENVIRONMENTAL IMPACT MANAGEMENT

IMPORTANT ISSUES

- ▶ **CO₂ EMISSIONS FROM ENERGY CONSUMPTION**
- ▶ **CO₂ EMISSIONS FROM PROFESSIONAL TRAVEL**
- ▶ **PAPER CONSUMPTION**
- ▶ **WASTE MANAGEMENT**

The financial sector has a direct impact on the companies in which it invests. We incorporate climate risk management in our quest for ongoing improvement in line with the Group's Responsible Investment Policy and Environmental Policy. Our commitment is clear: to direct our investments towards supporting a sustainable economy that will combine financial performance with social and environmental equilibrium. See the chapter "Innovation for Responsible Investment" on page 30.

As a responsible company it is also our responsibility to combat climate change by controlling our carbon footprint, offsetting our CO₂ emissions, buying recycled paper, controlling our own energy consumption and recycling our waste responsibly.

Successfully managing our environmental impact means paying particular attention to set pragmatic objectives and countermeasures. Creating the right conditions for change is vital to building a sustainable future.



13,535

trees planted as part of our Insetting program in 2019

3,384

tons of carbon sequestered in 2019



49%

reduction in paper consumption per employee since 2014

25%

reduction in carbon footprint per employee since 2014

53%

reduction in the Group's paper consumption since 2014

2020 OBJECTIVES

Progress follow-up

Reduce the carbon footprint per employee by 15%

(reference year 2014: 2.9 tons of carbon equivalent/employee) **GRI 305-4**



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Introduction of a Group Bilan Carbone (carbon report) following Edmond de Rothschild (France) good practices
- ✓ Close monitoring of efforts to reduce business travel
- ✓ Installation of video-conference equipment in all our entities

Reduce the energy consumption per employee by 10%

(reference year 2014: 6.4 MWh/employee) **GRI 302-4**



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Progressive renovation and equipment of Group-owned buildings
- ✓ Encourage the use of renewable energy sources
- ✓ Installation of automated equipment

Compensate our GHG Protocol scope 1 and 2 CO₂ emissions using Insetting programs **GRI 305-1 / 305-2**



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Insetting program signed in the value chain of our agroforestry impact investing strategy to offset 2,700 tons of CO₂ annually over a four-year period

Reduce paper consumption per employee by 25%

(reference year 2014: 85 kg/employee) **GRI 301-1**



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Installation of multifunction machines
- ✓ Promote use of documents in digital format for meetings

Use 100% recycled or FSC/PEFC certified paper

(reference year 2014: 85%) **GRI 301-2**



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Consolidate paper purchases in all entities

OUR COMMITMENT TO THE BIODIVERSITY'S PROTECTION



The Edmond de Rothschild Group's Facilities Management teams have been working with Ekodev, a consultancy and services agency supporting companies on their sustainable development policy since 2012. One outcome of this collaboration has been the installation of beehives on the roof of the Paris bank.

In 2019, biodiversity workshops were organised for Group employees. As part of the educational "Open lunches" around 30 employees learnt about preserving biodiversity and, more specifically, the vital role of bees in our planet's ecosystem. Following on from the success of these events, others will follow in 2020.

In 2019, Edmond de Rothschild (France) also took part in the Meilleur Miel Urbain [Best Urban Honey] competition which Ekodev organised for all its clients with urban hives, creating the opportunity to share best practices. Around 80 honeys fabricants are entered into the competition each year. The Paris bank's honey came third, chosen by a Michelin-starred patisserie chef and the chef of the restaurant at the Saint-James hotel.



INSETTING PROGRAM GRI 305-5

Since 2017 our Group has been offsetting the scope 1 and 2 CO₂ emissions of its carbon footprint. Making a concerted effort not to limit ourselves to classic offsetting whereby emissions are offset via players and techniques which have no connection to the company's business, insetting places the socio-environmental commitments at the heart of the business.

Put in place as part of the Nicaragua reforestation programs funded by the Edmond de Rothschild Private Equity agroforestry impact investment strategy, the insetting program actively supports the coffee producers of 17 farms in Nicaragua. They receive on-the-ground training on how to apply best practices in agroforestry. Trees are planted at the farms and produce fruit and precious wood. The region's biodiversity is thereby preserved, as is the food safety of local families.

In 2019, the reforestation project benefited 31 new producers, 23 of which were new including eight run by women. Insetting program technicians help the producers to establish and lay out their plot, maintain it and control diseases and pests. The program also plants trees in school yards in the region to teach the children about climate change and the risks of deforestation.

GRI 303-2 / 308-2

Results of the Edmond de Rothschild Group's insetting program from 2017 to 2019



By introducing impact reduction and offsetting mechanisms as core concepts, our Group is making an active contribution that is in line with its activities, working with key players in the region to have a greater impact and create more value. Commitments to biodiversity and the climate are long-term and fundamental challenges and acting in partnership with other players has a greater positive impact and added-value. Aligned to our vision and convictions, this insetting project enables us to take action through concrete projects that will bring social and environmental improvement. Contributing to the economic and social development of small local producers and their community, we take action that is in line with our business and our specific activities to create sustainable value.



