



LEA 02	Disclosures	Monetary	Gateway	Principle PRI 1,2,3
<p>By providing investors the ability to make informed decisions on investments for which they are responsible, investors can contribute to the achievement of the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement. This is done through the use of the engagement process, which allows investors to influence the behavior of companies and other entities in which they have invested.</p> <p>Investors should consider the impact of their investments on the environment, society, and governance (ESG) factors, and should engage with companies and other entities to address any material ESG risks.</p>	<p>Individual/ internal staff engagements</p>	<p>Collaborative engagements</p>	<p>Service provider engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's material ESG areas</li> <li><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or other support</li> <li><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG areas</li> <li><input type="checkbox"/> To influence corporate transition or identify the need for additional or other support</li> <li><input type="checkbox"/> We do not engage in internal staff</li> <li><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG areas</li> <li><input type="checkbox"/> To influence corporate transition or identify the need for additional or other support</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> <li><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG areas</li> <li><input type="checkbox"/> To influence corporate transition or identify the need for additional or other support</li> <li><input type="checkbox"/> We do not engage in service provider engagements</li> <li><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG areas</li> <li><input type="checkbox"/> To influence corporate transition or identify the need for additional or other support</li> </ul>

# RI TRANSPARENCY REPORT

## 2013/14

Rothschild & Cie Gestion Group

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

## PRI disclaimer

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	✓	Private							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	✓	Private	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Private							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓						✓
SAM 07	Appointment considerations (listed assets)	✓	Private				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	🔒	n/a		✓					
SAM 10	Selection processes (non-listed assets)	🔒	n/a	✓						✓
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	🔒	n/a	✓						✓
SAM 13	Description of RI considerations in 'other' asset classes	✓	Private	✓						✓
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						✓
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	✓	Private		✓					
SAM 16	Disclosure of RI considerations	✓	Public							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
LEI 02	Description of ESG incorporation	✓	Private	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Description of ESG integration	✓	Private	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓					✓

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	🔒	n/a		✓					
LEA 02	Reasoning for interaction on ESG issues	🔒	n/a	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 04	Objectives for engagement activities	🔒	n/a		✓					
LEA 05	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 06	Objectives for engagement activities	🔒	n/a		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	🔒	n/a	✓	✓					
LEA 10	Tracking number of engagements	🔒	n/a		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	🔒	n/a		✓					
LEA 12	Engagements on E, S and/or G issues	🔒	n/a		✓					
LEA 13	Companies changing practices / behaviour following engagement	🔒	n/a		✓					
LEA 14	Examples of ESG engagements	🔒	n/a		✓					
LEA 15	Disclosure of approach to ESG engagements	🔒	n/a		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Private		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	✓	Public		✓					
LEA 19	Confirmation of votes	✓	Private		✓					
LEA 20	Securities lending programme	✓	Private		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Private		✓					
LEA 24	Shareholder resolutions	✓	Private		✓					
LEA 25	Examples of (proxy) voting activities	✓	Private		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

# Rothschild & Cie Gestion Group

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Other, specify

Execution and advisory only services

OO 02

Mandatory

Peering

General

OO 02.1 Select the location of your organisation's headquarters.

France

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

202



**OO 02.4** Additional information. [Optional]

It includes Rothschild& Cie Gestion (RCG), Rothschild HDF Investment Solutions (RHIS) and Rothschild HDF Investment Advisors (RHIA) entities.

**OO 03** **Mandatory** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

**OO 03.3** Additional information. [Optional]

Rothschild and Cie Gestion Group is a PRI signatory on behalf of all its subsidiaries, in particular Rothschild HDF Investment Solutions.

**OO 04** **Mandatory** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

31/12/2013

**OO 04.2** Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		23	626	000	000
Currency	EUR				
Assets in USD		31	120	027	550

**OO 04.3** Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 06** **Mandatory** **Descriptive** **General**

**OO 06.1**

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	10-50%
Fixed income – corporate	10-50%	<10%
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	<10%
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	10-50%	0
Other (1), specify	0	0
Other (2), specify	0	0

Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

**Gateway asset class implementation indicators**

OO 10	Mandatory	Gateway	General
-------	-----------	---------	---------

<b>OO 10.1</b>	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.
----------------	--

- We incorporate ESG issues into investment decisions on our internally managed assets
- We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- None of the above

<b>OO 11</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
--------------	------------------	----------------	----------------

<b>OO 11.1</b>	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.
----------------	--

- Fixed income – corporate
- Cash
- None of the above

<b>OO 11.2</b>	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.
----------------	--

- Fixed income – corporate
- Hedge funds
- None of the above

<b>OO 11.3</b>	Additional information. [Optional]
----------------	------------------------------------

Having signed in 2011 we first focus on ESG analysis for our European Large Cap equities, trying to develop an RI approach for other asset classes on a very pragmatic and progressive way.