Sabine Rabald

Member of the Executive Committee
COO of the Edmond de Rothschild Group



See the "[Management of our environmental impact](#)" appendix for more information about our processes.

The Edmond de Rothschild Group is committed to taking action to control and reduce its environmental impact. The Group's Environmental Policy supports this commitment. [GRI 102-15](#)

Efforts at our main entities in France, Luxembourg and Switzerland continued this year. The Facilities Management teams ran projects to improve our impact on an ongoing basis. Employees are increasingly asked to do their part and are willing to help find innovative ways to reduce our impact. [GRI 102-49](#)

Carbon Footprint Of The Edmond De Rothschild Group

(in tons CO₂ equivalent)

The Group's 2019 carbon footprint decreased by 1% compared to 2018 and 30% compared to 2014. The footprint per employee has slightly increased at 2.22 tons equivalent CO₂ (2.14 in 2018). It has decreased by 27% since 2014. The scope 3 items (business travel by air and company car, waste) account for 74% of our emissions (75% In 2018). Edmond de Rothschild (France), which obligated to conduct an annual Bilan Carbone® assessment, continues to make an ongoing effort to limit its impact due to CO₂ emissions. The entity's carbon footprint in 2019 was a massive 24% lower than in 2018.

[GRI 305-5 / 102-48 / 102-49](#)



	2014	2018	2019
Carbon footprint per employee (t.eq.CO ₂) GRI 305-4 / 305-5	2.94	2.14	2.22

* The results of the 2018 carbon balance of the group and per employee have been recalculated subsequent to a calculation error in emissions from business travel.

Energy Consumption

The Group's energy consumption remained unchanged in 2019 compared to 2018. Electricity consumption accounted for 65% of our energy consumption, compared with 63% in 2018. The portion of the Group's total electricity which came from renewable sources was also stable: 85% compared to 84% in 2018. Since 2014, the Group's total energy consumption has fallen by 6%. [GRI 302-1 / 302-4](#)

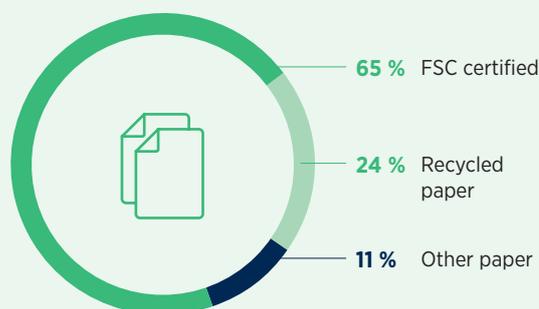


	2014	2017	2018	2019
Energy consumption per employee (MWh)	6.4	6.5	6.2	6.5



Paper Consumption

The Group's total paper consumption continues to fall thanks to access-controlled multi-function printers (MFPs). The digitisation of working documents and centralisation of the printing of monthly reports also helped avoid unnecessary printing. The Group's paper consumption remained stable in 2019 and has decreased by 53% since 2014. Since 2014, per-employee paper consumption has fallen by 49%. Recycled paper or FSC (Forest Stewardship Council) or PEFC (Program for the Endorsement of Forest Certification Schemes) certified paper accounted for 89% of all paper used (92% in 2018). [GRI 301-1 / 301-2](#)

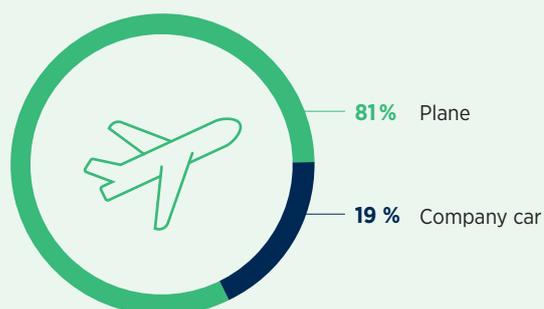


	2014	2017	2018	2019
Paper consumption per employee (kg)	84.9	62.4	42.8	43.2

Business Travel by Employees

The Group's travel policy contains clear accountability rules. It encourages employees to first assess if a journey is necessary, based on environmental impact, work/life balance and budget. Kilometres travelled by company car fell by 10% in 2019, while kilometres of air travel were down by 13%.

[GRI 305-03](#)



	2014	2017	2018	2019
Average number of km travelled by employee	5,241	5,941	5,997	5,390
Total number of km travelled by plane	11,641,766	12,414,826	12,545,797	10,871,113

Waste Management

More and more entities report on their recycled waste each year. Access to waste recycling systems has increased for all types of waste, especially cardboard. The aluminium recycling is increasing every year, while glass and plastic recycling are stable and our recycled paper waste has decreased by 24% compared to 2018 (40% compared to 2014). In addition, the Group recycled more than 11 tons of end-of-life IT equipment in 2019. [GRI 306-2](#)

Waste management GRI 306-2	2018	2019
% of employees with access to a paper recycling system	96%	97%
% of employees with access to a plastic recycling system	57%	58%
% of employees with access to an aluminium recycling system	58%	60%
% of employees with access to a glass recycling system	55%	58%
% of employees with access to a cardboard recycling system	32%	67%
% of employees with access to an organic waste recycling system	25%	25%

COMMITMENT FOR A SUSTAINABLE SOCIETY

IMPORTANT ISSUES

- ▶ **STAKEHOLDER ENGAGEMENT**
- ▶ **PHILANTHROPIC ACTIVITIES**

Collaboration among stakeholders is vital if we all want to operate in a sustainable and responsible manner. United Nations Sustainable Development Goal 17 «Partnerships for the Goals» summarises our efforts to improve the quality and effectiveness of these collaborations.

Stakeholder engagement was identified as one of our core issues as a result of the materiality exercise undertaken in 2014. This theme is a common thread of our report because it is of key importance for our Group to work with our stakeholders to support progress in our sector. We have focused on responsible investment as this is the area where we have the greatest influence and the most resources to contribute.

Based on the expertise and experience of the Edmond de Rothschild Foundations, which are managed completely independently from the Group, we offer employees opportunities to make a specific contribution to concrete projects as a way to use our know-how for the common good.

SINCE 2013 :



176

people mentored

88

start-ups supported

271

employees, approximately, engaged in philanthropic programs



See the "[Our commitment for a sustainable society](#)" appendix for more information about our stakeholder engagement.

2020 OBJECTIVES

Progress follow-up

Participate in and contribute to responsible investment initiatives and events GRI 102-12



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Participate in events geared specifically to responsible investment
- ✓ Completion and launch of the responsible investment online training course

Implement an evaluation and engagement process for suppliers as part of our Responsible Purchasing Policy GRI 102-9



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Update the supplier database in the evaluation and engagement process
- ✓ Roll out the Responsible Purchasing Charter Group-wide and send it to all new suppliers in France and Switzerland
- ✓ Validation by the Executive Committee and roll-out of a Group Responsible Purchasing Policy

Roll out the Community Engagement Charter and encourage sites to put in place philanthropic programs GRI 102-43 413-1



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Validation of the Community Engagement Charter
- ✓ Philanthropic programs to facilitate expertise patronage
- ✓ Regular review of philanthropic activities

Review the mapping of the Group's main stakeholders and the list of engagement activities GRI 102-42 / 102-43



PROGRESS MADE BETWEEN 2015 AND 2019

- ✓ Monitor stakeholder changes according to strategic priorities and ongoing initiatives

The Edmond de Rothschild Group's commitment to client engagement

With a tradition of family commitment that goes back to the 19th century, we firmly believe that sharing our vision and experience with our clients, their families and future generations is part of our mission. For any philanthropist, learning from and with others is the best way to build their vision and design their own impact strategy.

For decades philanthropy has been reinventing itself in response to new generations who seek to maximise their social impact in the long term, even if this means testing hybrid models that borrow from both investment and entrepreneurship.

In this developing ecosystem we at the Edmond de Rothschild group believe it is our responsibility to help clients build their own commitment path and choose the mark they wish to leave on the world. Thus we help them define their strategy to make an impact and scale up. We share with them the experience of Edmond de Rothschild Foundations which, true to the pioneering spirit of our tradition, are moving the boundaries of philanthropy. Like them we believe that it is together, by building bridges and developing disruptive and collaborative business, we can have a lasting impact on society and future generations.

Collaboration with responsible investment stakeholders

See page 11 for the details of our responsible investment collaborations with our stakeholders.

[G4-DMA FS4](#)

OTHER PHILANTHROPIC PROGRAMS INVOLVING EDMOND DE ROTHSCHILD GROUP EMPLOYEES

Supporting Female Entrepreneurship in Mozambique with "Mais Mulheres"

In 2019, the Edmond de Rothschild Group and the Foundations joined forces to support a female entrepreneurship program in the province of Niassa in north Mozambique. A group crowdfunding campaign was launched, bringing together almost 300 employees from different geographical locations, and the Rothschild family's private foundations pledged to match the total collected. Thanks to this show of solidarity Mais Mulheres, a six-month support program for 120 women from Niassa, Mozambique, was launched. [GRI 413-1](#)

Youth Support Activities with Opej

Each year the Edmond de Rothschild OPEJ Foundation takes 150 children and teenagers from 27 different cultures into its homes. On the occasion of a solidarity day, in 2019, some 20 employees visited the Maison d'enfants de l'OPEJ in Maubuisson, in Saint-Ouen l'Aumône. They helped the educators empty attic space in preparation for a future refurbishment that will create new indoor and outdoor spaces for the children. In December, the Christmas Tree initiative collected 116 toys which employees donated to the association's Maison des familles et des cultures. The Foundation also received €15,000 from the proceeds of a furniture sale. [GRI 413-1](#)

Experience sharing programs for the benefit of the Edmond de Rothschild Foundations

The Edmond de Rothschild Foundations are family foundations managed completely independently from the Edmond de Rothschild Group. However, links have been built between the two so that skills and experience can be shared in the context of specific programs, enabling our employees to share our vision and knowledge to open up new opportunities. For more information on the Foundations, see pages 56-59. [GRI 413-1](#)



In 2019, Edmond de Rothschild employees were able to share their expertise through the following programs.