For RHIS (which encompasses the traditional and alternative multimanagerment businesses), we include ESG criteria and RI approach in the annual Due diligence questionnaire that we submit to all external asset managers and on all funds we invest in. It contributes to the overall assessment we make on an external asset manager and the fund.

<b>OO 12</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
--------------	------------------	----------------	----------------

<b>OO 12.1</b>	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.
----------------	---

**Core modules**

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- (Proxy) voting

**RI implementation via external managers**

Indirect - Selection, Appointment and Monitoring of External Managers

- Fixed Income - Corporate
- Hedge funds

**Closing module**

- Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# Rothschild & Cie Gestion Group

## Reported Information

## Public version

## Overarching Approach

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
-------	-----------	-----------------------	---------

**OA 01.1** Indicate if you have a responsible investment policy.

- Yes  
 No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes  
 No

**OA 01.3** Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

The RI approach of Rothschild& Cie Gestion Group is simple, pragmatic and progressive. Currently this approach mainly concerns the European large-cap equity investment process and in a lesser extent RHIS expertise. In 2012, RCG Group has created a subsidiary Rothschild HDF Investment Solutions (RHIS) to integrate its stake in HDF, a new subsidiary where all multimangement (alternative and long only) activities has been grouped. In RHIS a first reflection was conducted on how to apply RI in the multimangement space.

European Large Cap Equity Investment Managers' expertise at Rothschild& Cie Gestion is based on a fundamental, active and conviction investment approach. Since 2011, the UN-PRI have been integrated in compliance with the traditional drivers of investment performance, i.e. return-oriented and focused on the quality of the asset management of companies it invests in.

The Equity team integrates qualitative extra-financial analysis of each company into the financial analysis. This aims to improve the relevance and efficiency of the fundamental research framework. ESG criteria are directly integrated into the analytical process and communicated to the Fund Manager.

More recently a layer of exclusion has been added to our investment policy.

OA 02	Mandatory	Core Assessed	PRI 6
-------	-----------	---------------	-------

**OA 02.1** Indicate if your responsible investment policy is publicly available.

- Yes

**OA 02.2** Provide a URL to your responsible investment policy.

URL

<http://www.rothschildgestion.fr/>

No

**OA 02.3** Indicate if your other policies or guidance documents related to responsible investment are publicly available.

Yes

Yes, all

Yes, some

**OA 02.4** List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Voting policy	<a href="http://www.rothschildgestion.fr/">http://www.rothschildgestion.fr/</a>

No

**OA 03** **Mandatory** **Core Assessed** **PRI 1,2**

**OA 03.1** Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Engagement/active ownership policy <input type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

<b>OA 03.2</b>	Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]
----------------	---

The exclusion policy (in particular Land mines and cluster bombs) covers all direct listed equities managed by RCG.

The exclusion policy based on the UN Global Compact's principles only covers European large Cap Equities which are part of our investment list.

Currently, our responsible investment policy only covers European large Cap Equity expertise.

We have started to develop an RI approach for the Multi-management business.

Voting policy : it only covers listed equities with the following coverage : French securities included in the SBF 120 index. It also includes some European equities when a dedicated mandate requires it.

<b>OA 04</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>General</b>
--------------	------------------	----------------------	----------------

<b>OA 04.1</b>	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
----------------	---

Yes



In general, Rothschild& Cie Gestion Group's employees must respect ethics rules published by the AFG (Association Française de Gestion), the French Association of Asset Management. The employees of the company must pay particular attention to client interests.

At all times, employees of the company must strive to manage clients' interests efficiently, with loyalty, neutrality and discretion. They must strive to manage the assets, both collectively and individually, of which they are in charge, with complete independence. In this respect and at all times, choices regarding which stocks to buy or sell and the date of purchase and sale must be conducted only in the client's best interests.