SINGA Acceleration

SINGA Acceleration is a 12-month leadership and support program for refugee entrepreneurs and entrepreneurs working in refugee reception who are in the process of scaling up their activities. The companies selected receive five months of tailored support, including strategy and finance mentoring, peer to peer learning, meetings with investors and the provision of a work space for 5 months. Group employees provide them with access to their network and expertise, specifically in the areas of fundraising, communications and project management.

In 2019: 8 start-ups received support from 12 employees. GRI 413-1

CRECE / UnLtd Spain

The CRECE program supports engaged and socially responsible entrepreneurs in Spain. Jointly created in 2015 by UnLtd Spain and the Edmond de Rothschild Foundations, they are working to achieve inclusive growth through entrepreneurship. The tailored support that is provided fosters high quality exchanges between the entrepreneurs and the Group's employees. In 2019, the partnership was expanded to accelerate the change dynamic at the level of the Spanish economy, getting all players on board: impact start-ups, major companies, academics and the public sector. Three key sectors are targeted: health, sustainable food and intelligent cities. Of the start-ups accelerated, 5 operating in the intelligent cities sector received the support of 15 employees in 2019. **GRI 413-1**

TEKHNE / Liberté Living-Lab

The TEKHNE acceleration program is aimed at entrepreneurs from different backgrounds who are committed to civic and social technology innovation and are looking to develop organisational models for the common good. These ambitious initiatives, be they in response to the major challenges of education, employment, the environment, health or public service innovation, need to be supported and assisted. The successful candidates receive 12 months' support based on their specific needs, including access to the technical experts at the forefront of the Liberté Living-Lab ecosystem (Big Data, Blockchain, Artificial Intelligence, Virtual Reality) and support from Group employees.

In 2019: 8 start-ups received support from 17 employees. GRI 413-1

École de la Philanthropie

École de la Philanthropie (Philanthropy School) is working to train a new generation of enlightened and committed citizens in a world which is undergoing multiple social, ecological and political crises. The association teaches children between the ages of 8 and 11 how they can contribute to the public interest, both at school and in their life outside school. The civic engagement program combines an awareness phase and an action phase in support of a cause chosen by the children. Each year employees of the Edmond de Rothschild Group are invited to commit to the program for one year, speaking to the children in the classrooms and helping them identify and approach associations they would like to work with.

In 2019: 10 employees worked with 8 classes. GRI 413-1

EDMOND DE ROTHSCHILD FOUNDATIONS



CO-CREATING THE FUTURE

The Edmond de Rothschild Foundations push the boundaries of philanthropy. At this incredible think tank, we develop innovative and disruptive collaboration models. Through an entrepreneurial approach, we support sustainable initiatives serving a society based on inclusion and diversity. We build numerous bridges with civil society, the private sector and public institutions. It is working together that we will have a more lasting impact.

The Edmond de Rothschild Foundations coordinate an innovative ecosystem based on four areas of excellence:

- ▶ ARTS
- ▶ ENTREPRENEURSHIP
- ▶ HEALTHCARE
- ▶ EXPERTISE IN PHILANTHROPY



At the Edmond de Rothschild Foundations, we are more committed than ever during this Covid-19 crisis period. Our primary mission of empowerment, inclusion and cooperation has never before been as crucial as it is today. Thanks to our ecosystem, we are able to work on several fronts: the Fondation Adolphe de Rothschild Hospital continues to tackle the health crisis with unprecedented urgency and efficiency. At the same time, the Edmond de Rothschild ecosystem released exceptional funding for equipment and research, both in Europe and in Israel. We continue to support socially-minded entrepreneurs through our philanthropic network so that this health crisis is also a driver for change. We are creating solutions to fight against the digital divide which has been dramatically highlighted by the school closures. Lastly, in the current context of economic uncertainty and social malaise, we amplify the voices of our partners who promote solidarity and equity.

Firoz Ladak

CEO of the Edmond de Rothschild Foundations



A PHILANTHROPIC TRADITION WITH A CURRENT IMPACT

The Edmond de Rothschild Foundations' long-standing commitment to philanthropy dates back to the 19th century. Each generation has maintained a tradition of donations, supporting the social needs and artistic trends of their period, extending from social housing and medicine, to the arts and education. The philanthropic initiatives of one generation inspire the following, leading each generation to find innovative and creative solutions to meet the social challenges.

Today, the Edmond de Rothschild Foundations identify the most inspiring projects and most innovative partners, managing risks, supporting, advising and transmitting tools and methods, and assessing impacts in order to ensure continuous returns over time. Their philanthropic engagement and desire for social transformation is based on the implementation of an entrepreneurial strategy.

Donations are inspired by generosity and come from the heart. Philanthropy must maintain this focus on others. However, it is just as important to aim for efficiency and sustainability. For this, the Edmond de Rothschild Foundations support and forge innovative models, and use their entrepreneurial approaches to improve society.

Some of the United Nations Sustainable Development Goals (SDGs) are at the heart of the Foundations' missions, contributing to building a more sustainable and resilient world.

<p>The Edmond de Rothschild Foundations' Entrepreneurial hub contributes to the following SDGs:</p>	3	4	5	6	8	9	10
<p>The Edmond de Rothschild Foundations' Health hub contributes to the following SDGs:</p>	3	17					
<p>The Edmond de Rothschild Foundations' Arts hub contributes to the following SDGs:</p>	3	4	8	10			
<p>The Edmond de Rothschild Foundations' Expertise in Philanthropy contributes to the following SDGs:</p>	3	4	5	6	8	9	10

ENTREPRENEURSHIP : SUSTAIN, TRANSFORM, CONVERGE



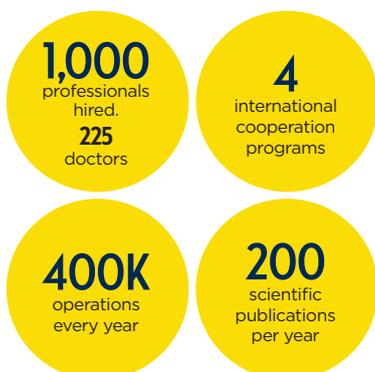
MISSION

- **Identifying** the high potential impact entrepreneurs and accelerating their upscaling with customised support programs;
- **Supporting** convergence between market economy players and impact entrepreneurship by mobilising and bringing together academic research, investors, major companies and entrepreneurs;
- **Creating** an active community of leaders for change;
- **Promoting** sustainable capitalism that combines performance and general interest.

In Portugal, Maze X is a pan-European accelerator dedicated to upscaling impact companies, co-founded in 2019 by the Edmond de Rothschild Foundations and the Calouste Gulbenkian Foundation. This unique support program combines strategic and financial mentoring, access to a broad panel of corporate partners and a roadshow across Europe. 9 companies were accelerated in 2019 in various sectors of activity (circular economy, inclusion, agriculture and sustainable fashion) and €1.5 million was raised between August and December 2019. The Edmond de Rothschild Foundations had the honour of welcoming the entrepreneurs from the first cohort to the 2019 ChangeNOW Summit, a major international summit for a more sustainable world.

On an international scale, the Ariane de Rothschild Fellowship (AdRF) program is a unique network of entrepreneurs and actors for change from minorities in Europe and North America. Every year, it brings fellows together around a program combining business training, leadership and humanist reflection. In 2019, the program celebrated its 10th anniversary in Portugal in partnership with the Calouste Gulbenkian Foundation. On this occasion, 22 Legacy Fellows were selected from the 9 previous cohorts and brought together in Lisbon around the theme of strategic leadership. This rich week culminated in a privileged discussion with Mr Marcelo Rebelo de Sousa, the President of Portugal.

HEALTH : SEE, THINK, RESEARCH



MISSION

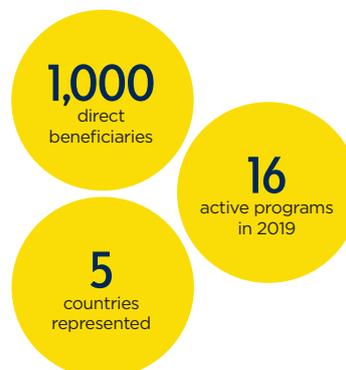
- **Defending** access to high-quality healthcare for all within the Fondation Ophtalmologique Adolphe de Rothschild Hospital, the first Paris hospital that was free and open to everyone, inaugurated in 1905;
- **Supporting** and disseminating research work in neurosciences and ophthalmology and relaying innovation;
- **Initiating** sustainable cooperation models based on the transfer of medical skills to emerging countries.

In 1905, Baroness Julie de Rothschild inaugurated the first Paris hospital - the Fondation Ophtalmologique Adolphe de Rothschild (FOR) - that was not only free but was open to everyone, regardless of religious or political affiliation. Today, this institution is a global benchmark in the hyper-specialised areas of neuroscience and ophthalmology. This founding symbol is a model of excellence, which has set itself the mission of defending access to high-quality healthcare for all, supporting and disseminating research work and relaying innovation, notably in the fields of artificial intelligence and genetics.

ARTS : UNVEIL, UNITE, INCLUDE

MISSION

- **Continuing** the Rothschild family's visionary direction of cultural philanthropy serving inclusion, social transformation and personal development;
- **Promoting** education through the transmission of arts among famous or emerging artists and audiences with little knowledge of their artistic culture or practices;
- **Developing** external cultural mediation actions to initiate a community participation process which catalyses the ability to act individually or collectively;
- **Boosting** the activism of art scenes and fostering professional, social and political commitment in favour of diversity in all its forms.



In 2019, the Edmond de Rothschild Foundations launched Premier(s) Pas (First Steps), an unprecedented initiative for professional dancers, conceived with the choreographers Abou and Nawal Lagraa. Premier(s) Pas focuses on unique training and career management support and the creation of a work in two acts, disseminated from 2020 in major contemporary dance venues (Festival Suresnes Cités Danse, Théâtre National de Chaillot, etc.).