The Markets in Financial Instruments Directive ("MiFID") requires targeted firms to put in place a policy dealing with conflicts of interest. Such policies must take into account any circumstances which may give rise to a conflict of interest as a result of the structure and business activities of other companies in the firm's group. Therefore the Rothschild Group has put in place a detailed dedicated procedure in order to identify and anticipate cases in which a conflict of interest may arise.

By "conflict of interest" Rothschild& Cie Gestion Group means "any professional situation in which evaluation or decision-making power of an employee, a company or an association can be influenced or affected in its independence or integrity by a third-party personal opinion or lobby".

The Group relies upon the existence of robust and clear "Chinese Walls" to prevent conflicts of interest arising between separate lines of business. The Chinese Wall ensures that the Bank can conduct its different activities independently from each other, thereby avoiding situations that could lead to a conflict of interest.

There are three broad categories of conflict of interest relevant to Rothschild& Cie Gestion Group:

The first type of conflict is one which might arise between clients of separate lines of business knowing that the Group has three activities: Investment banking, private banking and asset management;

The second type of conflict is one which might arise between clients in the same line of business;

The third type of conflict is one which might arise between an employee's family or personal life and their professional function.

Resolving potential conflicts of interest : Our overriding principle is to act in the best interests of the client. At times, there may be competing interests that make it difficult for Rothschild to fulfil our duties impartially. Members of staff must discuss material conflicts with their relevant compliance function as soon as they arise and escalate as appropriate in accordance with their local business procedures. In addition to procedures for reviewing and discussing conflicts on a case-by-case basis there are additional procedures that may be implemented, as appropriate for each business line, to allow us to demonstrate that a particular type of conflict is being appropriately managed and monitored. All these procedures are designed to maintain the confidentiality of sensitive information and address real or perceived conflicts of interest.

No

## Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
-------	-----------	-----------------------	---------

**OA 05.1** Indicate if your organisation sets objectives for its responsible investment activities.

Yes

**OA 05.2** Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year  
 Less than once per year

**OA 05.3** Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly  
 Biannually  
 Annually  
 Every two years or less  
 It is not reviewed
- No

**OA 05.4** Additional information. [Optional]

A project manager for RI implementation has been appointed to manage the progress of the RI approach within the organisation. She reports to the CEO and covers all the entities of the RCG Group. At least once a year an action plan is set-up and updated which identifies areas of progress within the firm and for each investment expertise. It determines clear actions to be achieved. This is reviewed by the Management Committee formally and decisions are implemented over the next 12 months.

## Governance and human resources

OA 08	Mandatory	Gateway/Core Assessed	General
-------	-----------	-----------------------	---------

**OA 08.1** Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
- Other role, specify
  - Project Manager**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify

OA 08.2

Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

1.4

OA 08.3

Additional information. [Optional]

1.2 corresponds to the part time (15%) of the following people :

For European Equity large cap :

- 5 analysts in European large Cap Equity
- 1 financial engineer to support analysts and who is responsible for voting policy implementation
- 2 portfolio managers European Large Cap Equity

For multi-management business : this is included in the fund analysts' workload

Project Manager : 15% of her workload

## Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

Yes

OA 10.2

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

### Select all that apply

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

No

OA 11	Mandatory	Core Assessed	PRI 4
-------	-----------	---------------	-------

**OA 11.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes
- No

# Rothschild & Cie Gestion Group

## Reported Information

### Public version

#### Indirect – Manager Selection, Appointment and Monitoring

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

SAM 02	Mandatory	Core Assessed	PRI 4
--------	-----------	---------------	-------

**SAM 02.1** Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

- Yes  
 No

SAM 03	Mandatory	Gateway	General
--------	-----------	---------	---------

**SAM 03.1** Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Fixed income - corporate	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Hedge funds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**SAM 03.2** Additional information. [Optional]

For the bulk of our funds investing in externally managed funds :

The internal RI rating contributes to the overall assessment of an underlying fund. It derives from the selection process and the due diligence questionnaire sent to the external asset managers every year. There is no minimum rating arising from the RI analysis leading to an exclusion policy from the underlying fund. It is mainly used as an investment criteria which contributes qualitatively to the final investment decision.

Only for our thematic fund investing in responsible investment funds :

Our approach goes further at the appointment and monitoring steps. We want to make sure that the funds we invest in comply with the objectives they have assigned.

**Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)**

## Overview

SAM 05

Mandatory

Gateway

PRI 1,2

SAM  
05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

### Active investment strategies

Active investment strategies	FIC	
Screening	<input type="checkbox"/>	
Thematic	<input type="checkbox"/>	
Integration	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

SAM  
05.2

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	FIC
We engage directly or via service providers on our externally managed assets	<input type="checkbox"/>
We require our external managers to engage on our behalf	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>

SAM  
05.4

Additional information. [Optional]

The assessment is based on a rating given to each fund in which RHIS invests in. The rating which is given is based on a qualitative assessment of the integration or application of an RI policy by external fund managers.

## Selection



SAM 06	Mandatory	Core Assessed	PRI 1-6
--------	-----------	---------------	---------

**SAM 06.1** Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

General

	FIC	
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>	
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>	
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>	
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>	
Discuss the role managers have played in collaborative initiatives	<input type="checkbox"/>	
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>	
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>	
Discuss the type of ESG reporting you expect	<input type="checkbox"/>	
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>	
Other general aspects in your selection process, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

ESG incorporation

		<b>FIC</b>	
Evaluate the quality and coverage of ESG research used by managers		<input type="checkbox"/>	
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues		<input type="checkbox"/>	
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance		<input checked="" type="checkbox"/>	
Other ESG incorporation issues in your selection process, specify		<input type="checkbox"/>	
None of the above		<input type="checkbox"/>	

<b>SAM 06.2</b>	Provide additional information relevant to your organisation's selection approach for listed assets. [Optional]
-----------------	---

This in-depth and detailed analytical phase is only relevant and applicable for the investment process of our thematic fund invested in responsible investment funds

## Monitoring

<b>SAM 08</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
---------------	------------------	----------------------	--------------

<b>SAM 08.1</b>	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:
-----------------	---

General
---------

	FIC	
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>	
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>	
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input type="checkbox"/>	
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	<input type="checkbox"/>	
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" type="checkbox"/>	
Other general aspects of your monitoring, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

### ESG incorporation

	FIC	
Request information on ESG incorporation in specific investment decisions	<input checked="" type="checkbox"/>	
Other ways you monitor ESG incorporation, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

## Communication

SAM 16

Mandatory

Core Assessed

PRI 6

**SAM 16.1**

Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.

- Yes, we disclose information publicly
- Yes, we disclose information to clients/beneficiaries only
- We do not proactively disclose information to the public and/or clients/beneficiaries

# Rothschild & Cie Gestion Group

## Reported Information

### Public version

#### Direct - Listed Equity Incorporation

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
--------	-----------	-----------------------	-------

LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

#### ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)



- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined
- No incorporation strategies applied

Total actively managed listed equities

100%

**LEI 03.2**

Describe your primary reasons for choosing a particular ESG incorporation strategy.

We are primarily an active high conviction investment management company. Our ESG approach is justified by two main reasons:

1- We have started the implementation very recently (mainly from 2012) with a very pragmatic approach. Our objective was to encompass all the bulk of managed assets and not just have a "best in class" fund managed separately beside a flagship fund range.

2- We do not want to alter the heart of our investment process and our key investment beliefs which have been successful over the past years.

This is why the integration of ESG criteria into the existing investment process was the most appropriate way to give a responsible investment approach to our traditional approach.

**LEI 03.3**

If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]

Financial analysts have structured their work according to a Bottom-up approach which consists first in identifying a set of investment opportunities (with no constraints). Then the extra-financial analysis is broken down into 3 steps :

1- Exclusion criteria : we ban companies that have land Mines& Cluster munitions activities and identify companies that are subject to controversies or do not respect principles in the field of human rights, labour, environment and anti-corruption, criteria which are mainly derived from the UN Global Compact's ten principles.

2- Qualitative analysis : For each criteria E, S and G, specific strengths and weaknesses are identified for each company depending on the sector.

3- Quantitative analysis : a score is attributed to each company, based on the independent ESG rating provided by EIRIS.

These 3 steps leads to the ESG analysis summary : for each company included in our investment list the analysts have developped a one-pager.

Finally, companies in our investment list are analysed from a dual perspective: both financial and extra-financial analysis. In the Fund Manager investment decision, the key point is to understand the « convexity » of a given investment i.e. its ability to offer a greater upside compared to its downside. Extra-financial criteria are particularly useful at this step to identify material sources of risks and the extra-financial analysis is going to limit or comfort the decision to invest in a security.

## (A) Implementation: Screening

LEI 06

Mandatory

Descriptive

PRI 1

**LEI 06.1**

Indicate and describe the type of screening you apply to your internally managed active listed equities.