EXPERTISE IN PHILANTHROPY : INSPIRE, UNITE, COLLABORATE

MISSION

- **Disseminating** philanthropic values by raising awareness among young people;
- **Amplifying** the impact of the programs by bringing together foundations, donors, experts, academics and practitioners around the exchange of good practices and a positive societal transformation;
- **Promoting** transversality and pluralism for more efficient philanthropy, as a vector of innovation.



Created in 2011, the École de la Philanthropie aims to promote philanthropic actions, specifically targeting schools and educational institutions, in order to promote the emergence of an individual and collective civic conscience focusing on the general interest. Since 2011, over 30,000 children have taken part in the École de la Philanthropie. In 2019, the launch of a digital platform enabled the program to be extended to the entire country - mainland France and the overseas departments and territories - with over 2,000 participating schools, compared to 60 in 2018.



EDMOND DE ROTHSCHILD HERITAGE

The Edmond de Rothschild art of living has been passed down from generation to generation for over a century, in estate wineries, farms, restaurant kitchens and the different hotels where every guest receives a particularly warm welcome.

This art of living is based on the know-how of passionate artisans who use traditional techniques to sublimate the terroir and reveal the typical regional flavours. It also draws on a deep respect for humanity and nature, a respect which is essential to maintain the wide-ranging culinary palettes of flavours, bold combinations and exceptional experiences.

Each Edmond de Rothschild Heritage project is created with a keen concern for the environment: our teams are committed to showing that a company's performance is perfectly compatible with a responsible environmental and social approach. Hereafter a few examples.



*Ariane de Rothschild and Alexis de La Palme
Allée de Château Clarke, May 2019*

“ More and more, we impose rigorous environmental specifications to our partners. Setting an example is often more effective than giving instructions... That is what I endeavour to do with the internal Edmond de Rothschild Heritage teams in order to raise awareness. It is not always easy to change habits. To push back the boundaries, you need to start with small actions, such as distributing free isotherm bottles or replacing plastic goblets with glasses. These changes may seem insignificant, but little by little they get every employee involved: green initiatives from employees may lead to changes in terms of vision and strategy.

Alexis de La Palme

Chairman, Edmond de Rothschild Heritage Management Board



WINE: PRIORITISING RESPECT FOR THE LAND

At Château Clarke, where vines, wines and gardens unite in symbiosis, Fabrice Darmaillacq (Technical Director since 2016) and his teams practice reasoned viticulture that is gentle, precise and respectful. Respect for employee health and the environment is linked to the Company's economic sustainability. Chemical weed killers and CMR (Carcinogenic, Mutagenic and Reprotoxic) substances are prohibited, and replaced by natural and mechanical alternatives. Observation of the plots is promoted so as to intervene at the most appropriate time with suitable doses.

In September 2019, this philosophy and wine-making method, which are part of Château Clarke's DNA, were rewarded with HVE3 (Haute Valeur Environnementale de niveau 3 - High Environmental Value Level 3) certification. This label is the most demanding of the farming environmental certification systems, set up by the Agriculture Ministry. It is a proactive approach based on 4 key themes: biodiversity preservation, phytosanitary strategy, fertiliser management, and management of water resources.

HOSPITALITY: RETURN TO BASICS

For several years, the Mont d'Arbois facilities have undertaken a long-term environmental approach. The family's two emblematic hotels, Les Chalets du Mont d'Arbois and the Four Seasons Hotel Megève, banned the use of single-use plastic in 2019. Plastic has gradually been replaced by natural biodegradable materials in all restaurant-related activities.

The "Green Committee" program set up by the Four Seasons Group encourages each hotel to rethink its everyday organisation and equipment in order to make it more environmentally-friendly. The aim is to raise employee awareness on the issues of sustainability including food waste and glass, plastic and aluminium can recycling. Numerous actions such as the recycling of soap and paper straws have already been carried out.

LE CELLIER: AN ECOLOGICAL AND MILITANT APPROACH

James de Rothschild acquired the Ferrières estate in 1829 to preserve one of the green spaces in the Ile de France region. Two centuries later, this same environmental concern encouraged the Edmond de Rothschild Heritage farm company to inaugurate its direct selling outlet. Located at the heart of the 30 Arpents estate, Le Cellier sells all products from the farm (farmhouse cheese, butter, homemade terrines, honey, mead, etc.), family wines and a selection of regional specialities. From farm to table, this choice of marketing attests to an ecological and militant commitment.

Beyond preserving the authentic taste of farmhouse products, direct selling limits the pollution from goods transport. Supplies, which mainly come from the Briard area, benefit from a low environmental footprint and an almost zero ecological footprint.



Selling directly to consumers also supports farmers by letting them live decently from their work. For this reason, Le Cellier has selected several regional artisans to add to its offering: briard pastry, brie flour, fruit juice and soup, Meaux mustard, etc. The principle is not to list the specialities of the Briard area, but to support the local economy, promote seasonal produce and support artisans.

Thanks to direct selling, the Compagnie fermière sets its own prices and carries out its activity independently. It contributes to a better recognition of the work of its farmers, breeders, cheese makers, beekeepers, etc. From a

social viewpoint, it is also the opportunity to promote the creation of ties between farmers and consumers. These contacts, as part of a direct selling approach, often trigger increased awareness of the environmental impacts of agriculture, and even changes in behaviours: consumption of seasonal produce, acceptance of aesthetically imperfect products, etc.