**Type of screening**

- Negative/exclusionary screening

**Screened by**

- Product  
 Activity  
 Sector  
 Country/geographic region  
 Environmental and social practices and performance  
 Corporate governance

**Description**

Exclusion is limited to companies activities if they are in the sector of land mines and cluster munitions.

- Positive/best-in-class screening  
 Norms-based screening

**Screened by**

- UN Global Compact Principles  
 Universal Declaration of Human Rights  
 International Labour Organization Conventions  
 United Nations Convention Against Corruption  
 OECD Guidelines for Multinational Enterprises  
 Other, specify

**Description**

Based on the data and research provided by EIRIS which are updated on a regular basis, we can identify any controversies affecting companies which are in our investment list.

Analysts regularly review this information and may adapt investment recommendations consequently.

<b>LEI 06.2</b>	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
-----------------	---

Land mines and cluster munitions : on a yearly basis

UN Global Compact Principles : on a yearly basis and more frequently if an issue is arising

We do not notify investors. Most of the time, any buy / sell decision is described in the monthly fact sheet / fund manager commentary, or quarterly investment committee in case of a dedicated mandate.

<b>LEI 07</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
---------------	------------------	----------------------	--------------

<b>LEI 07.1</b>	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.
-----------------	---

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

**(C) Implementation: Integration of ESG issues**

<b>LEI 11</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
---------------	------------------	----------------------	--------------

<b>LEI 11.1</b>	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
-----------------	---



ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

## Communication

LEI 18

Mandatory

Core Assessed

PRI 2,6

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

- We disclose it publicly
- We disclose it to clients and/or beneficiaries only

LEI 18.3

Indicate the information your organisation proactively discloses to clients/beneficiaries regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 18.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
- Between quarterly and annually
- Less frequently than annually
- Other, specify
- We do not proactively disclose it to the public and/or clients/beneficiaries

LEI 18.5

Additional information. [Optional]

We disclose information to clients upon request and in particular in the framework of quarterly investment meeting review.

# Rothschild & Cie Gestion Group

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## (Proxy) voting and shareholder resolutions

### Process

LEA 17

Mandatory

Descriptive

PRI 2

LEA  
17.1

Indicate how you typically make your (proxy) voting decisions and what this approach is based on.

#### Approach

- We use our own research or voting team and make our own voting decisions without the use of service providers.
- We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.
- We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.

#### Based primarily on

- the service provider voting policy signed off by us
- our own voting policy
- our clients requests or policy
- other, explain
- We hire service provider(s) which make voting decisions on our behalf.

LEA  
17.2

Additional information.[Optional]

For dedicated mandates to institutions, we can implement a specific policy voting based on their requests

LEA 18

Mandatory

Descriptive

PRI 2

LEA  
18.1

Of the voting recommendations that your service provider made in the reporting year, indicate what percentage your organisation reviewed, and the reasons for the review.

#### Percentage of voting recommendations your organisation reviewed

- >20%
- 5-20%
- 1-5%
- <1%

#### Reasons for review

- Specific ESG issues
- Votes where a significant level of ownership is held
- Votes against management or abstentions
- Conflicts of interest
- Corporate actions such as M&A, disposal, etc.
- Other, explain

LEA 21	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
----------	---

- Yes, in most cases
- Sometimes, in the following cases:
- No
- Not applicable as we and/or our service providers do not abstain or vote against management recommendations

## Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
----------	---

- We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

96

	Specify the basis on which this percentage is calculated
--	--

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

<b>LEA 22.2</b>	If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]
-----------------	--

If it happens that we do not vote, this is mainly for external reasons and on an involuntary basis :

We do not exercise our voting rights when:

- The time-frame for immobilising securities is inconvenient and would be detrimental to the management of the portfolio;
- We have insufficient time to analyse the contents of the resolutions and/or recommendations, due to the delays in receiving information;
- The high cost of exercising voting rights justifies abstention and is in the interest of the shareholders (ex.: Portugal and Denmark).

We do not track or collect this information

## Communication

<b>LEA 26</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2,6</b>
---------------	------------------	----------------------	----------------

<b>LEA 26.1</b>	Indicate if your organisation proactively discloses information on your voting activities.
-----------------	--

- We disclose it publicly
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

<b>LEA 26.6</b>	Additional information. [Optional]
-----------------	------------------------------------

We only provide this information in the framework of dedicated mandates and if there is an explicit information request from the investor.