By giving meaning back to both production and consumption, Le Cellier has real potential in terms of sustainable consumption.

GITANA 2020

A Skipper Duo at the Helm of the Maxi Edmond De Rothschild and an entire team supporting them

Since the origins of Gitana, and a fortiori with the creation of the Gitana Team in 2000 by Ariane and Benjamin de Rothschild, team spirit and transmission of know-how are the fundamental values underpinning the family's sailing commitment. People management is a key performance factor for technological and human challenges faced by the Gitana Team, at the same level as technical and sporting aspects. It is key to managing the team.

Bringing two great sailors together with a common objective: this choice surprised many people. However, within Gitana, this unusual scenario quickly became obvious, as the personalities and complicity of the two skippers were a perfect fit: "When we began interviews to look for a new skipper, these two were, of course, individuals. But very quickly we looked to the duo as the major sporting event of the 2019 season was a two-handed transatlantic race. The timing to take this on was tight and we needed to be competitive compared to the strong line-up! For this race, the Franck / Charles duo fairly quickly became evident as both immediately indicated their wish to work together. Then, as the discussions continued, we saw another outlook taking shape. That of a two-man team over the long term, for the 2019-2023 program, with the solo races being shared out", explained Cyril Dardashti, Director of Gitana.

It should be recalled that the Maxi Edmond de Rothschild is a 32 metre giant that is ahead of its time; the first racing maxi-trimaran designed to fly over the high seas, Gitana 17 breaks the rules, amazes and astounds those that cross its wake or even better have the chance to fly onboard!

At the origin of this boat, there is a strong conviction: that the future of ocean racing will be flying. The project is fantastic, but everything remains to be done. From dream to reality, the road is long and sometimes difficult. Falling, getting up and continuing to achieve its goals: the Gitana Team had to be resilient over the last few years. At the end of 2019, the perseverance of Ariane and Benjamin de Rothschild and the hard work of Cyril Dardashti and his team finally showed results with the first major victory of this boat that Charles Caudrelier calls magic!



“

I am very pleased to welcome Franck

Cammas and Charles Caudrelier to the Gitana Team and more generally to our Group. This choice represents the combination of two great talents and expresses our desire to plan successions in all of our activities. Over the last two years, with the arrival of the Maxi Edmond de Rothschild in our family line, Gitana has entered another dimension, that of flying boats. The very complementary profiles of our two sailors will be a major strength to support the development of this fabulous unit. On a daily basis, I am deeply convinced that the strength of the team and the announcement of this skipper duo at the helm of Gitana 17 will attest to this.

Declared Ariane de Rothschild.

”





2020 , The Attempt on the Jules Verne Trophy

The Maxi Edmond de Rothschild is a prototype, a true innovation laboratory that is constantly evolving. Preparing and discovering new ground are the very essence of this flying maxi-trimaran for which studies were launched in 2014 and which was commissioned in 2017. In order to reduce fossil fuels consumption, the five arrow team is working to develop more responsible solutions.

Thus, after its resounding victory last December during the Brest Atlantiques, a 14,000 nautical mile (26,000 kilometres) round trip from Brest to Brest via Rio de Janeiro and Cape Town in South Africa, the Gitana Team set itself another major challenge this year.

For the first time in its history, the five arrow team will attempt the Jules Verne Trophy. A round-the-world trip in teams via the three capes (from West to East), No-stop and without assistance, the Jules Verne Trophy is the ultimate challenge. It is simply the fastest round-the-world yacht race and from 1 November – the start date of their weather stand-by period – Franck Cammas and Charles Caudrelier, along with four team members will aim to improve the record of 40 days 23 hours held by Francis Joyon.



“ Attempting to beat this prestigious record is very ambitious, and no other boat has managed so far to beat the record on its first attempt! We would be delighted, with Charles, to disrupt things and achieve it, but there is a bit of luck involved in every record. It is not just the boat and men but the environment which lets us go faster around the planet, and we can't manage that as well.

Rappelait Franck Cammas.

“ The challenge of going under the symbolic barrier of 40 days, or half as long as Jules Verne's 80-day round-the-world trip which inspired this magnificent record, is incredible. With this boat – the Maxi Edmond de Rothschild – which in my opinion has all the qualities to mark the history of ocean racing, we really want to do it ! ”

Confides Charles Caudrelier.



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GRI 102-5	4	No	
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DMA: Disclosure on Management Approach voir le site: <https://www.globalreporting.org/Pages/default.aspx>

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INDEPENDENT LIMITED ASSURANCE REPORT ON THE SELECTED SOCIAL AND ENVIRONMENTAL DATA AND INFORMATION OF THE EDMOND DE ROTHSCHILD GROUP SUSTAINABILITY REPORT 2019

GRI 102-56

We have been engaged to perform assurance procedures to provide limited assurance on the selected social and environmental data and information of the 2019 Sustainability Report of Banque Privée Edmond de Rothschild and its consolidated subsidiaries ("Edmond de Rothschild group") published in the Sustainability Report 2019.

Scope and subject matter

Our limited assurance engagement focused on the selected social and environmental data and information disclosed in the Sustainability Report of the Edmond de Rothschild group for the year ended on 31 December 2019:

Selected social and environmental information and indicators:

- Business ethics and compliance training in the three main entities: number of training hours, number of employees who attended at least one Ethics & Compliance training session, average number of training hours per employee and total number of participants on page 21;
- Number of training hours, percentage of employees who attended at least one training course, women as a percentage of employees trained and average number of training hours per employee on page 26 and 28;
- Headcount, percentage of employees on permanent contracts, percentage of employees on short-term contracts and percentage of employees on part-time contracts on page 27;
- Recruitments and departures and average age of employees on page 27;
- Annual performance review, promotion and internal mobility on page 28;
- Diversity - Gender breakdown, women in senior management, diversity in the supervisory board/Board of Directors, diversity in the Executive Committee and number of nationalities on page 29;
- Total energy consumption per source and per employee on page 52;
- Paper consumption per employee and per paper category on page 53;
- Business travel on page 53;
- Total Group assets managed according to a responsible investment strategy (in CHF million) and percentage of Group assets managed according to a responsible investment strategy on pages 31 and 32;
- Edmond de Rothschild Asset Management assets under management according to a responsible investment strategy (CHF million and percentage of assets under management) on page 40;
- Percentage of assets managed by Edmond de Rothschild Asset Management (France) according to responsible investment strategies and Percentage of assets managed by Edmond de Rothschild Asset Management (France) covered by a carbon footprint on page 31;
- Involvement of employees in the various social commitment programmes on pages 55 - 57.

The management and reporting processes to collect and aggregate the social and environmental data as well as the control environment in relation to the data aggregation of these indicators.

Criteria

The management reporting processes with respect to the reporting process and selected social and environmental indicators were prepared by the Edmond de Rothschild group based on the Edmond de Rothschild Group 'social reporting protocol' and 'environmental and societal reporting protocol' (hereinafter 'guidelines') in accordance with the 'GRI Standards' published in October 2016 by the Global Reporting Initiative (hereafter referred to as the 'suitable Criteria').

Inherent limitations

The accuracy and completeness of selected social and environmental indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the GHG emissions is subject to inherent uncertainty because of incomplete scientific knowledge used to determine GHG emission factors and the values needed to combine e.g. emissions of different gases. Our assurance report should therefore be read in connection with Edmond de Rothschild group's guidelines, definitions and procedures on the reporting and the suitable Criteria.

Edmond de Rothschild's responsibility

The Board of Directors of the Edmond de Rothschild group is responsible for both the subject matter and the suitable criteria as well as for the selection, preparation and presentation of the selected social and environmental data and information in accordance with the suitable criteria. This responsibility includes the design, implementation and maintenance of related internal control relevant to this reporting process that is free from material misstatement, whether due to fraud or error.

Our independence and quality controls

We are independent of Edmond de Rothschild Group in accordance with the International Code of Ethics for Professional Accountants (including

International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) that are relevant to our audit of the financial statements and other assurance engagements in Switzerland. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion on whether anything has come to our attention to indicate that the identified social and environmental indicators selected and contained in this report are not stated, in all material respects, in accordance with the suitable criteria.

We planned and performed our procedures in accordance with the International Standard on Assurance Engagements (ISAE 3000) (Revised) 'Assurance engagements other than audits or reviews of historical financial information', and, in respect of greenhouse gas emissions, with the International Standard on Assurance Engagements (ISAE 3410) 'Assurance Engagements on Greenhouse Gas Statements'. These standards require that we plan and perform the assurance engagement to obtain limited assurance on the identified sustainability information prepared, in all material aspects, in accordance with Edmond de Rothschild Group's internal policies and procedures.

A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement. The procedures selected depend on the assurance practitioner's judgement.

Summary of the work performed

Our assurance procedures included, amongst others, the following work:

- *Evaluation of the application of Group guidelines*

Reviewing the application of Edmond de Rothschild Group's internal sustainability reporting guidelines;

- *Management inquiry*

Interviewing personnel responsible for internal sustainability reporting and data collection at Edmond de Rothschild Corporate level;

- *Assessment of the key figures*

Performing tests on a sample basis of the evidence supporting selected social and environmental indicators regarding their completeness, accuracy, adequacy and consistency. We have selected a sample of entities, as follows: French Hub: Edmond de Rothschild (France) in Paris; Swiss Hub: Edmond de Rothschild (Suisse) S.A. in Geneva and Luxembourg Hub: Edmond de Rothschild (Europe) in Luxembourg. These Edmond de Rothschild entities represent, on a consolidated basis, 82% of the Group's workforce and between 68% and 88% of selected social and environmental information.

We have not conducted any work on data other than outlined in the subject matter as defined above. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

CONCLUSION

Based on our work described in this report, nothing has come to our attention that causes us to believe that the social and environmental data and information outlined in the scope and subject matter section has not been prepared, in all material aspects, in accordance with the suitable criteria.

PricewaterhouseCoopers AG

Stephan Hirschi

Konstantin Meier



Geneva, 24 July, 2020

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